

11/10/24[✦]

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



The U.S. stock market soared to unprecedented heights this week, propelled by Donald Trump's election victory and the prospect of business-friendly policies ahead. All major indices achieved record levels, with the tech-heavy NASDAQ leading the charge at a remarkable 5.85% gain, while the S&P 500 and Dow Jones Industrial Average posted impressive rises of 4.73% and 4.72%, respectively.

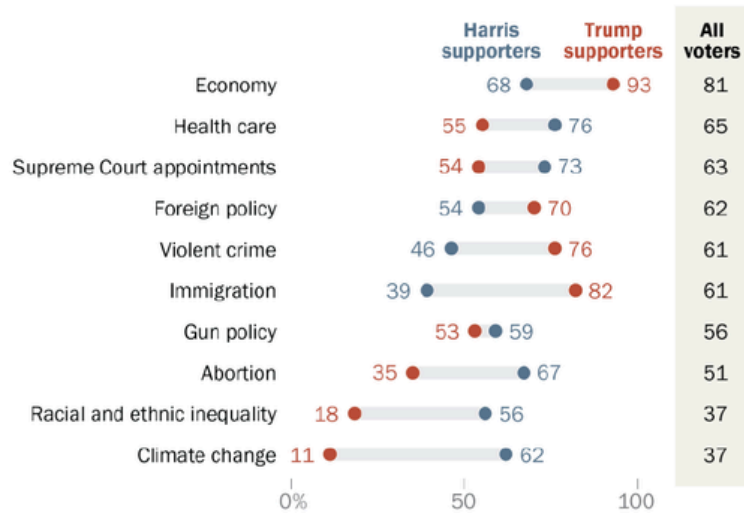
The rally reflects widespread investor optimism about potential policy shifts under the Trump administration, particularly expectations of deregulation and tax reforms. The banking sector emerged as a standout performer, as financial institutions could see substantial benefits from a lighter regulatory touch and reduced corporate tax burden. These changes could significantly help banks by lowering their costs and freeing up capital for increased lending activity.

The broader market enthusiasm stems from Trump's pro-growth agenda, which includes promises of infrastructure spending and business-friendly reforms. While investors are clearly betting on these policy changes to drive corporate earnings and economic expansion, market watchers acknowledge that the actual impact will depend on implementation details and international trade dynamics. Nevertheless, for now, Wall Street's record-breaking performance suggests strong confidence in the potential for a more growth-oriented business environment ahead.

Economic Data

The economy is the top issue for voters in the 2024 election

% of registered voters who say each is *very important* to their vote in the 2024 presidential election



Note: Based on registered voters.

Source: Survey of U.S. adults conducted Aug. 26-Sept. 2, 2024.

PEW RESEARCH CENTER

In the 2024 presidential election, the **economy was ranked as the top issue** for Trump supporters.

Pew Research Center states an overwhelming **93%** of Trump supporters categorize the economy as their top priority when electing a candidate.

In regards to the economy, one of Trump's proposed policy changes is the **implementation of tariffs**.

Import Tariffs are taxes placed on goods and services imported from other countries. By making foreign products more expensive, these tariffs aim to encourage consumers to buy domestic goods which helps local businesses.

President Trump's administration aims to impose at least a 10% tariff on all goods and a 60% tariff on goods from China. What does this mean for Americans? Economists predict we as consumers will suffer the burden, seeing higher prices in the future. During President Trump's last term, consumers saw an increase in prices for a wide range of home goods according to a study by the National Bureau of Economic Research.

President Trump has stated that tariffs on goods from China encourage U.S. companies to move their factories to the U.S. This creates more jobs; however, the cost of labor in the U.S. is much more expensive, resulting in price increases.

Throughout his campaign, President Trump has insisted that he will "defeat" inflation (NBC News). However, Trump is inheriting a moderately healthy economy as inflation is reaching its standard increase of roughly 2% year over year.

Crypto



Crypto is back! Recently, Bitcoin hit a record high of \$79,939 and other cryptocurrencies have surged in price as well. Why has Crypto suddenly gone up? Well, it all boils down to Donald Trump being elected as the 47th president of the United States. Over the past four weeks, investors have put around \$4.6 billion into iShares BitcoinTrust, the most popular Bitcoin ETF, as the markets anticipated Trump, a pro-crypto candidate, to return to office. President Trump has repeatedly voiced his support for crypto assets saying that he will retain “100% of all the Bitcoin” the US government currently holds and promising to make the US “the bitcoin superpower of the world”. On top of all this, President Trump has promised to end the tenure of Gary Gensler, the chair of the US Securities and Exchange Commission, once he enters office. Over the last three years, Gensler has become known as crypto firms’ “prime nemesis” as they accuse him of having an unfair vendetta against the industry. In short, the sudden price surge in crypto can be explained by the optimism the industry has for the future due to Trump's re-election and the changes he’s promised to make to support cryptocurrency.

If you're still unconvinced about the importance of understanding crypto, Ethereum, the world’s second-largest cryptocurrency, has now surpassed Bank of America by market cap. Read more [here](#).

Stock of the Week



Tesla shares soared 8% on Friday, lifting its market cap past \$1 trillion as investor optimism grew in the wake of Donald Trump's presidential election victory. Speculation is rising that President Trump's return to the White House could boost Tesla, with CEO Elon Musk reportedly a strong backer of Trump's campaign, contributing around \$130 million. This rally brought Tesla's weekly gain to \$74, closing at \$322.80, now up roughly 27% in the past week.

Wedbush Securities analyst Dan Ives highlighted that a Trump administration might introduce reduced regulation, benefitting Tesla. Furthermore, heightened tariffs on Chinese-made EVs could shield Tesla against competition from foreign brands such as BYD and Nio.

Despite Tesla's revenue of \$25.18 billion and net income of \$2.17 billion in Q3, Musk remains focused on growth, projecting vehicle expansion of 20-30%. Musk is also pushing for a national approval process for autonomous vehicles to speed up Tesla's driverless technology rollout. The coming months could be crucial for Tesla due to the political changes, foreign competition, and new tech developments.

Sunday Dump

Upcoming Week...

WEEK OF 11/10/24

Monday

- Palantir Earnings~ PLTR

Tuesday

- Cava Earnings ~ CAVA

Wednesday

- Cisco Earnings ~ CSCO
- CPI Report

Thursday

- PPI YoY
- Disney Earnings ~ DIS

Friday

- US Retail Sales
- Alibaba Earnings ~ BABA

Sat-Sun

- Sunday Dump Seminar

● Key Economic Data

● Key Stock Events

Disclaimer:



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Thanks for reading



SUNDAY DUMP'S WEEKLY
NEWSLETTER

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