

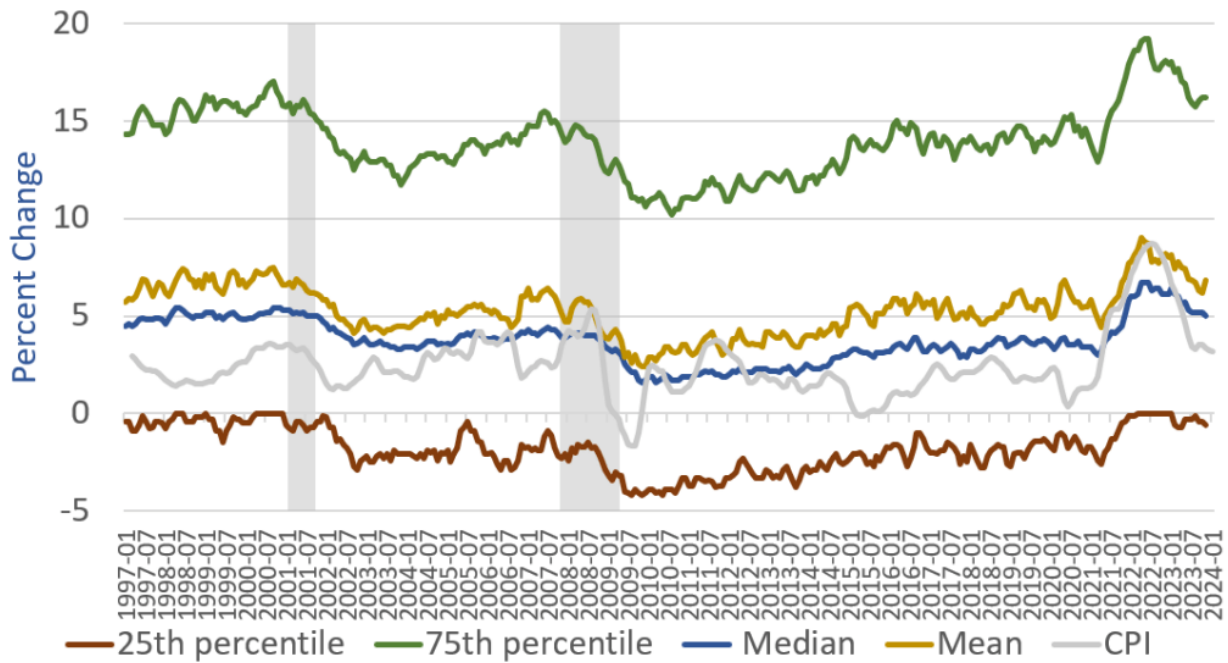


Last week, Jerome Powell took the biggest victory lap in monetary history. I listened to most of the press conference from Jackson Hole and was impressed with the bravado he showed. His hand has been on the throttle of rates since February of 2020, the beginning of the Covid pandemic. He is 'Pre, the guy in the rather epic jacket represents the global markets. 'Well done' the man says as he passes the finish line.

If you don't know who this guy 'Pre' is, we probably shouldn't hang out. He is the legendary Steve Prefontaine. A distance runner the likes of which the world had never seen when he came to prominence in the early 1970's. He was also an incredibly important piece of the early Nike story when he ran for the University of Oregon when Phil Knight was getting his business off the ground. Both ballers....

"No matter how hard you train, Somebody will train harder. No matter how hard you run, Somebody will run harder. No matter how hard you want it, Somebody will want it more, I am Somebody."

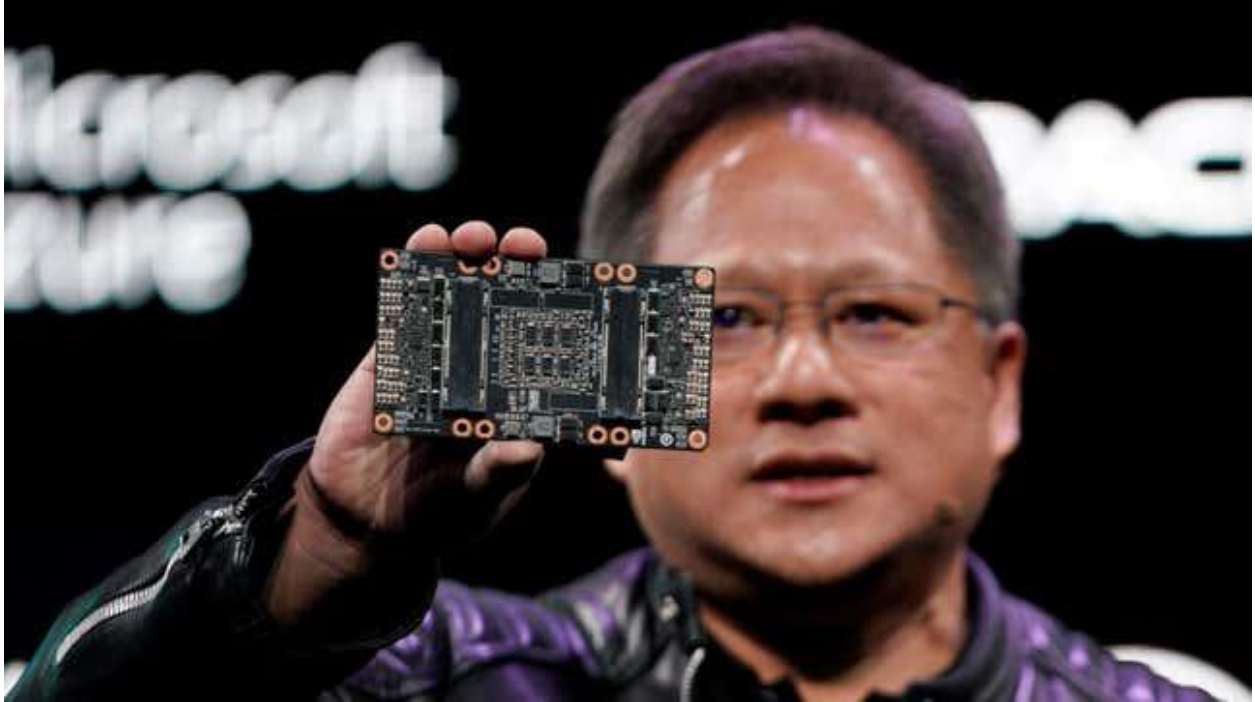
Atlanta Fed Wage Growth Tracker vs CPI Percent Change From Year Ago 3-Month Moving Average



MishTalk

I point out, more than I probably should, real world inflation is outpacing how the average person living in it can keep up. And the numbers bear that out. The lowest rung of the ladder don't see their wages keeping up. The next two rungs above them keep up, but don't get ahead. And the top of the economic food chain not only keep up, but they also blow away the pace at which inflation grows.

When you hear Trump and Harris talk about the war on inflation they are going to embark on for the 'everyman/everywoman' they should think about how to incent companies to improve wages at a higher rate, while not giving up the earnings goat. I've got loose ideas on how to make that happen, but by loose I mean loose. That said, if the Donald and Kamala want to grab a coffee and shoot the shyte about what can be done, I'm just phone call away, (805) 680-8623. All messages will be returned in 24 hours...or less.



The 'Huang' and company put up a massive quarter of growth as its chipsets continue to power ahead. While I'm a short seller of highest quality, I would never get in front of revenue growth that looks like this. Those that would are not long for the world of hedge funds. At least those that attempt to truly hedge.

Nvidia Beats Forecasts Again, Even as Growth Inevitably Slows

Quarterly revenue and net income of Nvidia*



* Nvidia's fiscal year ends on the last Sunday of January.
 ** Outlook given on Aug. 28, 2024, plus or minus 2 percent
 Source: Nvidia



It's getting a little ugly out there for those in the asset management business. Franklin Resources is under scrutiny after a whale of a fixed income manager at WamCo, a fixed income shop they own, is under investigation for hiding his tickets under the desk. Bill Ackman's fund is down, Pershing's holding company stock is tanking, and his ill fated SPAC just got pulled.

But above and beyond all of those is the mess that B. Riley, a boutique Southern California investment bank is under SEC investigation, has found itself in. None of this is good and if there is excessive leverage in play the FDIC will be paying Bryant Riley's shop a visit...soon.

As a sidenote, and another chance for me to talk about myself, the Strome elite bowling team of Matt Pringle, Craig Bere, and Gary Conly and yours truly routinely took down the B. Riley

chumps in the Securities Traders of Los Angeles bowling league. Like complete domination. If they lanes of Bayshore Bowl in Santa Monica could talk, they would regale our legend.



As regular readers know, I've got a side gig from this that is very much a real gig now in the consumer packaged goods business, which has me canvassing markets every week. I've seen our dip product sell for as much as \$10.50 the in the Madison River Valley of Montana, to \$6.50 on sale in the warm confines of Santa Barbara. Point being, I've got great purview into pricing trends across the grocery budget board.

In that vein, the feds are stepping in to both further scrutinizing and possibly stop the mega merger of Albertsons and Kroger. One of the fears, you guessed it, is the increased chance of cornering the market on prices and keeping them elevated. And this is the map of who runs what in the United States.

Your State's Most Common Grocery Store



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Because Albertsons owns Safeway, Smith's, Fry's and King Soopers they have market domination in the western states. The flyover are a 'pick em'. And Kroger has the mid-west locked down. Point being, the 'gubmint' has every right to scrub this one like no other. And to be clear, the grocery business has far better margins than is advertised. Our products get jacked up 50% to 70% when they hit the shelves, and we aren't alone.

