

Fundamentals:

U.S. stocks closed lower on Monday, as investors were wary of making riskier bets after Russia's aborted weekend mutiny.

Investors were uncertain about the implications of the rebellion by Russian mercenaries that raised questions about President Vladimir Putin's future. While Putin on Monday thanked mercenary fighters and commanders who had stood down to avoid bloodshed, the U.S. State Department said the situation in Russia remains dynamic.

Growth stocks weighed the most on the main indexes, with Meta Platforms Inc, Alphabet Inc and Tesla Inc falling sharply.

Last week, U.S. stocks sputtered after a recent rally, with the tech-heavy Nasdaq snapping its eight-week winning streak after Fed Chair Jerome Powell signaled there could be more interest rate hikes ahead.

But the S&P 500 energy sector gained as oil prices rose while investors balanced concerns about global demand growth against upcoming supply disruptions that could get exacerbated by political instability in Russia.

A slew of economic data including a key inflation gauge, durable goods and University of Michigan's consumer sentiment index is expected this week, as well as Powell's speech that could throw light on Fed's rate hike plans.

Most policymakers see at least two more quarter-point rate increases by the end of this year, though traders expect one more hike in July and see the U.S. central bank holding rates steady through the end of 2023, according to CME Group's Fedwatch tool.

Among single stocks, Pfizer Inc fell after the drugmaker said it is discontinuing the development of an experimental obesity and diabetes drug due to elevated liver enzymes in patients in clinical studies.

Alphabet fell after UBS downgraded the stock to "neutral," while Tesla slipped dropped after Goldman Sachs cut the electric car maker's rating to "neutral."

Lucid Group rose after entering into an agreement with UK's Aston Martin that will give the electric vehicle maker a 3.7% stake in the company.

PacWest climbed after private-equity firm Ares Management said it had acquired a \$3.5 billion specialty finance loan portfolio from the lender.

But Carnival slumped after the cruise operator forecast third-quarter earnings below Wall Street expectations.

Treasury yields edged lower on Monday as the market grappled with a Federal Reserve message that interest rates would stay higher for longer as the U.S. economy continued to offer mixed signals on the likelihood of recession.

Futures show the Fed's target rate will stay above 5% through January, while the probability of a rate hike by Fed policymakers at their next two-day meeting ending on July 26 are at 73.9%.

The two-year Treasury yield, which typically moves in step with interest rate expectations, fell 1.9 basis points at 4.731%, while the yield on benchmark 10-year notes slid 2.2 basis points to 3.717%.

New York Fed President John Williams, in remarks made public on Monday, said restoring price stability was "of paramount importance."

U.S. data on Tuesdays is expected to show a measure of U.S. firms' business spending plans unchanged in May after rising strongly in April, and further evidence housing prices are softening.

The yield curve that measures the difference between two- and 10-year notes - seen as a recession harbinger when front-end rates are much higher than the long end over an extended period - was at -101.6 basis points.

The New York Fed's recession probability model based on the yield difference between 3-month and 10-year Treasuries is now showing odds of such a downturn happening in the next 12 months at 71%, says Nicholas Colas, co-founder of DataTrek Research.

The last time the term spreads with the 10-year Treasury were so inverted was in the late 1970s and early '80s. But pre-recession unemployment four decades ago was 6%-8% and is now below 4%, a reason why markets are ignoring the yield curve for now, he said.

The yield on the 30-year Treasury bond fell 0.6 basis point to 3.814%.

The breakeven rate on five-year U.S. Treasury Inflation-Protected Securities (TIPS) was last at 2.16%.

The 10-year TIPS breakeven rate was last at 2.197%, indicating the market sees inflation averaging about 2.2% a year for the next decade.

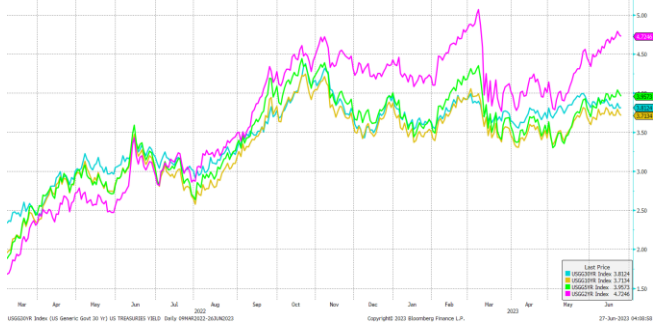
(Source: Reuters)

Economic Releases	Period	Survey	Actual	Prior	Revised	
06/26/2023 22:30	Dallas Fed Manf. Activity	Jun	-21.8	-23.2	-29.1	--
06/27/2023 20:30	Durable Goods Orders	May P	-0.80%	--	1.10%	--
06/27/2023 20:30	Durables Ex Transportation	May P	0.00%	--	-0.30%	--
06/27/2023 20:30	Cap Goods Orders Nondef Ex Air	May P	0.10%	--	1.30%	--
06/27/2023 20:30	Cap Goods Ship Nondef Ex Air	May P	0.20%	--	0.50%	--
06/27/2023 21:00	FHFA House Price Index MoM	Apr	0.50%	--	0.60%	--
06/27/2023 21:00	S&P CoreLogic CS 20-City MoM SA	Apr	0.35%	--	0.45%	--
06/27/2023 21:00	S&P CoreLogic CS 20-City YoY NSA	Apr	-2.60%	--	-1.15%	--
06/27/2023 21:00	S&P CoreLogic CS US HPI YoY NSA	Apr	--	--	0.66%	--
06/27/2023 22:00	New Home Sales	May	675k	--	683k	--
06/27/2023 22:00	New Home Sales MoM	May	-1.20%	--	4.10%	--
06/27/2023 22:00	Conf. Board Consumer Confidence	Jun	103.9	--	102.3	--
06/27/2023 22:00	Conf. Board Present Situation	Jun	--	--	148.6	--
06/27/2023 22:00	Conf. Board Expectations	Jun	--	--	71.5	--
06/27/2023 22:00	Richmond Fed Manufact. Index	Jun	-12	--	-15	--
06/27/2023 22:00	Richmond Fed Business Conditions	Jun	--	--	-17	--
06/27/2023 22:30	Dallas Fed Services Activity	Jun	--	--	-17.3	--
06/28/2023 19:00	MBA Mortgage Applications	Jun-23	--	--	0.50%	--
06/28/2023 20:30	Wholesale Inventories MoM	May P	-0.10%	--	-0.10%	--
06/28/2023 20:30	Advance Goods Trade Balance	May	-\$93.6b	--	-\$96.8b	--
06/28/2023 20:30	Retail Inventories MoM	May	--	--	0.20%	--

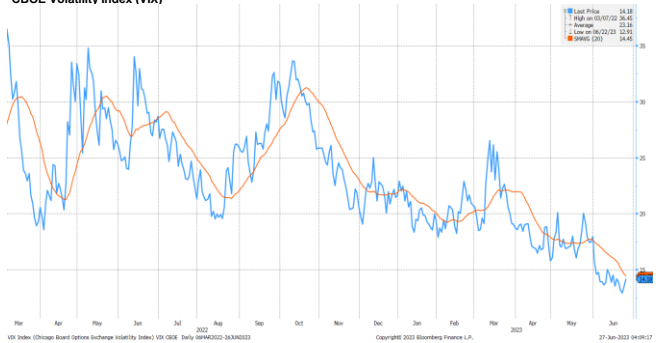
Contract	Close	Change	High	Low
E-Mini Dow SEP 23	33,971.00	-23.00	34,072.00	33,855.00
E-Mini S&P SEP 23	4,370.25	-14.000	4,403.00	4,368.50
E-Mini NASDAQ SEP 23	14,856.50	-183.50	15,152.50	14,853.50
Micro Russell 2K JUN 22	1841	6.4	1858.7	1825.1
USD Nikkei SEP 23	32,635.0	-95.0	32,925.00	32,400.00
Euro Dollar #N/A Invalid Security	0.00	0.000	0.00	0.00
US Dollar Index	102.77	-0.134	102.83	102.61
DJIA	33,714.71	-12.720	33,819.49	33,610.32
S&P 500	4,328.82	-19.510	4,362.06	4,328.08
NASDAQ	13,335.78	-156.740	13,573.57	13,334.42
Nikkei 225	32,698.81	-82.730	32,884.73	32,392.72
Hang Seng	18,794.13	-95.840	19,001.62	18,767.15
Straits Times	3,189.68	-1.920	3,217.61	3,188.23
DAX	15,813.06	-16.880	15,874.90	15,713.70
CAC	7,184.35	20.930	7,203.46	7,105.72
FTSE100	7,453.58	-8.290	7,476.45	7,401.18

Historical Volatility	10 Days	30 Days	60 Days	90 Days
E-Mini Dow Futures	10.62	11.58	11.26	13.02
E-Mini S&P Futures	10.40	11.47	11.85	14.19
E-Mini Nasdaq Futures	23.06	22.18	18.17	17.67

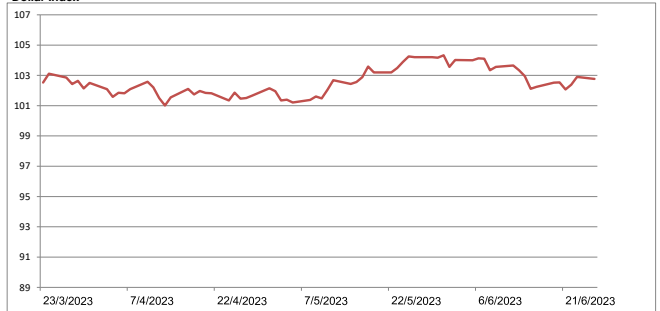
U.S. Government Treasuries Yield



CBOE Volatility Index (VIX)



Dollar Index



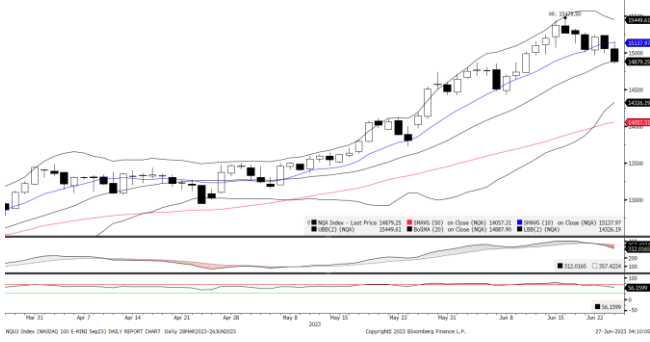
E-Mini Dow Index Futures Daily Chart



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:	34481	2nd Resistance:	34990	1st Resistance:	4435.80	2nd Resistance:	4501.36	1st Resistance:	15079.35	2nd Resistance:	15302.20	1st Resistance:	1868.62	2nd Resistance:	1896.23
1st Support:	33461	2nd Support:	32952	1st Support:	4304.70	2nd Support:	4239.14	1st Support:	14633.65	2nd Support:	14410.81	1st Support:	1813.39	2nd Support:	1785.77
MACD:	121.877			MACD:	49.836769			MACD:	311.708			MACD:	14.998		
MACD DIFF:	-26.558			MACD DIFF:	-4.584828			MACD DIFF:	-45.717			MACD DIFF:	-7.178		
RSI:	49.111			RSI:	56.032696			RSI:	56.024			RSI:	48.138		

Strategy

	Long:	Profit target:	Stop-loss:	Long:	Profit target:	Stop-loss:	Short:	Profit target:	Stop-loss:	Short:	Profit target:	Stop-loss:
Dow	33461	33796	33294	32952	33281	32787	34481	34136	34653	34990	34640	35165
S&P	4304.70	4347.74	4283.17	4239.14	4281.53	4217.95	4435.80	4391.45	4457.98	4501.36	4456.34	4523.86
Nasdaq	14633.65	14779.99	14560.48	14410.81	14554.91	14338.75	15079.35	14928.55	15154.74	15302.20	15149.17	15378.71
Micro Russell	1813.39	1831.52	1804.32	1785.77	1803.63	1776.84	1868.615	1849.93	1877.96	1896.23	1877.27	1905.71

Source: Bloomberg

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