



Good morning!

Today (Monday 1/07/19) marks the 17th day of the government shutdown that began on Saturday 12/22/18, a duration that would tie for the 2nd longest stoppage in US history. There have now been 21 government shutdowns (the first was in 1976), the longest lasting 21 days. In each of the previous 20 shutdowns, all affected employees (both furloughed “non-essential” personnel who were sent home and are not working and “essential” workers who are working without pay) eventually were paid 100% of their back pay after Congress passed a law to provide the lost wages once the shutdown ended (source: Congressional Research Service).

When Congress is considering tax legislation that affects the US economy, lawmakers look to the Joint Committee on Taxation (JCT) and the Congressional Budget Office (CBO) for projections (called “dynamic scoring”) on how the proposed law changes could impact the behavior of US taxpayers. E.g., a proposed increase in tax rates may cause some Americans to work less and invest differently. But House Democrats introduced legislation last week on the first day of the new 2019 Congress that would end “dynamic scoring,” suggesting a belief that US taxpayers do not change their behavior in response to tax law changes (source: House of Representatives).

US employers added a net +312,000 employees in December 2018, its best monthly gain of the year. There were 156.95 million employed Americans as of the end of 2018 (a record total), up from 154.07 million at the end of 2017, a gain of +2.88 million working Americans during the year (source: Department of Labor).

Notable Numbers for the Week:

1. **TIME IN THE MARKET** - Since 1950 (i.e., 1950-2018), the **S&P 500 index** has been up **54%** of 17,361 trading days, **60%** of 828 months, **66%** of 276 quarters and **72%** of 69 years. The S&P 500 consists of 500 stocks chosen for market size, liquidity and industry group representation. It is a market value weighted index with each stock's weight in the index proportionate to its market value (source: BTN Research).
2. **SUPER SENIORS** - The number of Americans **at least age 75** is projected to **double over the next 20 years**, rising from **23 million** in 2020 to **45 million** in 2040 (source: Census Bureau).
3. **THEY FORGOT TO PLAN** - 62% of the 43 million Americans on Social Security receive **at least 50% of their retirement income** via their monthly Social Security benefit (source: Social Security Administration).
4. **RECORD** - The US field production of **crude oil** reached **11.7 million barrels a day** in November 2018, an **all-time monthly record volume** based upon data maintained **since January 1920** (source: Department of Energy).

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