



# Morning Brief

Monday, 3 June 2019

## Overnight Markets

Equities	Close	Chg	Pct %
Dow Jones	24,815.0	-354.8	-1.41%
S&P 500	2,752.1	-36.8	-1.32%
Nasdaq	7,453.1	-114.6	-1.51%
FTSE 100	7,161.7	-56.4	-0.78%
Dax Index	11,726.8	-175.2	-1.47%
CAC 40	5,207.6	-41.3	-0.79%
Hang Seng	26,901.1	0.0	0.00%
Nikkei	20,305.7	-295.4	-1.43%
SPI Futures	6,359.0	-43.0	-0.67%
Commodities	Close	Chg	Pct %
Brent Crude US\$/bbl	61.12	-0.56	-0.91%
Spot Gold US\$/oz	1,309.12	3.92	0.30%
Copper COMEX (\$US/t)	2.64	-0.01	-0.53%
Currencies	Close	Chg	Pct %
AUD / USD	0.6941	0.0012	0.18%
EUR / USD	1.1179	0.0011	0.10%
AUD / GBP	0.5490	0.0004	0.06%
EUR / AUD	1.6104	-0.0013	-0.08%
USD / YEN	108.2685	-0.0365	-0.03%
Rates	Close	Chg	Pct %
\$A Cash Rate	1.50	0.000	0.00%
\$A 3 Yr Bond	1.10	0.001	0.11%
\$A 10 Yr Bond	1.47	0.016	1.06%
\$US 10 Year Bond	2.13	-0.003	-0.16%
\$US 30 Year Bond	2.57	-0.002	-0.08%
Companies	Close	Chg	Pct %
Apple Inc	175.07	-3.23	-1.81%
LVMH	337.55	-3.50	-1.03%
Disney	132.04	-0.16	-0.12%
Microsoft	123.68	-2.05	-1.63%
Google	1,103.63	-14.32	-1.28%
JP Morgan	105.96	-1.10	-1.03%
Amazon	1,775.07	-41.25	-2.27%

## Overnight Highlights Need to Know

China really doesn't want a trade war but won't shy away from one. So says a government white paper that asserted the country's right to development and sovereignty and noted that the trade war has not "made America great again." The country's vice commerce minister said unreasonable U.S. demands led to the collapse of talks last month. Also, China is investigating FedEx because the company failed to deliver items to the correct addresses, possibly a reaction to packages destined for Huawei being redirected to the U.S.



## NOT GREAT AGAIN

An out-of-control cruise ship rammed into a dock and a tourist boat on the busy Giudecca Canal in Venice on Sunday morning, injuring four tourists and sparking new calls for restrictions on cruise ships in the strained tourist city. The towering MSC Opera was about to dock when it had a mechanical problem that left it apparently unable to stop. It blared its horn as it plowed into the much smaller River Countess and the dock while people fled in panic.



Photo: Getty



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## GLOBAL MARKET

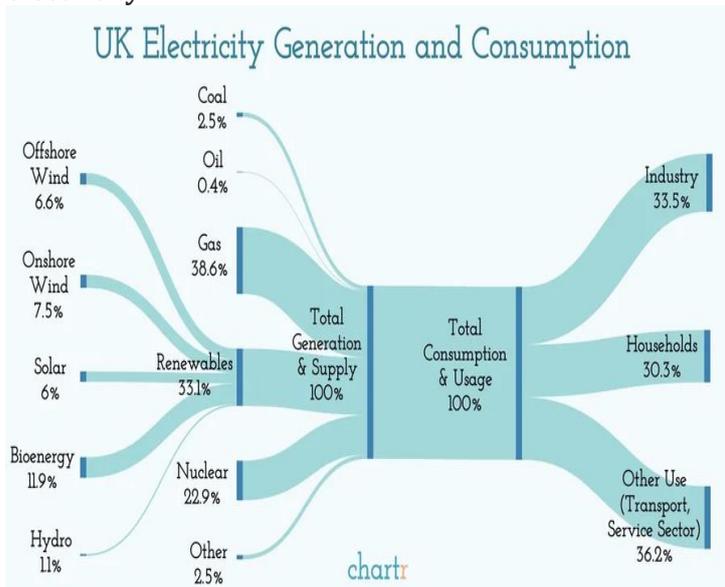


**US Equities** capped their worst month of the year on Friday, while Treasuries rallied a fourth day as the Trump administration's trade spats intensified. Oil fell and gold gained.

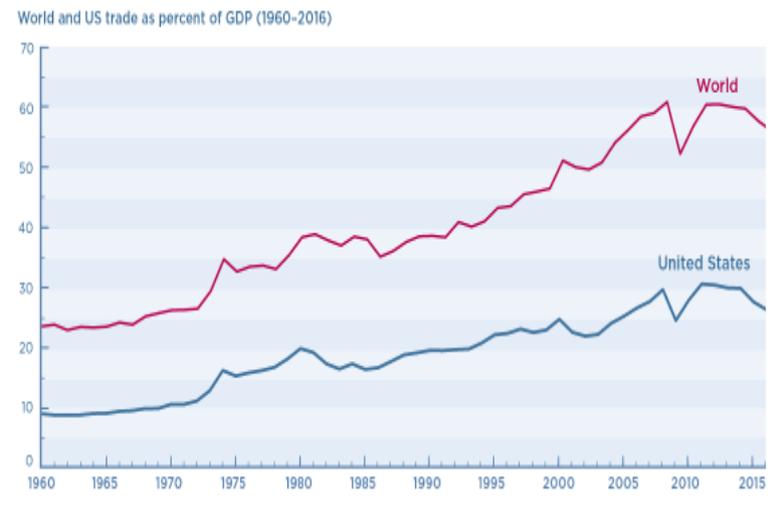
**European Equities** Italian Finance Minister Giovanni Tria said a leaked draft of his letter to the European Commission responding to its concerns about his country's debt load damages negotiations with Brussels.

**Asian Equities** were poised to start the week on the back foot in the wake of trade-war jitters from U.S. moves against Mexico and India to China's retaliation against American measures. The yen held near a six-month high. Signaled modest declines for equities in Japan and Australia.

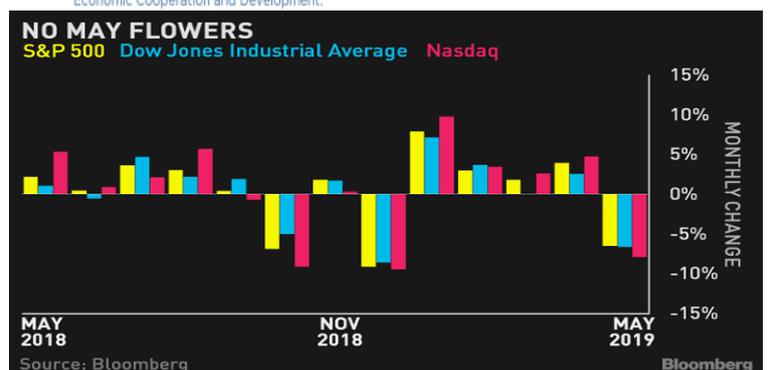
Illustration of how the UK generates, and uses, electricity.



**US Trade** grew to levels exceeding a third of its GDP. **World trade volume** now surpasses half of world GDP.



A month marked by the escalation of the U.S.-China trade war, a new tariff threat against Mexico and concerns about global growth saw all three major U.S. stock gauges end on a sour note. The S&P, Dow Jones and Nasdaq each logged negative monthly returns for the first time since December. The tech-heavy Nasdaq posted the biggest drop — 7.9% — as the Trump administration's targeting of China's Huawei sent ripples through the industry. Source: Bloomberg





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## ASX MARKET

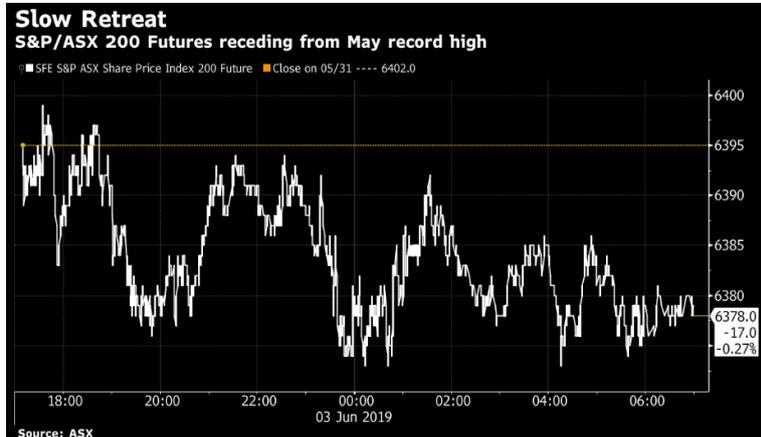
S&P/ASX 200 Index futures fell 0.4% to 6,378 as of 6:59 a.m. Futures relative to fair value suggest early decline of 0.4%. U.S. stock posted their worst weekly loss since Christmas amid intensifying trade spats from the Trump administration.

## ANZ completes sale of life insurance unit

ANZ has completed the \$2.85 billion sale of its Australian life insurance business to global giant Zurich. The sale of the OnePath Life unit was first announced 18 months ago and reduces ANZ's staff count by more than 500, with the employees transferring to Zurich.

ANZ will still provide life insurance products through various bank channels, but they will be supplied by Zurich under a 20-year agreement. "The completion of this sale demonstrates a significant step in our strategy to simplify ANZ while also providing ongoing support for our customers who want protection with life insurance solutions," ANZ wealth executive Alexis George said.

"Importantly, current ANZ and OnePath life insurance customers will continue to receive the same high-quality service and solutions from Zurich, a global insurer with a strong track record of service and innovation."



**In Australia, 1Q GDP was likely steady and May house prices probably continued to slide.**



**Sydney in for 'wild' start to week with rain and strong winds**

Sydneysiders are in for a wild start to the week, with coastal rain and winds from Monday afternoon expected to bring about "one of the more wild days the city has seen for a while". Daytime temperatures will be around average for June, with predicted top temperatures of 19 degrees celsius on Monday and 17 on Tuesday, but the weather could become "fairly miserable" thanks to increasing rain and strong winds from Monday afternoon, said Tom Hough, meteorologist at Weatherzone. "Tuesday has the potential to be fairly miserable for anyone in the city, it's going to be a pretty wet and very windy day," Hough said. While a small amount of rain is expected on Monday, on Tuesday between 20 and 40 millimeters of rain could fall – the likes of which has not been seen in Sydney since March, according to Hough. The Bureau of Meteorology issued a weather warning on Sunday afternoon along the state's coast, as "vigorous" and "damaging" southerly winds will sweep up the coast from Monday afternoon.

Source: Bloomberg



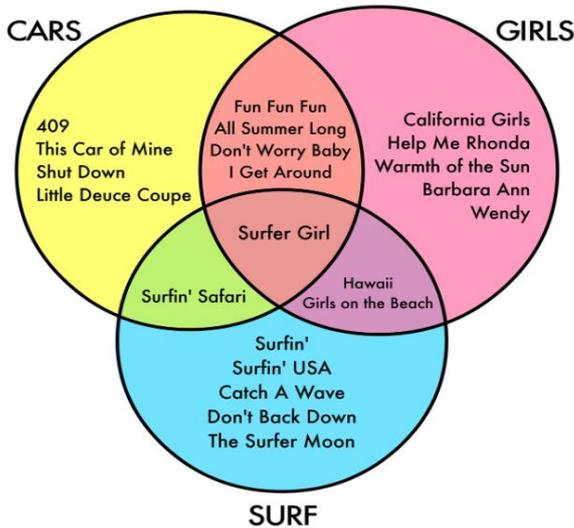
Photo: Getty

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## Charts of the Day:

When Brian, Dennis, and Carl Wilson formed The Beach Boys in 1961 along with their cousin (Mike Love) and friend (Al Jardine), they had no idea of the phenomena that their music was going to spawn. The band blended harmonious vocals along with influences of rock, jazz, and doo-wop music to evoke a feeling of Southern California surfing culture that took the world by storm. The band's lyrics focused on the youth culture in Southern California and the trademarks of that culture like cars, surfing, and romance. Source: AXS

### EARLY BEACH BOYS SONG TOPICS

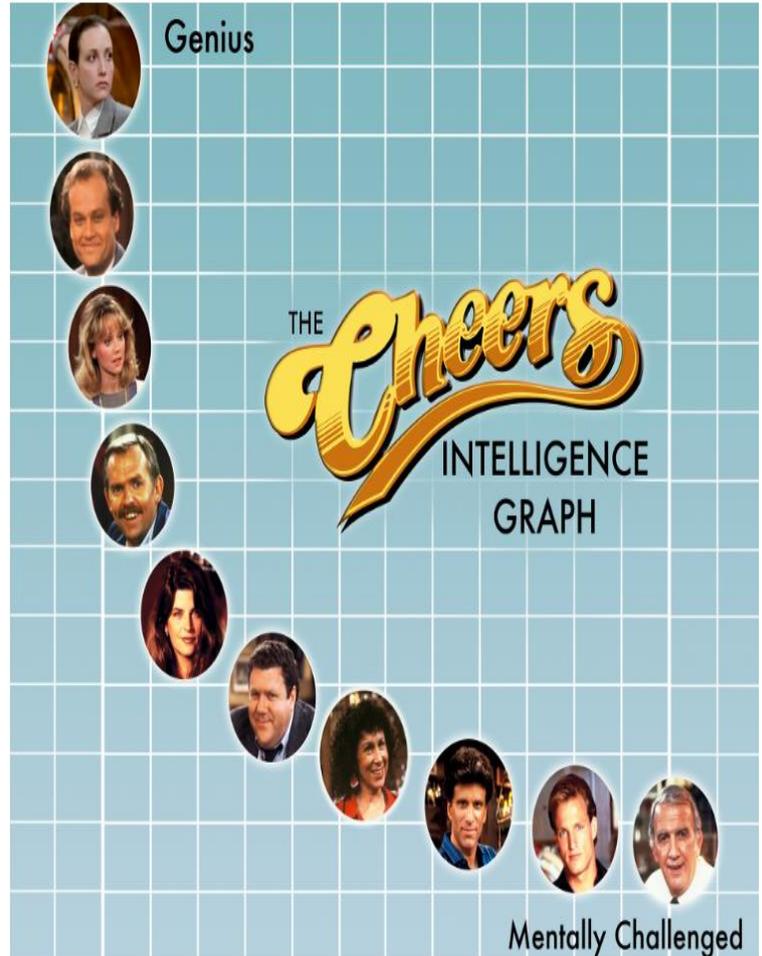


idea by Jeff Rubi

Image of the Day: The lava flow from Mount Etna is seen from the port of Riposto in the province of Catania, Italy.

## The Cheers Intelligence Graph by Dan Meth

Source: danmeth



Source: danmeth



Photo: Getty