

Fundamentals:

U.S. stocks mostly edged lower on Monday, dragged down by investor worries over the timing of interest rate cuts by the Federal Reserve after stronger-than-expected manufacturing data pushed Treasury yields higher.

The Institute for Supply Management (ISM) said its manufacturing PMI increased to 50.3 last month, the highest and first reading above 50 since September 2022, from 47.8 in February. It suggested the manufacturing sector, which has been battered by higher interest rates, was recovering.

"If the economy is still somewhat strong and now that PMI data is starting to move up, that just suggests there could be some upside pressure in yields," said Keith Lerner, chief market strategist at Truist Wealth in Atlanta.

Benchmark 10-year and two-year Treasury yields jumped to two-week peaks following the manufacturing data.

According to preliminary data, the S&P 500 lost 11.19 points, or 0.21%, to end at 5,243.16 points, while the Nasdaq Composite gained 15.17 points, or 0.09%, to 16,394.63. The Dow Jones Industrial Average fell 254.52 points, or 0.64%, to 39,552.85.

The U.S. rate futures market was pricing in a 58% chance of a rate cut in June, down from about 64% a week ago, according to the CME's FedWatch tool.

"We would prefer a stronger economy with less rate cuts than a weaker economy with more rate cuts, but, on a short term basis, the narrative has moved to about three rate cuts," Lerner added.

Key Fed officials - Governor Christopher Waller and Atlanta President Raphael Bostic - have said their preference is for fewer than three cuts this year.

Investors will get more clarity on the U.S. central bank's thinking this week, with 13 of 19 Fed officials speaking.

Also, the U.S. monthly jobs report is due on Friday.

The majority of S&P 500 sectors were lower, with the real estate, healthcare, and utilities among the worst hit. The energy sector gained along with stronger crude oil prices.

The technology sector also rose, along with an index of semiconductors.

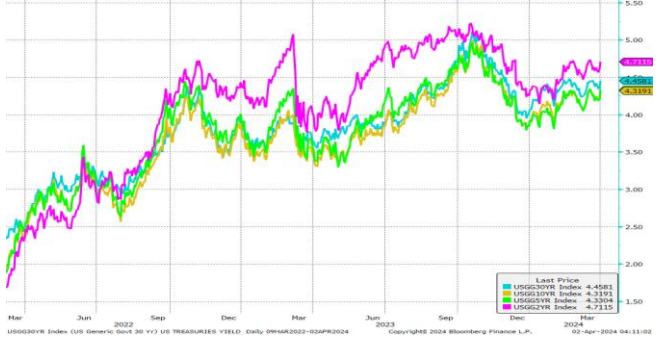
Among the day's decliners, AT&T shares slipped after the U.S. telecoms giant announced a massive data leak that affected current and former account holders.

(Source: Reuters)

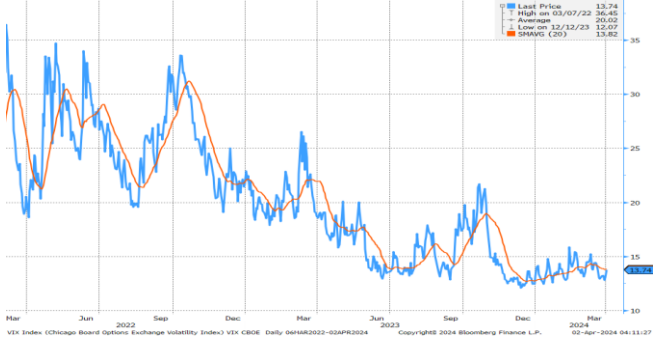
Contract	Close	Change	High	Low
E-Mini Dow JUN 24	39,894.00	-305.00	40,358.00	39,829.00
E-Mini S&P JUN 24	5,295.25	-14.000	5,333.50	5,282.25
E-Mini NASDAQ JUN 24	18,497.25	23.25	18,612.00	18,414.50
Micro Russell 2K JUN 22	2123	-22.9	2167	2119.5
USD Nikkei JUN 24	40,025.0	-390.0	40,800.00	39,735.00
US Dollar Index	104.98	0.488	105.08	104.42
DJIA	39,566.85	-240.520	39,815.00	39,491.22
S&P 500	5,243.77	-10.580	5,263.95	5,229.20
NASDAQ	16,396.83	17.370	16,490.65	16,327.89
Nikkei 225	39,803.09	-566.350	40,697.22	39,706.45
Hang Seng	0.00	0.000	0.00	0.00
Straits Times	3,234.89	10.880	3,251.15	3,222.32
DAX	0.00	0.000	0.00	0.00
CAC	0.00	0.000	0.00	0.00
FTSE100	0.00	0.000	0.00	0.00

Historical Volatility	10 Days	30 Days	60 Days	90 Days
E-Mini Dow Futures	12.28	9.00	9.07	8.90
E-Mini S&P Futures	7.51	10.45	10.88	10.26
E-Mini Nasdaq Futures	14.48	19.22	17.20	16.23

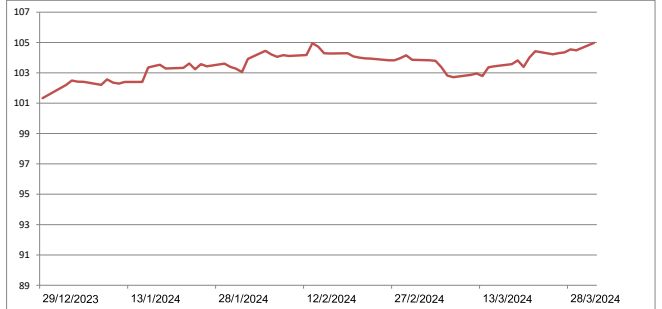
U.S. Government Treasuries Yield



CBOE Volatility Index (VIX)



Dollar Index

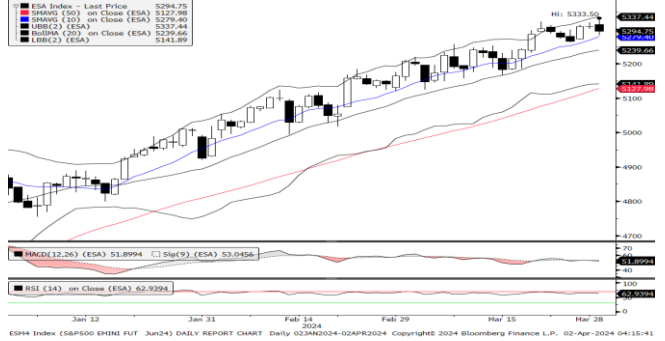


Economic Releases	Period	Survey	Actual	Prior	Revised	
04/02/2024 22:00	JOLTS Job Openings	Feb	8770k	--	8663k	--
04/03/2024 20:15	ADP Employment Change	Mar	150k	--	140k	--
04/03/2024 21:45	S&P Global US Services PMI	Mar F	51.7	--	51.7	--
04/03/2024 21:45	S&P Global US Composite PMI	Mar F	--	--	52.2	--
04/03/2024 22:00	ISM Services Index	Mar	52.8	--	52.6	--
04/03/2024 22:00	ISM Services Prices Paid	Mar	--	--	58.6	--
04/03/2024 22:00	ISM Services Employment	Mar	--	--	48	--
04/03/2024 22:00	ISM Services New Orders	Mar	--	--	56.1	--
04/04/2024 20:30	Initial Jobless Claims	Mar-30	214k	--	210k	--

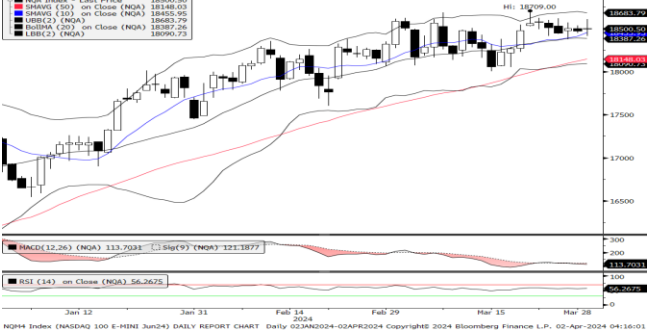
E-Mini Dow Index Futures Daily Chart



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:	40492	2nd Resistance:	41091	1st Resistance:	5374.68	2nd Resistance:	5454.11	1st Resistance:	18774.71	2nd Resistance:	19052.17	1st Resistance:	2154.85	2nd Resistance:	2186.69
1st Support:	39296	2nd Resistance:	38697	1st Support:	5215.82	2nd Resistance:	5136.39	1st Support:	18219.79	2nd Resistance:	17942.33	1st Support:	2091.16	2nd Resistance:	2059.31
MACD:	232.946			MACD:	51.863102			MACD:	113.474			MACD:	18.847		
MACD DIFF:	28.321			MACD DIFF:	-1.154481			MACD DIFF:	-7.605			MACD DIFF:	2.921		
RSI:	56.495			RSI:	62.892316			RSI:	56.205			RSI:	57.320		

Source: Bloomberg

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