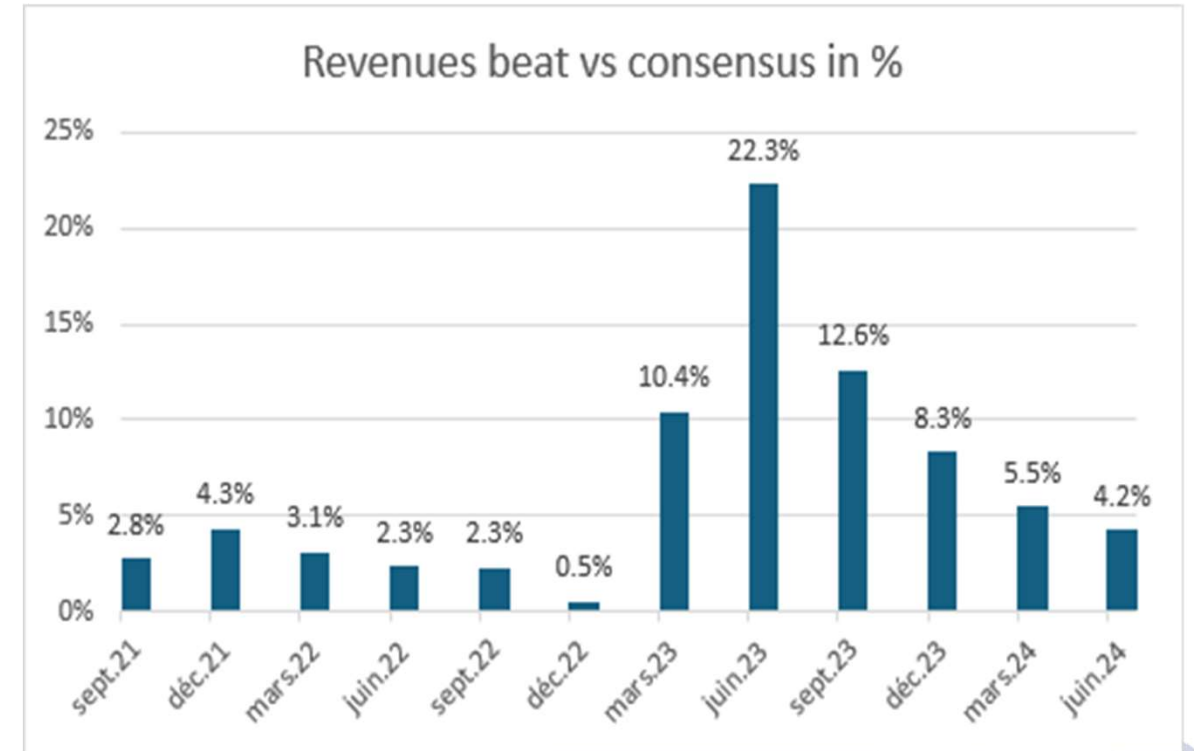
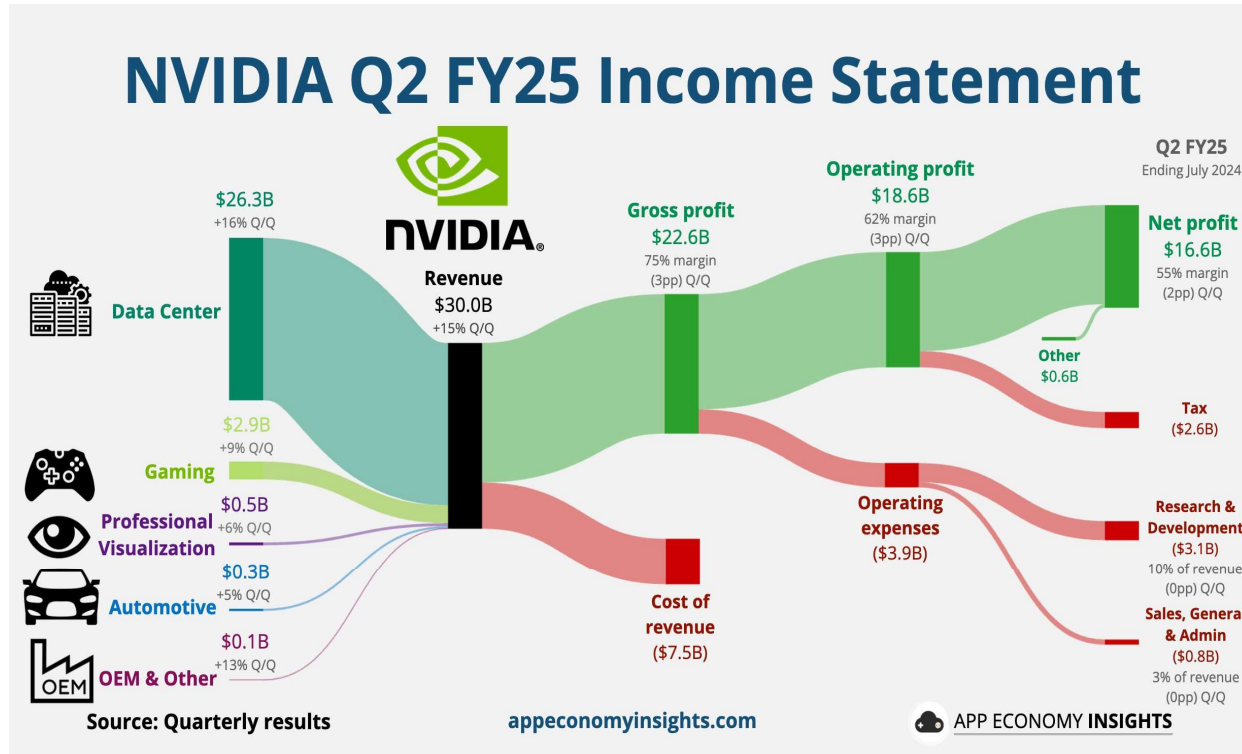


Nvidia results beat expectations but fell short of some estimates that had been looking for an even stronger release. The stock fell -6% but the company remains the main beneficiary of the AI infrastructure spending spree of big tech groups

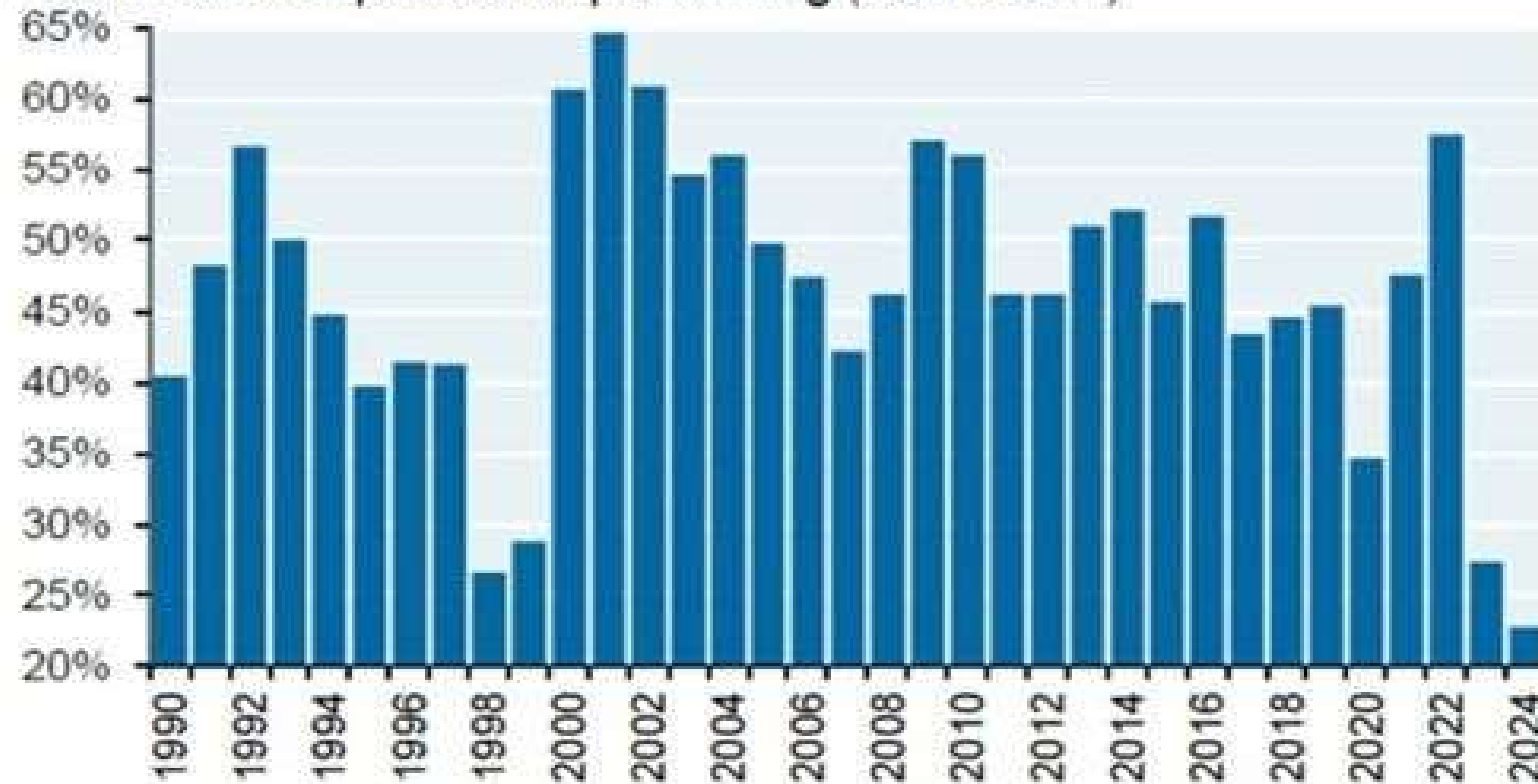


Bloomberg, Penta

The number of companies outperforming the S&P 500 was in July at the lowest level since the 90's. A significant reduction in the number of strongly performing stocks tends to increase the fragility of the rally as the market's rise depends on the fortunes of a small number of stocks

Constituents outperforming the S&P 500

Percent of companies outperforming (total return)



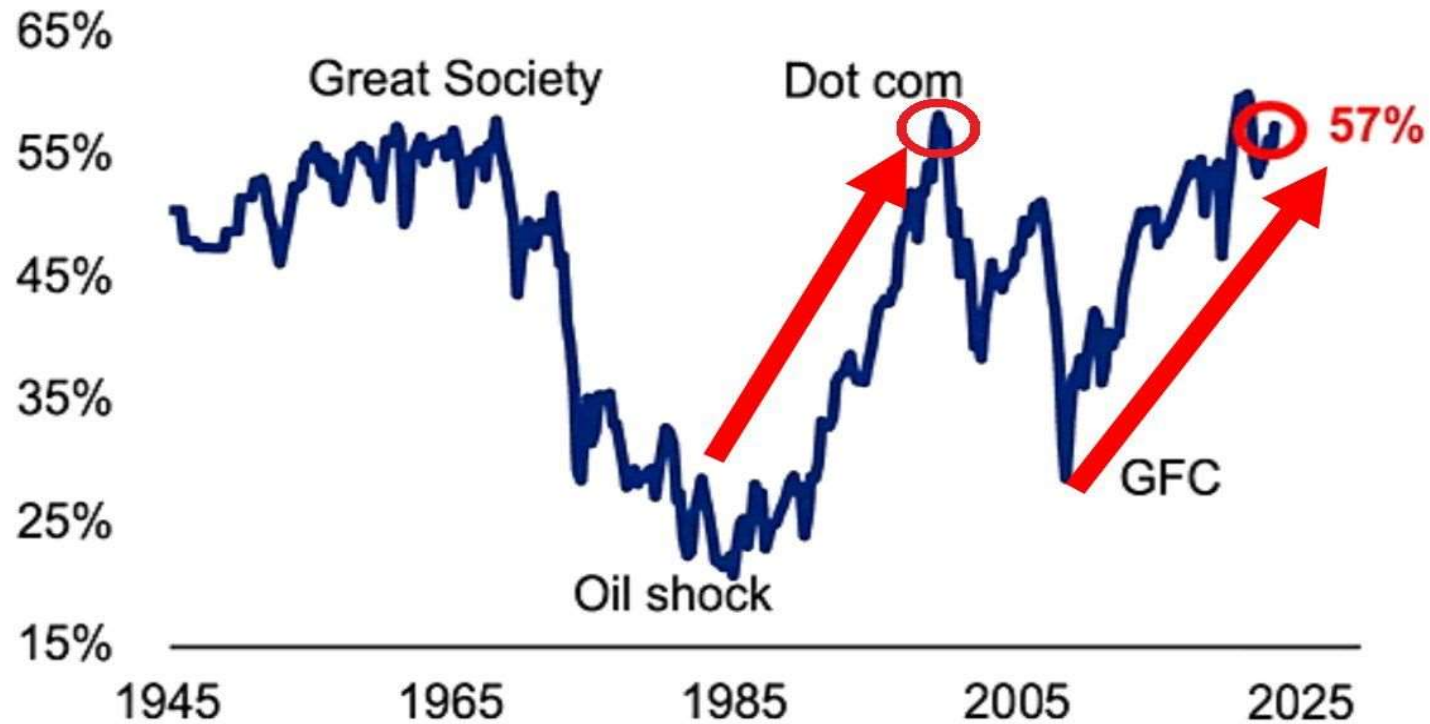
Source: Bloomberg, JPMAM, July 5, 2024



US household allocation to stocks hit 57% of total, near the highest level ever recorded, in line with the Dot-com bubble

Exhibit 11: Household allocations to stocks are near record highs

Equities as a % of total household allocation



Source: BofA Research Investment Committee, Haver

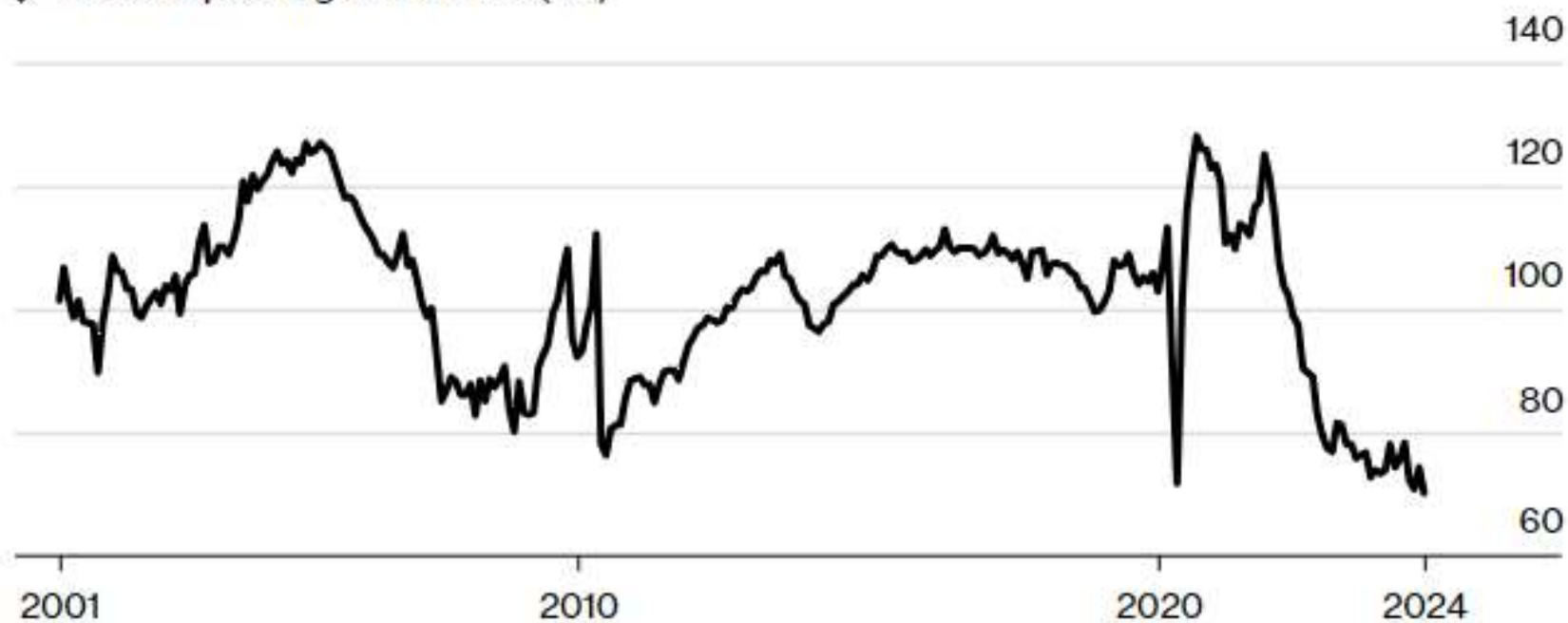


US pending home sales drop to lowest on record but lower borrowing costs should help ease one the least affordable housing markets in history

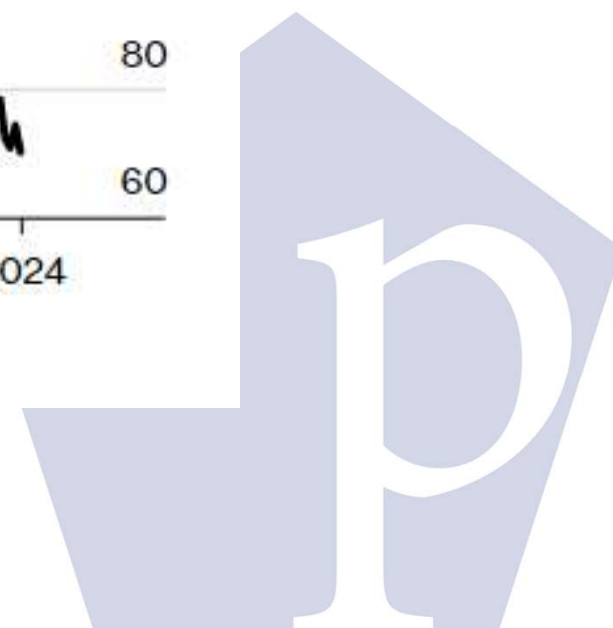
Contract Signings Index Hits New Low in July

High mortgage rates and prices keep thwarting sales

Index of pending home sales (SA)



Source: National Association of Realtors



One week after Jackson Hole, the market is now pricing in 225 bps of Fed rate cuts by the end of 2025. The amplitude of the first cut in September will likely depend on the next jobs report

