

Morning Report

Global Markets Update - 11 July 2023

US Markets

Equity markets closed higher overnight, with the Dow Jones up +0.6%, and both S&P 500 and NASDAQ gaining +0.2%, as investors digested remarks from a slew of Fed speakers with Michael Barr, Mary Daly and Loretta Mester saying the bank will need to raise interest rates further this year, while Raphael Bostic noting officials can be patient amid evidence of an economic slowdown.

European Markets

European equity markets closed higher overnight, with the Stoxx Europe 600 and German DAX closing +0.2% and +0.4% higher, respectively, as ECB Governing Council member Joachim Nagel said the bank can get inflation under control without causing severe damage to the economy. The U.K. FTSE 100 gained +0.2%, after BOE Governor Andrew Bailey said Britain's inflation rate is likely to drop "markedly" this year, and the full impact of interest rate increases has yet to hit the economy.

Asian Markets

Asian equity markets closed mixed overnight, with the Shanghai Composite up +0.2% and Hang Seng up +0.6%, as data which revealed China's consumer inflation rate was flat y/y in June, the weakest rate since February 2021, while factory-gate prices fell further with PPI declining -5.4% y/y, the deepest pace since December 2015, fueled concerns about deflation risks and added to speculation about potential economic stimulus, with real estate stocks gaining following PBOC's announcement China will extend policies to support cash-strapped developers and shore up the ailing real estate sector, including allowing the postponement of loan repayments by a year. KOSPI was down -0.2%. Nikkei 225 declined -0.6%, as Japan's 10-year break-even inflation rate, which signals what investors expect inflation to average over the next decade, climbed to 1.16%, a level unseen since November 2014.

WTI oil is trading at US\$73.18 a barrel. Iron ore price is at US\$107.12 per ton. Spot gold is trading at US\$1925 per oz.

ASX Market Update

ASX performance. The S&P/ASX 200 closed -0.5% lower yesterday.

Monadelphous Group Ltd (MND) gained +4.0%, following a broker upgrade to buy

Today's trading. In Australia, consumer confidence data is anticipated.

ASX Performance

	1D Chg (%)	5D Chg (%)
ASX/S&P 200	-0.5%	-3.3%
ASX/S&P All Ords	-0.5%	-3.2%

By Sector

Banks	-0.1%	-2.6%
Insurance	-0.5%	-1.2%
Diversified Financials	-0.5%	-4.1%
Real Estate	-0.7%	-3.0%
Consumer Discretionary	-0.5%	-4.9%
Industrials	-0.9%	-3.4%
Telcos	-0.6%	-2.0%
Utilities	-0.5%	-0.9%
Healthcare	-0.7%	-4.0%
Consumer Staples	-1.0%	-3.0%
Energy	-0.5%	-2.1%
Metals & Mining	-0.7%	-4.3%

ASX200 Top 5

	Price (A\$)	1D Chg (%)
MONADELPHOUS GROUP LTD	11.99	4.0%
SILVER LAKE RESOURCES LTD	1.10	3.3%
DE GREY MINING LTD	1.38	3.0%
REGIS RESOURCES LTD	2.00	2.8%
BLOCK INC - CDI	98.95	2.7%

ASX200 Bottom 5

	Price (A\$)	1D Chg (%)
ST BARBARA LTD	0.27	-5.4%
IMUGENE LTD	0.09	-4.3%
TABCORP HOLDINGS LTD	1.09	-3.1%
SOUTH32 LTD	3.56	-3.0%
MAGELLAN FINANCIAL GROUF	8.38	-2.9%

Market Valuations

	PE-Multiple	Div. Yield
ASX200	14.6.x	4.3%
FTSE 100 Index	10.3.x	4.3%
DAX Index	11.2.x	3.5%
CAC 40 Index	12.7.x	3.3%
S&P 500 Index	20.2.x	1.6%
Dow Jones Ind. Avg	18.7.x	2.1%
NASDAQ	28.4.x	0.8%
NZX All Ords	24.2.x	3.3%
HANG SENG Index	9.3.x	3.9%
NIKKEI 225	19.9.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	33,944	0.6%	0.2%	0.7%	8.3%
S&P 500	USD	4,410	0.2%	2.6%	12.5%	13.1%
NASDAQ Composite	USD	13,685	0.2%	3.2%	27.4%	17.6%
Stoxx Europe 600	EUR	448	0.2%	-2.5%	0.6%	7.5%
FTSE 100 (UK)	GBP	7,274	0.2%	-3.8%	-5.5%	1.1%
DAX (Germany)	EUR	15,673	0.4%	-1.7%	6.1%	20.4%
CAC (France)	EUR	7,144	0.4%	-1.0%	4.0%	18.4%
Nikkei 225	JPY	32,190	-0.6%	-0.2%	21.7%	20.1%
ASX 200	AUD	7,004	-0.5%	-1.7%	-2.7%	6.1%
ASX 200 Futures	AUD	7,009	0.7%	-1.1%	-1.3%	10.0%
Emerging Markets Equities						
MSCI Emerging Markets	USD	981	-0.4%	-2.2%	-3.3%	-1.9%
Hang Seng (HK)	HKD	18,480	0.6%	-4.7%	-13.8%	-12.5%
Shanghai Composite	CNY	3,204	0.2%	-0.9%	1.3%	-3.3%
Korea	KRW	2,521	-0.2%	-4.6%	6.8%	7.7%
Taiwan	TWD	16,653	-0.1%	-1.4%	12.9%	16.1%
Brazil	BRL	1,17,942	-0.8%	0.8%	6.4%	17.6%
Bombay Stock Exchange (India)	INR	65,344	0.1%	4.3%	8.7%	20.1%
South Africa	ZAR	69,098	-0.6%	-3.5%	-3.8%	11.3%
Foreign Exchange						
AUD / USD	Currency	0.6676	-0.2%	-1.1%	-3.1%	-0.9%
AUD / GBP	Currency	0.5190	-0.4%	-3.8%	-8.5%	-8.4%
AUD / EUR	Currency	0.6069	-0.5%	-3.3%	-5.4%	-9.5%
AUD / CNY	Currency	4.8245	-0.2%	0.0%	3.3%	6.5%
Commodities						
LME ALUMINUM 3MO (\$)	USD/mt	2,146	0.8%	-3.3%	-6.5%	-12.2%
LME COPPER 3MO (\$)	USD/mt	8,371	1.3%	0.9%	-2.5%	7.0%
LME NICKEL 3MO (\$)	USD/mt	20,804	-1.9%	-2.9%	-25.9%	-3.4%
Platinum Spot \$/Oz	USD/oz	932	2.0%	-6.3%	-13.9%	6.7%
Palladium Spot \$/Oz	USD/oz	1,243	-0.6%	-8.2%	-30.3%	-42.2%
SILVER FUTURE Sep23	USD/oz	23.34	0.2%	-5.2%	-3.8%	16.9%
ICE Newc Coal Fut Oct23	USD/mt	144.10	-2.8%	-4.9%	-46.7%	-47.1%
Iron Ore Spot Price Index 62% (CFR Qingdao Port)	USD/t	107.12	-1.7%	2.7%	-4.7%	-2.5%
Gold Spot \$/Oz	USD/oz	1,925	0.0%	-1.7%	2.6%	11.0%
WTI Oil	USD/bbl	73.18	-0.9%	4.1%	-3.1%	-12.7%
Henry Hub	USD/mmBtu	2.48	-1.6%	16.4%	-27.7%	-57.8%
Corn	USD/Bu	572.00	2.1%	-5.3%	-12.7%	-26.5%
Wheat	USD/Bu	636.25	-0.5%	1.0%	-13.0%	-27.6%
Fixed Interest						
10-Yr Bond Yield						
Australia	AUD	4.29%	0.7%	8.6%	15.3%	23.2%
U.S.	USD	4.00%	-1.5%	7.0%	10.5%	29.9%
Germany	EUR	2.64%	0.1%	11.1%	14.4%	96.3%
Japan	JPY	0.46%	7.9%	8.2%	-9.1%	89.3%
Italy	EUR	4.39%	0.7%	6.6%	3.9%	33.4%
Australian Rates						
Cash Rate	AUD	4.10%	0.0%	6.5%	32.3%	382.4%
90-Day BBSW	AUD	4.30%	-0.1%	1.8%	28.7%	113.9%
180-Day BBSW	AUD	4.75%	-0.2%	5.6%	24.4%	68.9%
CBOE Options						
CBOE VIX (Volatility Index)	Index	15.07	1.6%	9.0%	-26.8%	-38.8%

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