

# Morning Report

## Global Markets Update - 3 July 2023

### US Markets

Equity markets closed higher on Friday, with the Dow Jones up +0.8%, with bank stocks rallying as JPMorgan Chase & Co, Wells Fargo & Co and Morgan Stanley announced higher dividends. The S&P 500 was up +1.2% and NASDAQ gained +1.4%, as data revealed US consumer sentiment continued to improve through the end of June, while short-term inflation expectations held at a more than two-year low with consumers expecting 1-yr inflation of 3.3% and 5-10 year of 3%.

### European Markets

European equity markets closed higher on Friday, with the Stoxx Europe 600 up +1.2%, after data revealed euro-area inflation declined in June to the lowest level since before the war in Ukraine broke out with CPI rising +5.5% y/y, however, core-CPI re-accelerated, rising +5.4% y/y, as the cost of services picked up markedly. German DAX was up +1.3% and U.K. FTSE 100 gained +0.8%.

### Asian Markets

Asian equity markets closed mixed on Friday, with the Shanghai Composite up +0.6%, as data which revealed China's economy lost more steam in June with manufacturing activity contracting for a third straight month and home sales tumbling with the value of new home sales by the 100 biggest real estate developers falling -28.1% y/y to 526.74bn yuan, saw PBOC vow to increase support for the economy. The Hang Seng was down -0.1% and KOSPI gained +0.6%. Nikkei 225 declined -0.1%, amid expectations BOJ will raise its inflation forecast next month as data revealed inflation in Tokyo re-accelerated for the second time in three months in June with CPI ex fresh food rising +3.2% y/y.

WTI oil is trading at US\$70.37 a barrel, as the U.S. Energy Department bought 3.2m bbl of oil for the SPR.

### ASX Market Update

ASX performance. The S&P/ASX 200 closed +0.1% higher on Friday.

Link Administration Ltd (LNK) slumped -13.9%, after announcing contract for the provision of fund administration services to industry superannuation fund HESTA will not be renewed when it expires.

Today's trading. In Australia, inflation data from Melbourne Institute is anticipated.

ASX Performance	1D Chg (%)	5D Chg (%)
ASX/S&P 200	0.1%	1.5%
ASX/S&P All Ords	0.2%	1.6%

### By Sector

Banks	0.0%	2.5%
Insurance	0.1%	0.5%
Diversified Financials	0.4%	2.5%
Real Estate	-0.3%	2.6%
Consumer Discretionary	0.3%	2.8%
Industrials	0.5%	1.3%
Telcos	-0.4%	-0.6%
Utilities	0.1%	-1.9%
Healthcare	-0.3%	-0.5%
Consumer Staples	-0.4%	-0.1%
Energy	0.4%	2.0%
Metals & Mining	0.2%	1.0%

ASX200 Top 5	Price (A\$)	1D Chg (%)
DOWNER EDI LTD	4.11	4.3%
ST BARBARA LTD	0.48	3.2%
HEALIUS LTD	3.18	2.9%
COLLINS FOODS LTD	9.83	2.8%
CLEANAWAY WASTE MANAGE	2.59	2.4%

ASX200 Bottom 5	Price (A\$)	1D Chg (%)
LINK ADMINISTRATION HOLD	1.67	-13.9%
ABACUS PROPERTY GROUP	2.69	-3.2%
CENTURIA CAPITAL GROUP	1.65	-2.7%
CENTURIA INDUSTRIAL REIT	3.10	-2.5%
BEGA CHEESE LTD	2.85	-2.4%

Market Valuations	PE-Multiple	Div. Yield
<b>ASX200</b>	<b>14.8.x</b>	<b>4.2%</b>
FTSE 100 Index	10.5.x	4.2%
DAX Index	11.4.x	3.4%
CAC 40 Index	13.1.x	3.2%
S&P 500 Index	20.4.x	1.6%
Dow Jones Ind. Avg	18.8.x	2.1%
NASDAQ	28.7.x	0.7%
NZX All Ords	24.0.x	3.3%
HANG SENG Index	9.5.x	3.8%
NIKKEI 225	20.6.x	1.8%
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
<b>Developed Markets Equities</b>						
Dow Jones	USD	34,408	0.8%	4.6%	3.8%	11.8%
S&P 500	USD	4,450	1.2%	6.5%	15.9%	17.6%
NASDAQ Composite	USD	13,788	1.4%	6.6%	31.7%	25.0%
Stoxx Europe 600	EUR	462	1.2%	2.3%	8.7%	13.4%
FTSE 100 (UK)	GBP	7,532	0.8%	1.1%	1.1%	5.1%
DAX (Germany)	EUR	16,148	1.3%	3.1%	16.0%	26.3%
CAC (France)	EUR	7,400	1.2%	4.2%	14.3%	24.9%
Nikkei 225	JPY	33,189	-0.1%	5.3%	27.2%	28.0%
ASX 200	AUD	7,203	0.1%	0.8%	3.7%	10.1%
ASX 200 Futures	AUD	7,185	0.3%	1.0%	5.0%	13.8%
<b>Emerging Markets Equities</b>						
MSCI Emerging Markets	USD	987	-0.5%	3.0%	3.2%	-1.4%
Hang Seng (HK)	HKD	18,916	-0.1%	-0.2%	-6.1%	-13.5%
Shanghai Composite	CNY	3,202	0.6%	-0.9%	2.7%	-5.5%
Korea	KRW	2,564	0.6%	-1.4%	15.6%	11.2%
Taiwan	TWD	16,916	-0.2%	1.2%	18.9%	17.9%
Brazil	BRL	1,18,087	-0.2%	9.0%	7.6%	19.8%
Bombay Stock Exchange (India)	INR	64,719	1.3%	3.5%	5.6%	22.3%
South Africa	ZAR	70,705	1.6%	1.0%	5.6%	17.6%
<b>Foreign Exchange</b>						
AUD / USD	Currency	0.6660	0.7%	2.4%	-2.1%	-3.5%
AUD / GBP	Currency	0.5245	0.0%	0.3%	-7.1%	-7.5%
AUD / EUR	Currency	0.6104	0.2%	0.3%	-4.3%	-7.3%
AUD / CNY	Currency	4.8339	0.7%	4.6%	2.9%	4.7%
<b>Commodities</b>						
LME ALUMINUM 3MO (\$)	USD/mt	2,160	-0.6%	-3.5%	-10.2%	-12.6%
LME COPPER 3MO (\$)	USD/mt	8,178	-0.9%	0.5%	-2.9%	-2.7%
LME NICKEL 3MO (\$)	USD/mt	20,634	2.9%	-2.5%	-31.8%	-13.2%
Platinum Spot \$/Oz	USD/oz	906	0.8%	-9.3%	-15.7%	1.0%
Palladium Spot \$/Oz	USD/oz	1,230	0.1%	-10.1%	-31.4%	-36.6%
SILVER FUTURE Sep23	USD/oz	22.97	0.8%	-3.5%	-6.6%	8.9%
ICE Newc Coal Fut Oct23	USD/mt	159.25	1.9%	11.1%	-44.6%	-36.1%
Iron Ore Spot Price Index 62% (CFR Qingdao Port)	USD/t	108.92	-0.1%	8.8%	0.3%	-6.7%
Gold Spot \$/Oz	USD/oz	1,919	0.6%	-2.2%	5.2%	6.2%
WTI Oil	USD/bbl	70.37	0.7%	3.1%	-11.3%	-18.2%
Henry Hub	USD/mmBtu	2.50	-7.4%	33.0%	-33.2%	-62.0%
Corn	USD/Bu	556.25	-4.3%	-6.4%	-18.0%	-25.2%
Wheat	USD/Bu	636.25	-2.6%	7.1%	-19.7%	-26.8%
<b>Fixed Interest</b>						
<b>10-Yr Bond Yield</b>						
Australia	AUD	4.02%	3.2%	9.3%	-0.6%	9.9%
U.S.	USD	3.83%	-0.1%	4.0%	-1.0%	27.3%
Germany	EUR	2.39%	-1.0%	2.1%	-7.0%	79.0%
Japan	JPY	0.40%	2.6%	-7.8%	-5.0%	73.6%
Italy	EUR	4.07%	-0.7%	-1.9%	-13.6%	24.8%
<b>Australian Rates</b>						
Cash Rate	AUD	4.10%	6.5%	6.5%	32.3%	1071.4%
90-Day BBSW	AUD	4.36%	0.8%	8.2%	33.3%	136.3%
180-Day BBSW	AUD	4.70%	0.5%	11.6%	24.5%	73.1%
<b>CBOE Options</b>						
CBOE VIX (Volatility Index)	Index	13.59	0.4%	-24.2%	-37.3%	-52.7%

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