

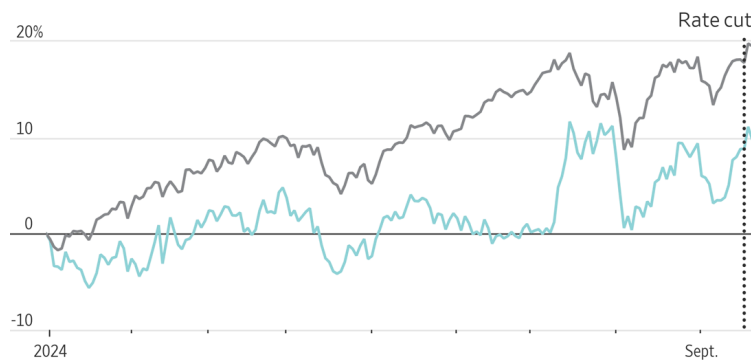
September 23 - 27, 2024

Final Q2 GDP revisions confirm 3% growth, with durable goods and jobs data showing no sharp decline

- The S&P 500 is up 0.63%, the Nasdaq is up 1.06%, and the Dow Industrials is up 0.51% WTD
- The 10-Yr U.S. Treasury yield has increased +0.079% to a current yield of 3.79%, whereas the 30-Yr U.S. Treasury yield decreased +0.076% to a current yield of 4.123%
- Crude oil prices decreased 5.21% to a current \$67.34/bbl while bitcoin decreased 2.06% to a current \$64,940.90/coin
- The Federal Reserve's rate cut typically boosts stocks and bonds, but its impact depends on avoiding a recession, affecting Treasury yields, corporate borrowing, and the U.S. dollar [[WSJ](#)]

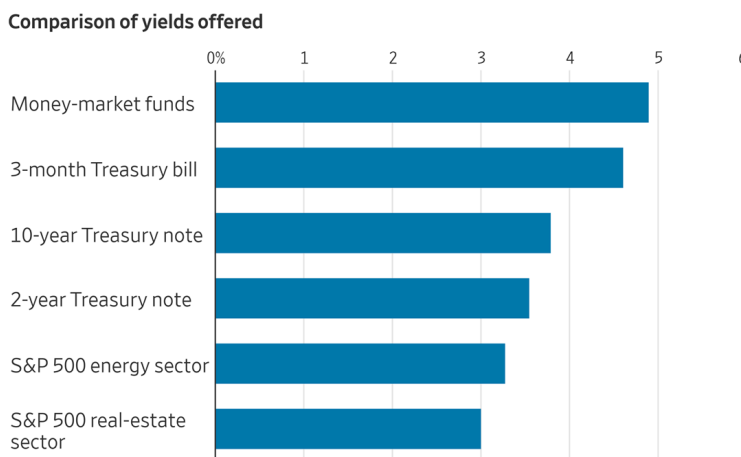
Index performance, year to date

■ S&P 500 ■ Russell 2000



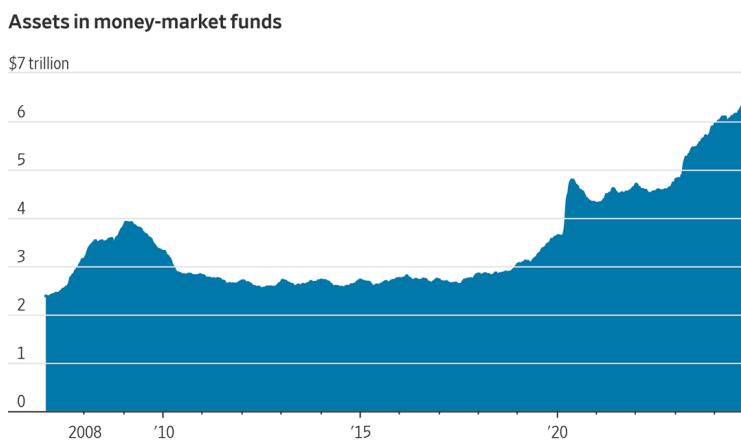
Source: FactSet

- Investors have moved \$126 billion into money-market funds, favoring high yields over stocks amid economic concerns and elevated valuations [WSJ]



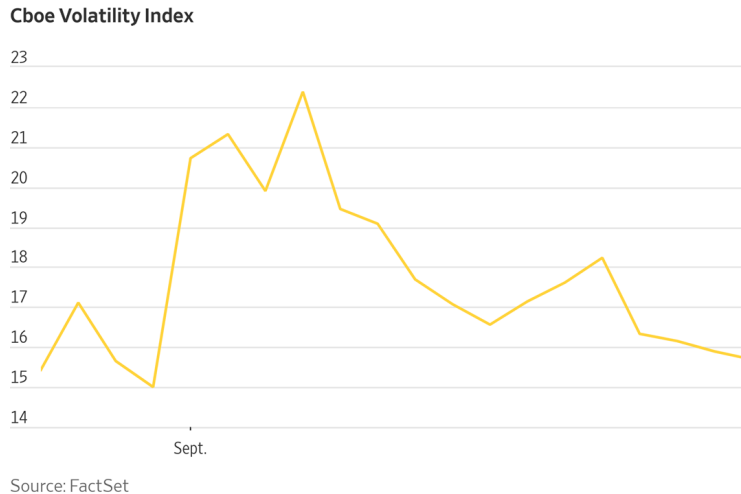
Source: FactSet, Tullett Prebon, Crane Data

- With falling interest rates boosting bond values, Wall Street is recommending bonds again, offering options like Treasuries or bond ladders to secure income and manage risk [WSJ]



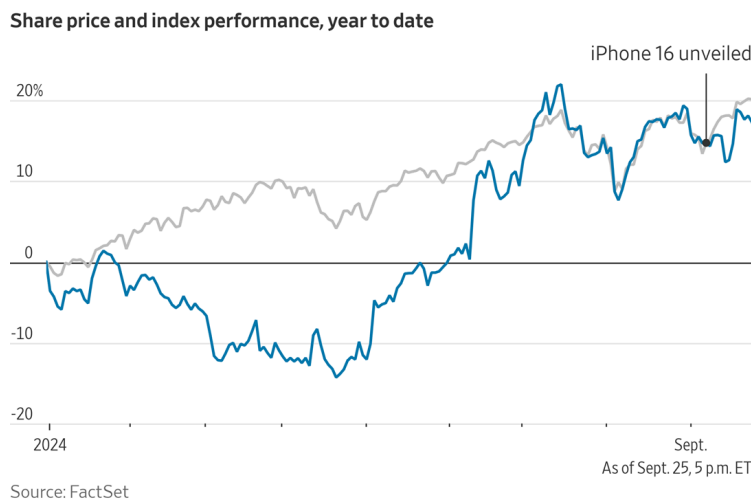
Note: Weekly data, as of Sept. 18
Source: Investment Company Institute

- Optimism is surging across markets as stocks hit new highs, bond yields fall, and volatility declines, with investors growing increasingly confident in continued economic growth and stock performance [WSJ]



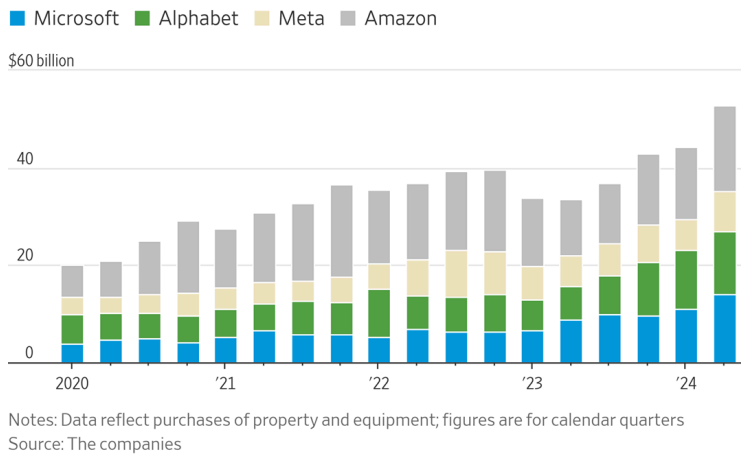
Tech giants face challenges meeting climate goals, analysts express concerns over iPhone 16 sales, and Robinhood customers encounter hidden options trading costs

- Tech giants' AI data centers are straining their climate pledges, driving partnerships with utilities to develop clean-energy solutions like geothermal and nuclear power [[WSJ](#)]



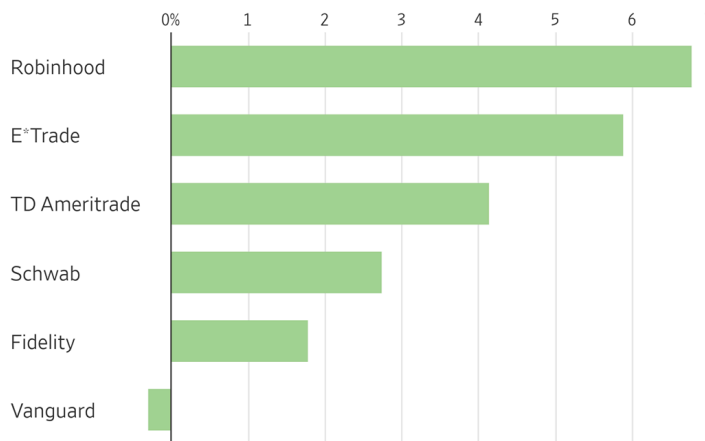
- Analysts are expressing concerns about weak iPhone 16 sales due to shorter wait times and disappointing innovation, though Apple could see demand improve with the launch of its Apple Intelligence tool next month [[WSJ](#)]

Quarterly capital spending for big tech companies

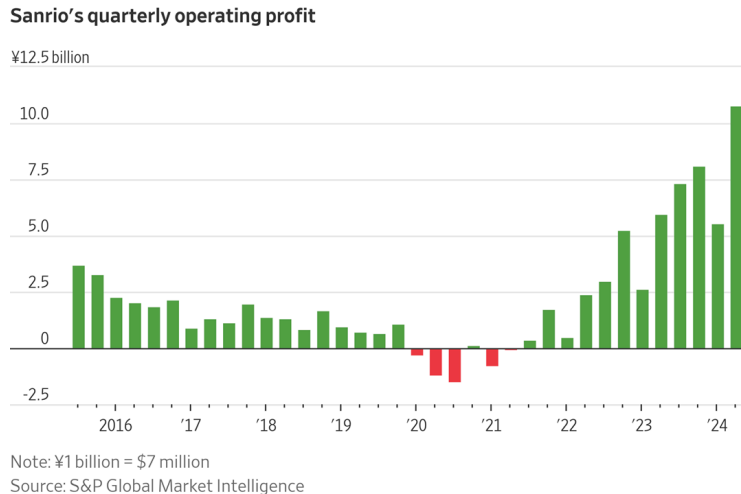


- A study found that Robinhood's options trading customers face significantly higher hidden transaction costs compared to other brokers, despite low advertised fees, prompting concerns about transparency in options trading [WSJ]

Average hidden cost of options trades as a percentage of dollar value



- Sanrio's stock has surged to record highs as CEO Tomokuni Tsuji drives profits through global expansion, digital marketing, e-commerce, and a diversified character portfolio beyond Hello Kitty [WSJ]



M&A activity continues to remain mixed although developments within energy and healthcare prove to be encouraging

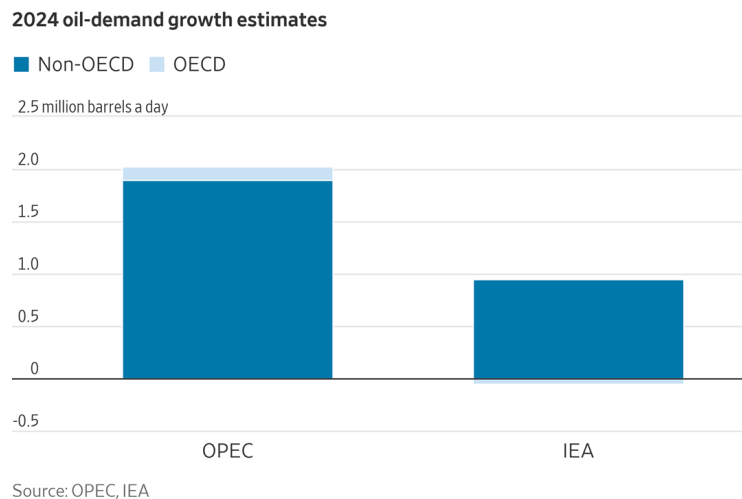
- UK property listing firm Rightmove rejected an improved \$8.1B takeover offer from Australian peer REA Group [RT]
- PE firm EQT is considering selling part of its 49% stake in hearing aid maker WS Audiology at a ~\$7.8B valuation [BBC]
- Canadian payments platform Lightspeed Commerce is exploring a sale; the company currently has a ~\$2.4B market cap [RT]
- Owners co-led by China's Ninestar Corp. and PE firm PAG are considering a \$2B sale of laser printer maker Lexmark International [BBC]
- Validus Energy agreed to buy rival Citizen Energy for over \$2B, including debt [RT]
- PE firm TPG will acquire a minority stake in wealth manager Homrich Berg at a ~\$1B valuation [RT]
- Visa agreed to acquire AI payments protection firm Featurespace for ~\$935M [RT]
- Korean PE firm MBK Partners raised its offer for Korea Zinc to \$1.7B [WSJ]

- PE firms CD&R and PAI Partners made binding bids for Sanofi's \$16.7B consumer health division [BBC]
- Blackstone and Vista Equity Partners agreed to take private collaboration software provider Smartsheet for ~\$8.4B [BBC]
- Octopus Energy Generation acquired clean energy storage developer Exagen [RT]
- Diamondback Energy and Kinetik acquired a combined 30% stake in Epic Midstream unit Epic Crude [BBC]

Recent developments across four key industries highlight Meta's shift to AI, 2024 oil demand forecasts, and the Federal Reserve's rate cuts economic impact

Energy & Natural Resources

- OPEC and the IEA have a significant disagreement over 2024 oil demand, with OPEC predicting an additional 2 million barrels per day, while the IEA forecasts just 900,000 barrels [WSJ]

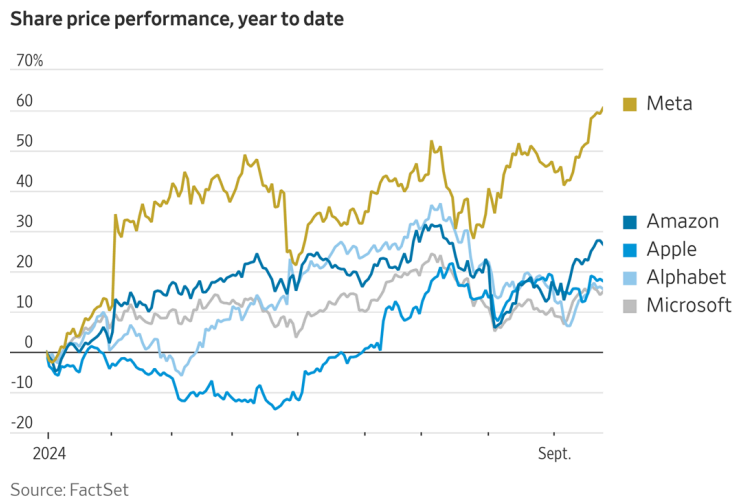


- GE Vernova CEO Scott Strazik anticipates significant growth in nuclear power, with gigawatts of capacity being added annually starting in the 2030s as newer reactor technologies are validated this decade [WSJ]

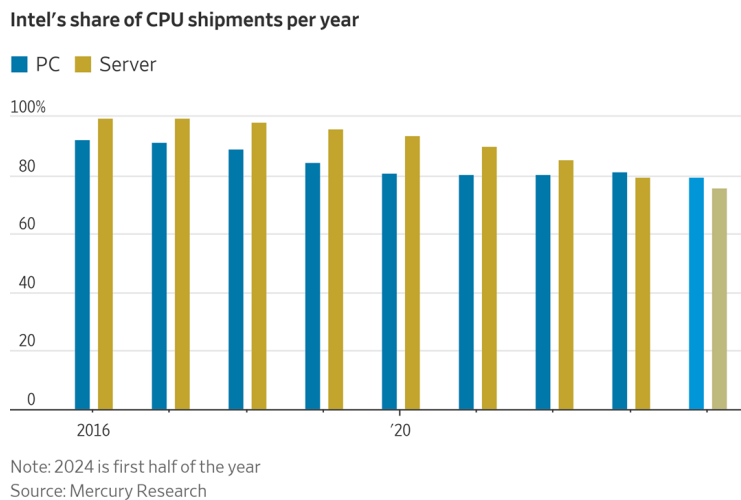
- Antitrust enforcers will block Hess CEO John Hess from joining Chevron's board as a condition for approving their \$53 billion merger, while Chevron faces an arbitration case over Hess's Guyana oil interests [WSJ]

Technology, Media, & Telecommunications

- Mark Zuckerberg has shifted Meta's focus from the metaverse to AI, boosting stock performance with new AI features and hardware despite losses in its VR division [WSJ]



- Intel's stock crash has attracted takeover interest from Qualcomm and a \$5 billion equity stake offer from Apollo, but a full acquisition faces major challenges due to Intel's restructuring [WSJ]



Healthcare & Life Sciences

- Cassava Sciences agreed to pay \$40 million to settle SEC claims that it misled investors with manipulated clinical trial data for its Alzheimer's drug Simufilam, while former executives and a researcher involved also faced fines and penalties [WSJ]
- Pfizer is voluntarily withdrawing its sickle-cell drug Oxbryta, acquired in a \$5.4 billion deal, after clinical data indicated the drug's risks now outweigh its benefits, though the company doesn't expect this to impact its full-year guidance [WSJ]

Financial Services

- Investors have shifted \$126 billion into money-market funds following the Fed's interest-rate cut, attracted by high yields, while concerns over the economy and elevated stock valuations make defensive assets like cash appealing [WSJ]
- The Federal Reserve's interest-rate cuts may have limited impact on boosting the economy, as many firms and households are hesitant to borrow due to still-high average borrowing costs despite falling marginal rates [WSJ]