

### Fundamentals:

Wall Street rallied on Monday, kicking off what promises to be a hectic week that includes a heavy earnings docket, economic data and the Federal Reserve's two-day monetary policy meeting.

All three major U.S. stock indexes closed up more than 1%, bouncing back from the previous week's sell-off. Interest rate sensitive megacap stocks, led by Microsoft Corp, Amazon.com, and Apple Inc provided the most upside muscle.

Third-quarter earnings season, firing on all cylinders, has reached its halfway point, with 251 of the companies in the S&P 500 having reported. Of those, 78% have beaten Wall Street estimates, according to LSEG.

Analysts now expect, on aggregate, annual third quarter S&P 500 earnings growth of 4.3%, a marked improvement over the 1.6% year-on-year growth seen at the beginning of October.

In the coming week, Caterpillar Inc, Apple Inc, Pfizer Inc and Starbucks Corp are among the higher profile companies expected to post results.

On Tuesday, the Federal Open Markets Committee (FOMC) is expected to convene for a two-day monetary policy meeting, which is expected to culminate in a decision to let the Fed funds target rate stand at 5.25%-5.50%.

Investors will scrutinize the accompanying statement and Fed Chair Jerome Powell's subsequent Q&A session for clues regarding the central bank's path forward with rates.

The Bank of England and the Bank of Japan would also be announcing rate decisions this week, with the latter set to consider a further adjustment to its yield curve control (YCC) framework, according to a Nikkei report.

Closely watched economic data is on tap this week, culminating in the U.S. Labor Department's October employment report due on Friday.

Geopolitical strife arising from the Israel-Hamas conflict as well as a surge in Treasury yields have weighed on stocks in recent weeks, dragging the benchmark S&P 500 down about 10% from its intraday high in July.

The Dow Jones Industrial Average rose 511.37 points, or 1.58%, to 32,928.96, the S&P 500 gained 49.45 points, or 1.20%, to 4,166.82 and the Nasdaq Composite added 146.47 points, or 1.16%, to 12,789.48.

All 11 major sectors of the S&P 500 ended the session green, with communication services enjoying the biggest percentage gain, jumping 2.1%.

McDonald's reported better than expected quarterly results, driven by demand for its more affordable food as consumers contend with ongoing inflation pressures. Its shares gained 1.7 %.

Onsemi tumbled 21.8 % after the chipmaker forecast weak fourth-quarter revenue on slowing demand for electric vehicles.

Western Digital Corp jumped 7.3 % after the company disclosed plans to separate itself into two independent public companies.

Realty Income slid 5.7 % following its announcement that it would by Spirit Realty Capital in an all-stock deal valued at \$9.3 billion. Spirit Realty Capital advanced 7.9 %.

U.S. Treasury yields pared gains on Monday, with longer-dated debt briefly edging lower, after the Treasury Department said it expects to borrow \$76 billion less this quarter than anticipated in the third quarter on expectations of higher revenue receipts.

The Treasury said it expects to borrow \$776 billion in the fourth quarter, down from \$852 billion the prior quarters, assuming an end of December cash balance of \$750 billion, the department said in a statement.

Borrowing projections increased in the July to September quarter when the Treasury bumped its cash balances up from lean levels caused by the debt ceiling standoff in Congress.

Expectations of higher receipts will be somewhat offset by higher outlays, the Treasury said in an issuance update that is a key focus for the bond market.

A Treasury official said the increased revenue estimate was partly due to previously deferred income tax payments from California and some other states because of natural disasters that were now starting to flow into the Treasury.

Yields on 10-year Treasury notes were last up 4.1 basis points at 4.886%, after reaching 4.922% earlier in the day. Last week the benchmark note hit a 16-year high of 5.021%.

The two-year note's yield, which typically reflects interest rate expectations, rose 2.5 basis points to 5.037%.

The Treasury said in July that it expected to borrow \$1.007 trillion in the third quarter, \$274 billion more than it had predicted in May. The statement sparked a sell-off in bonds on concerns about the rapidly growing U.S. debt and widening budget deficit.

The Treasury on Wednesday will offer more details on the issuance breakdown.

Longer-dated yields have been rising on increased supply concerns and on expectations the Federal Reserve will hold rates higher for longer as it battles to bring inflation closer to its 2% annual target.

Total outstanding U.S. debt has grown to \$33.7 trillion, from \$31.5 trillion in June and has surged from \$23.2 trillion in early 2020.

The U.S. central bank will conclude a two-day policy meeting on Wednesday when it is expected to hold rates steady, but may give fresh clues on whether a rate hike is likely in December.

Markets are pricing in a 24.5% chance of a 25 basis points hike in December, according to the CME Group's FedWatch Tool.

The yield on the 30-year Treasury bond was up 2.1 basis points to 5.044%.

Contract	Close	Change	High	Low
E-Mini Dow DEC 23	33,017.00	503.00	33,094.00	32,506.00
E-Mini S&P DEC 23	4,185.75	45.000	4,197.50	4,143.50
E-Mini NASDAQ DEC 23	14,416.50	141.75	14,476.50	14,303.00
Micro Russell 2K JUN 22	1651.9	6.8	1670.8	1641.7
USD Nikkei DEC 23	30,625.0	-10.0	30,870.00	30,405.00
US Dollar Index	106.14	-0.424	106.70	106.06
DJIA	32,928.96	511.370	33,002.97	32,537.54
S&P 500	4,166.82	49.450	4,177.47	4,132.94
NASDAQ	12,789.48	146.470	12,842.96	12,691.56
Nikkei 225	30,696.96	-294.730	30,762.50	30,538.29
Hang Seng	17,406.36	7.630	17,406.36	17,225.65
Straits Times	3,064.29	2.440	3,070.19	3,041.67
DAX	14,716.54	29.130	14,798.00	14,678.73
CAC	6,825.07	29.690	6,854.60	6,809.84
FTSE100	7,327.39	36.110	7,361.50	7,291.28

Historical Volatility	10 Days	30 Days	60 Days	90 Days
E-Mini Dow Futures	14.23	11.46	10.14	10.01
E-Mini S&P Futures	15.10	14.05	12.66	11.95
E-Mini Nasdaq Futures	12.36	17.36	14.95	16.09

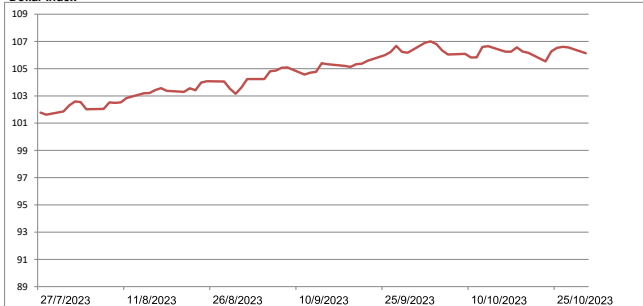
### U.S. Government Treasuries Yield



### CBOE Volatility Index (VIX)



### Dollar Index



Economic Releases	Period	Survey	Actual	Prior	Revised	
10/30/2023 22:30	Dallas Fed Manf. Activity	Oct	-16	-19.2	-18.1	--
10/31/2023 20:30	Employment Cost Index	3Q	1.00%	--	1.00%	--
10/31/2023 21:00	FHFA House Price Index MoM	Aug	0.50%	--	0.80%	--
10/31/2023 21:00	S&P CoreLogic CS 20-City MoM SA	Aug	0.80%	--	0.87%	--
10/31/2023 21:00	S&P CoreLogic CS 20-City YoY NSA	Aug	1.75%	--	0.13%	--
10/31/2023 21:00	S&P CoreLogic CS US HPI YoY NSA	Aug	1.78%	--	0.98%	--
10/31/2023 21:45	MNI Chicago PMI	Oct	45	--	44.1	--
10/31/2023 22:00	Conf. Board Consumer Confidence	Oct	100.5	--	103	--
10/31/2023 22:00	Conf. Board Present Situation	Oct	--	--	147.1	--
10/31/2023 22:00	Conf. Board Expectations	Oct	--	--	73.7	--
10/31/2023 22:30	Dallas Fed Services Activity	Oct	--	--	-8.6	--

**E-Mini Dow Index Futures Daily Chart**



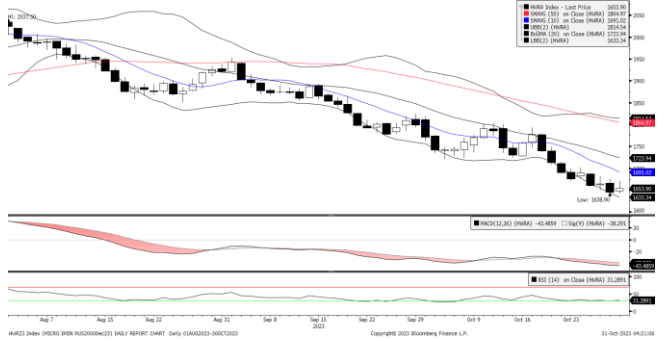
**E-Mini S&P 500 Index Futures Daily Chart**



**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:	33512	2nd Resistance:	34008	1st Resistance:	4248.54	2nd Resistance:	4311.32	1st Resistance:	14632.75	2nd Resistance:	14849.00	1st Resistance:	1676.68	2nd Resistance:	1701.46
1st Support:	32522	2nd Resistance:	32026	1st Support:	4122.96	2nd Resistance:	4060.18	1st Support:	14200.25	2nd Resistance:	13984.01	1st Support:	1627.12	2nd Resistance:	1602.34
MACD:	-368.021			MACD:	-61.734002			MACD:	-209.488			MACD:	-43.642		
MACD DIFF:	-57.205			MACD DIFF:	-14.944588			MACD DIFF:	-73.965			MACD DIFF:	-5.324		
RSI:	39.160			RSI:	34.979747			RSI:	38.019			RSI:	30.722		

**Strategy**

	Long:	Profit target:	Stop-loss:	Long:	Profit target:	Stop-loss:	Short:	Profit target:	Stop-loss:	Short:	Profit target:	Stop-loss:
Dow	32522	32847	32359	32026	32347	31866	33512	33177	33680	34008	33667	34178
S&P	4122.96	4164.19	4102.35	4060.18	4100.78	4039.88	4248.54	4206.05	4269.78	4311.32	4268.21	4332.88
Nasdaq	14200.25	14342.26	14129.25	13984.01	14123.85	13914.08	14632.75	14486.42	14705.91	14849.00	14700.51	14923.24
Micro Russell	1627.12	1643.39	1618.99	1602.34	1618.37	1594.33	1676.68	1659.91	1685.06	1701.457	1684.44	1709.96

Source: Bloomberg

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