

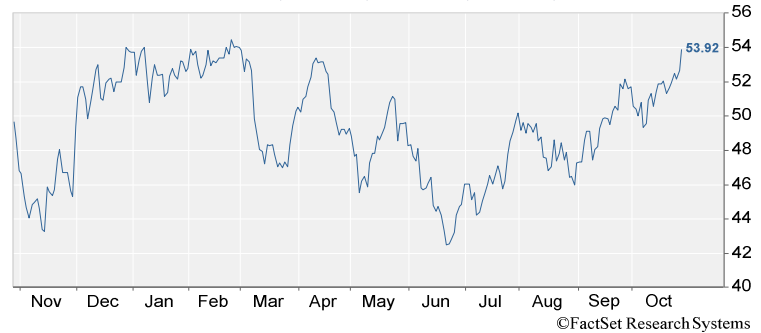
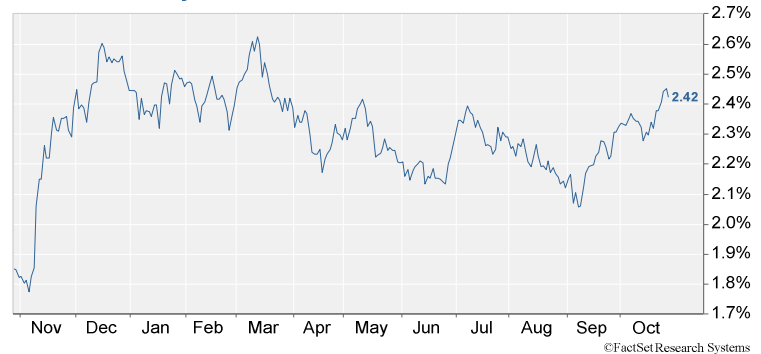
HEADLINE NEWS
S&P 500 Q3 Earnings Rise on Technology Beats

- We are past the midway point of the third quarter earnings season, and the results so far have been promising. With 55% of the S&P 500 reported, 76% are beating analyst earnings estimates and 67% are beating revenue expectations according to data from FactSet Research. Both of those metrics are above their 5-year averages. The blended earnings growth rate jumped up to +4.7% from +1.7% a week ago and 3.0% as of 9/30/17. The increase was mainly driven by the Technology sector, with earnings beats from Visa, Microsoft, Intel, and Alphabet. The blended sales growth rate also increased this week, rising to +5.7% from +5.1% a week ago. The recent hurricanes and earthquake in Mexico have all taken their toll on insurers, with the industry expected to report a -66% decline in earnings. Excluding the insurance industry, the blended earnings growth rate for the S&P 500 would increase to +7.4% from the 4.7% mentioned above.
- We will also be watching a number of macroeconomic releases this week, including October's jobs report, ISM readings, and auto sales. The Fed will be in focus this week as we get their latest monetary policy statement Wednesday afternoon and Trump's pick for the next Fed Chair Thursday. Tax reform is likely to receive the most attention this week as the House looks to get a bill done by their self-imposed Wednesday deadline.

S&P 500

WTI Crude Oil Spot Price (\$/barrel)

Max: 54.48 (23-FEB-17), Min: 42.48 (21-JUN-17), Last: 53.92 (27-OCT-17)


US 10Y Treasury Yield

NOTABLE EARNINGS DUE THIS WEEK

DATE	TIME	TICKER	COMPANY NAME
10/31	After Market	EA-US	Electronic Arts, Inc.
11/1	04:05 PM	FB-US	Facebook, Inc.
11/1	09:00 PM	COST-US	Costco Wholesale Corp.
11/2	07:00 AM	ZTS-US	Zoetis, Inc.
11/2	07:30 AM	ICE-US	Intercontinental Exchange, Inc.
11/2	08:00 AM	VMC-US	Vulcan Materials Co.
11/2	04:30 PM	AAPL-US	Apple, Inc.

Source: FactSet and API

KEY MACROECONOMIC DATA DUE THIS WEEK

DATE	TIME	EVENT	PERIOD	CONSENSUS	PRIOR
11/1	09:45 AM	Markit PMI Manufacturing SA (Final)	OCT	54.5	54.5
11/1	10:00 AM	ISM Manufacturing SA	OCT	59.5	60.8
11/1	10:30 AM	EIA Crude Oil Stocks	10/27		0.86M R
11/1	02:00 PM	FOMC Meeting			
11/3	-	Total Light Vehicle Sales	OCT	17.5M	18.5M R
11/3	08:30 AM	Hourly Earnings Y/Y	OCT	2.7%	2.9% R
11/3	08:30 AM	Nonfarm Payrolls SA	OCT	308.0K	-33.0K R
11/3	08:30 AM	Unemployment Rate	OCT	4.2%	4.2%
11/3	09:45 AM	Markit PMI Services SA (Final)	OCT	55.9	55.9
11/3	10:00 AM	ISM Non Manufacturing SA	OCT	58.5	59.8
11/3	01:00 PM	Baker Hughes U.S. Rotary Oil Rigs	11/03		737.0

Source: FactSet and API

INDEX RETURNS (AS OF 10/27/2017)

	MTD	YTD
S&P 500	2.55	17.16
Dow Jones Ind. Avg.	4.70	20.87
Barclays MM Short 1-5 Yr.	-0.06	2.33
Barclays MM 1-10 Yr.	-0.02	3.80
ML US Gov/Corp 1-10 Yr.	-0.18	1.70

Source: Interactive Data

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