

Fundamentals:

Wall Street's three main stock indexes edged higher on Friday as investors digested recent gains while remarks from Federal Reserve officials clouded the outlook about when the U.S. central bank might start cutting interest rates.

Vice Chair for Supervision Michael Barr said he believes the Fed is at or near the peak of interest rate hikes, but San Francisco Fed chief Mary Daly and Boston Fed President Susan Collins highlighted the need for more evidence of cooling inflation.

"The major reason for the recent rally is that Wall Street had convinced itself that the Federal Reserve is all done with hiking rates this cycle," said Eddy Elfenbein, the manager of the CWS AdvisorShares Focused Equity ETF and blogger of Crossing Wall Street. "Investors now expect the Fed to start cutting rates in less than six months."

"There's a lot of positive momentum in the market," said Mark Hackett, Nationwide's chief of investment research. "Things are mostly in pretty good shape right now."

Adding some pressure, shares of Applied Materials tumbled 4.4% after its third-quarter report and news the U.S. Justice Department is investigating allegations that the semiconductor equipment maker violated export curbs to China.

In the bond market, the yield on the 10-year Treasury note was trading down slightly Friday afternoon at around 4.43%, according to FactSet data, at last check.

The 10-year Treasury note US10YT yield was down slightly after touching a two-month low during the session.

The S&P 500, the Nasdaq and the Dow were poised for weekly gains of more than 2%, their third straight week of gains.

For the S&P and the Dow this would be the longest winning streak since July. For the Nasdaq it would be the longest run of weekly gains since June.

"We've come a long way. We need to digest some of these moves and look for what the next catalyst is. Earnings is behind us. The Fed is on hold and is going to be in December. The equity market is looking for guidance," said Jack McIntyre, portfolio manager at Brandywine Global in Philadelphia.

Looking for cues from the bond market, McIntyre expects November labor and inflation data as the next big catalyst.

The Dow Jones Industrial Average rose 20.04 points, or 0.06%, to 34,965.51, the S&P 500 gained 7.71 points, or 0.17%, to 4,515.95 and the Nasdaq Composite added 25.61 points, or 0.18%, to 14,139.29.

Megacap stocks were a mixed bag, with Microsoft and Alphabet falling more 0.8% and 2.1% respectively while Amazon.com was up 1.5%.

Amazon announced it is trimming jobs at its Alexa voice assistant unit, citing shifting business priorities and a greater focus on generative artificial intelligence.

While money markets have fully priced in that the Fed will hold rates steady at its December meeting, bets for a 25-basis-point rate cut in May stood near 50%, down from about 69% earlier in the day, according to the CME Group's FedWatch tool.

The communication services index, down 0.6% led declines among the 11 major S&P 500 sectors. Energy shares the advancing sectors, rising 2.5% as oil prices gained.

The small-cap Russell 2000 index climbed 1.3%, outperforming broader markets, and was eyeing weekly gains of more than 5%.

GapGPS surged 28.6%, as the apparel retailer posted better-than-expected third-quarter results due to improving sales at Old Navy and easing supply expenses.

ChargePoint Holdings slumped 35.3% as the electric-vehicle charging network provider lowered estimates for third-quarter revenue. It also named Rick Wilmer CEO.

(Source: Bloomberg, Reuters)

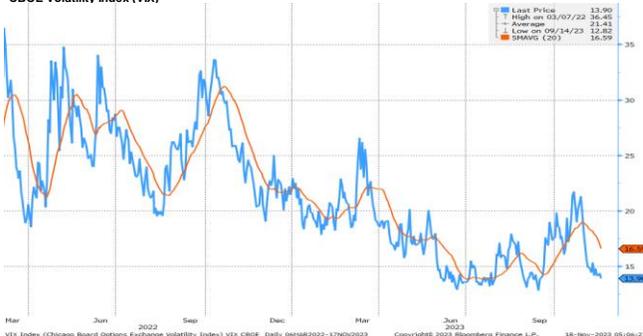
Contract	Close	Change	High	Low
E-Mini Dow DEC 23	35,012.00	-12.00	35,168.00	34,944.00
E-Mini S&P DEC 23	4,527.50	2.25	4,539.50	4,512.75
E-Mini NASDAQ DEC 23	15,895.75	-10.25	15,940.00	15,825.00
Micro Russell 2K JUN 22	1801	21.6	1806	1780.3
USD Nikkei DEC 23	33,540.0	110.0	33,615.00	33,270.00
US Dollar Index	103.85	-0.495	104.55	103.85
DJIA	34,947.28	1.810	35,028.22	34,882.82
S&P 500	4,511.14	2.900	4,520.12	4,499.66
NASDAQ	14,125.48	11.810	14,154.32	14,063.93
Nikkei 225	33,585.20	160.790	33,599.63	33,263.67
Hang Seng	17,454.19	-378.630	17,631.04	17,413.46
Straits Times	3,124.67	-8.380	3,128.52	3,110.36
DAX	15,919.16	132.550	15,952.45	15,826.67
CAC	7,233.91	65.510	7,246.72	7,196.69
FTSE100	7,504.25	93.280	7,509.00	7,410.00

Historical Volatility	10 Days	30 Days	60 Days	90 Days
E-Mini Dow Futures	10.68	12.37	11.07	10.50
E-Mini S&P Futures	13.77	15.10	13.78	12.88
E-Mini Nasdaq Futures	10.46	16.15	16.17	16.02

U.S. Government Treasuries Yield



COBE Volatility Index (VIX)



Dollar Index



Economic Releases	Period	Survey	Actual	Prior	Revised
11/16/2023 21:30	Initial Jobless Claims	Nov-11	220k	--	217k
11/16/2023 21:30	Continuing Claims	Nov-04	1646k	--	1634k
11/17/2023 21:30	Housing Starts	Oct	1350k	--	1358k
11/17/2023 21:30	Building Permits	Oct	1450k	--	1473k
11/17/2023 21:30	Housing Starts MoM	Oct	-0.60%	--	7.00%
11/17/2023 21:30	Building Permits MoM	Oct	-1.40%	--	-4.50%
11/22/2023 21:30	Initial Jobless Claims	Nov-18	225k	--	231k
11/22/2023 21:30	Continuing Claims	Nov-11	--	--	1865k
11/22/2023 21:30	Durable Goods Orders	Oct P	-3.00%	--	4.60%
11/22/2023 21:30	Durables Ex Transportation	Oct P	0.20%	--	0.40%

E-Mini Dow Index Futures Daily Chart

