

US 3Q GDP Rises 2.8%, ADP Employment Surges 46%, and Global Markets Closed Lower.

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by Francisco Rodríguez-Castro
frc@birlingcapital.com

The U.S. and European markets closed down as investors absorbed a full slate of economic data, starting with the release of the U.S. GDP, which grew by 2.8% in the third quarter, matching the GDPNow last forecast and indicating steady economic momentum.

Meanwhile, the ADP Employment report for October showed private-sector job growth of 233,000, marking the highest increase since July 2023. In corporate news, Alphabet's shares surged more than 4%, boosted by stronger-than-expected earnings announced after yesterday's market close. Investors are closely monitoring upcoming earnings from Microsoft and Meta, which are set to report later today. Bond yields are slightly down on the long end, with the 10-year Treasury yield closing at 4.29%, while the 2-year at 4.15%.

European markets are down due to concerns over high U.S. interest rates, disappointing corporate earnings, and rising geopolitical tensions in the Middle East, driving up oil prices and adding market volatility. Weak economic data from China, a significant trading partner, also weighs on European exporters. Additionally, high inflation and mixed economic signals within Europe amplify worries about slowing growth across the Eurozone.

Solid GDP Growth in Q3 as the Preliminary figures show the U.S. economy expanded at a 2.8% annualized rate in the third quarter, meeting the Federal Reserve's GDPNow forecast of 2.8%. Consumer spending led the way, with personal consumption rising 3.7% and goods spending up 6%, the fastest in over a year. Trade was a slight drag on growth as imports grew by 11.2%, outpacing an 8.9% increase in exports. This data suggests a resilient economy bolstered by supportive monetary policy and a healthy labor market, which could help sustain growth in the coming quarters.

Labor Market Remains in Focus as they continue to capture market attention. Yesterday's JOLTS report showed job openings for September fell to 7.433 million, the lowest level since early 2021, indicating a cooling demand for labor. However, job openings still outnumber the unemployed, at 5.967 million, suggesting labor-market health. October's ADP report further underscored the job market's strength, with private payrolls rising by 233,000, well above expectations for 108,000. Job gains were spread across goods-producing and services industries. The closely watched nonfarm payroll report on Friday is expected to show an increase of 120,000 jobs, potentially dampened by recent strikes and weather disruptions. At the same time, unemployment is projected to remain at 4.1%. Labor conditions are moderating, but consumer spending should continue to be supported.

Key Economic Data:

- **U.S. Real GDP QoQ:** fell to 2.80%, compared to 3.00% last quarter.
- **U.S. Total Vehicle Sales:** rose to 16.25 million, up from 15.76 million last month, increasing 3.09%.
- **ADP Employment Change:** rose to 233,000, up from 159,000 last month, increasing 46.54%.
- **U.S. Pending Home Sales YoY:** rose to 2.57%, compared to -3.02% last month.

- **Eurozone Consumer Confidence Indicator:** is at -12.50, up from -12.90 last month.
- **Eurozone Economic Sentiment Indicator:** is at 95.60, down from 96.30 last month.
- **Germany Real GDP YoY:** is at 0.00%, compared to -0.10% last quarter.
- **Germany Unemployment Rate:** is unchanged at 6.00%, compared to 6.00% last month.
- **Germany Consumer Price Index YoY:** rose to 2.00%, compared to 1.60% last month.
- **Japan Industrial Production Index MoM:** fell by -3.30%, compared to 3.10% last month.
- **China PMI:** rose to 49.80, up from 49.10 last month.
- **China Non-Manufacturing PMI:** fell to 50.00, down from 50.30 last month.

Eurozone Summary:

- **Stoxx 600:** Closed at 511.51, down 6.48 points or 1.25%.
- **FTSE 100:** Closed at 8,159.63, down 59.98 points or 0.73%.
- **DAX Index:** Closed at 19,257.34, down 220.73 points or 0.25%.

Wall Street Summary:

- **Dow Jones Industrial Average:** closed at 42,141.54, down 91.51 points or 0.22%.
- **S&P 500:** closed at 5,813.67, down 19.25 points or 0.33%.
- **Nasdaq Composite:** closed at 18,607.93, down 104.82 points or 0.56%.
- **Birling Capital Puerto Rico Stock Index:** closed at 3,516.44, down 40.34 points or 1.13%.
- **Birling Capital U.S. Bank Stock Index:** closed at 5,823.73, down 7.72 points or 0.13%.
- **U.S. Treasury 10-year note:** closed at 4.29%.
- **U.S. Treasury 2-year note:** closed at 4.15%.

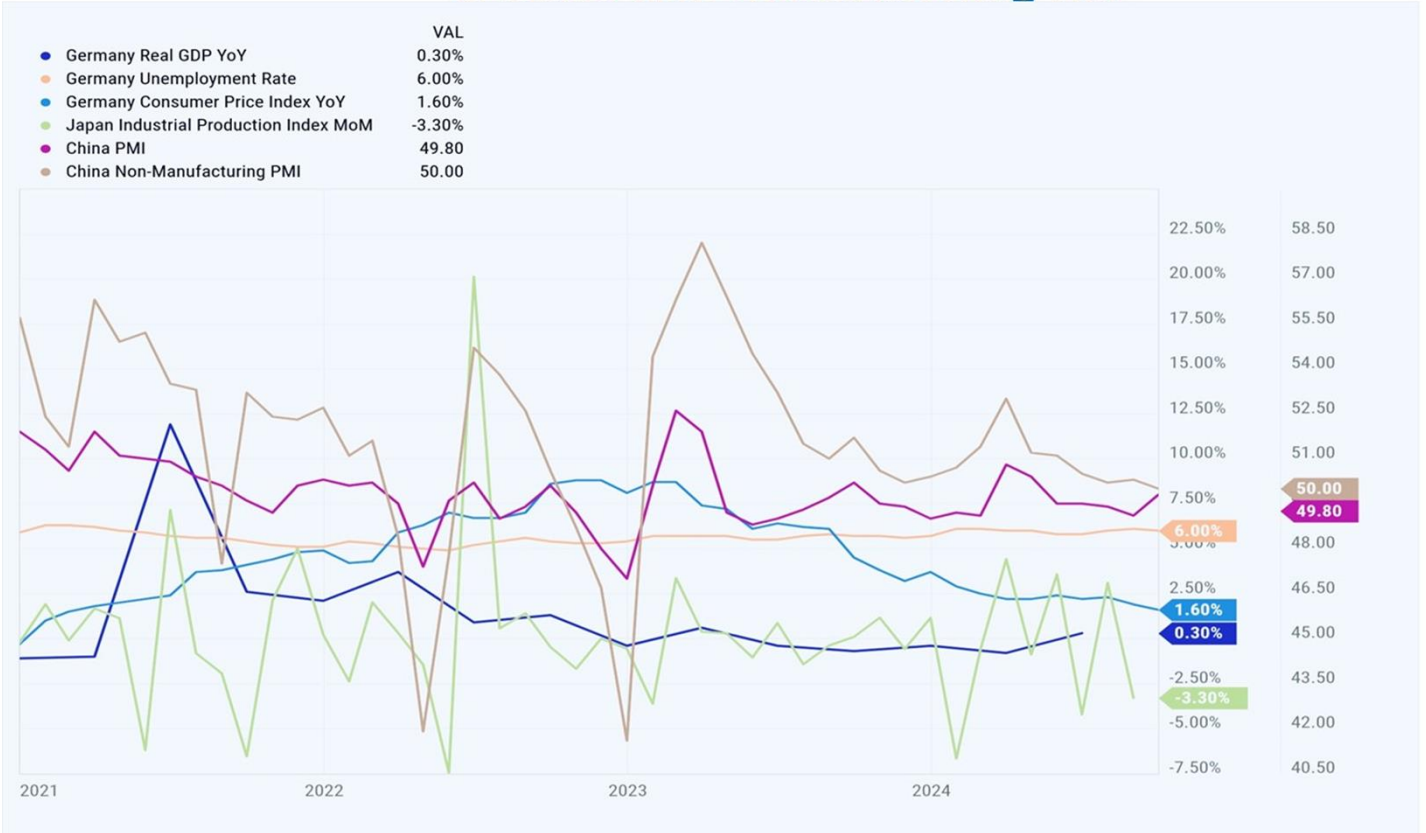


US Real GDP, US Total Vehicle Sales, US Pending Home Sales and ADP Employment Change





Germany Real GDP, Germany Unemployment Rate, Germany Consumer Price Index, Japan Industrial Production Index, China PMI & China Non-Manufacturing PMI





Wall Street Recap

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