



Good morning!

It was an “old movie” that long-time stock investors have seen before: the chair of the nation’s central bank calmed the fears of skittish investors and all but guaranteed that a rate cut would occur in the coming weeks, causing stocks to surge. Alan Greenspan, Fed Chair from 1987-2006, did it so often it became known as the “Greenspan Put,” i.e., whenever a financial crisis arose, the Fed would come to the rescue by lowering interest rates. Current Fed Chair Jerome Powell oversees an economy with a historically low jobless rate, low inflation and a stock market already at record levels, but he is still concerned that global speed bumps may eventually work their way into our economy – thus the need now for a rate cut in the near term (source: BTN Research).

Stock investors celebrated Chairman Powell’s comments to Congress last week by pushing the S&P 500 above 3,000 for the first time ever. The stock index closed at 3014 on Friday (7/12/19), its 10th record close this year and 217th in the ongoing 124-month bull run that has produced a gain of +453% since March 2009, equal to an annualized return +18.0% per year. Rumor has it that bulls don’t last forever, but that fact has been lost for now on this streak of more than 10 years (source: BTN Research).

OPEC, once the king of global oil production, has seen its status diminish with the boom of American shale oil. The 15-nation cartel was the source of just 29.8% of the world’s daily production of oil as of July 2019, its lowest total by percentage in almost 29 years, i.e., since September 1990. OPEC generated 39.5% of the world’s oil in April 1998 (source: International Energy Agency).

Notable Numbers for the Week:

1. **WHERE DID THEY GO?** - The number of **publicly listed companies**, i.e., companies **traded on an exchange**, has dropped from a **peak of 8,090** in 1996 to **just 4,336** today (source: theglobaleconomy.com).
2. **WANT A PENSION?** - 83% of full-time **state and local government employees** were participants in a **defined benefit pension plan** in 2018. Just 16% of full-time workers in the **private sector** were participants in a **defined benefit pension plan** in 2018 (source: Urban Institute).
3. **RICHEST** - The **top 1% of wage earners** in the US **reported at least \$480,804** of pre-tax income in 2016 and **own an estimated 29% of the total wealth** in the country (source: Survey of Consumer Finances).
4. **GRAY HAIR OR NO HAIR** - An estimated **56 million Americans** will be **at least 65 years old** by the year 2020, i.e., **1 out of every 6 Americans**. An estimated **73 million Americans** will be **at least 65 years old** by the year 2030, i.e., **1 out of every 5 Americans** (source: Census Bureau).

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