

## Nick Lampone

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**From:** Nick Lampone  
**Sent:** Wednesday, September 2, 2020 8:00 AM  
**Subject:** Morning CORE  
**Attachments:** Core logo.png

**US Futures-World Markets:** US equity markets refuse to retreat with S&P futures racking up gains ahead of today's open. Treasury Secretary Mnuchin said he is ready to sit down with Democratic leaders to resume negotiations. This expectation of fiscal stimulus has investors in full FOMO. Mega-cap tech and the Nasdaq led the way again. What causes a risk-off event? I have no clue. The Nasdaq is +33%YTD and just had its 41<sup>st</sup> record close of the year. Zoom is +572% YTD. Apple may never downtick again. It is +82%YTD. DocuSign is +262%YTD. Some insane moves. Even the Russell 2000 is +5.4%YTD. AMC is up another 12% pre-market as movie theaters reopen. S&P Futures vs. Fair Value: +25.40, 10-Yr Yield: 0.684%.

### CORE Headlines:

- White House will use CDC's authority to suspend evictions through the end of the year.-CNBC
- House Speaker Pelosi issued a statement that stressed there were serious differences between the 2 sides in understanding the gravity of Covi-19 relief situation-TTN
- After demand for gasoline surged from mid-April to late June, lingering caution among drivers and delayed office and school reopening plans are hindering the recovery in energy markets” and challenging the economy.-WSJ
- Democratic senator of Massachusetts Ed Markey defeated representative Joe Kennedy III in a primary, a victory for the progressive groups and politicians—including New York representative Alexandria Ocasio-Cortez—who supported him.-WSJ
- Democratic senators are discussing rule changes that would curtail the power of the minority party to block legislation but stop short of completely killing off the filibuster amid hopes they will regain control of the chamber.-WSJ (sounds like Dems are confident they will win)
- China's Ant Group plans to raise more funds on Shanghai's Nasdaq-style market than in Hong Kong as part of its up to \$30 billion dual listing, people with direct knowledge of the matter said, in a major endorsement of the year-old mainland exchange.-Reuters
- A new streaming service called **VUit**, featuring more than 200 TV stations, recently launched, part of an effort by local-TV companies to make their content more broadly available and generate additional advertising revenue.-WSJ
- **AMZN:** The company's Whole Food grocery chain is officially opening its first permanent online-only store, located in Brooklyn, to fulfill orders for grocery delivery, and like other such “dark stores,” it will not be open to the public.-USA
- A new survey from the Manhattan Institute found that residents of NYC's five boroughs are evenly split on the city's trajectory—with 46% saying it's heading the right way, while 42% say it's declining, with the economy and crime top concerns.-NYP
- TSLA chief executive Elon Musk bypassed FB chief Mark Zuckerberg to become the world's third-richest man, trailing only AMZN's Jeff Bezos and MSFT founder Bill Gates, with a net worth of \$110.8B.
- More than one million mail-in ballots were sent late to voters during the 2020 primary elections, an internal Postal Service audit found, underscoring deep concerns about whether the agency has the ability to process a major increase in mail-in votes for the November election.-NYT
- New York City mayor Bill de Blasio reached a deal with unions representing teachers and principals, clearing the path for NYC to become the only major school district in America to have children return to classrooms this fall.-NYT

- Top scientists in the US continue to disagree about the merits of using plasma from convalescing coronavirus patients to treat the disease, even after a panel of experts convened by the National Institutes of Health said there was insufficient evidence to support its use.-FT
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**Interesting Reads/Charts:**

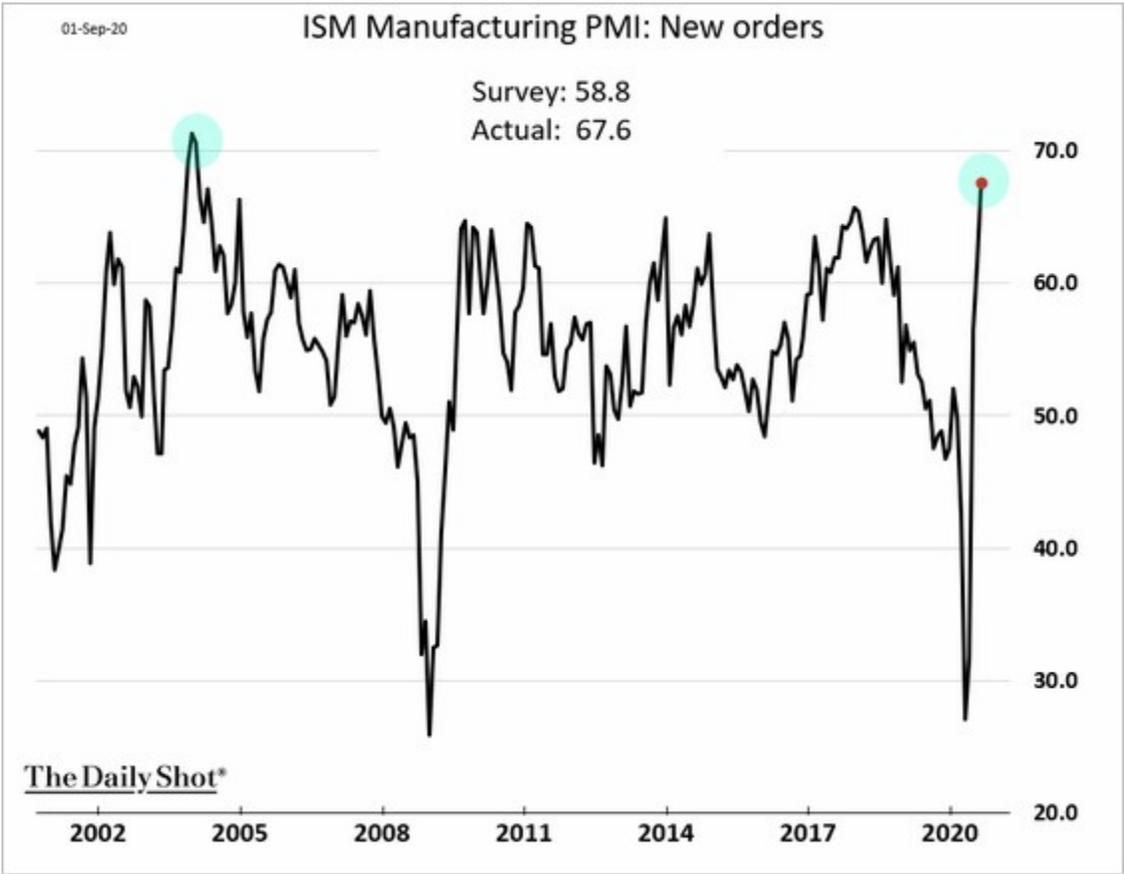
- The Verge: Amazon delivery drones are coming. Only a matter of time <https://bit.ly/32DYI3W>
- Brookings Op-Ed: Want herd immunity? Pay people to take the vaccine <https://brook.gs/3bimCpW>
- Amazon book review of “Who Gets In and Why: A Year Inside College Admissions”... Looks good <https://amzn.to/2EZ0Jj1>
- Ohio guy built a bar for squirrels <https://cnn.it/2ECZx5g> Here is YouTube <https://bit.ly/34SwF3v> 5:36 mark has the squirrel. My favorite part is the restroom (Nuts...No Nuts)

**Charts from The Daily Shot:**

The ISM manufacturing report surprised to the upside as the nation’s factory activity accelerated last month (PMI > 50 = expansion).



- Manufacturing orders are growing at the fastest pace since 2004.



some updates on the labor markets.

- Permanent layoffs have been relatively low.

## Permanent Layoffs Remain in Check...

Unemployed by type of layoff, mil

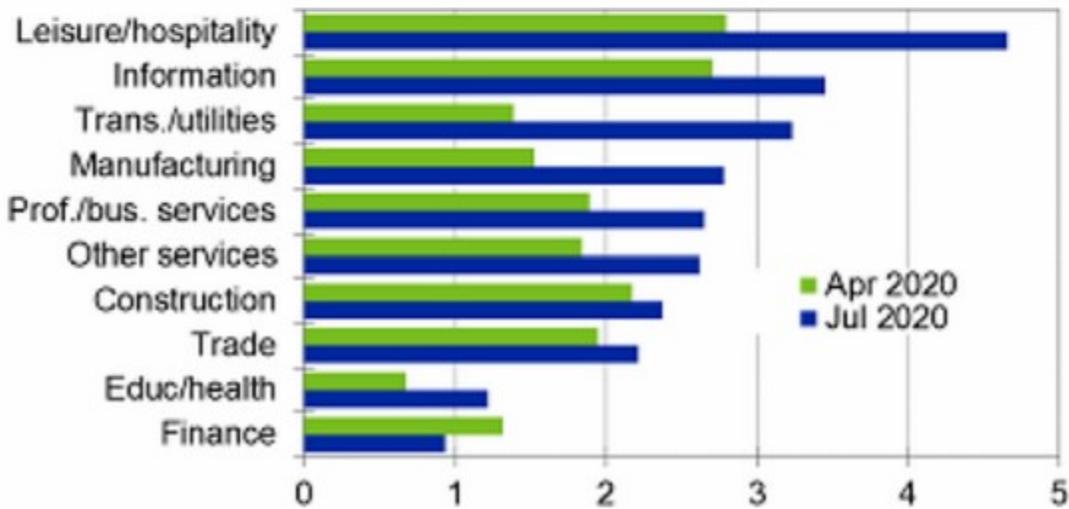
Posted on  
TheDailyShot.com  
02-Sep-2020



Sources: BLS, Moody's Analytics

## ...But Impact Varies by Industry

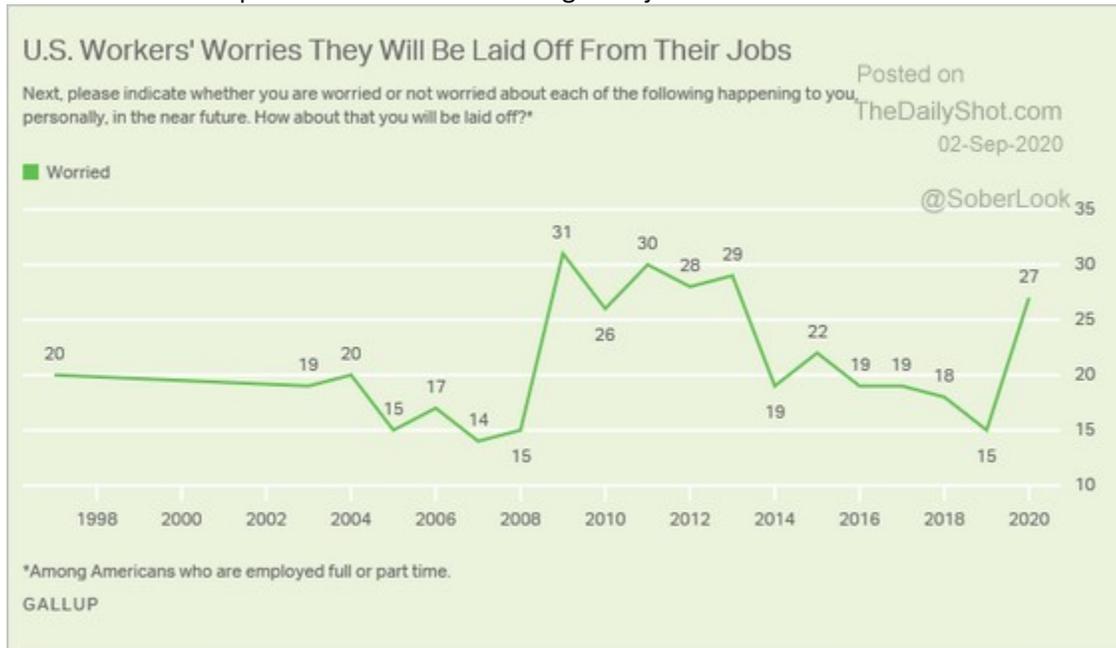
Permanent job loss, share of Feb employment, %



Sources: BLS, Moody's Analytics

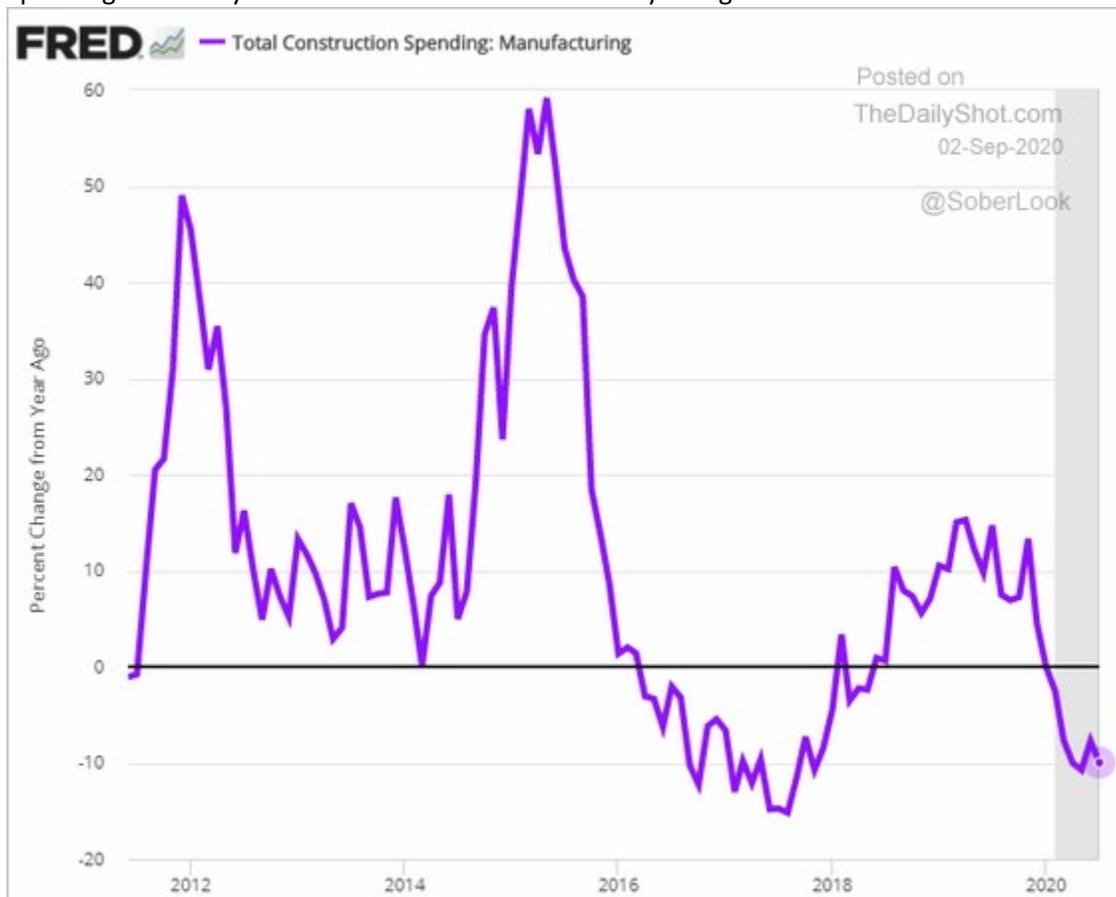
Source: [Moody's Analytics](#)

But Americans are quite concerned about losing their job.

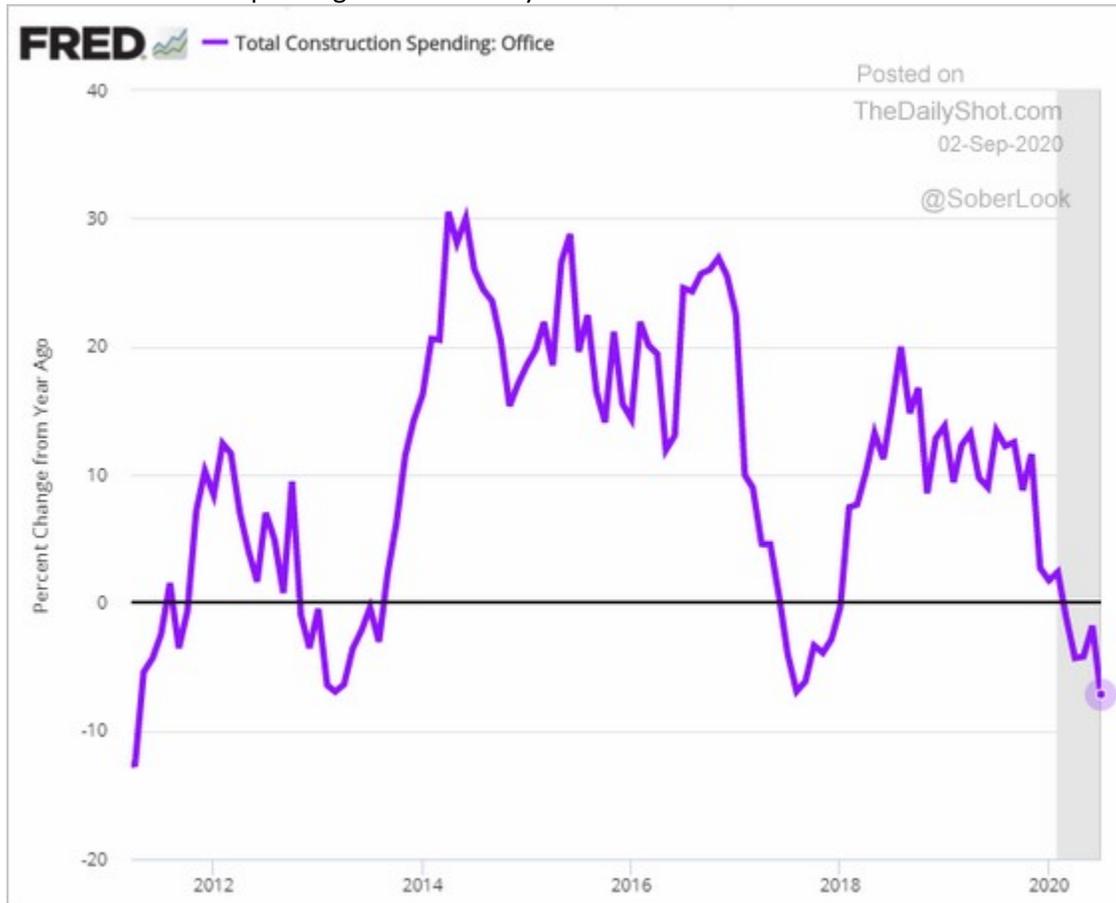


Source: Gallup [Read full article](#)

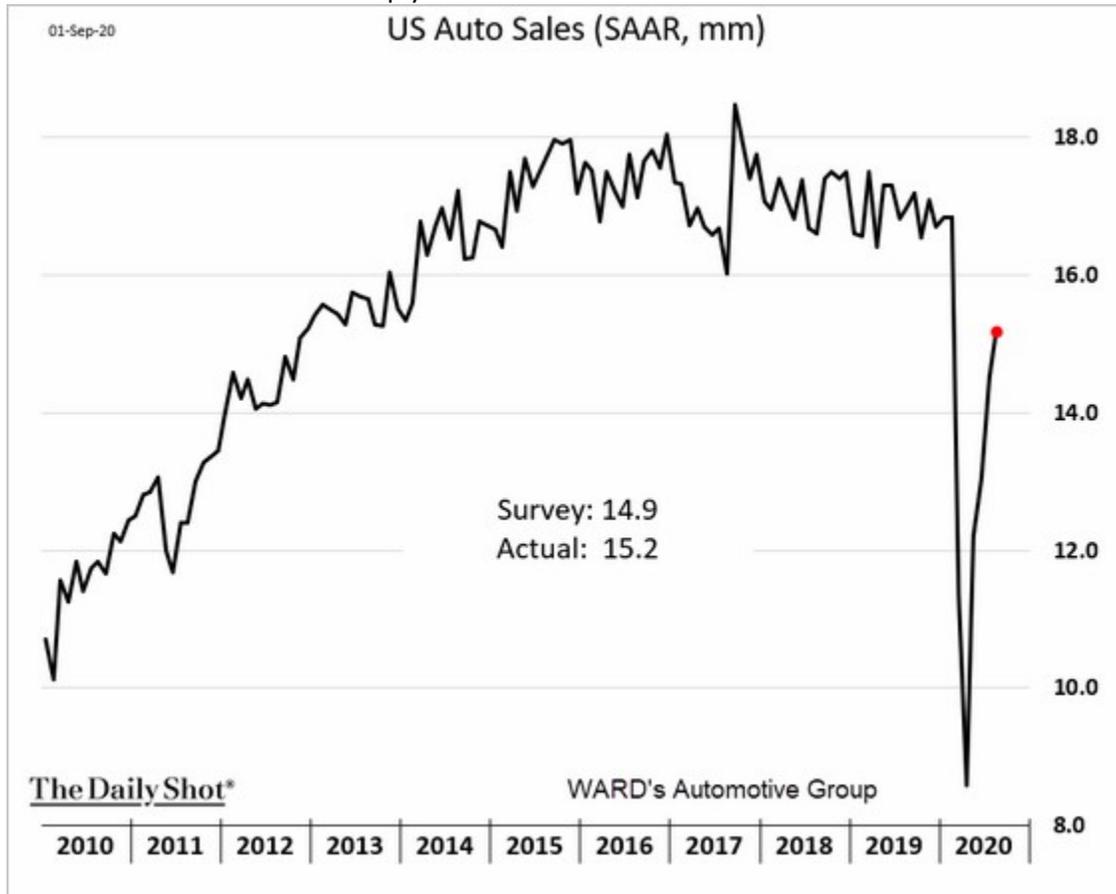
Spending on factory construction is down 10% from a year ago.



Office construction spending has declined by most since 2011.



Auto sales have rebounded sharply.



US imports from China are picking up, boosting freight rates.

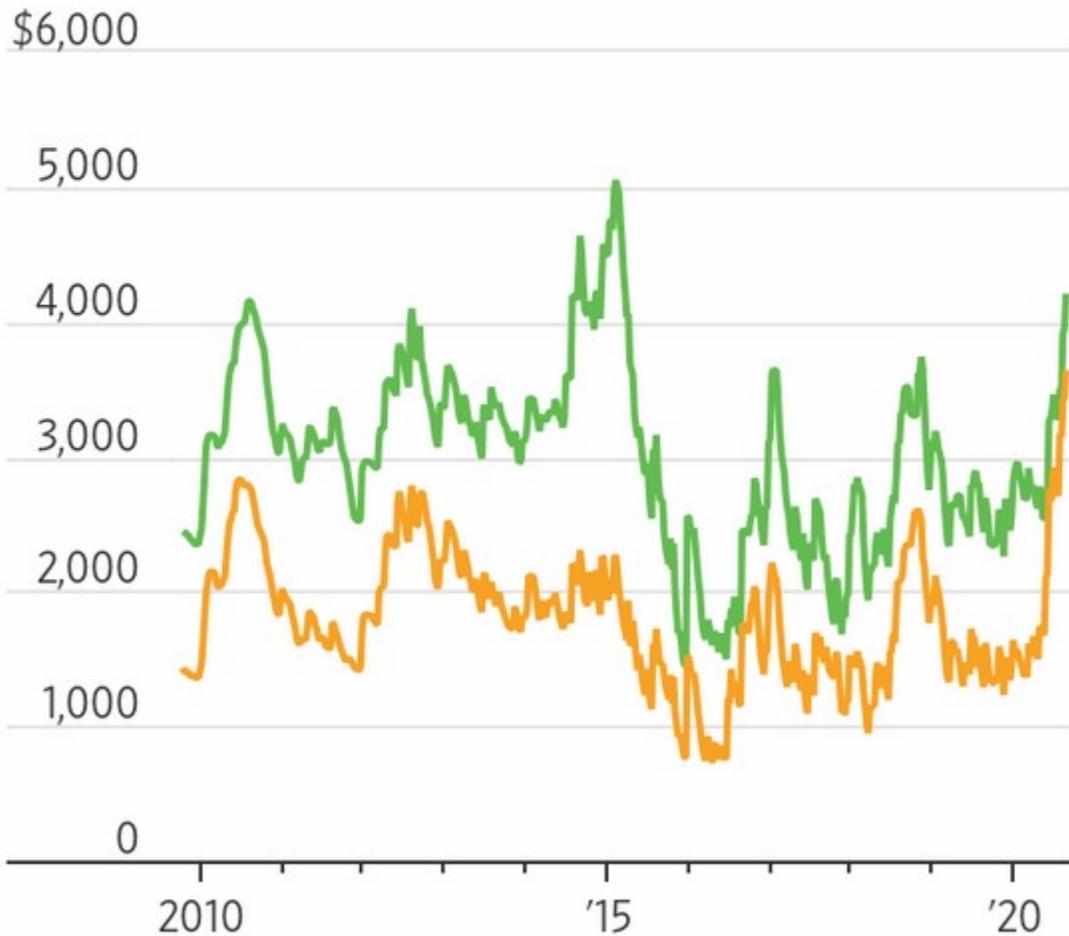
## Coming to America

Weekly freight rates from Shanghai to the U.S per 40-foot container

Posted on  
FreightWise.com  
02-Sep-2020

@SoberLook

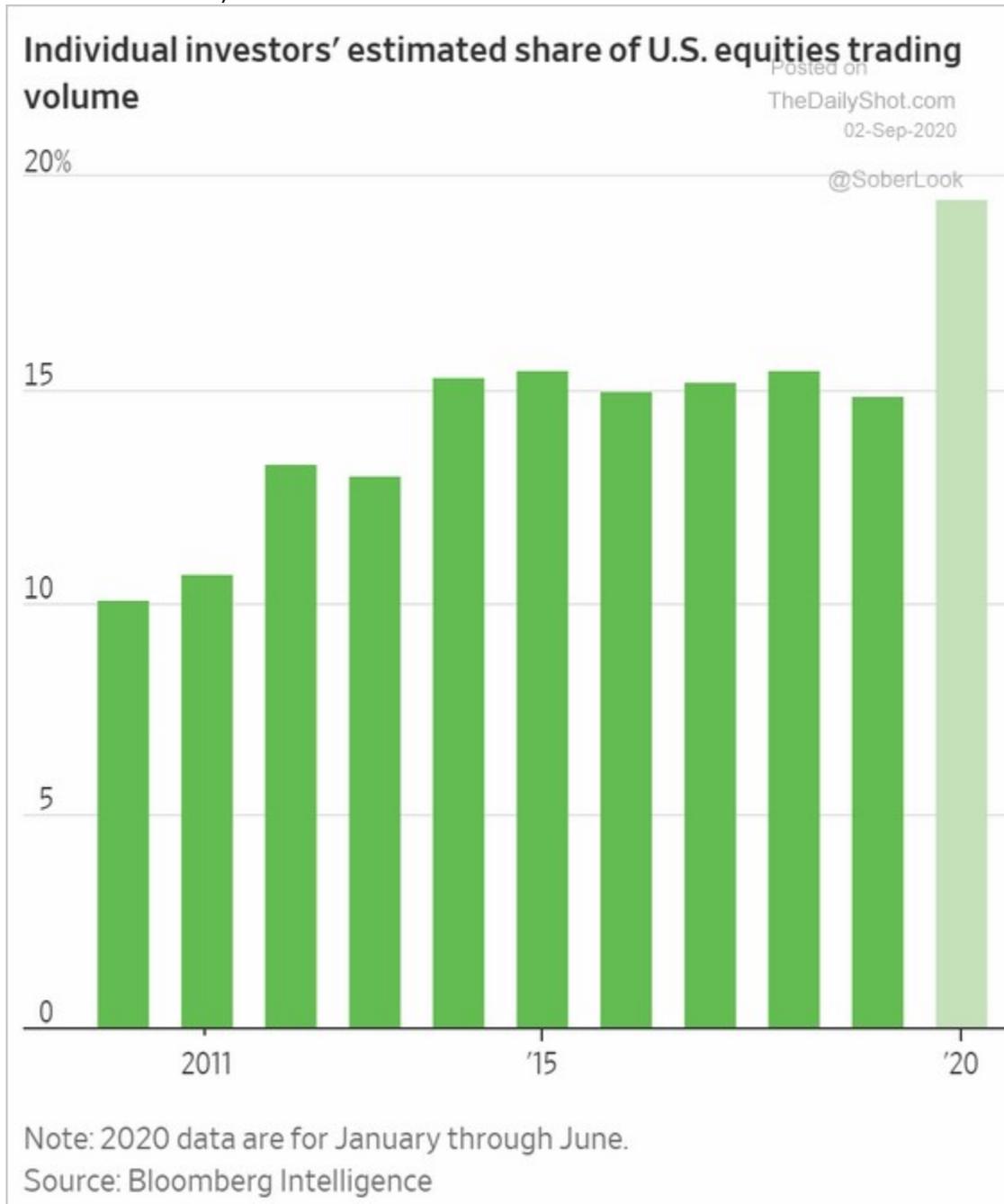
■ West Coast ■ East Coast



Source: Shanghai Shipping Exchange

Source: @WSJ [Read full article](#)

Individual investors have become more influential. (My 23 year old barber was asking for stock tips to trade on his Robinhood account.)



Source: @WSJ [Read full article](#)

pushing their favorite stocks to new highs.



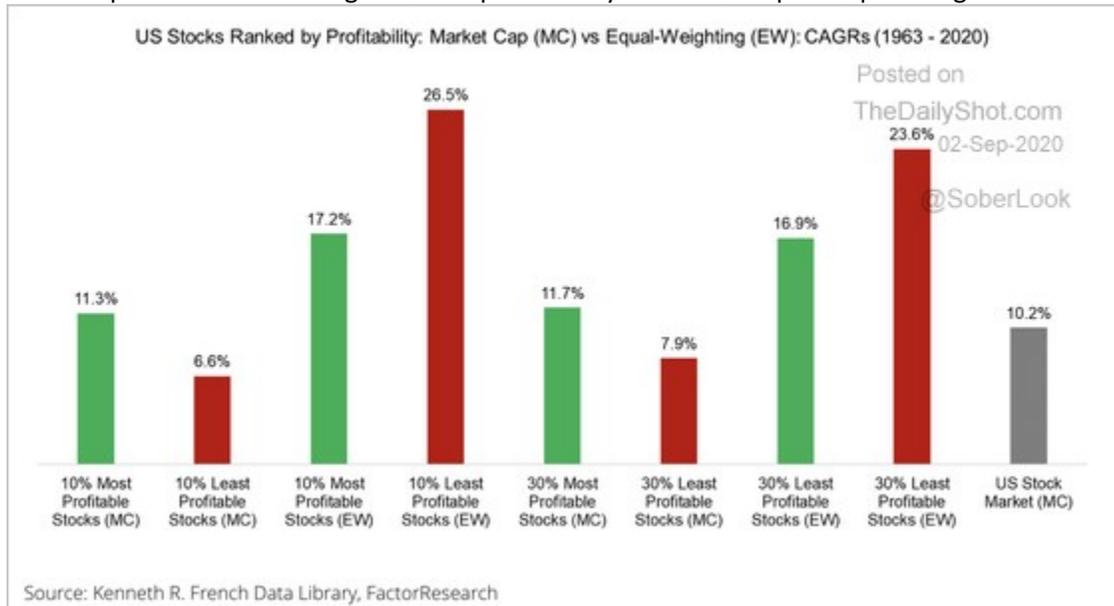
The least profitable US stocks have significantly outperformed the most profitable companies when weighted equally.



Source: Kenneth R. French Data Library, FactorResearch

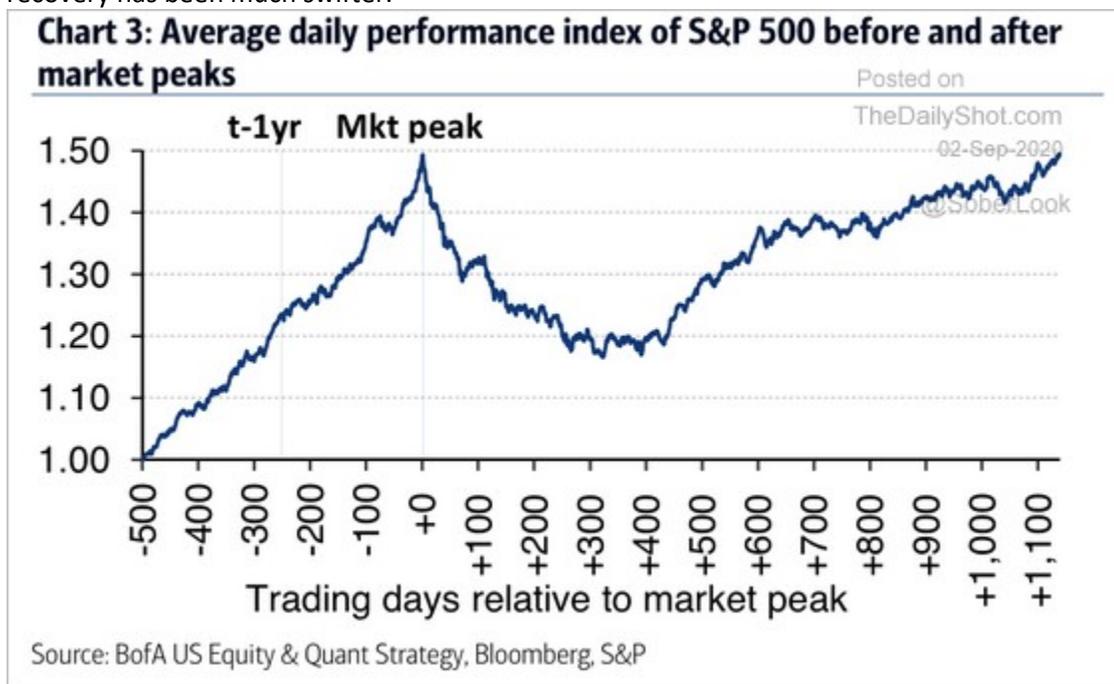
Source: [FactorResearch](https://www.factorresearch.com/)

Here's a performance ranking based on profitability of market-cap vs. equal-weighted.



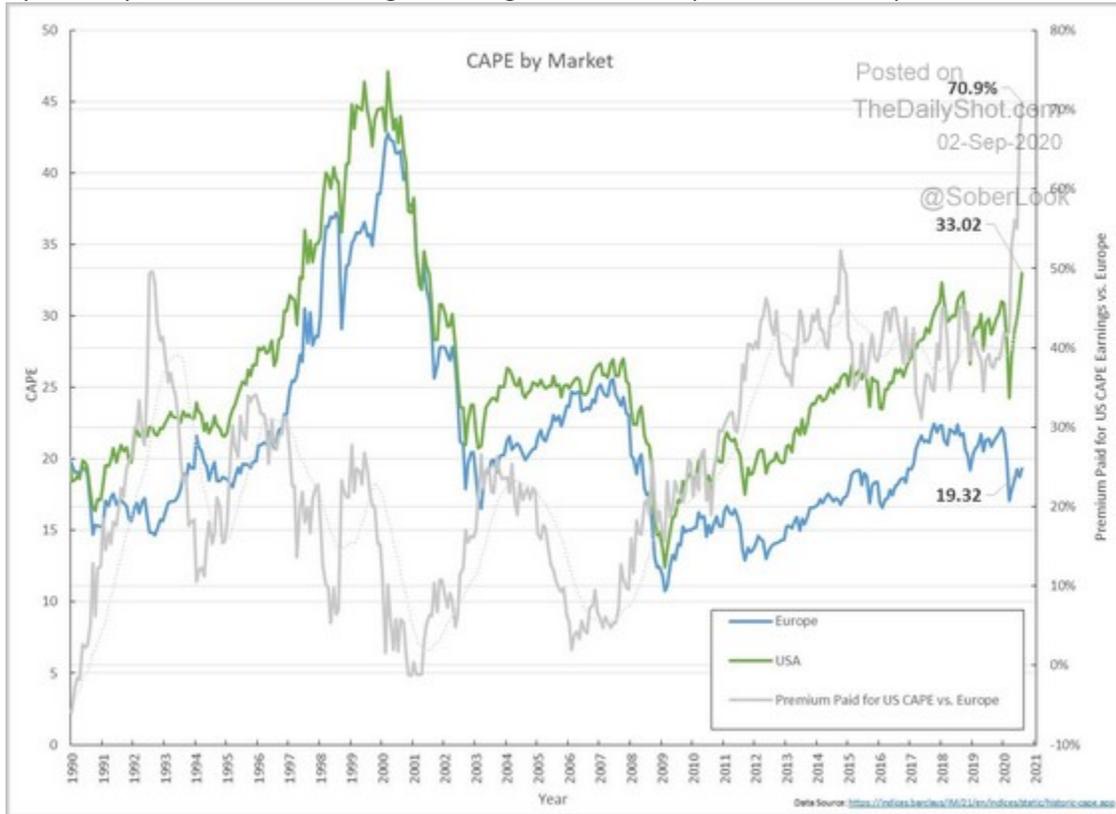
Source: [FactorResearch](#)

Recovering bear market losses have historically required remaining invested for about 1,100 trading days. This year's recovery has been much swifter.



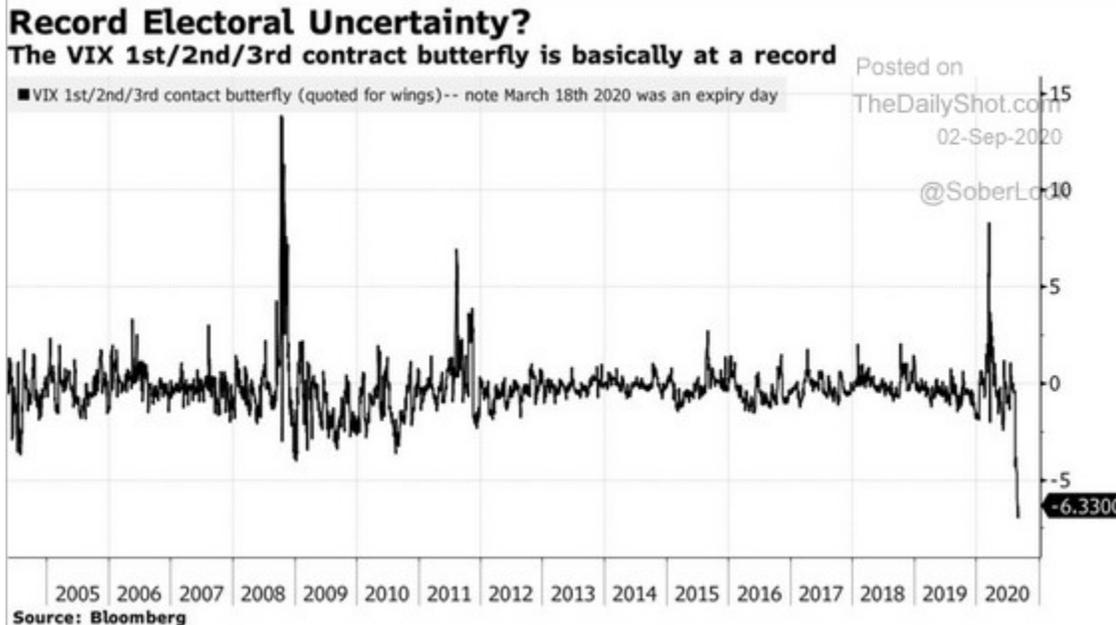
Source: [BofA Securities](#)

By the way, US stocks are trading at the highest valuation premium to European stocks since the 90s.



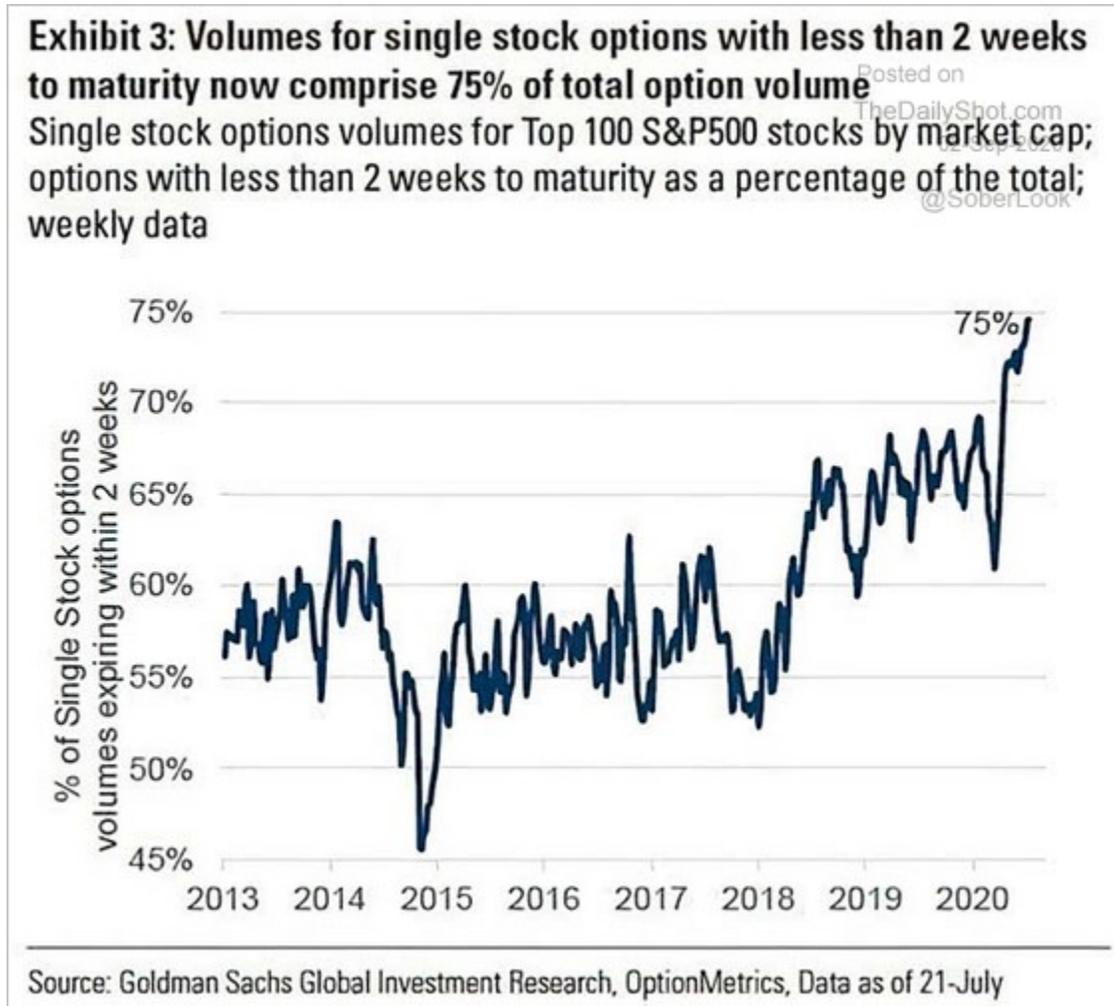
Source: [Mitch Bollinger](#)

The volatility market is pricing in substantial election risks. (A contested election is biggest fear.)



Source: @markets [Read full article](#)

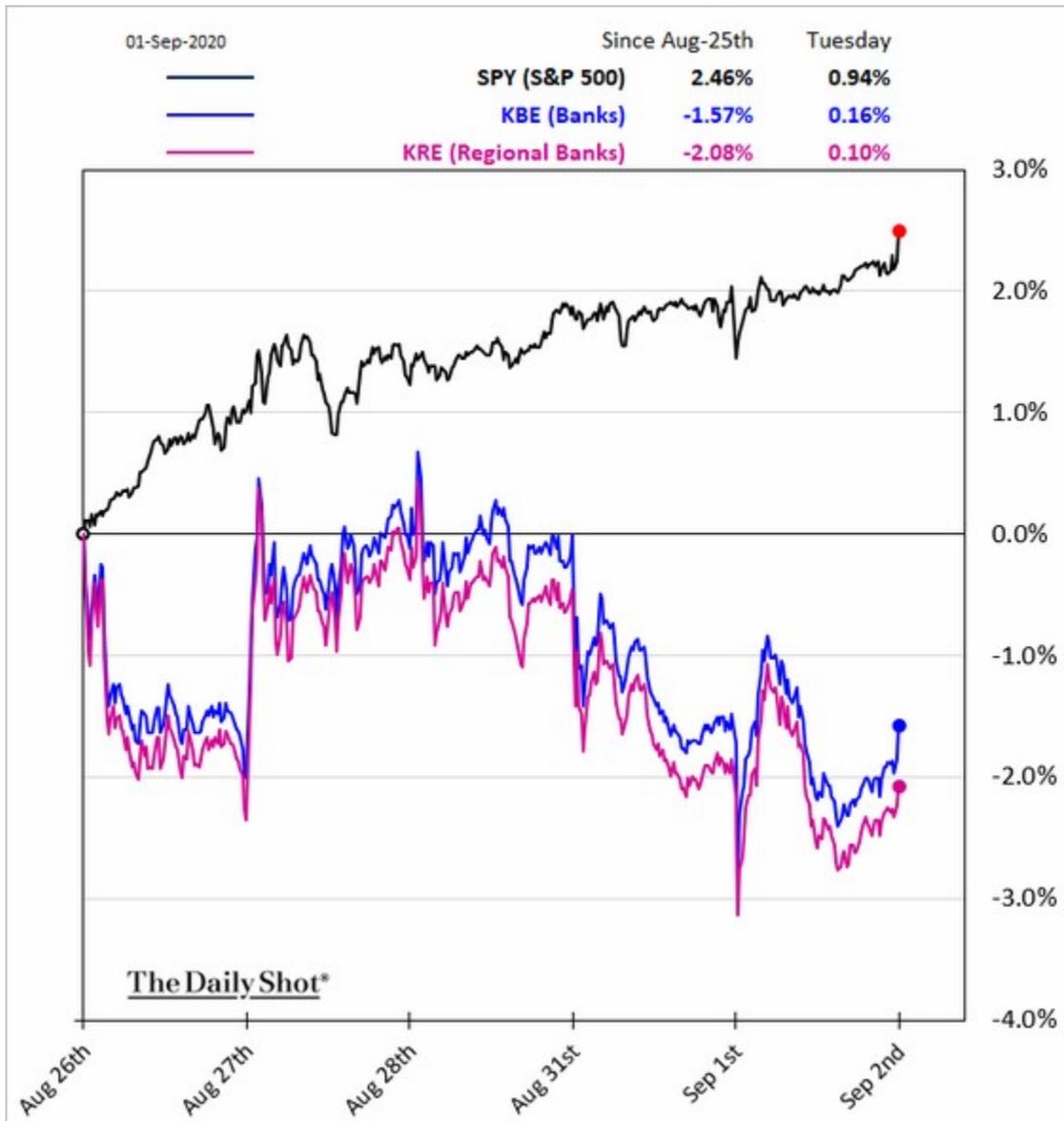
Single-stock options with short maturities are extremely popular. (This is scary)



Source: [@ISABELNET\\_SA](#), [@GoldmanSachs](#)

here are some sector performance updates (5 business days).

- Banks:



• Utilities:



- Homebuilders:



- Energy:



- Industrials:



Movie theater stocks have been outperforming.

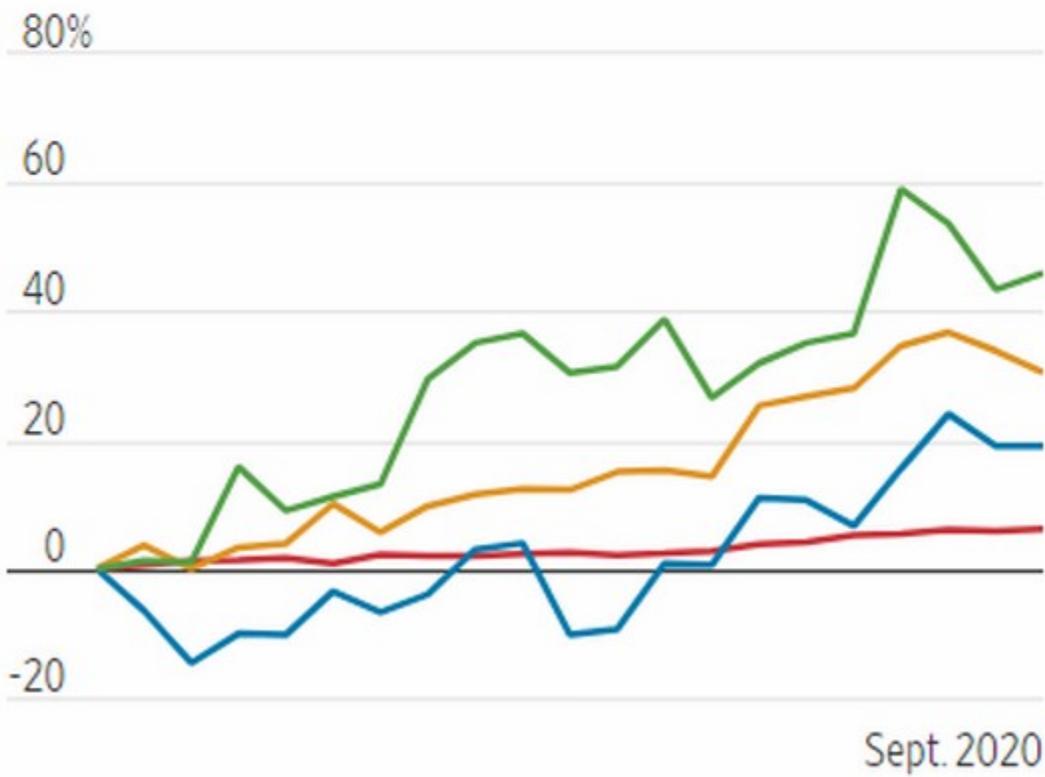
# Recovery Ticket

Share price performance, past month

Posted on  
TheDailyShot.com  
02-Sep-2020

@SoberLook

- AMC Entertainment
- IMAX
- Cinemark
- S&P 500 Index



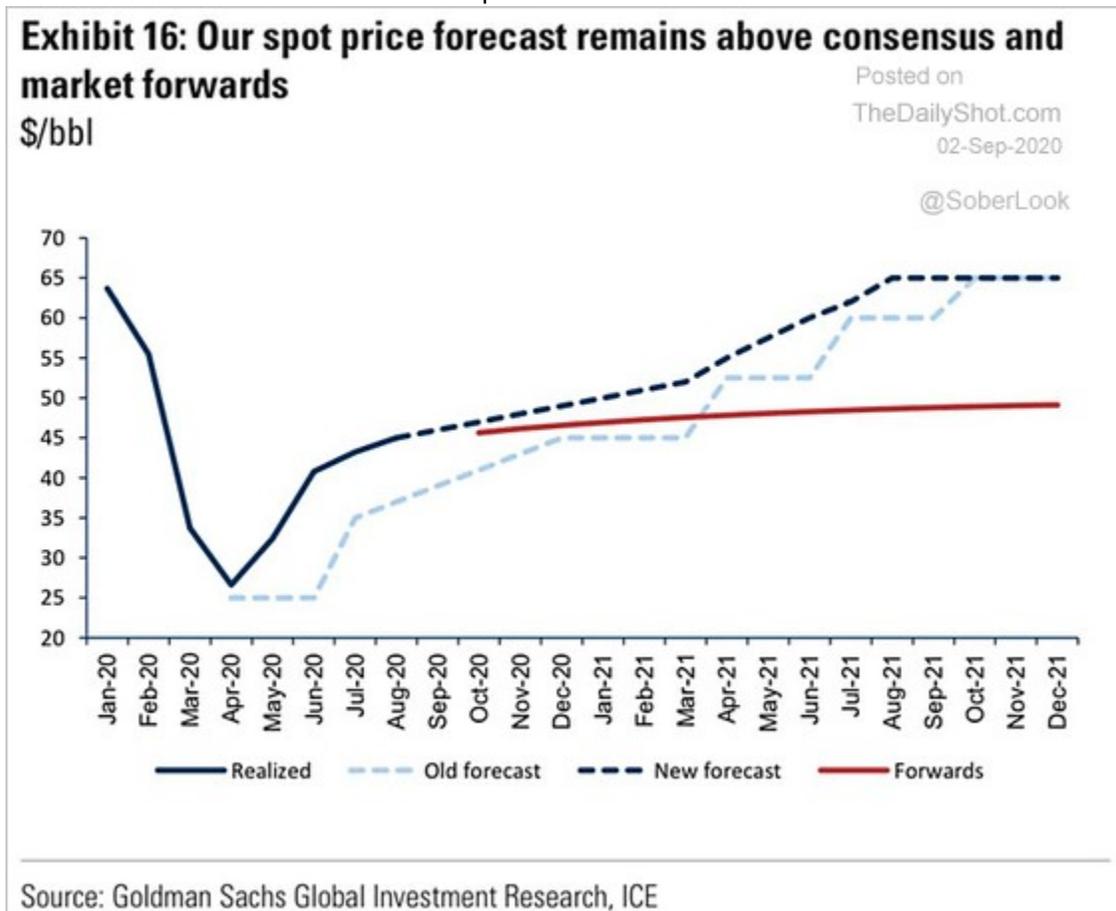
Source: FactSet

Source: @WSJ [Read full article](#)

Bitcoin is testing resistance at \$12k.

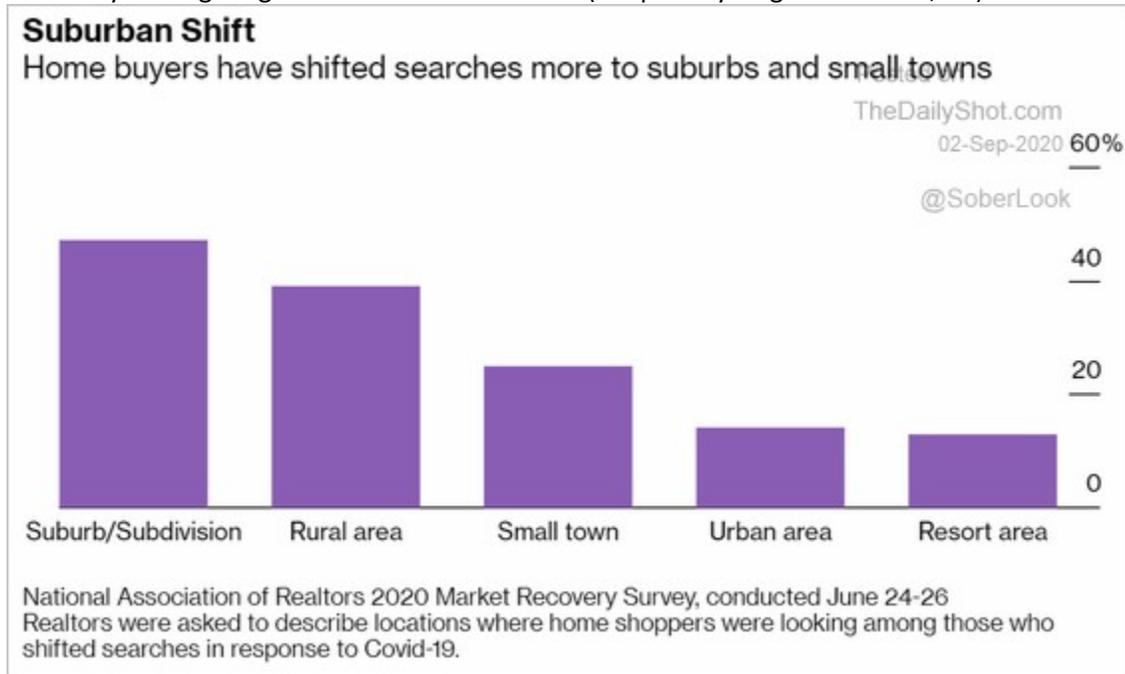


Here is Goldman's forecast for crude oil prices.



Source: @ISABELNET\_SA, @GoldmanSachs

Homebuyers targeting suburbs and small towns: (I hope they target Bensalem, PA)



Source: @markets [Read full article](#)

“Outbound” and “inbound” states: (no surprise to see NY and NJ on the list. Taxes are only going to get worse in those states.)

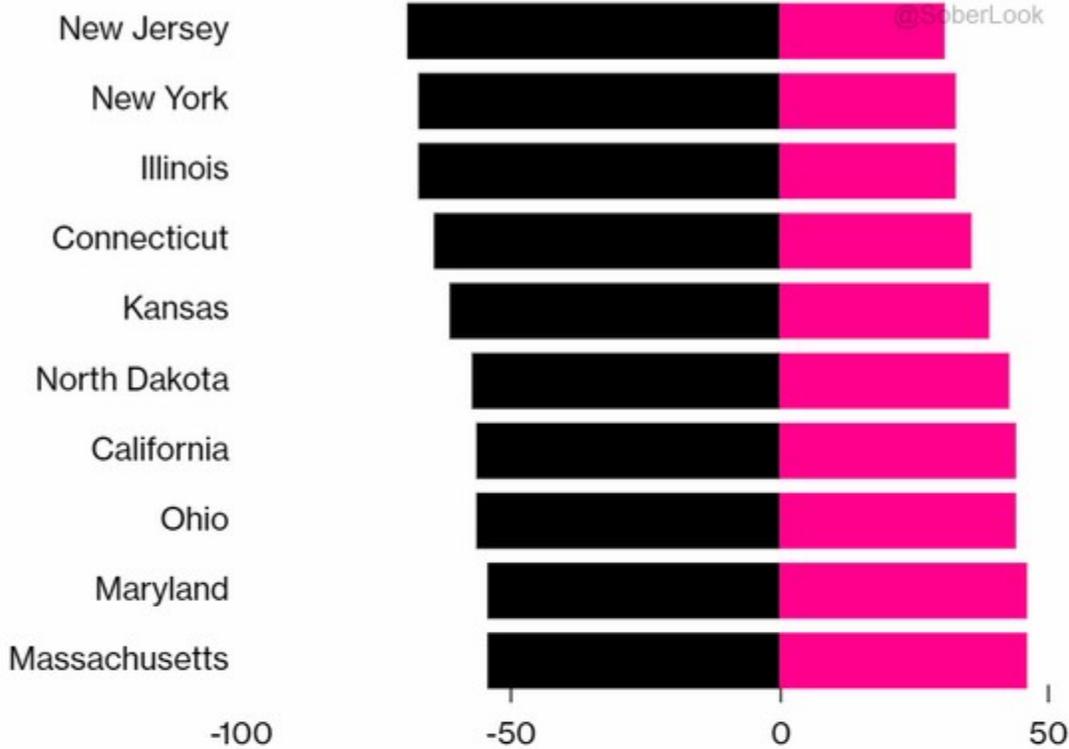
## Top Ten Outbound States

Out of every 10 moves, 7 households are leaving New Jersey

Posted on  
TheDailyShot.com

02-Sep-2020

■ Outbound ■ Inbound



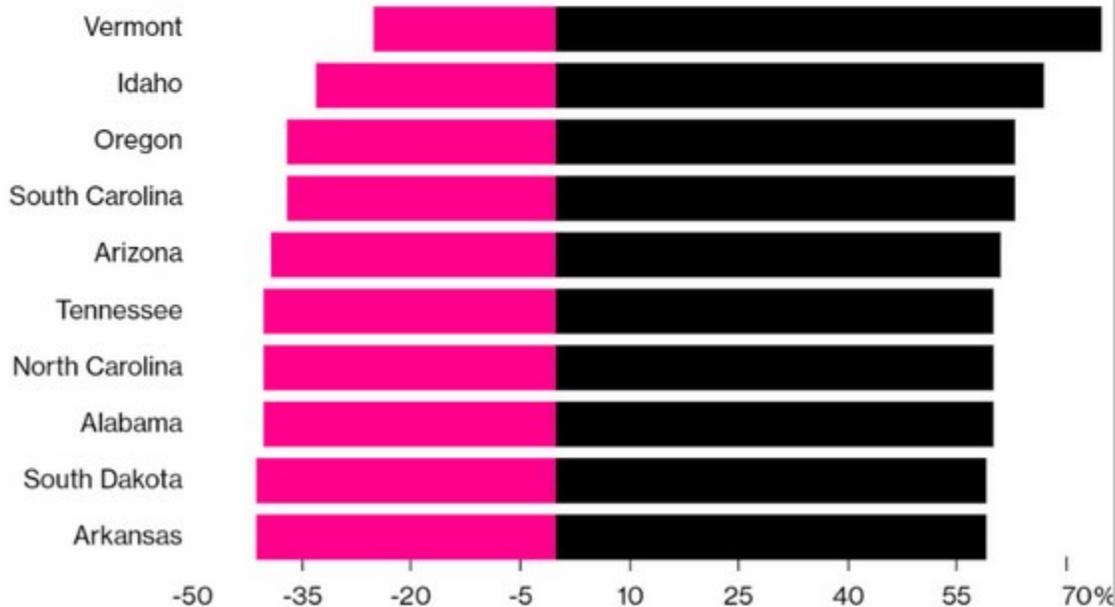
Source: UniGroup

Note: Data from March 1 to August 19

## Top Ten Inbound States

Vermont leads all states with 75% inbound moves

■ Inbound ■ Outbound

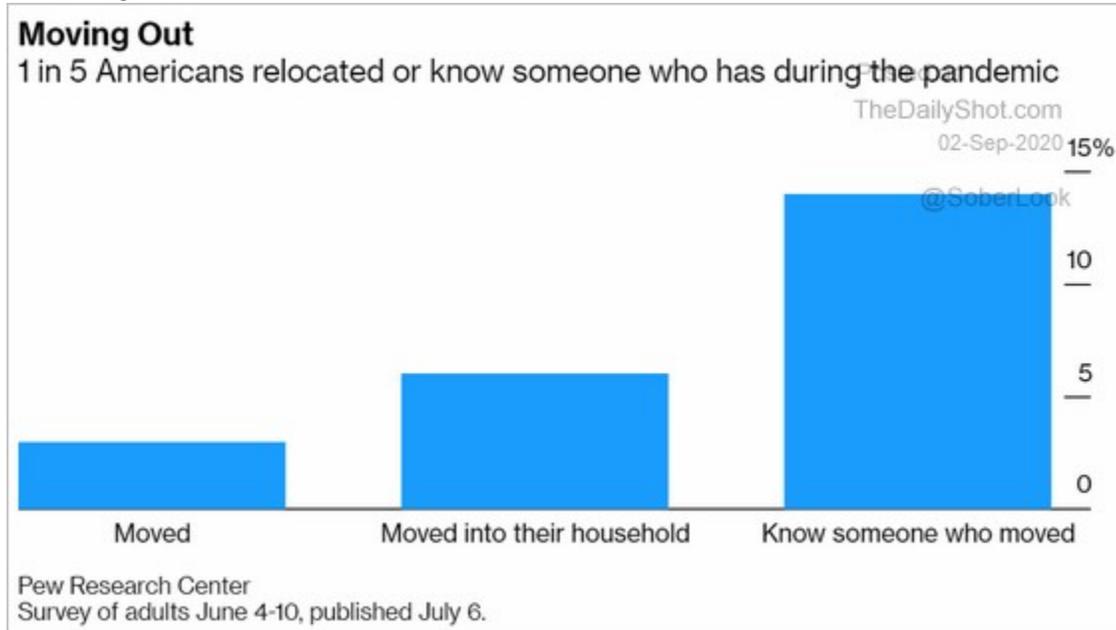


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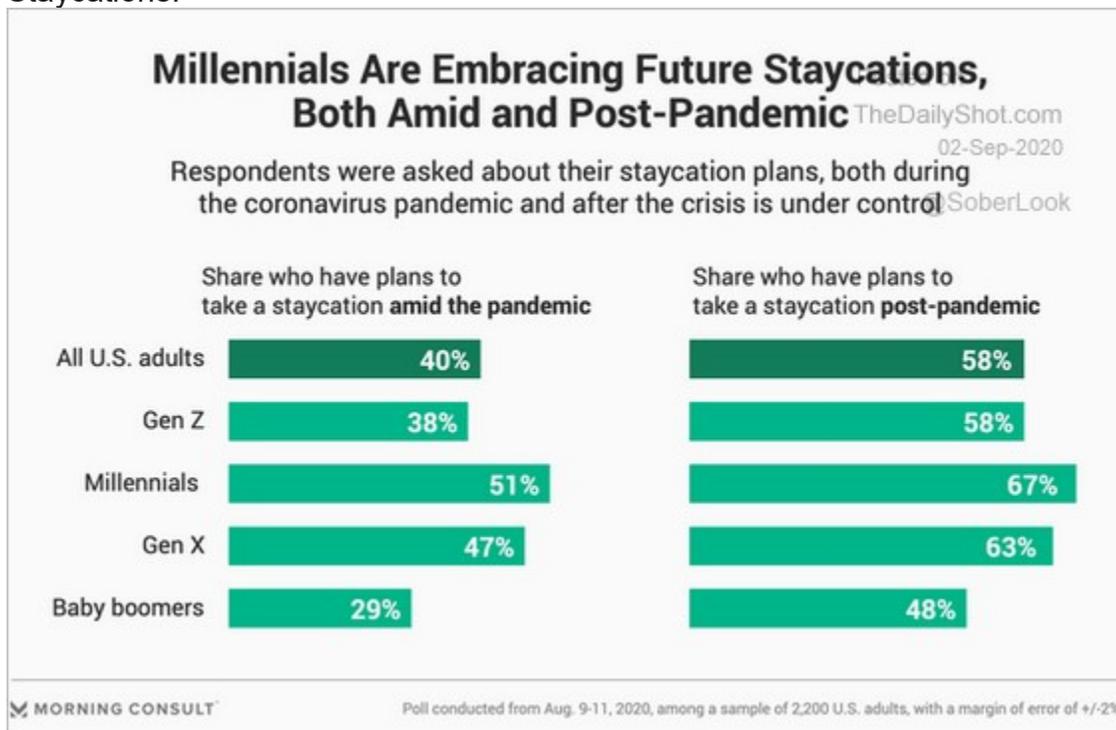
Source: @markets [Read full article](#)

Relocating:



Source: @markets [Read full article](#)

Staycations:



Source: @MorningConsult [Read full article](#)

**When reviewing the attached material, it is important to remember that past performance is not indicative of future results.**

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