



Previous Close

(as of: 04/24/2024)

Futures

(as of: 07:43 E.T.)

	1D	YTD	Last	%	Last
S&P 500	▲ 0.0%	▲ 6.3%	5,072	▼ -0.7%	5,073
DJIA	▼ -0.1%	▲ 2.0%	38,461	▼ -0.6%	38,439
NASDAQ 100	▲ 0.3%	▲ 4.2%	17,527	▼ -1.0%	17,484
Oil (\$/bbl)	▼ -0.7%	▲ 15.6%	83	▲ 0.1%	83
10-Yr Yield*	▲ 4	▲ 78	4.64%	--	--
USD Index	▲ 0.2%	▲ 4.5%	105.86	--	--

*Change in bps.

Source: FactSet

Today's Events

E.T.	Event	Consensus	Prior
8:30am	Initial Jobless Claims	215k	212k
	1Q24 GDP (1st Est., QoQ Ann.)	2.2%	3.4%
	Wholesale Inventories (MoM)	0.3%	0.5%
10:00am	Pending Home Sales (MoM)	-0.3%	1.6%
11:00am	Kansas City Fed Manuf. Index	--	-7.0
7:30pm	(JPN) CPI (Tokyo, YoY)	--	2.6%
11:00pm	(JPN) Policy Rate	0.10%	0.10%

Busiest Day Of Earnings Season; Microsoft And Google On Deck After The Close



After disappointing results from the first mega-cap tech related stock last night via Meta, today marks the busiest day of the 1Q24 earnings season. Sixty-one S&P 500 companies representing 22% of the Index market cap will report results led by other mega-cap tech related names (Microsoft & Google) after market close. Consensus currently expects 1% Y/Y EPS growth in 1Q; but historically, this is the earnings week during which quarterly earnings begin to be revised higher.

Housing Remains Tight With Limited Supply



Redfin's latest monthly data showed challenging conditions for home buyers (and good markets for sellers). The median number of days on the market fell 5 days YoY to 41 days, 30% of homes sold above list price (+1.6% YoY), and home prices increased 4.5% YoY. The shortage of homes for sale persisted with the months of supply flat YoY at 2 months (note: 6 months of inventory is considered healthy). Despite higher mortgage rates, limited supply is supporting prices.

Higher Interest Rates Weigh On Construction Activity



The Architecture Billings Index (a leading indicator for future construction activity) fell to the lowest level (43.6) since December 2020. The Index has been in contraction territory (a level below 50) for 14 consecutive months, suggesting that elevated interest rates and aggressive Fed tightening continue to weigh on construction activity. The weakness in the Index is consistent with our view that economic growth is likely to moderate over the coming months.

Attractive Opportunity In Munis



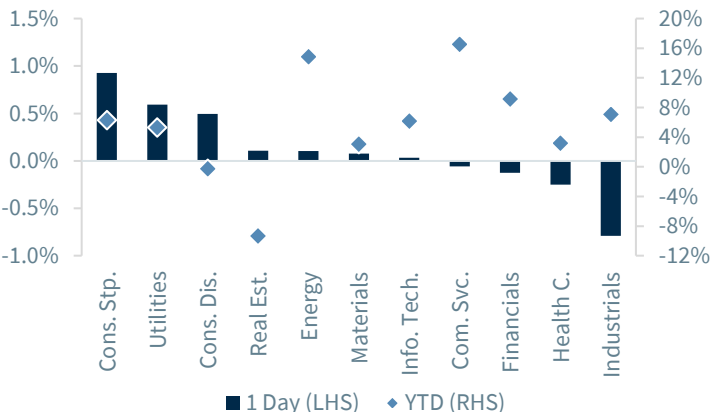
Muni funds suffered their largest weekly outflow (\$1.5B) since last November. Concerns that the Fed may keep rates at current levels for longer and seasonal selling pressure from investors raising cash to fund their tax payments were the key drivers behind the sales. The recent pullback represents a good entry point for high-income earners, with the broad muni index (Bloomberg Municipal Index) offering tax-equivalent yields of ~6.25%.

US 1Q24 GDP To Remain Resilient



The latest Atlanta Fed GDPNow forecasts that 1Q GDP grew by 2.7% on a QoQ, annualized rate. Our economist is still estimating 1.9%, but that a higher rate is possible due to the recent strength in March retail sales. More important, growth momentum is downshifting from 4.9% and 3.4% in Q3 and Q4 last year, respectively. Also, the QoQ PCE price index will give an early look at tomorrow's release for the monthly PCE price index—the Fed's favored inflation indicator.

Sector Performance



Source: FactSet

Chart of the Day: US Dominates



Source: Bloomberg

Disclosures

LHS/RHS: Left-hand side/Right-hand side axes. The **DJIA** is an unmanaged index of 30 widely held stocks. The **S&P 500** is an unmanaged index of 500 widely held stocks. The **NASDAQ 100 Index** is a stock market index that includes 100 of the largest, most actively traded, non-financial companies listed on the Nasdaq Stock Market. **US government bonds and Treasuries** are guaranteed by the US government and, if held to maturity, generally offer a fixed rate of return and guaranteed principal value. U.S. government bonds are issued and guaranteed as to the timely payment of principal and interest by the federal government. **Sector** investments are companies engaged in business related to a specific economic sector and are presented herein for illustrative purposes only and should not be considered as the sole basis for an investment decision. Sectors are subject to fierce competition and their products and services may be subject to rapid obsolescence. There are additional risks associated with investing in an individual sector, including limited diversification. The **US Dollar Index** is a measure of the value of the U.S. dollar against six other foreign currencies. The **Pending Home Sales Index (PHSI)** is a monthly index that tracks the number of home sales in the United States where a contract has been signed but the transaction has not yet closed. The **Kansas City Fed Manufacturing Index** is a monthly assessment of changes in the manufacturing sector in the Tenth Federal Reserve District. The **Consumer Price Index (CPI)** is a group of indexes that measure the average change in price over time for a market basket of consumer goods and services. The **Bloomberg Municipal Index** is a rules-based, market-value-weighted index that measures the performance of the US dollar-denominated long-term tax-exempt bond market. Investments in municipal securities may not be appropriate for all investors, particularly those who do not stand to benefit from the tax status of the investment. Municipal bond interest is not subject to federal income tax but may be subject to AMT, state or local taxes.

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Data Source | FactSet as of 4/24/2024

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