

**Fundamentals:**

Wall Street's major indexes closed higher on Friday, recouping some ground lost earlier this week, as investors flocked back to tech megacaps that had triggered broad sell-offs and inflation data boosted optimism that interest rate cuts will soon begin.

The Dow Jones Industrial Average led the way, aided by industrial conglomerate 3M, which jumped to its largest daily percentage gain in decades after it raised the lower end of its annual adjusted profit forecast.

The S&P 500 and Nasdaq Composite also finished the week stronger, aided by rebounds in megacap stocks that led the indexes' declines in the two prior sessions.

Members of the so-called Magnificent Seven mostly rose, led by Meta Platforms.

Chip stocks also rose, helping the Philadelphia SE Semiconductor index snap a three-day losing streak. Constituents Marvell Technology, Broadcom, Texas Instruments and Qualcomm each advanced.

The 10-year Treasury yield turned lower following the inflation data.

Economically sensitive small-cap stocks rose, with the Russell 2000 and S&P Small Cap 600 both advancing to their fourth closing highs of the week.

The moderate rise in U.S. prices underlined an improving inflation environment, potentially positioning the Fed to start easing policy in September. The central bank's July monetary policy decision is due next week.

Bets on a 25-basis-point cut at the Fed's September meeting held steady at about 88% after the PCE reading, according to CME's FedWatch. Traders still largely expect two rate cuts by December, LSEG data showed.

Greg Boule, head of US equity & derivative strategy at BNP Paribas, noted that the many factors at play helped to explain why markets were susceptible to periods of volatility, including this week.

"It's been a bit challenging for people to read what's going on because there is (portfolio) positioning, elections, CPI and the Fed, and earnings season, and these things are all pulling in slightly different directions," he said.

According to preliminary data, the S&P 500 gained 61.06 points, or 1.11%, to end at 5,460.28 points, while the Nasdaq Composite gained 176.16 points, or 1.03%, to 17,357.88. The Dow Jones Industrial Average rose 658.54 points, or 1.66%, to 40,593.61.

Worries about Wall Street's growing dependence on a set of high-momentum stocks, whose valuations now appear inflated, have made underperforming sectors like mid- and small-cap stocks seem more attractive, now that early rate cuts seem likely.

Industrials and Materials were among the leaders across the S&P 500 sector indexes.

Among stocks boosted by earnings, Deckers Outdoor jumped after it raised its annual profit forecast, while oilfield services firm Baker Hughes climbed after beating estimates for second-quarter profit.

Norfolk Southern soared after the rail operator reported second-quarter profit above Wall Street estimates thanks to robust pricing. Medical device maker Dexcom slumped after cutting its annual revenue forecast.

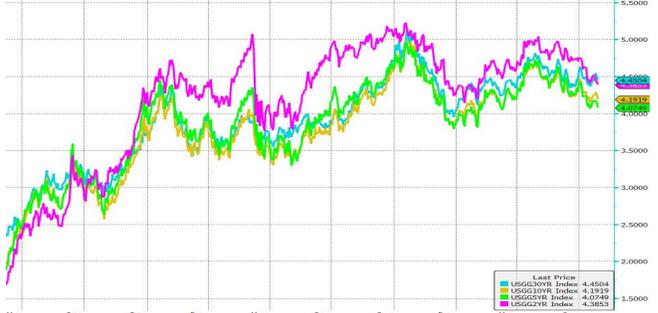
Of the 206 companies in the S&P 500 that have reported second-quarter earnings, 78.6% beat analysts' expectations, LSEG data showed.

(Source: Reuters)

Contract	Close	Change	High	Low
E-Mini Dow SEP 24	40,831.00	650.00	40,995.00	40,233.00
E-Mini S&P SEP 24	5,499.00	56.75	5,528.25	5,445.25
E-Mini NASDAQ SEP 24	19,174.50	181.75	19,297.75	18,995.00
Micro Russell 2K JUN 22	2277.9	37.6	2288.8	2243.5
USD Nikkei SEP 24	38,290.0	450.0	38,325.00	37,660.00
US Dollar Index	104.30	-0.052	104.45	104.21
DJIA	40,589.34	654.270	40,753.83	40,140.86
S&P 500	5,458.15	58.930	5,488.32	5,430.70
NASDAQ	17,357.88	176.160	17,454.57	17,239.99
Nikkei 225	37,667.41	-202.100	38,105.96	37,611.19
Hang Seng	17,021.31	16.340	17,229.19	16,924.58
Straits Times	3,426.47	-3.980	3,434.97	3,416.61
DAX	18,417.55	118.830	18,428.88	18,218.54
CAC	7,517.68	90.660	7,526.27	7,427.47
FTSE100	8,285.71	99.360	8,290.33	8,181.23

Historical Volatility	10 Days	30 Days	60 Days	90 Days
E-Mini Dow Futures	16.66	10.57	10.87	10.97
E-Mini S&P Futures	17.09	11.63	10.90	11.16
E-Mini Nasdaq Futures	25.11	21.84	17.97	18.17

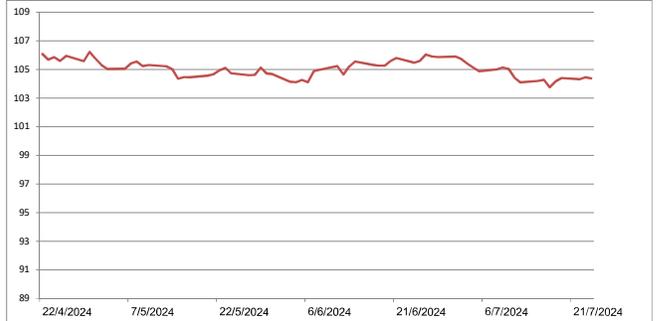
**U.S. Government Treasuries Yield**



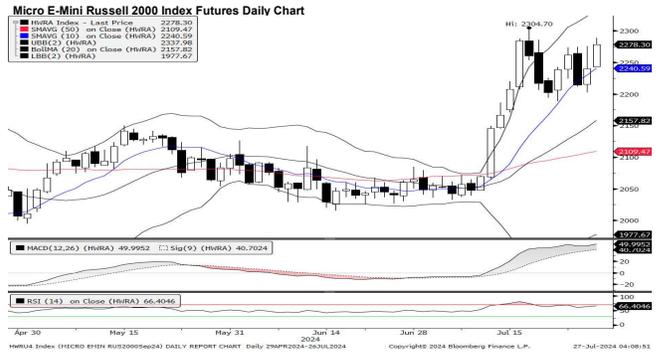
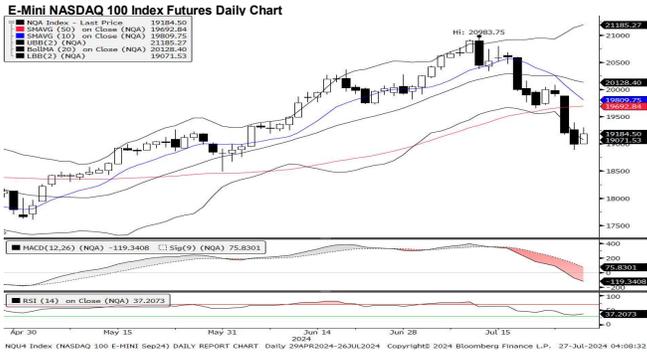
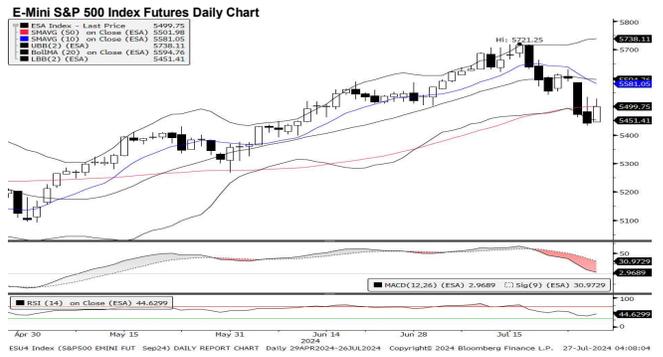
**CBOE Volatility Index (VIX)**



**Dollar Index**



Economic Releases	Period	Survey	Actual	Prior	Revised
07/24/2024 22:00	New Home Sales	Jun	640k	617k	621k
07/24/2024 22:00	New Home Sales MoM	Jun	3.40%	-0.60%	-14.90%
07/25/2024 20:30	GDP Annualized QoQ	2Q A	2.00%	2.80%	1.40%
07/25/2024 20:30	Personal Consumption	2Q A	2.00%	2.30%	1.50%
07/25/2024 20:30	GDP Price Index	2Q A	2.60%	2.30%	3.10%
07/25/2024 20:30	Core PCE Price Index QoQ	2Q A	2.70%	2.90%	3.70%
07/26/2024 20:30	PCE Price Index MoM	Jun	0.10%	0.10%	0.00%
07/26/2024 20:30	PCE Price Index YoY	Jun	2.40%	2.50%	2.60%
07/26/2024 20:30	Core PCE Price Index MoM	Jun	0.20%	0.20%	0.10%
07/26/2024 20:30	Core PCE Price Index YoY	Jun	2.50%	2.60%	2.60%



#### Technical Analysis

Dow		S&P	
1st Resistance:	41443	2nd Resistance:	42056
1st Support:	40219	2nd Resistance:	39606
MACD:	276.793	MACD:	2.813030
MACD DIFF:	-15.956	MACD DIFF:	-28.158662
RSI:	60.034	RSI:	44.397780

Nasdaq		Micro Russell	
1st Resistance:	19462.12	2nd Resistance:	19749.74
1st Support:	18866.88	2nd Resistance:	18599.27
MACD:	-120.098	MACD:	49.979
MACD DIFF:	-195.879	MACD DIFF:	9.260
RSI:	36.975	RSI:	66.372

Source: Bloomberg

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