

■ First to Market

November 22, 2024

Multiple Supports for Equities in Place

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

"We don't live in our fears. We live in our hopes." — Mike Tomlin

Overnight

Gatwick Airport evacuates terminal after discovery of suspect item in luggage [BBC](#)

Trump taps Bondi as attorney general after Gaetz bows out [SEM](#)

Bitcoin hits fresh record, marches toward \$100,000 as rally continues [CNBC](#)

Senior North Korean general wounded in recent Ukrainian strike, Western officials say [WSJ](#)

Putin says Russia fired a new type of missile at Ukraine [WSJ](#)

US court vacates SEC 'dealer rule' on Treasury markets [RT](#)

SEC Chair Gary Gensler will step down Jan. 20, make way for Trump replacement [CNBC](#)

Brazilian police accuse Bolsonaro of plotting a coup [NYT](#)

Battery start-up Northvolt files for bankruptcy protection in US [EI](#)

US probes JPMorgan's ties to Iranian oil kingpin's hedge fund [BBG](#)

US sanctions Gazprombank and other Russian financial institutions [SEM](#)



Gap raises full-year outlook with strong start to holiday season [WSJ](#)

Stanford's AI Center names US the top AI ecosystem, China follows [SEM](#)

Stop & Shop races to restock empty shelves after 'cybersecurity issue' [WSJ](#)

Chinese satellite company to challenge Elon Musk's Starlink in Brazil [FT](#)

Atmospheric river and bomb cyclone to drench West Coast [BBC](#)

The first fully robotic double-lung transplant just happened – here's all the details [QZ](#)

Scientists create strand of pasta 200 times thinner than a human hair [IND](#)

Chart of the Day

THANKSGIVING RALLY: Rally to 6,100 by Nov 29th?



Overnight

S&P Futures -16 ▼ point(s) (-0.3% ▼)

Overnight range: -30 ▼ to +6 ▲ point(s)

APAC

Nikkei +0.68% ▲

Topix +0.51% ▲

China SHCOMP -3.06% ▼

Hang Seng -1.89% ▼

Korea +0.83% ▲

Singapore +0.18% ▲

Australia +0.85% ▲



India +2.39% ▲

Taiwan +1.55% ▲

Europe

Stoxx 50 -0.36% ▼

Stoxx 600 +0.32% ▲

FTSE 100 +0.74% ▲

DAX -0.18% ▼

CAC 40 -0.28% ▼

Italy -0.66% ▼

IBEX -0.22% ▼

FX

Dollar Index (DXY) +0.42% ▲ to 107.42

EUR/USD -0.46% ▼ to 1.0426

GBP/USD -0.51% ▼ to 1.2525

USD/JPY -0.1% ▼ to 154.39

USD/CNY +0.06% ▲ to 7.2464

USD/CNH +0.05% ▲ to 7.2584

USD/CHF +0.21% ▲ to 0.8886

USD/CAD +0.12% ▲ to 1.3991

AUD/USD -0.22% ▼ to 0.6497

Crypto

BTC +0.3% ▲ to 98374.78

ETH -0.77% ▼ to 3322.89

XRP +17.23% ▲ to 1.3993

Cardano +7.25% ▲ to 0.8615

Solana +0.28% ▲ to 257.46

Avalanche +3.41% ▲ to 37.03



Dogecoin **+0.78%** ▲ to 0.3872

Chainlink **+2.18%** ▲ to 15.06

Commodities and Others

VIX **+1.9%** ▲ to 17.19

WTI Crude **+0.11%** ▲ to 70.18

Brent Crude **+0.18%** ▲ to 74.36

Nat Gas **+1.74%** ▲ to 3.4

RBOB Gas **-0.19%** ▼ to 2.056

Heating Oil **+0.14%** ▲ to 2.277

Gold **+1.37%** ▲ to 2706.31

Silver **+1.81%** ▲ to 31.35

Copper **-1.07%** ▼ to 4.081

US Treasuries

1M **-0.8bps** ▼ to 4.5714%

3M **-2.5bps** ▼ to 4.5136%

6M **-2.3bps** ▼ to 4.4571%

12M **-4.2bps** ▼ to 4.3434%

2Y **-2.3bps** ▼ to 4.326%

5Y **-2.8bps** ▼ to 4.2752%

7Y **-2.9bps** ▼ to 4.3273%

10Y **-2.6bps** ▼ to 4.3963%

20Y **-2.2bps** ▼ to 4.6587%

30Y **-1.9bps** ▼ to 4.5828%

UST Term Structure

2Y-3 ▼M Spread narrowed 1.6bps to **-21.9** ▼ bps

10Y-2 ▼Y Spread narrowed 0.5bps to 6.6 bps

30Y-10 ▼Y Spread widened 0.6bps to 18.5 bps



Yesterday's Recap

SPX +0.53% ▲
SPX Eq Wt +1.26% ▲
NASDAQ 100 +0.36% ▲
NASDAQ Comp +0.03% ▲
Russell Midcap +1.31% ▲
R2k +1.65% ▲
R1k Value +1.11% ▲
R1k Growth +0.2% ▲
R2k Value +1.47% ▲
R2k Growth +1.83% ▲
FANG+ -0.03% ▼
Semis +1.47% ▲
Software +1.19% ▲
Biotech +0.31% ▲
Regional Banks +1.49% ▲ SPX GICS1 Sorted: Utes +1.75% ▲
Fin +1.27% ▲
Cons Staples +1.24% ▲
Indu +1.23% ▲
Materials +1.2% ▲
Healthcare +0.83% ▲
Energy +0.83% ▲
REITs +0.64% ▲
Tech +0.56% ▲
SPX +0.53% ▲
Cons Disc -0.3% ▼
Comm Svcs -1.73% ▼

USD HY OaS

All Sectors -6.2bp ▼ to 305bp
All Sectors ex-Energy -5.5bp ▼ to 288bp



Cons Disc -6.1bp ▼ to 250bp
 Indu -4.9bp ▼ to 233bp
 Tech -4.7bp ▼ to 314bp
 Comm Srvcs -11.5bp ▼ to 503bp
 Materials -7.3bp ▼ to 284bp
 Energy -6.3bp ▼ to 287bp
 Fin Snr -5.5bp ▼ to 267bp
 Fin Sub -0.9bp ▼ to 191bp
 Cons Staples -3.8bp ▼ to 290bp
 Healthcare -4.2bp ▼ to 345bp
 Utes -5.7bp ▼ to 208bp *

DATE	TIME	DESCRIPTION	ESTIMATE	LAST
11/22	9:45AM	Nov P S&P;P Manu PMI	48.9	48.5
11/22	9:45AM	Nov P S&P;P Srvcs PMI	55.0	55.0
11/22	10AM	Nov F UMich 1yr Inf Exp	2.7	2.6
11/22	10AM	Nov F UMich Sentiment	73.9	73.0
11/26	10AM	Nov Conf Board Sentiment	112.5	108.7
11/26	10AM	Oct New Home Sales	721.5	738.0
11/26	10AM	Oct New Home Sales m/m	-2.2	4.1
11/26	2PM	Nov 7 FOMC Minutes	n/a	0.0
11/27	8:30AM	3Q S GDP QoQ	2.8	2.8
11/27	8:30AM	Oct P Durable Gds Orders	0.5	-0.7
11/27	10AM	Oct PCE m/m	0.2	0.2
11/27	10AM	Oct Core PCE m/m	0.27	0.25
11/27	10AM	Oct PCE y/y	2.3	2.1
11/27	10AM	Oct Core PCE y/y	2.8	2.65078



MORNING INSIGHT

Good morning!

We've seen a modest recovery in equities this week, and we continue to see the likelihood for a Thanksgiving rally. Nvidia's move higher after its highly anticipated earnings report is a positive outcome that tells us that the AI demand story remains intact.

Click [HERE](#) for more.

TECHNICAL

- SPX, QQQ likely can rally into next week before weakening further into December.
- Performance data shows six sectors down out of the last month out of 11.
- US Dollar cycle looks bullish for further gains into mid-2025.

Click [HERE](#) for more.

CRYPTO

Bitcoin's correlations with major equity indices have been unraveling over the past couple weeks, and in our view, this has been partly caused by Microstrategy's recent moves.

Click [HERE](#) for more.

First News

When Adani Group chairman and tycoon Gautam Adani was indicted on U.S. criminal fraud and bribery charges on Wednesday, the news brought to mind a distinctly different set of allegations made in January 2023 by Hindenburg Research, one of the more prominent short-seller firms. At the time, Hindenburg said the Adani Group was carrying out the “largest con in corporate history,” alleging a decades-long “stock manipulation and accounting fraud scheme.” Though Adani-related securities sold off immediately, the group’s vigorous denial, which included a 413-page point-by-point rebuttal and strongly worded press statements characterizing the report as a “malicious combination of selective misinformation” ultimately helped the share price recover, particularly after Indian investigators looked into the allegations and concluded that they could not be substantiated.

As Fundstrat Head of Research Tom Lee noted in a [recent webinar](#), this is not unusual for companies targeted by short-seller reports. In the past decade, short-selling firms like Hindenburg have made big headlines by taking short positions in stocks before releasing reports with scandalous allegations of corporate misconduct, and while such reports typically trigger large downward stock moves immediately after release, many recover three, six, or 12 months later.

The practice itself has raised eyebrows, with some suggesting that it is uncomfortably close to amounting to market manipulation – or even crossing the line outright. That’s an allegation the SEC and [Department of Justice made in July 2024](#) about Andrew Left and his firm, Citron Research. (The charges were pending as of this writing, but last month, [Citron associate Ryan Choi](#) paid \$1.8 million to settle similar civil charges without admitting or denying them.)

A recent [Financial Times story](#) raised additional issues about short sellers like Hindenburg. In the case of Hindenburg’s report on Adani Group, for example, the *FT* reported that a hedge fund with a financial relationship with Hindenburg had received a draft copy of the report in November 2022, and begun shorting Adani companies two weeks before the January 2023 release of the final report.

In fairness, such firms have sometimes provided important information and made allegations that were shown to be true, or likely so. Citron turned out to have been right about China Evergrande Group (in 2012, it published a report suggesting that the real-estate developer's financial health was precarious but being masked by "accounting tricks"), while Hindenburg was apparently right in 2020 about Nikola and its then-CEO, Trevor Milton (who was subsequently convicted on federal fraud charges). Hindenburg also appears to have expressed plausible concerns about SMCI as well, based on the server company's recent accounting challenges.

But such firms have also had their share of misses. It is reasonable to regard Hindenburg's previous allegations against Adani as likely unsubstantiated. Investors also seem to still largely be standing by the fintech company Block after Hindenburg in March 2023 accused the company of inflating user metrics and deliberately failing to implement best practices against fraud to facilitate growth. There's generally a lot of flash around short-seller reports, but this is no guarantee of underlying substance.

Importantly, none of the above is intended as commentary about [Wednesday's charges](#) against Adani, his nephew Sagar Adani and five others. This most recent set of allegations come from federal prosecutors, and they center around Adani Green, a solar-energy company trading on the NYSE alleged to have paid hundreds of millions in bribes to Indian government officials.

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