

<b>DOW</b> 33,876.97 +586.89	<b>NASDAQ</b> 14,141.48 +111.10	<b>S&amp;P 500</b> 4,224.79 +58.34	<b>30-YR T-BOND</b> 2.10% +0.7	<b>CRUDE OIL</b> \$73.66 +2.02	<b>GOLD</b> \$1,781.80 +13.90	<b>SILVER</b> \$26.02 +0.06	<b>EURO</b> \$1.1910 +0.0038
---------------------------------	------------------------------------	---------------------------------------	-----------------------------------	-----------------------------------	----------------------------------	--------------------------------	---------------------------------

**BRIEFING**

**Powell: Inflation rise only temporary**

The economy is growing at a healthy clip, and that has accelerated inflation, Federal Reserve Chair Jerome Powell says in written testimony to be delivered Tuesday at a congressional oversight hearing.

Still, Powell reiterated his view that inflation's recent jump to a 13-year high would prove temporary. He blamed the rise in inflation on several factors, including sharp price declines last year at the onset of the pandemic, which make inflation figures now, compared with a year ago, look much larger. Higher gas prices, and rapid increases in consumer spending as the economy reopens, coupled with supply bottlenecks, have also contributed to rising costs.

"As these transitory supply effects abate, inflation is expected to drop back toward our longer-run goal," Powell said, referring to the 2% inflation rate the Fed typically targets.

**Stocks snap back after bad week**

Stocks rebounded Monday on Wall Street, clawing back most of their sharp losses from last week, as the initial jolt passes from the Federal Reserve's reminder that it will eventually offer less help for markets.

The S&P 500 rose 1.4%. Oil producers, banks and other companies that were hit particularly hard last week led the way.

The Dow Jones Industrial Average climbed 1.8%, and the Nasdaq composite rose 0.8%.

Companies whose profits are the most closely tied to the economy's strength and inflation were among the market's strongest Monday.

Hess, Marathon Oil and Devon Energy all rose at least 6.9% as energy stocks rallied with the price of oil. Banks were also strong, with Bank of America up 2.5% and Wells Fargo climbing 3.7%.

High-growth companies able to flourish almost regardless of the economy lagged behind, meanwhile.

**Harris pushes child tax credit**

The White House sought Monday to raise awareness of the federal government's new expanded child tax credit, which will start paying out monthly in July to families with children who are 17 years old and younger.

Vice President Kamala Harris spoke at a recreation center in Pittsburgh as part of a broader push to promote the program in partnership with churches, schools and other organizations.

"When more families know about how they can get the relief, that is how we will be able to lift our children out of poverty," Harris said.

The administration has launched the website <https://childtaxcredit.gov> with details for potential recipients. As part of President Joe Biden's \$1.9 trillion coronavirus relief package, eligible families can receive as much as \$3,600 for each child under the age of 6. The tax credit will be \$3,000 annually per child between the ages of 6 and 17.

The payments are to be made monthly, a first for the program.

— Bulletin wire reports

## Troubled Portland CBD brand sold to California lifestyle company

BY MIKE ROGOWAY  
The Oregonian

A California company has acquired the Social CBD brand from Sentia Wellness, a high-profile Portland business beset by a series of problems after its troubled launch in 2019.

Kadenwood, a privately held company in Southern California, announced last week that it had bought the Social CBD brand to add to

its existing line of CBD-based sports creams, pet foods and teas. The companies didn't announce terms of the deal.

CBD, or cannabidiol, is derived from hemp and doesn't have the psychoactive ingredient of recreational marijuana. CBD has attracted a following of enthusiasts who believe its properties improve health and well being.

Sentia didn't say whether it will continue to operate after

the deal and referred questions to Kadenwood. The California company said it will retain 16 Sentia employees, 14 of them working remotely in Oregon or working at its Portland warehouse.

Sentia emerged from the 2019 sale of Portland marijuana company Cura Cannabis. Cura sold its recreational marijuana business to a Massachusetts company, Curaleaf, which is now one of the nation's larg-

est cannabis businesses.

Cura's original funding came from a notorious Lake Oswego real estate firm, Iris Capital, whose 2015 collapse cost dozens of Oregon retirees approximately \$1 million. And Cura's former CEO, Nitin Khanna, left that job amid fallout from a past rape allegation against him, but he remained involved in the company and later ran Sentia.

See **Social CBD** / A13

## Portland Demand fuels rocketing housing prices

Median jumps \$15,000 in a month

BY JANET EASTMAN  
The Oregonian

The median sales price in the Portland metro area jumped \$15,000, or 3%, from \$500,000 in April to \$515,000 in May, according to the Regional Multiple Listing Service.

Home shoppers' preference for expanded living spaces, indoors and out, continues to cause well-priced homes in desirable areas to receive multiple offers.

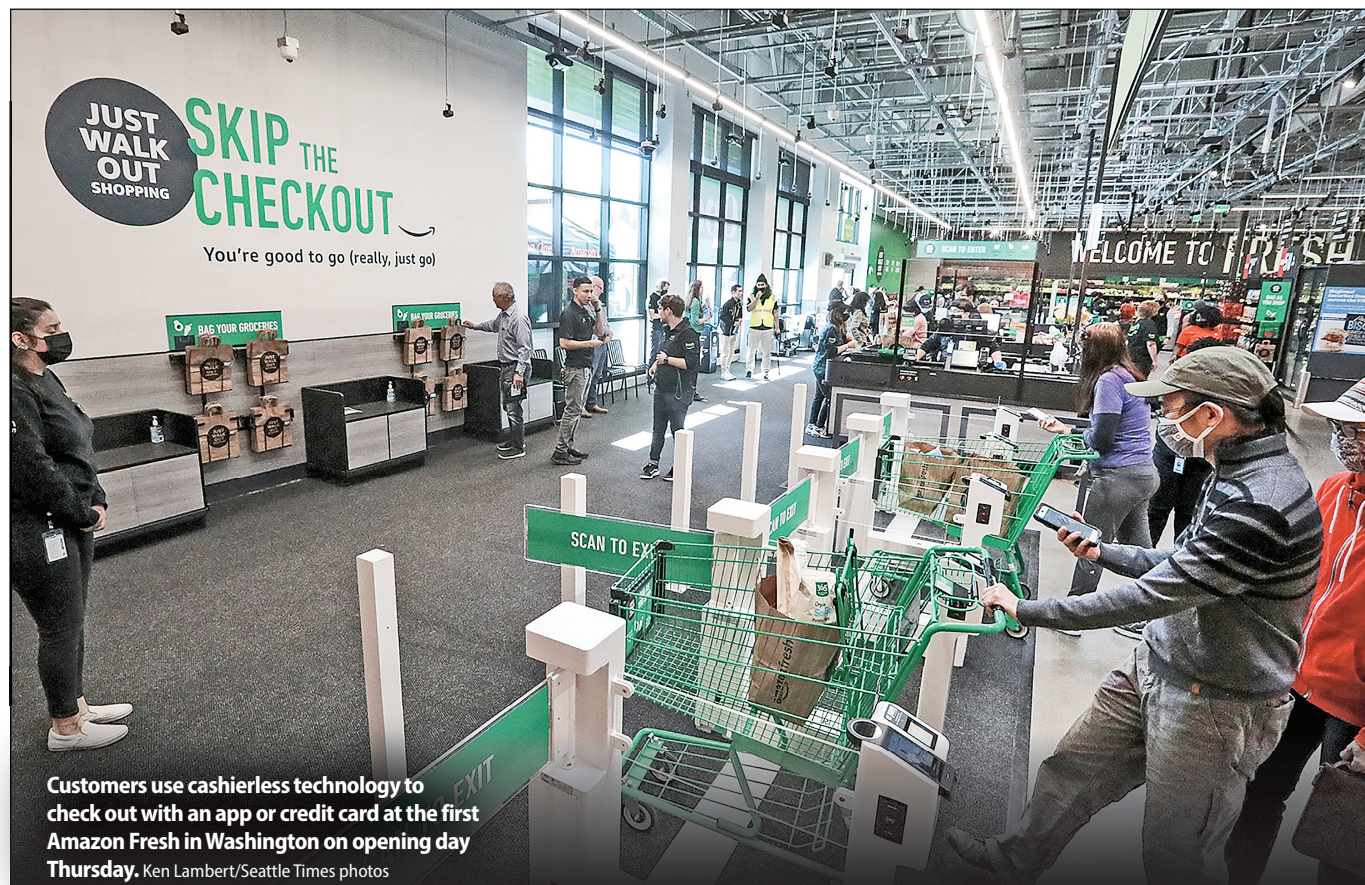
For example: A midcentury modern house designed by architect Saul Zaik in the Southwest Hills sold for \$164,000 over its \$1.1 million asking price on May 14.

Trisha Highland, a broker with John L. Scott Woodstock, said economists aren't predicting an end to escalating offers in the greater Portland area anytime soon.

"Bidding wars are fueled by good old-fashioned supply and demand," she said.

Compounding an anemic number of homes for sale, the state's growing population, September 2020 wildfires that destroyed more than 4,000 Oregon dwellings and a lack of new construction. Oregon has long had the largest housing shortage in the nation, according to the Federal Home Loan Corp or Freddie Mac.

See **Housing** / A13



## 'Just walk out'

### Amazon opens its largest-yet cashierless grocery store

BY KATHERINE ANNE LONG  
The Seattle Times

Amazon's long-awaited Fresh grocery store in Bellevue, Washington, opened Thursday to crowds — and a twist.

The company revealed in a surprise announcement last week that the store is the company's first full-size Fresh grocery store equipped with cashierless technology, powered by a vast array of motion-aware ceiling cameras and sensors that track which items are removed from shelves and then automatically bill customers' Amazon accounts when they leave.

Nationwide, Amazon operates more than a dozen Fresh stores, where groceries have a lower price point than the more upscale Whole Foods chain acquired by Amazon in 2017.

While other Fresh stores have their own share of space-age technology — including smart shopping carts that total up their contents and send customers a digital bill — the new location in Bellevue's Factoria neighborhood is the first Fresh store to be equipped with Amazon's cashierless checkout capabilities, which Amazon calls "just walk out" technology. Amazon Fresh is also the name of the company's grocery-delivery service.

"The first time you do it, you feel like you're getting away with something," said shopper Celeste Cooper, who trekked from her home in Seattle to see the new store on its opening day.

Cooper said she already uses the



*"The first time you do it, you feel like you're getting away with something."*

— Celeste Cooper, a shopper from Seattle

cashierless technology at the Amazon Go convenience store near her house. "It takes some getting used to, but now I just can't stand the lines anywhere else."

Cooper also said she was "impressed" by the scale of the store. The 25,000-square-foot grocery store, a former Safeway, is Amazon's largest application of its "just walk out" tech. The company has historically struggled to use the technology in formats larger than

a convenience store, according to reporting from Bloomberg, because of the technical complexity of tracking a large number of shoppers across a bigger space.

But rather than rely exclusively on cashierless checkout, the Factoria Fresh store has a hybrid model, according to Amazon spokesperson Rachel Hass. Customers can choose whether to "just walk out" or to check out with human cashiers — who unlike in early iterations of Amazon Go stores, do take cash. The Factoria store is Amazon's first attempt at such a hybrid model.

Amazon's sprawling grocery lineup has undergone changes recently and expanded during the pandemic. The company said last month it was ditching its Amazon Go Grocery branding for larger grocery stores with cashierless technology.

Amazon has also been introducing its cashierless technology into progressively larger formats, according to recent media reports. Bloomberg reported in April that Amazon was installing ceiling cameras at an under-construction Connecticut grocery, and a vacant storefront in Ballard, Washington, also bears signs of a cashierless Amazon Fresh location to come.

Amid concerns from grocery unions that Amazon's cashierless technology could hurt grocery employment, the company had sought to play up its hiring push for the Factoria store and another under-construction Fresh grocery in Seattle's Central District.

See **Amazon** / A13

## American, Southwest airlines scrap flights

Crew shortages, weather cause cancellations

BY MARY SCHLANGENSTEIN  
Bloomberg

American Airlines Group Inc. dropped about 1% of its scheduled daily flights for July after a faster-than-expected surge in summer travel led to crew shortages.

The airline will cancel 950 flights during the first 13 days of July, after it scrapped more than 400 flights over the weekend and into Monday on what it cited as poor weather conditions at its Miami and Chicago hubs that exacerbated a shortfall in pilots. In some cases, delays caused by storms exhausted its group of reserve pilots.

The sudden jump in demand fueled by people tired of staying close to home has strained airlines' ability to rebuild operations cut back amid the onset of the pandemic last year. Pilots who took leave and those who were switched to new types of planes have had to be retrained as flight demand has recovered to near-2019 levels.

American added flights back faster than its primary competitors and is operating at about 10% below its 2019 seat capacity, according to records from flight-data firm OAG.

See **Flights** / A13