

US Economy and Credit Markets			
Yields and Weekly Changes:			
3 Mo. T-Bill:	3.845 (-7.0 bps)	Bond Buyer 40 Yield:	4.50 (-1 bps)
6 Mo. T-Bill:	3.756 (-3.4 bps)	Crude Oil Futures:	61.50 (3.96)
1 Yr. T-Bill:	3.583 (3.0 bps)	Gold Spot:	4,113.05 (-138.77)
2 Yr. T-Note:	3.480 (2.3 bps)	Merrill Lynch High Yield Indices:	
3 Yr. T-Note:	3.488 (2.2 bps)	US High Yield:	7.01 (-10 bps)
5 Yr. T-Note:	3.605 (1.4 bps)	BB:	5.90 (-10 bps)
10 Yr. T-Note:	4.001 (-0.8 bps)	B:	7.20 (-9 bps)
30 Yr. T-Bond:	4.593 (-1.2 bps)		

Gold and silver sold off last week following recent rallies that sent the metals to record highs. Meanwhile, oil prices surged on Thursday after the US imposed sanctions on Russia's biggest oil companies, Rosneft and Lukoil, citing Russia's refusal to end the war in Ukraine. Economic data released Friday showed consumer prices increased less than expected in September. The data reinforced the market's expectations of two rate cuts this year, one at the Fed's meeting this week and another in December. September's CPI report was delayed due to the government shutdown. Core prices, which exclude food and energy costs, rose 0.2% in September from the prior month and 3% from last year. Both were less than expected. The headline Consumer Price Index also rose a slower-than-expected 3% from last year. The 3% inflation rate remains well above the Fed's 2% target. The University of Michigan's Consumer Sentiment Index fell to a five-month low in October, with consumers noting frustration with persistently high inflation. Major economic reports (related consensus forecasts, prior data) for the upcoming week include Monday: September Preliminary Durable Goods Orders (0.2%, N/A); Tuesday: October Conf. Board Consumer Confidence (93.4, 94.2); Wednesday: October 29 FOMC Rate Decisions – Upper Bound (4.00%, 4.25%), October 24 MBA Mortgage Applications (N/A, -0.3%), September Preliminary Wholesale Inventories MoM (-0.2%, N/A); Thursday: October 25 Initial Jobless Claims (235k, N/A), 3Q Advance GDP Annualized QoQ (3.0%, 3.8%); Friday: September Personal Income (0.4%, 0.4%), September Personal Spending (0.4%, 0.6%), October MNI Chicago PMI (42.0, 40.6).

US Equities			
Weekly Index Performance:		Market Indicators:	
The Dow®	47,207.12 (2.24%)	Strong Sectors:	Info Tech, Energy
S&P 500®	6,791.69 (1.93%)		Industrials
S&P MidCap 400®	3,298.58 (2.33%)	Weak Sectors:	Materials, Utilities
S&P SmallCap 600®	1,477.54 (3.02%)		Cons. Staples
Nasdaq Composite®	23,204.87 (2.31%)	NYSE Advance/Decline:	2,091 / 732
Russell 2000®	2,513.47 (2.51%)	NYSE New Highs/New Lows:	229 / 66
		AAll Bulls/Bears:	36.9% / 42.7%

Stocks rose last week, with the S&P 500 rising 1.93% after spate of strong earnings reports were capped by better-than-expected CPI data on Friday. Turning to economic news, CPI MoM for September came in at 0.3%, below the 0.4% figure expected; CPI YoY was 3.0% versus the 3.1% expected. Information technology performed best among sectors, led in performance by the IT services industry, and led by semiconductors in contribution. Of the latter industry, Advanced Micro Devices and Micron Technology both rose over 8%. Energy performed second best among sectors after Trump decided to put new sanctions on Rosneft and Lukoil in order to increase pressure on Putin and Russia as the war in Ukraine continues. More defensive sectors such as consumer staples and utilities lagged the broader market as the AI trade continued. The preliminary October figure for the S&P Global US Manufacturing PMI was expansionary at 52.2, versus the 52.0 expected; for the S&P Global US Services PMI, an expansionary 55.2 versus the 53.5 expected. The final October figure for the University of Michigan consumer sentiment survey was 53.6, down from the 55.0 figure at the last reading. Various leading indicators have been delayed by the government shutdown, as were the initial jobless claims for the week ending October 18th. This week we expect durable goods orders, the Richmond Fed Manufacturing Index, the Conference Board's consumer confidence survey, inventories, a FOMC rate decision, another week of initial jobless claims, GDP data, personal income, and personal spending. On the earnings front, 172 members of the S&P 500 announce this week, including influential mega-caps **Apple, Microsoft, Alphabet, Amazon.com, and Meta Platforms.**

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