

Fundamentals:

Wall Street's main indexes ended lower on Monday, with real estate and discretionary sectors leading broad declines, as investors digested comments from U.S. Federal Reserve officials about plans for interest rate hikes and looked for next catalysts after last week's big stock market rally.

Losses accelerated toward the end of the up-and-down session, with focus turning to Tuesday's producer price index report and markets highly sensitive to inflation data.

Earlier on Monday, Fed Vice Chair Lael Brainard signaled that the central bank would likely soon slow its interest rates hikes. Her comments somewhat buoyed sentiment for equities that had been dampened after Federal Reserve Gov. Christopher Waller on Sunday said the Fed may consider slowing the pace of increases at its next meeting but that should not be seen as a "softening" in its commitment to lower inflation.

A massive equity rally late last week was set off by a softer-than-expected inflation report that boosted investor hopes the Fed could dial back on its monetary tightening that has punished markets this year.

The Dow Jones Industrial Average fell 211.16 points, or 0.63%, to 33,536.7, the S&P 500 lost 35.68 points, or 0.89%, to 3,957.25 and the Nasdaq Composite dropped 127.11 points, or 1.12%, to 11,196.22.

The S&P 500 last week posted its biggest weekly percentage gain since late June, while the tech-heavy Nasdaq notched its best week since March.

More Fed officials are due to speak later this week along with a slew of data, including on retail sales and housing, and earnings reports from major retailers.

Among S&P 500 sectors, real estate fell 2.7%, consumer discretionary dropped 1.7% and financials declined 1.5%.

In company news, Amazon shares fell 2.3% as The New York Times on Monday reported the company was planning to lay off about 10,000 people in corporate and technology jobs starting as soon as this week.

Shares of Biogen Inc and Eli Lilly gained 3.3% and 1.3%, respectively, after the failure of Swiss rival Roche's Alzheimer's disease drug candidate.

Treasury yields rose on Monday after Federal Reserve officials warned that the U.S. central bank will continue to hike rates, albeit likely at a slower pace, as it battles inflation, dampening hopes that it is close to ending its tightening cycle.

The Fed may consider slowing the pace of rate increases at its next meeting but that should not be seen as a "softening" in its commitment to lower inflation, Federal Reserve governor Christopher Waller said on Sunday, adding that markets should now pay attention to the "endpoint" of rate increases, not the pace of each move. That endpoint is likely still "a ways off," he noted.

Fed Vice Chair Lael Brainard said on Monday that the U.S. central bank will likely soon slow its interest rates hikes, but emphasized that "we have additional work to do."

Yields plunged on Thursday after data showed that consumer prices rose less than expected in October, raising hopes that soaring price pressures have peaked and that the Fed may pivot to a more dovish policy.

Benchmark 10-year yields gained 4 basis points to 3.867%, holding below a 15-year high of 4.338% reached on Oct. 21. The yields dropped by 32 basis points on Thursday, the largest one-day fall in basis point terms since March 2009.

Two-year yields rose 8 basis points to 4.408%, after reaching a more than 15-year high of 4.883% on Nov. 4. They sank 30 basis points on Thursday, the largest one-day decline since September 2008.

Fed funds futures traders see a 91% probability of a 50-basis-point increase at the Fed's December meeting, with only a 9% likelihood of a 75-basis-point rise.

The size of any rate increase may be swayed by the November consumer price index that is due for release on Dec. 13, one day before the Fed's two-day meeting concludes.

The fed funds rate is expected to top out at 4.93% in June, up from 3.83% now, and gradually decline to 4.48% by December 2023.

Closely watched parts of the Treasury yield curve also remained deeply inverted on Monday, reflecting concerns about an impending recession.

The two-year, 10-year part of the curve was last at minus 54 basis points. The gap between three-month and 10-year yields was also at minus 32 basis points.

The Treasury Department will sell \$15 billion in 20-year bonds on Wednesday and \$15 billion in 10-year Treasury Inflation-Protected Securities (TIPS) on Thursday.

(Source: Reuters)

Economic Releases	Period	Survey	Actual	Prior	Revised
11/15/2022 18:00	Bloomberg Nov. United States Economic Survey				
11/15/2022 21:30	Empire Manufacturing	Nov	-6	--	-9.1
11/15/2022 21:30	PPI Final Demand MoM	Oct	0.40%	--	0.40%
11/15/2022 21:30	PPI Ex Food and Energy MoM	Oct	0.30%	--	0.30%
11/15/2022 21:30	PPI Ex Food, Energy, Trade MoM	Oct	0.30%	--	0.40%
11/15/2022 21:30	PPI Final Demand YoY	Oct	8.30%	--	8.50%
11/15/2022 21:30	PPI Ex Food and Energy YoY	Oct	7.20%	--	7.20%
11/15/2022 21:30	PPI Ex Food, Energy, Trade YoY	Oct	5.60%	--	5.80%
11/16/2022 20:00	MBA Mortgage Applications	Nov-11	--	--	-0.10%
11/16/2022 21:30	Retail Sales Advance MoM	Oct	1.00%	--	0.00%
11/16/2022 21:30	Retail Sales Ex Auto MoM	Oct	0.50%	--	0.10%
11/16/2022 21:30	Retail Sales Ex Auto and Gas	Oct	0.20%	--	0.30%
11/16/2022 21:30	Retail Sales Control Group	Oct	0.30%	--	0.40%
11/16/2022 21:30	Import Price Index MoM	Oct	-0.40%	--	-1.20%
11/16/2022 21:30	Import Price Index ex Petroleum MoM	Oct	-0.80%	--	-0.50%
11/16/2022 21:30	Import Price Index YoY	Oct	4.20%	--	6.00%
11/16/2022 21:30	Export Price Index MoM	Oct	-0.30%	--	-0.80%
11/16/2022 21:30	Export Price Index YoY	Oct	7.10%	--	9.50%
11/16/2022 22:15	Industrial Production MoM	Oct	0.10%	--	0.40%
11/16/2022 22:15	Capacity Utilization	Oct	80.40%	--	80.30%
11/16/2022 22:15	Manufacturing (SIC) Production	Oct	0.20%	--	0.40%
11/16/2022 23:00	Business Inventories	Sep	0.50%	--	0.80%
11/16/2022 23:00	NAHB Housing Market Index	Nov	36	--	38

INDEX FUTURES DAILY PREVIEW

November 15, 2022

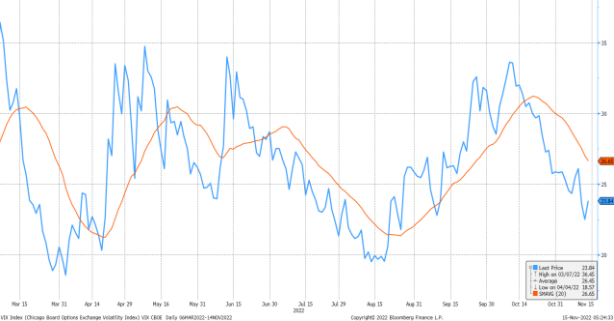
Contract	Close	Change	High	Low
E-Mini Dow DEC 22	33,561.00	-153.00	33,981.00	33,550.00
E-Mini S&P DEC 22	3,966.00	-26.500	4,017.50	3,964.00
E-Mini NASDAQ DEC 22	11,734.75	-80.50	11,898.50	11,702.00
Micro Russell 2K JUN 22	1870.1	-16.7	1895.4	1863.4
USD Nikkei DEC 22	27,955.0	-120.0	28,220.00	27,945.00
Euro Dollar DEC 22	94.99	-0.028	95.02	94.96
US Dollar Index	106.88	0.586	107.27	106.48
DJIA	33,536.70	-211.160	33,964.30	33,533.96
S&P 500	3,957.25	-35.680	4,008.97	3,956.40
NASDAQ	11,196.22	-127.110	11,350.13	11,167.17
Nikkei 225	27,963.47	-300.100	28,305.04	27,963.47
Hang Seng	17,619.71	294.050	18,011.64	17,518.88
Straits Times	3,260.80	32.470	3,279.10	3,226.83
DAX	14,313.30	88.440	14,431.18	14,243.35
CAC	6,609.17	14.550	6,662.07	6,603.56
FTSE100	7,385.17	67.130	7,413.82	7,317.57

Historical Volatility	10 Days	30 Days	60 Days	90 Days
E-Mini Dow Futures	27.34	22.88	23.80	21.36
E-Mini S&P Futures	37.87	29.24	27.93	25.35
E-Mini Nasdaq Futures	15.48	14.59	16.30	15.80

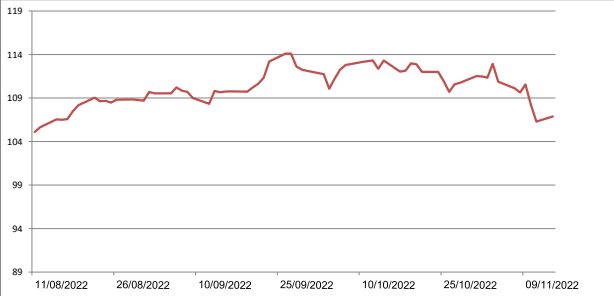
U.S. Government Treasuries Yield



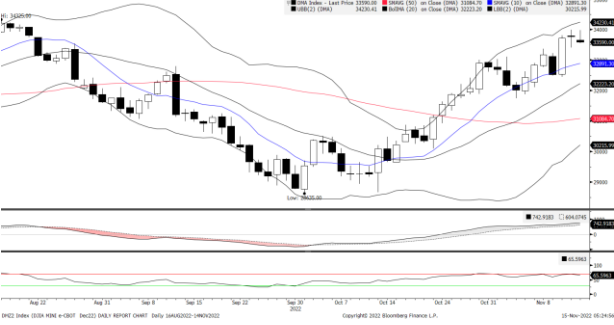
CBOE Volatility Index (VIX)



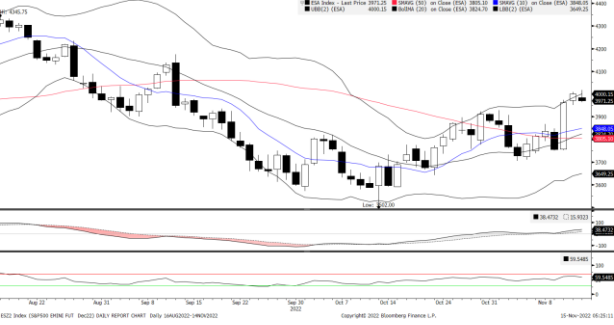
Dollar Index



E-Mini Dow Index Futures Daily Chart



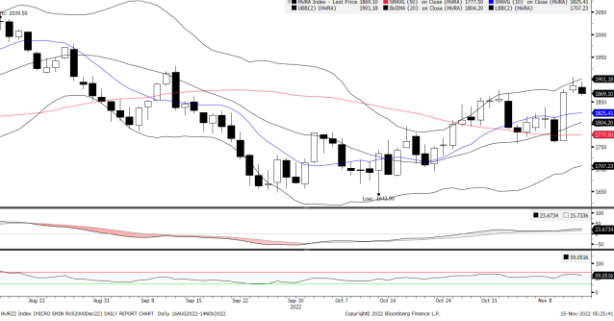
E-Mini S&P 500 Index Futures Daily Chart



E-Mini NASDAQ 100 Index Futures Daily Chart



Micro E-Mini Russell 2000 Index Futures Daily Chart



Technical Analysis

Dow				S&P				Nasdaq				Micro Russell			
1st Resistance:	34064	2nd Resistance:	34568	1st Resistance:	4025.49	2nd Resistance:	4084.98	1st Resistance:	11910.77	2nd Resistance:	12086.79	1st Resistance:	1898.15	2nd Resistance:	1926.20
1st Support:	33068	2nd Resistance:	32554	1st Support:	3906.51	2nd Resistance:	3847.02	1st Support:	11558.73	2nd Resistance:	11382.71	1st Support:	1842.05	2nd Resistance:	1614.00
MACD:	744.541			MACD:	38.673730			MACD:	5.089			MACD:	23.758		
MACD DIFF:	140.107			MACD DIFF:	22.699894			MACD DIFF:	93.887			MACD DIFF:	8.001		
RSI:	65.853			RSI:	59.739786			RSI:	57.162			RSI:	59.210		

Strategy

	Long:	Profit target:	Stop-loss:		Long:	Profit target:	Stop-loss:	Short:	Profit target:	Stop-loss:		Short:	Profit target:	Stop-loss:
Dow	33058	33388	32892		32554	32880	32391	34064	33724	34235		34568	34222	34741
S&P	3906.51	3945.58	3866.98		3847.02	3885.49	3827.78	4025.49	3985.24	4045.62		4084.98	4044.13	4105.40
Nasdaq	11558.73	11674.32	11500.94		11382.71	11496.53	11325.79	11910.77	11791.66	11970.33		12086.79	11965.92	12147.23
Micro Russell	1842.05	1860.47	1832.84		1814.00	1832.14	1804.93	1898.1515	1879.17	1907.64		1926.203	1906.94	1935.83

Source: Bloomberg

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