

News and Notes:

September Newsletter

Top Headlines

- **CPI/PPI**
- **Powell**
- **AI Race**
- **Job Market**
- **Longevity**



Midway Wealth Partners

1650 N Arlington Heights Rd. ste. 204
Arlington Heights, IL 60004

1580 S Milwaukee Ave ste. 610
Libertyville, IL 60048

Phone: 847-787-1144
Fax: 224-232-5625

E-mail: RBabjak@MidwayWP.com
dryan@MidwayWP.com

CPI: Inflation held steady in July as import tariffs took a toll on some U.S. consumer prices. Some economists said the numbers won't be enough to keep the Federal Reserve from cutting interest rates in September. Prices overall increased 2.7% from a year earlier, similar in June, according to the Labor Department's consumer price index, a measure of average changes in goods and services costs. On a monthly basis, costs increased 0.2% after rising 0.3% the month before (source: USA Today).

PPI: While the CPI held steady the Producer Price Index (PPI) rose far more than expected in July showing that inflation is still a threat. The PPI jumped 0.9% in July compared with the Dow Jones estimate for a 0.2% gain. It was the biggest monthly increase since June 2022. Excluding Food and energy prices, the core PPI rose 0.9% against the forecast of 0.3%. Following the release, market-implied odds of a September rate cut decreased but only slightly according to the CME Group's FedWatch tool (source: CNBC/CME Group).

Powell- Jackson Hole: Fed Chair Jerome Powell on August 22nd gave a tepid indication of possible interest rate cuts ahead as he noted a high level of uncertainty that is making the job difficult for

monetary policymakers. "With policy in restrictive territory, the baseline outlook and shifting balances of risks may warrant adjusting our policy stance," he said during his annual address at Jackson Hole, Wyoming. While not addressing White House demands for rate cuts specifically, Powell did note the importance of Fed independence (source: CNBC).

Mortgage Rates: The average 30-year fixed mortgage rate hit its lowest level since October of 2024 at the end of August falling to 6.55%. The drop is being attributed to bond yields creeping lower, which was in turn influenced by weak hiring data in the July jobs report (source: The Wall Street Journal).

Big Revenue: Amazon AWS (Amazon Web Services) generated \$108 billion in revenue in 2024, which was higher than the revenues of 468 companies in the S&P 500. Amazon is also bringing same-day delivery of fresh foods to more pockets of the U.S. The service is launching in more than 1,000 U.S. cities and towns, with plans to expand to at least 2,300 locations by the end of the year. (source: Creative Planning/ CNBC).

AI Race: OpenAI CEO Sam Altman said the U.S. may be underestimating the complexity and seriousness of China's

progress in artificial intelligence. His comments come as Washington adjusts its policies designed to curb China's ambitions. Altman said competition from Chinese models- particularly open-source systems like DeepSeek and Kimi K2- was a factor in OpenAI's recent decision to release its own open-weight models. Current and former OpenAI employees plan to sell approximately \$6 billion worth of shares to an investor group that includes Thrive Capital, SoftBank and Dragoneer Investment group at a \$500 billion valuation. There are presently 10 companies globally that are valued at over \$500 billion (source: CNBC/ Bloomberg).

Tiny Country: At just 0.2 square miles, the Vatican is the world's tiniest country, but don't let the size fool you. Thanks to a 1929 treaty with Italy, it's a fully sovereign state with its own passports, money and even diplomats- all run by the pope (source: BBC News).

Job Importance: U.S. employees now rate work-life balance and personal well-being (59%), pay or benefits (54%), stability and job security (54%), and a job that allows them to use their strengths (48%) as most

Midway Wealth Partners

News and Notes:

September Newsletter

“History never repeats itself. Man, always does”

Voltaire

“The first rule of compounding is to never interrupt it unnecessarily”

-Charlie Munger



Midway Wealth Partners

1650 N Arlington Heights Rd. ste. 204
Arlington Heights, IL 60004

1580 S Milwaukee Ave ste. 610
Libertyville, IL 60048

Phone: 847-787-1144
Fax: 224-232-5625

E-mail: RBabjak@MidwayWP.com
dryan@MidwayWP.com

important when choosing a new job (source: Gallup).

Job Market: Zety, a career and resume platform, surveyed almost 1,000 Americans who have experienced a layoff in the past two years. According to the report, 53% of laid-off workers submitted more than 50 applications before landing a new role, and 1 in 5 submitted over 100 applications. Additionally, over 30% of laid-off workers were unemployed for over 90 days before securing a new job (source: Zety).

Life Expectancy: Life expectancy at birth was 18 years in the early Bronze Age (3300 BC-1200BC), 22 in the Roman Empire (27BC-476AD), and 36 in Massachusetts in 1776. Today, with the last numbers from 2022, average life expectancy is 77.5 years with an average 80.2 years for women and 74.8 years for men (source; The Atlantic).

Longevity Risk: Jean Dolores Schmidt, better known as Sister Jean, is an American religious sister of the Sisters of Charity of the Blessed Virgin Mary and chaplain for the Loyola Ramblers men’s basketball team at Loyola University in Chicago. Sister Jean turned 106 years of age on August 21st (source: Fox 32).

Spirit Longevity: Speaking of Longevity (or lack thereof), Spirit Airlines, the ultra-low-cost airline known for its bright yellow planes and barebones flying experience, has “substantial doubt” that it can continue to operate over the course of the next 12 months, citing weak demand for domestic travel. Unlike larger airlines, Spirit can’t offset this lack of demand with luxury travel, and despite adding more premium options, the airline has been unable to stop the bleeding (source: Business

Insider).

Record Breaker: Shark Tank famed investor Kevin O’Leary (Mr. Wonderful) revealed on CNBC on August 25th that he was one of three buyers to snap up the record-breaking Kobe Bryant and Michael Jordan Sports card at auction over the weekend. The card was a signed collectible and went for \$13 million, surpassing the previous record of a sports trading card sold at auction, according to Heritage. O’Leary said he doesn’t believe the card will go back on the market in his lifetime (source: CNBC).

Midway Wealth Partners will be presenting our three evening retirement planning class at two different locations at the College of Lake County.

September 16th, 23rd and 30th on the Grayslake Campus

September 18th, 25th, and August 2 on the Vernon Hills Campus

The educational seminar has been presented to thousands over the years—refer a friend or relative.

The information presented here is not specific to any individual's personal circumstances and should not be relied upon without seeking the advice of a qualified professional after full review of the individual's investment, tax or legal situation. These materials are provided for general information and educational purposes based upon publicly available information from sources believed to be reliable—we cannot assure the accuracy or completeness of these materials. The information in these materials may change at any time and without notice.

Securities and Advisory Services are offered through World Equity Group, Inc., member FINRA and SIPC. Midway Wealth Partners is not owned or controlled by World Equity Group, Inc. Investment advisory and financial planning services are offered through Summit Financial, LLC., a SEC-Registered Investment Adviser, doing business as Midway Wealth Partners.