



Good morning!

It was a rumor, but now it's a fact. The Federal Reserve has no plans to raise interest rates throughout the remainder of 2019. Fed Chairman Jerome Powell confirmed in his post-meeting press conference last week that Fed officials will be "patient" in determining the future course for interest rates, largely interpreted that investors can expect "flat to declining" interest rates for possibly the next 12 months. Powell also indicated the "shrinking" of the Fed's balance sheet will continue for just 6 more months, stopping in September 2019 (source: BTN Research).

The initial reaction to the Fed's plan was positive, pushing the S&P 500 to a 2019 closing high on Thursday (3/21/19). How could investors be anything but thrilled after learning that the Fed's 3+ year rate-hike cycle might be completed? However, by Friday's trading (3/22/19), doubt had replaced enthusiasm and domestic stocks dropped. Has the US economy slowed that much that it might require an interest rate cut? Might the nation's historically low jobless rate (3.8%) move north as consumers cut back on spending? Did Powell's comments spook investors to overreact and read way too much into his statement, or will the weekend provide investors time to recognize the win they have just been handed? (source: BTN Research).

The US government ran a \$234 billion budget deficit in February 2019, its largest monthly deficit in history. As recently as 2007, our nation's budget deficit for the entire fiscal year (\$161 billion) was less \$234 billion (source: Treasury Department).

Notable Numbers for the Week:

1. **HOUSEHOLDS WITH MONEY** - A household with a **\$1 million net worth** ranks in the top 88% of households in America. A household with a **\$4 million net worth** ranks in the top 97% of households in America. A household with an **\$11 million net worth** ranks in the top 99% of households in America (source: DQYDJ.com).
2. **NO ONE TO ARGUE WITH** - 76% of all US businesses are **1-person self-employed entities**, operating with zero additional employees (source: Census Bureau).
3. **FOUR-TO-ONE** - China had **15.2 million births** in 2018, nearly 4 times the **3.9 million births** in the United States last year (source: Census Bureau).
4. **DIFFERENT RULES** - The **admission rate** at Harvard for applications from the children of wealthy donors, alumni and faculty is 34%. The **admission rate** at Harvard for **all other applications** is 6% (source: Harvard University).

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