

Fundamentals:

A rally in chip stocks lifted the Nasdaq and S&P 500 to record highs on Monday as investors awaited fresh inflation data, commentary from Federal Reserve Chair Jerome Powell and the start of quarterly earnings season.

Nvidia jumped 2.5%, while Super Micro Computer, which makes AI-optimized servers using Nvidia's chips, rallied almost 9%. Intel rallied almost 6%.

The Nasdaq climbed to a record high, and the S&P 500 rose modestly and also reached a record high.

Traders will scrutinize consumer price data due on Thursday and producer price data expected on Friday to gauge the Fed's progress in fighting inflation.

Investors worry that waiting too long to cut interest rates could damage the labor market and push the economy into a recession. They will closely monitor Powell's semiannual testimony before U.S. Senate and House committees on Tuesday and Wednesday.

"What investors want to hear is a dovish tone and an acknowledgement that the two-sided risks are more evenly balanced today, in particular, with respect to the labor market," said Ross Mayfield, an investment strategy analyst at Baird.

Expectations for interest-rate cuts as early as September grew after Friday's nonfarm payrolls report showed U.S. job growth slowed in June - the latest data to point to weakness in labor market conditions.

Traders now see a greater than 75% chance of a rate cut of at least 25 basis points by September, up from last week's 60%, according to CME's FedWatch.

Citigroup, JPMorgan Chase and Wells Fargo are slated to kick off Wall Street's second-quarter earnings season on Friday. Citigroup shares gained 1.1%, while Wells Fargo lost 1.4%.

Analysts on average see S&P 500 companies increasing their aggregate earnings per share by 10.1% in the second quarter, up from an 8.2% increase in the first quarter, according to LSEG I/B/E/S.

The S&P 500 was last up 0.06% at 5,570.68 points.

The Nasdaq gained 0.20% to 18,389.54 points, while the Dow Jones Industrial Average was down 0.08% at 39,345.56 points.

Of the 11 S&P 500 sector indexes, six rose, led by information technology, up 0.59%, followed by a 0.23% gain in materials. Consumer services fell almost 1%, dragged down by a 1.8% dip in Meta Platforms.

Paramount Global fell more than 3% after it agreed on Sunday to merge with Skydance Media, scripting a new chapter for one of Hollywood's oldest studios.

Planemaker Boeing gained 0.3% after agreeing to plead guilty to a criminal fraud conspiracy charge and pay a fine of \$243.6 million to resolve a U.S. Justice Department investigation into two fatal 737 MAX crashes.

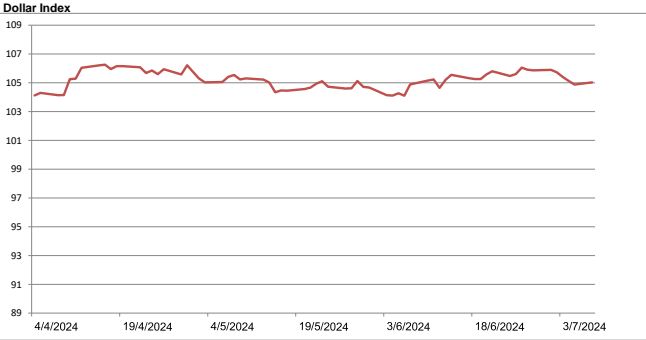
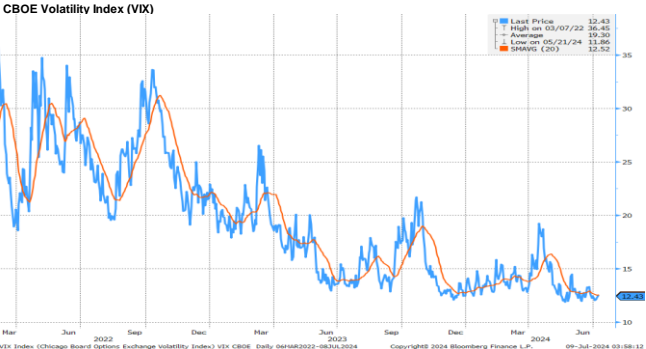
Advancing issues outnumbered falling ones within the S&P 500 by a 1.3-to-one ratio.

The S&P 500 posted 20 new highs and 7 new lows; the Nasdaq recorded 69 new highs and 90 new lows.

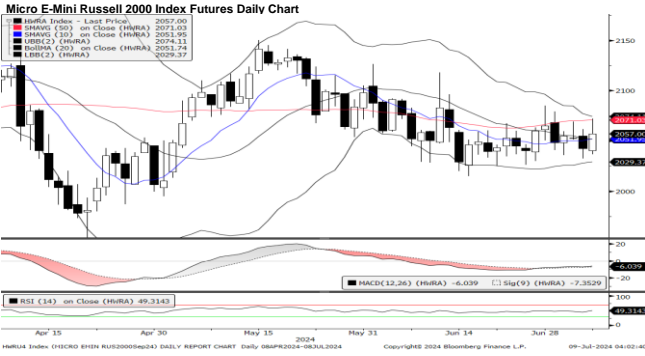
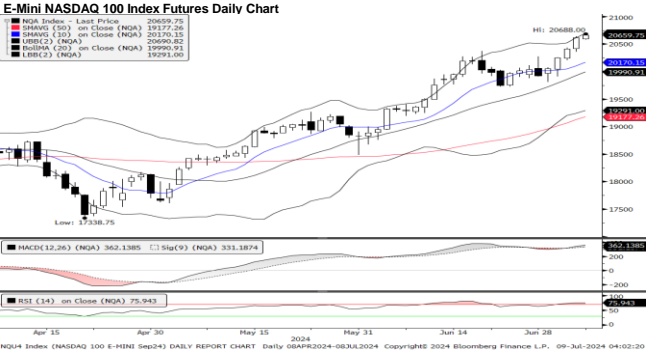
(Source: Reuters)

Contract	Close	Change	High	Low
E-Mini Dow SEP 24	39,650.00	-18.00	40,006.00	39,595.00
E-Mini S&P SEP 24	5,625.25	7.750	5,637.50	5,610.75
E-Mini NASDAQ SEP 24	20,659.75	60.50	20,688.00	20,579.25
Micro Russell 2K JUN 22	2058.3	15.6	2072.1	2036.7
USD Nikkei SEP 24	40,955.0	-105.0	41,160.00	40,840.00
US Dollar Index	105.03	0.150	105.03	104.80
DJIA	39,344.79	-31.080	39,654.96	39,278.43
S&P 500	5,572.85	5.660	5,583.11	5,562.51
NASDAQ	18,403.74	50.980	18,416.94	18,342.60
Nikkei 225	40,780.70	-131.670	41,112.24	40,780.70
Hang Seng	17,524.06	-275.550	17,735.58	17,453.56
Straits Times	3,404.47	-6.340	3,413.78	3,396.47
DAX	18,472.05	-3.400	18,631.61	18,444.06
CAC	7,627.45	-48.170	7,746.06	7,627.45
FTSE100	8,193.49	-10.440	8,232.81	8,175.26

Historical Volatility	10 Days	30 Days	60 Days	90 Days
E-Mini Dow Futures	5.46	8.08	9.74	9.98
E-Mini S&P Futures	5.15	7.17	10.14	10.20
E-Mini Nasdaq Futures	12.66	13.91	15.30	16.64



Economic Releases	Period	Survey	Actual	Prior	Revised
07/05/2024 20:30	Change in Nonfarm Payrolls	Jun	190k	206k	272k
07/05/2024 20:30	Change in Private Payrolls	Jun	160k	136k	229k
07/05/2024 20:30	Change in Manufact. Payrolls	Jun	5k	-8k	8k
07/05/2024 20:30	Unemployment Rate	Jun	4.00%	4.10%	4.00%
07/11/2024 20:30	CPI MoM	Jun	0.10%	--	0.00%
07/11/2024 20:30	CPI Ex Food and Energy MoM	Jun	0.20%	--	0.20%
07/11/2024 20:30	CPI YoY	Jun	3.10%	--	3.30%
07/11/2024 20:30	CPI Ex Food and Energy YoY	Jun	3.40%	--	3.40%
07/11/2024 20:30	CPI Index NSA	Jun	314.56	--	314.069
07/11/2024 20:30	CPI Core Index SA	Jun	318.879	--	318.14



Technical Analysis

Dow

1st Resistance: 40245 2nd Resistance: 40840
1st Support: 39055 2nd Resistance: 38461
MACD: 69.903
MACD DIFF: 31.938
RSI: 55.572

S&P

1st Resistance: 5709.63 2nd Resistance: 5794.01
1st Support: 5540.87 2nd Resistance: 5456.49
MACD: 57.263377
MACD DIFF: 3.045978
RSI: 75.028211

Nasdaq

1st Resistance: 20969.65 2nd Resistance: 21279.54
1st Support: 20349.85 2nd Resistance: 20039.96
MACD: 363.971
MACD DIFF: 32.268
RSI: 76.240

Micro Russell

1st Resistance: 2089.17 2nd Resistance: 2120.05
1st Support: 2027.43 2nd Resistance: 1996.55
MACD: -5.932
MACD DIFF: 1.395
RSI: 49.675

Source: Bloomberg

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