



## THINGS TO WATCH

–EARNINGS – BUSINESS AND CONSUMER SPENDING: Quarterly results from Intuit (INTU) and Salesforce.com (CRM) on Tuesday and Thursday, respectively, should provide an update on recent trends in corporate spending on software for human resources, sales, and marketing. The trend of middle-income consumers trading down in search of deals will be in focus with Wednesday's quarterly results from discount retail chains Dollar Tree (DLTR) and Five Below (FIVE). On Thursday, investors will get a sense for how well cosmetics spending has held up this fall with Ulta Beauty's (ULTA) fiscal 3Q results.

–SUPER-CORE PCE INFLATION: On Thursday, personal consumption expenditures (PCE) index data for October will be released. Fed Chair Powell and colleagues will likely be highly attuned to a measure of PCE services inflation, excluding energy and housing, they call super-core inflation. In September, super-core inflation rose 0.4% and 4.3% on a monthly and year-over-year basis, respectively. A deceleration in the monthly and annual pace of this measure could solidify market expectations that the Fed will stay on hold at its December 12-13 meeting.

–OPEC+ DELAYED MEETING: The Organization of Petroleum Exporting Countries (OPEC) and its allies pushed back until Thursday a ministerial meeting originally scheduled for yesterday. The refusal of Angola and Nigeria to accept lower production quotas favored by Saudi Arabia is reportedly the reason for the delay. Most observers expect Saudi Arabia and Russia will announce on Thursday an extension of their combined output cuts of just over 1 million barrels per day through 1Q24.

–BEIGE BOOK: The Federal Reserve's Summary of Commentary on Current Economic Conditions (informally known as the Beige Book) will be released Wednesday covering a 7-week period through mid-November. The report, which is a summary of anecdotal information on economic conditions in the central bank's 12 districts, should shed light on the magnitude of recent labor market cooling across different industries and geographies.

LAST WEEK'S ECONOMIC DATA	LATEST	3MO PRIOR	CHANGE
Existing Home Sales (Millions Annualized)	3.79	4.07	▼
Durable Goods Orders (M/M)	-5.4%	-5.6%	▼
U. of Mich. Consumer Sentiment	61.3	69.4	▼
U. of Mich. 1-year Inflation Expectations	4.5%	3.5%	▲
U. of Mich. 5-10 year Inflation Expectations	3.2%	3.0%	▲

INDEX	LEVEL	WEEK	YTD	12 MO
DJ Industrial Average	35390.15	1.27%	6.77%	3.04%
NASDAQ	14250.85	0.89%	36.16%	26.94%
S&P 500	4559.34	1.00%	18.75%	13.24%
MSCI EAFE	2122.13	1.01%	9.17%	8.11%
BB U.S. Aggregate	2058.10	-0.09%	0.46%	0.20%

KEY BOND RATES	WEEK	1MO AGO	1YR AGO
3-Month T-Bill	5.39%	5.42%	4.22%
10-Year Treasury	4.47%	4.82%	3.69%

REPORTS DUE THIS WEEK	LATEST
New Home Sales (Thousands Annualized)	759
S&P CoreLogic CS 20-City U.S. HPI (Y/Y)	2.2%
Conf. Board Consumer Confidence	102.6
Core PCE Price Index (Y/Y)	3.7%
ISM Manufacturing PMI	46.7

Price returns are as of 11/24/23. Source data: Bloomberg and Morningstar are believed to be correct but not verified.

## NUMBERS OF THE WEEK

\$9.8 billion

The amount of spending on Black Friday online purchases made by Americans according to Adobe Analytics, a 7.5% increase from last year. Consumer electronics categories including TVs, audio equipment, smartwatches, toys, and video games saw some of the strongest demand. Several initial forecasts for the combined November-December holiday period project retail sales growth of 1% to 5% compared to last year, a slowdown from the pre-pandemic trend.

-1.74

The New York Federal Reserve's Global Supply Chain Pressure Index measurement for October, a record low dating back to the September 1997 inception of the data series. An index level of zero indicates an average level of supply chain pressure, while positive and negative values represent how many standard deviations the index is above or below this average value. October's record low reading comes amid an alleviation of supply chain bottlenecks and the rightsizing of inventories by major U.S. retailers in recent quarters.



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