



By the Numbers

1. **A SMALL NUMBER OF DAYS** - The total return of the S&P 500 stock index over the last 10 calendar years (2008-2017) is +126.0% (total return). The 10 best trading days during the 10 years (i.e., 10 days out of 2,518 trading days) produced an +97.9% gain. Thus, 10 trading days over the last 10 years were responsible for 78% of the index's total return, i.e., less than ½ of 1% of the trading days drove 78% of the index's return. 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. **DEPENDS** - An individual with \$1 million invested 100% in the S&P 500 as of 1/01/73 withdrawing an inflation-adjusted \$100,000 per year would be out of money in 9 years, i.e., by 1/01/82. Another individual with \$1 million invested in the S&P 500 as of 1/01/82 withdrawing an inflation-adjusted \$100,000 per year would have \$5.1 million remaining after 36 years, i.e., as of 12/31/17. This calculation ignores the ultimate impact of taxes on the account which are due upon withdrawal, is for illustrative purposes only and is not intended to reflect any specific investment or performance. Actual results will fluctuate with market conditions and will vary (source: BTN Research).
3. **WHERE WE ARE** - With 4 months to go in 2018, the S&P 500 is up +9.9% YTD (total return). The index has gained +10.1% per year over the last 50 years, i.e., 1968-2017 (source: BTN Research).
4. **BEST OF OCTOBER** - The 3 best gain days (by percentage) for the S&P 500 in the last 68 years (i.e., dating back to January 1950) all occurred during the month of October (source: BTN Research).
5. **RECORD HIGH** - Following the NASDAQ Composite's close of 5049 on 3/10/00, the next 2 ½ years resulted in a painful 78% fall to 1114 on 10/09/02. The technology-oriented index didn't close back above 5049 until 4/24/15. The new record close for the NASDAQ Composite is 8110 that was set last week on Wednesday 8/29/18. The NASDAQ Composite is an unmanaged index of securities traded on the NASDAQ system (source: NASDAQ).
6. **NOT AT FIRST** - Financial companies, e.g., banks and insurance companies, were not added to the S&P 500 until 1976, 19 years after the index began tracking 500 domestic stocks in 1957 (source: Standard & Poor's).
7. **ECONOMIC PREDICTOR?** - A recession has taken place in the United States within 2 years of an "inverted yield curve" 9 out of 10 times since 1955. This study defined an "inverted yield curve" occurring when the yield on the 1-year Treasury bill exceeded the yield on the 10-year Treasury note (source: Federal Reserve Bank of San Francisco).
8. **BORROW THEIR WAY OUT OF A DEBT PROBLEM** - Chicago is considering borrowing \$10 billion in the bond market because of the city's \$28 billion pension funding shortfall (source: City of Chicago CFO Carole Brown).
9. **WHO OFFERS WHAT** - 65% of 1,825 American employers surveyed in the 4th quarter 2017 offer a defined contribution retirement plan (e.g., 401(k) plan) to their employees. Just 13% of the employers provide an employer-funded defined benefit pension plan (source: Transamerica Retirement Survey).
10. **THEY ALREADY EXIST** - 65% of the goods imported into the United States in 2016 were subject to a tariff imposed by the USA. The average tariff on all imported goods was just 1.73% on a dollar-weighted basis. The largest tariffs were 33% levied on imported tobacco and 16% on imported sugar (source: Federal Reserve Bank of St. Louis).
11. **DOWN BUT STILL HIGHER** - The number of Americans receiving food stamps, i.e., the Supplemental Nutrition Assistance Program (SNAP), climbed from 26.3 million before our nation's 2007 recession to 46.5 million in 2014 before falling to 39.3 million as of May 2018 (source: SNAP).
12. **EDUCATION** - The unemployment rate in July 2018 for Americans with at least a bachelor's degree was just 2.2%. The unemployment rate in July 2018 for Americans who stopped their education after graduating from high school was 4.0% (source: Department of Labor).
13. **CHILD CARE** - The average annual cost of hiring a nanny to watch one child is \$30,160, equal to \$580 a week (source: Care.com Cost of Care Survey).
14. **LEARN TO SWIM** - 68 people drown in the United States every week – almost 10 per day – in non-boating accidents (source: Center for Disease Control).
15. **CRUSHED IT** - Professional golfers hit 95 drives of at least 400 yards during the PGA season through 8/26/18. The longest drive of 430 yards is equal to 3 ½ football fields including the end zones (source: PGA).

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