

January 15, 2022

Market/Index	2018 Close	2019 Close	2020 Close	2020 Change	As of 12/31/21	2021 Change
DJIA	23,327.46	28,538.44	30,606.48	7.25%	36,338.30	18.73%
NASDAQ	6,635.28	8,972.60	12,888.28	43.64%	15,644.97	21.39%
S&P 500	2,506.85	3,230.78	3,756.07	16.26%	4,766.18	26.89%
Prime Rate	5.50%	4.75%	3.25%	-1.50%	3.25%	0.00%
10-year Treasury	2.69%	1.92%	0.93%	-0.99%	1.52%	0.59%

Farewell to 2021

2021 has come and gone and there are so many good things to talk about we've had trouble boiling them all down to what we can fit into a newsletter. The problem is that when you turn on the news or read the paper you don't see any of it. Anchor clients know that we have been frustrated with the news for many years, but for a refresher, here's why. News channels are now huge profit centers for massive corporations. In 2020, Fox News had profits of \$571 million, accounting for 60% of Fox Corporation's entire profits. The viewers of TV news are not the customers of TV news, instead they are the product being sold to advertisers. Advertisers will pay handsomely to whomever supplies the most engaged viewers. As such, a news organization's goal is to keep viewers watching their broadcasts for longer and longer periods of time, and they can't do that by telling you everything is great. We think this does the public a disservice and it certainly makes living a balanced life more difficult than it should be.

So, let's talk about the good things that happened in 2021:

Retail Sales

US Retail and Food Service sales are up 22% from where they were in November 2019, before the pandemic started. These are small, local businesses who create jobs and keep their profits in their communities. That's good for everyone.



Business Owner's Income

US Proprietor's Income has risen 12.52% since November 2019. Businesses are strong in local communities and small business owners can begin to dig out from the carnage of 2020. In addition, new business license issuances have risen dramatically. That's good for everyone.

Housing Starts

US Housing Starts are up 24% from where they were in November 2019. The US has been struggling with a housing shortage since 2008 and hopefully we can produce more houses and keep them affordable for families. The downside is that the average sales price for a home in the US has increased 32% during that same time. We need more houses quickly; homebuilding drives the economy across the board and construction jobs are local jobs. That's good for everyone.

More Than 8.47 Billion Covid-19 Vaccinations Were Administered Globally

In December 2020, just nine months after the pandemic started, the UK administered the first non-trial Covid-19 vaccine. A year later, almost 9 billion shots have been administered. It's the largest mass vaccination campaign in history. The speed, intensity, and efficiency of the life-saving vaccine rollout is a phenomenon that's powerful to behold, and it is estimated that we're just three months away from 75 percent of the global population having had their first dose. That's good for everyone.

A Human Mind Was Wirelessly Connected to a Computer

In March 2021, researchers at Brown University successfully transmitted brain signals wirelessly to a computer for the first time—the move is a breakthrough for paralyzed people, as the removal of cumbersome wires takes this tech one step closer to being available for home use. Brain-computer interfaces have been used to help people type, use robotic prostheses, and even move their own limbs in the past. But now participants can use this technology in their homes rather than in a lab setting. As this technology evolves, we may be able to access the internet without a phone or computer, learn new skills instantaneously, and conduct research as fast as our brain can think of the questions. This will drive technological breakthroughs that we can't even imagine yet. That's good for everyone.

China Eliminated Malaria

In June, the World Health Organization (WHO) declared China free of malaria after “decades of targeted and sustained action” against the disease. In the 1940s, China reported 30 million malaria cases annually; in 2020, the country reported four consecutive years of zero indigenous cases, paving the way for WHO to declare it malaria-free in 2021. In April, WHO launched a campaign to rid 25 more countries of malaria by 2025. That's good for everyone.

NASA Made Oxygen on Mars

In April, NASA's Perseverance Rover successfully converted some of Mars's carbon-dioxide-rich atmosphere into oxygen. It's a giant leap toward getting humans on Mars and then on to other planets. NASA said the move “could pave the way for science fiction to become science fact.” That's good for everyone.

Electric Vehicles Outsold Diesel Automobiles for the First Time in Europe

In August, electric cars outsold diesel ones in Europe for the very first time, and next year, experts expect that more electric cars will be sold overall in the UK. The surge is believed to be driven by a fall in prices, a wider range of vehicles, gasoline shortages, and a rise in the number of charging spots available. In fact, the UK government plans to ban the sale of new gasoline and diesel cars by 2030. That's good for everyone.

Keeping Up With the Kardashians was cancelled Need we say more?

The Future

The Apple IIc was introduced thirty-eight years ago. Dial-up Internet through AOL started twenty-seven years ago. The iPhone was introduced fifteen years ago. The first Tesla Model S was introduced ten years ago. Two years ago, DNA sequencing uncovered the viral sequence of COVID-19, roughly 10 days after the first cases were reported. Just this week, a man in Maryland became the first person to receive a heart transplant from a genetically altered pig, paving the way for a new source of organ donations. All of this sounds like science fiction, but it's not. The innovation of the next 5 years will be faster, more profound, and more integrated with your daily life. US investors who fund this innovation will profit handsomely. You may not hear it from the nightly news, but we have a lot of good things to look forward to in 2022. We just need to sit back, read a good book, and enjoy the ride.



All of us at Anchor would like to thank you for your business and the trust and confidence you put in us each day. We look forward to working with you in the years to come and hope you have a fantastic 2022!



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