

Fundamentals:

Wall Street closed sharply higher on Monday as investors awaited inflation data likely to hint at the path of the Federal Reserve's future interest rate hikes, while Meta Platforms gained after a report that the Facebook parent was planning fresh layoffs.

Meta jumped about 3% after the Financial Times reported on Sunday that the company was preparing to announce a new round of job cuts, adding to layoffs last November.

Microsoft rose more than 3%, Nvidia gained 2.5%, and Apple and Amazon each rose over 1%. Along with Meta, those tech-related heavyweights contributed more than any other stocks to the S&P 500's gains during a trading session that saw light volume.

Helping lift Microsoft, Siftel raised its price target on the software company and said it is clearly looking to upend Alphabet's Google search dominance through its integration with ChatGPT.

Investors are laser-focused on January inflation data due on Tuesday to reassess their bets on the central bank's monetary policy path.

Wall Street's main indexes lost ground last week after Federal Reserve Chair Jerome Powell warned that interest rates may need to move higher than expected in the central bank's battle against inflation.

"Today is just a natural reaction in the opposite direction after we've seen very heavy selling pressure," said Keith Buchanan, portfolio manager at GLOBALT Investments in Atlanta.

Ten of the 11 S&P 500 sector indexes rose, led by information technology, up 1.77%, followed by a 1.46% gain in consumer discretionary. The energy index dipped 0.6%.

The S&P 500 climbed 1.15% to end the session at 4,137.32 points.

The Nasdaq gained 1.48% to 11,891.79 points, while the Dow Jones Industrial Average rose 1.11% to 34,246.13 points.

So far in this year, the S&P 500 has gained about 8%, and the index remains down about 14% from its record high close in January 2022.

Fidelity National Information Services Inc plunged 12.5% following the banking and payments processing conglomerate's decision to spin off its merchant payments business.

Coca-Cola rose 1.6% ahead of its quarterly report due out early on Tuesday.

As U.S. quarterly earnings reports wind down, 69% of the S&P 500 firms that have reported results so far have exceeded profit expectations, according to Refinitiv data. Analysts expect December-quarter earnings to have fallen nearly 3% from a year earlier.

Benchmark 10-year U.S. Treasury yields dipped on Monday from a six-week high amid mixed market expectations for the latest inflation data and the Federal Reserve's response.

Yields have steadily risen since the release of stronger-than-expected jobs data at the beginning of the month. Employers added 517,000 jobs in January, while the unemployment rate hit 3.4%, its lowest reading in 53 years.

Addressing the jobs data last week, Fed Chair Jerome Powell left the door open for raising the federal funds rate beyond the 5.00%-5.25% peak widely forecast prior to the jobs data.

Market participants have since recalibrated the odds the Fed pursues tighter monetary policy. Much will depend on forthcoming datapoints, including the Tuesday release of consumer price index data for the month of January.

Economists polled by Reuters expect Tuesday's CPI reading to show headline prices and the core CPI gaining 0.5% and 0.4% month-over-month for January, respectively.

However, some on Monday recalibrated their expectations for a slightly lower CPI.

After reaching a high of 3.755%, their highest since Jan. 6, benchmark 10-year note yields have since dipped to 3.718%.

Two-year yields, which are particularly sensitive to moves in rates expectations, rose to 4.537%, their highest since late November.

The yield curve between two-year and 10-year notes was last inverted minus 81.5 basis points, after inverting as far as minus 88 basis points last week, the most since Dec. 13. The deep inversion on this part of the yield curve indicates concerns about an imminent recession.

Following Tuesday's CPI report, 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.

The next major datapoints will come on Feb. 24, when the U.S. Commerce Department releases personal consumption expenditure and income data.

(Source: Reuters)

Economic Releases	Period	Survey	Actual	Prior	Revised
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%	0.10%
02/14/2023 21:30	CPI Ex Food and Energy MoM	Jan 0.40%	--	0.30%	0.40%
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 298.71	--	296.797	--
02/14/2023 21:30	CPI Core Index SA	Jan 301.618	--	300.974	301.46
02/14/2023 21:30	Real Avg Hourly Earning YoY	Jan --	--	-1.70%	-1.50%
02/14/2023 21:30	Real Avg Weekly Earnings YoY	Jan --	--	-3.10%	-2.60%
02/14/2023 02:15	Revisions: PPI				

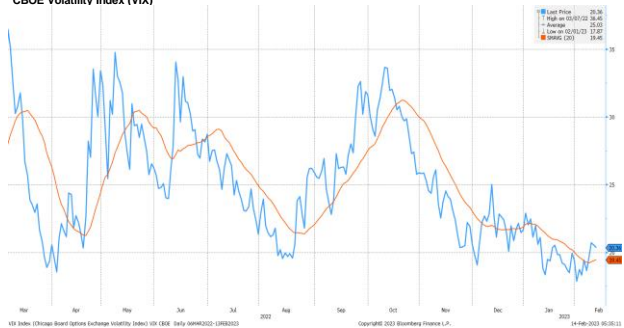
Contract	Close	Change	High	Low
E-Mini Dow MAR 23	34,268.00	379.00	34,289.00	33,759.00
E-Mini S&P MAR 23	4,147.25	49.500	4,150.75	4,078.75
E-Mini NASDAQ MAR 23	12,540.50	201.00	12,567.00	12,265.25
Micro Russell 2K JUN 22	1947.1	22.7	1949.8	1913.7
USD Nikkei MAR 23	27,715.0	110.0	27,735.00	27,260.00
Euro Dollar MAR 23	94.94	0.010	94.95	94.94
US Dollar Index	103.31	-0.324	103.84	103.24
DJIA	34,245.93	376.660	34,249.60	33,887.39
S&P 500	4,137.29	46.830	4,138.90	4,092.67
NASDAQ	11,891.79	173.670	11,910.92	11,719.73
Nikkei 225	27,427.32	-243.660	27,570.32	27,266.94
Hang Seng	21,164.42	-26.000	21,230.15	20,799.91
Straits Times	3,324.70	-35.990	3,376.69	3,324.70
DAX	15,397.34	89.360	15,409.27	15,305.94
CAC	7,208.59	78.860	7,213.94	7,138.91
FTSE 100	7,947.60	65.150	7,947.60	7,881.86

Historical Volatility	10 Days	30 Days	60 Days	90 Days
E-Mini Dow Futures	10.28	13.38	14.70	17.77
E-Mini S&P Futures	17.51	16.72	18.11	22.24
E-Mini Nasdaq Futures	7.37	13.63	14.94	14.66

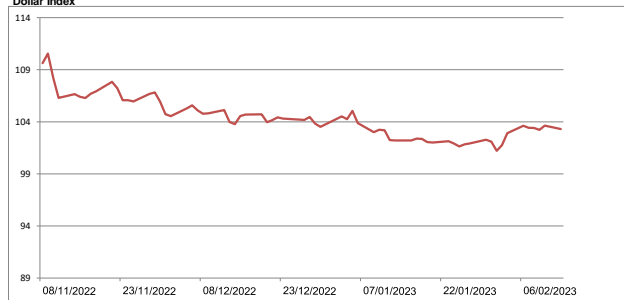
U.S. Government Treasuries Yield



CBOE Volatility Index (VIX)



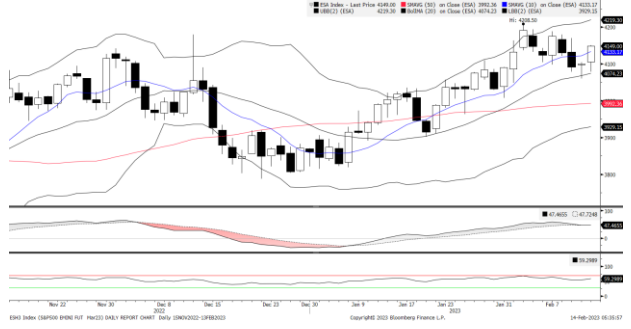
Dollar Index



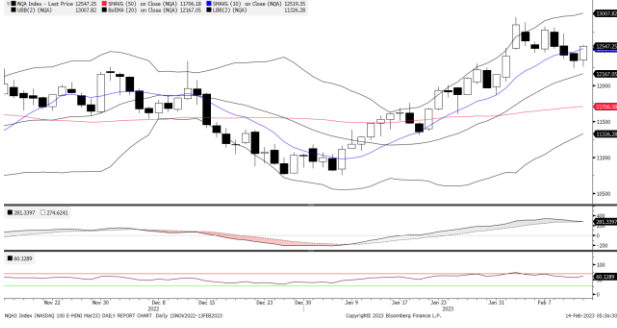
E-Mini Dow Index Futures Daily Chart



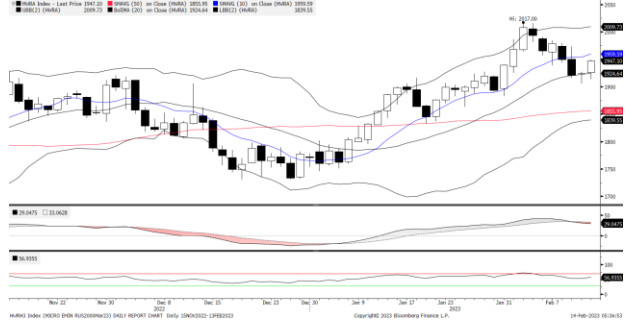
E-Mini S&P 500 Index Futures Daily Chart



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:	34782	2nd Resistance:	35296	1st Resistance:	4209.46	2nd Resistance:	4271.67	1st Resistance:	12728.61	2nd Resistance:	12916.72	1st Resistance:	1976.31	2nd Resistance:	2005.51
1st Support:	33754	2nd Resistance:	33240	1st Support:	4085.04	2nd Resistance:	4022.83	1st Support:	12352.39	2nd Resistance:	12164.29	1st Support:	1917.89	2nd Resistance:	1886.69
MACD:	98.137			MACD:	47.451933			MACD:	281.195			MACD:	29.028		
MACD DIFF:	1.579			MACD DIFF:	-0.227655			MACD DIFF:	6.783			MACD DIFF:	-4.006		
RSI:	57.012			RSI:	59.316271			RSI:	60.126			RSI:	56.931		

Strategy

	Long:	Profit target:	Stop-loss:	Long:	Profit target:	Stop-loss:	Short:	Profit target:	Stop-loss:	Short:	Profit target:	Stop-loss:
Dow	33754	34092	33585	33240	33572	33074	34782	34434	34956	35296	34943	35473
S&P	4085.04	4125.89	4064.62	4022.83	4063.06	4002.72	4209.46	4167.36	4230.51	4271.67	4228.95	4293.03
Nasdaq	12352.39	12475.92	12290.63	12164.29	12285.93	12103.46	12728.61	12601.32	12792.25	12916.72	12787.55	12981.30
Micro Russell	1917.89	1937.07	1908.30	1888.69	1907.57	1879.24	1976.3065	1956.54	1986.19	2005.513	1985.46	2015.54

Source: Bloomberg

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