

A Penny for your Thoughts

The latest round of corporate earnings results is almost complete. With the help of some carefully curated quotes straight from the horses' mouth we can build a more complete and positive picture of the current economic climate.

Freight rates have fallen dramatically



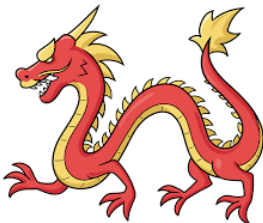
"Shipping costs have dropped markedly from about \$US8,000 a container about a year ago, to about \$US800 now." - Anthony Scali, CEO, Nick Scali

The ultimate industrial bellwether



"While we continue to closely monitor global macroeconomic conditions, overall demand remains healthy across our segments, and we expect 2023 to be better than 2022 on both top and bottom line." - D. James Umpleby, Chairman of the Board & CEO, Caterpillar Inc.

What about China?



"We are now seeing uptick in new loans, uptick in house prices, uptick in business sentiment surveys and mobility data, so there is a lot there that is giving us that confidence that we will see an acceleration of the Chinese domestic economy." – Mike Henry, CEO, BHP.

The US farmer is in good financial health



"Wages are increasing and consumers continue to tap pent-up savings to support spending. We expect consumers will continue to be judicious in their spend, but resilient, while prioritizing needs over discretionary." - Harry A. Lawton, President, CEO & Director, Tractor Supply Company.



"All in, the 2023 income forecasts are solid and will continue to support equipment demand. This may be specific to the U.S., but the message is similar across our various global markets." - Deere & Co.

What happens in Vegas...



"The calendar in March is positioned for us to have the best hotel revenue month, we believe, in our history." - William Joseph Hornbuckle, President & CEO, MGM Resorts International.

All aboard!



"We continue to see robust demand from financially healthy, highly engaged consumers that are excited to sail." - Jason Liberty, President & CEO, Royal Caribbean Cruises.

Cheers!



"Sociability is recession proof, and trading has not slipped in the first five weeks of 2023 even in mortgage belt suburbs." - Steve Donohue, CEO, Endeavour Group.

Although we can appreciate the need for sandals



"Consumer demand has been exceptional." - Andrew Rees, CEO, Crocs.



But this is somewhat surprising



“Among 18 to 34-year-old males in the U.S., UGG brand consideration reached an all-time high in the third quarter. UGG is increasingly seeing this segment of consumers adopt versatile slipper hybrids ... as consumers continue broadening the wearing occasions of iconic styles.”
- David Powers, CEO, Deckers Outdoor Corporation.

Give me a trusty old Westinghouse any day



“For us the really top end is getting bigger. One of the top of the range fridges is a Sub Zero model selling for \$40,000. We’re selling truckloads.” - John Winning, CEO, Winning Appliances.

There’s a little McDonalds in everyone



“Our collaboration with Cactus Plant Flea Market in the U.S. brought together our adult fans' love and nostalgia for the Happy Meal. Customer excitement was palpable. This program drove the highest weekly digital transactions ever seen in the U.S.”
- Christopher J. Kempczinski, President, CEO & Director, McDonald's Corporation.

Keep calm and carry on



“Q1 is off to a very strong start for us. We're seeing widespread acceleration both in January and February.” - Daniel H. Schulman, President, CEO & Director, PayPal.



Finally, I can think of a few CEO's that could take a leaf out of Brian Chesky's book.



"I want to tell a quick personal story. As you may have seen, I've started hosting again. Last November, I listed my guest room on Airbnb. My listing is called Beyond the Airbed...When guests arrive, I have a welcome basket waiting for them. And the first night we make dinner together, followed by desert. We bake chocolate chip cookies from my cherished family recipe that I got off Google. The next day, we tour the airbnb office with my golden retriever, Seltenova, and I tell the story of building Airbnb.



Now why am I doing this? Well, because I love hosting. And having guests staying at your home with you is the original idea behind Airbnb. It's been an amazing way to connect with people. But I also believe that companies that make the best products make products for themselves. And Airbnb will only be as successful as our hosts. And the best way to understand our hosts is to be one." - Brian Chesky, Co-Founder & CEO, Airbnb.