

By the Numbers

August 9, 2021

Your weekly commentary covering the markets and other financial topics.

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COUNTING ALL OF THEM - After peaking at **\$36.1 trillion** on 2/19/20, the **total market capitalization** of all US equities **fell \$12.7 trillion** to **\$23.4 trillion** as of 3/23/20 but has since **added back \$24.3 trillion** to close last Friday 8/06/21 at **\$47.7 trillion** (*source: Wilshire*).

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MAJORITY OF DOMESTIC STOCKS - As of 7/31/21, the **market capitalization** of the S&P 500 was **\$39.2 trillion**, 83% of the value of the entire US stock market (**\$47.2 trillion**). That means **\$5 out of every \$6 of value** in the US stock market as of 7/31/21 was invested in a company that is **part of the S&P 500 index**. 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: S&P*).

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THEY MAY NEVER STOP - The Federal Reserve has been buying **\$120 billion of federal debt per month** since mid-March 2020, resulting in our nation's central bank **buying 76% of all the federal debt** that has been issued **during the pandemic** (*source: Federal Reserve*).

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BEING CAUTIOUS - The **personal savings rate** in the US was a **record 33.8%** in April 2020 as Americans reacted to the COVID-19 pandemic outbreak. The **personal savings rate** in the US **was 9.4%** in June 2021. Before the pandemic, the **personal savings rate** was **above 10%** during just 1 month since 1993. 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*).

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HOTELS AND RESTAURANTS - The number of American workers in "**leisure and hospitality**" was **16.3 million** as of 2/29/20, dropped to **8.6 million** as of 4/30/20, and now has rebounded to **15.8 million** as of 7/31/21 (*source: Department of Labor*).

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LOSING GROUND - **Wages and salaries** of all "**civilian workers**," defined as workers in the **private sector** along with workers for **state and local governments** (but not federal government workers), **increased by +3.2%** on a year-over-year basis as of 6/30/21. **Inflation**, as measured by the "Consumer Price Index" (CPI), was **up +5.4%** over the same 12-month period (*source: Bureau of Labor Statistics*).

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BETTER THIS YEAR - Approximately 1 out of every 7 "**recent graduates**" from college (**13.6%**) was unemployed in June 2020. Just 1 out of every 16 "**recent graduates**" from college (**6.2%**) was unemployed in June 2021 (*source: Federal Reserve Bank of New York*).

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- 8 **NEED HELP** - 43% of Americans **under age 35** receive **financial help** from their parents or other family members **when they purchase a home**, e.g., money used for a **down payment** (source: *Legal & General*).
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- 9 **HOME BUILDING** - **563,400 single family homes** began construction during the first half of 2021, the largest "**January-to-June**" total in the US since the first half of 2007 or **14 years earlier** (source: *Census Bureau*).
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- 10 **BIGGEST PIECE** - 70% of total **household debt** nationwide is **mortgage debt** as of 6/30/21, i.e., \$10.44 trillion of mortgage debt out of \$14.96 trillion of total household debt (source: *Federal Reserve Bank of New York*).
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- 11 **PARTLY EXTENDED** - The **first eviction moratorium** due to **the pandemic** was issued by the Department of Housing and Urban Development **on 3/18/20 for 60 days**, i.e., to 5/17/20. Believing that renters needed additional financial help, the original moratorium was **extended 7 times**, ultimately pushing the deadline **to 7/31/21**. An 11th hour effort by the White House on Tuesday 8/03/21 **extended the deadline** an 8th time (to 10/03/21), however the extension is **limited to just those areas** in the US where COVID infections have continued to rise (source: *HUD*).
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- 12 **MEDICAID** - **Expanding Medicaid** at the state level **has been an option** available through the Affordable Care Act (ACA) since 2014. Only **12 states** have not accepted the offer, believing that **expanding Medicaid** will cause a state to eventually take on **additional cost burdens** (source: *The Commonwealth Fund*).
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- 13 **STATE POLITICS** - There is a **State Senate** and a **State House** in 49 of the 50 states (Nebraska has a single house). Out of the **99 state legislative chambers**, Republicans control **61 of the 99** (source: *Ballotpedia.org*).
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- 14 **DEATHS** - The **first American death** from the **COVID-19 pandemic** occurred on **2/06/20**. As of 9am ET on **8/06/21**, i.e., **18 months** later, **619,158 Americans** had died from the pandemic, an average of **7,938 deaths per week**. **3,273 Americans** died of COVID-19 in the **last week** (source: *NBC News, Meet the Press: First Read*).
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- 15 **WOW** - When Ryan Crouser, Joe Kovacs and Tomas Walsh finished 1-2-3 in shot put, it was the **1st time** in history in any individual event that the **same athletes** won the **same medals** in consecutive Olympics (source: *Olympics*).
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