

# [***Forbes Daily: A Painful Stretch Could Still Be Ahead For Stocks***](https://advance.lexis.com/api/document?collection=news&id=urn:contentItem:6BNT-H081-JBCM-F016-00000-00&context=1516831)

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**Highlight:** Friday's edition of Forbes Daily covers Sam Bankman-Fried's 25 year sentence, how AI will require electric grid expansion, Mike Johnson's net worth and more.

**Body**

**This is a published version of the Forbes Daily newsletter, you can sign-up to get Forbes Daily in your inbox here.**

Good morning,

If it feels like**your salary isn t enough to afford a home**, you re not alone: According to Zillow,homebuyers need to make over six figures annuallyto comfortably buy a house. That s a dramatic increase from the $59,000 needed in 2020.

The average mortgage payment has almost doubled since then, but the average household still only earns around $81,000. Of course, it depends on where you live: The household income needed to afford a home in Pittsburgh is $58,000, while in San Francisco, it s $340,000.

But that doesn t mean all hope is lost. Look at more affordable areas, save more for a down payment to lower your monthly mortgage, or explore seller incentives if they re available.

**BREAKING NEWS**

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(Photo by Smith Collection/Gado/Getty Images)

Getty Images

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Amazon announced an app that allowsusers to easily sign up for its palm recognition service Amazon One, which uses palms and their underlying vein structure to create a palm signature,**but it s raised concerns from digital privacy experts.** Amazon One scanners, once limited to Amazon stores, can now also be found in hundreds of Whole Foods locations, some Panera Bread stores and third-party locations including stadiums, airports and fitness centers.

More than three dozenpeople were killed when a bus in South Africa crashedoff a cliff Thursday, local officials confirmed, killing Easter worshippers on board. South African Transport Minister Sindisiwe Chikunga **confirmed 45 people died in the crash**in Limpopo, a region in northeast South Africa, the South African Broadcasting Corporation reported.

**BUSINESS + FINANCE**

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Sam Bankman-Fried, the convicted FTX founder, apologized to his former customers in a federal court on Thursday, saying his useful life is probably over.

Getty Images

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A federal judge in New Yorksentenced disgraced FTX founder Sam Bankman-Fried to 25 yearsin prison, and ordered him to forfeit over $11 billion after he was convicted late last year on seven counts of conspiracy, wire fraud, securities fraud and money laundering. Speaking in U.S. District Court in Manhattan,**Bankman-Fried said his useful life is probably over,** though he had faced a maximum 110-year sentence.

All three major stock indexes have set records in the first quarter of 2024, butsome strategists warn that a painful stretch could still be ahead. JPMorgan Chase s top global equity strategist Dubravko Lakos-Bujas told clients this week to brace for the**possibility of a flash crash** which could come one day out of the blue, while Goldman Sachs strategists warned the market s high concentration in the most valuable technology stocks could exacerbate a major selloff scenario.

**WEALTH + ENTREPRENEURSHIP**

Discount supermarket chain Trial Holdings went public last week in Japan s biggest IPO this year so far, and the retailer s market gains havemade founder Hisao Nagata, 67, a billionaire.**Nagata has an estimated net worth of $1.2 billion**,based largely on his 78% stake in the company.

**TECH + INNOVATION**

Since 28-year-old CEO Jordan Taylor founded**AI design software startup Vizcom, it s gained big-name customers**like Ford and New Balance, and now it s raised $20 million bringing the company to a valuation of $100 million. Vizcom s industrial design software lets designers turn their ideas into realistic photo renderings with natural language commands, and then explore infinite variations of those designs, in order to hone in on the best one quickly.

AI uses a lot of electricity: In a new report, analyst Michael Blum of Wells Fargo Securities figures that by 2030,artificial intelligence will require an incremental 700 terawatt-hoursper year more than the total electricity consumption of Germany **requiring a 16% expansion of the U.S. electric grid.**Wind and solar power may not be able to scale fast enough, Blum writes, and new natural gas power plants will likely have to play a role.

**MONEY + *POLITICS***

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Mike Johnson is the first Speaker of the House from Louisiana. (Photo by Win McNamee/Getty Images)

Getty Images

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Mike Johnsonhas a net worth of around $350,000,**making him the least wealthy House speaker this century**. His biggest asset by far is his Benton, Louisiana home, and other than retirement assets and some additional debt, that s it he doesn t list a checking account on his financial disclosure.

**SPORTS + ENTERTAINMENT**

A group headed by Marc Lore and Alex Rodriguezwill no longer be buying the Minnesota Timberwolvesbecause they failed to come up with the money by the agreed upon deadline, but**team owner Glen Taylor still got a huge chunk of cash**. The group will remain minority investors after purchasing 40% of the NBA s 29th most valuable team, per**Forbes**, which paid Taylor about $500 million.

**TRENDS + EXPLAINERS**

If you don t pay a government debt, like child support or taxes,the federal government can withhold money from your tax refund. The **government has the opportunity to collect debts** through the Treasury Offset Program, which in fiscal year 2023 recovered more than $3.8 billion in federal and state delinquent debts.

**DAILY COVER STORY**

**Why This Value Investor Is Thrilled By Higher Rates**

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Davis Advisors' Christopher Davis.

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**TOPLINE**There s a Mistake Wall in Christopher Davis office on Fifth Avenue in Manhattan 23 framed stock certificates in four horizontal rows. They represent the biggest investing blunders committed by Davis Advisors, the family business he took over in 1998, which includes 17 mutual funds and ETFs,**with total assets of $23 billion**.

Each certificate is accompanied by two or three sentences in small type describing what Davis calls transferable lessons, which mean, if heeded, that the errors won t happen again. Google is on the wall because Davis missed out buying into its 2004 IPO. Waste Management is up there, too, because Davis sold it during a management scandal in 2000, not realizing that its business was still humming.

We have a humble culture, he says.

That doesn t mean Davis, 58, has nothing to brag about. His flagship**$6.2 billion New York Venture Fund returned 30%** last year, compared with 26% for the S&P 500 Index. The fund has delivered an 11.4% average annualized return since it began in 1969. The S&P: 10.2%

But near-zero interest rates from 2008 to 2022 proved humbling to value investors and those not falling hard for large tech stocks. Davis undervalued stocks stayed undervalued. Clients bailed. Venture Fund assets fell by 88%. Davis questioned his approach.

With his unruly graying blonde hair, pullover sweater and-tie ensemble and an office decorated with what looks like a detonation of paper, a bust of Charlie Munger and a doggie bed for Knick, his 4-year-old Kooiker, Davis radiates the vibe of a philosophy professor more than that of a Wall Street power player. Davis Advisors is employee-owned;**Davis share is 30%, valued at around $100 million,** and he has a significant stake in the firm s funds.

But his grandfather and father dedicated most of their money to philanthropy, and Davis insists he is not a billionaire.

**WHY IT MATTERS** Few**Wall Street pedigrees are as sterling as Davis** . His grandfather, Shelby Cullom Davis, started trading in 1947 with $50,000 and turned it into $900 million, landing him on The Forbes 400 for eight years before his death in 1994. Under the stewardship of Davis father, Shelby M.C. Davis, 86, the New York Venture Fund beat the market 16 times in 20 years and firm assets climbed to $3 billion by 1998.

**FACTS AND COMMENTS**

Songs**have gotten more repetitive and angrier since the 1980s**,according to a new study. They ve also gotten shorter, research has shown, and incentives from streaming services, people playing background music and the rise of short-form videos play a role:

**12,000:** The number of English-language rap, pop, country, rock and R&B songs from 1980 to 2020 that were analyzed

**Three minutes:** The average length of songs from the Billboard Hot 100, a decline from from four minutes in the 1990s, according to a report by the**Washington Post**

**24%:**The share of Spotify listeners who skip a song in the first five seconds

**STRATEGY AND SUCCESS**

Consumers who keep seeing headlines that inflation is improving mightwonder why they are still paying such high prices for everything. That s because**prices are still increasing, just less quickly.** Plus, it depends on what you re buying education and medical expenses have seen some of the biggest increases, for instance, while apparel has actually gotten cheaper. Inflation isn t pleasant, but try to focus on how it s impacting your overall finances.

**QUIZ**

Beyoncé s highly anticipated new album, Cowboy Carter, was released today. One of the tracks is a cover of**which country music song**

A. Jolene

B. Walk the Line

C. 9 to 5

D. Man! I Feel Like A Woman

Check your answer.

**BEYOND THE NEWSROOM**

As a newsletter subscriber, you have limited-time access to a discounted rate to join**Forbes**at the**Under 30 Summit Africa**! On May 5-8, we are bringing together the most successful young entrepreneurs from around the globe to Gaborone, Botswana and want you to be a part of it..

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