

# Weekly Newsletter

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## Musings

"Someone's sitting in the shade today because someone planted a tree a long time ago."

- Warren Buffett

## Last week in the markets

	Closing level	Weekly change	YTD change
S&P 500	5,304.72	+0.03%	+11.21%
Nasdaq Composite	16,920.79	+1.41%	+12.72%
10Y UST Yield	4.470	+0.99%	+15.18%
Crude oil	77.80	-2.16%	+9.07%
Gold	2,335.20	-3.50%	+12.71%
DX	104.75	+0.29%	+3.37%
USD/INR	83.06	-0.30%	-0.16%
Euro STOXX 50	5,035.41	-0.57%	+11.36%
India (Nifty)	22,957.10	+2.19%	+5.64%
Japan (Nikkei)	38,646.11	-0.36%	+15.49%
China (SSE)	3,088.87	-2.07%	+3.83%
Saudi (TASI)	11,995.99	-1.64%	-0.06%
Abu Dhabi (ADX)	8,833.50	-2.30%	-7.77%
Dubai (DFM)	4,012.65	-1.37%	-1.18%

## News from the markets

The S&P 500 index on Friday just about eked out a five-week win streak, its longest such run since early February. The S&P added +0.03% for the week, while the Nasdaq climbed +1.4%. Conversely, the blue-chip Dow fell -2.3%.

With around 480 companies reporting Q1 earnings so far, around 78% have topped Wall Street forecasts, a so-called beat rate that is largely in line with recent averages. Only 10 companies are set to report first-quarter updates this week, but two of them – Salesforce and Costco – will provide important insights into the market's current narrative.

Nvidia reported revenue for the first quarter ended April 28, 2024, of \$26.0 billion, up 18% from the previous quarter and up 262% from a year ago. For the quarter, GAAP earnings per diluted share was \$5.98, up 21% from the previous quarter and up 629% from a year ago. Non-GAAP earnings per diluted share was \$6.12, up 19% from the previous quarter and up 461% from a year ago.

Inflation dynamics will also capture the market's interest on May 31, when the Bureau of Economic Analysis publishes its April reading of the PCE Price Index.

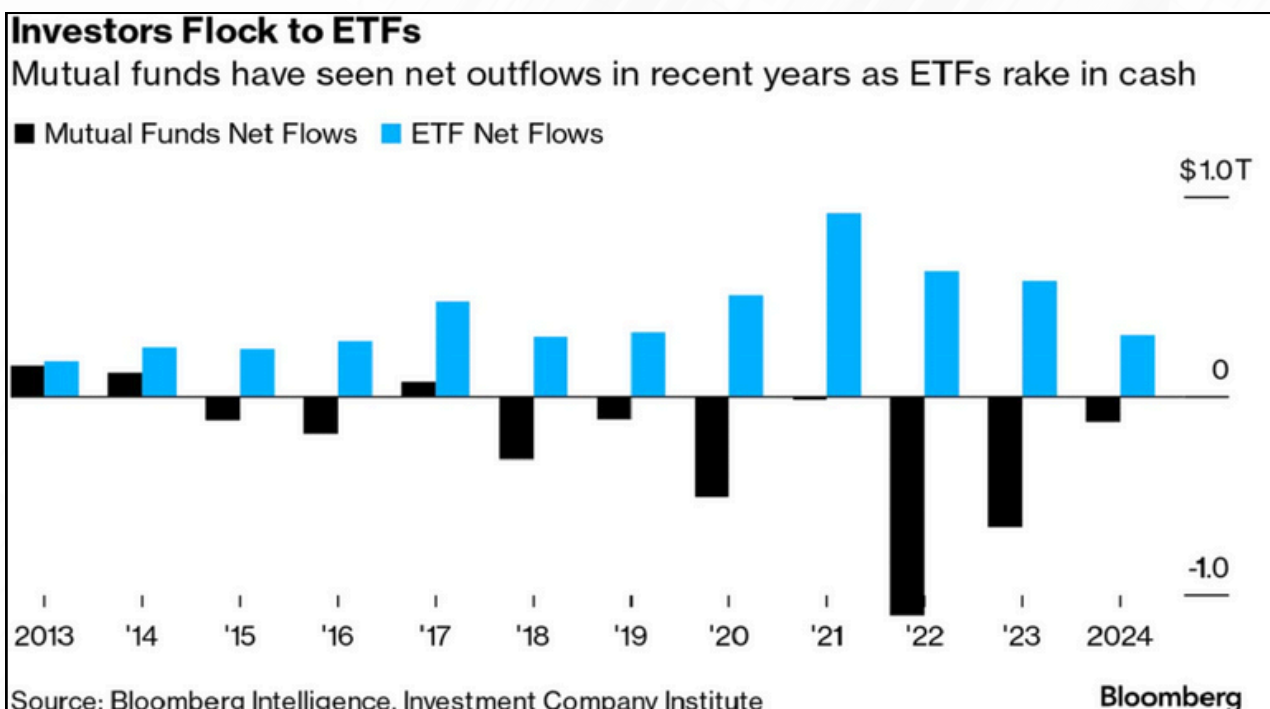
Bond markets face a busy slate of Treasury auctions over the holiday-shortened week, with \$183 billion in new 2-year, 5-year and 7-year notes going on sale from May 28.

Beijing offloaded a total of \$53.3 billion in Treasury bills and agency bonds during the first quarter, according to calculations based on the latest data from the US Treasury Department.

US oil futures have come off their April peak amid increasing diplomatic efforts towards a ceasefire in the Middle East. Wavering sentiment over expectations for a rate cut from the Federal Reserve also put a lid on crude prices.

China's financial markets are down amid regional declines. This slump comes despite Alibaba's efforts to raise \$4.5 billion through convertible bonds. China's military conducting provocative war games around Taiwan have increased geopolitical tensions, adding to investor apprehension.

## Chart of the Week



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