

## Lingering Layoffs, Starbucks Stock, and Unemployment

September 23, 2024

- **Leveling Out** – The August 2024 Consumer Price Index increased 0.2%, bringing the total increase over the last 12 months to 2.5%. The shelter index rose by 0.5%, the food index increased by 0.1% and the energy index decreased by 0.8% (source: U.S. Bureau of Labor Statistics).
- **One Notch Down** – The August 2024 unemployment rate was 4.2%, down from 4.3% in July 2024. The number of unemployed people in August 2024 was 7.1 million, up from 6.3 million in August 2023. Additionally, teenagers were the highest unemployed group in August 2024 at 14.1% (source: U.S. Bureau of Labor Statistics).
- **Climbing Back** – August 2024 was a great month for Starbucks, with the stock price ending at \$94.57, a \$16.62 jump from the \$77.95 July 31, 2024 closing price. Between Monday, August 12<sup>th</sup> and Tuesday, August 13<sup>th</sup>, the price jumped nearly 20% from \$77.03 to \$95.90 following the replacement of its CEO with Brian Niccol (source: Google Finance).
- **Lingering Layoffs** – Samsung Electronics, a global electronics manufacturer, announced plans to cut up to 30% of overseas staff in sales, marketing, and administrative roles to improve efficiency and lower costs (source: Yahoo Finance).
- **House Hunting Time** – The number of homes actively for sale has grown by 35.8% in August 2024 since August 2023, reaching the highest levels since May 2020. Even with inventory improvements, the number of available homes in August is still down 26.4% compared to 2017 to 2019 levels (source: Realtor).
- **A Strong Strike** – Nearly 33,000 of Boeing’s workers are still on strike, rejecting a 25% wage increase over the next four years at the removal of performance bonuses. (source: Reuters).
- **Fading Pharma** – Walgreens Boots Alliance, a retail pharmacy chain, continues to face turbulent times, with its stock ending August 2024 at \$9.25. This represents a 65% decline from January 2024’s stock price of \$26.65 (source: Google Finance).
- **Done Deal** – Disney and DirecTV have finally reached an agreement to end the two-week blackout, which left more than 11 million customers without access to the U.S. Open, opening football games, and popular channels like ESPN (source: CNBC).
- **Check Please** – Dak Prescott, the quarterback for the Dallas Cowboys, just signed a record \$240 million contract extension through the 2028 season, making Prescott the highest-paid player in NFL history (source: ESPN).

- **Election Endorsements** – Taylor Swift, a pop singer with 284 million Instagram followers, officially endorsed Democratic nominee Kamala Harris. A poll conducted by YouGov found that 8% of voters are “somewhat” or “much more likely” to now cast their vote for Harris, while another 20% said they are “somewhat” or “much less likely” to vote for Republican Donald Trump (source: NY Post).

### Definitions and Indexes

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