

Open-End Net Fund Flows (\$)	10/24	9/24	YTD (Oct)
Equity	-82.3B	-53.9B	-505.0B
Taxable Bond	28.6B	9.1B	143.4B
Municipal Bond	5.6B	4.9B	28.5B
Hybrid	-8.8B	-9.6B	-92.0B
Taxable Money Market	97.8B	142.7B	422.9B

Key Interest Rates/Yields	11/29/24	10/31/24	11/30/23
Federal Funds Target Rate	4.75%	5.00%	5.50%
2-Year T-Note	4.15%	4.17%	4.68%
5-Year T-Note	4.05%	4.16%	4.27%
10-Year T-Note	4.17%	4.29%	4.33%
Bond Buyer 40	4.23%	4.42%	4.72%

Commodities/U.S. Dollar	11/24	YTD	12 Mo.
U.S. Dollar Index (DXY)	1.69%	4.35%	2.16%
FTSE/CC CRB Excess Ret.	2.53%	8.76%	4.86%
Crude Oil/WTI (per Barrel)	-1.82%	-5.09%	-10.48%
Natural Gas (per million BTUs)	24.23%	33.77%	20.02%
Gold Bullion (Ounce)	-3.67%	28.12%	29.79%

Total Return Performance

U.S. Stock Indices	11/24	YTD	12 Mo.
S&P 500	5.87%	28.06%	33.86%
DJIA	7.74%	21.21%	27.19%
Nasdaq 100	5.31%	25.31%	32.27%
S&P MidCap 400	8.79%	22.63%	33.32%
Russell 2000	10.97%	21.57%	36.44%
Russell 3000	6.65%	27.71%	34.47%

U.S. Styles/Market Caps	11/24	YTD	12 Mo.
S&P 500 Growth	5.94%	34.88%	39.88%
S&P 500 Value	5.78%	20.47%	27.12%
S&P MidCap 400 Growth	8.76%	25.41%	34.69%
S&P MidCap 400 Value	8.83%	19.63%	31.81%
Russell 2000 Growth	12.26%	25.41%	40.42%
Russell 2000 Value	9.64%	17.86%	32.56%

Foreign Stock Indices (USD)	11/24	YTD	12 Mo.
MSCI World NET (Ex-U.S.)	0.24%	7.59%	13.47%
MSCI Emerging Markets NET	-3.59%	7.65%	11.86%
MSCI Europe NET	-1.68%	4.34%	9.55%
MSCI BRIC NET	-3.19%	10.51%	12.78%
MSCI EM Latin America NET	-5.51%	-21.59%	-15.09%
Nikkei 225	-0.55%	9.24%	15.09%

Bloomberg Fixed Income Ind.	11/24	YTD	12 Mo.
U.S. Treasury: Intermediate	0.51%	3.01%	5.17%
GNMA 30 Year	1.28%	2.48%	6.77%
Municipal Bond (22+)	2.87%	3.99%	7.58%
U.S. Aggregate	1.06%	2.93%	6.88%
Intermediate Corporate	0.88%	4.99%	7.97%
U.S. Corporate High Yield	1.15%	8.66%	12.71%
Global Aggregate	0.34%	0.47%	4.64%
EM Hard Currency Aggregate	0.74%	7.18%	11.76%

Sources: Bloomberg and Investment Company Institute

Past performance is no guarantee of future results. Historical performance figures for the indices are for illustrative purposes only and not indicative of any actual investment. Indices are unmanaged and an investor cannot invest directly in an index.

Climate

It is no secret that the final months of the year usher in a season of thankfulness and celebration for many of us. This year, investors have an abundance of reasons to practice gratefulness, in our opinion. First to mind is the current state of the U.S. economy which has been remarkably strong despite persistent headwinds. Case-in-point, U.S. GDP notched quarter-over-quarter increases in all but one quarter since June 2020. Additionally, U.S. household net worth has surged, driven by gains in investments and real estate. The Federal Reserve (“Fed”) reported that U.S. household net worth totaled a record \$163.8 trillion in Q2’24. Despite lingering above the Fed’s goal level of 2.0%, inflation, as measured by the 12-month rate of change in the Consumer Price Index (CPI), has cooled substantially. Since peaking at 9.1% in June 2022, the CPI settled at 2.6% in October 2024 (most recent data), representing a decline of 6.5 percentage points over the period. Bolstered by this good news, consumer sentiment surged. The University of Michigan’s Consumer Sentiment Index stood at a reading of 70.5 in October 2024, up from its most recent low of 50.0 (June 2022).

Stock Market

The S&P 500 Index (“Index”) closed at a record 6,032.38 on 11/29/24, representing a price-only increase of 68.64% from its most recent low of 3,577.03 on 10/12/22, according to data from Bloomberg. The S&P MidCap 400 and S&P SmallCap 600 Indices also notched record highs in November, closing at 3,390.26 and 1,544.66, respectively, on 11/25. Prior to November, the S&P SmallCap 600 Index had wallowed below its previous record high of 1,466.02 since 11/8/21. In November, the Index posted a total return of 5.87%. Each of the 11 major sectors that comprise the Index registered positive total returns for the month. The top-performer was Consumer Discretionary, up 13.34%, while the worst showing came from Health Care, which increased by 0.28%. The S&P MidCap 400 and S&P SmallCap 600 Indices increased by 8.79% and 10.93% on a total return basis, respectively, in November. The Index posted a total return of 33.86% over the trailing 12-month period ended 11/29/24. Each of the 11 major sectors were positive on a total return basis. The Index’s top performer was Financials, up 45.44%, while the worst showing came from Health Care which increased by 14.08%. Those with a watchful eye will note that Financials are now the top performing sector in the Index over the trailing 12-month period, storming past last month’s leader, Information Technology. From our perspective, the combination of falling interest rates and potential deregulation under a majority Republican Congress has been a boon for Financials. Between 7/9/24 (the day Fed chairman Jerome Powell signaled that rate cuts were forthcoming) and 11/29/24, the S&P 500 Financials Index surged by 23.45%, making it the top-performing sector in the Index over the period. For comparison, the S&P 500 Information Technology increased by just 0.62% (total return) over the time frame.

Bond Market

The yield on the benchmark 10-year Treasury note (T-note) stood at 4.17% at the close of trading on 11/29/24, representing a decline of 12 bps from its 4.29% close on 10/31/24, according to data from Bloomberg. The 4.17% yield stood 171 bps above its 2.46% average for the 10-year period ended 11/29/24 and 82 bps below its most recent high of 4.99% set on 10/19/23. The yield on the 2-year T-note stood at 4.15% on 11/29/24, down just 2 bps from when it stood at 4.17% on 10/31/24. Each of the U.S. fixed income asset classes we track posted positive total returns last month (see “Bloomberg Fixed Income” section to the left). Investors continued to allocate capital to money market funds in November. Weekly data from Bloomberg shows that total assets invested in U.S. money market funds climbed to a record \$6.67 trillion on 11/13/24, up from \$5.97 trillion at the start of the year. We expect this trend to continue so long as interest rates remain elevated and investors are able to earn a positive real yield on these investments. That said, while they do provide income and price stability, money market funds continue to lag equity investments by a significant margin, over time.

Takeaway

Investors took a decidedly “risk-on” approach in the wake of the U.S. Presidential election, sending the S&P 500 Index surging to its highest monthly total return of the year in November. Notably, the rally spread beyond large cap stocks, with the S&P SmallCap 600 Index eclipsing its previous record high for the first time in nearly three years. Fixed income investors also saw positive price momentum, with the Long Duration Municipal Bond and Bloomberg U.S. Aggregate Indices increasing by 2.87% and 1.06%, respectively, during the month. In the U.S., consumers closed out the month on a high note, spending at record levels over the Thanksgiving holiday. Adobe Analytics reported that consumers spent a record \$10.8 billion shopping online on Black Friday, an increase of more than 10% y-o-y. Corporate earnings estimates reflect the increase in demand. Recent data from Bloomberg showed that S&P 500 Index earnings are estimated to increase by 9.77% and 12.88% in 2024 and 2025, respectively.

Index	10-Yr. High Value	Date	10-Yr. Low Value	Date	Month-End Value	% Off High Value	YTD Return (USD)	Month-End Yield
S&P 500	6032.38	11/29/2024	1829.08	2/11/2016	6032.38	0.00%	28.06%	1.24%
S&P 500 Growth	4076.93	11/8/2024	1035.44	2/11/2016	4063.36	-0.33%	34.88%	0.60%
S&P 500 Value	2027.49	11/29/2024	788.67	2/11/2016	2027.49	0.00%	20.47%	2.08%
S&P MidCap 400	3390.26	11/25/2024	1218.55	3/23/2020	3366.18	-0.71%	22.63%	1.40%
S&P MidCap 400 Growth	1610.10	11/25/2024	574.06	2/11/2016	1598.39	-0.73%	25.41%	0.96%
S&P MidCap 400 Value	1083.78	11/25/2024	373.28	3/23/2020	1076.26	-0.69%	19.63%	1.85%
S&P 100	2902.89	11/29/2024	819.58	8/25/2015	2902.89	0.00%	31.40%	1.16%
DJIA	44910.65	11/29/2024	15660.18	2/11/2016	44910.65	0.00%	21.21%	1.55%
Nasdaq 100	21117.18	11/8/2024	3947.80	2/9/2016	20930.37	-0.88%	25.31%	0.77%
Russell 2000	2442.74	11/8/2021	953.72	2/11/2016	2434.73	-0.33%	21.57%	1.29%
Russell 2000 Growth	1709.62	2/9/2021	573.10	2/11/2016	1602.01	-6.29%	25.41%	0.55%
Russell 2000 Value	2715.42	11/25/2024	1067.63	3/23/2020	2697.97	-0.64%	17.86%	2.06%
Russell 3000	3466.85	11/29/2024	1067.34	2/11/2016	3466.85	0.00%	27.71%	1.23%
MSCI World Net (ex U.S.) (USD)	9022.32	9/27/2024	4189.62	2/11/2016	8466.62	-6.16%	7.59%	3.07%
MSCI Emerging Markets Net (USD)	699.23	2/17/2021	296.25	1/21/2016	574.68	-17.81%	7.65%	2.65%
Bovespa/Brazil (USD)	29488.46	1/2/2020	9077.09	1/21/2016	20760.56	-29.60%	-25.10%	6.78%
RTS/Russia (USD)	1919.58	10/25/2021	628.41	1/20/2016	N/A	N/A	N/A	N/A
S&P BSE 500/India (USD)	461.76	9/26/2024	129.66	3/23/2020	422.56	-8.49%	15.79%	1.13%
Shanghai Composite/China (USD)	832.07	6/12/2015	358.39	10/18/2018	459.01	-44.84%	12.86%	2.67%
KOSPI/South Korea (USD)	2.93	6/16/2021	1.16	3/19/2020	1.76	-39.96%	-13.51%	2.22%
Hang Seng (USD)	4241.01	1/26/2018	1871.10	10/31/2022	2496.61	-41.13%	19.46%	4.10%
MSCI Euro (USD)	1821.78	9/27/2024	865.50	3/18/2020	1635.51	-10.22%	3.29%	3.34%
S&P 500 Consumer Discretionary	1789.44	11/29/2024	541.12	12/16/2014	1789.44	0.00%	27.10%	0.63%
S&P 500 Consumer Staples	900.88	11/29/2024	467.66	8/25/2015	900.88	0.00%	20.89%	2.59%
S&P 500 Energy	749.39	4/5/2024	179.94	3/18/2020	724.06	-3.38%	16.79%	3.11%
S&P 500 Utilities	419.01	11/26/2024	206.51	9/4/2015	418.72	-0.07%	34.07%	2.75%
S&P 500 Financials	851.98	11/29/2024	264.89	2/11/2016	851.98	0.00%	38.04%	1.38%
S&P 500 Banks	504.91	11/25/2024	180.19	2/11/2016	503.39	-0.30%	47.31%	2.34%
FTSE NAREIT All Equity REITs	980.08	12/31/2021	483.48	3/23/2020	838.23	-14.47%	14.04%	3.60%
S&P 500 Health Care	1829.71	8/30/2024	732.99	2/11/2016	1713.71	-6.34%	9.37%	1.63%
S&P 500 Pharmaceuticals	1216.04	8/30/2024	539.37	9/28/2015	1084.32	-10.83%	12.07%	2.42%
NYSE Arca Biotechnology	6319.77	2/8/2021	2642.53	2/11/2016	5999.91	-5.06%	10.95%	0.22%
S&P 500 Information Technology	4640.79	11/7/2024	626.12	8/25/2015	4558.68	-1.77%	35.05%	0.60%
Philadelphia Semiconductor	5904.54	7/10/2024	559.18	2/11/2016	4926.56	-16.56%	18.91%	0.89%
S&P 500 Communication Services	335.14	11/12/2024	130.86	12/24/2018	330.15	-1.49%	35.38%	0.79%
S&P 500 Industrials	1214.04	11/29/2024	412.06	3/23/2020	1214.04	0.00%	27.48%	1.38%
S&P 500 Materials	616.97	10/18/2024	234.97	1/25/2016	594.62	-3.62%	11.96%	1.78%
Philadelphia Gold & Silver	175.74	10/22/2024	38.84	1/19/2016	150.47	-14.38%	21.47%	1.40%
FTSE/CC CRB Excess Return	329.59	6/9/2022	106.29	4/21/2020	286.94	-12.94%	8.76%	N/A
ICE BofA Perpetual Preferred	331.82	10/16/2024	206.36	12/16/2014	325.97	-1.77%	9.59%	6.42%
ICE BofA U.S. High Yield Constrained	571.27	11/29/2024	313.74	2/11/2016	571.27	0.00%	8.67%	7.36%

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