

U.S. Market Weekly

29th January 2024



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U.S. Markets

Monday, January 29, 2024

- US stock markets ended higher last week following robust US economic growth in the fourth quarter, which lifted overall market sentiment. Additionally, Netflix experienced a notable surge in its stock after reporting impressive quarterly results, contributing to the positive momentum. Furthermore, strong performance from ASML played a key role in driving gains within the chipmaking sector. S&P 500, Nasdaq, and Dow Jones rose 1.1%, 0.9%, and 0.6%, respectively. Similarly, ➤ European markets also closed higher. US Futures are trading flat, while Asian market are trading up today.
- US market reached record high last week, buoyed by a positive inflation report and a robust Q4 GDP growth of 3.3%. Investors maintained their momentum in January, with energy and communication services leading gains, while discretionary, real estate, and health care stocks fell behind. Earnings season is underway, featuring major tech, health

care, and transportation companies. Despite a 1% increase in major US indices, the week saw notable declines in stock prices of Intel, Tesla, and Visa, attributing to soft guidance. The S&P closed higher for five consecutive days before a slight dip on Friday. Oil prices continued to rise, posing a potential threat to overall stock performance as the year progresses.

In terms of economic data, investors will focus Housing Price and Consumer confidence data for January coupled with JOLTS Job Openings data for December on Tuesday. Wednesday shall witness the release of ADP Employment Change data for January along with Fed Interest Rate Decision. Initial jobless claims data for week ending Jan. 26, ISM Manufacturing PMI data for January and Construction spending data for December will be released on Thursday. Friday will see the release of Average Hourly Earnings, Nonfarm payrolls and Unemployment rate data for January.

Upcoming U.S. Economic Events		Actual	Consensus	Previous
Tuesday	Housing Price Index Jan. (m-o-m)	-	-	0.3%
	Consumer Confidence Jan.	-	-	-
	JOLTS Job Openings Dec.	-	8.75M	8.79M
Wednesday	ADP Employment Change Jan.	-	135,000	164,000
	Fed Interest Rate Decision	-	5.5%	5.5%
Thursday	Initial jobless claims Jan. 26	-	210,000	214,000
	ISM Manufacturing PMI Jan.	-	47.3	47.4
	Construction Spending Dec. (m-o-m)	-	0.5%	0.4%
Friday	Average Hourly Earnings Jan. (y-o-y)	-	4.1%	4.1%
	Nonfarm Payrolls Jan.	-	173,000	216,000
	Unemployment Rate Jan.	-	3.8%	3.7%

Source: FXStreet, AI Rajhi Capital,

S&P 500: 4,891.0 Weekly Chg: 1.1% YTD Chg: 2.5%



DJIA: 38,109.4 Weekly Chg: 0.6% YTD Chg: 1.1%



Nasdaq: 15,455.4 Weekly Chg: 0.9% YTD Chg: 3.0%



Performance

Index	Last close	Change (%)	
		Weekly	YTD
DJIA	38,109.4	0.6%	1.1%
S&P 500	4,891.0	1.1%	2.5%
Nasdaq	15,455.4	0.9%	3.0%
STOXX 600	483.8	3.1%	1.0%
CAC 40	7,634.1	3.6%	1.2%
DAX	16,961.4	2.5%	1.3%
FTSE 100	7,635.1	2.3%	-1.3%
Nikkei 225	35,751.1	-0.6%	6.8%
Hang Seng	15,952.2	4.2%	-6.4%
U.S. Treasury bond yields	Last close	Change (bps)	
		Weekly	YTD
2 Yr	4.35	(4)	10
5 Yr	4.04	(1)	19
10 Yr	4.14	1	26
30 Yr	4.37	4	34
Commodities	Last close	Change (%)	
		Weekly	YTD
Gold Spot \$/Oz	2,018.5	-0.5%	-2.2%
Silver Spot \$/Oz	22.8	0.8%	-4.2%
Crude Oil (Brent)	83.6	6.4%	8.5%
OPEC Basket	82.0	2.1%	4.5%

Source: Bloomberg, Al Rajhi Capital
Closing figures as of 26th Jan. 2024.

Earnings Calendar

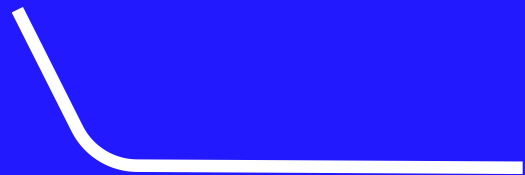
Monday			Previous Close Price	Current P/E	Earning Estimate/Share
NUE	Nucor Corp	After the Close	\$175.10	8.3x	\$2.88
Tuesday			Previous Close Price	Current P/E	Earning Estimate/Share
MPC	Marathon Petroleum Corp	Before Open	\$160.52	6.1x	\$2.20
PFE	Pfizer Inc	Before Open	\$27.47	11.9x	(\$0.21)
UPS	United Parcel Service Inc	Before Open	\$159.30	16.0x	\$2.44
DHR	Danaher Corp	Before Open	\$233.00	28.4x	\$1.89
AMD	Advanced Micro Devices Inc	After the Close	\$177.25	NM	\$0.77
MSFT	Microsoft Corp	After the Close	\$403.93	38.8x	\$2.78
GOOGL	Alphabet Inc	After the Close	\$152.19	28.2x	\$1.72
SBUX	Starbucks Corp	After the Close	\$92.80	26.2x	\$0.93
SYK	Stryker Corp	After the Close	\$311.36	35.3x	\$3.27
MDLZ	Mondelez International Inc	After the Close	\$75.14	23.7x	\$0.78
Wednesday			Previous Close Price	Current P/E	Earning Estimate/Share
ADP	Automatic Data Processing Inc	Before Open	\$236.10	28.0x	\$2.10
BA	Boeing Co/The	Before Open	\$205.47	NA	(\$0.63)
TMO	Thermo Fisher Scientific Inc	Before Open	\$547.33	33.3x	\$5.65
MA	Mastercard Inc	Before Open	\$438.53	36.7x	\$3.08
QCOM	QUALCOMM Inc	After the Close	\$150.72	21.9x	\$2.36
Thursday			Previous Close Price	Current P/E	Earning Estimate/Share
HON	Honeywell International Inc	Before Open	\$201.80	20.9x	\$2.59
AAPI	Apple Inc	Before Open	\$192.42	31.4x	\$2.11
MRK	Merck & Co Inc	Before Open	\$120.82	49.3x	(\$0.10)
META	Meta Platforms Inc	After the Close	\$394.14	25.8x	\$4.97
AMZN	Amazon.com Inc	After the Close	\$159.12	74.8x	\$1.04
Friday			Previous Close Price	Current P/E	Earning Estimate/Share
ABBV	AbbVie Inc	Before Open	\$164.40	17.4x	\$2.76
AON	Aon PLC	Before Open	\$301.90	22.9x	\$4.07
REGN	Regeneron Pharmaceuticals Inc	Before Open	\$940.05	23.8x	\$10.63
BMJ	Bristol-Myers Squibb Co	Before Open	\$49.70	11.6x	\$1.52
XOM	Exxon Mobil Corp	After the Close	\$103.00	9.9x	\$2.21
CHTR	Charter Communications Inc	After the Close	\$377.07	12.0x	\$8.76

Source: Bloomberg, Al Rajhi Capital
Closing figures as of 26th Jan. 2024.



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"Neutral": We expect the share price to settle at a level between 10% below the current share price and 10% above the current share price on a 12 month time horizon.

"Underweight": Our target price is more than 10% below the current share price, and we expect the share price to reach the target on a 12 month time horizon.

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Contact us

Mazen AlSudairi, CFA, CMT

Head of Research

Tel : +966 11 836 5468

Email: alsudairim@alrajhi-capital.com

Al Rajhi Capital

Research Department

Head Office, King Fahad Road

P.O. Box 5561, Riyadh 11432

Kingdom of Saudi Arabia

Email: research@alrajhi-capital.com

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