

### Fundamentals:

The Dow Jones Industrial Average rose on Wednesday, as Wall Street's three benchmark indexes ended higher, weathering declines in megacap tech shares thanks to small-caps gains and financial shares buoyed by strong earnings.

The Dow again closed above 43,000 points, recouping losses in the previous session. The S&P 500 was a whisker away from setting another closing milestone, but ultimately closed just short.

According to preliminary data, the S&P 500 gained 27.07 points, or 0.47%, to end at 5,842.33 points, while the Nasdaq Composite gained 50.92 points, or 0.28%, to 18,366.51. The Dow Jones Industrial Average rose 338.18 points, or 0.79%, to 43,078.60.

On a broadly positive day for Wall Street, it was financial stocks which led the way.

"I think investors have rotated a little bit out of some of the big tech companies and into the big financial companies," said Michael Kantrowitz, chief investment strategist at Piper Sandler.

He said some movement from investors made sense as the rate environment has become more conducive for bank earnings, while a lot of optimism around artificial intelligence (AI) is priced into tech companies.

Morgan Stanley jumped after it joined peers such as JPMorgan Chase in reporting strong profits following a sharp increase in investment banking revenue.

Larger regional banks, traditionally less reliant on investment banking activities, were also higher. First Horizon and U.S. Bancorp rose after reporting third-quarter results.

The broader Banks index was up, as was an index tracking regional banks.

Outside of the banks, investor attention was seen in small-cap stocks, with some rotation from expensive tech megacaps to less expensive sectors.

Both the Russell 2000 index and the S&P Small Cap 600 climbed.

While acknowledging some buying in recent days, Piper Sandler's Kantrowitz said he was yet to be convinced of a wider rotation into small caps.

"I think people are broadening out their portfolio exposure, but still sticking with the same flavor of fundamentals," adding people were buying high-quality small-caps but not digging into the kinds of deep-value names you would expect to attract attention if the full rotation was underway.

Among the big-tech names which dragged, Apple dipped after hitting a record high in the previous session. Microsoft and Meta Platforms also fell.

Chip heavyweight Nvidia, however, bucked the megacap slide, rising after slumping nearly 5% in the previous session.

Gains in the so-called Magnificent Seven group of tech stocks have driven most of Wall Street's record-breaking run this year. However, with valuations increasingly stretched and a brighter economic outlook, investors have been seeking opportunities elsewhere.

Utilities led sectoral gains, with Dominion Energy's increase among the catalysts after it was one of the power companies with which Amazon.com announced agreements for developing nuclear technology to power data centers.

Among the best-performing S&P sectors year to date, Piper Sandler's Kantrowitz said he remains bullish on utilities as they benefit from both the higher power demand coming from AI, but also the lower interest rate environment.

The economically sensitive Transport index jumped, lifted by United Airlines after it forecast better-than-expected fourth-quarter profit and announced a \$1.5-billion share buyback program on Tuesday.

Delta Air Lines and American Airlines also benefited.

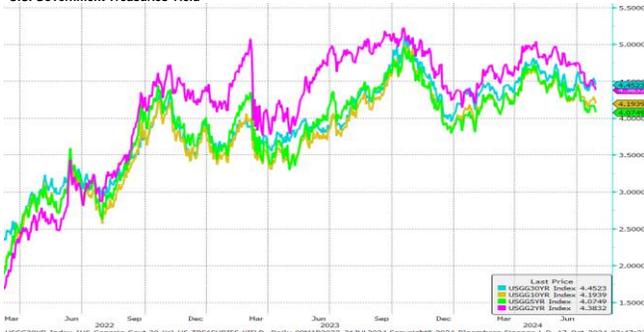
Attention now turns to more corporate earnings are due through the week, along with key economic data including the retail sales and industrial production figures for September on Thursday.

(Source: Reuters)

Contract	Close	Change	High	Low
E-Mini Dow DEC 24	43,342.00	316.00	43,369.00	42,937.00
E-Mini S&P DEC 24	5,887.00	21.500	5,892.75	5,853.25
E-Mini NASDAQ DEC 24	20,349.50	-16.75	20,398.50	20,206.25
Micro Russell 2K JUN 22	2304	36.4	2308.9	2264.3
USD Nikkei DEC 24	39,560.0	460.0	39,615.00	39,005.00
US Dollar Index	103.56	0.294	103.61	103.17
DJIA	43,077.70	337.280	43,100.84	42,692.37
S&P 500	5,842.46	27.200	5,846.52	5,808.34
NASDAQ	18,367.08	51.490	18,383.11	18,214.96
Nikkei 225	39,180.30	-730.250	39,362.63	39,062.85
Hang Seng	20,286.85	-31.940	20,548.18	20,131.34
Straits Times	3,590.62	-4.850	3,614.57	3,590.62
DAX	19,432.81	-53.380	19,510.26	19,401.54
CAC	7,492.00	-29.970	7,511.10	7,420.85
FTSE100	8,329.07	79.790	8,346.55	8,249.28

Historical Volatility	10 Days	30 Days	60 Days	90 Days
E-Mini Dow Futures	11.88	10.11	13.15	12.24
E-Mini S&P Futures	11.74	11.66	15.80	14.45
E-Mini Nasdaq Futures	27.18	31.88	33.57	29.95

### U.S. Government Treasuries Yield



### CBOE Volatility Index (VIX)



### Dollar Index



Economic Releases	Period	Survey	Actual	Prior	Revised
10/11/2024 20:30	PPI Final Demand MoM	Sep 0.10%	0.00%	0.20%	--
10/11/2024 20:30	PPI Ex Food and Energy MoM	Sep 0.20%	0.20%	0.30%	--
10/11/2024 20:30	PPI Ex Food, Energy, Trade MoM	Sep 0.20%	0.10%	0.30%	0.20%
10/11/2024 20:30	PPI Final Demand YoY	Sep 1.60%	1.80%	1.70%	1.90%
10/11/2024 20:30	PPI Ex Food and Energy YoY	Sep 2.60%	2.80%	2.40%	2.60%
10/11/2024 20:30	PPI Ex Food, Energy, Trade YoY	Sep --	3.20%	3.30%	--
10/17/2024 20:30	Retail Sales Advance MoM	Sep 0.30%	--	0.10%	--
10/17/2024 20:30	Retail Sales Ex Auto MoM	Sep 0.10%	--	0.10%	--
10/17/2024 20:30	Retail Sales Ex Auto and Gas	Sep 0.30%	--	0.20%	--
10/17/2024 20:30	Retail Sales Control Group	Sep 0.30%	--	0.30%	--
10/21/2024 22:00	Leading Index	Sep -0.30%	--	-0.20%	--

**E-Mini Dow Index Futures Daily Chart**



DM24 Index (D3IA HINI e-CBOT Dec24) DAILY REPORT CHART Daily 18JUL2024-16OCT2024 Copyrights 2024 Bloomberg Finance L.P. 17-Oct-2024 03:49:20

**E-Mini S&P 500 Index Futures Daily Chart**



ES24 Index (S&P500 EHINI FUT Dec24) DAILY REPORT CHART Daily 18JUL2024-16OCT2024 Copyrights 2024 Bloomberg Finance L.P. 17-Oct-2024 03:49:37

**E-Mini NASDAQ 100 Index Futures Daily Chart**



NQ24 Index (NASDAQ 100 E-HINI Dec24) DAILY REPORT CHART Daily 18JUL2024-16OCT2024 Copyrights 2024 Bloomberg Finance L.P. 17-Oct-2024 03:49:54

**Micro E-Mini Russell 2000 Index Futures Daily Chart**



HR24 Index (RUSSEL 2000 E-HINI Dec24) DAILY REPORT CHART Daily 18JUL2024-16OCT2024 Copyrights 2024 Bloomberg Finance L.P. 17-Oct-2024 03:50:09

**Technical Analysis**

Dow		S&P	
1st Resistance:	43992	1st Resistance:	5975.31
2nd Resistance:	44642	2nd Resistance:	6063.61
1st Support:	42692	1st Support:	5798.70
2nd Support:	42042	2nd Support:	5710.39
MACD:	379.120	MACD:	52.950883
MACD DIFF:	36.914	MACD DIFF:	5.181094
RSI:	64.308	RSI:	62.317537

Nasdaq		Micro Russell	
1st Resistance:	20654.74	1st Resistance:	2338.56
2nd Resistance:	20959.99	2nd Resistance:	2373.12
1st Support:	20044.26	1st Support:	2269.44
2nd Support:	19739.02	2nd Support:	2234.88
MACD:	186.026	MACD:	17.299
MACD DIFF:	5.560	MACD DIFF:	5.812
RSI:	55.697	RSI:	65.473

Source: Bloomberg

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