

Fundamentals:

U.S. stocks extended their slump on Friday as lingering chaos related to a global technical outage caused by a software glitch added uncertainty to an already-anxious market.

The worldwide tech outage disrupted operations across multiple industries including airlines, banking and healthcare after the glitch in cybersecurity firm CrowdStrike's software caused Microsoft's Windows operating system to crash.

While the flaw was identified and fixes deployed, technical issues continue to affect some services.

CrowdStrike shares slid, while rival cybersecurity firms Palo Alto Networks and SentinelOne advanced.

All three major U.S. stock indexes ended in negative territory, with the Dow Jones Industrial average suffering the worst of it.

On a weekly basis, both the Nasdaq and the S&P 500 logged their worst week since April, while the Dow, having reached a series of all-time closing highs earlier in the week, posted a Friday-to-Friday gain.

"This tech outage adds some uncertainty and puts pressure on the overall Nasdaq," said Robert Pavlik, senior portfolio manager at Dakota Wealth in Fairfield, Connecticut. "But it won't have much of an overall impact. Some buying will be delayed. Not only is it a summer Friday but because of the outage (investors) are in wait-and-see mode."

"They're sitting on the sidelines," Pavlik added. "That's what happens to the stock market when volatility rules the day."

The CBOE Market volatility index, considered a gauge of investor anxiety, touched its highest level since late April.

The smallcap Russell 2000 - a beneficiary of a recent pivot away from megacap growth stocks - ended modestly lower.

Nvidia shares led a sell-off in chips. The Philadelphia SE Semiconductor index underperformed the broader market.

Elsewhere, Federal Reserve Bank of New York President John Williams reiterated the central bank's commitment to bringing inflation down to its 2% target.

Financial markets have priced in a 93.5% likelihood that the Fed will enter a rate-cutting phase at the conclusion of its September meeting, according to CME's FedWatch tool.

According to preliminary data, the S&P 500 lost 38.69 points, or 0.70%, to end at 5,505.90 points, while the Nasdaq Composite lost 144.28 points, or 0.81%, to 17,726.94. The Dow Jones Industrial Average fell 376.45 points, or 0.93%, to 40,288.57.

Second-quarter earnings season approaches the end of its first full week, with 70 of the companies in the S&P 500 having reported. Of those, 83% have beaten consensus, according to LSEG.

Analysts now see aggregate year-on-year S&P 500 earnings growth of 11.1%, an improvement over the 10.6% estimate as of July 1.

Next week, a swath of high-profile results is expected from Tesla, Alphabet, IBM, General Motors, Ford and a host of other companies.

"It's early in earnings season, but things have been impressive," said Ryan Detrick, chief market strategist at Carson Group in Omaha, Nebraska. "But the big boys are starting to report next week and what we want to hear is how strong the consumer is and what's the outlook for future economic growth."

Eli Lilly advanced after China approved its weight-loss drug tirzepatide, while Intuitive Surgical jumped after a second-quarter results beat.

Travelers tumbled on lower-than-expected growth in net written premiums.

Netflix fell in choppy trading after the streaming giant cautioned third-quarter subscriber additions would be lower than a year earlier.

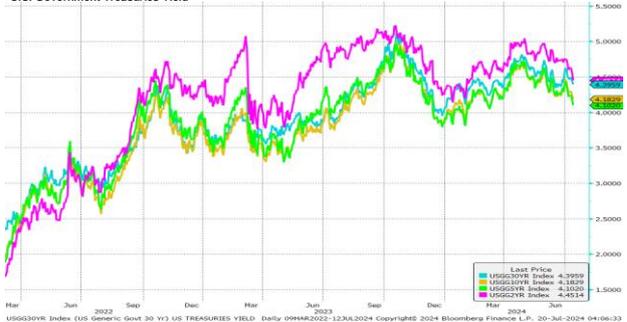
Oilfield services provider SLB rose after strong second-quarter profit.

(Source: Reuters)

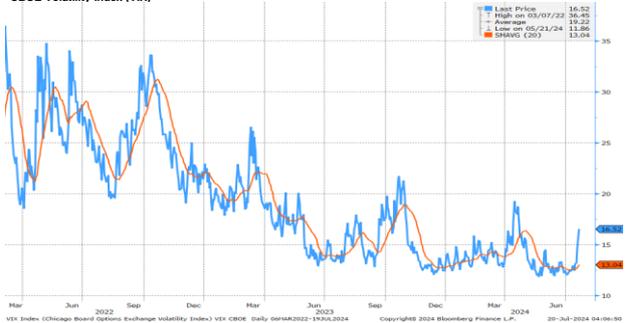
Contract	Close	Change	High	Low
E-Mini Dow SEP 24	40,562.00	-426.00	41,006.00	40,466.00
E-Mini S&P SEP 24	5,553.75	-43.000	5,607.50	5,542.00
E-Mini NASDAQ SEP 24	19,713.00	-197.50	19,979.75	19,654.00
Micro Russell 2K JUN 22	2203	-14	2225.3	2193.7
USD Nikkei SEP 24	39,710.0	-415.0	40,270.00	39,620.00
US Dollar Index	104.39	0.213	104.42	104.13
DJIA	40,287.53	-377.490	40,626.16	40,203.27
S&P 500	5,505.00	-39.590	5,557.50	5,497.04
NASDAQ	17,726.94	-144.280	17,935.14	17,691.43
Nikkei 225	40,063.79	-62.560	40,212.90	39,824.58
Hang Seng	17,417.68	-360.730	17,629.97	17,376.23
Straits Times	3,447.56	-23.600	3,457.31	3,437.85
DAX	18,171.93	-182.830	18,341.82	18,162.30
CAC	7,534.52	-52.030	7,570.33	7,513.66
FTSE100	8,155.72	-49.170	8,184.26	8,135.08

Historical Volatility	10 Days	30 Days	60 Days	90 Days
E-Mini Dow Futures	15.89	9.91	10.80	10.80
E-Mini S&P Futures	13.16	8.81	9.73	10.38
E-Mini Nasdaq Futures	27.93	19.13	16.76	17.16

U.S. Government Treasuries Yield



CBOE Volatility Index (VIX)



Dollar Index



Economic Releases	Period	Survey	Actual	Prior	Revised	
07/18/2024 22:00	Leading Index	Jun	-0.30%	-0.20%	-0.50%	-0.40%
07/24/2024 21:45	S&P Global US Manufacturing PMI	Jul P	51.7	--	51.6	--
07/24/2024 21:45	S&P Global US Services PMI	Jul P	54.8	--	55.3	--
07/24/2024 21:45	S&P Global US Composite PMI	Jul P	--	--	54.8	--
07/24/2024 22:00	New Home Sales	Jun	642k	--	619k	--
07/24/2024 22:00	New Home Sales MoM	Jun	3.70%	--	-11.30%	--
07/25/2024 20:30	GDP Annualized QoQ	2Q A	1.90%	--	1.40%	--
07/25/2024 20:30	GDP Price Index	2Q A	2.60%	--	3.10%	--
07/25/2024 20:30	Core PCE Price Index QoQ	2Q A	2.70%	--	3.70%	--

E-Mini Dow Index Futures Daily Chart



E-Mini S&P 500 Index Futures Daily Chart



E-Mini NASDAQ 100 Index Futures Daily Chart



Micro E-Mini Russell 2000 Index Futures Daily Chart



Technical Analysis

Dow		S&P		Nasdaq		Micro Russell	
1st Resistance:	41170	1st Resistance:	5637.06	1st Resistance:	20008.70	1st Resistance:	2236.05
2nd Resistance:	41779	2nd Resistance:	5720.36	2nd Resistance:	20304.39	2nd Resistance:	2269.09
1st Support:	39954	1st Support:	5470.44	1st Support:	19417.31	1st Support:	2169.96
2nd Support:	39345	2nd Support:	5387.14	2nd Support:	19121.61	2nd Support:	2136.91
MACD:	387.303	MACD:	44.993097	MACD:	148.359	MACD:	43.342
MACD DIFF:	118.086	MACD DIFF:	-12.501943	MACD DIFF:	-128.912	MACD DIFF:	17.974
RSI:	58.138	RSI:	47.841088	RSI:	41.663	RSI:	62.722

Source: Bloomberg

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