



[The morning catch up: ASX set to follow US markets down](#)

Proactive Investors (AU)

February 20, 2024 Tuesday 10:45 PM EST

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Length: 1174 words

Byline: Meagan Evans

Body

The ASX is poised to open lower this morning following the lead of the US overnight where all three major indices ended the session lower.

The Dow Jones index fell by 64 points or 0.2%, the S&P 500 index slid 0.6% and the Nasdaq index shed 145 points or 0.9%.

ASX futures are down 21 points or 0.3% at 8 am AEDT.

The big news of the morning is the resignation of Woolworths CEO Brad Banducci after 13 years at the retail giant. Banducci's decision to step down comes after he walked out of an interview on Monday where allegations of price gouging were put to him by an ABC journalist.

Previously credited by investors with turning around the supermarket giant in his eight years as chief executive, Banducci last year failed to meet customer satisfaction targets amid an increased focus on supermarket shelf prices and profit margins.

Woolworths head of loyalty and e-commerce Amanda Bardwell will step into the chief executive role effective September 1.

Mixed company results

Reporting a 9.2% fall in half-year net profit to \$58 million, Domino's Pizza Enterprises has cut its first-half dividend to 55.5¢ from 67.4¢ a year ago.

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Meanwhile, WiseTech lifted its interim dividend to 7.7¢, up 17%, after the software provider posted a 5% increase in statutory net profit to \$118.2 million and reconfirmed guidance for FY2024.

Mineral sands miner **Iluka Resources** says persistent inflation, subdued demand, geopolitical volatility and higher costs are behind a 42% fall in the company's full-year net profit. The miner will pay a final dividend of 4¢ per share, taking its full-year dividend to 7¢ - well down on the prior year's 45¢ payout.

National Australia Bank has warned of growing arrears in local home lending and a slowing economy, with the company's cash earnings sinking by almost 17% in the December quarter to \$1.8 billion.

But the banks are not the only ones feeling the weakness of the property market.

Stockland said current conditions remained uncertain as it "reshapes" its portfolio with a focus on its residential communities business. The property giant reported its profit fell by almost \$200 million in the first half of 2024 year, from \$102 million to \$301 million in the same six months last year.

Scentre - the owner and operator of Westfield shopping centres - has recorded a 41.8% fall in annual statutory profit to \$174.9 million. This comes after it booked an unrealised \$1 billion writedown on the value of its shopping centre portfolio.

What happened overnight?

Here's what we saw (source CommSec):

US markets

US sharemarkets fell on Tuesday as chipmaker Nvidia slid 4.4% ahead of its highly anticipated earnings report. Although Nvidia is expected to post impressive results, investors have expressed concerns about its sky-high valuation.

Traders also assessed a report that Microsoft is developing a networking card as an alternative to the one supplied by Nvidia.

Super Micro Computer dropped 2% as investors took a break from betting on the stock as a big beneficiary of strong artificial intelligence technology demand.

Lithium producer Albemarle tumbled 6.3%, despite announcing a multi-year agreement with BMW for lithium hydroxide supplies.

Walmart hit a record high and was up 3.2% after the US retail giant forecast fiscal 2025 sales largely above market expectations and raised its annual dividend by 9%.

[Discover Financial Services \(NYSE:DFS\)](#) surged 12.6% on Warren Buffett-backed consumer bank Capital One's plans to acquire the US credit card issuer in a US\$35.3 billion deal.

US government bond yields dipped on Tuesday in a holiday-shortened week as investors consolidated positions following last week's gains in the wake of stronger-than-expected US inflation data.

Investors are looking to Wednesday's minutes of the January Federal Open Market Committee (FOMC) meeting for more clues on the US interest rate outlook.

European markets

European sharemarkets snapped a four-day winning streak on Tuesday, weighed down by mining and energy stocks, which fell between 1.1% and 1.8%. Technology shares also lost 1.8%, with software firm Temenos sliding 5.6% after forecasting slower earnings growth in 2024.

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Growth in eurozone negotiated wages slowed to 4.46% in the fourth quarter of last year from 4.69% in the previous quarter when it hit the highest reading since the start of the data series in 2005. The figures encouraged traders to nudge up bets on the number of European Central Bank rate cuts this year.

- The continent-wide FTSEurofirst 300 index fell by 0.1%.
- In London, the UK FTSE 100 index also dipped 0.1%.

Currencies

Currencies were stronger against the US dollar in European and US trade.

- The Euro rose from US\$1.0764 to US\$1.0836 and was near US\$1.0805 at the US close.
- The Aussie dollar lifted from US65.25 cents to US65.77 cents and was near US65.50 cents at the US close.
- The Japanese yen firmed from 150.43 yen per US dollar to JPY149.69 and was near JPY150.00 at the US close

Commodities

Global oil prices retreated on Tuesday due to the uncertain outlook for global demand. Investor concerns about a longer period of elevated interest rates also weighed on broader sentiment.

- The Brent crude price fell by US\$1.22 or 1.5% to US\$82.34 a barrel.
- The US Nymex crude price slid US\$1.01 or 1.3% to US\$78.18 a barrel.

Base metal prices were mixed on Tuesday.

- Copper futures gained 0.7% on China's cut to mortgage rates in an effort to revive its property sector.
- Aluminium futures lost 1.3%.

The gold futures price rose by US\$15.70 or 0.8% to US\$2,039.80 an ounce on Tuesday. Spot gold was trading near US\$2,024 an ounce at the US close.

Iron ore futures slid US\$1.37 or 1.1% to US\$127.92 a tonne, weighed down by mounting concerns over the demand outlook in top consumer China despite its latest move to revive its property market

What's on today?

In Australia, the Wage Price Index (WPI) is released.

- NAB provides an operational update.
- Charter Hall, Corporate Travel, Domino's Pizza, Iress, **Iluka Resources**, Lottery Corp, Rio Tinto, Santos, Scentre Group, Stockland, Viva Energy, WiseTech and Woolworths all issue earnings.

In the US, the Federal Reserve (FOMC) releases its latest meeting minutes.

- Nvidia, Etsy, Lucid, Marathon Oil, Rivian and Suncor Energy are all scheduled to release earnings results.

On the small cap front

The S&P ASX Small Ordinaries finished 0.19% higher overnight, while the ASX 200 lost 0.08%.

You can read more about the following throughout the day.

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- [Rumble Resources Ltd \(ASX:RTR, OTC:RTRFF\)](#) has released exciting new high-grade assay results from extensional drilling at the Mato Prospect, Earahedy Project in Western Australia.
- [GTI Energy Ltd \(ASX:GTR, OTC:GTRIF\)](#) reports that planning for the 2024 field season in Wyoming has progressed well and permitting is on track to facilitate drilling during Q3.
- [Intra Energy Corporation Ltd \(ASX:IEC\)](#) has identified spodumene in outcropping pegmatites during its current mapping and rock sampling program at the recently acquired Maggie Hays Hill (MHH) Lithium Project in Western Australia.

Load-Date: February 20, 2024

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