

The GDPNow for the 4Q rises to 3.30% GDP, U.S. Unemployment Claims Rise 4.19%; Energy Stocks Lead on OPEC+ Oil Delay and Wall Street Falls.

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The US and European stock markets closed with mixed results, with economic data limited to the GDPNow, unemployment claims, trade balance on goods, and the 30-year mortgage rate, it was a quiet and losing session on Wall Street. The energy sector is leading the charge, benefiting from a slight uptick in oil prices after OPEC+ announced a three-month delay in its planned oil production increase set for January 2025.

Meanwhile, European markets closed higher following October's retail sales data from the eurozone, which met expectations. Asian markets, however, were mixed overnight.

Bond yields slightly, with the 10-year Treasury yield closing at 4.17% and the 2-year yield at 4.15%. In the commodities market, oil prices are increasing, hovering around \$69 per barrel, while gold is modestly lower to start the day.

The latest report on initial jobless claims showed a slight uptick, with claims for the week totaling 224,000, slightly above the forecasted 214,000 and the previous week's 215,000. However, claims are still significantly lower than the 30-year median of 326,000. These results come from the ADP employment report, which indicated private sector job growth of 146,000 in November, falling short of expectations for 158,000 and below the revised figure of 184,000 from October.

Additionally, the JOLTS report showed a substantial increase in job openings, with October seeing a rise to 7.7 million, the largest monthly gain in over a year. These reports suggest that while the labor market is loosening somewhat from historically tight conditions, it remains solid.

The November nonfarm payrolls report on Friday will be closely watched, with expectations for a gain of 208,000 jobs, a notable rebound from October's weak figure of just 12,000, affected by the Boeing machinist strike and hurricanes.

As we approach the end of 2024, the S&P 500 is on track for a second consecutive year of more than 20% gains. The index has gained over 29% year-to-date, following a 26.3% increase in 2023. If the current performance holds, it would mark the first time since the mid-1990s that the S&P 500 has posted back-to-back years of 20% or better returns. Sector performance has been broadly positive, with all but healthcare seeing gains of 10% or more. Mega-cap tech stocks continue to drive the market, with information technology and communication services both up nearly 40%, while consumer discretionary has gained about 30%. Financials and utilities have also seen strong performance, each rising by 30%, while industrials and consumer staples are up by 20% or more. Going into 2025, we expect this broadening of leadership to continue, with both cyclical and value stocks performing well alongside growth stocks, further reinforcing the case for diversified portfolios.

GDPNow Update:

- The GDPNow for the fourth quarter was updated on December 5, 2024, rising to 3.30%, increasing 3.13% from 3.20%.

Key Economic Data:

- **U.S. Initial Claims for Unemployment Insurance:** rose to 224,000, up from 215,000 last week, increasing 4.19%.
- **U.S. Trade Balance on Goods:** fell -98.67 billion, up from -109.03 billion last month.
- **30-Year Mortgage Rate:** fell to 6.81%, compared to 6.84% last week.
- **Canada Ivey PMI:** fell to 52.00, down from 53.10 last month, decreasing -2.07%.
- **Eurozone Retail Trade YoY:** fell to 1.90%, compared to 3.00% last month.

Eurozone Summary:

- **Stoxx 600:** Closed at 519.53, up 2.08 points or 0.24%.
- **FTSE 100:** Closed at 8,349.38, up 13.58 points or 0.40%.
- **DAX Index:** Closed at 20,358.80, up 126.66 points or 0.16%.

Wall Street Summary:

- **Dow Jones Industrial Average:** closed at 44,765.71 down 248.33 points or 0.55%.
- **S&P 500:** closed at 6,075.11, down 11.38 points or 0.19%.
- **Nasdaq Composite:** closed at 19,700.72, down 34.39 points or 0.17%.
- **Birling Capital Puerto Rico Stock Index:** closed at 3,883.16, up 26.10 points or 0.68%.
- **Birling Capital US Bank Stocks Index:** closed at 6,473.78, down 40.84 points or 0.63%.
- **US Treasury 10-year note:** closed 4.17%.
- **US Treasury 2-year note:** closed 4.15%.

Date	GDPNow 4Q24	Change
10/31/2024	2.70%	Initial Forecast
11/1/2024	2.30%	-14.81%
11/5/2024	2.40%	4.35%
11/7/2024	2.50%	4.17%
11/15/2024	2.50%	0.00%
11/19/2024	2.60%	4.35%
11/27/2024	2.70%	3.85%
12/2/2024	3.20%	18.52%
12/5/2024	3.30%	3.13%



US Initial Claims for Unemployment, US Job Openings: Total Nonfarm and US Unemployed Persons: Job Seekers



US Trade Balance, Canada Ivey PMI, 30-Year Mortgage Rate & Eurozone Retail Trade



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