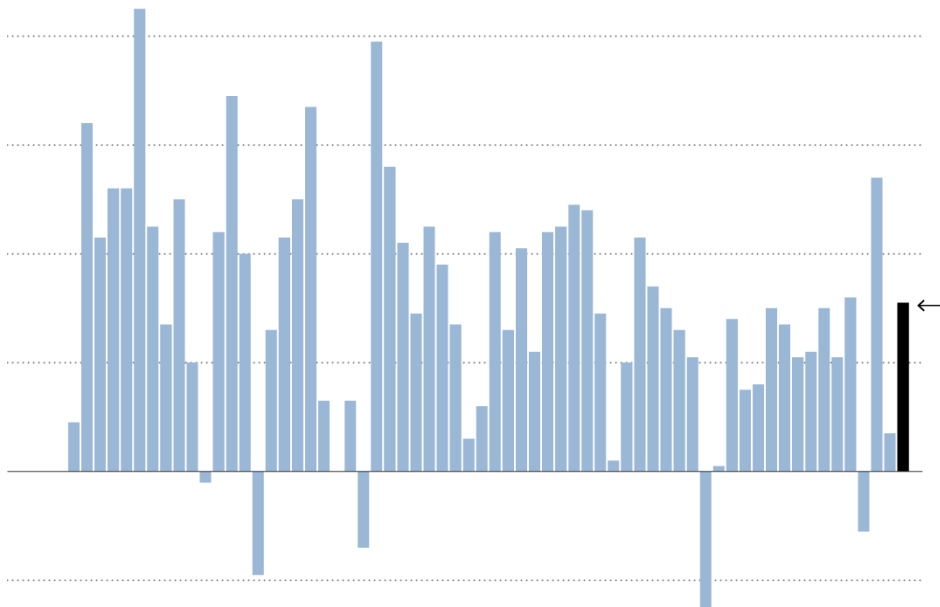


## US Business Newsletter, January 2024

### U.S. Economy Grew at 3.3% Rate in Latest Quarter

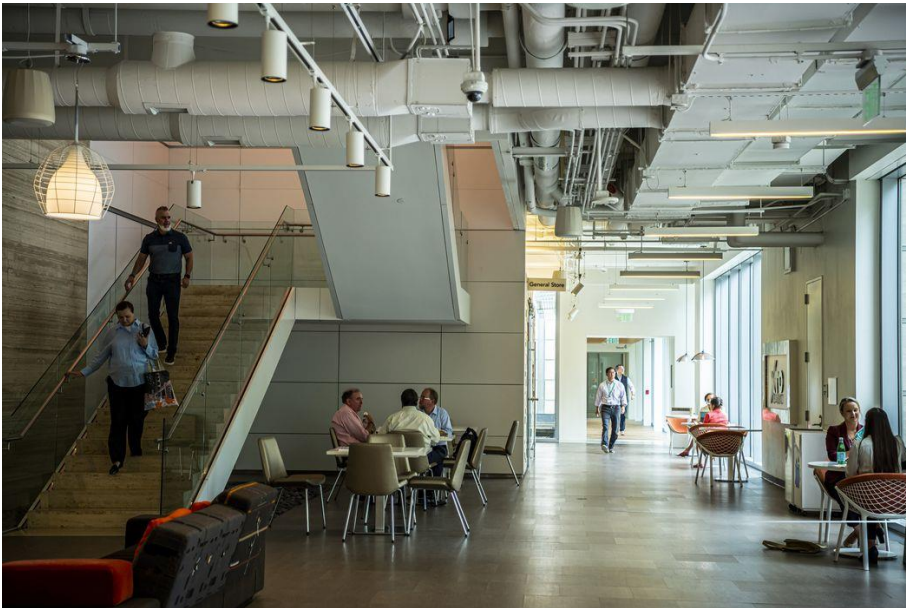
The U.S. economy continued to grow at a healthy pace at the end of 2023, capping a year in which unemployment remained low, inflation cooled and a widely predicted recession never materialized. Gross domestic product, adjusted for inflation, grew at a 3.3 percent annual rate in the fourth quarter, the Commerce Department said on Thursday. That was down from the 4.9 percent rate in the third quarter but easily topped forecasters' expectations and showed the resilience of the recovery from the pandemic's economic upheaval. The latest reading is preliminary and may be revised in the months ahead.



Source: <https://www.nytimes.com/2024/01/25/business/economy/economy-q4-gdp.html>

### **The Companies Calling Workers Back to the Office Five Days a Week**

UPS has joined a small group of major companies, such as JPMorgan Chase and Boeing, advocating for a return to five days of in-person office work, expressing a desire among top executives to fully repopulate offices. Despite being relatively uncommon, the number of companies requiring full-time in-person attendance dropped from 49% to 38% at the end of 2023. The push for a complete return to the office faces resistance from workers who prefer flexibility, leading some companies to adopt hybrid models or four-day in-office requirements.



Source: <https://www.wsj.com/business/the-companies-calling-workers-back-to-the-office-five-days-a-week-bfd5f95a>

## **Tech's 'Magnificent Seven' Stocks Are Back on Top**

### **Sector giants added more than \$5 trillion in market value in 2023**

Big tech stocks, known as the "Magnificent Seven," have once again surged, propelling the S&P 500 to record highs for the first time in two years. The group, including Google parent Alphabet, Amazon, Apple, Meta Platforms, Microsoft, Nvidia, and Tesla, has gained 5.3% this month, outperforming the S&P 500. Investors are pouring money into tech shares, with about \$4 billion inflow into tech funds in the two weeks ending January 17, the largest since August. The sector's strong returns are attributed to confidence in fundamentals, artificial intelligence prospects, and the belief that the Federal Reserve has successfully managed inflation. However, some analysts caution that the trade might be losing steam, and Wall Street expects a slower pace of gains for the tech giants in the coming months.



Source: <https://www.wsj.com/finance/stocks/tech-stocks-nvidia-microsoft-rise-288c36d1>

**Home Sales Were the Lowest in Almost 30 Years in 2023**

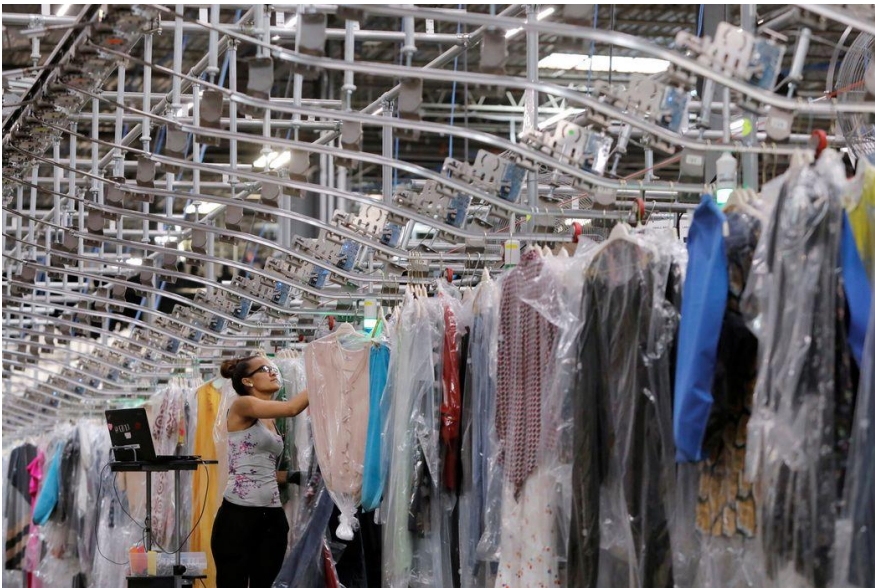
Home sales in 2023 dropped by 19% to 4.09 million, marking the lowest full-year level since 1995, as elevated mortgage rates and a lack of housing inventory impacted the market. The tight supply pushed home prices to record highs, making purchases less affordable for many buyers. However, there are signs of a potential recovery as mortgage rates have started to decline, prompting increased home-shopping activity and a rise in builder confidence.



Source: <https://www.wsj.com/economy/housing/home-sales-likely-fell-to-15-year-low-in-2023-3da220e1>

**Renting Clothes Was Supposed to Be the Future of Fashion. Then Shoppers Got Bored.**

Rent the Runway and Stitch Fix, both online fashion subscription services, are grappling with substantial subscriber losses and stock-market declines due to shifts in consumer needs and tastes exacerbated by the pandemic and inflation. Rent the Runway is focusing on designer clothes, resale, and one-time rentals to attract customers seeking sophisticated and sustainable fashion. Additionally, the company implemented cost-cutting measures by reducing corporate jobs. Stitch Fix, on the other hand, is emphasizing private brands for lower inventory costs and higher profit margins, accompanied by staff layoffs, exiting the U.K. market, closing fulfillment centers, and appointing a new CEO with experience from Macy's.



Source:[Renting Clothes Was Supposed to Be the Future of Fashion. Then Shoppers Got Bored. - WSJ](#)

**NASA Bets on Private Companies for Moon Landings in 2024**

NASA is entrusting private companies with delivering scientific instruments and payloads to the moon in 2024 through its Commercial Lunar Payload Services initiative. Astrobotic Technology's Peregrine mission, set to launch on Monday, marks the first U.S. lunar landing since 1972, carrying NASA devices to study the lunar environment and resources. Four additional U.S. landers by Intuitive Machines, Firefly Aerospace, and Astrobotic are scheduled to fly to the moon this year, aiming to support NASA's lunar exploration efforts and compete with other countries like China, India, Japan, and Russia in the new moon race.



Source:<https://www.wsj.com/science/space-astronomy/nasa-moon-landings-2024-9103f9ad>

**Big Tech Braces for Wave of Antitrust Rulings in 2024**

The U.S. government's antitrust lawsuits against Google and Meta Platforms (formerly Facebook) in 2024 could significantly impact the tech industry and the regulatory agenda of the Biden administration. Google faces two major cases, one challenging its alleged monopoly in the online search market and the other targeting its control of the online advertising technology market. Both cases, which went to trial in 2023, await verdicts from federal judges, with potential remedies discussed. Meta Platforms is accused of maintaining its monopoly through the acquisitions of Instagram and WhatsApp, and the case is scheduled for trial in August 2024, presenting legal hurdles and potential consequences for Meta if found liable.



Source: <https://www.wsj.com/tech/big-tech-braces-for-wave-of-antitrust-rulings-in-2024-860f0149>