

Market Pulse 7 Brief

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Full Report: <https://financialmarketmonitor.github.io/market-pulses/mp7/market-pulse-7.html>

Date: December 20, 2024

Over the past four weeks, US markets were driven by post-election optimism, Fed policy, and robust economic data, alongside historic rallies in Bitcoin (ATH \$108,407) and Tesla (ATH \$488.54) fueled by cryptocurrency accumulation by MicroStrategy and Elon Musk's DOGE-related initiatives. Domestic data showed mixed but generally stable signals: labor markets remained strong with job openings at 7.7M, quits at 3.3M, and modest deceleration in payrolls, while CPI rose 0.3% in November, PCE inflation remained slightly above target, and retail sales increased 0.7% amid healthy consumer spending. Housing remained uneven with starts down 1.8% but building permits up 6.1%. The Fed cut rates 25 bps to 4.25%-4.5% while signaling a cautious 0.5% easing for 2025. Globally, the UK contracted -0.1% QoQ with inflation at 2.6%, Eurozone GDP grew 0.4% with ECB easing rates to 3.0%, Japan held rates steady at 0.25%, and China pursued supportive fiscal and monetary policies amid persistent deflation. Earnings were strong for tech and retail, including NVIDIA, Snowflake, Walmart, and Adobe, while mixed results came from Target, Best Buy, Dell, and SentinelOne. In M&A, Vitesse Energy's \$222M acquisition of Lucero Energy strengthens Bakken oil production and supports cash flow and dividends. Overall, the US economy shows resilience with strong consumer and service sector activity, while global markets face mixed growth, inflationary pressures, and geopolitical uncertainties.