



It was, for most Americans, the largest contraction of the US economy in any calendar year in their lifetime. Measurement of the nation's "gross domestic product" (GDP) fell by 3.5% in 2020, the greatest "year-over-year" drop in the size of the American economy since 1946 or 74 years earlier. Between 1946 and 2020, the United States has suffered through 11 recessions (about 1 every 7 years), but none of them packed the economic destruction that the pandemic did in 2020 (source: Nat'l Bureau of Economic Research).

When the US economy does recover, the demand for oil from American consumers will ramp up quickly. We will drive more, fly more, and build more, all activities that require more energy. The domestic oil industry is anticipating that bounce back, reflective in the growing number of operating oil rigs nationwide. Last week's total of 384 oil rigs was the 10th consecutive week that the number has increased, but the total of operating rigs is still down 51% on a "year-over-year" basis (source: Baker Hughes).

Congressional Democrats are weighing the pros/cons of utilizing "budget reconciliation" as a means to move a \$1.9 trillion COVID-relief bill through the Senate. "Reconciliation bills" are not subject to the "filibuster rule" that ends debate on the legislation only when 60 senators agree, i.e., it would take just 51 senators (instead of 60) to approve the COVID-relief bill. The Senate however is *limited by law* to passing only one "spending bill" per year using the "budget reconciliation" process, highlighting the significance of its usage this early in 2021 (source: Center on Budget and Policy Priorities).

Notable Numbers for the Week:

1. **HOW TO SPEND RELIEF DOLLARS** - 36% of stimulus payment money received by Americans from the March 2020 CARES Act was put **into savings**, while 35% was used to **pay down debt** (source: Federal Reserve Bank of New York).
2. **SELLERS' MARKET** - There were **1.07 million existing homes** for sale nationwide as of 12/31/20. 2 years ago (12/31/18), there were **1.53 million existing homes** for sale nationwide. 10 years ago (12/31/10), there were **3.02 million existing homes** for sale nationwide (source: National Association of Realtors).
3. **GLOBAL TRADE REBOUNDS** - After declining for 10 months during the 2020 pandemic, the **monetary value of goods shipped worldwide** in November 2020 **exceeded its previous high-water mark** achieved in December 2019 (source: Netherlands Bureau for Economic Policy Analysis).



4. **IT'S FREE** - 17 US states offer free community college education, including Arkansas, California, Maryland, Oregon and New York. All 17 states do enforce different eligibility requirements to qualify for the free tuition, e.g., community service, or a minimum high school GPA (source: The College Post).

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