

Fundamentals:

The S&P 500 closed slightly higher on Friday but well below its session high and all three of Wall Street's major averages posted weekly declines as investors worried about interest rates and waited anxiously for upcoming U.S. inflation readings.

Investors worried about rising oil prices and have been fretting ahead of the Consumer Price Index (CPI) for August, due out on Sept. 13, seeking signals about the Federal Reserve's likely moves on interest rates.

While traders bet on a roughly 93% probability the Fed keeps rates at current levels after its next meeting ends on Sept. 20., they are pricing in a more divided 53.5% chance for another pause at the November meeting, according to CME group's FedWatch Tool.

The Dow Jones Industrial Average rose 75.86 points, or 0.22%, to 34,576.59, the S&P 500 gained 6.35 points, or 0.14%, to 4,457.49 and the Nasdaq Composite added 12.69 points, or 0.09%, to 13,761.53.

For the week, which was shortened by Monday's Labor Day holiday, the S&P 500 fell 1.3%, while the Nasdaq lost 1.9% with both snapping two weeks of gains. The Dow fell 0.8%.

Apple managed a small 0.3% gain on Friday, though its close of \$178.18 was about \$2 below its session high as a rally lost steam. The iPhone maker fell sharply in the previous two sessions, pushing down the broader technology sector on news that Beijing had banned central government employees from using iPhones at work.

After losing 2.9% in two sessions, the S&P 500 technology sector closed higher. But energy, up 0.97%, boasted the biggest percentage gains among the 11 S&P 500's industry sectors as oil prices rose.

Defensive utilities sector had a daily gain of 0.96% while the biggest decliner was real estate, which lost 0.63%.

Along with three straight months of gains for crude futures and a positive start to September, this week's economic data also fueled inflation fears. Services activity data came in stronger than expected and weekly jobless claims fell.

Mixed comments from Fed officials have fueled uncertainty. New York Fed President John Williams kept his options open this week, while Dallas Fed President Lorie Logan said that while it "could be appropriate" to keep rates steady at the next meeting, more tightening might be needed.

In individual stocks, Kroger closed up 3% after the retailer beat estimates for quarterly adjusted profit.

Gilead Sciences added 2.8% after BoA Securities upgraded the drugmaker to "buy" from "neutral."

GameStop finished down 6% after a report that the U.S. Securities and Exchange Commission was investigating the videogame retailer's chairman, Ryan Cohen.

Longer-dated U.S. Treasury yields declined on Friday, after comments from a host of Federal Reserve officials pointed toward a pause in the central bank's rate hike cycle, but yields were still on track for a weekly gain.

Recent comments from Fed officials as a whole have indicated the central bank is content to keep rates steady at their next policy meeting on Sept. 19 to 20, but are not ready to declare the war on inflation is over. Investors will get another look at price pressures next week with the release of the consumer price index (CPI) on Wednesday.

The yield on the benchmark U.S. 10-year Treasury note US10YR=RR on Friday shed 1 basis point at 4.256%. The 10-year yield is up about 9 basis points for the week, which would be its largest gain in about a month.

The yield on the 30-year Treasury bond US30YT=RR fell 2 basis points to 4.332%.

Expectations for the Fed to keep rates steady at the next meeting stand at 93%, according to CME's Fedwatch Tool, up from 92% one day ago.

Yields had moved sharply higher earlier in the week as a large influx of corporate supply sapped demand and stronger than expected economic data raised concerns the Fed could have room to continue hiking rates.

A closely watched part of the U.S. Treasury yield curve measuring the gap between yields on two- and 10-year Treasury notes, seen as an indicator of economic expectations, was at a negative 72.4 basis points.

The two-year U.S. Treasury yield, which typically moves in step with interest rate expectations, rose 2 basis points to 4.978%.

The breakeven rate on five-year U.S. Treasury Inflation-Protected Securities (TIPS) was last at 2.312%, after closing at 2.283% on Thursday.

The 10-year TIPS breakeven rate was last at 2.335%, indicating the market sees inflation averaging about 2.3% a year for the next decade.

(Source: Reuters)

Economic Releases	Period	Survey	Actual	Prior	Revised
09/08/2023 22:00	Wholesale Inventories MoM	Jul F	-0.10%	-0.20%	-0.10%
09/08/2023 22:00	Wholesale Trade Sales MoM	Jul	0.20%	0.80%	-0.70%
09/09/2023 00:00	Household Change in Net Worth	2Q	--	\$5494b	\$3026b
09/09/2023 03:00	Consumer Credit	Jul	\$16.000b	\$10.399b	\$17.847b
09/11/2023 23:00	NY Fed 1-Yr Inflation Expectations	Aug	--	--	3.55%
09/12/2023 18:00	NFIB Small Business Optimism	Aug	91.5	--	91.9
09/13/2023 19:00	MBA Mortgage Applications	Sep-08	--	--	-2.90%
09/13/2023 20:30	CPI MoM	Aug	0.60%	--	0.20%
09/13/2023 20:30	CPI Ex Food and Energy MoM	Aug	0.20%	--	0.20%
09/13/2023 20:30	CPI YoY	Aug	3.60%	--	3.20%
09/13/2023 20:30	CPI Ex Food and Energy YoY	Aug	4.30%	--	4.70%
09/13/2023 20:30	CPI Index NSA	Aug	306.98	--	305.691
09/13/2023 20:30	CPI Core Index SA	Aug	309.413	--	308.801
09/13/2023 20:30	Real Avg Hourly Earning YoY	Aug	--	--	1.10%
09/13/2023 20:30	Real Avg Weekly Earnings YoY	Aug	--	--	0.20%

Contract	Close	Change	High	Low
E-Mini Dow SEP 23	34,608.00	85.00	34,660.00	34,443.00
E-Mini S&P SEP 23	4,461.75	8.000	4,477.50	4,443.00
E-Mini NASDAQ SEP 23	15,297.50	34.50	15,390.75	15,223.00
Micro Russell 2K JUN 22	1853.5	-4.3	1863.9	1847.7
USD Nikkei DEC 23	32,580.0	-145.0	32,820.00	32,330.00
Euro Dollar #N/A Invalid Security	0.00	0.000	0.00	0.00
US Dollar Index	105.04	-0.017	105.10	104.66
DJIA	34,576.59	75.860	34,627.85	34,473.57
S&P 500	4,457.49	6.350	4,473.53	4,448.38
NASDAQ	13,761.53	12.700	13,843.37	13,733.18
Nikkei 225	32,606.84	-384.240	32,920.43	32,512.80
Hang Seng	0.00	0.000	0.00	0.00
Straits Times	3,207.75	-18.840	3,225.77	3,204.66
DAX	15,740.30	21.640	15,783.38	15,577.04
CAC	7,240.77	44.670	7,246.74	7,136.56
FTSE100	7,478.19	36.470	7,480.64	7,402.10

Historical Volatility	10 Days	30 Days	60 Days	90 Days
E-Mini Dow Futures	8.34	9.39	9.44	10.34
E-Mini S&P Futures	10.42	11.42	10.67	11.12
E-Mini Nasdaq Futures	11.10	14.80	16.36	18.17

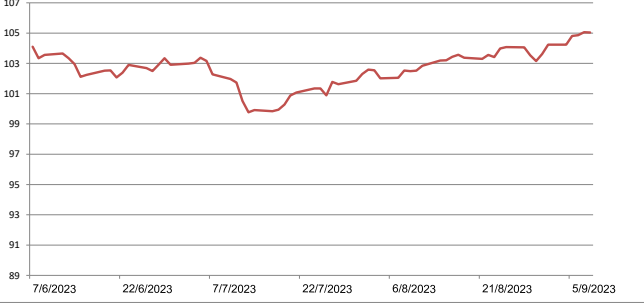
U.S. Government Treasuries Yield



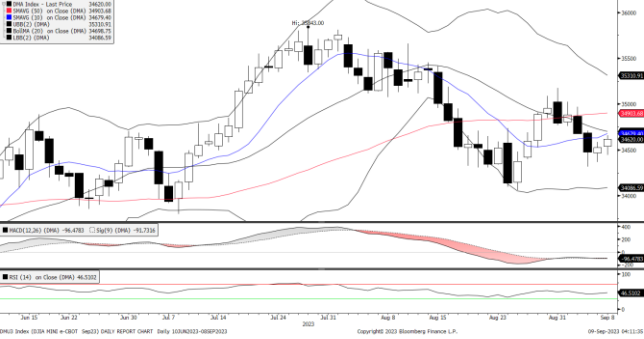
CBOT Volatility Index (VIX)



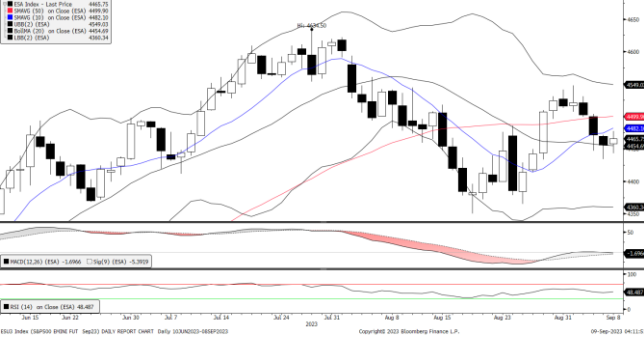
Dollar Index



E-Mini Dow Index Futures Daily Chart



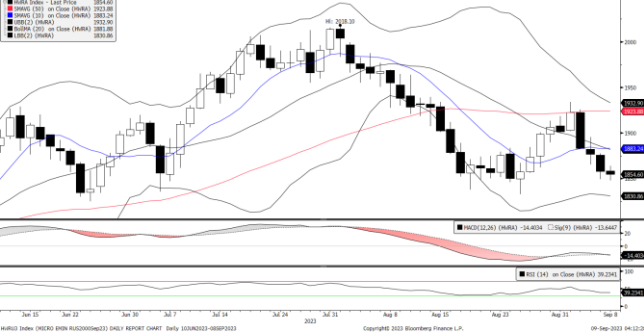
E-Mini S&P 500 Index Futures Daily Chart



E-Mini NASDAQ 100 Index Futures Daily Chart



Micro E-Mini Russell 2000 Index Futures Daily Chart



Technical Analysis

Dow				S&P				Nasdaq				Micro Russell			
1st Resistance:	35127	2nd Resistance:	35646	1st Resistance:	4528.68	2nd Resistance:	4595.60	1st Resistance:	15526.96	2nd Resistance:	15756.43	1st Resistance:	1881.30	2nd Resistance:	1909.11
1st Support:	34089	2nd Resistance:	33570	1st Support:	4394.82	2nd Resistance:	4327.90	1st Support:	15068.04	2nd Resistance:	14838.58	1st Support:	1825.70	2nd Resistance:	1797.90
MACD:	-96.917			MACD:	-1.794101			MACD:	32.419			MACD:	-14.491		
MACD DIFF:	-5.250			MACD DIFF:	3.589208			MACD DIFF:	31.680			MACD DIFF:	-0.829		
RSI:	46.345			RSI:	48.262407			RSI:	51.043			RSI:	39.029		

Strategy

	Long:	Profit target:	Stop-loss:		Long:	Profit target:	Stop-loss:		Short:	Profit target:	Stop-loss:		Short:	Profit target:	Stop-loss:
Dow	34089	34430	33918	S&P	4394.82	4438.77	4372.85	Nasdaq	15068.04	15218.72	14992.70	Micro Russell	1825.7	1843.95	1816.57
					14838.58	14986.96	14764.38								
					1797.90	1815.87	1788.91								

Source: Bloomberg

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