

Macro View – Warehouses

With the holidays upon us, workers in warehouses are hard at work packing up soon-to-be presents for our friends and family. Warehouses are usually a requirement for most businesses that manufacture, import/export, or transport goods to customers. They allow for timely delivery and optimized distributions, which in turn, lead to greater customer satisfaction and increased productivity. However, due to the increased demand for e-commerce, more warehouses may be needed. According to the commercial real estate company JLL, nearly 96% of existing industrial space is in use and the U.S. may need an additional 1 billion square feet of new industrial space by 2025 to keep up with demand. This demand can likely be attributed to retailers increasing e-commerce operations amid the online shopping boom and investing in faster delivery times. If new space for warehouses is not secured, businesses could face challenges getting their products to customers in a timely manner.



Source: NPR

Taking Stock – Twitter

On Monday, November 29, Twitter Inc. (TWTR) CEO Jack Dorsey announced that he would be leaving his role and will be replaced by Parag Agrawal, the company's now former Chief Technology Officer. Following the report by CNBC, Twitter shares soared 11% and then quickly turned negative. As shown in the chart below, performance this year for Twitter shareholders has been less than stellar and is down more than 12% YTD. The initial price increase could be a sign from investors that they are optimistic about Agrawal's future as CEO, given he will be able to solely focus on running the company as compared to Dorsey who also serves as the CEO of Square (SQ). Agrawal, while optimistic about the company's future, will have a tough road ahead given both the stock's poor performance and scrutiny amongst those in Washington.



Source: Ycharts