

# Investment Daily

30 October 2024



## S&P 500 rose, with tech heavyweights' earnings in focus

**US stocks** traded mostly higher on Tuesday as investors looked ahead to some tech heavyweights' earnings reports. The S&P 500 closed 0.2% higher, with the tech-heavy Nasdaq advancing 0.8%.

**US Treasuries** rose (yields fell) following mixed macro prints and a solid 7-year Treasury debt auction result. 10-year yields shed 3bp to 4.25%.

**European stock markets** fell on Tuesday ahead of Q3 earnings results and the UK autumn budget. The Euro Stoxx Index lost 0.4%, led by basic materials and utilities. The German DAX index fell 0.3%, with the French CAC closing 0.6% lower. In the UK, the FTSE-100 lost 0.8%.

**European government bonds** fell (yields rose), with the UK autumn budget and the US presidential election in focus. 10-year German bund yields rose 5bp to 2.34%, and 10-year French bond yields increased 7bp to 3.08%. Peripheral bond yields rose too. Meanwhile, in the UK 10-year gilt yields rose 6bp to 4.31%.

**Asia stock markets** lacked clear direction on Tuesday, with investors monitoring this week's heavy US earnings slate and key economic data, ahead of the US presidential election, the Fed rate decision and China's NPC standing committee meeting due next week. Japan's Nikkei 225 rose 0.8%, led by financials on higher JGB yields after the general election. Hong Kong's Hang Seng added 0.5% on some positive earnings, whereas China's Shanghai Composite lost 1.1%. Elsewhere, India's Sensex ended 0.4% higher.

**Crude oil prices** ended modestly lower on Tuesday after sharp declines in the previous session, as investors continued to monitor the geopolitical developments in the Middle East and the potential stimulus moves in China. WTI for December delivery settled 0.3% lower at USD67.2 a barrel.

**US stocks and Treasuries rose**

**European stocks and government bonds fell**

**Asian stocks lacked clear direction**

## Key Data Releases and Events

### Releases yesterday

In the **US**, the **JOLTS job openings** fell to 7.44mn in September, the lowest level in more than three and a half years, with August data revised down to 7.86mn from the initial 8.04mn reported. The softening labour market is likely to bolster the Fed's interest rate cut case.

The **US Conference Board's consumer confidence index** rebounded to 108.7 in October from an upwardly revised 99.2 in September. While the index has recorded its strongest monthly gain since March 2021, the "hard to get" jobs index, which had steadily increased since spring 2024, dropped in the month.

### Releases due today (30 October 2024)

Country	Indicator	Period	Survey	Prior
Eurozone	GDP, Prelim (sa qoq)	Q3	0.2%	0.2%
Mexico	GDP, Flash (sa qoq)	Q3	0.6%	0.2%
United States	GDP, Flash (saar qoq)	Q3	2.9%	3.0%
UK	Government Budget Announcement			

The **eurozone GDP** is likely to remain at the same level in Q3 at 0.2% qoq, but recovery remains fragile with recent PMI surveys pointing to a loss of momentum in Q3.

**Mexican GDP** is forecast to grow 0.6% qoq in Q3, from 0.2% qoq in Q2. Mexican GDP growth lost momentum at the end of 2023 and was relatively lackluster during H1 2024.

**US GDP** growth is expected to have remained stable at a robust pace in Q3 at 2.9% qoq (annualised rate), supported by resilient consumer spending.

In the UK, the Labour Party's first **UK Budget** could reveal higher taxes and increased public spending. A funding rule change is also likely.

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