

# USA Market Outlook - 06 June 2023

Following the rally seen to close out the previous week, stocks turned in a relatively lackluster performance during trading on Monday. The major averages spent the day bouncing back and forth across the unchanged line.

The major averages eventually finished the session in negative territory. The Nasdaq edged down 11.34 points or 0.1 percent to 13,229.43 and the S&P 500 dipped 8.58 points or 0.2 percent to 4,273.79, while the narrower Dow slid 199.90 points or 0.6 percent to 33,562.86.

With the surge, the Nasdaq reached its best closing level in well over a year, while the S&P 500 set a new nine-month closing high.

Most of the major sectors showed only modest moves on the day, although considerable weakness was visible among networking stocks.

The NYSE Arca Network Index tumbled by 2.1 percent after ending last Friday's trading at its best closing level in well over a month.

Oil service stocks also saw considerable weakness despite an increase by the price of crude oil, dragging the Philadelphia Oil Service Index down by 1.9 percent. Semiconductor, computer hardware and tobacco stocks also saw notable weakness, while some strength was visible among utilities and software stocks.

Service sector activity in the U.S. saw only modest growth in the month of May, according to a report released by the Institute for Supply Management on Monday, with the index of activity in the sector falling by more than expected.

The ISM said its services PMI fell to 50.3 in May from 51.9 in April, although a reading above 50 still indicates growth in the sector. Economists had expected the index to edge down to 51.5.

The Commerce Department released a report on Monday showing new orders for U.S. manufactured goods increased by slightly less than expected in the month of April. The report said factory orders rose by 0.4 percent in April after climbing by a downwardly revised 0.6 percent in March.

The yield on the US 10-year Treasury note reversed early gains to trade around 3.7%, as recent data raised some concerns about the resilience of the economy. ISM Services PMI showed a bigger-than-expected slowdown in services activity last month while factory orders rose much less than market forecasts.

Last week, the payrolls report painted a mixed scenario, with the economy adding a remarkable 339K jobs in May while the unemployment rate rose by 0.3 percentage points to 3.7% and hourly wage growth slowed.

Top Gainers		
Name	Last Price (\$)	%Change
Bath & Body Works Inc.	\$39.80	5.54%
Fortinet Inc.	\$71.27	4.61%
Paycom Software Inc.	\$305.93	4.30%
Expedia Group Inc.	\$106.90	3.52%
Caesars Entertainment Inc.	\$46.25	3.10%

Top Losers		
Name	Last Price (\$)	%Change
EPAM Systems Inc.	\$203.25	-21.72%
C.H. Robinson Worldwide Inc.	91.40	-6.42%
Intel Corp.	29.86	-4.63%
3M Co.	\$97.98	-4.44%
Dollar General Corp.	\$158.87	-4.36%

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