



## CAPITAL BENEFITS, LLC

### BY THE NUMBERS 06/20/2021 Edition

1. **ANOTHER BEAR** - When the S&P 500 **closed at 3667** last Thursday 6/16/2022, the index was **down 23.6%** from its **all-time closing high of 4797** set on 1/03/2022, i.e., qualifying as a “bear” market decline of **at least 20%**. The drop was the index’s **11th “bear” since 1950** but its **2nd since the start of the global pandemic**. The S&P 500 consists of 500 stocks chosen for market size, liquidity and industry group representation. It is a market value weighted index with each stock’s weight in the index proportionate to its market value (source: BTN Research).
2. **IT MAY TAKE AWHILE** - After suffering **10 separate “bear” markets** between **1950 and 2021**, the S&P 500 recovered and eventually achieved a **new all-time closing high** each time. The **average length of time** it took to retrace its steps from a “bear” market low to a **new closing high** was **25 ½ months** or more than **2 years**. The quickest recovery for stocks took place over **just 3 months** (in 1982) while the longest recovery took **70 months** or nearly **6 years** (between 1974-1980) (source: BTN Research).
3. **TREASURIES** - As of the end of fiscal year 2021 (9/30/2021), the Fed held **more than twice** the level of Treasury securities (\$5.4 trillion) as held by **Japan** (\$1.3 trillion) and **China** (\$1.0 trillion) combined (source: CBO).
4. **WOW** - The yield on the **10-year Treasury note** has more than **doubled YTD**, rising from **1.496%** as of the close of trading on 12/31/2021 to **3.222%** as of the close of trading on 6/17/2022. Over the **last 60 years** (1962-2021), the yield on the 10-year note **has never doubled** over the course of a calendar year (source: Treasury Department).
5. **BORROWING FOR DIFFERENT REASONS** - Mortgages that were originated during the **1st quarter of 2022** were split between 53% for borrowers who were **refinancing an existing debt** and 47% for borrowers who were **purchasing a home**(source: Attom Solutions).

6. **GOING DIGITAL** - The **weekday daily circulation** of **US newspapers** has fallen 57% over the **2 decades** between 2000 (**55.8 million**) and 2020 (**24.2 million**) (source: Census Bureau).

7. **NOT A HAPPY CAMPER** - "**Consumer sentiment**" of the American shopper, an indicator of **how optimistic consumers feel** about their finances, fell in June 2022 to its **lowest level** ever. "**Consumer sentiment**" has been tracked monthly **since January 1978** (source: University of Michigan).

8. **THIS IS NUTS** - **36% of US households** making **at least \$250,000 a year** in **before-tax income** are living "**paycheck-to-paycheck**" (source: Pymnts.com, LendingClub).

9. **NOT PART OF IT** - An estimated **5 million American workers** are not covered by **Social Security**. The group, comprised of **state and local government workers**, are not required to pay "**payroll taxes**" but are guaranteed by law to receive "**comparable**" retirement benefits from their employer (source: Center for Retirement Research).

10. **PLEASE STAY AND TEACH** - After losing **1,250 full-time teachers** at the end of the most recent school year, Omaha Public Schools decided to pay a **\$4,500 bonus per year** to all **full-time teachers** in their system for each of the **next 2 school years**, i.e., 2022-2023 and 2023-2024 (source: Omaha World Herald).

11. **TRIPLED IN TWO YEARS** - The price of **West Texas Intermediate (WTI) crude oil** closed at **\$37.96 a barrel** on 6/17/2020 (i.e., 2 years ago). The price of **WTI crude oil** closed at **\$109.56 a barrel** on 6/17/2022. The all-time record closing high for WTI crude oil is **\$147.27 a barrel** set on 7/11/2008 (source: NYMEX).

12. **STILL EXPENSIVE** - The **price of lumber** more than **quadrupled during the pandemic** before **falling 65%** from a 5/02/2021 high but is **still +45% higher today** than where the price was **at the end of 2019**. Lumber was trading at **\$403.60/thousand board feet (MBF)** on 12/29/2019, rose to **\$1,686/MBF** on 5/02/2021, but has since fallen back to **\$585.70/MBF** as of Friday 6/17/2022. **One board foot** is equal to a piece of lumber that is **1 foot in length, 1 foot in width** but just **1 inch in thickness** (source: Chicago Mercantile Exchange).

13. **END OF LIFE** - The median cost of a **semi-private room** in a **nursing home facility** is **\$7,908 per month** or \$94,900 per year, based on data collected nationally in August 2021 (source: Genworth Cost of Care Survey).

14. **DOWN ON THE FARM** - Soybeans were trading for **\$17.69 a bushel** on Thursday 6/09/2022, the **highest price ever for the commodity**. That broke the previous record for soybeans of \$17.68 a bushel set almost **10 years ago** in September 2012 (source: Chicago Board of Trade).

15. **THANKS DAD** - Rob Walton, the 77-year old **eldest son** of Sam Walton, **bought the NFL's Denver Broncos for \$4.65 billion** on 6/08/2022, an **all-time record for an NFL franchise**. The previous record purchase price was **\$2.275 billion** paid by **David Tepper** for the **Carolina Panthers** in May 2018 (source: NFL).