



WEEKLY ECONOMIC UPDATE JUNE 24, 2024

Stocks edged higher over the four trading days last week, with the three major averages taking turns leading based on various economic and artificial intelligence (AI) news.

The Dow Jones Industrial Average rose 1.45 percent—its best week since May—while the Standard & Poor’s 500 Index gained 0.61 percent. The Nasdaq Composite, which has led all year, ended flat. The MSCI EAFE Index, tracking developed overseas stock markets, rose 0.94 percent for the week through Thursday’s close.¹

Mixed Economic News

All three averages began the week with gains, including new highs for the S&P 500. However, stocks posted only modest gains on Tuesday as mixed economic data came in. Retail sales rose 0.1 percent—less than expected, although better than in April when sales fell.^{2,3,4}

Markets were closed for the Juneteenth holiday on Wednesday. As the week ended, it was the Dow’s turn to lead as sentiment shifted on mega-cap tech names as investors again questioned the sustainability of AI market drivers. Home prices hit a new high in May—this, paired with high mortgage rates, caused existing home sales to fall for the third consecutive month.^{4,5}

MARKET INSIGHTS



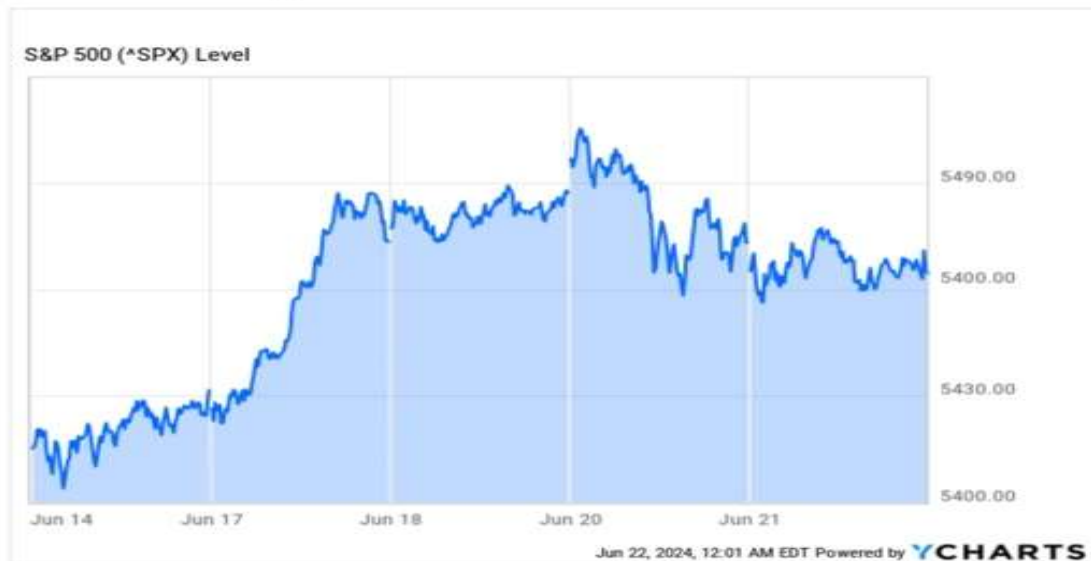
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Weekly Market Insights (WMI)

Major Index Return Summary

Name	1M TR	YTD TR	1Y TR	5Yr TR
<u>Dow Jones Industrial Average</u>	-1.47%	4.83%	17.28%	62.58%
<u>MSCI EAFE</u>	-2.18%	6.30%	12.28%	41.27%
<u>Nasdaq Composite</u>	5.59%	18.48%	30.67%	129.4%
<u>S&P 500</u>	3.24%	15.53%	26.61%	101.2%

S&P 500 Daily Close



10-Year Note Review

Indicator Name Date	Latest Value	1M Ago 3M Ago 1Y Ago	1M Change 3M Change 1Y Change
<u>10 Year Treasury Rate</u> 06/20/24	4.25%	4.44% 4.27% 3.74%	-4.28% ▼ -0.47% ▼ 13.64% ▲

A Notable AI Driver

Some investors and market analysts are examining the underlying long-term drivers of AI more closely, given its outsized impact on market averages like the S&P 500 and Nasdaq.

One such underlying driver is “DRAM”: Dynamic Random Access Memory, the AI-turbocharged version of a RAM semiconductor, more commonly referred to as “memory chips.” Companies making DRAM chips are an essential part of the AI ecosystem. Expect attention to shift to prominent DRAM players as they report earnings in Q2.⁶

This Week: Key Economic Data

Tuesday: Consumer Confidence. Case-Shiller Home Price Index.

Wednesday: New Home Sales.

Thursday: Gross Domestic Product. Jobless Claims. Durable Goods Orders. International Trade in Goods.

Friday: Personal Income and Outlays. Consumer Sentiment.

Quote of the Week



“The essential act of war is destruction, not necessarily of human lives, but of the products of human labour. War is a way of shattering to pieces, or pouring into the stratosphere, or sinking in the depths of the sea, materials which might

otherwise be used to make the masses too comfortable, and hence, in the long run, too intelligent.”

– George Orwell



Here are two interesting articles about Bitcoin worthy of review:

The Top 10 Bitcoin Misconceptions Debunked:

<https://internationalman.com/articles/the-top-10-bitcoin-misconceptions-debunked/>

What Happened to Bitcoin?:

<https://brownstone.org/articles/what-happened-to-bitcoin/>

Your thoughts?

Footnotes And Sources

1. The Wall Street Journal, June 21, 2024
2. CNBC.com, June 17, 2024
3. The Wall Street Journal, June 20, 2024
4. MarketWatch.com, June 18, 2024
5. The Wall Street Journal, June 21, 2024

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