

U.S. Market Weekly

8th January 2024



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U.S. Markets

Monday, January 8, 2024

- US stock markets ended the first week of year on lower note driven by notable decreases in leading tech stocks, which were impacted by rising Treasury yields. Additionally, optimism for immediate interest rate cuts diminished as uncertainties emerged about the timing of potential rate reductions, as indicated in the minutes from the latest Federal Reserve meeting. Nasdaq, S&P 500, and Dow Jones fell 3.2%, 1.5%, and 0.6%, respectively.. The European markets also ended first week of the year on lower note. US Futures are trading flat, while Asian market are trading in red today.
- The markets, especially the Nasdaq, have encountered difficulties in sustaining the positive momentum observed in 2023. The Nasdaq concluded in the negative zone for the sixth consecutive day, establishing its lengthiest losing streak since October 2022. Despite uncertainty surrounding the timing of interest rate cuts in 2024, as indicated by Wednesday's Fed

minutes, positive developments surfaced with Friday's nonfarm payroll data revealing more job additions than initially expected. Contrary to predictions of an increase from November, the unemployment rate remained stable. In the cryptocurrency domain, markets bounced back following a 9% decline in bitcoin on Wednesday, while on Thursday, oil prices experienced a decrease due to a significant surge in US oil inventories.

In terms of economic data, investors will focus on the Goods Trade Balance data for November on Tuesday followed by Wholesale Inventories data for November. Thursday shall witness the release of Initial Jobs claim data for Jan. 5 coupled with Consumer price index data for December. Friday will see the release of Michigan Consumer Sentiment Index data for the month of January coupled with Producer price index data for December.

Upcoming U.S. Economic Events		Actual	Consensus	Previous
Tuesday	Goods Trade Balance Nov.	-	-	\$-90.3B
Wednesday	Wholesale Inventories Nov.	-	-0.2%	-0.2%
Thursday	Initial jobless claims Jan. 5	-	210,000	202,000
	CPI Dec. (y-o-y)	-	3.2%	3.1%
	CPI Ex-Food & Energy Dec. (y-o-y)	-	3.8%	4.0%
Friday	Michigan Consumer Sentiment Index Jan.	-	-	69.7
	PPI Dec. (y-o-y)	-	1.3%	0.9%
	PPI Ex-Food & Energy Dec. (y-o-y)	-	1.9%	2.0%

Source: FXStreet, Al Rajhi Capital. Note: CPI – Consumer Price Index, PPI – Producer Price Index.

S&P 500: 4,697.2 Weekly Chg: -1.5% YTD Chg: -1.5%



DJIA: 37,466.1 Weekly Chg: -0.6% YTD Chg: -0.6%



Nasdaq: 14,524.1 Weekly Chg: -3.2% YTD Chg: -3.2%



Performance

Index	Last close	Change (%)	
		Weekly	YTD
DJIA	37,466.1	-0.6%	-0.6%
S&P 500	4,697.2	-1.5%	-1.5%
Nasdaq	14,524.1	-3.2%	-3.2%
STOXX 600	476.4	-0.5%	-0.5%
CAC 40	7,420.7	-1.6%	-1.6%
DAX	16,594.2	-0.9%	-0.9%
FTSE 100	7,689.6	-0.6%	-0.6%
Nikkei 225	33,377.4	-0.3%	-0.3%
Hang Seng	16,535.3	-3.0%	-3.0%
U.S. Treasury bond yields	Last close	Change (bps)	
		Weekly	YTD
2 Yr	4.38	13	13
5 Yr	4.01	16	16
10 Yr	4.05	17	17
30 Yr	4.20	17	17
Commodities	Last close	Change (%)	
		Weekly	YTD
Gold Spot \$/Oz	2,045.5	-0.8%	-0.8%
Silver Spot \$/Oz	23.2	-2.5%	-2.5%
Crude Oil (Brent)	78.8	2.2%	2.2%
OPEC Basket	78.8	0.5%	0.5%

Source: Bloomberg, Al Rajhi Capital
Closing figures as of 5th Jan. 2024.

Earnings Calendar

Monday			Previous Close Price	Current P/E	Earning Estimate/Share
CMC	Commercial Metals Co	Before Open	\$48.22	6.4x	\$1.46
JEF	Jefferies Financial Group Inc	After the Close	\$40.15	29.2x	\$0.26
Tuesday			Previous Close Price	Current P/E	Earning Estimate/Share
MSM	MSC Industrial Direct Co Inc	Before Open	\$95.90	15.4x	\$1.30
ACI	Albertsons Cos Inc	Before Open	\$23.04	8.7x	\$0.65
AYI	Acuity Brands Inc	Before Open	\$205.38	16.7x	\$3.14
SNX	TD SYNnex Corp	Before Open	\$104.60	11.9x	\$2.67
NEOG	Neogen Corp	Before Open	\$19.45	NA	\$0.14
Wednesday			Previous Close Price	Current P/E	Earning Estimate/Share
KBH	KB Home	After the Close	\$61.33	7.7x	\$1.69
SAR	Saratoga Investment Corp	After the Close	\$26.35	6.8x	\$1.04
RELL	Richardson Electronics Ltd/Uni	After the Close	\$12.67	10.7x	\$0.01
Thursday			Previous Close Price	Current P/E	Earning Estimate/Share
NTIC	Northern Technologies Internat	Before Open	\$11.88	29.0x	\$0.18
Friday			Previous Close Price	Current P/E	Earning Estimate/Share
UNH	UnitedHealth Group Inc	Before Open	\$537.38	23.3x	\$5.98
DAL	Delta Air Lines Inc	Before Open	\$40.54	7.6x	\$1.16
BLK	BlackRock Inc	Before Open	\$782.83	23.6x	\$8.77
BK	Bank of New York Mellon Corp/T	Before Open	\$52.39	13.4x	\$1.10
BAC	Bank of America Corp	Before Open	\$34.43	9.4x	\$0.70
WFC	Wells Fargo & Co	After the Close	\$49.92	11.0x	\$1.10
JPM	JPMorgan Chase & Co	After the Close	\$172.27	10.1x	\$3.58
C	Citigroup Inc	After the Close	\$54.33	10.7x	\$0.79

Source: Bloomberg, Al Rajhi Capital
Closing figures as of 5th Jan. 2024.



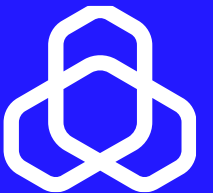
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