

### Fundamentals:

Wall Street's three main stock indexes closed higher on Wednesday for their biggest daily gains so far in December with help from upbeat Nike and FedEx quarterly earnings, as well as improving consumer confidence and easing inflation expectations from investors.

Nike Inc shares soared 12% after beating profit expectations for its second quarter on strong holiday demand from North American shoppers, while FedEx finished up 3.4% and shares in cruise operator Carnival Corp jumped 4.7% after posting a smaller-than-expected quarterly loss.

FedEx Corp, which sparked a market selloff in September after pulling financial forecasts, provided financial guidance and announced plans for \$1 billion cost cuts.

Also, U.S. consumer confidence rose to an eight-month high in December as inflation retreated and the labor market remained strong while 12-month inflation expectations fell to 6.7%, the lowest since September 2021.

The Dow Jones Industrial Average rose 526.74 points, or 1.6%, to 33,376.48, the S&P 500 gained 56.82 points, or 1.49%, to 3,878.44 and the Nasdaq Composite added 162.26 points, or 1.54%, to 10,709.37.

Energy firms were the biggest gainers among the S&P's 11 major industry sector, adding 1.89%, as oil futures rose.

The smallest gainer among the sectors was consumer staples, which finished up 0.8%.

Still, Wednesday's data also showed that U.S. existing home sales slumped 7.7% to a 2-1/2-year low in November as the housing market was hurt by higher mortgage rates. But the data may be fuelling investor hope that the Fed could ease up on its tightening policy.

Fears of a recession following the U.S. central bank's prolonged interest rate hikes have weighed heavily on equities and these fears have put the S&P on track for its biggest annual decline since 2008 and a decline for December.

AMC Entertainment Holdings Inc finished up 4.3% after the cinema-chain operator said it suspended talks to acquire certain assets of bankrupt Cineworld Group.

Longer-dated U.S. Treasury yields were little changed on Wednesday as investors waited on inflation data due on Friday for further clues about whether price pressures are continuing to moderate.

Investors are pricing in a more dovish policy path than Federal Reserve officials have been signaling on optimism that inflation will continue to recede from its highest levels in decades.

If Friday's personal consumption expenditures (PCE) data are higher than expected or consumer confidence data also due on Friday show that inflation expectations remain lofty that could be a concern for the U.S. central bank.

Data on Wednesday showed that U.S. consumer confidence rose to an eight-month high in December and consumers' 12-month inflation expectations fell to 6.7%, the lowest since September 2021.

Fed officials expect to hike rates above 5% in 2023 and Fed chair Jerome Powell said last week that recent signs of slowing inflation have not brought any confidence yet that the fight has been won.

Fed funds futures traders, however, are pricing for rates to peak at around 4.85% in May, before declining back to 4.37% by year-end.

Benchmark 10-year note yields were steady on the day at 3.684%. They jumped as high as 3.722% overnight after the Bank of Japan on Tuesday surprised markets by widening the band of its yield curve control, a shift that some analysts said could make U.S. Treasuries less attractive to Japanese investors on a foreign exchange hedged basis.

Two-year note yields fell 5 basis points to 4.215%. The yield curve inversion between two-year and 10-year notes retraced to minus 53 basis points.

The Treasury Department sold \$12 billion in 20-year bonds on Wednesday to solid demand. The debt sold at a high yield of 3.935%, around a basis point below where it had traded before the auction.

The Treasury will sell \$19 billion in five-year Treasury Inflation-Protected Securities (TIPS) on Thursday.

(Source: Reuters)

Economic Releases	Period	Survey	Actual	Prior	Revised	
12/21/2022 20:00	MBA Mortgage Applications	Dec-16	--	0.90%	3.20%	--
12/21/2022 21:30	Current Account Balance	3Q	-\$222.0b	-\$217.1b	-\$251.1b	-\$238.7b
12/21/2022 23:00	Existing Home Sales	Nov	4.20m	4.09m	4.43m	--
12/21/2022 23:00	Existing Home Sales MoM	Nov	-5.20%	-7.70%	-5.90%	--
12/21/2022 23:00	Conf. Board Consumer Confidence	Dec	101	108.3	100.2	101.4
12/21/2022 23:00	Conf. Board Present Situation	Dec	--	147.2	137.4	138.3
12/21/2022 23:00	Conf. Board Expectations	Dec	--	82.4	75.4	76.7
12/22/2022 21:30	GDP Annualized QoQ	3Q T	2.90%	--	2.90%	--
12/22/2022 21:30	Personal Consumption	3Q T	1.70%	--	1.70%	--
12/22/2022 21:30	GDP Price Index	3Q T	4.30%	--	4.30%	--
12/22/2022 21:30	Core PCE QoQ	3Q T	4.60%	--	4.60%	--
12/22/2022 21:30	Initial Jobless Claims	Dec-17	222k	--	211k	--
12/22/2022 21:30	Continuing Claims	Dec-10	1678k	--	1671k	--
12/22/2022 23:00	Leading Index	Nov	-0.50%	--	-0.80%	--
12/23/2022 00:00	Kansas City Fed Manf. Activity	Dec	-7	--	-6	--
12/23/2022 21:30	Personal Income	Nov	0.30%	--	0.70%	--
12/23/2022 21:30	Personal Spending	Nov	0.20%	--	0.80%	--
12/23/2022 21:30	Real Personal Spending	Nov	0.10%	--	0.50%	--
12/23/2022 21:30	PCE Deflator MoM	Nov	0.10%	--	0.30%	--
12/23/2022 21:30	PCE Deflator YoY	Nov	5.50%	--	6.00%	--
12/23/2022 21:30	PCE Core Deflator MoM	Nov	0.20%	--	0.20%	--
12/23/2022 21:30	PCE Core Deflator YoY	Nov	4.60%	--	5.00%	--
12/23/2022 21:30	Durable Goods Orders	Nov P	-1.00%	--	1.10%	--
12/23/2022 21:30	Durables Ex Transportation	Nov P	0.00%	--	0.50%	--
12/23/2022 21:30	Cap Goods Orders Nondef Ex Air	Nov P	0.00%	--	0.60%	--
12/23/2022 21:30	Cap Goods Ship Nondef Ex Air	Nov P	-0.30%	--	1.50%	--
12/23/2022 23:00	U. of Mich. Sentiment	Dec F	59.1	--	59.1	--
12/23/2022 23:00	U. of Mich. Current Conditions	Dec F	--	--	60.2	--
12/23/2022 23:00	U. of Mich. Expectations	Dec F	--	--	58.4	--
12/23/2022 23:00	U. of Mich. 1 Yr Inflation	Dec F	4.60%	--	4.60%	--
12/23/2022 23:00	U. of Mich. 5-10 Yr Inflation	Dec F	3.00%	--	3.00%	--
12/23/2022 23:00	New Home Sales	Nov	600k	--	632k	--
12/23/2022 23:00	New Home Sales MoM	Nov	-5.10%	--	7.50%	--

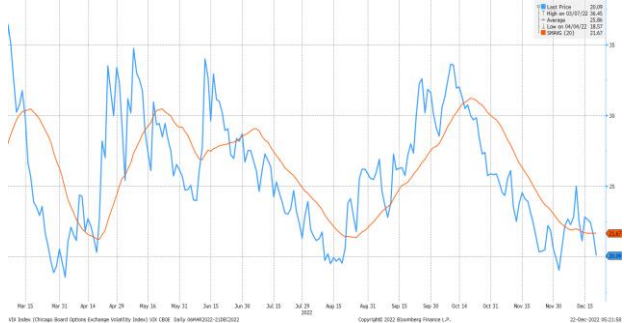
Contract	Close	Change	High	Low
E-Mini Dow MAR 23	33,569.00	564.00	33,645.00	33,141.00
E-Mini S&P MAR 23	3,905.75	63.750	3,918.75	3,855.50
E-Mini NASDAQ MAR 23	11,334.50	178.75	11,389.75	11,181.00
Micro Russell 2K JUN 22	1792	33.4	1798.2	1761.2
USD Nikkei MAR 23	26,455.0	125.0	26,580.00	26,225.00
Euro Dollar MAR 23	94.98	0.040	94.99	94.93
US Dollar Index	104.22	0.254	104.38	103.85
DJIA	33,376.48	526.740	33,437.84	33,028.09
S&P 500	3,878.44	56.820	3,889.82	3,839.49
NASDAQ	10,709.37	162.260	10,753.57	10,569.20
Nikkei 225	26,387.72	-180.310	26,616.28	26,269.80
Hang Seng	19,160.49	65.690	19,255.74	19,063.30
Straits Times	3,256.19	2.220	3,262.53	3,246.34
DAX	14,097.82	213.160	14,099.75	13,912.17
CAC	6,580.24	129.810	6,586.48	6,467.57
FTSE 100	7,497.32	126.700	7,498.48	7,368.72

Historical Volatility	10 Days	30 Days	60 Days	90 Days
E-Mini Dow Futures	20.53	18.83	21.43	21.56
E-Mini S&P Futures	21.88	24.79	26.05	25.32
E-Mini Nasdaq Futures	19.36	14.82	16.12	15.66

### U.S. Government Treasuries Yield

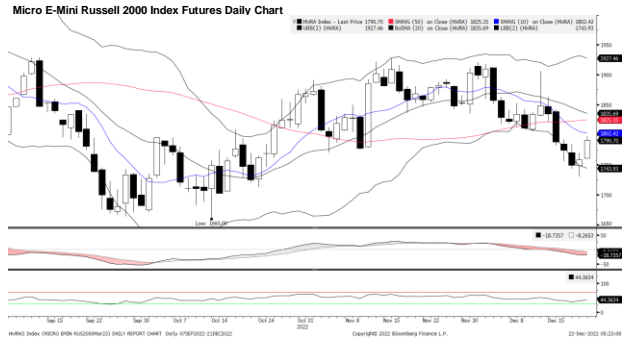
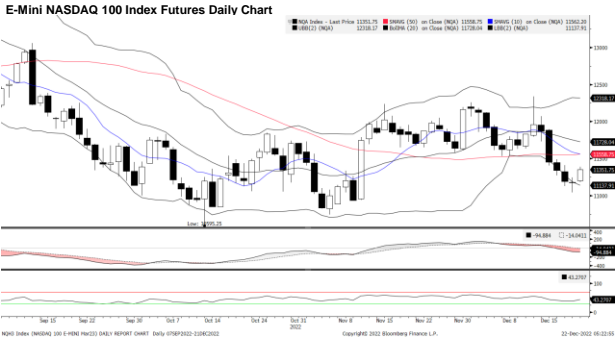
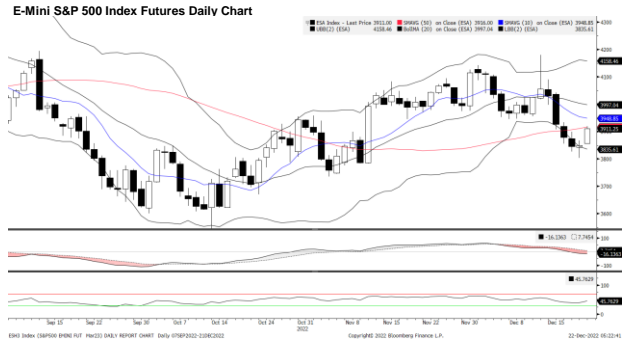
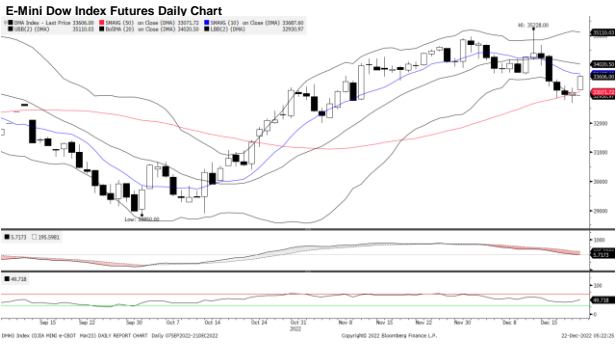


### CBOE Volatility Index (VIX)



### Dollar Index





**Technical Analysis**

Dow				S&P				Nasdaq				Micro Russell			
1st Resistance:	34073	2nd Resistance:	34576	1st Resistance:	3964.34	2nd Resistance:	4022.92	1st Resistance:	11504.52	2nd Resistance:	11674.54	1st Resistance:	1818.88	2nd Resistance:	1845.76
1st Support:	33065	2nd Support:	32562	1st Support:	3847.16	2nd Support:	3786.58	1st Support:	11164.48	2nd Support:	10994.47	1st Support:	1765.12	2nd Support:	1736.24
MACD:	6.581			MACD:	-15.978270			MACD:	-94.665			MACD:	-18.633		
MACD DIFF:	-189.173			MACD DIFF:	-23.753333			MACD DIFF:	-80.667			MACD DIFF:	-10.387		
RSI:	49.851			RSI:	45.946612			RSI:	43.356			RSI:	44.595		

**Strategy**

	Long:	Profit target:	Stop-loss:	Long:	Profit target:	Stop-loss:	Short:	Profit target:	Stop-loss:	Short:	Profit target:	Stop-loss:
Dow	33065	33396	32900	32562	32888	32399	34073	33732	34243	34576	34230	34749
S&P	3847.16	3885.64	3827.93	3786.58	3826.46	3769.63	3964.34	3924.69	3984.16	4022.92	3982.69	4043.04
Nasdaq	11164.48	11276.13	11108.66	10994.47	11104.41	10939.49	11504.52	11389.47	11562.04	11674.54	11557.79	11732.91
Micro Russell	1765.12	1782.77	1756.29	1736.24	1755.62	1729.55	1818.88	1800.69	1827.97	1845.76	1827.30	1854.99

Source: Bloomberg

Kenanga Futures Sdn Bhd (353603-X)

Dealing Desk: (603) 2172 3820 Fax: (603) 2172 2729 Email: futures@kenanga.com.my

Disclaimer: This document has been prepared for general circulation based on information obtained from sources believed to be reliable but we do not make any representations as to its accuracy or completeness.

Any recommendation contained in this document does not have regard to the specific investment objectives, financial background and the particular needs of any person who may read this document.

This document is for the information of addressees only and is not to be taken in substitution for the exercise of judgement and assessment by addressees in relation to any investment decision.

Kenanga Futures Sdn Bhd accepts no liability whatsoever for any direct or consequential loss arising from any use of this document or any solicitations of an offer to buy or sell any securities/underlying securities.

Kenanga Futures Sdn Bhd and its associates, their directors, and/or employees may have positions in, and may effect transactions in securities/underlying securities mentioned herein from time to time in the open market or otherwise, and may receive brokerage fees or act as principal or agent in dealings with respect to these companies.