



Market Recap – Thursday, November 7, 2024

Major Indices (Price Returns)	Close	1-Day Change		WTD	MTD	YTD
S&P 500	5,973.10	+44.06	+0.74%	+4.26%	+4.69%	+25.23%
Dow Jones Industrial Average	43,729.34	-0.59	0.00%	+3.99%	+4.71%	+16.03%
NASDAQ Composite	19,269.46	+285.99	+1.51%	+5.64%	+6.49%	+28.37%
Russell 2000	2,382.69	-10.23	-0.43%	+7.81%	+8.47%	+17.54%
MSCI EAFE (USD)	2,354.11	+33.75	+1.45%	+0.77%	+0.91%	+5.27%
MSCI Emerging Markets (USD)	1,140.54	+8.68	+0.77%	+1.63%	+1.88%	+11.41%
Bloomberg Commodity Index	99.32	+1.19	+1.21%	+1.27%	+1.25%	+0.68%
Bloomberg U.S. Aggregate Bond	91.47	+0.63	+0.70%	+0.54%	+0.02%	-0.25%

S&P 500 Sector Performance (Price Returns)

Sector	1-Day	YTD	Current P/E 10yr Avg.	Sector	1-Day	YTD	Current P/E 10yr Avg.
S&P 500	+0.74%	+25.2%	22.2x 18.4x	Health Care	+0.64%	+9.2%	18.6x 16.5x
Communication Services	+1.92%	+35.8%	19.2x 18.4x	Industrials	-0.60%	+23.2%	23.7x 19.1x
Consumer Discretionary	+1.37%	+21.3%	27.4x 26.5x	Information Technology	+1.83%	+36.6%	29.8x 20.1x
Consumer Staples	+0.37%	+12.7%	21.4x 19.7x	Materials	+0.50%	+11.0%	20.5x 16.9x
Energy	-0.36%	+11.7%	14.5x 15.4x	Real Estate	+1.19%	+7.6%	18.6x 18.9x
Financials	-1.62%	+29.5%	17.2x 14.3x	Utilities	+0.15%	+22.5%	18.0x 17.5x

Notable Movers

S&P 500 Top 5 Gains & Losses							
Ticker	Company Name	1-Day	YTD	Ticker	Company Name	1-Day	YTD
EPAM	Epam Sys Inc	+14.9%	-21.7%	MTCH	Match Group Inc New	-17.9%	-14.8%
VTRS	Viatris Inc	+13.5%	+21.7%	APA	Apa Corporation	-11.3%	-38.9%
SMCI	Super Micro Computer Inc	+12.2%	-10.4%	CVS	Cvs Health Corp	-7.4%	-27.7%
WBD	Warner Bros Discovery Inc	+11.8%	-17.7%	ROK	Rockwell Automation Inc	-5.8%	-10.8%
MCK	Mckesson Corp	+10.6%	+31.2%	BDX	Becton Dickinson & Co	-5.4%	-6.9%

S&P 400 (Mid Cap) Top 5 Gains & Losses

Ticker	Company Name	1-Day	YTD	Ticker	Company Name	1-Day	YTD
UAA	Under Armour Inc	+27.2%	+26.6%	XRAY	Dentsply Sirona Inc	-28.0%	-51.5%
UA	Under Armour Inc	+23.3%	+19.0%	ASH	Ashland Inc	-7.6%	-4.3%
KD	Kyndryl Hldgs Inc	+14.2%	+32.6%	FBIN	Fortune Brands Innovations	-6.1%	+3.9%
MTSI	Macom Tech Solutions Hldg	+14.1%	+49.7%	ENS	Enersys	-6.1%	-5.2%
VAC	Marriott Vacations Worldwid	+13.2%	+13.1%	WAL	Western Alliance Bancorp	-6.0%	+37.3%

Source: FactSet; P/E uses forward (next twelve months) consensus EPS estimate (FFO for Real Estate)

The Day Ahead – Friday, November 8, 2024

S&P 500 futures are indicating a lower open this morning

Asian Markets	Overnight	YTD	1-Year	European Markets	Today	YTD	1-Year
Japanese Nikkei 225	+0.30%	+18.0%	+22.8%	London FTSE 100	-0.67%	+4.6%	+9.1%
Hong Kong Hang Seng	-1.07%	+21.6%	+18.0%	Euro STOXX 50	-0.83%	+6.5%	+15.9%
Shanghai Composite	-0.53%	+16.0%	+13.1%	Germany DAX	-0.63%	+14.9%	+26.3%
Commodities & FX	Current	Today	YTD	U.S. Treasuries	Current	Today	YTD
Crude Oil (WTI)	\$71.25	-1.5%	-0.6%	30-Year Yield	4.49%	-0.05	+0.46
Natural Gas (NYMEX)	\$2.73	+1.4%	+17.4%	10-Year Yield	4.30%	-0.03	+0.43
Gold	\$2,706	0.0%	+30.6%	5-Year Yield	4.17%	0.00	+0.32
Silver	\$31.88	+0.1%	+32.4%	2-Year Yield	4.21%	+0.01	-0.04
EUR/USD	1.077	-0.4%	-2.5%	3-Month Yield	4.53%	0.00	-0.82
Dollar Index (DXY)	104.72	+0.2%	+3.3%	Current Fed Funds Target: 4.50% to 4.75%			

Sources: FactSet, Thomson Reuters

Economic Calendar	Release (PT)	Period	Actual	Consensus	Previous
Michigan Consumer Expectations	07:00	NOV			74.1
Michigan Current Conditions	07:00	NOV			64.9
Michigan 5 Year Inflation	07:00	NOV			3.0%
Michigan Inflation Expectations	07:00	NOV			2.7%
Michigan Sentiment NSA	07:00	NOV		71.0	70.5
Baker Hughes U.S. Rotary Gas	10:00	11/08			102
Baker Hughes U.S. Rotary Oil Rigs	10:00	11/08			479
Baker Hughes U.S. Riq Count	10:00	11/08			585

Source: FactSet

Today's Earnings Releases (AM):

ADNT, WMS, ATSG, AKRO, AMCX, AXL, ANIP, ATMU, BAX, BLMN, CLMT, ERJ, FLO, FLR, FTRE, FLGT, GTN, HLLY, IMXI, KOP, LAMR, MSGE, NRG, PAR, PARA, PWP, PAA, PAL, RBA, SONY, TU

Today's Earnings Releases (PM):

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This Morning's Earnings Reports (vs. consensus)

Above: ADNT, AMCX, AXL, ANIP, ATMU, BAX, BLMN, FLO, FLGT, IMXI, KOP, LAMR, MSGE, PARA, PWP, PAA, PAL, RBA

This Morning's Earnings Guidance (vs. consensus)

Above: KOP, FLGT, ANIP, ATMU

This Morning's Analyst Reports (Street)

Upgrades:	Downgrades:
UPST, EPAM, WING, UPST, UEIC, TDY, TAP, OFIX, LOW, PMVP, HPR, IFF, HD, HAE, FLNC, DPZ, DOCS, CHWY, BNTX, BAC, APP, ADTN	BRDG, ATEN, EXPE, GILD, WHF, SVV, SG, RUN, RIVN, PLYM, PLNT, NXST, NRDY, NOVA, MRV1, MEG, LZ, LPSN, LAND, IBP, EVH, ENPH, ENLC, CE

Sources: Briefing.com, MarketWatch

Market Headlines | **Company Headlines**

The S&P 500 is trading slightly higher this morning after the index hit a new all-time high yesterday. Major Asia-Pacific equity indices were mixed overnight, while European equity indices were lower across the board at mid-session. Oil is trading lower at around \$71/barrel, and the 10-year U.S. Treasury yield is lower at ~4.31%.

The Federal Open Market Committee (FOMC) lowered its federal funds interest rate target by -0.25% to a target range of 4.5% to 4.75% on Thursday. The current expectation, using the CME FedWatch Tool which calculates rate probabilities using trading data from 30-day fed funds futures contracts, is for another 25 basis point rate cut in December, followed by no change to the target range at the January meeting.

EOG Resources, Inc. (EOG) reported third quarter adjusted earnings per share (EPS) of \$2.89 which came in ahead of consensus for \$2.78. The company increased their quarterly dividend by +7.1% to \$0.975/share.

Toast, Inc. Class A (TOST) reported better-than-expected third quarter results with revenue of \$1.31 billion (B) and adjusted EBITDA of \$113 million (M) both coming in above estimates for \$1.29B and \$78M, respectively. Shares of TOST are up +13% in premarket trading.

Airbnb, Inc. Class A (ABNB) reported 3Q24 revenue of \$3.73B and bookings of \$20.1B, both ahead of analyst expectations. Adjusted EBITDA of \$1.96B was ahead of consensus for \$1.86B and guided to a 4th quarter adjusted EBITDA margin of 35.5% (+50 basis points above previous guidance).

Looking Ahead:

U.S. stock index futures took a breather after a sharp rally, powered by a sweeping Trump win and an expected interest-rate cut, took the S&P 500 futures above the 6,000 mark for the first time. Shares of chipmaker Nvidia eased in premarket trading after the AI pioneer became the first in history to surpass a \$3.6 trillion in market value on Thursday. European shares inched down on the back of mixed earnings results. Meanwhile, Nikkei secured its biggest weekly gain since late September. China and Hong Kong stocks declined but booked their best week in a month, as investors lowered expectations for Beijing's fiscal stimulus package and took profit ahead of the announcement. Separately, the dollar was on track for ending a volatile week with a slight gain. In commodities, oil prices fell on receding fears over the impact of Hurricane Rafael on oil and gas infrastructure in the U.S. Gulf. Gold prices retreated and were on track for their biggest weekly fall in over five months. The University of Michigan's preliminary consumer sentiment survey data for November is due later in the day, while Federal Reserve Board Governor Michelle Bowman is expected to speak.

- "Before the Bell", Thomson Reuters Morning News Call

Sector Valuation Matrix:

<i>November 7, 2024</i>								(Column A)	(Column B)	(Column C)
Sector	S&P 500 Weight	P/E (FY1)*	P/E (FY2)*	P/B	P/CF	P/S	EV/EBITDA	6-Factor Avg.	Historical Avg.	Difference
Communication Services	9.1%	0.87	0.87	0.94	0.80	1.31	0.73	0.92	1.04	-0.12
Consumer Discretionary	10.4%	1.21	1.24	1.89	1.05	0.90	1.03	1.22	1.41	-0.18
Consumer Staples	5.5%	0.90	0.98	1.23	0.94	0.46	0.84	0.89	1.07	-0.18
Energy	3.4%	0.62	0.66	0.42	0.44	0.44	0.43	0.50	0.71	-0.21
Financials	13.4%	0.74	0.78	0.45	0.63	0.89	1.05	0.76	0.87	-0.11
Health Care	10.8%	0.88	0.83	1.02	1.27	0.57	1.03	0.93	1.02	-0.09
Industrials	8.5%	1.10	1.06	1.33	1.11	0.88	0.99	1.08	1.06	0.02
Information Technology	32.2%	1.41	1.33	2.51	1.74	3.02	1.56	1.93	1.41	0.52
Materials	2.1%	0.95	0.92	0.61	0.83	0.78	0.76	0.81	0.85	-0.05
Real Estate	2.2%	0.78	0.85	0.61	1.12	2.33	1.19	1.15	1.57	-0.42
Utilities	2.3%	0.78	0.82	0.43	0.52	0.91	0.74	0.70	0.83	-0.13
S&P 500	100.0%	24.88x	21.69x	5.25x	17.99x	3.07x	18.14x			

*Current Fiscal Year (FY1) and Next Fiscal Year (FY2) Consensus EPS Estimate. Ratio uses funds from operations (FFO) for Real Estate sector instead of EPS

Data Source: FactSet

Global Valuation Matrix:

<i>November 7, 2024</i>								(Column A)	(Column B)	(Column C)
Index		P/E (FY1)*	P/E (FY2)*	P/B	P/CF	P/S	EV/EBITDA	6-Factor Avg.	Historical Avg.	Difference
S&P 500 (SPY): Large-Cap U.S.		1.23	1.21	1.60	1.41	1.41	1.26	1.35	1.25	0.11
Russell 2000 (IWM): Small-Cap U.S.		1.75	1.41	0.70	0.79	0.63	1.11	1.06	1.13	-0.07
MSCI EAFE (EFA): Developed Int'l		0.73	0.77	0.57	0.63	0.61	0.69	0.67	0.82	-0.15
MSCI Emerging Markets (EEM)		0.69	0.68	0.59	0.62	0.68	0.73	0.67	0.75	-0.09
iShares MSCI ACWI (ACWI)		20.13x	17.89x	3.22x	12.70x	2.19x	14.43x			

*Current Fiscal Year (FY1) and Next Fiscal Year (FY2) Consensus EPS Estimate.

Data Source: FactSet

Valuation Matrix Explanation: The valuation matrices above analyze the average valuation of the eleven S&P 500 GICS sectors vs. the S&P 500 index, and four major equity asset classes vs. the global index (iShares MSCI All Country World Index (ACWI) ETF: ACWI). **Column A** calculates each sector or region *current* relative valuation to its broad index by averaging six notable ratios listed above: price/earnings (FY1 and FY2), price/book value, price/cash flow, price/sales, and enterprise value/EBITDA. **Column B** displays each sector or region 10-year average *relative* valuation to its broad index based on these factors. **Column C** on the far right calculates the difference between the *current* and *historical* relative valuations for each sector or region. A positive differential indicates that the sector/region currently trades at a **premium** vs. its 10-year average, and a negative differential indicates that the sector/region currently trades at a **discount** vs. its 10-year average. Premiums and discounts above/below 10% shown in red/green, respectively.

Technical Overview:

	Short-Term Trend (20-Day)	Intermediate Trend (20-Week)	Long-Term Trend (20-Month)
DJ Industrial Average	UPTREND	UPTREND	UPTREND
S&P 500	EXTENDED UP	UPTREND	UPTREND
NASDAQ Composite	OVERBOUGHT	UPTREND	UPTREND
Russell 2000	EXTENDED UP	UPTREND	UPTREND
MSCI EAFE (EFA)	TRANSITION ZONE	DOWNTREND	UPTREND
Emerging Markets (VWO)	UPTREND	UPTREND	UPTREND
	50-day Moving Avg.	200-day Moving Avg.	Current Price
DJ Industrial Average	42,072	39,910	43,729.34
S&P 500	5,720	5,379	5,973.10
NASDAQ Composite	18,032	17,032	19,269.46

Sources: FactSet, D.A. Davidson & Co

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