

Trinity Investments Limited – What to Watch in the Week Ahead – Earnings and Economic Data

On Friday, both the Dow and S&P 500 closed at levels putting them in red figures for 2018 and just above the level that would constitute correction territory.

HONG KONG, HONG KONG, HONG KONG, October 29, 2018
/EINPresswire.com/ -- To cap the week, tech stocks lagged the broader market once again with the tech-heavy Nasdaq dropped 2%, or 151 points, while the Dow fell 1.2%, or 296 points, and the S&P 500 dropped 1.7%, or 46 points. For the week, each of the S&P 500, Nasdaq, and small-cap Russell 2000 fell more than 3% while the Dow fell just less than 3% in an overall tough week for investors.



"The market is dealing with economic indicators that appear to be stalling or rolling over from extremely high levels, weakening earnings, and a tightening Fed," analysts at <u>Trinity Investments</u> said in a note Friday.

"That's a recipe for lower stock prices, and that is something we are taking advantage of."

In the week ahead, investors will be greeted by another busy schedule with the monthly jobs report and marquee earnings from Apple and Facebook highlighting the schedule.

Apple's report after the close on Thursday will be the most closely-watched corporate event of the week, with investors looking for the iPhone maker to report earnings per share of \$2.78 on revenue of \$61.5 billion.

Investors will also be keeping a close eye on the average selling price for iPhones this quarter, a key measure for gauging how much pricing power Apple continues to have with its flagship device.

October's jobs report is also expected to affirm the U.S. labor market remains strong, with economists looking for nonfarm payrolls to grow by 190,000 and the unemployment rate forecast to hold steady at 3.7%, matching the multi-decade low hit in September.

On the earnings side, other notable companies expected to report results in the coming week include Akamai, Constellation Brands, and KLA-Tencor on Monday; Facebook, General Electric, Mastercard, Aetna, Coca-Cola, Under Armour, Pfizer, and eBay on Tuesday; General Motors, Kellogg, Yum Brands, and AIG on Wednesday; Apple, Dow DuPont, Church & Dwight, Zoetis,

Metlife, CBS, and Starbucks on Thursday; and ExxonMobil, AbbVie, and Chevron on Friday.

Notable economic data set to come in next week include readings on home prices, ADP's reading on private payroll growth, and The Conference Board's check on consumer confidence.

A busy news calendar, however, is likely to be but a complement to investors that right now remain focused on trying to figure out where the market goes next. And the state of our inbox filled with research from commentary from Wall Street strategists makes clear that you can draw any conclusion you want from the action we've seen.

The sell-off is by some accounts healthy, normal, and even encouraging against a backdrop of solid earnings growth and economic forecasts calling for the expansion to last into the next decade. Others note that some of the market's worst days in history come amid the oversold conditions we're seeing right now. History tells us that oversold markets can always become more oversold.

Economic calendar

- •Monday: Personal income, September (+0.3% expected; +0.3% previously); Personal spending, September (+0.4% expected; +0.3% previously); "Core" PCE, year-over-year, September (2% expected; 2% previously); Dallas Fed manufacturing activity, October (29 expected; 28.1 previously)
- Tuesday: S&P Case-Shiller home prices, August (+0.2% expected; +0.09% previously); Conference Board consumer confidence, October (135.5 expected; 138.4 previously)
- •Wednesday: ADP private payrolls, October (+190,000 expected; +230,000 previously); Employment cost index, third quarter (+0.7% expected; +0.6% previously); Chicago PMI, October (60.5 expected; 60.4 previously)
- Thursday: Initial jobless claims (215,000 expected; 215,000 previously); Nonfarm productivity, third quarter (+1.8% expected; +1.9% previously); Markit manufacturing PMI, October (55.9 previously); ISM manufacturing PMI, October (59 expected; 59.8 previously); Construction spending, September (+0.2% expected; +0.1% previously); Auto sales, October (17 million vehicle annualized pace expected; 17.4 million previously)
- •Briday: Nonfarm payrolls, October (+190,000 expected; +134,000 previously); Unemployment rate, October (3.7% expected; 3.7% previously); Average hourly earnings, month-on-month, October (+0.2% expected; +0.3% previously); Average hourly earnings, year-on-year, October (+3.1% expected; +2.8% previously); Trade balance, September (-\$53.4 billion expected; -\$53.2 billion previously); Factory orders, September (+0.3% expected; +2.3% previously)

It will be a busy week in the US markets and there will be several contributing factors such as earnings, economic data, the Italy situation and continued concerns over the trade <u>tariff</u> <u>argument between the US and China</u>.

To find out more about opportunities Trinity Investments see's in the markets, visit www.trinity-investments.com or email us at info@trinity-investments.com and we will happily get back to you.

James Wong Trinity Investments Limited +852 58085256 email us here

This press release can be viewed online at: http://www.einpresswire.com

Disclaimer: If you have any questions regarding information in this press release please contact the company listed in the press release. Please do not contact EIN Presswire. We will be unable to assist you with your inquiry. EIN Presswire disclaims any content contained in these releases.

© 1995-2018 IPD Group, Inc. All Right Reserved.