

Tuesday May 17, 2022

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Latest news

* **In US economic data**, the New York Empire State manufacturing index fell from +24.6 to -11.6 in May (survey: +17).

* **European sharemarkets** were mixed on Monday with investor sentiment dented by weak Chinese economic data. Luxury good stocks fell with LVMH down 1.1%. But miners rose 1.6%. The pan-European STOXX 600 index was flat. The German Dax index fell by 0.5% while the UK FTSE index lifted by 0.6%. In London trade, shares in Rio Tinto rose by 0.4% while BHP shares lost 0.7%.

* **US sharemarkets** were mixed on Monday. The energy sector rose 2.6% in response to higher crude prices but technology shares eased. Shares in Tesla fell by 5.9% with Amazon down 2.0% and Alphabet (Google) down 1.4%. The healthcare sector advanced 0.7%. Shares in Spirit Airlines rose 13.5% after JetBlue Airways launched a hostile takeover bid for the discount carrier. The Dow Jones index traded in a 586 point range over the session and closed higher by 27 points or 0.1%. The S&P 500 index lost 0.4% and the Nasdaq index fell by 142 points or 1.2%.

* **US treasuries** rose on Monday (yields lower). Chinese economic data was weaker than expected and a gauge of the New York state's factory activity fell sharply in May. US 10-year yields fell by 5 points to near 2.89%. And US 2-year yields fell by 2 points to near 2.57%.

* **Major currencies** were mostly firmer against the US dollar in European and US trade. The Euro rose from lows near US\$1.0390 to highs near US\$1.0440 and was near US\$1.0430 at the US close. The Aussie dollar rose from lows near US68.80 cents to session highs near US69.80 cents and was near US69.70 cents at the US close. And the Japanese yen lifted from 129.60 yen per US dollar to JPY129.00 and was near JPY129.10 at the US close.

* **Global oil prices** lifted by around 2-3% on Monday after gaining 4% on Friday. Despite poor economic data out of China, there was optimism that Covid cases were receding in that country's hardest-hit regions. A city official said Shanghai would re-open on June 1. There also was optimism that the European Union would secure agreement to block Russian oil imports in coming days. The Brent crude price rose by US\$2.69 or 2.4% to US\$114.24 a barrel. And the US Nymex crude price added US\$3.71 or 3.4% to US\$114.20 a barrel.

* **Base metal prices** rose by between 0.8-2.0% on Monday with zinc up the most. But bucking the trend, nickel fell by 2.7%.

* The **gold futures** price rose by US\$5.80 or 0.3% to US\$1,814.00 an ounce. **Spot gold** was trading near US\$1,824 an ounce at the US close. The **iron ore futures** price rose by US\$1.57 or 1.2% to US\$132.50 a tonne.

Ahead: In Australia, weekly consumer confidence data is issued with the Reserve Bank's May 3 Board meeting minutes. In the US, the weekly Johnson Redbook chain store sales data is issued alongside retail sales, industrial production, business inventories and the NAHB housing market index. The Federal Reserve chair participates in a question & answer session.

NEW YORK MON 16 1621 SYDNEY/MELBOURNE TUE 17 0621

Latest Prices

	Level	chg	% chg
US Dow Jones	32223.42	+26.76	0.1
US S&P500	4008.01	-15.88	-0.4
US Nasdaq	11662.79	-142.21	-1.2
UK FTSE	7464.80	+46.65	0.6
German Dax	13964.38	-63.55	-0.5
Toronto Composite	20206.41	+106.6	0.5
ASX24 Futures (night)	7093.00	+24	0.3
ASX200 (yesterday)	7093.00		
Shanghai (yesterday)	3073.75	-10.5357	-0.3
Japan Nikkei (y'day)	26547.05	119.40	0.4
JHX ADRs	27.26	-0.22	-0.8
BHP ADRs	63.47	-0.07	-0.1
Rio Tinto (UK) pence	5337.00	+19	0.4
BHP (UK) pence	2577.00	-19	-0.7
US Volatility (Vix)	27.63		-4.3
Volume traded: NYSE (million)		986.09	

	Current	Aust 4pm
AUD/USD	0.6965	0.6887
EUR/USD	1.0430	1.0401
USD/JPY	129.06	128.99
GBP/USD	1.2316	1.2246
NZD/USD	0.6306	0.6241
AUD/NZD	1.1036	
AUD TWI 4pm	61.7	

Oil Brent (\$US/b)	114.24	2.69	2.4%
Oil Nymex (\$US/b)	114.2	3.71	3.4%
Oil Tapis (\$US/b)	115.12	3.35	3.0%
Spot Gold (\$US/oz)	1823.36		
Gold futures (\$US/oz)	1814.00	5.80	0.3%
Bitcoin (\$US)	29615.55		
Iron Ore futures (\$US/t)	132.50	1.57	1.2%
Thermal coal (\$US/t)	402.50	9.65	2.5%
Coking coal (CNY/t)	2974		
Uranium, weekly (\$US/lb)	54.00	1.00	1.9%
US 10 year (%)	2.8840	-0.05	
US 2 year (%)	2.5718	-0.03	
Aust 10 year (%)	3.35	-0.02	
Aust 3 year (%)	2.93	-0.01	
Aust 90 day futures	98.7	Impl.yld:	1.30%

Aluminium (\$US/t)	2802.75	42.25	1.5%
Copper (\$US/t)	9255.50	70.90	0.8%
Lead (\$US/t)	2077.24	32.89	1.6%
Nickel (\$US/t)	26449.50	-722.00	-2.7%
Zinc (\$US/t)	3564.50	71.25	2.0%
Tin (\$US/t)	34045.00	440.00	1.3%

Sources: Bloomberg; CME Group; Refinitiv.

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