

■ First to Market

November 11, 2024

Inflation Updates Incoming, Stocks Near Resistance

A daily market update from FS Insight – what you need to know ahead of opening bell

“To continue to work, to continue to love what you do, is certainly a contributing element to one’s longevity and health.” ~John Williams

Over the Weekend

FTX sues crypto exchange Binance and its former CEO Zhao for \$1.8 billion [CNBC](#)

Japanese PM survives leadership vote at critical moment for a major US ally [SEM](#)

China struggles to shake off deflationary pressures as consumer prices edge higher [WSJ](#)

Hedge funds pile into banks, dump green energy post US election, Goldman Sachs says [RT](#)

Montreal port employers warn of lockout if striking dockworkers reject final offer [WSJ](#)

Moscow targeted as Ukraine and Russia trade huge drone attacks [BBC](#)

China’s Singles Day shopping festival underscores broader spending trends [SEM](#)

Ivy League endowments are struggling with private markets downturn [FT](#)

Drought plagues majority of Northeast as dry, windy weather raises fire risk [CNBC](#)

British Airways owner launches buyback as strong demand lifts earnings [WSJ](#)



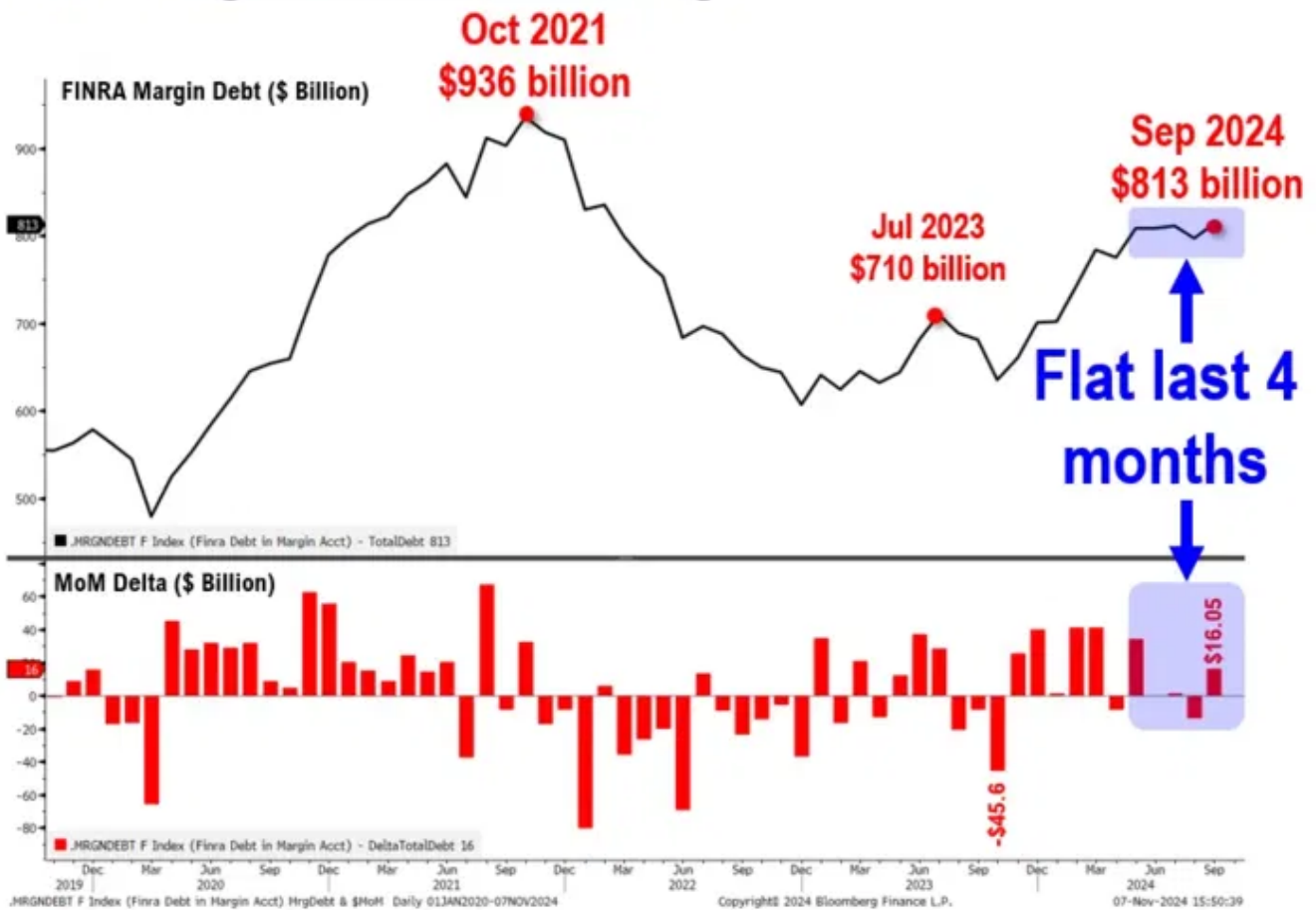
Amazon developing driver smart eyeglasses to shave seconds off deliveries, sources say [RT](#)

TSMC to close door on producing advanced AI chips for China from Monday [ET](#)

Teenage park ranger dies as wildfires burn in New York State [BBC](#)

Chart of the Day

FINRA Margin Debt and MoM Change



For Exclusive Use of Fundstrat Clients Only



Overnight



S&P Futures +17 ▲ point(s) (+0.3% ▲)
Overnight range: +4 ▲ to +20 ▲ point(s)

APAC

Nikkei +0.08% ▲
Topix -0.09% ▼
China SHCOMP +0.51% ▲
Hang Seng -1.45% ▼
Korea -1.15% ▼
Singapore +0.41% ▲
Australia -0.35% ▼
India -0.03% ▼
Taiwan -0.1% ▼

Europe

Stoxx 50 +1.21% ▲
Stoxx 600 +1.15% ▲
FTSE 100 +0.82% ▲
DAX +1.31% ▲
CAC 40 +1.2% ▲
Italy +1.28% ▲
IBEX +0.94% ▲

FX

Dollar Index (DXY) +0.32% ▲ to 105.34
EUR/USD -0.4% ▼ to 1.0675
GBP/USD -0.22% ▼ to 1.2893
USD/JPY +0.7% ▲ to 153.71
USD/CNY +0.15% ▲ to 7.1951
USD/CNH +0.17% ▲ to 7.2134



USD/CHF +0.4% ▲ to 0.8791
USD/CAD +0.12% ▲ to 1.3928
AUD/USD +0.03% ▲ to 0.6585

Crypto

BTC +2.79% ▲ to 82157.07
ETH +0.78% ▲ to 3195.82
XRP flat at 0.587
Cardano +0.44% ▲ to 0.5908
Solana +3.04% ▲ to 216.61
Avalanche -0.24% ▼ to 31.85
Dogecoin +6.35% ▲ to 0.288
Chainlink -1.18% ▼ to 14.07

Commodities and Others

VIX +2.54% ▲ to 15.32
WTI Crude -1.55% ▼ to 69.29
Brent Crude -1.34% ▼ to 72.88
Nat Gas +6.22% ▲ to 2.83
RBOB Gas -1.06% ▼ to 1.991
Heating Oil -0.89% ▼ to 2.219
Gold -0.6% ▼ to 2668.58
Silver +0.42% ▲ to 31.44
Copper -0.22% ▼ to 4.296

US Treasuries

1M flat at 4.5785%
3M flat at 4.524%
6M flat at 4.438%
12M flat at 4.2944%



2Y flat at 4.2539%
5Y flat at 4.1915%
7Y flat at 4.245%
10Y flat at 4.3043%
20Y flat at 4.5796%
30Y flat at 4.4696%

UST Term Structure

2Y-3 ▼M Spread flat at -28.8 ▼ bps
10Y-2 ▼Y Spread flat at 4.8 bps
30Y-10 ▼Y Spread flat at 16.3 bps

Yesterday's Recap

SPX +0.38% ▲
SPX Eq Wt +0.56% ▲
NASDAQ 100 +0.07% ▲
NASDAQ Comp +0.09% ▲
Russell Midcap +0.73% ▲
R2k +0.71% ▲
R1k Value +0.49% ▲
R1k Growth +0.33% ▲
R2k Value +0.54% ▲
R2k Growth +0.87% ▲
FANG+ -0.56% ▼
Semis -0.64% ▼
Software +1.08% ▲
Biotech +1.14% ▲
Regional Banks +0.54% ▲ SPX GICS1 Sorted: Utes +1.79% ▲
REITs +1.66% ▲
Cons Staples +1.45% ▲
Cons Disc +1.23% ▲



Indu +1.01% ▲
 Fin +0.77% ▲
 Healthcare +0.7% ▲
 Energy +0.44% ▲
 SPX +0.38% ▲
 Tech -0.34% ▼
 Comm Srvcs -0.66% ▼
 Materials -0.91% ▼

USD HY OaS

All Sectors -12.1bp ▼ to 303bp
 All Sectors ex-Energy -10.5bp ▼ to 285bp
 Cons Disc -20.9bp ▼ to 244bp
 Indu -11.6bp ▼ to 229bp
 Tech -6.4bp ▼ to 314bp
 Comm Srvcs -6.1bp ▼ to 506bp
 Materials -8.2bp ▼ to 284bp
 Energy -9.2bp ▼ to 289bp
 Fin Snr -11.5bp ▼ to 269bp
 Fin Sub -6.0bp ▼ to 192bp
 Cons Staples -9.1bp ▼ to 286bp
 Healthcare -14.2bp ▼ to 333bp
 Utes -10.7bp ▼ to 197bp *

DATE	TIME	DESCRIPTION	ESTIMATE	LAST
11/12	6AM	Oct Small Biz Optimisum	92.0	91.5
11/12	11AM	Oct NYFed 1yr Inf Exp	n/a	3.0
11/13	8:30AM	Oct CPI m/m	0.2	0.2
11/13	8:30AM	Oct Core CPI m/m	0.3	0.3
11/13	8:30AM	Oct CPI y/y	2.6	2.4
11/13	8:30AM	Oct Core CPI y/y	3.3	3.3



DATE	TIME	DESCRIPTION	ESTIMATE	LAST
11/14	8:30AM	Oct PPI m/m	0.2	0.0
11/14	8:30AM	Oct Core PPI m/m	0.3	0.2
11/15	8:30AM	Oct Import Price m/m	-0.1	-0.4
11/15	8:30AM	Oct Retail Sales m/m	0.3	0.4

MORNING INSIGHT

Good morning!

Important inflation reports are coming this week – CPI and PPI. While the month-over-month numbers might not show much progress for Core CPI, the overall trend in our view is that inflation is falling like a rock.

Click [HERE](#) for more.

TECHNICAL

- SPX stalls near channel resistance at 6000 as Technology underperforms.
- China’s Large-cap Equity ETF (FXI) could be setting up for additional consolidation.
- WTI Crude oil looks to move lower into year-end – Energy remains an Underweight.

Click [HERE](#) for more.

CRYPTO



Although there remain some potential risks for crypto, the growing possibility of a red sweep likely means the market is going to reprice the impact of regulatory risk for crypto, so in our view, going long and strong with our core portfolio recommendations still makes sense.

Click [HERE](#) for more.

First News

The winter holidays are just around the corner, and this season – with Thanksgiving (for Americans), Christmas, and the New Year – tends to see the greatest consumption of alcohol. Makers of alcoholic beverages likely are looking forward to the holiday season a little bit more this year – 2024 has not been a particularly prosperous year for them. Sales and volume have fallen at large booze companies like Diageo (\$DEO), Brown-Forman (\$BF-B), and Anheuser-Busch (\$BUD), and their share prices has sank as well.

Relief might not be in sight.

The IWSR – a research firm focusing on the alcoholic-beverages industry – describes recent sales declines as part of a “[normalization](#)” of drinking patterns after a spike in consumption during pandemic lockdowns, while the Distilled Spirits Council of the United States said economic concerns, including about [inflation](#), were impeding growth. Those are plausible and likely accurate.

However, this decline might have more to do with demographics. Multiple researchers are finding that Generation Z are drinking less – those who drink do so less frequently and in lower volumes, and a growing percentage abstain altogether. Many are abstain simply because with non-drinking [becoming more socially acceptable](#), many simply never [pick up the habit](#) in the first place – and see no reason to do so.



Many younger adults choose to drink less (or not at all) due to health concerns, driving growth in the market for “functional” beverages. Increasingly, however, it’s not about health, but merely a preference for a different buzz. A recent survey of young adults suggests that a 69% supermajority prefer marijuana to alcohol. That’s a trend that alcoholic beverage makers cannot overcome merely by offering alcohol-free bubbly, whiskey, or low-alcohol, low-calorie wine.

Disclosures

This research is for the clients of FS Insight only. FSI Subscription entitles the subscriber to 1 user, research cannot be shared or redistributed. For additional information, please contact your sales representative or FS Insight at fsinsight.com.

Conflicts of Interest

This research contains the views, opinions and recommendations of FS Insight. At the time of publication of this report, FS Insight does not know of, or have reason to know of any material conflicts of interest.

General Disclosures

FS Insight is an independent research company and is not a registered investment advisor and is not acting as a broker dealer under any federal or state securities laws.

FS Insight is a member of IRC Securities' Research Prime Services Platform. IRC Securities is a FINRA registered broker-dealer that is focused on supporting the independent research industry. Certain personnel of FS Insight (i.e. Research Analysts) are registered representatives of IRC Securities, a FINRA member firm registered as a broker-dealer with the Securities and Exchange Commission and certain state securities regulators. As registered representatives and independent contractors of IRC Securities, such personnel may receive commissions paid to or shared with IRC Securities for transactions placed by FS Insight clients directly with IRC Securities or with securities firms that may share commissions with IRC Securities in accordance with applicable SEC and FINRA requirements. IRC Securities does not distribute the research of FS Insight, which is available to select institutional clients that have engaged FS Insight.

As registered representatives of IRC Securities our analysts must follow IRC Securities' Written Supervisory Procedures. Notable compliance policies include (1) prohibition of insider trading or the facilitation thereof, (2) maintaining client confidentiality, (3) archival of electronic communications, and (4) appropriate use of electronic communications, amongst other compliance related policies.

FS Insight does not have the same conflicts that traditional sell-side research organizations have because FS Insight (1) does not conduct any investment banking activities, and (2) does not manage any investment funds.

This communication is issued by FS Insight and/or affiliates of FS Insight. This is not a personal recommendation, nor an offer to buy or sell nor a solicitation to buy or sell any securities, investment products or other financial instruments or services. This material is distributed for general informational and educational purposes only and is not intended to constitute legal, tax, accounting or investment advice. The statements in this document shall not be considered as an objective or independent explanation of the matters. Please note that this document (a) has not been prepared in accordance with legal requirements designed to promote the independence of investment research, and (b) is not subject



to any prohibition on dealing ahead of the dissemination or publication of investment research. Intended for recipient only and not for further distribution without the consent of FS Insight.

This research is for the clients of FS Insight only. Additional information is available upon request. Information has been obtained from sources believed to be reliable, but FS Insight does not warrant its completeness or accuracy except with respect to any disclosures relative to FS Insight and the analyst's involvement (if any) with any of the subject companies of the research. All pricing is as of the market close for the securities discussed, unless otherwise stated. Opinions and estimates constitute our judgment as of the date of this material and are subject to change without notice. Past performance is not indicative of future results. This material is not intended as an offer or solicitation for the purchase or sale of any financial instrument. The opinions and recommendations herein do not take into account individual client circumstances, risk tolerance, objectives, or needs and are not intended as recommendations of particular securities, financial instruments or strategies. The recipient of this report must make its own independent decision regarding any securities or financial instruments mentioned herein. Except in circumstances where FS Insight expressly agrees otherwise in writing, FS Insight is not acting as a municipal advisor and the opinions or views contained herein are not intended to be, and do not constitute, advice, including within the meaning of Section 15B of the Securities Exchange Act of 1934. All research reports are disseminated and available to all clients simultaneously through electronic publication to our internal client website, fsinsight.com. Not all research content is redistributed to our clients or made available to third-party aggregators or the media. Please contact your sales representative if you would like to receive any of our research publications.

Copyright © 2024 FS Insight LLC. All rights reserved. No part of this material may be reprinted, sold or redistributed without the prior written consent of FS Insight LLC.