

AFM News and Views

February 2019



210 W. Jackson St. - Morton, IL 61550
Phone: (309)266-5400 - Fax: (309)266-5400

***Our mission** is to serve our clients, in an atmosphere of trust, to help grow and preserve their wealth. We provide personal attention and comprehensive strategies, striving to enable our clients to live and retire with stability. Alltrust Financial Management serves clients seeking comprehensive financial guidance, with a team approach, in a manner that continuously exceeds our clients' expectations. We are a recognized and respected financial management firm delivering trusted, personal attention.*

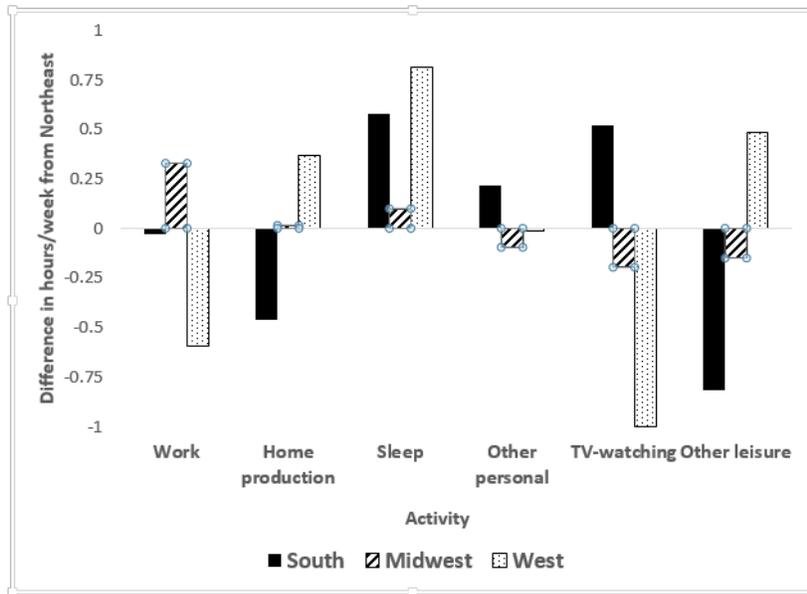
SOUTHERNERS ARE AMERICA'S CHAMPION TV WATCHERS AND MIDWESTERNERS WORK THE MOST (SOURCE: MARKETWATCH.COM)

The laid-back Westerner, the hard-driving Easterner and the stolid Midwesterner are U.S. regional stereotypes. Do they hold true in an age of increased television-induced homogenization of American culture? Surprisingly, they still do.

There are striking differences in how people spend their time, especially when we control for other differences, such as education, their age, whether they live in big cities, their race and their ethnicity.

The average American adult works 28 hours per week, spends over 60 hours per week sleeping and 18 hours watching TV, according to an ongoing government survey that collects 1,000 one-day diaries each month from random citizens. But the chart below shows that Southerners report spending an extra 0.6 hours per week sleeping compared to people in the Northeast. Midwesterners work 20 minutes longer each week than people in the Northeast; and Westerners work nearly an hour less each week than Midwesterners.

Southerners are the regional champions of TV-watching, spending 1.6 additional hours a week on this than Westerners, who spend the least. On the other hand, Westerners spend 1.1 hours more time than Southerners in leisure activities other than TV-watching.



What accounts for these differences? Maybe people who want to enjoy the Western lifestyle move to the West. But differences may also stem from the opportunities that people face.

Nearly half of Westerners are Californians; and perhaps, as Joe Jones sang in 1960, “they’re out there having fun, in the warm California sun.” Why stay indoors and watch TV like other Americans, when the climate makes outdoor leisure so inviting? Maybe the temperature and clear skies provide Californians and other Westerners with a good reason to enjoy time outdoors.

Our stereotypes about location aren’t just about regions—they’re also about individual cities. For example, we think about the very short duration “New York minute,” which, as Johnny Carson said, is the time between a traffic light turning green and other drivers honking at you to move.

New Yorkers do spend their lives differently even from people in the four other biggest American cities (Los Angeles, Chicago, Houston and Philadelphia). They work over one hour more per week than other big-city residents, watch nearly one hour less TV per week, and spend over a half-hour less in household chores than people in the other big cities.

These differences too might arise from the incentives a metropolis offers. Why cook or shop when “take-out” or delivery is readily available? Why spend a lot of time watching TV when there are so many accessible cultural events? People spend their time partly in response to the conditions around them—to the attractiveness and the cost of the different activities that they might undertake.

Stereotypes exist because they have a hint of truth, but they are not completely true—one of the reasons we should always be cautious when we use them. Those about regional differences are partly correct; there are noticeable and remarkable differences in how Americans spend their time. Americans are definitely pluribus, but they are also unum.

ONE BIG REASON PEOPLE DON’T PAY OFF THEIR CREDIT CARDS EVERY MONTH (SOURCE: MARKETWATCH.COM)

Many people are late on their credit-card payments because they simply don’t have the cash. But an even more shocking number don’t pay because they, well, forget.

Some 448 of respondents in a survey of 2,000 people released Tuesday by personal-finance company NerdWallet said they had made a delinquent payment on their debt, meaning the debt was 30 or more days overdue. Of those that were delinquent, 35% said they paid late because they forgot to pay their bill. Another 33% said they paid late because they needed the money to pay for essentials. And 32% said it was because they had an unexpected emergency.

Delinquent debts add up. Nearly **2.5% of credit-card debt** from commercial banks has become delinquent in 2018, down from 6.8% in 2009 at the height of the Great Recession, according to the St. Louis Federal Reserve. That adds up to \$23 billion in overdue credit-card debt, personal-finance site NerdWallet found. About one in five Americans has made a delinquent credit-card payment, it added. If each one paid \$27, the maximum late payment fee by law, that would total \$1.4 billion in fees, excluding interest.

The fact that so many people are forgetting to pay their bills is surprising, said Kimberly Palmer, a credit-card expert at NerdWallet. "In a way it's good news because it's a pretty easy thing to remedy," she said.

One way is to set up reminders from your bank or credit-card company, which can send texts or email notifications when your bill is due, she said. Depending on your bank, you may also be able to make automatic payments.

WEEKLY UPDATES ARE AVAILABLE

LPL Financial's **Weekly Market Commentary** and **Weekly Economic Commentary** can be found on LPL Financial's website (http://www.lplfinancial.com/learning_center/research/).

OTHER UPDATES AVAILABLE FROM LPL RESEARCH DEPARTMENT

- Daily market update: <http://LPLresearch.com>
- YouTube Channel: <http://www.youtube.com/lplresearch> (which can also be found on our website)
- **Outlook 2018: Return of the Business Cycle** video can be found on LPL Research YouTube channel.

CLIENT CONNECT

Are you anticipating an e-mail change? Let us know. We want to make sure you receive all of our e-mail communications. Send your new e-mail to melissa.arbisi@lpl.com

If you have any input or comments about our newsletter, let us know. We love to hear from you!!

Your referrals mean a great deal to our business. If you know of a friend or family member who might benefit from our service, please let us know. We will work hard to ensure that your referrals feel it was a wise investment of their time – and their future- to have met with us.

Don't keep us a secret!! Share this with your family and friends.

Till next month,

The Alltrust Team

Securities offered through LPL Financial. Member FINRA/SIPC

The opinions voiced in this material are for general information only and are not intended to provide specific advice or recommendations for any individual. To determine which investment(s) may be appropriate for you, consult your financial advisor prior to investing.

The information is being provided for general educational purposes only and is not intended to provide legal or tax advice. You should consult your own legal or tax advisor for guidance on regulatory compliance matters. Any examples provided are for informational purposes only and are not intended to be reflective of actual results and are not indicative of any particular client situation.