US Economy and Credit Markets			
Yields and Weekly Changes:			
3 Mo. T-Bill:	4.077 (-4.7 bps)	Crude Oil Futures:	104.12 (0.85)
6 Mo. T-Bill:	4.260 (-4.1 bps)	Gold Spot:	3,874.62 (-121.48)
1 Yr. T-Bill:	4.368 (-1.8 bps)	Merrill Lynch High Yield Indices:	
2 Yr. T-Note:	4.588 (-9.4 bps)	US High Yield:	8.50 (unch.)
3 Yr. T-Note:	4.656 (-9.3 bps)	BB:	7.12 (-2 bps)
5 Yr. T-Note:	4.720 (-8.7 bps)	B:	8.75 (9 bps)
10 Yr. T-Note:	4.929 (-6.6 bps)		
30 Yr. T-Bond:	5.308 (-1.4 bps)		

Treasury yields dropped moderately over the course of the week on a Fed rate decision and a sell-off of AI-related companies. Yields rose slightly during the 1st half of the week as the results of the Federal Reserve Bank meeting on Wednesday weighed on investors. On Wednesday, the Fed kept the Federal Funds Rate steady at 4.00%, as expected, but did not give any clear signals as to whether the Fed would increase rates in the near future. In the press conference, Fed Chairman Kevin Warsh brought up several factors pointing to stronger economic activity. On Thursday and Friday, disappointing results from several AI-related companies caused equities to drop significantly and investors to seek the perceived safety of Treasurys, causing yields to drop moderately to end the week. The market implied probability of an increase to the Federal Funds Rate at the December 9th meeting dropped slightly from 75% to 73% over the course of the week while the market implied rate for June 2027 dropped from 4.50 to 4.43, implying that the Fed may not raise rates as aggressively as previously expected. Major economic reports (related consensus forecasts, prior data) for the upcoming week include Monday: October Final S&P Global US Manufacturing PMI (56.0, 56.0), October ISM Manufacturing (54.6, 54.5), September Construction Spending MoM (0.3%, 0.9%); Tuesday: September Factory Orders (1.2%, 0.1%), September Final Durable Goods Orders (1.8%, 1.8%); Wednesday: October 30 MBA Mortgage Applications (n/a, 3.4%), October ADP Employment Change (69k, 90k), September Trade Balance (-$108.0b, -$105.6b), October ISM Services Index (54.8, 54.9); Thursday: October 31 Initial Jobless Claims (196k, 194k); Friday: October Change in Nonfarm Payrolls (60k, 29k), October Unemployment Rate (4.2%, 4.2%), November Prelim. U. of Mich. Sentiment (47.6, 48.0).

US Equities			
Weekly Index Performance:		Market Indicators:	
The Dow®	51,770.31 (-0.83%)	Strong Sectors:	Health Care, Utilities
S&P 500®	7,580.07 (-0.56%)		Materials
S&P MidCap 400®	3,662.22 (1.28%)	Weak Sectors:	Cons. Discretionary, Info Tech
S&P SmallCap 600®	1,706.25 (1.47%)		Comm. Services
Nasdaq Composite®	25,437.00 (-1.99%)	NYSE Advance/Decline:	1,523 / 1,282
Russell 2000®	2,811.84 (1.3%)	NYSE New Highs/New Lows:	180 / 380
		AAII Bulls/Bears:	37.8% / 41.4%

The S&P 500 fell 0.56% last week despite starting on a high note for tech, with **Anthropic** filing its IPO and **Meta Platforms** announcing its intent to raise $95b to fund further AI investment on Monday. Tuesday brought with it rosier-than-expected consumer sentiment data as the Federal Reserve meeting began. The Fed decided to hold rates steady on Wednesday, though two members voted for a hike. The market turned negative on Thursday as mega-caps such as **Alphabet** announced earnings that failed to impress investors, including slower growth in its core search engine business. Friday brought more earnings pain, with **Intel** falling sharply on softer forward guidance, which cited a shutdown of a wafer facility in Israel and a weaker PC market. **Amazon** also fell, announcing an EPS miss and another quarter of negative free cash flow. No surprise then that the Communication Services sector and the Information Technology sector performed worst among sectors in the S&P 500. The Health Care sector performed best, with **Eli Lilly** announcing strong earnings as its obesity and diabetes segments surpassed expectations. Turning to economic news, last week saw data for the FHFA House Index (0.3%, 0.2% exp.), Conference Board Consumer Confidence number (91.7, 81.0 exp.), New Home Sales (676k, 651k exp.), Personal Income (0.2%, 0.3% exp.), Personal Spending (0.5% vs 0.6% exp.), PCE Price Index YoY (3.6%, 3.6%), Gross Domestic Product (3.4%, 3.2% exp.), Personal Consumption (3.8%, 3.4%), and the GDP Price Index (2.3%, 3.2% exp.). Expect the following economic data next week: ISM data for manufacturing and services, JOLTS Job numbers, Factory Orders, Durable Goods, Trade Balance, Nonfarm Payrolls, Unemployment, and the University of Michigan's sentiment surveys. On the earnings front, 143 members of the S&P 500 report earnings this week, including **Apple**, **Advanced Micro Devices**, and **Palantir Technologies**.

The information presented is not intended to constitute an investment recommendation for, or advice to, any specific person. By providing this information, First Trust is not undertaking to give advice in any fiduciary capacity within the meaning of ERISA, the Internal Revenue Code or any other regulatory framework. Financial professionals are responsible for evaluating investment risks independently and for exercising independent judgment in determining whether investments are appropriate for their clients.