

## STATE OF PERPLEXITY

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Recently I received a forwarded message from a client that his brother (also a client) sent to him with a picture of last December's JadeSpeak newsletter with the headline "2020 Shaping up to be a Good Year." Underneath the photo was the comment that read, "I think Tim Phillips is a liar LOL"



I am big enough man to admit my crystal ball had a part on backorder at the time.

Year 2020 certainly has not turned out to be the year any of us expected. The part for my crystal ball finally made it after months of being on backorder (sound familiar?), so I will use it just to predict the phrase of the year will be "social distancing."

This year has been trying for all of us on many fronts, from not being able to be around those we love, to feeling like you've won a prize when you were finally able to score a container of Clorox wipes. We most certainly have had to change daily routines and our habits. However, looking at the positives, we have found that we



are adaptable people and big events in our lives seem to always bring out the best in selflessness.

As the fourth quarter of the year is quickly approaching we find ourselves with more questions than answers, and a lot of uncertainty.

A second wave of coronavirus new cases has been warned of by many top medical experts.

A general consensus believes this second wave will begin as early as mid-October, as temperatures begin to fall and a typical time flu season

begins. Then, cases are expected to escalate through the winter.

Speaking to the Washington Post, Epidemiologist Eili Klein at Johns Hopkins University School of Medicine said he anticipates that a second wave at this point is an inevitability. And rather than wondering if a second wave is coming, Klein notes that the only question at this point centers on how big the wave is going to be.

CONTINUED ON  
BACK PAGE

# The Fed lays out its path

Among the things that are uncertain, there is one thing we do have direction on.

This week (the week of Sept. 14, 2020) the Federal Reserve voted to keep rates unchanged. This was

really no surprise given the economy is still trying to find its footing amid the pandemic.

However, what was made clear was how determined the Fed is to hold rates at that level for the next few years. The Fed's dot plot

shows current consensus there will be no rate hikes this year or through 2023.

In other words, the Fed doesn't think the economy will pass their two-pronged test until at least 2024, according to Brian Wesbury, Chief Economist of First Trust Portfolios.

## PERPLEXITY

FROM FRONT PAGE

Many experts believe the U.S. will have 400,000 deaths due to the virus by year end. Currently we are about half of that. It is my hope the models are wrong.

However, if this second wave is as bad as the experts predict, how will it affect things like having an adequate supply of goods and services? Examples include having enough food and daily essential items, and enough swabs and fluid for testing. Then there are the businesses: The industries, like restaurants and others. What if they are not able to remain open due to the prolonged impact of the virus?

All in all, these and many other factors will

have a snowball-like effect on the condition of our economy.

On another front, we have a "contested" Presidential election in less than 50 days.

The two candidates do not have much, if any, middle ground on tax and economic policies. This huge spread in ideals creates uncertainty in the markets: Not knowing which administration will be in office and what direction we are headed toward.

I am smart enough to not engage politics. Still, I feel we have a responsibility

and a privilege to vote, and I feel it is prudent to learn as much as you can about each candidate by doing your own research on both candidate's policies to determine which ones are most important to you.

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## Halloween Factoids



Here's a bit of Halloween Trivia, courtesy of Good Housekeeping:

This year will be the first Halloween in 19 years to have a full moon. Full moons on Halloween are pretty rare. The last time there was a full moon on October 31, it was 2001 — and before that it was 1955. The next one won't occur until 2039.

Illinois produces up to five times more pumpkins than any other state. The Land of Lincoln has more than 15,000 acres devoted to gourd growing, according to the United States Department of Agriculture.

Source:  
[goodhousekeeping.com](http://goodhousekeeping.com)

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