

Market Pulse 5 Brief

Author: Aditya Dhanraj

Full Report: <https://financialmarketmonitor.github.io/market-pulses/mp5/market-pulse-5.html>

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Over the past two weeks, US markets navigated a mix of domestic economic data, corporate earnings, and Treasury yield movements amid geopolitical and political uncertainty. Domestic data showed slightly positive growth signals, with the IMF raising 2024 US GDP forecasts to 2.8%, initial jobless claims coming in at 227K (below estimates), continuing claims near a three-year high at 1.897M, a modest uptick in manufacturing and services PMIs, and stronger new home sales (738K vs. 710K expected) alongside durable goods orders (+0.4%). Consumer sentiment rebounded to 70.5, signaling cautious confidence. Treasury yields rose, fueled by robust economic data, rate-cut expectations, and election-related fiscal uncertainty, as markets priced in a gradual Fed rate-cutting cycle. Abroad, Europe remains weak with contracting business activity, slowing employment, and mixed PMI readings; Japan faced political turbulence with the Liberal Democratic Party losing its majority, pressuring the Yen; China injected RMB 700B into the banking system and cut loan prime rates to stimulate growth. Earnings were in focus, with banks like Goldman Sachs, Citi, Morgan Stanley, and Bank of America reporting solid results, while tech and industrials—including ASML, TSMC, Netflix, Tesla, IBM, Boeing, and GM—showed mixed performance. In M&A, Keurig Dr Pepper's acquisition of energy drink brand GHOST represents horizontal integration to expand market share, with a staged buyout of 60% now and the remaining 40% in 2028. Overall, the US economy shows resilience, global markets remain supported by targeted policy measures, and investors navigate a mix of growth signals, earnings trends, and geopolitical/political uncertainties.