WALL STREET HORIZON
+TMX COMPANY

Volatility Inducing Events from 2024

While US markets had another tremendous year in 2024, and many corporate indicators saw improvements, companies continued with a more cautious tone as uncertainty around the economy, interest rates and inflation persisted.

170K+ EVENTS TRACKED

Top 5 Themes of 2024

1. LERI Continues to Show Corporate Uncertainty

According to the Wall Street Horizon Late Earnings Report Index (LERI), 2024 showed the highest level of corporate uncertainty since 2020. The LERI has a baseline reading of 100, anything above that indicates companies are feeling unsure of their short-term prospects. For 2024 the LERI averaged 180, as compared to 109 last year and 495 in 2020.

2. EPS Increases Hit a 3-Year High

In 2024 for our universe of 11,000+ companies worldwide, Wall Street Horizon reported the highest number of quarter-over-quarter EPS increases since 2021 at 53%. Our data also showed that a net 22% of firms reported higher EPS figures in Q3 compared to the same period a year earlier (61% increases vs. 39% decreases), the highest since Q3 2021.

3. Buybacks were Back in 2024

Wall Street Horizon data shows that global corporate buyback announcements totaled 721 YTD in 2024, an improvement from the slump of 610 in 2023 and 640 in 2022. According to Emerging Portfolio Fund Research (EPFR), the monetary value of those buybacks soared to a record high of $1.248 trillion (as of December 5, 2024).[1]

4. New US ETF Launches Hit a Record

Exchange traded funds have been increasing in popularity for several years now, but hit a fever pitch on a number of levels in 2024. The number of new US ETFs totals 577 YTD, the highest total in our decade of data, and handily beating the record of 451 recorded in 2022. Net inflows into ETFs also broke records this year, surpassing the $1 trillion mark according to research firm ETFGI.[2]

5. M&A Announcements and Closes Hit a Multi-year Low

Dealmaking has been in a lull since the COVID-19 pandemic hit in 2020. M&A in particular continued to fall lower in 2024. M&A Announcements totaled 408 YTD, the lowest level since 2020, and closes came in at 352, the lowest level since 2019.

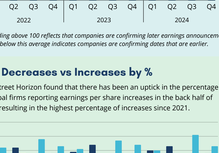
Earnings Announcements Wave

Note the peak of each season slightly shifting forward which is expected as we expand our global coverage and see companies adjusting their earnings dates over time to fit into their fiscal calendar.

Figures based on our universe of 11,000 stocks, the horizontal axis refers to week of year.

LERI - Late Earnings Report Index

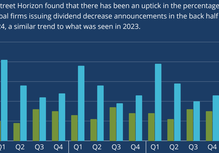
The LERI is a Wall Street Horizon proprietary index that allows investors and traders to factor in the market intelligence derived from US public companies releasing earnings later than their historical average, which typically signals negative news on the horizon. In 2024, we continued to see corporate uncertainty trending high.



Note: A reading above 100 reflects that companies are confirming later earnings announcements and below this average indicates companies are confirming dates that are earlier.

EPS Decreases vs Increases by %

Wall Street Horizon found that there has been an uptick in the percentage of global firms reporting earnings per share increases in the back half of 2024, resulting in the highest percentage of increases since 2021.



Dividend Decreases vs Increases by %

Wall Street Horizon found that there has been an uptick in the percentage of global firms issuing dividend decrease announcements in the back half of 2024, a similar trend to what was seen in 2023.

Buyback Announcements

Wall Street Horizon found that global corporate buyback announcements grew to 700+ in 2024, an improvement from a slump in 2023 and 2022. However, this is not as high as the record of 1,306 announcements reported in 2021.

Reverse vs Traditional Splits

Traditional splits were all the rage in 2021 amid a speculative frenzy in financial markets, but since 2022 reverse splits have taken the cake.

New US ETFs Launched

In 2024, Wall Street Horizon continued to see a rise in new US ETFs with this year seeing the highest total ETF launches in our 10 years of data.

M&A Announcements & Closes

M&A announcements and closes, as stated in the top themes above, continued to trend down and are at their lowest levels since 2020 and 2019 respectively.

Wall Street Horizon, a TMX company, provides primary and publicly sourced event data covering 11,000 equities worldwide. Knowing when corporate events will occur as well as any changes to the date, time and content of the events, can help investors get in front of any resulting risk or volatility.

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