

US Economy and Credit Markets			
Yields and Weekly Changes:			
3 Mo. T-Bill:	4.491 (-3.3 bps)	Bond Buyer 40 Yield:	4.31 (13 bps)
6 Mo. T-Bill:	4.460 (2.2 bps)	Crude Oil Futures:	67.02 (-3.36)
1 Yr. T-Bill:	4.319 (2.5 bps)	Gold Spot:	2,563.25 (-121.52)
2 Yr. T-Note:	4.303 (4.9 bps)	Merrill Lynch High Yield Indices:	
3 Yr. T-Note:	4.274 (7.6 bps)	US High Yield:	7.31 (12 bps)
5 Yr. T-Note:	4.307 (11.5 bps)	BB:	6.40 (14 bps)
10 Yr. T-Note:	4.439 (13.5 bps)	B:	7.61 (12 bps)
30 Yr. T-Bond:	4.617 (14.7 bps)		

Treasury yields climbed across the board last week as expectations for a Fed rate cut in December shifted. This change in outlook followed remarks by Federal Reserve Chairman Jerome Powell, who stated, "The economy is not sending any signals that we need to be in a hurry to lower rates." In response, officials lowered the benchmark rate by a quarter point to a range of 4.5% to 4.75%. On Wednesday, the Consumer Price Index increased by 0.2% in October, aligning with consensus expectations. While inflation met predictions, it remains stubbornly above the Fed's 2% target. MBA mortgage applications rose 0.5% last week, exceeding the consensus forecast of 0%. Meanwhile, the contract rate on a 30-year fixed mortgage climbed 5 basis points to 6.86%, marking the largest increase since July. On Thursday, the Producer Price Index increased by 0.2% in October, matching consensus expectations. Producer prices are now up 2.4% compared to a year ago. On the labor front, initial jobless claims fell by 4,000 last week to 217,000, while continuing claims declined by 11,000 to 1.873 million. These figures indicate ongoing job growth in November, but at a slower pace than earlier this year. On Friday, retail sales rose 0.4% in October, slightly above the consensus expected increase of 0.3%. The rise was largely driven by a 1.6% increase in auto sales. Retail sales are now up 2.8% compared to a year ago. Major economic reports (related consensus forecasts, prior data) for the upcoming week include: Tuesday: October Housing Starts (1337k, 1354k); Wednesday: November 15 MBA Mortgage Applications (N/A, 0.5%); Thursday: November 16 Initial Jobless Claims (220k, 217k), October Leading Index (-0.3%, -0.5%), October Existing Home Sales (3.94m, 3.84m); Friday: November Preliminary S&P Global US Manufacturing PMI (48.8, 48.5), November Final University of Michigan Sentiment (73.5, 73.0).

US Equities			
Weekly Index Performance:		Market Indicators:	
DJIA:	43,444.99 (-1.17%)	Strong Sectors:	Financials, Energy, Utilities
S&P 500:	5,870.62 (-2.05%)	Weak Sectors:	Comm. Services, Materials, Health Care
S&P Midcap:	3,207.52 (-2.68%)	NYSE Advance/Decline:	803 / 2,066
S&P Smallcap:	1,435.16 (-2.97%)	NYSE New Highs/New Lows:	543 / 147
NASDAQ Comp:	18,680.12 (-3.13%)	AAII Bulls/Bears:	49.8% / 28.3%
Russell 2000:	2,303.84 (-3.96%)		

Equity markets experienced a decline of over 2% last week, as investors took a step back from the post-election rally. While earnings season is nearing its end, with only 10 S&P 500 companies reporting quarterly results, a few notable reports drove significant market movement. **The Walt Disney Company Co.** was a standout performer, rallying 16%, its largest weekly gain in nearly 24 years. The company reported stronger-than-expected earnings and revenue, driven by improved park profitability despite lower visitor numbers. Additionally, its streaming business, bolstered by the integration of Hulu, is nearing profitability. **Tyson Foods Inc.** also impressed investors, with its stock rising over 7%. The company's strong performance was fueled by a robust chicken business and cost-cutting measures. **Tapestry Inc.**, the parent company of Coach and Kate Spade, saw a 9.5% increase in its share price after the termination of its proposed acquisition of **Capri Holdings LTD**. Conversely, **Super Micro Computer Inc.** continues to face significant challenges, including a potential delisting from NASDAQ and ongoing scrutiny from Hindenburg Research. The company's stock has plummeted 73.5% since August, wiping out nearly \$60 billion in market value. Next week marks the unofficial end of earnings season, with highly anticipated reports from **Walmart Inc.**, **NVIDIA Corp.**, **Target Corp.**, and **Deere & Company**.

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