

BENA CAPITAL, LLC

December 14, 2024

To all my Partners,

By now all of you have received your individual monthly statements. If for any reason you have not, please contact me and will be glad to resend it to you.

The Bena Capital Fund ended:

<u>+12.02%</u>	<u>+32.06%</u>	<u>+0.09%</u>
November	YTD	Dec. 1-13 th
Jan 1 st -Nov. 30 th		

Bena Capital up months

February
March
May
June
August
September
October
November

Bena Capital down months

January
April
July

Progress on bringing down inflation stalled in November, with the CPI (consumer-price index) of goods & services costs ticked up to a +2.7% increase. Core prices that exclude volatile food and energy prices rose +0.3% month over month in November, the 4th straight month of higher prices. The year-over-year core inflation stands at 3.3%

Prices for November:

Going higher

Used cars & trucks
New vehicles
Gasoline (all types)
Groceries
Medical-care services
Airlines
Eating out
Shelter
Apparel/clothing

Going lower

Electricity
Home appliances
Toys

Select CPI increases throughout the U.S. for November year-over year include:

+2.7%	+2.7%	+4.3%	+3.8%	+2.7%	+2.1%	+2.4%
New Orleans	Washington, D.C.	NYC	Chicago	Miami	Houston	San Francisco

This past Tuesday (Dec.10th), the NFIB (National Federation of Independent Business) said its small-business optimism index jumped in November to its highest reading since June, 2021.

The Producer-price index (PPI), reported from the Labor Department this week rose by a larger-than-expected +0.4% in November from a month earlier showing signs of strengthening inflationary pressures. The PPI is a measure of the prices businesses receive for their goods & services is supposed to be the Federal Reserve's preferred gauge in the fight for inflation of whether to raise or lower interest rates. From a year earlier, the PPI increased 3%, the largest year-over-year increase since February 2023.

Our largest position in Bena Capital Fund is Nvidia. We've owned it for about 3 or 4 years but the chart below makes me wish we bought it as an I.P.O.!!

Nvidia stock (symbol: NVDA)

January 22, 1999

+584,580%

Becomes a public company

Percentage of increase since becoming an IPO

Source: CNBC, 12/10/2024

So what do we do?

History reminds us that it has typically been better to 'buy' than 'bail'. We at Bena Capital Fund are playing the long game! By that I mean in two to three years from now, we really won't remember did the Federal Reserve cut 2 or 3 times back in 2024? If markets drop for a month, or more it may create a market correction which have occurred naturally throughout the years.

For all 24 corrections in the S&P 500 since W.W. II (1945), it took only 4 months to recover losses.

Never let your emotions become your portfolio's worst enemy.

So, how did we do?

For November:		1-year (12 month) returns:	
Dow Jones:	+7.56%	Dow Jones:	+22.28%
S&P 500:	+5.77%	S&P 500:	+26.6%
Nasdaq:	+6.26%	Nasdaq:	+28.87%
Berkshire Hathaway:	+7.03%	Berkshire Hathaway:	+28.78%
Bena Capital Fund:	+12.02%	Bena Capital Fund:	+37.61%

Some highlights of last month:

- ABC News settles with Donald Trump to pay \$15 Million for defamation suit and agrees to pay all of Donald Trump's legal fees.
- 30-year fixed mortgage at 6.75%
- November's unemployment rate stays at 4.2%
- Jobs added for November rose to 227K. Lowest increase since January 2020
- CPI for November increased to 0.3% from October and up +3.00% for the year
- YouTube to raise TV-streaming prices by \$10 to \$82.99 per month starting Jan. 13th.
- 5th Circuit Court of Appeals in N.O. rejects Nasdaq's diversity of gender and LGBTQ+ targets for publicly traded corporate boards
- Conan O'Brien will host the Academy Awards in March, succeeding late-night host Jimmy Kimmel
- FBI Director Christopher Wray will resign in January of 2025
- Apple is working on an A.I. chip with Broadcom
- Berkshire Hathaway purchases a small slice of Domino's Pizza & Louisiana's Pool Corp, in the 3Q of 2024.
- Albertson's terminates deal to merge with Kroger's over regulatory hurdles
- Kroger's files suit against Albertson's over breach of agreement cancelling the merger

ABC Settles Trump Suit for 15M

ABC News and George Stephanopoulos have settled with Donald Trump for \$15 million plus having to pay all of Trump's legal bills (approx. \$1 million) for false and malicious reporting of him being charged and convicted of rape. In addition Stephanopoulos and ABC News have to publicly apologize for accusing him of rape.

Trump said the money will be going to the Trump Library (Probably for the 'Fake News' wing).

In addition, Trump has additional suits against CNN, Washington Post as well as other news organizations.

Elon Musk's Rocket Wealth

(Musk is world's 1st \$400 billionaire)

\$447 Billion

Net worth

Source: CNBC; 12/12/24

How popular is cryptocurrencies?

Would you take your wages/paycheck in crypto?

7%	22%	61%	10%
Yes	No, but someday	Never	Not sure

Source: CNBC, 'All American Survey', 12/13/24

Best Investments

(according to 'All American Survey')

		change from 2022
Real estate	29%	-9%
Stocks	28%	+9%
Gold	23%	-1%
Cash accounts	17%	+7%
Crypto	15%	+4%

Source: CNBC, 'All American Survey', 12/13/24

The Great Flip

Change in net positive on stocks from August to December 2024

56%	-12%	22%
Republicans	Democrats	Independents

Source: CNBC, 'All American Survey', 12/13/24

U.S. Spending on interest of the national debt

(November)

\$87 billion **+8%**

Up from last Nov. 2023

Source: Dept. of Treasury; 12/11/24

New corporate tax rates proposed

15% **21%**

Trump proposal Presently under Biden

Global Corporate Income Tax Rate

30%	26%	25%	25%	24%	21%
Germany	Canada	France	United Kingdom	Italy	United States

Busiest U.S. Store Shopping Dates:

FY2024 (Ranked in order)

1. Black Friday: Nov. 29th
2. Super Saturday: December 21
3. Monday before Christmas: December 23
4. Sunday before Christmas: December 22
5. 2nd Sat. before Christmas: December 14
6. Saturday after Black Friday: November 30
7. Boxing Day: December 26
8. 3rd Sat. before Christmas: December 7
9. Saturday after Christmas: December 28
10. Friday before Christmas: December 20

Most popular gifts for Christmas in 2024

1. 54% clothes & accessories
2. 44% gift cards
3. 36% toys
4. 31% books & video games
5. 30% food & candy
6. 28% care/beauty
7. 23% electronics
8. 20% jewelry

Source: National Retail Federation

November Jobs Report

Non-farm payroll	+227K	
September & October revisions:	+56K	
Unemployment Rate:	4.2%	
Avg. Hourly Wages (M/M):	+0.4%	(same as October)
Avg. Hourly Wages (Y/Y):	+4.0%	(same as October)

Where are the jobs?

(November Jobs Report)

Health care/Soc. Services:	+72K
Leisure & Hospitality sector:	+53K
Government (State & Local):	+33K
Trans. Equip. manufacturing:	+32K
Retail:	-28K

Source: BLS; 12/6/24

New CPI inflation numbers for last month:

+0.20%	+0.20%	+0.20%	+0.20%	+0.30%
July	Aug.	Sept.	Oct.	Nov.

This is just THIS year!
+37.5% +3.1% +1.1%
 Eggs Soda Pasta sauce
 Inflation for FY2024

Source: CNBC; 12/11/24

Key inflation increases from November's CPI:

Category	M/M increases:
Used cars & trucks	+2.0%
Utilities:	+1.0%
Food (at home)	+0.5%
Rent/shelter:	+0.3%

Do you think there's waste in the FY2024 federal budget?

1. \$45 million for a 'Diversity & Inclusion' scholarship in Burma
2. \$3 million for 'girl-centered climate action' in Brazil
3. \$1.3 billion for checks sent to dead people
4. \$125 million to racialize public health
5. \$5 million for 'hipsters' to stop smoking
6. \$518,000 to study how cocaine affects the sexual behavior of Japanese quails.
7. \$3 million to watch hamsters fight.
 (Some involved injecting hamsters with steroids)
8. \$1.6 billion for empty federal office buildings including their maintenance.
9. \$615,000 to digitize Grateful Dead memorabilia
10. \$862,000 to unused warehouse space every year for the IRS.
11. \$500,000 from U.D. Dept. of Health to International House of Pancakes (IHOP)
 to be built in a Wash. D.C. Washington D.C. neighborhood
12. \$1.7 million to the Natl. Comedy Center in Jamestown, NY for holograms of
 dead comedians.
13. \$288,500 for 'diverse' bird watching
14. \$549K for Russian cat research
15. \$20K for a drag show in Equador
16. \$100K to study if sunfish get more aggressive when given gin or tequila
17. \$120K to figure why prisoners want to get out of jail
18. \$1.5M on the effects of yoga on goats
19. \$500K on a study to see if selfies make you happy.

20. \$80K in Ghana to ask taxi drivers if climate change makes it harder to drive
21. \$478K spent to see if we can create trans-gender monkeys
22. \$7 billion on empty federal buildings including maintenance of those buildings
23. \$101 billion in Medicare & Medicaid improper payments, mostly from fraud
24. \$38.7 million for HHS to hire 294 employees to oversee DEI

....and there's a lot more!!

Tax Revenues Before and After 2017 Trump Tax Cuts

\$3.31 Trillion

\$4.89 Trillion

FY2017 Receipts

FY2022 Receipts

+47.73%

Percentage increase in Revenue

Source: Congressional Budget Office

Treasury Statement, Fiscal 2024

\$4.9 Trillion

\$6.8 Trillion

Total revenue

Total spending

Source: U.S. Dept. of Treasury

Top line items in Treasury's budget

FY2024

* Social Security: \$1.5 Trillion

* Health: \$912 billion

* Net interest: \$882 billion

* Medicare: \$874 billion

Source: U.S. Dept. of Treasury

Top oil producers within OPEC

(barrels per day, FY2023)

11.13M

4.42M

4.16M

3.99M

2.91M

Saudi Arabia

Iraq

UAE

Iran

Kuwait

Source: U.S. Energy Information Administration

Average Car Age
in the U.S. as of 05/22/24
12.6 years
for cars & light trucks

Source: S&P Global Mobility

Who pays the most in federal income taxes?

Income group (percentile)	Tax rate paid
Top 1%	47%
Top 10%	70%
Top 50%	5.3%
Bottom 50%	-2.2%

Source: non-partisan Joint Committee on Taxation

IRS increasing of audits for those making under \$200K

Passage last year of the ‘*Inflation Reduction Act*’, an increase to the IRS was included for \$80 billion to hire 87,000 more agents and the promise that this would go towards audits for those making \$400K or more. Now, according to the Treasury Inspector General for Tax Administration (page 16) in his August 31, 2023 report says:

“63% of SB/SE Division’s FY2023 total new examinations will be on taxpayers with less than \$200,000 TBI.”

Well, so much for believing a politician!!

I’ve been asked to repeat this from our March’s Partner’s Letter, so:

History has shown that some months are kinder than others to investors.

According to records spanning over 95 years, since 1929:

Months with the biggest gains:
January, April, July & December

Months with the biggest losses:
February, May, August, September

The S&P Rises 3 out of 4 years since 1926!

the S&P is up approx. 75% of the time going all the way back for almost 100 years!
(since 1926)

S&P % advance each year

20%+	36%
+10% to +20%	21%
0 to +10%	15%
0 to -10% decline	15%
10%+ decline	13%

Source: Dimensional Funds

Have you moved?

If you have moved or change of address to where the your 1099's should be sent, please contact me with the new information.