

Morning Report

Global Markets Update - 12 June 2023

US Markets

Equity markets closed higher on Friday, with both the S&P 500 and Dow Jones up +0.1% and NASDAQ up +0.2% amid bets the Fed is nearing the end of its hiking cycle despite swaps traders now pricing in roughly a one-third chance of a Fed hike next week, and almost 90% odds of one in July after an unexpected rate hike by the central banks of Canada and Australia last week.

European Markets

European equity markets closed lower on Friday, with the Stoxx Europe 600 down -0.1% and German DAX down -0.3%. The U.K. FTSE 100 declined -0.5%, amid political turmoil in the U.K. with Boris Johnson quitting his seat in the U.K. Parliament and attacking the policies of the current Prime Minister, Rishi Sunak.

Asian Markets

Asian equity markets closed higher on Friday, with the Shanghai Composite up +0.6%, after data which revealed China's inflation remained close to zero in May with CPI rising +0.2% y/y and PPI declining -4.6% y/y on the back of lower commodity prices and weak domestic and foreign demand, spurred calls for the central bank to cut interest rates. The Hang Seng pared some intraday gains to close +0.5% higher, amid concerns over rising U.S.-China tensions after the White House acknowledged the existence of Chinese spy facilities in Cuba, saying their presence dates back to the Trump administration and that Beijing continues to push to expand them. KOSPI gained +1.2%. Nikkei 225 gained +2.0%, following a report BOJ officials see little need to adjust its yield curve control program at a policy meeting next week given improvement in the functioning of the bond market and the smooth shape of the yield curve.

WTI oil is trading at US\$70.17 a barrel. Iron ore price is at US\$106.50 per ton. Spot gold is trading at US\$1961 per oz.

ASX Market Update

ASX performance. The S&P/ASX 200 closed +0.3% higher on Friday

Nickel Industries Ltd (NIC) surged +13.3%, after entering into a conditional share subscription agreement for a A\$943m placement of shares to PT United Tractors Tbk, through its subsidiary, PT Danusa Tambang Nusantara, at 27.2% premium to the last traded price

Today's trading. In Japan, PPI data is anticipated.

ASX Performance

	1D Chg (%)	5D Chg (%)
ASX/S&P 200	0.3%	-0.3%
ASX/S&P All Ords	0.3%	-0.3%

By Sector

	1D Chg (%)	5D Chg (%)
Banks	0.2%	-1.2%
Insurance	0.5%	0.3%
Diversified Financials	0.4%	-0.7%
Real Estate	0.0%	-2.9%
Consumer Discretionary	0.6%	-0.5%
Industrials	-0.3%	-1.2%
Telcos	-0.2%	-1.0%
Utilities	-0.4%	1.1%
Healthcare	-0.2%	-1.2%
Consumer Staples	0.0%	-0.3%
Energy	-0.3%	0.4%
Metals & Mining	1.0%	2.0%

ASX200 Top 5

	Price (A\$)	1D Chg (%)
NICKEL INDUSTRIES LTD	0.98	13.3%
IMUGENE LTD	0.10	7.5%
WEST AFRICAN RESOURCES LT	0.89	5.3%
CHAMPION IRON LTD	6.31	4.5%
SANFIRE RESOURCES LTD	6.02	3.6%

ASX200 Bottom 5

	Price (A\$)	1D Chg (%)
JOHNS LYNG GROUP LTD	6.16	-4.0%
HEALIUS LTD	3.14	-3.4%
NOVONIX LTD	1.04	-3.3%
LAKE RESOURCES NL	0.48	-3.1%
LOVISA HOLDINGS LTD	18.20	-3.0%

Market Valuations

	PE-Multiple	Div. Yield
ASX200	14.5.x	4.3%
FTSE 100 Index	10.4.x	4.2%
DAX Index	11.3.x	3.5%
CAC 40 Index	12.7.x	3.3%
S&P 500 Index	19.7.x	1.6%
Dow Jones Ind. Avg	17.5.x	2.1%
NASDAQ	27.9.x	0.8%
NZX All Ords	23.3.x	3.4%
HANG SENG Index	9.6.x	3.7%
NIKKEI 225	25.1.x	1.9%
Shanghai Composite	11.2.x	3.1%

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	Units	Current Value	Price Performance (% Chg)			
			1-day	1-month	6-months	1-year
Developed Markets Equities						
Dow Jones	USD	33,877	0.1%	1.7%	-0.4%	7.9%
S&P 500	USD	4,299	0.1%	4.2%	7.7%	10.2%
NASDAQ Composite	USD	13,259	0.2%	7.9%	19.0%	16.9%
Stoxx Europe 600	EUR	460	-0.1%	-1.2%	5.3%	8.8%
FTSE 100 (UK)	GBP	7,562	-0.5%	-2.5%	1.6%	3.3%
DAX (Germany)	EUR	15,950	-0.3%	0.2%	11.5%	15.9%
CAC (France)	EUR	7,213	-0.1%	-2.7%	8.5%	16.6%
Nikkei 225	JPY	32,265	2.0%	9.8%	15.9%	16.0%
ASX 200	AUD	7,123	0.3%	-1.8%	-0.8%	2.7%
ASX 200 Futures	AUD	7,095	-0.4%	-2.4%	-0.7%	5.1%
Emerging Markets Equities						
MSCI Emerging Markets	USD	1,002	0.8%	3.0%	4.0%	-5.0%
Hang Seng (HK)	HKD	19,390	0.5%	-1.2%	-0.4%	-11.1%
Shanghai Composite	CNY	3,231	0.6%	-1.3%	1.6%	-1.6%
Korea	KRW	2,641	1.2%	6.7%	11.3%	1.7%
Taiwan	TWD	16,886	0.9%	8.9%	15.6%	2.6%
Brazil	BRL	1,17,020	1.3%	7.9%	11.1%	10.9%
Bombay Stock Exchange (India)	INR	62,626	-0.4%	1.0%	0.8%	15.3%
South Africa	ZAR	71,602	-0.1%	-1.9%	4.9%	16.7%
Foreign Exchange						
AUD / USD	Currency	0.6742	0.4%	-0.3%	-0.8%	-5.0%
AUD / GBP	Currency	0.5359	0.2%	0.0%	-3.3%	-5.7%
AUD / EUR	Currency	0.6271	0.6%	1.6%	-2.8%	-6.2%
AUD / CNY	Currency	4.8051	0.7%	2.6%	2.1%	0.9%
Commodities						
LME ALUMINUM 3MO (\$)	USD/mt	2,268	0.6%	-2.2%	-8.6%	-17.9%
LME COPPER 3MO (\$)	USD/mt	8,372	0.3%	-2.6%	-2.0%	-12.9%
LME NICKEL 3MO (\$)	USD/mt	21,170	0.2%	-9.9%	-28.1%	-24.5%
Platinum Spot \$/Oz	USD/oz	1,012	-0.3%	-8.8%	-1.5%	3.8%
Palladium Spot \$/Oz	USD/oz	1,329	-2.6%	-15.7%	-32.1%	-31.1%
SILVER FUTURE Jul23	USD/oz	24.41	0.3%	-5.7%	1.4%	8.2%
ICE Newc Coal Fut Aug23	USD/mt	146.65	-0.7%	-17.6%	-56.6%	-41.7%
Iron Ore Spot Price Index 62% (CFR Qingdao Port)	USD/t	106.50	2.1%	2.0%	3.4%	-20.6%
Gold Spot \$/Oz	USD/oz	1,961	-0.2%	-3.6%	9.1%	6.1%
WTI Oil	USD/bbl	70.17	-1.6%	-4.7%	-2.6%	-29.0%
Henry Hub	USD/mmBtu	1.85	-11.9%	-16.7%	-62.9%	-77.3%
Corn	USD/Bu	604.25	-1.0%	-5.9%	-4.8%	-21.8%
Wheat	USD/Bu	630.25	0.6%	0.0%	-11.6%	-41.2%
Fixed Interest						
10-Yr Bond Yield						
Australia	AUD	3.95%	-1.5%	14.5%	19.8%	9.5%
U.S.	USD	3.74%	0.6%	6.3%	4.5%	22.9%
Germany	EUR	2.38%	-1.0%	1.1%	23.0%	66.2%
Japan	JPY	0.43%	-2.5%	0.2%	66.8%	70.1%
Italy	EUR	4.11%	-1.7%	-3.9%	7.2%	14.2%
Australian Rates						
Cash Rate	AUD	4.10%	6.5%	6.5%	32.3%	1071.4%
90-Day BBSW	AUD	4.21%	-0.2%	8.6%	34.5%	176.8%
180-Day BBSW	AUD	4.49%	-0.4%	11.7%	26.5%	91.9%
CBOE Options						
CBOE VIX (Volatility Index)	Index	13.83	1.3%	-18.8%	-44.7%	-50.2%

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