

Fundamentals:

The S&P 500 index closed higher on Wednesday with a boost from the technology sector offsetting investor disappointment at the early morning inflation report, which crushed hopes the Federal Reserve would cut interest rates by 50 basis points next week.

The S&P 500 technology index reversed course and rallied after opening lower with a big boost from AI chipmaker Nvidia, up 6.3%. Semafar reported that the U.S. government is considering letting Nvidia export advanced chips to Saudi Arabia.

Political developments also drove market sentiment the day after Democrat candidate Kamala Harris put her Republican rival Donald Trump on the defensive in a combative U.S. presidential debate.

Earlier, the Labor Department reported the consumer price index (CPI) rose 0.2% last month, in line with July. Core CPI, excluding volatile food and energy components, rose 0.3% on a monthly basis, exceeding economist expectations for a 0.2% rise.

Traders changed their bets to a 85% probability for a 25 basis points cut by the Fed from 66% on Tuesday and the probability of a 50 basis point cut fell to 13% from 34% a day ago, according to CME Group's FedWatch tool.

"Maybe the market was looking for a softer inflation print which would give the Fed more reason to cut by 50 basis points next week," said Jack Janasiewicz, portfolio manager, at Natixis. "This report was in-line to slightly hotter than expectations. As a result, this puts a bit of pressure on the Fed to cut by only 25 basis points."

As the day wore on investors may have come to terms with the inflation numbers, according to Janasiewicz who also pointed to technology as the stand out "which has helped prop up the broader market."

According to preliminary data, the S&P 500 gained 56.42 points, or 1.03%, to end at 5,551.94 points, while the Nasdaq Composite gained 365.06 points, or 2.14%, to 17,390.94. The Dow Jones Industrial Average rose 101.43 points, or 0.25%, to 40,838.39.

During the session, big U.S. lenders had extended Tuesday's declines, sparked by warnings of a dip in trading revenue, a slower-than-anticipated recovery in investment banking and an expected hit to interest income from looming rate cuts.

After the Presidential debate, pricing for a Trump victory was at 48 cents on online betting site PredictIt, and at 55 cents for a Harris win.

As a result, stocks expected to perform well under a Trump presidency fell, with cryptocurrency and blockchain-related shares and prison operators lower. Trump Media & Technology Group shares slumped.

Meanwhile, solar stocks, seen as benefiting from a Harris administration, attracted some buyers with First Solar, Sunrun and SolarEdge Technologies all rallying.

While the debate offered Wall Street little clarity on key policy issues, some market watchers see Harris' proposals to raise the corporate tax rate as likely to hit company profits, while Trump's tougher stance on tariffs could stoke inflation.

GameStop shares fell sharply after the videogame retailer said it had filed for an offering of up to 20 million shares and reported lower second-quarter revenue.

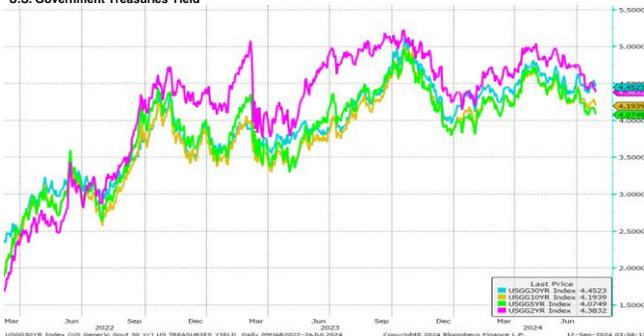
Shares of lithium miners jumped after Chinese battery giant CATL said it plans to make adjustments to lithium carbonate production in Yichun. Albemarle, one of the largest lithium miners in the world, jumped.

(Source: Reuters)

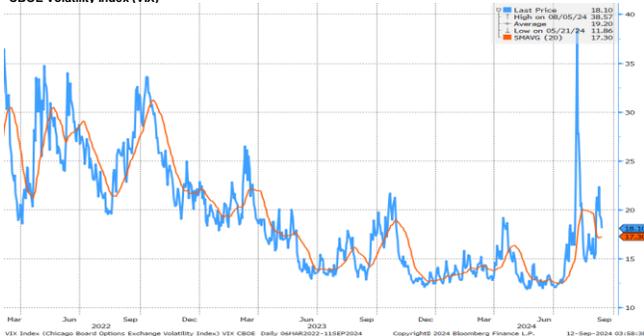
Contract	Close	Change	High	Low
E-Mini Dow SEP 24	40,906.00	93.00	40,951.00	40,034.00
E-Mini S&P SEP 24	5,561.25	54.750	5,567.50	5,412.00
E-Mini NASDAQ SEP 24	19,271.00	386.25	19,293.50	18,547.00
Micro Russell 2K JUN 22	2106.7	5.7	2109.2	2058.1
USD Nikkei DEC 24	36,565.0	420.0	36,585.00	35,255.00
US Dollar Index	101.72	0.087	101.82	101.27
DJIA	40,861.71	124.750	40,903.68	39,993.07
S&P 500	5,550.91	55.390	5,551.94	5,406.96
NASDAQ	17,395.53	369.650	17,420.23	16,787.84
Nikkei 225	35,619.77	-539.390	36,056.87	35,253.43
Hang Seng	17,108.71	-125.380	17,124.96	16,964.28
Straits Times	3,531.17	18.500	3,536.12	3,517.56
DAX	18,330.27	64.350	18,434.62	18,208.84
CAC	7,396.83	-10.720	7,452.68	7,363.31
FTSE100	8,193.94	-12.040	8,232.76	8,169.96

Historical Volatility	10 Days	30 Days	60 Days	90 Days
E-Mini Dow Futures	13.74	15.74	13.56	12.35
E-Mini S&P Futures	18.63	19.52	16.20	14.06
E-Mini Nasdaq Futures	41.44	39.45	31.55	26.67

U.S. Government Treasuries Yield



CBOE Volatility Index (VIX)



Dollar Index



Economic Releases	Period	Survey	Actual	Prior	Revised
09/06/2024 20:30	Change in Nonfarm Payrolls	Aug 165k	142k	114k	89k
09/06/2024 20:30	Unemployment Rate	Aug 4.20%	4.20%	4.30%	--
09/11/2024 20:30	CPI MoM	Aug 0.20%	0.20%	0.20%	--
09/11/2024 20:30	CPI Ex Food and Energy MoM	Aug 0.20%	0.30%	0.20%	--
09/11/2024 20:30	CPI YoY	Aug 2.50%	2.50%	2.90%	--
09/11/2024 20:30	CPI Ex Food and Energy YoY	Aug 3.20%	3.20%	3.20%	--
09/11/2024 20:30	CPI Index NSA	Aug 314.847	314.796	314.54	--
09/11/2024 20:30	CPI Core Index SA	Aug 319.568	319.768	318.872	--

E-Mini Dow Index Futures Daily Chart



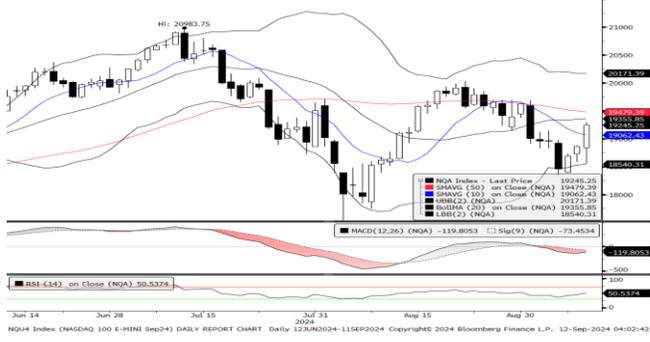
DRH4 Index (D3A HINI e-CBOT Sep24) DAILY REPORT CHART Daily 12JUN2024-11SEP2024 Copyright © 2024 Bloomberg Finance L.P. 12-Sep-2024 04:02:06

E-Mini S&P 500 Index Futures Daily Chart



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E-Mini NASDAQ 100 Index Futures Daily Chart



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Micro E-Mini Russell 2000 Index Futures Daily Chart



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Technical Analysis

Dow		S&P	
1st Resistance:	41520	2nd Resistance:	42133
1st Support:	40292	2nd Resistance:	39679
MACD:	146.810	MACD:	0.853699
MACD DIFF:	-68.829	MACD DIFF:	-11.624627
RSI:	52.257	RSI:	52.088572

Nasdaq		Micro Russell	
1st Resistance:	19560.07	2nd Resistance:	19849.13
1st Support:	18981.94	2nd Resistance:	18692.87
MACD:	-119.365	MACD:	-10.513
MACD DIFF:	-46.002	MACD DIFF:	-10.844
RSI:	50.626	RSI:	42.781

Source: Bloomberg

Kenanga Futures Sdn Bhd (353603-X)
Dealing Desk: (603) 2172 3820 Fax: (603) 2172 2729 Email: futures@kenanga.com.my

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