

Good morning!

The fall of Kabul was the final shoe to drop in the rapid takeover of Afghanistan by Taliban militants. Americans followed the drama as it played out online and on television as the US began the withdrawal of the estimated 80,000 Afghans that may be eligible for evacuation based upon their work with the US over the last 2 decades. American rivals Russia and China were waiting in the wings to capitalize on our muddled exit from Afghanistan, additional concerns for a White House that already feared a rising terrorist threat to the US and to our allies. The US spent a staggering \$2.26 trillion during its 20-year presence in Afghanistan in fighting the Taliban, rebuilding the Afghan government and training its military (source: Brown University).

People watched with sadness the horrors during the fall of Afghanistan, leading some to also worry about how their investments will react to the violence. But financial markets only care about wars, earthquakes, immigration crises or a pandemic to the extent that these risks impact investor confidence. Markets only care if the risks might cause the global economic recovery to lose momentum and stall out (source: BTN Research).

The House returns to work today (8/23/21), set to take up the \$1.2 trillion infrastructure bill that has already cleared the Senate. But House Speaker Nancy Pelosi's (D-CA) "line-in-the-sand" is the House must pass the \$3.5 trillion budget resolution that the Senate also passed before they even look at the \$1.2 trillion bill. Pelosi's problem is that 9 Democrats insist the order must be reversed, i.e., deal with \$1.2 trillion infrastructure bill first, and then consider the \$3.5 trillion budget resolution. Given her party's slim majority in the House, Pelosi can lose the backing of just 3 Democrats and still control a vote (source: BTN Research).

Notable Numbers for the Week:

1. **AVERAGE PER MONTH** - The average Social Security retirement benefit is \$1,503 per month. The average "food stamp" benefit (SNAP) is \$157 per month per person (source: BTN Research).
2. **NOT A LOT** - As of 8/08/21, 1.8 million home mortgages are using the forbearance protection made available to them through the 3/27/20 CARES Act, or just 3.26% of the 56.1 million home mortgages that exist nationwide (source: Mortgage Bankers Association).
3. **SKIP THE PUMP** - There are 43,600 electric vehicle (EV) charging stations in the USA. The \$1.2 trillion infrastructure bill passed by the Senate allocates \$7.5 billion for additional charging stations (source: DOE).
4. **BOOM TOWN** - Phoenix was the 99th largest US city in 1950 (106,818 people). Phoenix is the 5th largest US city today (1.61 million people), per the 2020 US census (source: Census Bureau).

Securities offered through Kestra Investment Services, LLC (Kestra IS), a member FINRA/SIPC. Investment advisory services offered through Kestra Advisory Services, LLC (Kestra AS), an affiliate of Kestra IS. Levine Group, LLC is not affiliated with Kestra IS or Kestra AS.

<https://www.kestrafinancial.com/disclosures>

This material represents an assessment of the market and economic environment at a specific point in time and is not intended to be a forecast of future events, or a guarantee of future results. Forward-looking statements are subject to certain risks and uncertainties. Actual results, performance, or achievements may differ materially from those expressed or implied. Information is based on data gathered from what we believe are reliable sources. It is not guaranteed by Kestra IS or Kestra AS, as to accuracy does not purport to be complete and is not intended to be used as a primary basis for investment decisions. It should also not be construed as advice meeting the particular investment needs of any investor. The indices mentioned are unmanaged and cannot be directly invested into. Past performance does not guarantee future results. The S&P 500 is an unmanaged index of 500 widely held stocks that is generally considered representative of the US stock market. Copyright © 2021 Michael A. Higley. All rights reserved.