



PACIFIC GLOBAL
Investment Management Company

Weekly Recap

October 25, 2024

Market Returns

INDEX ¹	CLOSE	WEEKLY CHANGE	YTD CHANGE
Dow Jones Industrial Avg.	42,114.40	-1,161.51 / -2.68%	11.74%
S&P 500 [®]	5,808.12	-56.55 / -0.96%	21.77%
Nasdaq	18,518.61	29.06 / 0.16%	23.36%
Russell 2000 [®]	2,207.99	-68.10 / -2.99%	8.93%
	10/25/24 CLOSE	10/25/23 CLOSE	
10-Year U.S. Treasury	4.24%	4.95%	

Data: Bloomberg, Federal Reserve

The Bottom Line

Cautious corporate earnings commentaries, a spike in interest rates, and the upcoming elections provided mixed signals this week. The Nasdaq (0.16%) gained fractionally while the S&P 500[®] Index (-.96%) and the Dow Jones Industrial Average (-2.68%) both ended streaks of six consecutive weekly gains; the Russell 2000[®] (-2.99%) also declined. The yield on the 10-Year U.S. Treasury Note increased to 4.24% from 4.08% last Friday.

Tesla, which gained 22% gain after reporting better-than-expected results on of auto sales and the sale of clean air tax credits, drove Nasdaq's results and extended the Index's streak to seven weeks. Other auto manufacturers and dealers such as *General Motors*, *Sonic Automotive* and *Lithia Motors* reported strong earnings. The companies anticipate that factors including lower interest rates, lower used cars prices and the overall aging of cars on the road, will bolster sales in both new and used cars. *United Parcel* exceeded earnings estimates and reported improved domestic shipping trends to reverse declines in recent quarters.

Initial jobless claims (227,000) declined from the prior week (242,000) while continuing claims (1.897 million) rose more-than-expected to (1.878 million), to the highest level since November 2021. Durable goods orders repeated the prior month's -0.8% decline; but, one subset (non-defense orders, excluding aircraft), a proxy for business spending, rose 0.5%, above expectations.

Earnings season continues next week with reports from *Alphabet*, *Microsoft*, *Apple* and *Amazon*. Also, economic reports due next week include the PCE Index, the Federal Reserve's closely watched inflation measure, and the October jobs report. Uncertainties surrounding the upcoming elections, the Fed meeting on November 6-7, and geopolitics are seemingly influencing decision-making at both the corporate and investor levels; these events may cloud short-term sentiment.

¹The Dow Jones Industrial Average is an unmanaged, price weighted measure of 30 U.S. stocks selected by the Averages Committee to represent the performance of all U.S. stocks outside the Transportation and Utilities sectors. The S&P 500[®] Index is an unmanaged, market capitalization weighted index which measures the performance of the large cap segment of the U.S. equities market, covering approximately 75% of the U.S. equities market. The Index includes 500 leading companies in leading industries of the U.S. economy. The Nasdaq Composite Index is an unmanaged, market capitalization weighted measure of all domestic and international common stocks listed on The Nasdaq Stock Market. The Russell Midcap[®] Index measures the 800 smallest companies within the Russell 1000[®] Index based on a combination of their market cap and current index

membership. The Russell 2000® Index is an unmanaged, market-weighted measure of stock market performance. It contains stocks of the 2,000 smallest publicly traded companies of the Russell 3000® Index. It is not possible to invest in the Indices.

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