



# By the numbers

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**1. BIG STOCKS, GOOD PERFORMANCE.** The 4 largest capitalized stocks in the S&P 500 Index were up between +24% to +71% YTD through 7/31/20. The remaining stocks in the \$28 trillion index were down an average of 10% YTD through 7/31/20. The S&P 500 Index 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. COUNTING ALL OF THEM.** After peaking at \$36.1 trillion on 2/19/20, the total market capitalization of all U.S. equities fell \$12.7 trillion to \$23.4 trillion as of 3/23/20 but has since added back \$12.4 trillion to close last Friday 8/07/20 at \$35.8 trillion (source: Wilshire).

**3. RECORD LOW.** The yield on the 10-year Treasury note closed at 0.514% last Tuesday 8/04/20, within 0.013 percentage points of its all-time record low close of 0.501% from 3/09/20 (source: Treasury Department).

**4. REDUCING YOUR MONTHLY COST.** 64% of mortgage applications filed during the week ending Friday 7/31/20 were current homeowners refinancing existing mortgage debt as opposed to new home purchases (source: Mortgage Bankers Association).

**5. HOTELS AND RESTAURANTS.** The number of American workers in "leisure and hospitality" was 16.9 million as of 2/29/20, dropped to 8.5 million as of 4/30/20, and now has rebounded to 12.5 million as of 7/31/20 (source: Department of Labor).

**6. GET IT AND SPEND IT.** 74% of Americans spent their \$1,200 per person stimulus payment from the 3/27/20 CARES Act within 4 weeks of receipt. 159 million Americans received the one-time non-taxable cash payment (source: Money/Morning Consult survey).

**7. MIGHT AS WELL STAY.** Only 7% of workers "auto-enrolled" in an employer's 401(k) plan elect to "opt-out" of the plan, i.e., 93% of all employees remain in the plan (source: Vanguard Research).

**8. BEING CAUTIOUS.** The personal savings rate in the United States was a record 33.5% in April 2020 as Americans reacted to the COVID-19 pandemic outbreak. The personal savings rate in the United States was 7.5% in April 2019 or just 1 year earlier. The personal savings rate is defined as "savings" (i.e., after-tax income less consumption spending) divided by after-tax income (source: Department of Commerce).

**9. GET YOUR ACT TOGETHER.** Fitch Ratings confirmed the AAA-rating of U.S. debt securities on Friday 7/31/20, but reduced its "outlook" for U.S. debt from "stable" to "negative." Fitch indicated the "outlook" downgrade on U.S. sovereign debt was a function of the increase in our country's national debt and projected fiscal deficits. It was 9-years ago last week (8/05/11) that the rating agency S&P downgraded the debt issued by the USA from its top credit rating (Aaa), a ranking that had been held for 70 years (source: Fitch Ratings).

**10. DEATHS.** The first American death from the COVID-19 pandemic occurred on 2/06/20. As of 9am ET on 8/06/20, i.e., 6 months later, 159,398 Americans had died from the pandemic. 55% of the American death total has occurred in the last 3 months, i.e., since 5/06/20 (source: NBC News, Meet the Press: First Read).

**11. HIGH DENSITY CITIES.** As of Monday 8/03/20, only 30 counties in the U.S. (or just under 1% of the 3,142 counties nationwide) that make up 17% of our 330 million population have accounted for 46% of all COVID-19 deaths in the country (source: USAFacts.org).

**12. SCARY NOTION.** Dr. Michael Osterholm, an infectious disease expert at the University of Minnesota, predicted on Sunday 5/10/20, i.e., 3 months ago today, that "we're going to see 60 to 70% of Americans ultimately infected with this virus" (source: NBC News "Meet the Press" show).

**13. VIRUS COST.** California is considering implementing an income tax surcharge effective in 2020 that would levy an extra tax of 1% to as much as 3.5% on incomes in excess of \$1 million. The extra revenue would offset the state's additional expenses incurred in response to the COVID-19 pandemic (source: California Assembly Bill 1243).

**14. TOUGH YEAR.** The number of operating oil rigs in the USA (both on land and offshore) as of last Friday 8/07/20 was 247, down 69% from 805 operating oil rigs as of 12/31/19 (source: Baker Hughes).

**15. FRIDAY NIGHTS.** As of 8/04/20, 28 states have delayed the start of the 2020 high school football season, including 10 states that will begin play in the spring of 2021. However, 4 of the 6 classes of athletic teams in Texas will begin their regular season on 8/27/20 (source: High School Football America).

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