

## MONDAY MORNING RECAP - October 14, 2024

### Last Week

Dow Jones Industrial Average (DJIA)	42,863.86	+511.11	+1.21%
S&P 500 Index	5,815.03	+63.96	+1.11%
NASDAQ Composite Index	18,342.94	+205.09	+1.13%
U.S. 10 yr. Treasury Note Yield	4.08%	+10 Basis Points	
Gold (\$ per troy oz.)	\$2,657.60	+\$11.80	+0.45%
WTI Oil (\$ per barrel)	\$75.56	+\$1.18	+1.59%

### Market Summary

**GLOBAL EQUITIES:** In the US, the S&P 500 notched its 45th all-time high of the year on Friday, closing the week 1.11% higher, as inflation data remained roughly flat from the month prior. Outside of the US, the STOXX 600 and FTSE 100 rose and fell by 0.68% and -0.29%, respectively, despite weak activity data in the Euro area. In China, the Hang Seng index posted its largest decline since 2008 on Tuesday and snapped a two-week streak of gains, falling -6.53% last week.

**COMMODITIES:** Oil prices rose last week on the back of further conflict in the Middle East as Israel's defense minister warned of a potential retaliation against Iran. WTI and Brent crude finished the week higher at \$75.56 and \$79.04/bbl, respectively, despite the Energy Information Agency reporting an increase in US crude oil inventories, against consensus expectations for a decline. Meanwhile, gold prices posted their fifth consecutive week of gains, ultimately ending at \$2657.60/troy oz.

**FIXED INCOME:** In the US, the 2-Year and 10-Year US Treasury yields rose to 3.94% and 4.08%, respectively, despite an above-consensus increase in initial jobless claims, underscoring economic instability in hurricane-affected regions. Outside of the US, the 10-Year German Bund and 10-Year UK Gilt yields rose to 2.27% and 4.21%, respectively, despite ECB speakers acknowledging that downside growth risks were beginning to materialize.

**FX:** The US dollar appreciated against a basket of currencies last week, rising by 0.29%, as minutes from the FOMC's September meeting and inflation prints pared investor expectations of additional outsized rate cuts in the near term. Meanwhile, the Chinese Yuan Renminbi strengthened to ¥7.0627 as government officials pledged to accelerate their proposed economic stimulus package in a press conference on Tuesday.

## **Economic Summary**

**INFLATION:** Inflation data for the US was mixed last week, with headline CPI slowing and core CPI rising in September from the month prior. Both prints came in above consensus expectations by 0.1pp. Ultimately, headline CPI printed at 2.4% year-over-year, while core CPI came in at 3.3% year-over-year. The underlying composition of the prints indicated increases in food and beverages, medical care, and clothing costs, while the largest decrease came from energy costs. Meanwhile, headline and core PPI printed below and in line with consensus expectations at 0.0% and 0.2%, respectively.

**MONETARY POLICY:** FOMC meeting minutes indicated majority support across participants for their decision to lower the Fed Funds rate by 50bp at the September meeting. However, participants also stressed that the larger-than-expected rate cut should not be interpreted “as a signal that the pace of policy easing would be more rapid than participants’ assessments” in the recent Summary of Economic Projections, lowering investor expectations for another 50bp cut in November.

**ACTIVITY:** In the Euro area, retail sales grew by 0.8% year-over-year in August, below consensus expectations of 1.0%.

**LABOR:** Initial jobless claims in the US unexpectedly increased to 258k last week, reflecting a 14k increase in hurricane-affected states and boosts from auto layoffs in Michigan.



## **Key Economic Releases**

**Monday, October 14:**  
No economic releases

**Tuesday, October 15:**  
UK Unemployment Rate (Cons: , Prior: 4.1%)

**Wednesday, October 16:**  
UK CPI YoY (Cons: , Prior: 2.2%)

**Thursday, October 17:**  
Euro area CPI YoY (Cons: 1.8%, Prior: 1.8%)  
US Core Retail Sales MoM (Cons: 0.3%, Prior 0.1%)

**Friday, October 18:**  
UK Core Retail Sales MoM (Cons: , Prior: 1.1%)  
US Housing Starts (Cons: 1.360M, Prior: 1.356M)

Source: Goldman Sachs Asset Management: "Market Monitor", 10/11/2024

"WTI" refers to West Texas Intermediate crude oil, a common US benchmark for oil prices. "Brent" refers to a global benchmark for oil prices worldwide. "Bbl" refers to barrel. "Oz" refers to ounce. "FOMC" refers to Federal Open Market Committee. "ECB" refers to European Central Bank. "CPI" refers to Consumer Price Index. "Core CPI" refers to Consumer Price Index, excluding food and energy. "PPI" refers to Producer Price Index. "Bps" refers to basis points.

### **Disclosure Statement**

Benefit Financial Services Group is a Registered Investment Advisor.

This publication is only intended for clients and interested investors residing in jurisdictions in which the Adviser is qualified to provide investment advisory services. This material is provided for informational purposes only and does not in any sense constitute a solicitation or offer for the purchase or sale of securities. Furthermore, the opinions expressed do not constitute investment advice and views expressed solely reflect those of the Adviser. The Adviser does not attempt to furnish personalized investment advice or services through this publication. Any subsequent, direct communication with a prospective client will be conducted by the Adviser's investment advisory representatives. Some of the information given in this publication has been produced by unaffiliated third parties and, while it is deemed reliable, the Adviser does not guarantee its timeliness, sequence, accuracy, adequacy, or completeness and makes no warranties with respect to results to be obtained from its use. Permission to reprint or distribute any content from this publication requires the written approval of the Adviser.

Information discussed in this report contains forward or backward-looking statements relating to anticipated financial performance, business prospects, returns, market forces, new services, technological developments, and other matters. The Private Securities Litigation Reform Act of 1995 provides a safe harbor for forward-looking statements. In order to comply with the terms of the safe harbor, Adviser notes that a variety of factors could cause actual results and experience to differ materially from the anticipated results or other expectations expressed in these forward or backward-looking statements. Please remember that past performance may not be indicative of future results. Indices are not available for direct investment.