

Declining Deficit, Cutting Costs, and Pricey Production

December 8th, 2025

- **Declining Deficit** – The U.S. government had a \$284 billion deficit in October 2025. While the October 2025 budget was \$27 billion higher than the October 2024 budget, there were \$105 billion in November 2025 benefits paid in October. Removing these payments, the October 2025 deficit is 29% lower compared to October 2024 (source: [Reuters](#)).
- **Google's Gold Star** – Google posted strong November results, with its share price increasing 13.6% from \$281.82 on October 31, 2025 to \$320.12 on November 28, 2025. This comes after Google struck a multi-billion-dollar AI chip deal with Meta (source: [Google Finance](#)).
- **Cutting Costs** – HP announced plans to cut between 4,000 and 6,000 jobs by fiscal 2028 by leveraging AI tools. HP estimates annual gross savings of \$1 billion. This comes after HP missed its earnings forecast (source: [Bloomberg](#)).
- **Pricey Production** – The Producer Price Index for final demand rose by 0.3% in September 2025, bringing the 12-month average to 2.7%. 60% of the September 2025 increase is attributable to gasoline prices, which rose by 11.8% (source: [U.S. Bureau of Labor Statistics](#)).
- **Tax Talk** – The Dutch Public Prosecutor has fined Morgan Stanley \$117.10 million for dividend tax evasion. According to the Dutch Public Prosecutor, Morgan Stanley improperly claimed tax rebates (source: [Reuters](#)).
- **Bubbling Bitcoin** – Bitcoin posted its second-worst monthly performance of 2025 after declining by 17.28% in November 2025. Similarly, Bitcoin ETFs had \$3.48 billion in outflows in November 2025, which is the second-largest monthly outflow since the ETFs launched in 2024 (source: [Yahoo Finance](#)).
- **Boeing's Bid** – Boeing won a \$2.47 billion contract for 15 U.S. Air Force KC-46A tankers. This comes after Boeing was awarded over \$7 billion in contracts for helicopters and aircraft (source: [Reuters](#)).
- **Got Deals?** – U.S. consumers spent \$11.8 billion on Black Friday, which is a 9.1% increase from 2024. This is in addition to the \$6.4 billion spent on Thanksgiving Day. Mobile shopping contributed to more than half of all sales (source: [CBS News](#)).
- **Bearly Believable** – The Chicago Bears have taken the one-seed spot in the NFC for the first time since 2006 after defeating the Philadelphia Eagles on November 28 (source: [Bears Wire](#)).
- **Hurricane Who?** – No Atlantic hurricanes made landfall in the U.S. during hurricane season for the first time in ten years. The 2025 hurricane season officially ended on November 30, 2025 (source: [CBS News](#)).

Definitions and Indexes

This newsletter is provided for informational purposes only and does not constitute investment advice or a recommendation regarding any specific product or security. Past performance is not indicative of future results. You cannot invest directly in an index. All references to tax or legal matters are provided for informational purposes only. You should consult your legal or tax professional regarding your specific situation. All investing is subject to risk, including possible loss of principal.