



RESEARCH

Insights

Monthly Market Metrics and Trends: November

Analyzing Volatility, Market Performance, and Equity and Options Volumes
Plus a Look at a Key Equity Markets Theme for the Month

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Market Theme

- With the election behind us, we thought it would be interesting to revisit some of the metrics from our election note published last month. Heading into November, markets were already on an uptrend, with M/M increases of: +2.6% in September and +3.0% in October.
- This momentum has continued since the election. On a M/M basis – November to October change – 2024 was not the top year, ranking fifth. However, when looking at November performance versus YTD, 2024 came out on top.
- After the election, markets appeared to celebrate both the fact that we had a decisive election result and the business optimism equated with a Trump White House. In fact, the S&P 500 crossed 6,000 for the first time the Monday after election day, crossing this level two more times to close out the month.
- The slope of the line for the price of the S&P 500 increased in November: November was 2.1x YTD and 1.5x October-November. The pressure appears to be off for Santa Claus to deliver his rally this year.

Market Metrics

- Volatility (VIX): Monthly average 16.12; -19.2% M/M, +14.5% Y/Y
- S&P 500 (Price): Monthly average 5,929.92; +2.4% M/M, +33.0% Y/Y
- Performance (month/year): best = cons disc/fins +13.2%/+36.0%; worst = healthcare/healthcare +0.1%/+7.8%
- Equity ADV: Monthly average 14.6 billion shares; +25.2% M/M, +38.3% Y/Y
- Options ADV: Monthly average 53.1 million contracts; +30.7% M/M, +15.4% Y/Y

Market Theme

Recapping Post Election Performance

With the election behind us, we thought it would be interesting to revisit some of the metrics from our election note published last month. That note analyzed equity market performance (index price) and other metrics around U.S. Presidential elections dating back to 1992. When we sat down to write that note, the premise was that the immediate window around U.S. Presidential elections represents a time of uncertainty. As such, we expected the data to show market performance pull back immediately ahead of election day and then recover after. Life is never that simple – we did not see a consistent pattern across election periods for all metrics. For market performance, the results were mixed: 50%/50% overall upward/downward trend over the election window (five days before and after election day). This is because in real life, ceteris paribus (all other things being equal) does not apply. In other words, it is hard to separate out all the factors in play around elections, including: the economy; geopolitical tensions or wars; and financial market conditions (assessing only periods of financial crisis).

For 2024, the S&P 500 has continued on an upward slope. The economy remains strong. Financial conditions are solid. Geopolitical concerns remain heightened, but the U.S. is not engaged directly in military conflict (we acknowledge that it is indirectly engaged in some events). Heading into November, markets were already on an uptrend, with M/M increases of: +2.6% in September and +3.0% in October.

And this momentum has continued since the election. On a M/M basis – November to October change – 2024 was not the top year, ranking fifth out of nine time periods. However, most of the other election years Novembers did not have the strong run up into election day as seen this year. Further, when looking at November performance versus YTD, 2024 came out on top, squeaking past 2020 by 0.03 pps and beating 1996 by 0.6 pps.

Election Impact: SPX Index

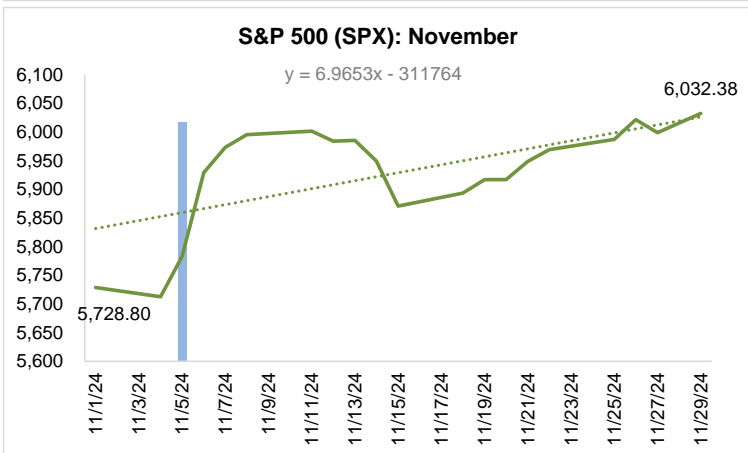
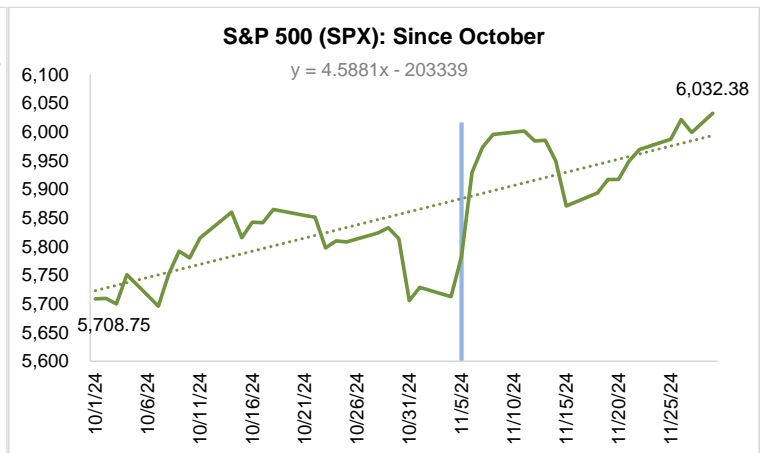
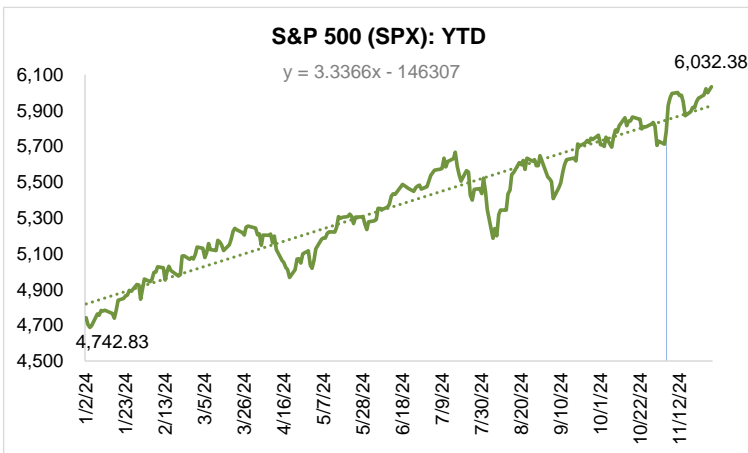
Date	1992	1996	2000	2004	2008	2012	2016	2020	YTD	M/M
Full Year	415.75	670.50	1,427.22	1,130.65	1,220.04	1,379.35	2,094.65	3,217.86	5,375.26	
Jan	416.08	614.42	1,425.59	1,132.52	1,378.76	1,300.58	1,918.60	3,278.20	4,804.49	
Feb	412.56	649.54	1,388.87	1,143.36	1,354.87	1,352.49	1,904.42	3,277.31	5,011.96	4.3%
Mar	407.36	647.07	1,442.21	1,123.98	1,316.94	1,389.24	2,021.95	2,652.39	5,170.57	3.2%
Apr	407.41	647.17	1,461.36	1,133.08	1,370.47	1,386.43	2,075.54	2,761.98	5,112.49	-1.1%
May	414.81	661.23	1,418.48	1,102.78	1,403.22	1,341.27	2,065.55	2,919.62	5,235.23	2.4%
Jun	408.27	668.50	1,461.96	1,132.76	1,341.25	1,323.48	2,083.89	3,104.66	5,415.14	3.4%
Jul	415.05	644.07	1,473.00	1,105.85	1,257.33	1,359.78	2,148.90	3,207.62	5,538.00	2.3%
Aug	417.93	662.68	1,485.46	1,088.94	1,281.47	1,403.44	2,177.48	3,391.71	5,478.21	-1.1%
Sep	418.48	674.88	1,468.05	1,117.66	1,217.01	1,443.42	2,157.69	3,365.52	5,621.26	2.6%
Oct	412.50	701.46	1,390.14	1,118.07	968.80	1,437.82	2,143.02	3,418.70	5,792.32	3.0%
Nov	422.84	735.67	1,375.04	1,168.94	883.04	1,394.51	2,164.99	3,548.99	5,929.92	2.4%
Dec	435.64	743.25	1,330.93	1,199.21	877.56	1,422.29	2,246.63	3,695.31		
Oct vs. FY	-0.8%	4.6%	-2.6%	-1.1%	-20.6%	4.2%	2.3%	6.2%	7.8%	
Nov vs. FY	1.7%	9.7%	-3.7%	3.4%	-27.6%	1.1%	3.4%	10.29%	10.32%	
Dec vs. FY	4.8%	10.9%	-6.7%	6.1%	-28.1%	3.1%	7.3%	14.8%		
Nov/Oct	2.5%	4.9%	-1.1%	4.5%	-8.9%	-3.0%	1.0%	3.8%	2.4%	
Dec/Nov	3.0%	1.0%	-3.2%	2.6%	-0.6%	2.0%	3.8%	4.1%		
Dec/Oct	5.6%	6.0%	-4.3%	7.3%	-9.4%	-1.1%	4.8%	8.1%		

Source: Bloomberg, SIFMA estimates

After the election, markets appeared to celebrate both the fact that we had a decisive election result – many had expected a delay in the final vote – and the business optimism equated with a Trump White House. In fact, the S&P 500 crossed 6,000 for the first time the Monday after election day, crossing this level two more times to close out the month. Markets appear to have weighted a pro-business environment – deregulation, tax cuts (or at least not increases) – more heavily than the threat of tariffs.

Looking at S&P 500 performance in 2024 in more detail, we see the slope of the line increased over the time periods shown below. The slope for just November was 2.1x that for the YTD chart and 1.5x that for the October through November time period.

The pressure appears to be off for Santa Claus to deliver his rally this year.



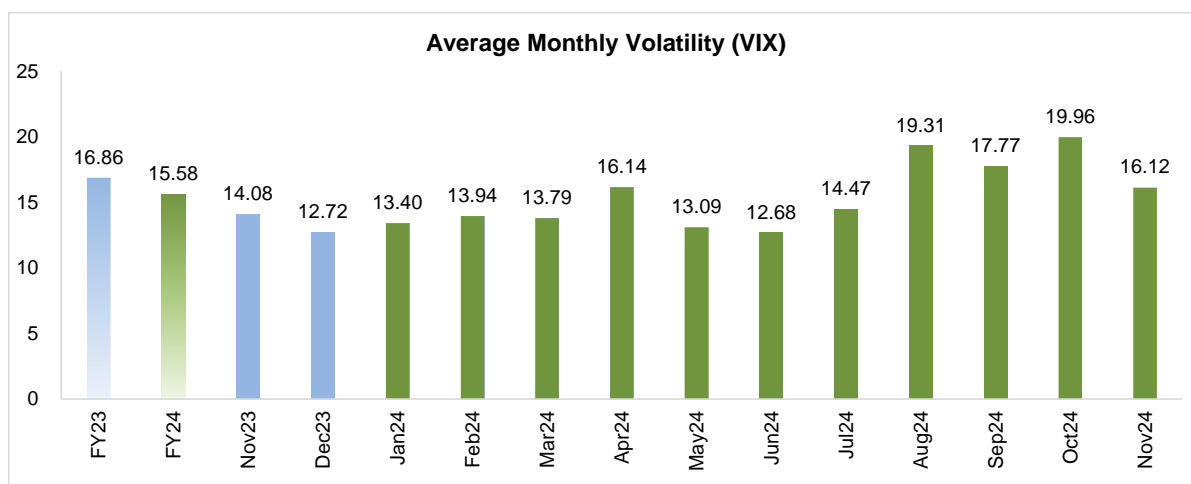
Source: Bloomberg, SIFMA estimates

Market Metrics

In this section, we highlight the monthly market trends for volatility, price, and volumes.

Volatility (VIX)

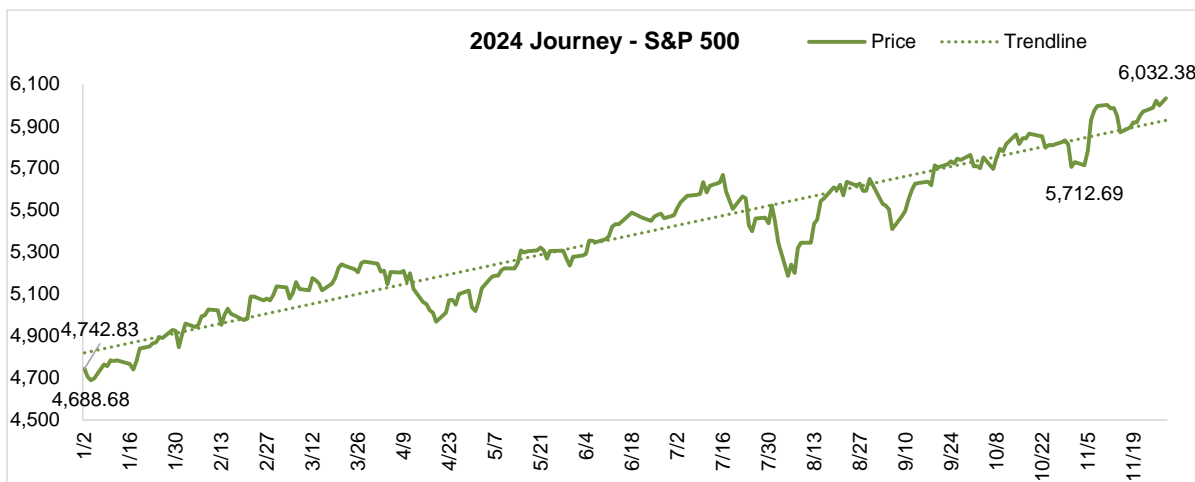
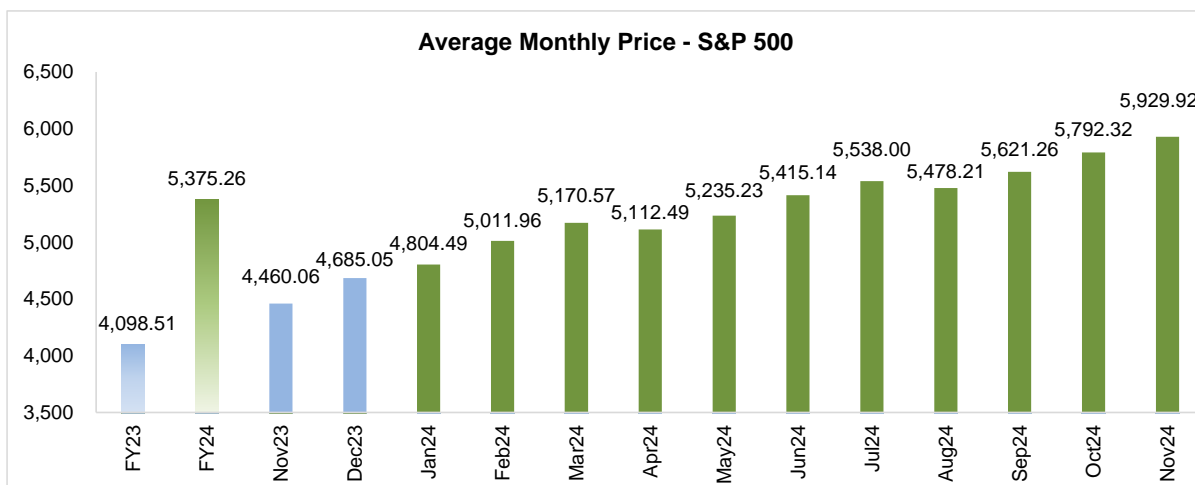
- Monthly average 16.12
 - -19.2% M/M
 - +14.5% Y/Y
- Monthly peak on the 4th at 21.98 – the day before the election – troughed on the 29th at 13.51



Source: Bloomberg, SIFMA estimates

S&P 500 Index: Price

- Monthly average 5,929.92
 - +2.4% M/M
 - +33.0% Y/Y
- Monthly peak on the 29th at 6,032.38, troughed on the 4th at 5,712.69 – the day before the election

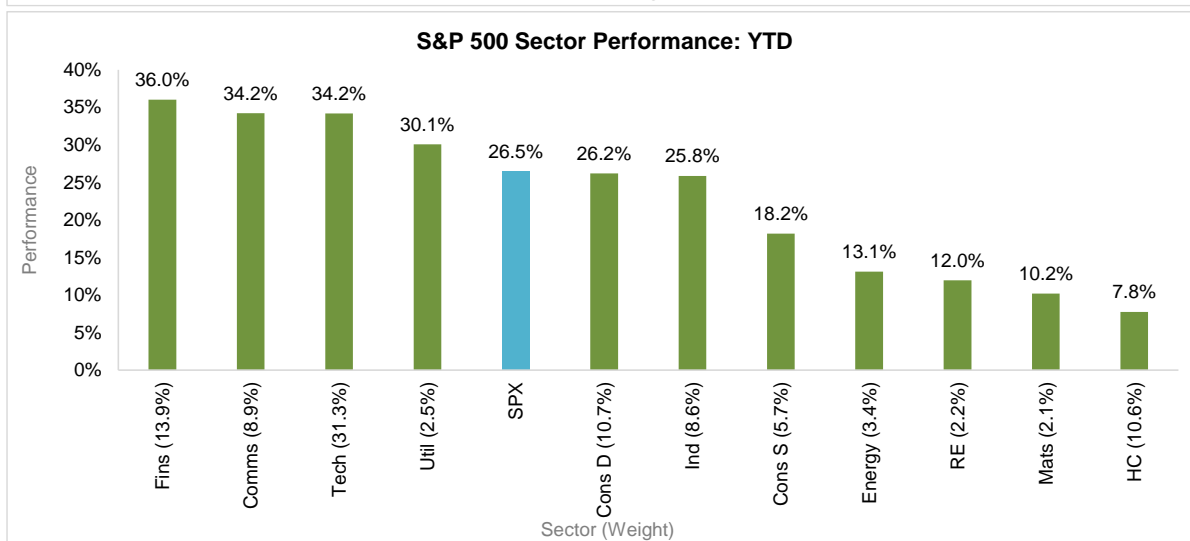
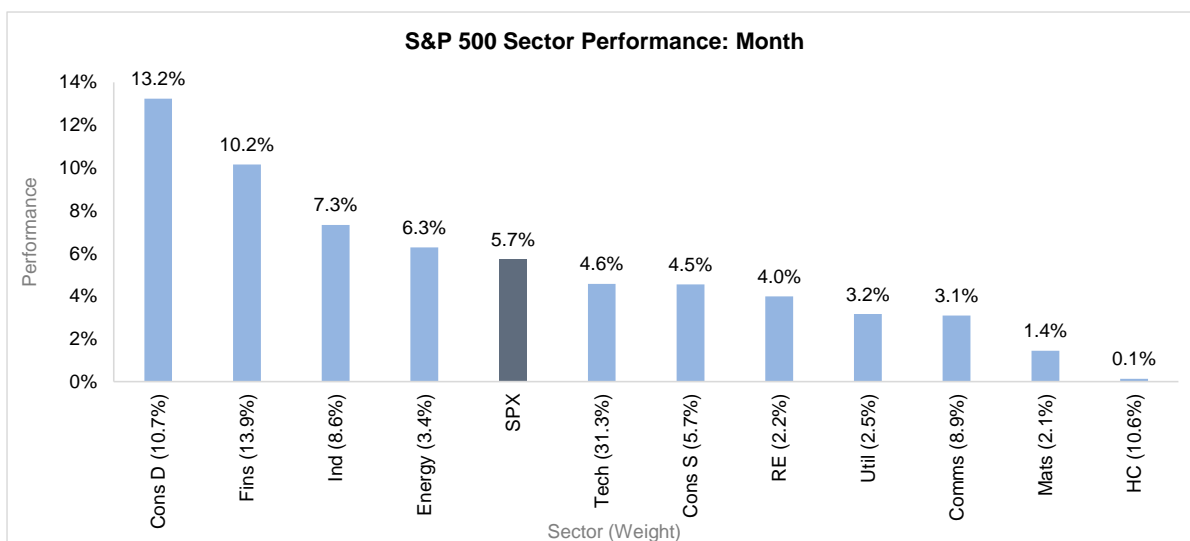


Source: Bloomberg, SIFMA estimates

S&P 500 Index: Sector Breakout

Looking at market performance by sector, we highlight the following:

- Best performing sectors
 - Month = consumer discretionary at +13.2% and financials at +10.2%
 - YTD = financials at +36.0% and communications at +34.2%
- Worst performing sectors
 - Month = healthcare at +0.1% and materials at +1.4%
 - YTD = healthcare at +7.8% and materials at +10.2%

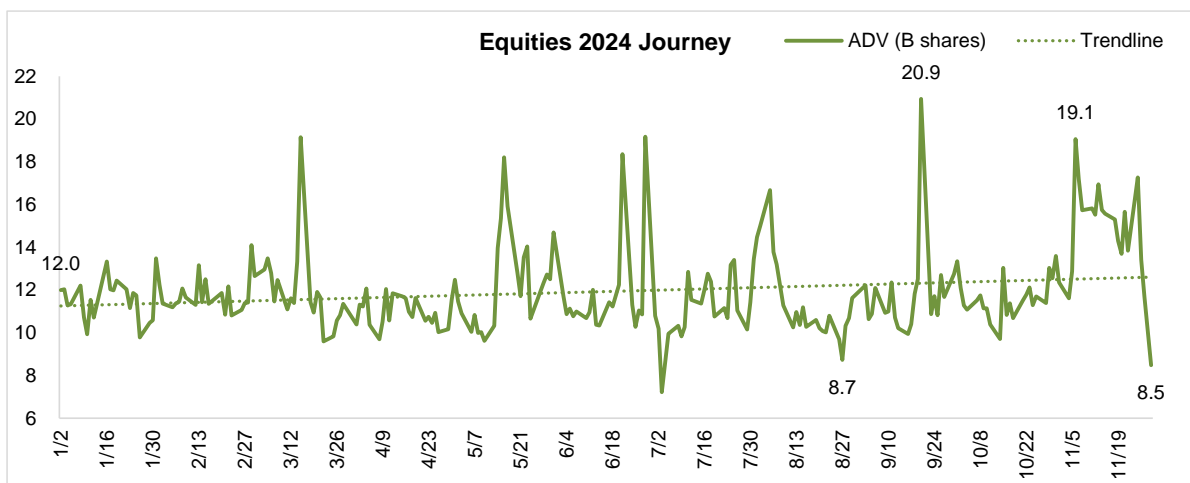
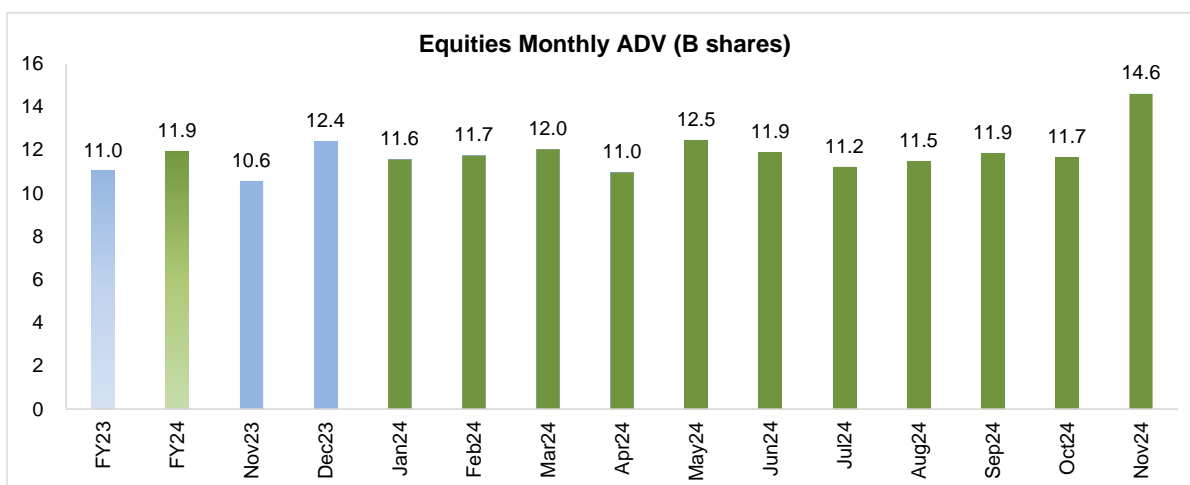


Source: Bloomberg, SIFMA estimates

Note: Cons S = consumer staples, HC = healthcare, Mats = materials, RE = real estate, Ind = industrials, Fins = financials, Tech = technology, Cons D = consumer discretionary, Comms = telecommunications, Util = utilities

Equity Volumes (ADV)

- Monthly average 14.6 billion shares
 - +25.2% M/M
 - +38.3% Y/Y
- Monthly peak on the 6th at 19.1 billion – after election day – troughed on the 4th at 11.6 billion – the day before the election (excludes days where the market closed early)
- Monthly average off exchange trading 50.6%; +1.8 pps M/M, +7.0 pps Y/Y

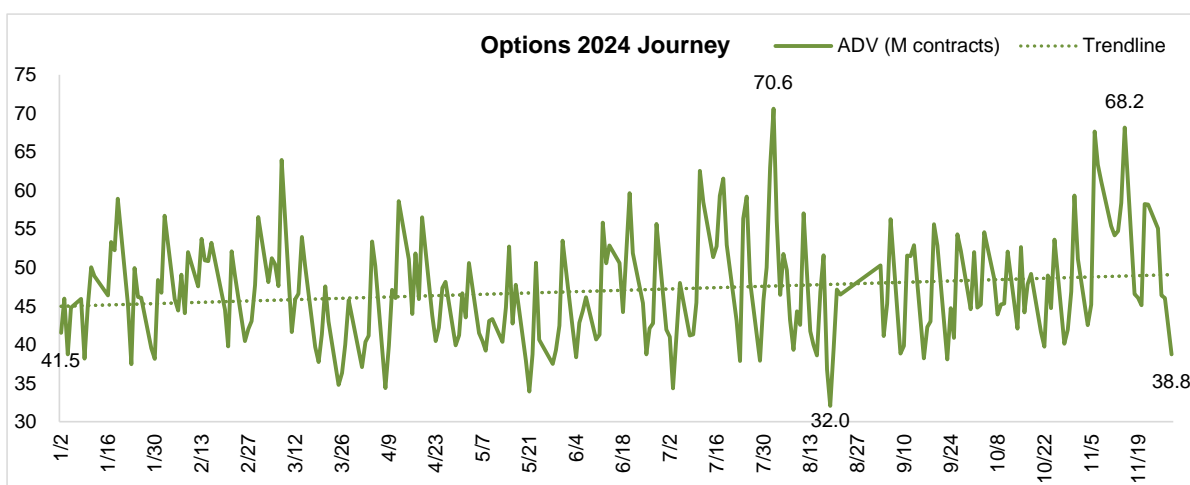
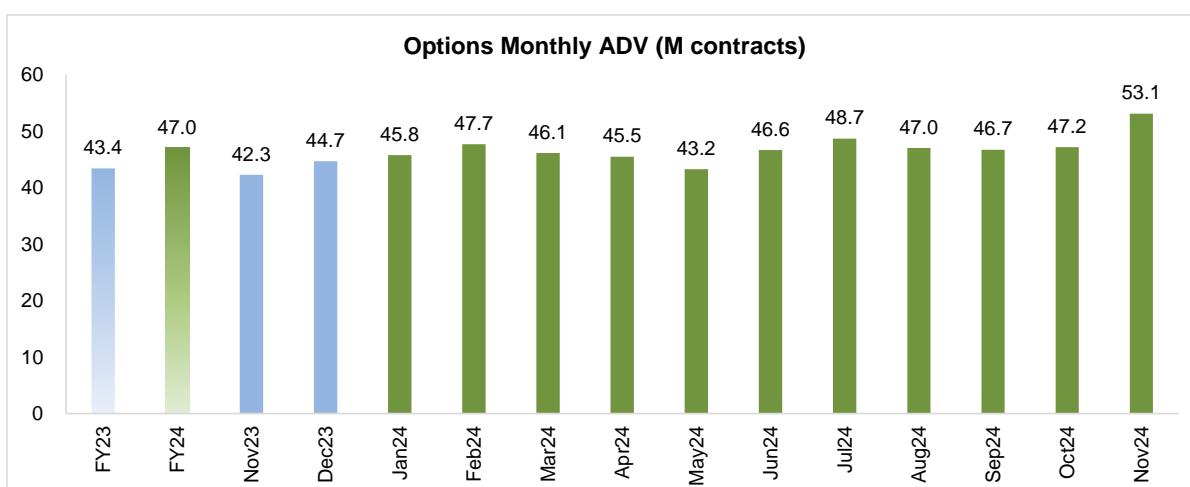


Source: Cboe Global Markets, SIFMA estimates.

Note: Data labels depict the start of the year, the last closing price, peaks/troughs for the year and month (if different from the other data points already labelled). When looking at troughs, we do not include days when the market closed early, unless it is the end of the month: July 3, November 29, and December 24.

Options Volumes (ADV)

- Monthly average 53.1 million contracts
 - +30.7% M/M
 - +15.4% Y/Y
- Monthly peak on the 15th at 68.2 million contracts, troughed on the 4th at 42.5 million contracts – the day before the election (excludes days where the market closed early)
- Monthly equity options 48.9 million contracts (+32.2% M/M, +18.6% Y/Y), index options 4.2 million contracts (+16.0% M/M, -12.6% Y/Y)



Source: Cboe Global Markets, SIFMA estimates

Note: Data labels depict the start of the year, the last closing price, peaks/troughs for the year and month (if different from the other data points already labelled). When looking at troughs, we do not include days when the market closed early, unless it is the end of the month: July 3, November 29, and December 24.

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