



Good morning!

Hurricane Dorian caused life-altering damage to the Bahamas but failed to inflict the same level of destruction to the United States. The storm, reaching 185 mph of sustained winds as it lingered over the Bahamas for 40 hours early in the week, moved slowly northward along the Eastern Seaboard until it crossed land on North Carolina's Outer Banks on Friday 9/06/19. Although heavy rains, storm surge and high winds from Dorian were anticipated, what was not expected were the 20 tornadoes generated by Dorian that moved inland across the Carolinas (source: BTN Research).

Wall Street bond investors traditionally are thought of as the "smartest" guys/gals in the room. Stock investors willingly admit that they look to the debt market for a gauge on future economic growth and for the direction of inflation in the coming months. But the bond market couldn't have been more wrong with its prediction that interest rates would rise throughout 2019. Thus, investors should take *the current forecast* from the bond market and couple that with an appropriate dose of humility from the prognosticators: today's low level of interest rates suggests that *slow economic growth and low inflation will be the storyline* for the next year (source: BTN Research).

One American financial record that will be set in 2019: retail store closures. Through 8/31/19, a staggering 8,051 US retail stores have closed YTD. That total will likely exceed in the coming weeks the all-time calendar year record of 8,139 store closures set just 2 years ago in 2017 (source: Coresight Research).

#### Notable Numbers for the Week:

1. **OUT OF BUSINESS** - Lehman Brothers, a **158-year old company**, was forced to file for **bankruptcy protection** on 9/15/08 (**11 years ago**) when no "**white knight**" emerged to rescue the company from its substantial investment in **subprime mortgages**. It was (and still is) the **largest US bankruptcy ever** (source: Business Insider).
2. **THE MOST PAID** - The **maximum Social Security benefit** paid to a worker retiring at **full retirement age** in 2019 was **\$2,861 per month**, more than triple the **\$899 per month** paid 30 years ago in 1989 (source: Social Security).
3. **TARIFFS IN PLACE** - 59% of all imports **coming into the US** in 2019 (as measured by dollar) are **subject to a trade tariff** imposed by the United States. 75% of all imports **coming into China** in 2019 (as measured by dollar) are **subject to a trade tariff** imposed by China (source: Global Trade Alert).
4. **LABOR DAY** - Only 6% of **private sector workers** belong to a union, compared to 37% of **public sector workers**. Overall, 13% of **US workers**, i.e., 1 out of every 8, belong to a union (source: Gallup).

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