

## **The Good, the Bad and the Ugly**

As another US reporting season draws to a close, we look to selective company management for inspiration.

### **The good**

#### **Music to my ears**



“Streaming monetisation has significant upside. Therefore, we obviously welcome Spotify's announcement that they will increase prices as well as YouTube's announcement that they have raised the price of their subscription music service in the U.S.” *Sir Lucian Grainge, Chairman & CEO, Universal Music*

#### **Dr Copper**

“Fundamentals in the global copper market remain positive despite frequently expressed concerns about a global economic slowdown and issues in China. Global copper inventories remain remarkably low and the current demand for copper is much stronger than headline economic data would indicate.” *Richard Adkerson, Chairman & CEO, Freeport-McMoRan*



#### **A rising tide lifts all boats**



“The North American consumer remains incredibly strong, bolstered by strong labour markets, high wages and excess savings. Our customers remain engaged and eager to vacation as they continue to shift preferences towards experiences over goods.” *Jason Liberty, President & CEO, Royal Caribbean Cruises*

#### **All my bags are packed, I'm ready to go**

“Our strong performance has benefited from the continued strength and resiliency of overall travel demand. Our solid start to the year, combined with what we currently believe will be a new all-time high for the Q3 summer travel period, results in an improved outlook for the full year.” *Glenn Fogel, President & CEO, Booking Holdings*



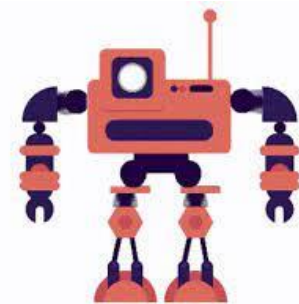
### Life is better on the deck



“Sales were significantly above our guidance range, indicating resilient consumer demand for our products and the strength of the outdoor living category. Consumers are more inclined to invest in areas that add value and enjoyment to their existing homes. Outdoor living remains the fastest-growing category in the repair and remodel sector.” *Bryan Fairbanks, President & CEO, Trex Company (Leading US producer of composite decking products)*

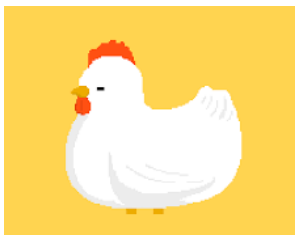
### Dexter 2.0

“Accelerated computing is the most cost-effective, most energy-effective and the most performant way of doing computing now. Combined with generative AI now gives everyone 2 reasons to transition from general purpose computing to this new way of doing computing. It's about \$1 trillion worth of data centres, call it, \$0.25 trillion of capital spend each year. This is a long-term industry transition.” *Jen-Hsun Huang, Founder, CEO & President, NVIDIA*



### The Not So Good (for some balance)

#### Food for thought



“Market conditions in chicken are still challenged with commodity prices across most cuts remaining significantly lower compared to last year. Pork remains under pressure across the industry, and we continue to see headwinds there with both our internal live production and our external sourced hog supply.” *Donnie King, President & CEO, Tyson Foods*

### The road less travelled

“Our global travel retail business decreased 34% organically in fiscal year 2023, solely driven by Asia travel retail given the prolonged and complex recovery from the pandemic. In May and June, Asia travel retail sales trends deteriorated and turned steeply negative.” *Fabrizio Freda, President & CEO, Estée Lauder*



### And the Ugly

**If you miss, you better miss very well**



“Organised retail crime and theft in general is an increasingly serious issue impacting many retailers. The impact of theft was meaningful to both our Q2 results and our go-forward expectations for the balance of the year. We are doing everything we can to address the problem and keep our stores, teammates, and athletes safe.” *Lauren Hobart, President & CEO, Dick's Sporting Goods*

### **Slow puncture**

“Subscribers declined by 29 thousand on a Q/Q basis due to the seasonal slowdown in hardware sales and higher than anticipated Connected Fitness subscription churn. The slowdown exceeded our expectations through May and through the first three weeks of June as consumer spending shifted toward travel and experiences.” *Barry McCarthy, CEO & President, Peleton Interactive*



### **Ouch**



“As a result of the Company’s losses and projected cash needs, combined with increased member churn and current liquidity levels, substantial doubt exists about the Company’s ability to continue as a going concern.” *WeWork Second Quarter Report*