ISSUE #14

9/29/24

Sunday Dump

WEEKLY NEWSLETTER

Welcome to the Sunday Dump, your weekly 5 minute digest of the most exciting developments in finance, economics and current events.

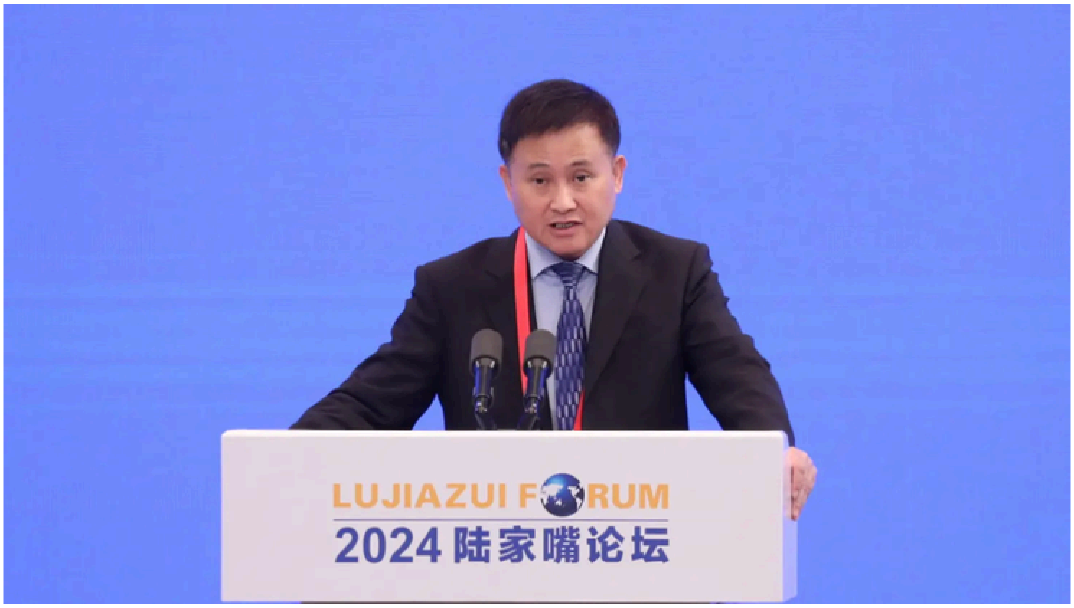
Markets

This week, the US stock market showed steady gains, with the S&P 500 rising by 0.46%, the NASDAQ climbing 0.69%, and the Dow Jones up 0.60%. The market's cautious optimism reflects a balanced outlook as investors react to mixed economic signals. Notably, the tech sector, which includes companies like Apple and Microsoft, continues to see moderate gains, benefiting from a lower interest rate environment.

One standout sector this week was energy. As oil prices ticked higher, stocks like ExxonMobil and Chevron rallied. Why? Rising oil prices often lead to greater profitability for the energy sector, exciting investors and driving energy stock prices higher.

Overall, the markets remain focused on upcoming economic data and any signals from the Federal Reserve, with interest rate policies continuing to play a key role in investor sentiment. While the gains this week were modest, it reflects a market that's staying cautious but optimistic about steady growth ahead.

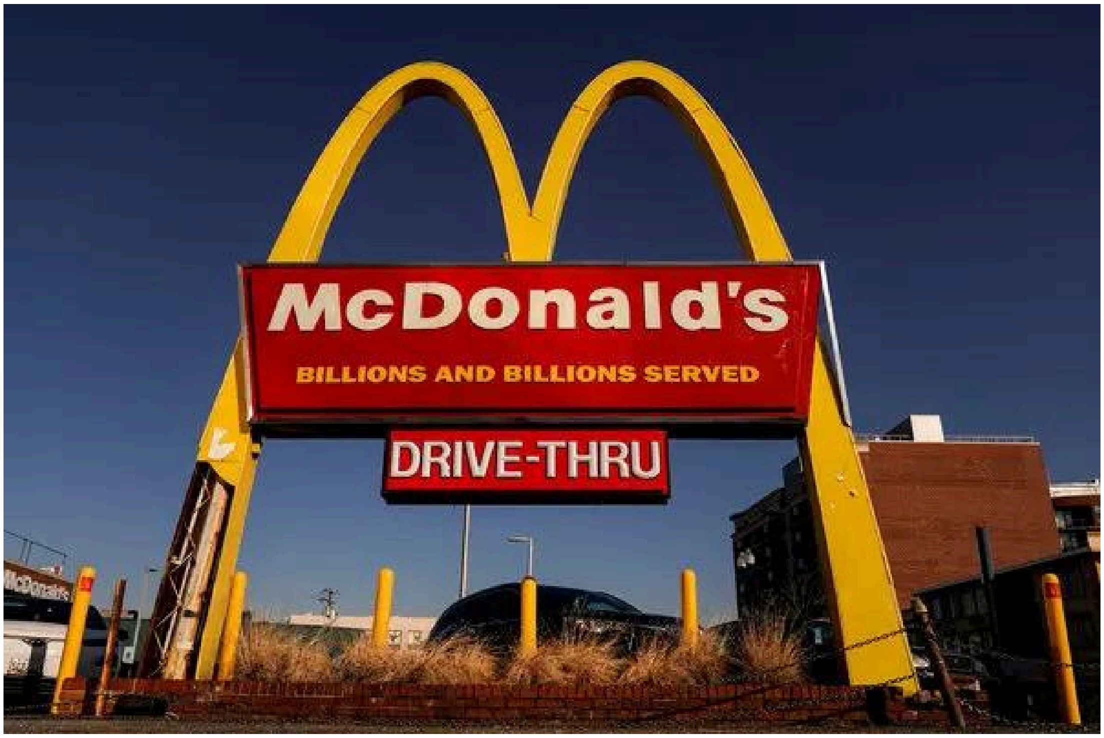
Global Economic Data



Alibaba ($BABA) has seen a sudden surge in its stock price, spiking 30% in just the last 10 days. Other Chinese stocks are also experiencing growth at similar rates. What's going on in China?

The economic situation of China has always been difficult to read due to the fact that the government has stopped publishing its economic numbers to the public. Nevertheless, in recent years, it's clear that their economy has been in a slump, suffering a deflationary recession with a real estate crisis and unemployment at extreme highs. However, this week the People's Bank of China (PBoC) has made significant moves to stimulate the economy. This resulted in a sudden surge in the price of Chinese stocks, potentially marking a new bottom for the Chinese market and signaling room for growth. The PBoC focused on monetary easing, cutting interest rates, specifically for mortgages, and decreasing the reserve ratio, the amount of cash banks will need to have on hand. This is all to encourage more consumer spending and borrowing, helping grow their economy. Read more here.

Stock of the Week



McDonald's Corporation (MCD) had a strong performance last week, with its stock rising 2.31% (or $6.86), reaching a 52-week high of $303.69. This gain follows the company's announcement of a 6% increase in its quarterly dividend, now at $1.77 per share, payable on December 16, 2024. The increase raises McDonald's annual dividend to $7.08 per share, marking 48 consecutive years of dividend growth, indicating the company's commitment to returning capital to shareholders. This dividend hike reflects McDonald's confidence in its "Accelerating the Arches" strategy, which focuses on menu innovation, digital expansion, and operational efficiency. While the stock has recently strengthened, there are some headwinds the company is facing such as rising costs. However, McDonalds remains a good choice for dividend-based investors.

Sunday Dump

Upcoming Week...

WEEK OF 9/29/24

Monday
- Fed Chair Powell Speaks

Tuesday
- Job Openings

Wednesday
- ADP Non-Farm Employment Change

Thursday
- Unemployment Claims

Friday
- Non-Farm Employment Change

Sat-Sun
- Sunday Dump Seminar

Key Economic Data

Key Stock Events

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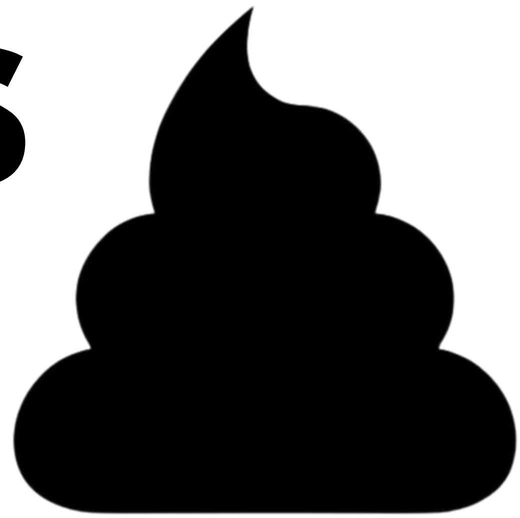
Thanks for reading



SUNDAY DUMP'S WEEKLY NEWSLETTER

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