



Good morning!

The only issue that has derailed the US stock market in the last 5 months is the Federal Reserve. The news that the nation's central bank was planning to continue a series of rate-hikes from late September 2018 all the way through the end of 2019 was the catalyst for a near-bear market tumble of domestic stocks. The comeback for US equities since late December 2018 began when the Fed's rate-hike plan for 2019 was put on hold. None of the week's headlines (an unfinished summit with North Korea's volatile leader, a renewed military conflict between Pakistan and India, historic flooding in California) dampened US stock gains. After 9 weeks of 2019, the S&P 500 has gained +12.3% YTD on a total return basis (source: BTN Research).

The big Wall Street story for the upcoming week will be the 10-year anniversary as of 3/09/19 of the ongoing bull market for the S&P 500. However, for this bull market to officially hit 10-years in length, the stock index will have to attain a new closing high above the 2931 level that was reached on 9/20/18. If a 20% bear market drop occurs before a new closing high is achieved, this bull will go in the record books as 9 ½ years in duration, not 10 years (source: BTN Research).

Over the 10-years through 12/31/16, the number of "owner" households in the USA remained constant at 75.7 million, i.e., no growth over a decade, while the number of "renter" households climbed by +8.9 million to 43.1 million. But over the last 2 years (through 12/31/18), "owner" households jumped +3.7 million (to 79.4 million) while the number of "renter" households have been stuck on 43.1 million (source: Census Bureau).

Notable Numbers for the Week:

1. **TURNAROUND** - The **worst performing** stock in the S&P 500 in 2018 **lost 67.1%**. That same stock is **ranked # 1** among all stocks in the index this year through 2/28/19, **up +67.7% YTD** (source: BTN Research).
2. **DEMAND EXCEEDS SUPPLY** - 4.1 million Brits were **waiting to be admitted to a hospital** in England to have **non-urgent surgery** as of 9/30/18 (e.g., cataract surgery, hip replacement surgery), the **highest number** of citizens waiting for surgery **since August 2007** (source: National Health Service England).
3. **IT'S GETTING BETTER ALL THE TIME** - American banks **repossessed 230,000 homes** in 2018, **292,000 homes** in 2017, **379,000 homes** in 2016 and **450,000 homes** in 2015 (source: ATTOM Data Solutions).
4. **SHRINKING INDUSTRY** - *There were 457,800 workers in the newspaper industry in June 1990, a total that has fallen to 139,900 by December 2018 (source: Bureau of Labor Statistics).*

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