

News and Notes:

August Newsletter

Top Headlines

- The Fed
- More Millionaires
- Egg Prices
- Nvidia
- Longevity Risk
- Housing
- Project Crypto



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The Fed: The Federal Reserve said in July after their last meeting it's keeping its benchmark interest rate unchanged, citing elevated uncertainty over the nation's economic outlook. The decision to hold rates steady marks a continuation of the Fed's "wait-and-see" strategy this year, as it monitors the impact of the Trump administration's tariffs on consumer prices. The next Fed meeting is in September and the probability for a September rate cut fell to about 40% according to CME Group's Fed Watch tool (source: CNBC/ Federal Reserve).

Buffett: Warren Buffett has given away more money than most of us will ever have, most recently donating \$6 billion worth of Berkshire Hathaway stock to the Gates Foundation and four family charities. It's the biggest annual donation he's made yet, bringing his total philanthropy up to roughly \$60 billion in total (source: Morning Brew).

More Big Money: Larry Ellison, the co-founder and chief technology officer of software giant Oracle, surpassed Meta's Mark Zuckerberg as the second richest person in the world. Ellison age 80 has a net worth of \$251 billion, according to Bloomberg. His wealth increased by \$59 billion this

year. Zuckerberg, the creator of Facebook, is a close third (source: Bloomberg).

More Millionaires: A UBS report found that the US gained 379,000 new millionaires last year, an increase of 1.5% from 2023. That gives the country 23.8 million total millionaires, the most in the world, dwarfing China's 6.3 million (source: CNBC).

Japan Trade: President Trump announced a "massive" deal with Japan in July. President Trump said that Japan will invest \$550 billion into the United States. He also said that Japan "will open their Country to Trade including Cars and Trucks, Rice and certain other Agricultural Products". Auto tariffs on Tokyo will be lowered to 15% from the current 25%. Auto exports to the U. S. are a cornerstone of Japan's economy, making up 28.3% of all shipments in 2024 (source: Reuters)

US-EU Trade: President Trump and European Commission President Ursula von der Leyen announced in July that the US and EU had agreed to the framework of a trade deal that included a baseline tariff rate of 15 % on EU goods imported to the US. Shares of liquified natural gas (LNG) companies rose after the EU agreed to buy \$750

billion of energy from the U.S. The purchases according to the EU president would help Europe's dependence on Russian oil and gas (source: Yahoo Finance/CNBC).

S&P 500: The S&P 500 hit its 11th all-time high of the year in July, continuing its remarkable turnaround from just a few months ago. Fears of tariffs impacting the global economy have essentially disappeared- at least as the stock market is concerned (source: Creative Planning).

Egg Prices: After an extreme price increase of more than 227% in 2024, egg prices are falling. Since February, the price of eggs has fallen by 61.2 percent (source: Department of Labor).

Nvidia: Currently NVIDIA is the world's largest company with a valuation north of \$4 Trillion. Nvidia (NVDA) and the University of Bristol debuted the UK's Isambard-AI supercomputer in July, part of Nvidia's push into so-called sovereign AI or AI supercomputers built for individual nations. This is the UK's fastest computer and meant to perform research on everything from materials science to drug discovery to large language

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“Feeling gratitude and not expressing it is like wrapping a present and not giving it”

-William Arthur Ward

“A bank is a place that will lend you money if you can prove that you don't need it”

-Bob Hope



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models designed for UK specific languages like Welsh. While the Isambard- AI supercomputer is powerful as research computers go, it's relatively small compared to the massive datacenter-scale systems companies like Amazon, Google, Meta and Microsoft currently run (source: Yahoo Finance).

Student Loans: The student loan delinquency rate has hit 31%, with 5.8 million people at least 90 days past due on their payments... the highest rate since TransUnion began collecting date in 2012 (source: Bloomberg).

Amazon: Amazon is on track to reach 350 million global Prime memberships by year-end, up from 200 million in 2021, according to JP Morgan. This year's July Prime Day was extended to a four-day event, with sales reaching over \$23.8 billion (source: Sherwood News).

Attendance Decline: U.S. universities are seeing a roughly 10% decline in international graduate enrollment, including master's and doctoral students, which could slash around \$3 billion in tuition revenue this year (source: Financial Times).

Longevity Risk: The average life expectancy of a 65-year-old today is nearly 20 years, but there's a 25% chance they'll live past 90. That kind of longevity sounds like a blessing... until you realize it could mean running out of money. Investors need to know that financial planning isn't just about reaching the finish line... It's about making sure the money lasts longer than you do (source: Plan Advisor).

Housing: In July it was reported that homes are sitting on the market on average of 8 days longer compared to one year ago, as buyers re-

main on the sidelines according to the website Realtor. June new home sales rose 0.6% (Est. 4.3%) after dropping 11.6% in May and are down 6.6% from a year ago. There is currently the highest inventory level since 2007. The report noted high mortgage rates as one of the reasons why many buyers are unable to take advantage of the current situation. Since the beginning of this year the average 30-year mortgage has remained above 6.5% every single week (source: Realtor/Epoch Times).

Project Crypto: The Securities and Exchange Commission (SEC) in July debuted "Project Crypto", an initiative to modernize securities regulations to allow crypto-based trading. (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.

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