

GLOBAL MARKET SQUARE



Nasdaq Leads U.S. and European Markets with Mixed Results as GDP Forecast Drops; McDonald's, Pfizer Earnings Exceed Expectations Ahead of Key Jobs Report and Big Tech Announcements.

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The U.S. and European markets closed with mixed results, as U.S. Total Nonfarm Job Openings -5.32%, and the GDPNow latest forecast also fell by 15.15%.

The tech-focused Nasdaq index has led gains, outperforming the broader S&P 500. Stocks have shown robust growth this year, with the S&P 500 rising over 22%, the Nasdaq climbing above 24%, and the Dow Jones up 12%. In contrast, bond markets have faced challenges recently as Treasury yields have surged; the 10-year Treasury yield closed at 4.28%. For investors holding balanced portfolios, returns this year will likely reflect a strong performance from equities and more moderate returns from bonds.

As corporate earnings season progresses, major tech companies are set to report that 40% of S&P 500 companies have already released their third-quarter results, which have been essentially modest. Earnings growth for these companies is about 4.1% year-over-year, aligning with expectations but down from last quarter's 11% growth. McDonald's Corp (MCD) and Pfizer Inc (PFE) released their third-quarter earnings, exceeding expectations.

This week, key players like Apple, Amazon, Alphabet, and Meta will announce earnings, with investors watching closely for updates on AI spending, data center investments, and progress in AI applications across industries.

The labor market report was set for release Friday, and investors are also looking ahead to Friday's U.S. nonfarm payrolls report for October, which is expected to show 120,000 new jobs, a decrease of 52.75% from September's numbers. The decline is partly attributed to recent strikes and weather disruptions. The unemployment rate is expected to remain stable at 4.1%.

GDPNow Update:

- The **GDPNow** for the Third Quarter of 2024 was updated on October 29, 2024, to 2.80% GDP, decreasing 15.5% from 3.30%.

Corporate Earnings Parade:

- **McDonald's Corp (MCD):** reported 3Q24 revenues of \$6.873 billion, net income of \$2.255 billion, and earnings per share of \$3.13, beating estimates. MCD has a stock price objective of \$318.66, and the stock closed at **\$295.00, up \$1.79**.
- **Pfizer, Inc. (PFE):** reported 3Q24 revenues of \$17.702 billion, up 31%, net income of \$4.465 billion, and earnings per share of \$1.06, beating estimates. MCD has a stock price objective of \$33.32, and the stock closed at **\$28.46, down -\$0.40**.

Key Economic Data:

- **U.S. Job Openings: Total Nonfarm:** fell to 7.443 million, down from 7.861 million last month, a decrease of -5.32%.
- **Case-Shiller Composite 20 Home Price Index YoY:** fell 5.20%, compared to 5.89% last month.
- **Case-Shiller Home Price Index:** National: rose to 322.25, up from 321.21 last month, increasing 0.32%.
- **Japan Consumer Confidence Index:** rose to 36.90, up from 36.70 last month, increasing 0.54%.
- **Japan Unemployment Rate:** fell to 2.40%, compared to 2.50% last month.

Eurozone Summary:

- **Stoxx 600:** Closed at 517.92, down 3.03 points or 0.58%.
- **FTSE 100:** Closed at 8,219.61, down 66.01 points or 0.80%.
- **DAX Index:** Closed at 19,483.22, down 48.40 points or 0.25%.

Wall Street Summary:

- **Dow Jones Industrial Average:** closed at 42,233.05, down 154.52 points or 0.36%.
- **S&P 500:** closed at 5,832.92, up 9.40 points or 0.16%.
- **Nasdaq Composite:** closed at 18,712.75, up 145.56 points or 0.78%.
- **Birling Capital Puerto Rico Stock Index:** closed at 3,556.78, up 97.06 points or 2.81%.
- **Birling Capital U.S. Bank Stock Index:** closed at 5,831.45, up 120.29 points or 2.11%.
- **U.S. Treasury 10-year note:** closed at 4.28%.
- **U.S. Treasury 2-year note:** closed at 4.11%.

Date	GDPNow 3Q24	Change
7/25/2024	2.80%	Initial Forecast
8/1/2024	2.50%	10.71%
8/6/2024	2.90%	16.00%
8/8/2024	2.90%	0.00%
8/15/2024	2.40%	-17.24%
8/15/2024	2.00%	-16.67%
9/3/2024	2.00%	0.00%
9/4/2024	2.10%	5.00%
9/9/2024	2.50%	19.05%
9/17/2024	3.00%	20.00%
9/18/2024	2.90%	-3.33%
9/27/2024	3.10%	6.90%
10/1/2024	2.50%	-19.35%
10/8/2024	3.20%	28.00%
10/9/2024	3.20%	0.00%
10/17/2024	3.40%	6.25%
10/18/2024	3.40%	0.00%
10/25/2024	3.30%	-2.94%
10/29/2024	2.80%	-15.15%



US Job Openings: Total Nonfarm and US Unemployed Persons: Job Seekers





Japan Consumer Confidence Index & Japan Unemployment Rate





Wall Street Recap

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