

Fundamentals:

U.S. stocks closed little changed on Monday, ending a strong July on upbeat company earnings and hopes of a soft landing for a resilient U.S. economy.

All three major stock indexes ended with gains for the month, ahead of a busy week of earnings reports from companies including Amazon.com and Apple, plus U.S. economic data including the jobs report.

Second-quarter earnings for S&P 500 companies are estimated to have fallen 6.4% year-over-year. Refinitiv data through Friday showed. While still negative, the forecast is an improvement from the 7.9% drop estimated a week earlier.

The tech-heavy Nasdaq led Wall Street higher last week as megacap growth companies such as Alphabet, Meta Platforms as well as chipmakers Intel and Lam Research posted strong quarterly earnings.

Citigroup raised its 2023-end and mid-2024 S&P 500 targets to 4,600 and 5,000, respectively, to reflect a higher possibility of a soft landing.

The benchmark index is just under 5% away from its all-time intraday high hit on Jan. 4, 2022 while on course to gain for a fifth straight month.

Chicago Fed President Austan Goolsbee said the central bank was "walking the line pretty well" on bringing inflation down without causing a recession and will watch the data to judge if more monetary tightening may be appropriate in September.

The Dow Jones Industrial Average rose 100.24 points, or 0.28%, to 35,559.53; the S&P 500 gained 6.73 points, or 0.15%, at 4,588.96; and the Nasdaq Composite added 29.37 points, or 0.21%, at 14,346.02.

Eight of the top 11 S&P 500 sectors posted gains, led by a 2% rise in energy stocks.

Financial services provider SoFi Technologies added 19.9% after reporting better-than-expected quarterly revenue.

ON Semiconductor jumped 2.5% after the chipmaker forecast third-quarter revenue above market estimates.

Weighing on the Dow, Johnson & Johnson shed 4.0% after a U.S. judge shot down the drugmaker's second attempt to resolve tens of thousands of lawsuits over its talc products.

Adobe advanced 3.3%, outperforming tech peers, after Morgan Stanley raised its rating to "overweight" on the photoshop maker.

U.S. Treasury yields were marginally lower on Monday, with investors waiting for employment data later this week to assess the impact of the Federal Reserve's monetary tightening campaign on the economy.

Treasury yields, which move inversely to prices, rose last week after the Fed hiked rates by another 25 basis points and left open the possibility of more increases this year depending on the direction of the labor market and inflation.

Additionally, strong economic data bolstered the case for higher-for-longer interest rates, pushing the yields of several government bond maturities to two-week peaks on Thursday.

On Monday, however, data from Europe provided a mixed picture: gross domestic product expanded above expectations while inflation fell further. China's manufacturing activity, meanwhile, fell for a fourth straight month in July, as demand remained weak at home and abroad.

U.S. benchmark 10-year yields declined by one basis point to 3.959%, while two-year yields, which more closely reflect monetary policy expectations, shed about two basis points to 4.877%. Yields slipped in morning trade after the Chicago Purchasing Managers' Index (PMI) came in at 42.8, below expectations.

Chicago Federal Reserve Bank President Austan Goolsbee on Monday said that all options were on the table for the Fed's next rate-setting meeting in September, with economic data until then providing guidance on whether additional Fed tightening was needed to bring down inflation.

As the Fed reiterates its data dependency, bond investors will also be closely watching upcoming economic data to gauge the direction of rates, with the U.S. July jobs report coming out on Friday a key data point to assess the impact of higher borrowing costs on the labor market.

The Fed's Senior Loan Officer Opinion Survey on Monday showed U.S. banks reported tighter credit standards and weaker loan demand from both businesses and consumers during the second quarter. The survey was further evidence that the central bank's tighter monetary policy was trickling through the economy, but the market reaction was muted.

Separately, the Treasury said on Monday it expected to borrow \$1.007 trillion in the third quarter, which would be the largest net debt issuance during a third quarter period.

(Source: Reuters)

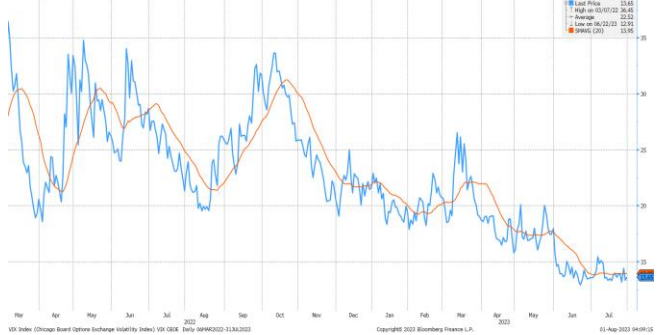
Contract	Close	Change	High	Low
E-Mini Dow SEP 23	35,695.00	115.00	35,712.00	35,511.00
E-Mini S&P SEP 23	4,614.50	10.500	4,619.25	4,595.25
E-Mini NASDAQ SEP 23	15,857.50	22.50	15,917.00	15,791.25
Micro Russell 2K JUN 22	2015	24	2015.6	1985.4
USD Nikkei SEP 23	33,295.0	180.0	33,420.00	33,020.00
Euro Dollar #N/A Invalid Security	0.00	0.000	0.00	0.00
US Dollar Index	101.90	0.275	101.91	101.53
DJIA	35,559.53	100.240	35,566.95	35,430.22
S&P 500	4,588.96	6.730	4,594.22	4,573.14
NASDAQ	14,346.02	29.360	14,370.91	14,292.75
Nikkei 225	33,172.22	412.990	33,402.08	33,025.93
Hang Seng	20,078.94	162.380	20,361.03	20,019.79
Straits Times	3,373.98	2.810	3,392.63	3,363.87
DAX	16,446.83	-22.920	16,528.97	16,427.47
CAC	7,497.78	21.310	7,526.05	7,464.65
FTSE100	7,699.41	5.140	7,722.92	7,667.81

Historical Volatility	10 Days	30 Days	60 Days	90 Days
E-Mini Dow Futures	6.06	8.71	10.44	10.59
E-Mini S&P Futures	8.20	9.18	10.50	11.18
E-Mini Nasdaq Futures	15.50	18.47	19.38	17.45

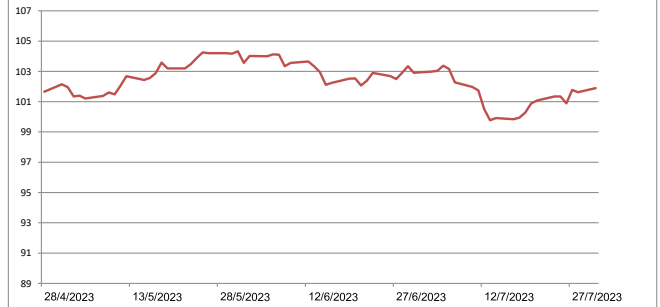
U.S. Government Treasuries Yield



CBOE Volatility Index (VIX)

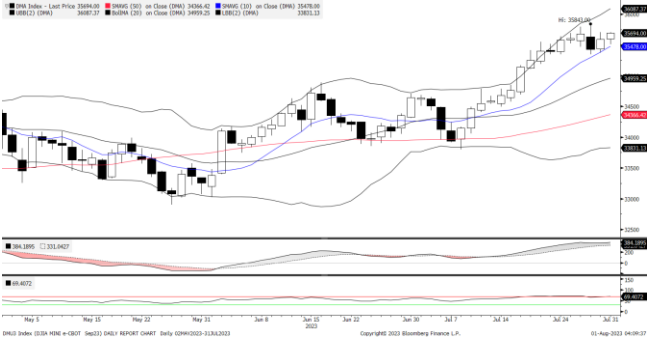


Dollar Index

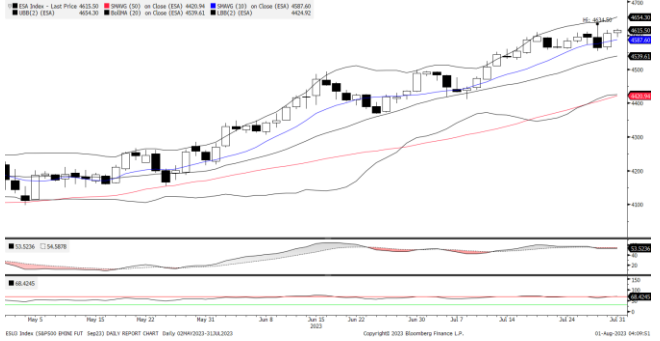


Economic Releases	Period	Survey	Actual	Prior	Revised	
07/31/2023 21:45	MNI Chicago PMI	Jul	43.5	42.8	41.5	--
07/31/2023 22:30	Dallas Fed Manf. Activity	Jul	-22.5	-20	-23.2	--
08/01/2023 02:00	Senior Loan Officer Opinion Survey on Bank Lending Practices	Jul F	--	--	--	--
08/01/2023 21:45	S&P Global US Manufacturing PMI	Jul F	49	--	49	--
08/01/2023 22:00	Construction Spending MoM	Jun	0.60%	--	0.90%	--
08/01/2023 22:00	JOLTS Job Openings	Jun	9600k	--	9824k	--
08/01/2023 22:00	ISM Manufacturing	Jul	46.9	--	46	--
08/01/2023 22:00	ISM Prices Paid	Jul	44	--	41.8	--
08/01/2023 22:00	ISM Employment	Jul	--	--	48.1	--
08/01/2023 22:00	ISM New Orders	Jul	--	--	45.6	--
08/01/2023 22:30	Dallas Fed Services Activity	Jul	--	--	-8.2	--
08/01/2023 08:02	Wards Total Vehicle Sales	Jul	15.70m	--	15.88m	--
08/02/2023 19:00	MBA Mortgage Applications	Jul-28	--	--	-1.80%	--
08/02/2023 20:15	ADP Employment Change	Jul	190k	--	497k	--
08/03/2023 19:30	Challenger Job Cuts YoY	Jul	--	--	25.20%	--
08/03/2023 20:30	Nonfarm Productivity	2Q P	2.20%	--	-2.10%	--
08/03/2023 20:30	Unit Labor Costs	2Q P	2.50%	--	4.20%	--
08/03/2023 20:30	Initial Jobless Claims	Jul-29	225k	--	221k	--
08/03/2023 20:30	Continuing Claims	Jul-22	1705k	--	1690k	--

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:	36230	2nd Resistance:	36766	1st Resistance:	4683.72	2nd Resistance:	4752.94	1st Resistance:	16095.36	2nd Resistance:	16333.23	1st Resistance:	2045.23	2nd Resistance:	2075.45
1st Support:	35160	2nd Resistance:	34624	1st Support:	4545.28	2nd Resistance:	4476.07	1st Support:	15619.64	2nd Resistance:	15381.78	1st Support:	1984.78	2nd Resistance:	1954.55
MACD:	385.094			MACD:	53.630766			MACD:	206.367			MACD:	31.375		
MACD DIFF:	54.039			MACD DIFF:	-0.962649			MACD DIFF:	-20.022			MACD DIFF:	1.083		
RSI:	69.592			RSI:	68.582098			RSI:	64.584			RSI:	65.902		

Strategy

	Long:	Profit target:	Stop-loss:	Long:	Profit target:	Stop-loss:	Short:	Profit target:	Stop-loss:	Short:	Profit target:	Stop-loss:
Dow	35160	35511	34984	36230	34970	34451	36766	36412	36950	36766	36398	36950
S&P	4545.28	4590.74	4522.56	4476.07	4520.83	4453.68	4683.72	4636.88	4707.14	4752.94	4705.41	4776.70
Nasdaq	15619.64	15775.83	15541.54	15381.78	15535.59	15304.87	16095.36	15934.41	16175.84	16333.23	16169.89	16414.89
Micro Russell	1984.78	2004.62	1974.85	1954.55	1974.10	1944.78	2045.23	2024.77	2055.45	2075.45	2054.70	2085.83

Source: Bloomberg

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