



Market Recap – Thursday, November 21, 2024

Major Indices (Price Returns)	Close	1-Day Change	WTD	MTD	YTD	
S&P 500	5,948.71	+31.60	+0.53%	+1.33%	+4.26%	+24.72%
Dow Jones Industrial Average	43,870.35	+461.88	+1.06%	+0.98%	+5.04%	+16.40%
NASDAQ Composite	18,972.42	+6.28	+0.03%	+1.56%	+4.85%	+26.39%
Russell 2000	2,364.02	+38.48	+1.65%	+2.61%	+7.62%	+16.62%
MSCI EAFE (USD)	2,270.79	+6.47	+0.29%	-0.20%	-2.66%	+1.55%
MSCI Emerging Markets (USD)	1,085.49	-8.36	-0.76%	+0.05%	-3.04%	+6.03%
Bloomberg Commodity Index	98.91	+0.40	+0.41%	+2.92%	+0.83%	+0.26%
Bloomberg U.S. Aggregate Bond	90.90	-0.03	-0.03%	+0.09%	-0.62%	-0.88%

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	+0.53%	+24.7%	22.1x 18.4x	Health Care	+0.83%	+5.5%	18.0x 16.5x
Communication Services	-1.73%	+32.6%	18.9x 18.4x	Industrials	+1.23%	+23.1%	23.5x 19.1x
Consumer Discretionary	-0.30%	+21.9%	27.8x 26.7x	Information Technology	+0.56%	+34.1%	29.2x 20.2x
Consumer Staples	+1.24%	+15.3%	22.0x 19.7x	Materials	+1.20%	+8.9%	20.3x 16.9x
Energy	+0.83%	+15.3%	14.9x 15.4x	Real Estate	+0.64%	+8.9%	19.0x 18.9x
Financials	+1.27%	+33.1%	17.3x 14.4x	Utilities	+1.75%	+28.8%	18.8x 17.5x

Notable Movers

Ticker	Company Name	1-Day	YTD	Ticker	Company Name	1-Day	YTD
SMCI	Super Micro Computer Inc	+15.1%	+4.5%	GOOGL	Alphabet Inc	-4.7%	+20.0%
AMTM	Amentum Holdings Inc	+10.5%		GOOG	Alphabet Inc	-4.6%	+20.1%
DE	Deere & Co	+8.0%	+9.4%	TDG	Transdigm Group Inc	-4.1%	+22.6%
VST	Vistra Corp	+7.7%	+332.5%	GEHC	Ge Healthcare Technologies	-3.4%	+6.1%
CEG	Constellation Energy Corp	+7.0%	+115.5%	AMZN	Amazon Com Inc	-2.2%	+30.6%

S&P 500 Top 5 Gains & Losses

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

Ticker	Company Name	1-Day	YTD	Ticker	Company Name	1-Day	YTD
KD	Kyndryl Hldgs Inc	+13.9%	+56.4%	WMG	Warner Music Group Corp	-7.4%	-12.9%
BJ	Bjs Whsl Club Hldgs Inc	+8.3%	+39.2%	MMS	Maximus Inc	-6.9%	-10.6%
CC	Chemours Co	+8.1%	-34.1%	SHC	Sotera Health Company	-6.1%	-26.4%
FOUR	Shift4 Payments Inc	+7.2%	+47.0%	CYTK	Cytokinetics Inc	-4.4%	-42.9%
GAP	Gap Inc	+6.9%	+5.4%	DOCS	Doximity Inc	-3.8%	+71.2%

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

The Day Ahead – Friday, November 22, 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	+0.68%	+14.4%	+14.4%	London FTSE 100	+1.11%	+6.6%	+10.1%
Hong Kong Hang Seng	-1.89%	+12.8%	+8.4%	Euro STOXX 50	+0.21%	+5.4%	+10.0%
Shanghai Composite	-3.06%	+9.8%	+7.3%	Germany DAX	+0.45%	+14.8%	+20.5%
Commodities & FX	Current	Today	YTD	U.S. Treasuries	Current	Today	YTD
Crude Oil (WTI)	\$69.97	-0.2%	-2.3%	30-Year Yield	4.60%	-0.01	+0.56
Natural Gas (NYMEX)	\$3.36	+0.6%	+44.3%	10-Year Yield	4.41%	-0.01	+0.53
Gold	\$2,693	+0.7%	+30.0%	5-Year Yield	4.29%	-0.01	+0.44
Silver	\$31.14	+0.6%	+29.3%	2-Year Yield	4.34%	0.00	+0.09
EUR/USD	1.042	-0.6%	-5.6%	3-Month Yield	4.52%	0.00	-0.83
Dollar Index (DXY)	107.44	+0.4%	+6.0%	Current Fed Funds Target: 4.50% to 4.75%			

Economic Calendar	Release (PT)	Period	Actual	Consensus	Previous
PMI Composite SA (Preliminary)	06:45	NOV	55.3	54.7	54.1
Markit PMI Manufacturing SA	06:45	NOV	48.8	48.8	48.5
Markit PMI Services SA	06:45	NOV	57.0	55.3	55.0
Michigan Consumer Expectations	07:00	NOV	76.9		78.5
Michigan Current Conditions (Final)	07:00	NOV	63.9		64.4
Michigan 5 Year Inflation	07:00	NOV	3.2%		3.1%
Michigan Inflation Expectations	07:00	NOV	2.6%		2.6%
Michigan Sentiment NSA (Final)	07:00	NOV	71.8	73.3	73.0
Baker Hughes U.S. Rotary Gas	10:00	11/22			101
Baker Hughes U.S. Rotary Oil Rigs	10:00	11/22			478
Baker Hughes U.S. Rig Count	10:00	11/22			584

Sources: FactSet, Thomson Reuters

Source: FactSet

Today's Earnings Releases (AM):

BKE

Today's Earnings Releases (PM):

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This Morning's Earnings Reports (vs. consensus)

Above:	
In-Line:	
Below:	BKE

This Morning's Earnings Guidance (vs. consensus)

Above:	
In-Line:	
Below:	

This Morning's Analyst Reports (Street)

Upgrades:	KC, XPEV, WAY, SAH, RBC, PEB, NKSH, KLC, FLS, ESTC, BFAM, ASGN, ABBV
Downgrades:	BIDU, BERY, ENIC, TMDX, TKR, THC, RUN, ROOT, PANW, HCA, GRAB, DRH, CYH, ATKR

Sources: Briefing.com, MarketWatch

Market Headlines

The S&P 500 is higher at market open, up +0.21%. Dow Jones Industrial futures are up +0.61%. Major Asia-Pacific equity indices were mostly higher overnight. European equity indices were higher at mid-session. Oil is trading up at around \$70.56/barrel. Gold is up +0.65% and the 10-year U.S. Treasury yield is lower at ~4.41%.

Preliminary Purchasing Manager's Index (PMI) data was released this morning. The figure was at 55.3 for November, above consensus of 54.7. The Markit PMI figure for manufacturing was reported as 48.8, which was in-line with expectations and up slightly from 48.5 last month. The PMI for services was at 57.0, above consensus and up from the month prior.

Company Headlines

Amazon.com, Inc (AMZN) is set to invest another \$4 billion (B) in rival to OpenAI (private), Anthropic (private). The company has already invested \$4B previously. Amazon Web Services will become the primary training partner and cloud provider to the model.

The United Parcel Service (UPS) will pay a penalty of up to \$45 million for improperly valuing a business, according to the SEC. The company reportedly misrepresented earnings by not adhering to generally accepted accounting principles (GAAP).

Bitcoin has hit a record high, approaching \$100,000 as its post-election rally continues. The cryptocurrency has surged over +40% in 2 weeks.

Looking Ahead:

U.S. stock index futures slipped ahead of the release of S&P Global's business activity survey, while escalating geopolitical tensions between Ukraine and Russia dampened investor sentiment. Analysts forecast that services activity will remain in expansion territory, while manufacturing is projected to stay in contraction. Federal Reserve Governor Michelle Bowman's remarks, later in the day, will also be closely watched. Wall Street's main indexes are on track to end the week higher. Meanwhile, Europe's benchmark STOXX 600 was on track for its first weekly rise in five as technology shares led gains during the session. Japan's Nikkei ended higher as chip-related stocks tracked AI bellwether Nvidia higher. The euro plunged to a two-year low against the dollar after data showed a tumble in euro zone business activity, and caused markets to up bets on ECB rate cuts. Bitcoin hit a record high just shy of \$100,000. Safe-haven demand helped gold prices advance more than 1%. Oil prices ticked lower.

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

Sector Valuation Matrix:

November 21, 2024		S&P 500						(Column A)	(Column B)	(Column C)
Sector	Weight	P/E (FY1)*	P/E (FY2)*	P/B	P/CF	P/S	EV/EBITDA	6-Factor Avg.	Historical Avg.	Difference
Communication Services	8.9%	0.86	0.85	0.93	0.80	1.29	0.71	0.91	1.04	-0.13
Consumer Discretionary	10.5%	1.23	1.26	1.87	1.06	0.91	1.03	1.23	1.41	-0.18
Consumer Staples	5.6%	0.93	1.01	1.28	1.01	0.48	0.87	0.93	1.07	-0.14
Energy	3.5%	0.63	0.68	0.42	0.46	0.47	0.47	0.52	0.71	-0.18
Financials	13.8%	0.74	0.79	0.45	0.62	0.89	1.03	0.75	0.87	-0.11
Health Care	10.5%	0.85	0.81	0.99	1.20	0.55	0.98	0.90	1.02	-0.12
Industrials	8.6%	1.10	1.06	1.31	1.13	0.88	0.99	1.08	1.06	0.02
Information Technology	31.8%	1.40	1.31	2.56	1.74	3.01	1.54	1.93	1.42	0.51
Materials	2.1%	0.95	0.91	0.59	0.86	0.78	0.76	0.81	0.85	-0.05
Real Estate	2.2%	0.79	0.87	0.63	1.15	2.37	1.21	1.17	1.57	-0.40
Utilities	2.5%	0.81	0.86	0.46	0.54	0.96	0.77	0.73	0.83	-0.10
S&P 500	100.0%	24.94x	21.74x	5.14x	17.80x	3.05x	17.97x			

*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:

November 21, 2024		S&P 500						(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	1.61	1.45	1.43	1.26	1.36	1.25	0.12
Russell 2000 (IWM): Small-Cap U.S.		1.77	1.42	0.70	0.85	0.63	1.12	1.08	1.13	-0.05
MSCI EAFE (EFA): Developed Int'l		0.73	0.76	0.57	0.60	0.59	0.68	0.65	0.82	-0.16
MSCI Emerging Markets (EEM)		0.67	0.66	0.57	0.58	0.66	0.70	0.64	0.75	-0.11
iShares MSCI ACWI (ACWI)		20.05x	17.83x	3.13x	12.18x	2.14x	14.14x			

*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	UPTREND	UPTREND	UPTREND
NASDAQ Composite	UPTREND	UPTREND	UPTREND
Russell 2000	UPTREND	UPTREND	UPTREND
MSCI EAFE (EFA)	DOWNTREND	DOWNTREND	UPTREND
Emerging Markets (VWO)	DOWNTREND	TRANSITION ZONE	UPTREND
	50-day Moving Avg.	200-day Moving Avg.	Current Price
DJ Industrial Average	42,629	40,177	43,870.35
S&P 500	5,803	5,430	5,948.71
NASDAQ Composite	18,401	17,209	18,972.42

Sources: FactSet, D.A. Davidson & Co

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