

Fighting Fraud, Escalating Energy, and CFO Turnover

June 3, 2024

- **Toppling Expectations** – Alphabet, Google’s parent company, posted strong Q1 2024 results with \$80.5 billion in revenue, a 15% increase year-over-year. Net income finished out Q1 2024 at \$23.66 billion, exceeding the \$19.1 billion estimate. Similarly, earnings per share ended the quarter at \$1.89, which is \$0.38 above preliminary expectations (source: Yahoo Finance).
- **Taking Over** – Phillips 66, a natural gas and petroleum processor and transporter, announced the acquisition of Pinnacle Midstream, an independent midstream company in Houston, Texas, on May 20, 2024 for \$550 million, aiming to expand its interests to the Midland Basin area (source: Phillips 66).
- **It’s Go Time** – First-time home buyers accounted for 33% of home sales in April 2024, up from 29% in April 2023. In April 2024, total housing inventory was 1.21 million units, up from 1.04 million units in April 2023 (source: National Association of Realtors).
- **Escalating Energy** – The energy index rose 1.1% in April 2024, marking the third consecutive month of increases, followed by 1.1% in March 2024 and 2.3% in February 2024. Within the energy index, gas rose 2.8%, fuel rose 0.9%, electricity decreased 0.1%, and utilities declined 2.9% (source: U.S. Bureau of Labor Statistics).
- **Bad Day for a Breach** – Intercontinental Exchange Inc, a global financial exchange and clearing house operator, was issued a \$10 million penalty on May 22, 2024 for failing to alert the SEC of a cyber intrusion in April 2021 (source: Reuters).
- **Funding the Future** – Global venture capital funding ended April 2024 at \$22 billion. Series C funding represented 49% of April 2024 funding, while early-stage companies raised \$9 billion. Additionally, \$5.7 billion of the total \$22 billion in April 2024 funding went to biotech and healthcare companies (source: Crunchbase).
- **Fighting Fraud** – On April 22, 2024, the trial for the Feeding Our Future fraud scheme commenced. Feeding Our Future was a government-sponsored program aimed at providing ready-to-eat meals to local children across the nation. Federal prosecutors found that reported meals were overstated by thousands, resulting in an estimated \$250 million in fraudulent funds paid out (source: Sahan Journal).
- **Head Honcho** – Global public company CFO turnover continues to climb, with 82 new finance chiefs appointed in Q1 2024. This is up from 72 in Q1 2023 and 66 in Q1 2022 (source: CFO)

- **Nature's Knocking** – January 2024 had three major weather events: a southern and central winter storm, a northwest winter storm, and a southern tornado outbreak. The total CPI-adjusted cost was \$5,188.40 billion, the largest January total to date (source: National Centers for Environmental Information).
- **Setting Scores** – Xander Schauffele recorded the lowest 72-hole score to par and the lowest 72-hole scoring total at 263 in a major golf championship. Schauffele is the ninth straight American to win the PGA Championship (source: ESPN).

Definitions and Indexes

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