



Basis Points – July 1, 2021

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Above the Fold

Politics Aside, What Is Likely to Happen When Evictions Fully Resume?

As America emerges from the pandemic, we are beginning to see some of the imbalances in the economy and commerce. Traffic patterns have changed, shopping experiences are altered and so much more. Perhaps one of the most substantial and controversial economic actions of pandemic-era legislation were the moratoriums on foreclosures and evictions. On one side, you had struggling homeowners and renters who may or may not have been directly impacted by COVID-19, and the other were banks (many local), investors and even consumers who depend on those payments for their economic well-being.

While we aren't here to debate the effectiveness or moral benefits of these actions, it's important to note that the Supreme Court recently voted to leave federal eviction moratoriums in place until the end of July (which the CDC says is the final extension), while the Consumer Financial Protection Bureau is also working on a [rule](#) to limit foreclosures and speed up loan modifications as these protections end state-by-state. That said, these moratoriums will end soon.

Some argue that the end of these moratoriums and systematic end of additional unemployment benefits (which has already begun in many states) will drive much-needed workers back into the labor force. Staffing has been a challenge for many businesses across the nation, and while we don't want anyone to go homeless, unemployed workers now face a very hungry labor market willing to pay higher wages, with less stringent employment hurdles. And if we can get these Americans back to work and paying their rents and mortgages, that money will, in turn, flow back into the economy ... adding to already building momentum. Let's hope things move in that direction for all involved.

Three Things

1. *Your Bacon May Be Getting Cheaper* – As commodity prices continue to temper across the board, U.S. hog prices are sinking as well. The drop in pork value comes as China announced that its hog herds are nearly back to normal levels after an outbreak of African Swine Fever just a few years ago. Exports of American pork products to China are expected to drop dramatically this year, so expect lower prices at your local market.
2. *Apple to Employees: You're Coming Back to the Office* – In a recent letter to staff, the tech giant was very clear about a hybrid work model announced by CEO Tim Cook about a month ago. The company stressed that "in-person collaboration is essential to [its] culture and future." Fully remote positions will be extremely limited in the fall, and most employees will be required to spend at least three days in the office.
3. *Walmart Sees Opportunity to Help Diabetics* – Roughly 34 million (10%) Americans live with diabetes, and that number is growing. Walmart has launched the first private brand insulin analog that's 60% to 75% cheaper than competitors' non-insured prices. The mega retailer, with its existing infrastructure and pricing power, has course-corrected what has been a rising cost trend for the life-saving drug.

Did You Know?

The OG iPod Got Its Start 42 Years Ago

Sony's "[Walkman](#)" first went on sale July 1, 1979. The audio device was an absolute blockbuster in consumer goods; the "iPod" of its time. Though the technology wasn't particularly earth-shattering, it was the packaging of a portable stereo cassette player in a small, cool form factor

that made it a game-changer. Developed from journalists' recorders, the unit cost \$150 in 1979 dollars (nearly \$560 today) and marked the beginning of what would be one of Sony's greatest successes.

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