

US Economy and Credit Markets			
Yields and Weekly Changes:			
3 Mo. T-Bill:	4.524 (2.3 bps)	Bond Buyer 40 Yield:	4.44 (5 bps)
6 Mo. T-Bill:	4.438 (0.2 bps)	Crude Oil Futures:	70.38 (0.89)
1 Yr. T-Bill:	4.294 (2.9 bps)	Gold Spot:	2,684.77 (-51.76)
2 Yr. T-Note:	4.254 (4.9 bps)	Merrill Lynch High Yield Indices:	
3 Yr. T-Note:	4.198 (1.3 bps)	U.S. High Yield:	7.38 (-15 bps)
5 Yr. T-Note:	4.192 (-3.3 bps)	BB:	6.26 (-14 bps)
10 Yr. T-Note:	4.304 (-8.0 bps)	B:	7.49 (-16 bps)
30 Yr. T-Bond:	4.470 (-10.8 bps)		

Treasury yields finished the week mixed, with shorter duration yields ticking slightly higher while longer duration yields fell. It was a busy week in the bond market as investors navigated through the election on Tuesday and the Federal Open Market Committee meeting on Thursday. Following Donald Trump's win in the presidential election, yields spiked on a bond-market selloff driven by concerns that his administration will increase the government deficit and potentially reaccelerate inflation. On Thursday, the Federal Reserve delivered a widely expected 25 basis point interest rate cut, bringing the benchmark rate to a range of 4.50% to 4.75%. Fed Chairman Jerome Powell stated that Thursday's rate cut represents a "further recalibration" of the Fed's policy stance and future decisions will continue to be made on a meeting-to-meeting basis. In other economic news, the trade deficit grew to its highest in more than two years in September, coming in at \$84.4 billion. Total trade volume is up 5.9% from a year ago, with exports up 2.4% and imports up 8.8%. The ISM Non-Manufacturing index increased to 56.0 in October, beating the consensus expected 53.8, and growing at the fastest pace in more than two years. Nonfarm productivity increased 2.2% at an annual rate in the third quarter, falling short of the consensus expected gain of 2.5%. Major economic reports (related consensus forecasts, prior data) for the upcoming week include: Wednesday: November 8 MBA Mortgage Applications (n/a, -10.8%), October CPI MoM (0.2%, 0.2%), October CPI YoY (2.6%, 2.4%); Thursday: October PPI Final Demand MoM (0.2%, 0.0%), November 9 Initial Jobless Claims (223k, 221k); Friday: November Empire Manufacturing (0.0, -11.9), October Retail Sales Advance MoM (0.3%, 0.4%), October Industrial Production MoM (-0.3%, -0.3%).

US Equities			
Weekly Index Performance:		Market Indicators:	
The Dow®	43,988.99 (4.61%)	Strong Sectors:	Consumer Discretionary, Energy, Industrials
S&P 500®	5,995.54 (4.69%)	Weak Sectors:	Consumer Staples, Utilities, Materials
S&P MidCap 400®	3,297.36 (6.29%)		
S&P SmallCap 600®	1,508.36 (8.60%)		
Nasdaq Composite®	19,286.78 (5.76%)	NYSE Advance/Decline:	2,267 / 606
Russell 2000®	2,399.64 (8.6%)	NYSE New Highs/New Lows:	663 / 131
		AAll Bulls/Bears:	41.5% / 27.6%

President Trump's election to a second term was met with market optimism as the S&P 500 recorded its best week of 2024, hitting an all-time high for a 50th time this year. A Republican sweep of the general election provides the President-elect the support he needs, with majorities in both the House and Senate, to reshape government, foreign policy, national security, and economic policy through his expansive agenda. Americans' confidence in the economy and their finances was reflected by the University of Michigan's consumer sentiment index, released last week. The measure advanced to its highest level since April, propelling Consumer Discretionary stocks higher by over 7.5% for the week. In the S&P 500, 54 of the 503 index members posted double digit gains for the week. Leading the index was law enforcement supplier **Axon Enterprise**, which saw more than a 41% gain. The maker of Tasers and police body cameras announced impressive earnings on Thursday and noted its newly released artificial intelligence bundle could accelerate growth in 2025. Leading AI software company Palantir also gained about 40% last week, as the company is a key beneficiary of government spending. During its quarterly earnings call, the company reported a 40% increase in U.S. government revenues in the third quarter. CEO Alex Karp said "This is a U.S.-driven AI revolution that has taken full hold." While large caps returned 4.69%, as measured by the S&P 500, mid and small cap stocks rose higher after the election results became final. The midcap S&P 400 returned over 6% while the small cap Russell 2000 jumped almost 6% on Wednesday and closed out the week up more than 8.6%. On Thursday, the Federal Open Market Committee unanimously voted to lower the Federal Funds rate by 25 basis points. Fed officials defended the cut by stating that it fulfilled the dual mandate of supporting employment and controlling inflation. Looking ahead to next week, inflation will be in focus as both CPI and PPI are set for release.

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