

Fundamentals:

The Nasdaq ended lower on Friday as megacap growth stocks came under pressure after Treasury yields pointed to higher interest rates and shares of ride-hailing firm Lyft plunged following a downbeat profit forecast.

Yields on the benchmark 10-year Treasury note rose to their highest in more than a month following an auction on Thursday of 30-year bonds that saw weak demand.

But a rally in energy stocks as oil prices climbed on Russia's plans to cut crude supplies helped push up the Dow and the S&P 500.

The Dow Jones Industrial Average ended up 169.52 points, or 0.5%, to 33,869.4, the S&P 500 gained 8.98 points, or 0.22%, to 4,090.48 and the Nasdaq Composite dropped 71.46 points, or 0.61%, to 11,718.12.

The Nasdaq posted its first weekly fall this year, down 2.41%, while the S&P 500 ended the week lower 1.11% and the Dow Jones lost 0.17%, in a week dominated by hawkish commentary from U.S. Federal Reserve officials and earnings reports from more than half of the S&P 500 constituents.

That comes after a stellar performance by stocks in January. This month, however, strong jobs data and comments from Federal Reserve Chair Jerome Powell stoked worries about how much higher interest rates may need to climb.

The Russell 1000 Growth index that houses many large-cap growth names fell 0.33%.

Lyft Inc plummeted 36.44% as it lowered prices, raising concerns it was falling behind bigger rival Uber Technologies Inc. Uber shares also dropped 4.43%.

Most of the 11 major S&P 500 sectors edged higher. The energy sector jumped 3.92% as oil prices climbed on Russia's plans to cut crude supplies, while the consumer discretionary sector fell 1.22%.

More than half of the firms listed on the S&P 500 have reported earnings, with 69% beating profit estimates for the quarter, according to Refinitiv data.

U.S. consumer sentiment improved further in February month-on-month, but households expected higher inflation to persist over the next 12 months, the University of Michigan's preliminary February reading showed.

After U.S. equities were rattled over the week by strong jobs data, investors are waiting for January consumer inflation data next week for clarity on the Fed's rate-hike path.

U.S. Treasury yields rose on Friday as investors continued to digest last week's strong employment report and await next week's latest consumer price index and retail sales figures.

The U.S. Bureau of Labor Statistics is scheduled on Feb. 14 to release January's CPI data, which is expected to show that headline prices rose 0.4% on the month, and also a 0.4% increase in core prices.

Despite these forecasts, however, investors have expressed caution over the possibility of a stronger-than-expected CPI print, which could in turn sway the U.S. Federal Reserve's path forward for interest rates.

Treasury yields jumped last week after U.S. employment data showed a 517,000 uptick in jobs through January, leading many investors to reconsider the odds that the Fed raises its federal funds rate beyond the 5.00%-5.25% peak previously expected.

Yields fell slightly on Thursday after investors digested jobless claims numbers, which came in slightly higher than economists' forecasts but remained at levels consistent with a tight labor market.

They picked up the same afternoon after weaker demand than expected in a 30-year bond auction - the last of \$96 billion in coupon-bearing supply sold this week.

Yields continued rising on Friday after the University of Michigan's preliminary report showed U.S. consumer sentiment improved to a 13-month high in February, but that expectations of higher inflation continue to persist.

Benchmark 10-year note yields were last at 3.749%, their highest since Jan. 6. They have fallen from a 15-year high of 4.338% on Oct. 21, based on expectations that Fed tightening will lead to a recession this year.

Meanwhile, two-year yields reached 4.525%, the highest since Nov. 30.

Following the CPI report next week, the U.S. Census Bureau will release its January retail sales report, another datapoint watched closely by the Fed and market.

This is expected to show retail sales rebounding 1.6% in January after falling 1.1% in December, according to a Reuters survey of economists.

In addition to domestic datapoints, yields have also risen on increased concerns about inflation after Russian Deputy Prime Minister Alexander Novak said Russia will cut oil production by 500,000 barrels per day.

Investors are pricing in expectations for higher inflation as the jobs market remains strong. Breakeven rates on five-year Treasury Inflation-Protected Securities were at 2.50% on Friday, or 2.50% per annum for five years. This is up from 2.33% before the jobs data on Feb. 2, and from 2.13% on Jan. 18.

(Source: Reuters)

Economic Releases	Period	Survey	Actual	Prior	Revised
02/10/2023 21:30	Revisions: CPI				
02/10/2023 23:00	U. of Mich. Sentiment	Feb P	65	66.4	64.9
02/10/2023 23:00	U. of Mich. Current Conditions	Feb P	68.5	72.6	68.4
02/10/2023 23:00	U. of Mich. Expectations	Feb P	63.1	62.3	62.7
02/10/2023 23:00	U. of Mich. 1 Yr Inflation	Feb P	4.00%	4.20%	3.90%
02/10/2023 23:00	U. of Mich. 5-10 Yr Inflation	Feb P	2.90%	2.90%	2.90%
02/11/2023 03:00	Monthly Budget Statement	Jan	-\$55.0b	-\$38.8b	\$118.7b
02/14/2023 19:00	NFIB Small Business Optimism	Jan	91	--	89.8
02/14/2023 21:30	CPI MoM	Jan	0.50%	--	-0.10%
02/14/2023 21:30	CPI Ex Food and Energy MoM	Jan	0.40%	--	0.30%
02/14/2023 21:30	CPI YoY	Jan	6.20%	--	6.50%
02/14/2023 21:30	CPI Ex Food and Energy YoY	Jan	5.50%	--	5.70%
02/14/2023 21:30	CPI Index NSA	Jan	298.682	--	296.797
02/14/2023 21:30	CPI Core Index SA	Jan	--	--	300.974
02/14/2023 21:30	Real Avg Hourly Earning YoY	Jan	--	--	-1.70%
02/14/2023 21:30	Real Avg Weekly Earnings YoY	Jan	--	--	-3.10%
02/14/2023 02:15	Revisions: PPI				

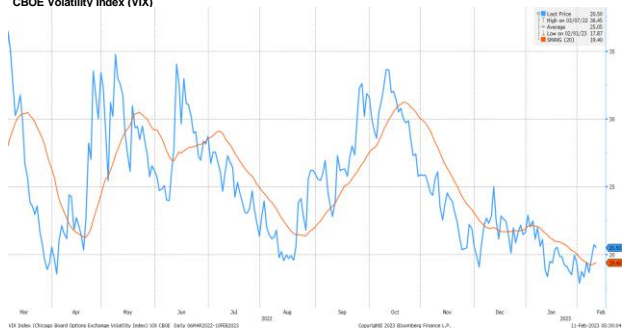
Contract	Close	Change	High	Low
E-Mini Dow MAR 23	33,895.00	170.00	33,924.00	33,543.00
E-Mini S&P MAR 23	4,099.75	7.250	4,104.25	4,060.75
E-Mini NASDAQ MAR 23	12,346.25	-87.50	12,451.50	12,243.25
Micro Russell 2K JUN 22	1923.6	2.7	1927.6	1905.9
USD Nikkei MAR 23	27,605.0	45.0	27,810.00	27,415.00
Euro Dollar MAR 23	94.94	0.005	94.95	94.93
US Dollar Index	103.58	0.361	103.68	102.90
DJIA	33,869.27	169.390	33,897.31	33,591.99
S&P 500	4,090.46	8.960	4,094.36	4,060.79
NASDAQ	11,718.12	-71.460	11,775.80	11,630.54
Nikkei 225	27,670.98	86.630	27,814.02	27,609.33
Hang Seng	21,190.42	-433.940	21,579.99	21,157.52
Straits Times	3,360.69	1.210	3,366.85	3,334.47
DAX	15,307.98	-215.440	15,487.98	15,246.39
CAC	7,129.73	-58.630	7,182.92	7,074.63
FTSE100	7,882.45	-28.700	7,913.31	7,850.94

Historical Volatility	10 Days	30 Days	60 Days	90 Days
E-Mini Dow Futures	10.25	13.06	14.52	17.70
E-Mini S&P Futures	17.96	16.53	18.03	22.16
E-Mini Nasdaq Futures	7.24	15.24	14.93	14.68

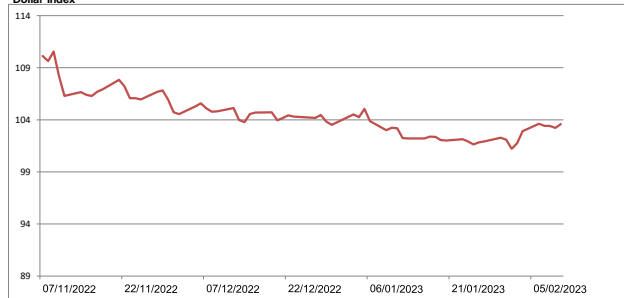
U.S. Government Treasuries Yield



CBOE Volatility Index (VIX)



Dollar Index



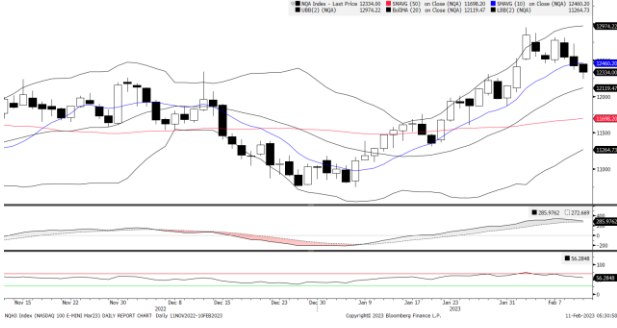
E-Mini Dow Index Futures Daily Chart



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:	34403	2nd Resistance:	34912	1st Resistance:	4161.25	2nd Resistance:	4222.74	1st Resistance:	12531.44	2nd Resistance:	12716.64	1st Resistance:	1952.45	2nd Resistance:	1981.31
1st Support:	33367	2nd Resistance:	32678	1st Support:	4030.25	2nd Resistance:	3976.76	1st Support:	12161.06	2nd Resistance:	11975.86	1st Support:	1894.75	2nd Resistance:	1865.89
MACD:	77.433			MACD:	47.073729			MACD:	286.194			MACD:	30.490		
MACD DIFF:	-18.874			MACD DIFF:	-0.650807			MACD DIFF:	13.610			MACD DIFF:	-3.533		
RSI:	50.966			RSI:	55.001383			RSI:	56.377			RSI:	53.284		

Strategy

	Long:	Profit target:	Stop-loss:		Long:	Profit target:	Stop-loss:	Short:	Profit target:	Stop-loss:		Short:	Profit target:	Stop-loss:
Dow	33387	33720	33220		32878	33207	32714		34403	34059	34575		34912	34563
S&P	4038.25	4078.64	4018.06		3976.76	4016.53	3956.87		4161.25	4119.63	4162.05		4222.74	4180.52
Nasdaq	12161.06	12282.67	12100.25		11975.86	12095.62	11915.98		12531.44	12406.13	12594.10		12716.64	12589.47
Micro Russell	1894.75	1913.69	1885.27		1865.89	1884.55	1856.56		1952.454	1932.93	1962.22		1981.308	1961.49

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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