



Good morning!

It was the bull market that few investors saw coming in March 2009. Over the preceding 17 months, the S&P 500 had fallen 57%. But all that pain set the stage for what is now the longest bull market in US history. Although the last 12 months (through last Friday's close) have tacked on just a +0.4% gain (total return), the entire decade-long bull run for the S&P 500 index has resulted in a +400% increase, equal to a +17.5% annualized gain. One lesson to learn for the next bull market (that will occur after the next bear market): the biggest money made in a bull market oftentimes comes early. During the first 12 months of the current 10-year bull, the S&P 500 gained +72% (source: BTN Research).

The record streak of consecutive months of employers nationwide adding new jobs is now at 101 months (dating back to October 2010), but the +20,000 new net jobs added in February 2019 was woefully short of the expected number. The February total, just the 3<sup>rd</sup> month in the last 8 years that reported less than +100,000 new net jobs, might be a harbinger of an economic slowdown or may be a one-month aberration that will be revised upward in early April 2019 (source: Department of Labor).

The United States is in its 117<sup>th</sup> month since the end of the last recession in the country. In records maintained since 1854 (the last 165 years), the nation has had just one period that avoided a recession that was longer in duration than 117 months. Thus, it's not unexpected that 42% of 281 American economists surveyed last month believe the United States will be in a recession by the end of 2020 (source: National Association for Business Economics).

#### Notable Numbers for the Week:

1. **REALLY BIG NUMBERS** – President Trump is expected to release an overview of his **fiscal year (FY) 2020 budget** today, to be followed by **budget details** on Monday 3/18/19. Total FY 2020 government spending is projected to reach **\$4.69 trillion** or just short of **\$13 billion a day** (source: White House).
2. **MAKING THINGS** - The **12.8 million manufacturing jobs** in the United States as of February 2019 is the nation's largest total **since December 2008** (source: Department of Labor).
3. **HOMES** - The average **single-family home** in the USA **increased in value +5.7%** during 2018. Home values in Idaho **increased +11.9%** (top state) while home values in North Dakota **were flat** (bottom state) (source: FHFA).
4. **NO DOCTOR NEEDED** - 25.5% of Americans had **no claims for any health care service** (i.e., they did not see a doctor or visit a clinic) or filled a **drug prescription** in 2017 (source: Health Care Cost Institute).

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