



MOULTON WEALTH MANAGEMENT INC. ***MOULTON HOT MINUTES***

SPECIALIZING IN RETIREMENT AND TAX PLANNING

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We've been told that a recession is unlikely because consumers are flush with cash. In fact, we're told we have "strong" retail sales which is about 2/3 of the U.S. economy. But is it true?

First, let's review the Personal Savings Rate in the U.S. During Covid the personal savings rate in

struggling with rising prices.

If they don't have savings to fall back on, how do consumers cope? By taking on higher debt.

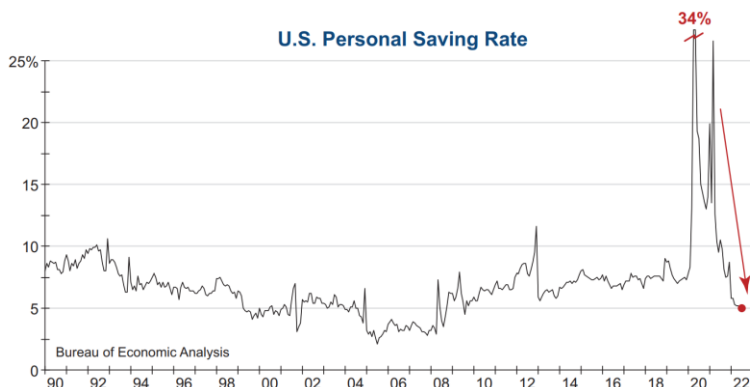
America's Dependence on Credit Cards is Growing – CNN September 22nd

Consumer Debt Behavior Flashes a Warning Sign – Insider Intelligence September 20th

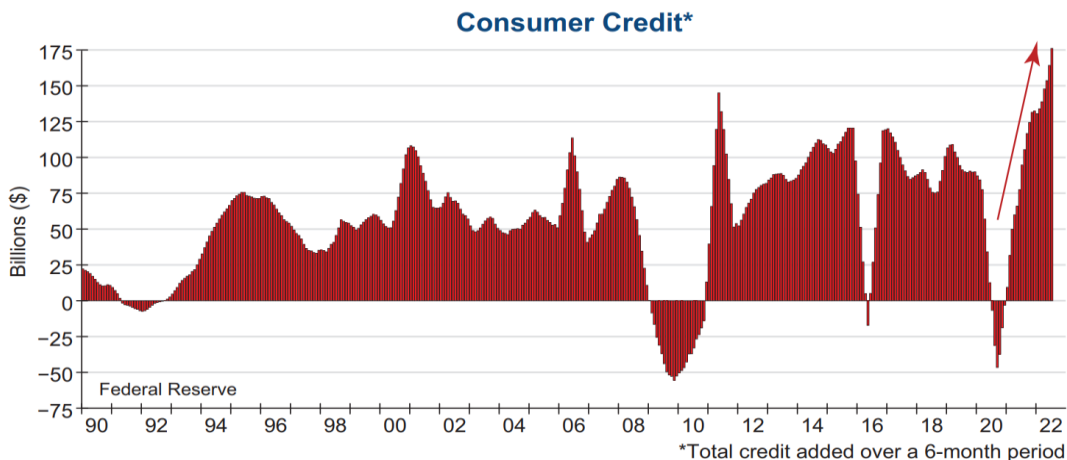
More Americans are stuck with Long Term Credit Card Debt – Bloomberg September 20th

U.S. Consumer Borrowing Jumps by More than \$40 Billion, Second Most Ever – Bloomberg August 5th

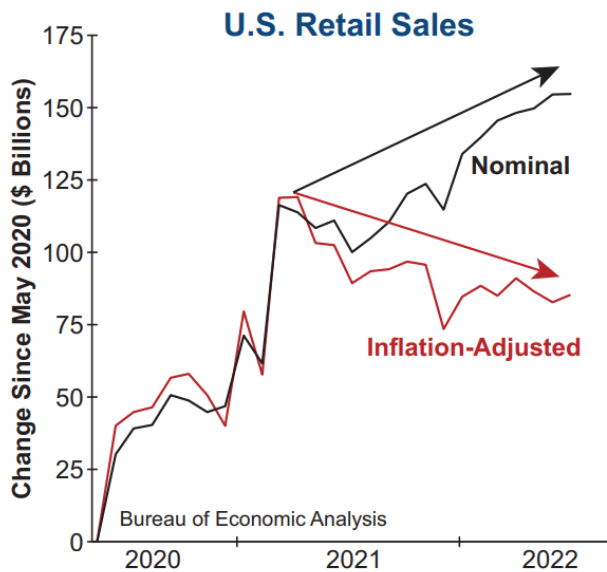
The following consumer credit chart shows consumers have added more credit over the last 6 months than at any point over at least 30 years.



the U.S. spiked far above the long term average as many received free government handouts despite not needing them. The first of four charts from InvestTech Research shows that post-Covid, it has plummeted back to the lowest level since coming out of the Great Financial Crisis. This tells us consumers are



What about those great retail sales? After all, consumers must be doing well if they keep buying more goods and services. It's important to remember that the announced retail sales numbers are not adjusted for inflation. If consumers are spending more because they're buying more "stuff" that's positive for the economy. If consumers are spending more to buy the same amount (or even less?) "stuff" because prices have increased, that's negative for the economy.



Probably not surprisingly, consumers are spending more dollars to get fewer goods and services. This likely explains why corporate CEO

Yours truly,

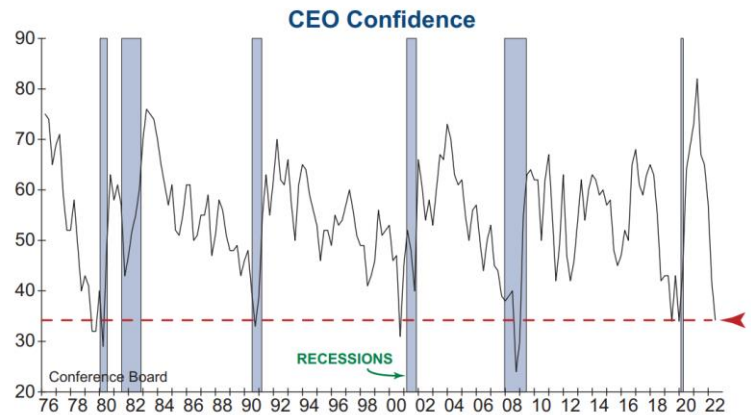
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P.S. Please feel free to forward this commentary to family, friends, or colleagues. If you would like us to add them to the list, please ask them to send an email with their information and permission to be added.

The Standard & Poor's 500 (S&P 500) is an unmanaged group of securities considered to be representative of the stock market in general. The Dow Jones Industrial Average is a price-weighted index of 30 actively traded blue-chip stocks. The NASDAQ Composite Index is an unmanaged, market-weighted index of all over-the-counter common stocks traded on the National Association of Securities Dealers Automated Quotation System. Yahoo! Finance is the source for any reference to the performance of an index between two specific periods. Opinions expressed are subject to change without notice and are not intended as investment advice or to predict future performance. Investments in securities do not offer a fixed rate of return. Principal, yield and/or share price will fluctuate with changes in market conditions and, when sold or redeemed, you may receive more or less than originally invested. No system or financial planning strategy can guarantee future results. Consult your financial professional before making any investment decision. You cannot invest directly in an index. www.investech.com www.hussmanfunds.com

confidence has fallen to a level usually reserved for recessions.



The deepest and longest bear markets happen during recessions, and we are likely entering the worst part of this one.

John Hussman, PhD, of Hussman Funds came within a couple percent of accurately predicting the 80% NASDAQ decline during the Dot.com Bubble. He thinks the S&P-500 could fall between 57% and 70% this time around.

It's not too late to protect yourself.

What is your defensive plan? Attend a free seminar or call the office to hear about ours.

Waiting could be costly.

How low might the market go with consumers, representing 2/3 of the economy, running out of cash?

Weekly Radio Show
Saturday Morning:

8:00 AM KXLY 920 AM
Spokane and Area

9:30 AM KFLD 870 AM
Tri-Cities and Area

Moultonwealth.com

SPOKANE

Hampton Inn—Valley
BREAKFAST!
16418 E. Indiana —Spokane
Oct. 19th @ 9:30 AM

TRI-CITIES

Hampton Inn
486 Bradley Blvd; Richland
Oct. 26th @ 11:00 AM

- ◇ How employing and consistently following a defensive system could help you to a better retirement.
- ◇ The Secure Act tax law change could alter how you leave your retirement accounts!
- ◇ What happens when an economic downturn makes it difficult for companies to pay back their massive debt?
- ◇ Why Buy and Hold Investing was right for the 80's and 90's yet very wrong for today.
- ◇ Will inflation eat up your assets?
- ◇ How to potentially decrease taxes on your hard earned Social Security Income
- ◇ To Roth or not to Roth?

And so much more!

COMPLIMENTARY SEMINAR

For those 50 years old and older



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How Low Can The Market Go?

***Consumers are 2/3 of the
economy and running
out of money.***

Spokane

**Oct. 19th
@
9:30 AM**

Details Inside

*No Cost
Seminars for
Retirees and
those close to
Retirement*

Richland

**Oct. 26th
@
11:00 AM**

Details Inside