

CPI Increases, Semiconductor Superstars, and Large Loans

December 23, 2024

- **Another Increase** – The November 2024 Consumer Price Index increased 0.3%. This follows a 0.2% increase in each of the last four months. The shelter index rose 0.3% in November 2024, while the food index increased 0.4% and the energy index jumped 0.2% (source: U.S. Bureau of Labor Statistics).
- **Semiconductor Superstar** – Broadcom Inc., a semiconductor and infrastructure software manufacturer, released its fourth quarter earnings report for the fiscal year ended November 3, 2024, citing a 51% increase in revenue compared to the prior year's fourth quarter. Similarly, the company announced an 11% dividend increase from the third quarter to \$0.59 per share (source: Broadcom).
- **A Large Loan** – The U.S. Energy Department has finalized a \$9.63 billion loan to Ford Motor and SK, a South Korean battery maker. The funds will go toward building three new battery manufacturing plants in Kentucky and Tennessee (source: Reuters).
- **Out of Options** – The \$25 billion merger between Kroger and Albertsons, two grocery chains, has been officially blocked by both federal and state antitrust regulators on December 11, 2024. Kroger announced it is no longer interested in pursuing the deal following two years of legal challenges, prompting Albertsons to sue Kroger for billions in damages. Kroger representatives call the claim baseless (source: Reuters).
- **Home Sweet Home** – The number of owner-occupied housing units rose by 8.4% from 2019 to 2023 when compared to data from 2014 through 2018. These five-year estimates by the American Community Survey indicate that more people owned homes than rented in 3,070 out of 3,144 counties (source: United States Census Bureau).
- **Finalizing Funding** – Softbank CEO Masayoshi Son announced a \$100 billion investment in the United States over the next four years. The investment will go toward creating 100,000 jobs in the artificial intelligence industry (source: CNBC).
- **Increasing Applications** – In November 2024, the United States Census Bureau reported 448,758 new business formation applications, which is a 5.5% increase from October 2024 (source: United States Census Bureau).
- **Keeping Promises** – T-Mobile, a wireless carrier, announced \$14 billion in share buybacks by 2025, following through on its stated plan to return \$50 billion to investors over the next three years (source: Reuters).

- **Revenue Rally** – Following the House v. NCAA settlement agreement, each Division 1 school can share at least \$20.5 million in revenue with their athletes starting on July 1. This has prompted head coaches to contribute a portion of their salary to kick off the programs. Florida State football head coach Mike Norvell recently contributed \$4.5 million of his \$9.9 million salary, while LSU head coach Biran Kelly announced matching contributions of up to \$1 million (source: Yahoo Sports).
- **Saved by Streaming** – ‘Red One,’ Dwayne Johnson’s latest movie, flops at the box office, only bringing in \$166.9 million worldwide despite a total production budget of over \$200 million. However, it ranked at the top of the charts when released on streaming services between December 13th and 14th (source: Comic Book Resources).

Definitions and Indexes

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