

Week of 6/30/24[✦]

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. Brought to you by *Investing with a Purpose*

Markets



Over the past week the markets experienced a significant increase in [volatility](#) as investors monitor the first presidential debate of an election season! The debate brought up key economic issues as candidates proposed policies that impacted [market sentiment](#). We predict that throughout the election season and leading up to the second presidential debate, we will continue to see volatile markets with investors becoming more focused on potential changes in [fiscal policy](#) and trade relations that could potentially impact many sectors.

- Healthcare: Different candidates usually propose varying approaches to healthcare policies including potential change to the [Affordable Care Act](#), drug pricing regulations, and the expansion of Medicare.
- Energy: The profitability and strategy of companies in the oil, gas, and renewable energy industries are largely impacted by the different candidates proposals related to renewable energy incentives, fossil fuel regulations, and climate change initiatives.

The large amount of uncertainty surrounding the elections has led investors to make cautious decisions as market participants balance the potential optimism for the economy to recover with concerns on political and policy shifts. Overall, the markets are likely to stay sensitive to election-related developments in the coming months leading up to our second presidential debate in September.

Economic Data



Heading into the heats of summer, we have finally wrapped up the second quarter of 2024. Every week, various indicators are released that help gauge the state of the economy and its direction.

This week, we received data on how much U.S. households spend on various goods and services: [PCE Index \(Personal Consumption Expenditures\)](#). Core PCE was also released which excludes spending on food and energy. These figures give a read on the long term projection of the economy ([inflation](#)). This is one of the key factors when deciding policies to control our economy ([Learn more about interest rates](#)).

Let's look into the details and what they signify for the economic outlook.

- PCE / Core PCE in line with analyst estimates: 2.6% increase year over year.
 - PCE: Month over month: 0% increase

With the fast increase in prices over the past few years, these results are optimistic and indicate a positive direction.

Crypto



(price as of 6/28 at 4pm) (% change of week)

Bitcoin: (\$60,948.60) (1.14% increase)

Ethereum: (\$3,407.22) (1.51% increase)

A big takeaway coming out of this week's news is Blackrocks increase in ownership of a spot Bitcoin ETF. The firm purchased an additional 43,000 shares of the iShare Bitcoin Trust ETF (Ticker [IBIT](#)) since April 30th. What does this mean? Traditional investment firms like Blackrock are starting to invest more into digital assets, which is a positive sign for retail investors looking to dabble with cryptocurrencies like Bitcoin or Ethereum. Instead of purchasing the cryptocurrency itself, we can now purchase what is called a "spot crypto ETF". This fund will track the price of the cryptocurrency and can be kept in a brokerage account. A spot Ethereum ETF is on its way as well, however this week the SEC further delayed its release. Investors should be looking out for this ETF around early September.

Stock of the Week



Over the past week, Nike Inc.(Nike) saw a significant drop in its stock price, falling from \$94.19 to \$75.37, which is approximately a 20% decrease in price. The stock opened at \$77.13 on June 28, 2024, and hit a low of \$74.55, with a trading volume of 129,690,800 shares, significantly higher than the average volume. The company market cap stands at \$113.76 billion, with a [p/e ratio](#) of 20.22 and a [dividend yield](#) of 1.57%. This decline was caused by the company's announcement of an expected revenue decline for the coming year, leading to the worst single day decline in Nike's history. Lastly, Nike's direct to consumer sale declined 8% from last year but the CEO, John Donahoe, has said that fiscal 2025 will be the transition year for the business.

The Upcoming Week...

Sunday Dump

Week of 7/01/24

Monday

- Manufacturing Prices

Tuesday

- Fed Chair Powell Speaks
- JOLTS Job Openings

Wednesday

- ADP Non-Farm Employment Change
- Unemployment Claims
- ISM Services PMI
- FOMC Meeting Minutes

Thursday

Friday

- Average Hourly Earnings m/m
- Non-Farm Employment Change
- Unemployment Rate

Sat-Sun

- IWAP Seminar



Key Economic Data



Key Stock Events