

Investor.Coffee (10.03.2024): U.S. Futures Slide as Middle East Tensions Drive Oil Higher

written by Tracy Hughes | October 3, 2024

Good morning, **Investor.News** readers. As we settle into October, let's take a look at today's key market movements and the economic backdrop influencing investor sentiment.

Pre-Open Market Overview

U.S. futures are trading [lower](#) this morning, with investors cautious ahead of key economic data and growing concerns about a widening conflict in the Middle East. Weekly jobless claims and ISM services PMI data are expected to set the tone for the day, while oil prices continue to climb due to geopolitical tensions in the region. The U.S. dollar strengthened as resilience in the U.S. jobs market dampened expectations of imminent Fed rate cuts, while gold prices declined. In Asia, Japan's Nikkei closed higher, driven by a weakening yen after dovish comments from Prime Minister Shigeru Ishiba. Meanwhile, European markets saw a dip, weighed down by mixed inflation data and a decline in tech stocks like SAP SE (NYSE: SAP).

Economic Indicators to Watch

Recent economic data highlights mixed signals in the market. Inflation remains a key concern, with consumer prices rising at a faster-than-expected pace, putting pressure on central banks to potentially tighten monetary policy. On the employment front, job growth has been steady, though wage increases have not kept pace with inflation, impacting consumer purchasing power. Meanwhile, supply chain disruptions continue to weigh on

manufacturing output, while the energy sector experiences volatility amid fluctuating oil prices. Overall, global economic uncertainty persists as markets respond to ongoing geopolitical tensions and interest rate decisions from major economies.

Europe/Asia Update

Israel [bombed](#) central Beirut, killing at least six people, after its forces suffered their deadliest day on the Lebanese front in a year of clashes against the Iran-backed armed group Hezbollah. Prime Minister Shigeru Ishiba of Japan [stated](#) that the country is not in a position to raise interest rates, in an apparent move to soften his hawkish image following a meeting with Bank of Japan Governor Kazuo Ueda. Richmond Federal Reserve President Thomas Barkin [commented](#) that the U.S. Federal Reserve's goal of returning inflation to 2% may take longer than anticipated, which could delay potential interest rate cuts. France, Greece, Italy, and Poland are set to vote on Friday for tariffs of up to 45% on electric vehicle imports from China, marking a significant trade measure in the European Union.

Market Wrap-Up

Yesterday, U.S. markets closed just above the flatline, with the S&P 500 rising 0.01%, the Dow Jones adding 0.09%, and the Nasdaq gaining 0.08%. The energy sector outperformed, driven by escalating tensions in the Middle East, which pushed oil prices higher. Investors continue to focus on tomorrow's jobs report, following ADP's better-than-expected payroll data yesterday.

InvestorTalk Upcoming Events

Get ready for next week's InvestorTalk, where we dive into insightful discussions with industry leaders on the latest developments and opportunities in critical minerals and battery

materials.

9-920 AM, Tuesday, October 8, 2024

InvestorTalk with Guy Bourassa from Scandium Canada Ltd. (TSXV: SCD | OTCQB: SCDCF)

Join Zoom Meeting – [Click Here](#)

9-920 AM EST, Thursday, October 10, 2024

InvestorTalk with Danny Huh from NEO Battery Materials Ltd. (TSXV: NBM)

Join Zoom Meeting – [Click Here](#)

Investor Highlights Section

Alphabet Inc. (NASDAQ: GOOGL) will partner with India's Adani Group to supply clean energy for Google's cloud operations in India. The project, a solar-wind hybrid, is expected to begin commercial operations by Q3 2025 and underscores Google's commitment to sustainable energy solutions.

Eni SPA (BIT: ENI) completed a \$993 million acquisition of Eni's UK oil and gas assets, forming one of the largest independent energy companies in the North Sea. This acquisition aligns with Eni's strategy to spin off regional-focused businesses to attract investors interested in specific geographical markets.

First Phosphate Corp. (CSE: PHOS) [announced](#) the publication of a peer-reviewed research note by Queen's University and Université de Québec à Chicoutimi comparing global igneous rock phosphate ore bodies. The study highlights First Phosphate's Bégin-Lamarche property in Quebec, showing its ore's potential to produce a phosphate concentrate with a P2O5 content of ~40.9%, exceeding the global average. Other major deposits in Russia, Finland, South Africa, and Brazil are also reviewed.

Power Nickel Inc. (TSXV: PNP | OTCQB: PPNF) [announced](#) strong

assay results from its summer 2024 drilling campaign at the Lion Zone. Hole 70 delivered 32 meters at 6.97% copper equivalent, showcasing significant grades of gold, silver, copper, palladium, platinum, and nickel. These results suggest the Lion Zone is larger than initially expected. The company is preparing a 30,000-meter drill program set to begin on October 15, with additional assay results expected later this month.

Stellantis NV (NYSE: STLA) shares continued to slide after issuing a profit warning earlier this week, raising concerns about the sustainability of the company's dividend and share buyback programs. Investors are closely watching the automaker's next steps as market conditions weigh on profitability.

St-Georges Eco-Mining Corp. (CSE: SX | OTCQB: SX00F) and its majority-owned subsidiary, H2SX Corp., completed the installation of their hydrogen production system in South Korea. The system is expected to be fully operational by the end of this year. This project marks a significant step in producing clean hydrogen without greenhouse gas emissions. Wintech Energy's proprietary technology will be showcased to the industry once it is operational.

TotalEnergies SE (EPA: TTE) announced a strategic focus on low-cost upstream production and signing oil-linked gas contracts to maintain profitability through 2030. As oil prices fluctuate, the company remains committed to rewarding shareholders through its cost-effective energy operations.

Xtract One Technologies Inc. (TSX: XTRA | OTCQX: XTRAF) announced that its SmartGateway technology has been installed at Rocket Mortgage FieldHouse, home of the Cleveland Cavaliers. This system enhances security while streamlining entrance procedures for attendees. The installation was completed in Q2 2024, in time for the NBA season, ensuring a safer and more

efficient fan experience.

Conclusion

That wraps up today's **Investor.Coffee**. Remember, **Investor.Coffee** is published on **Investor.News** from Monday through Thursday, keeping you informed on the latest market trends, company news, and financial data. Investor.News serves a global audience, with subscribers from all corners of the world.

Publisher's Note: Tracy Hughes uses a variety of sources for her daily market update series called **Investor.Coffee**. This series is intended to be a brief summary of daily market highlights that the **Investor.News** team finds interesting. This summary is meant to inspire research, investigation, and due diligence, and we encourage you to always seek licensed professional advice with any investment decision. While Tracy is a professional writer, she is not a licensed investment advisor. And yes, Tracy uses ChatGPT and other technology devices to help distill information and prioritize business data – while sipping her daily coffee! For more information email us info@investornews.com.