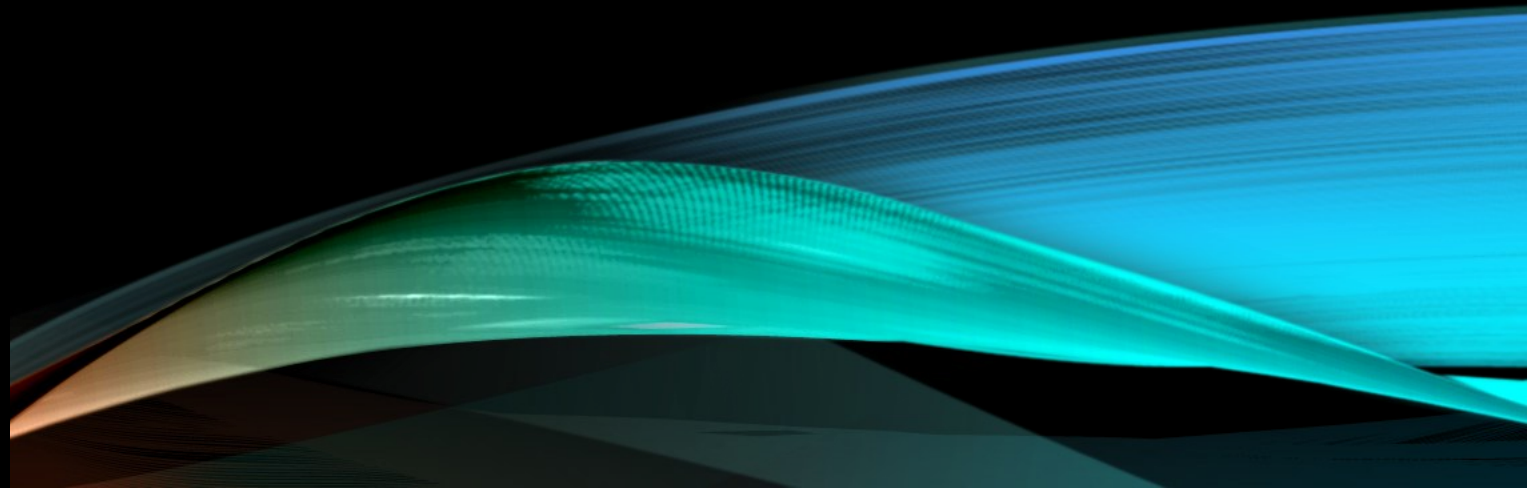
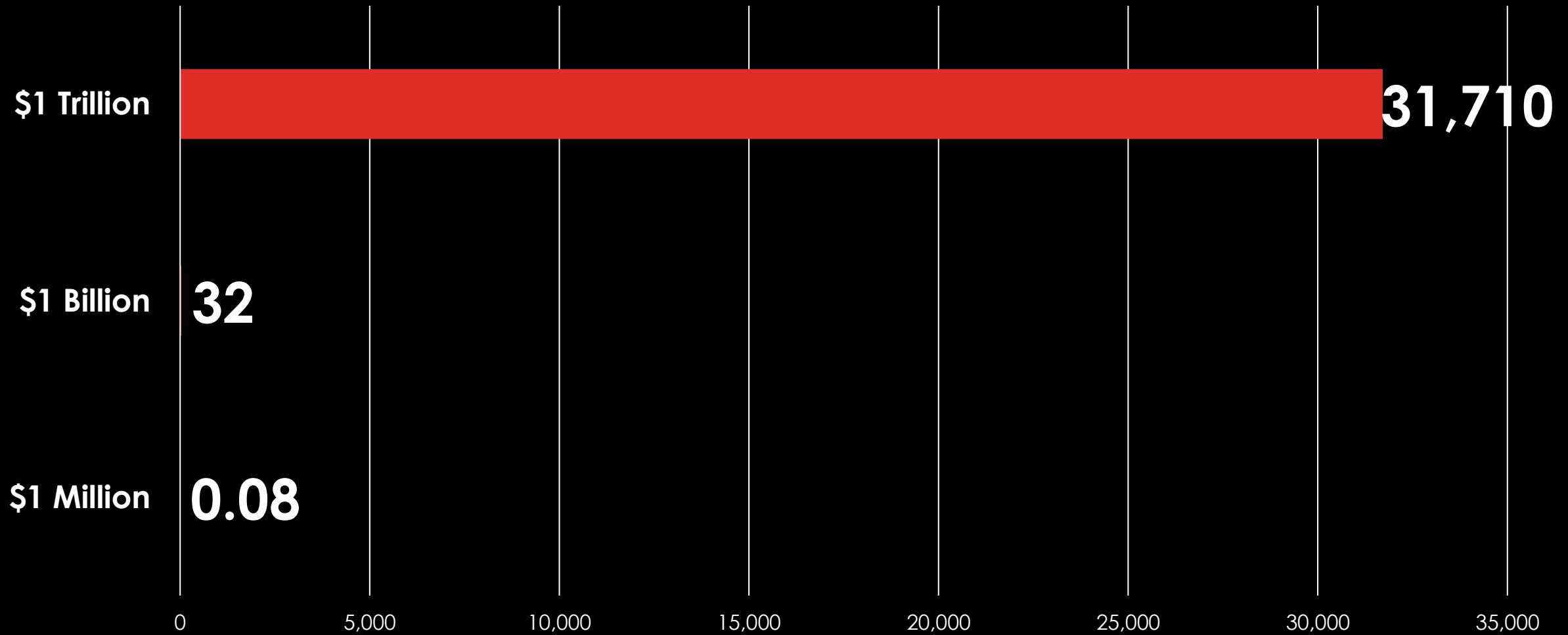




**2025
RISK FACTORS:
1) AI & BUSINESS SUPPORT,
2) REAL ESTATE,
3) EQUITY MARKETS, BONDS
AND TRADE**



SAVE A \$1.00 PER SECOND: YEARS TO REACH THREE GOALS



Current debt and interest payments:

Deficit = \$2.0 Trillion for 11 months of 2025 (up \$92 Billion from previous year)

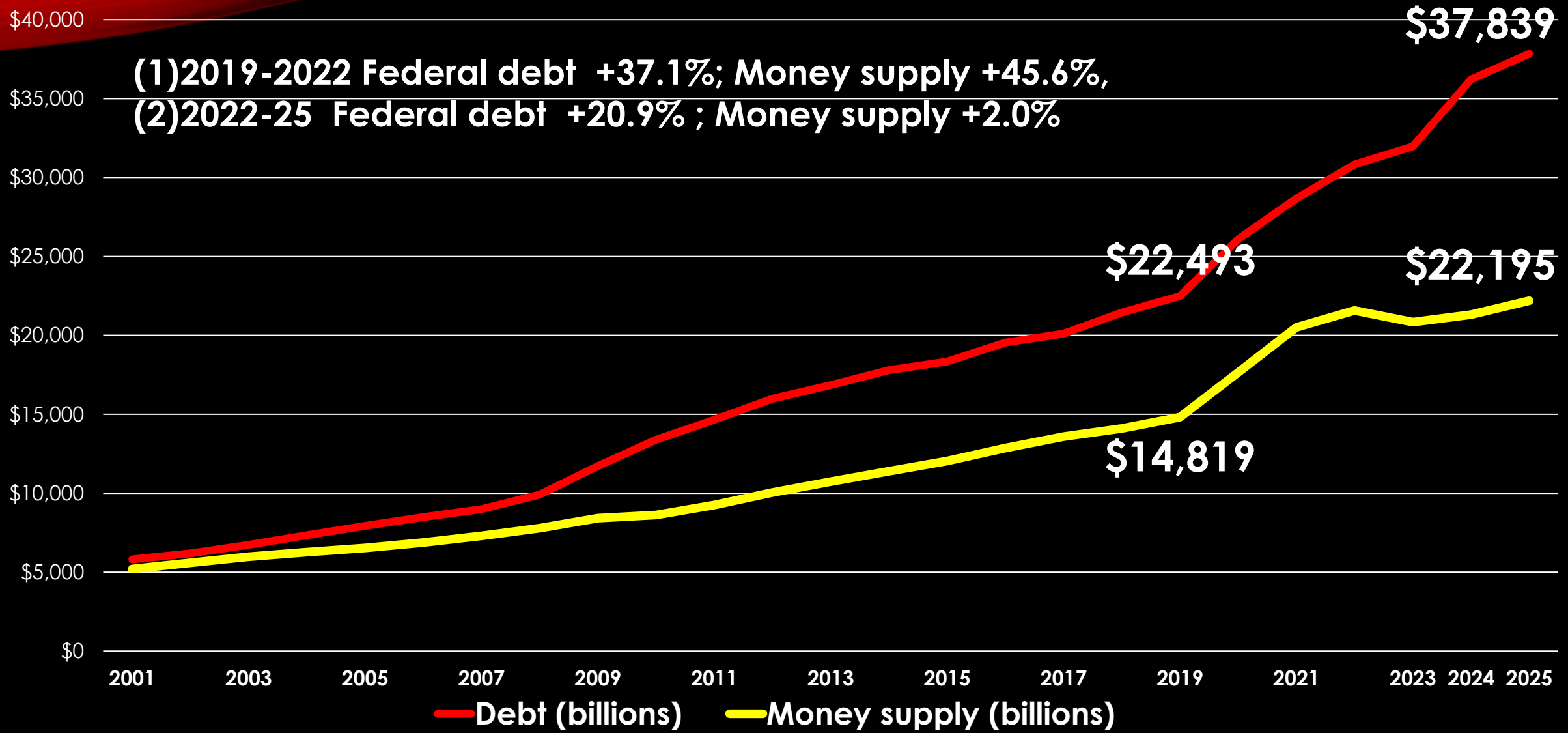
(War Time Deficit in Peace Time Economy) > \$2.0T

MMT

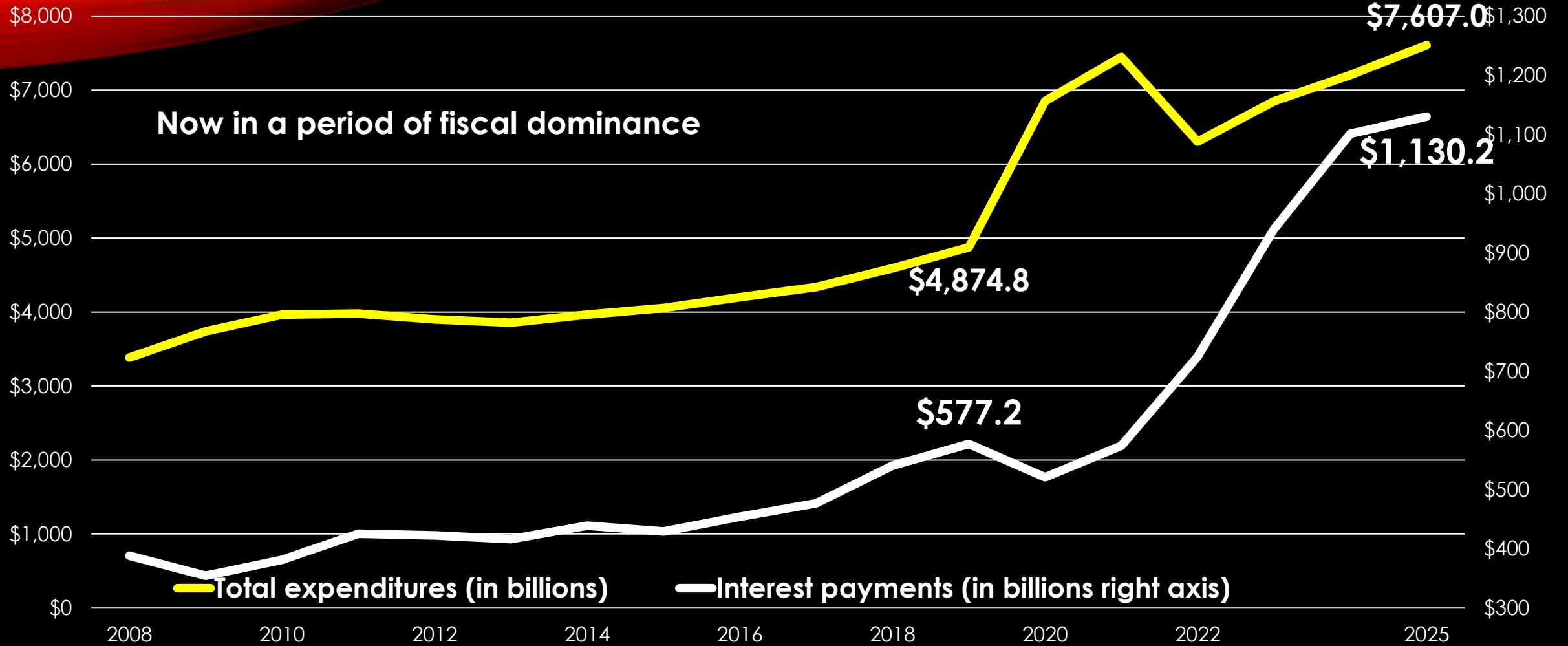
A Political Tool-

Not an Economic Theory (Stein)

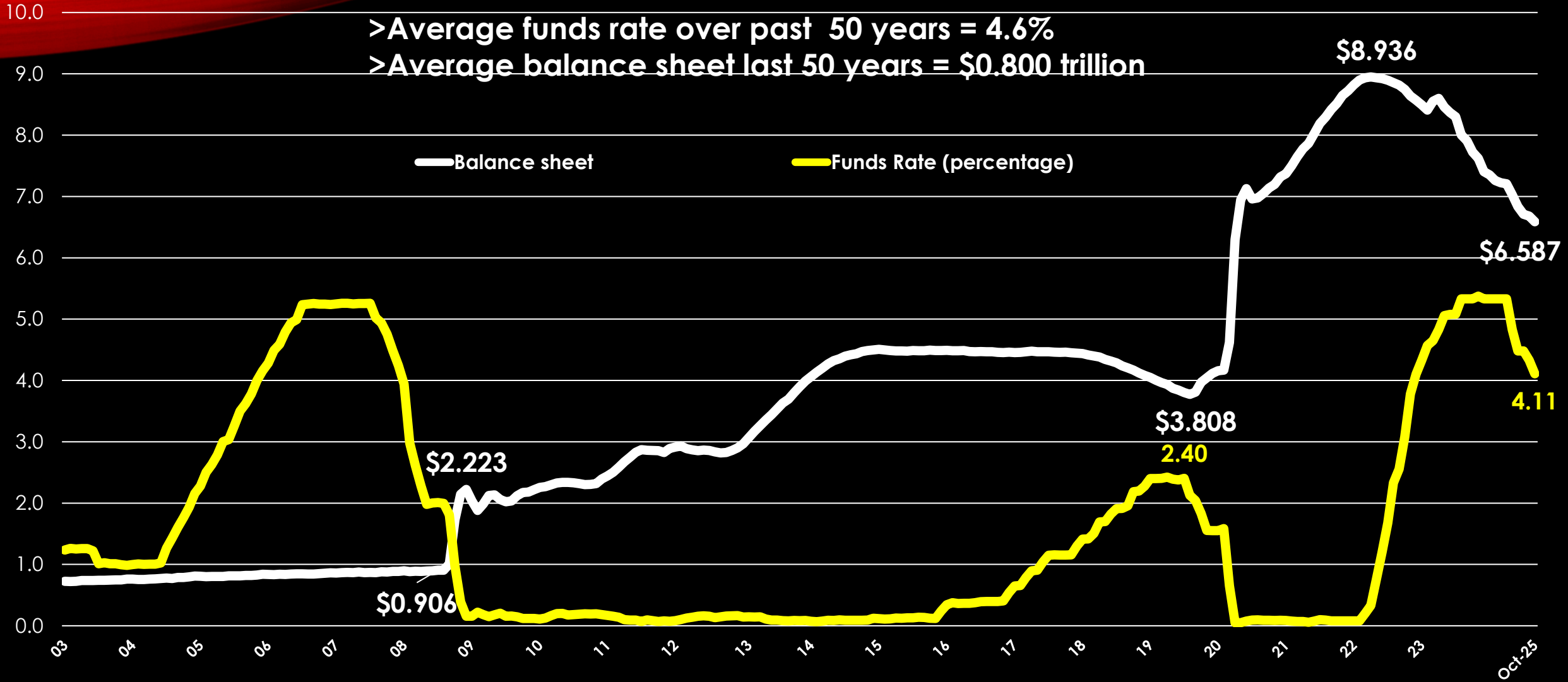
U.S. DEBT & MONEY SUPPLY (IN BILLIONS), 2001-25



FEDERAL SPENDING & INTEREST EXPENSE (IN BILLIONS), 2008-25



FED BALANCE SHEET, FUNDS RATE, 2003- 2025

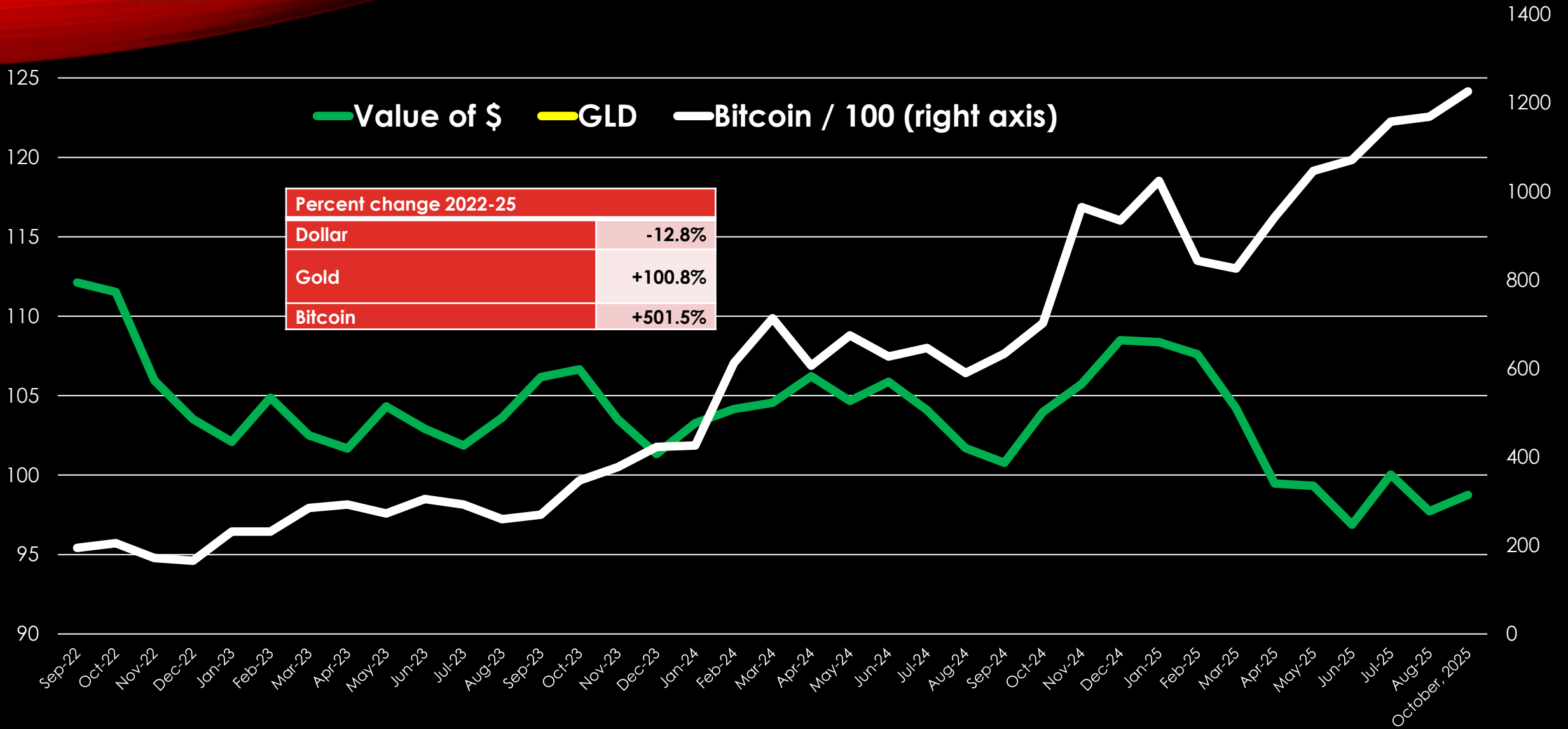


Focusing on Reducing Trade Deficit-Dangers

Trade Deficit (Imports Rise with Economic Growth)

- *Dollar as Reserve Currency
- *Gold has been replacing \$\$
- *Supports Budget Deficit
- *Produces Lower U.S. Interest Rate

VALUE OF \$ VS. BITCOIN, 2022-25

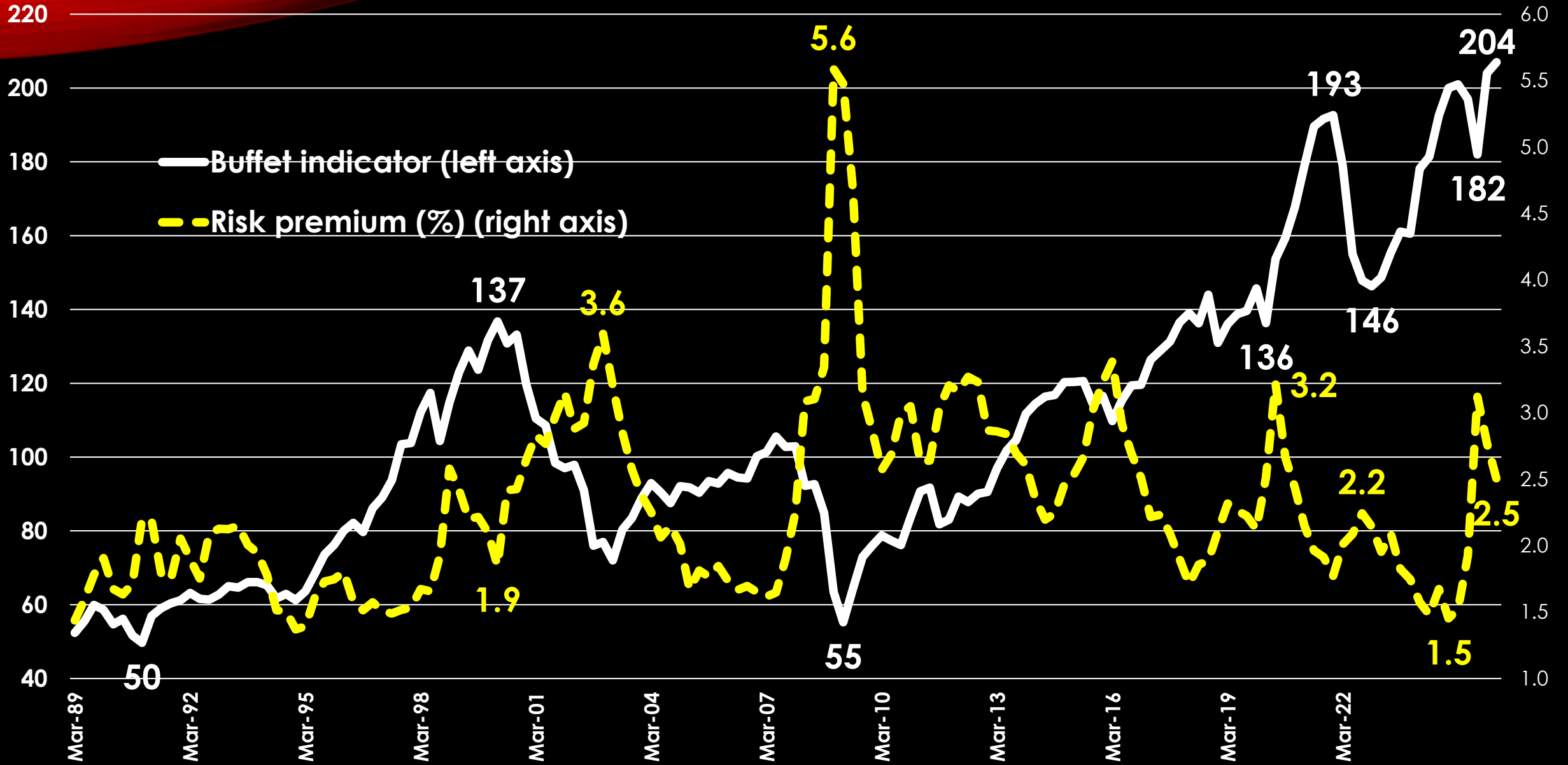


**Housing Affordability at record low
A crash ahead? (Watch FL, GA, TX, AZ)**

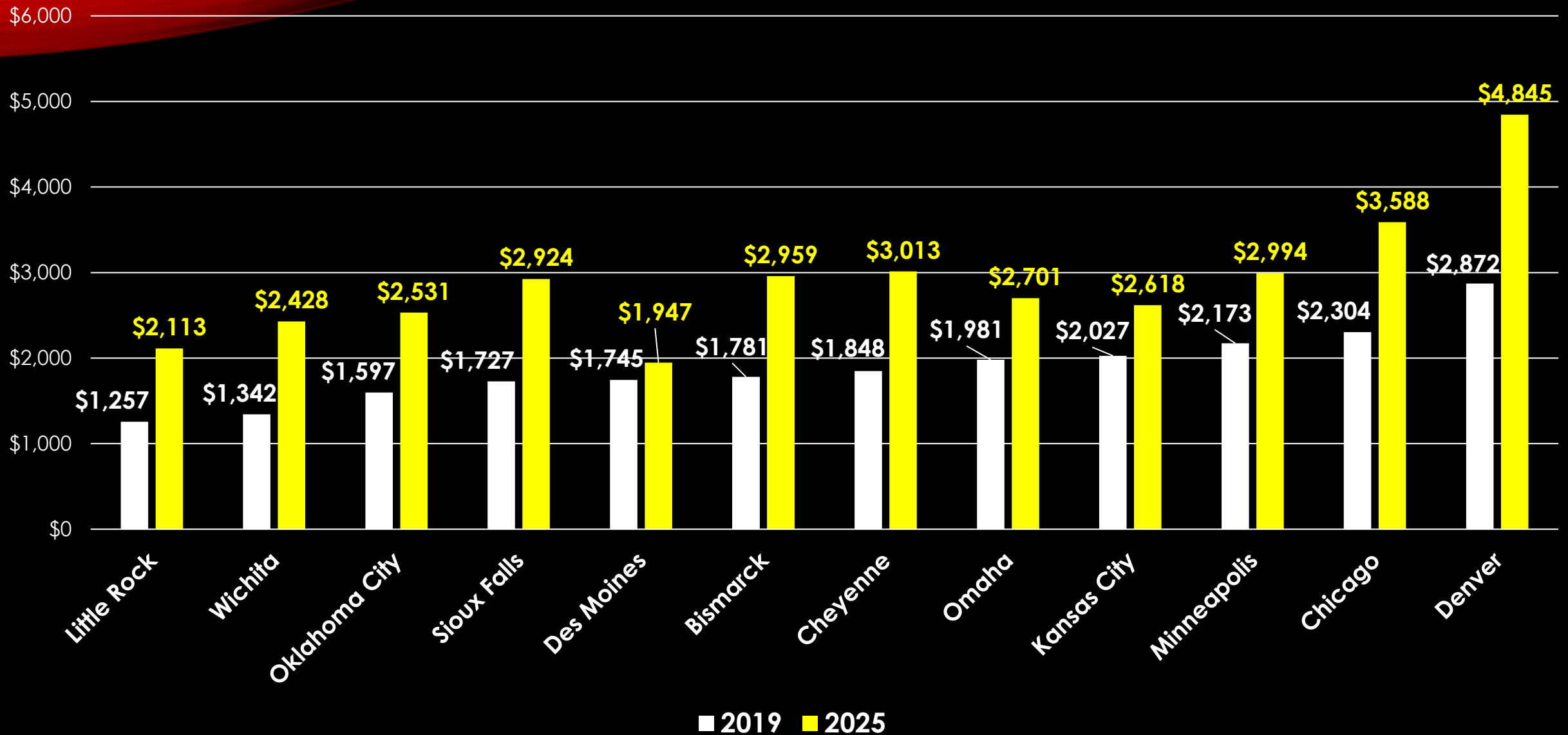
**U.S. stock market most expensive ever,
Factors: 1. passive investment (ETFs),
buybacks, FOMO, Foreign buyers:**

Buffet Indicator = 204, P/E = 30+

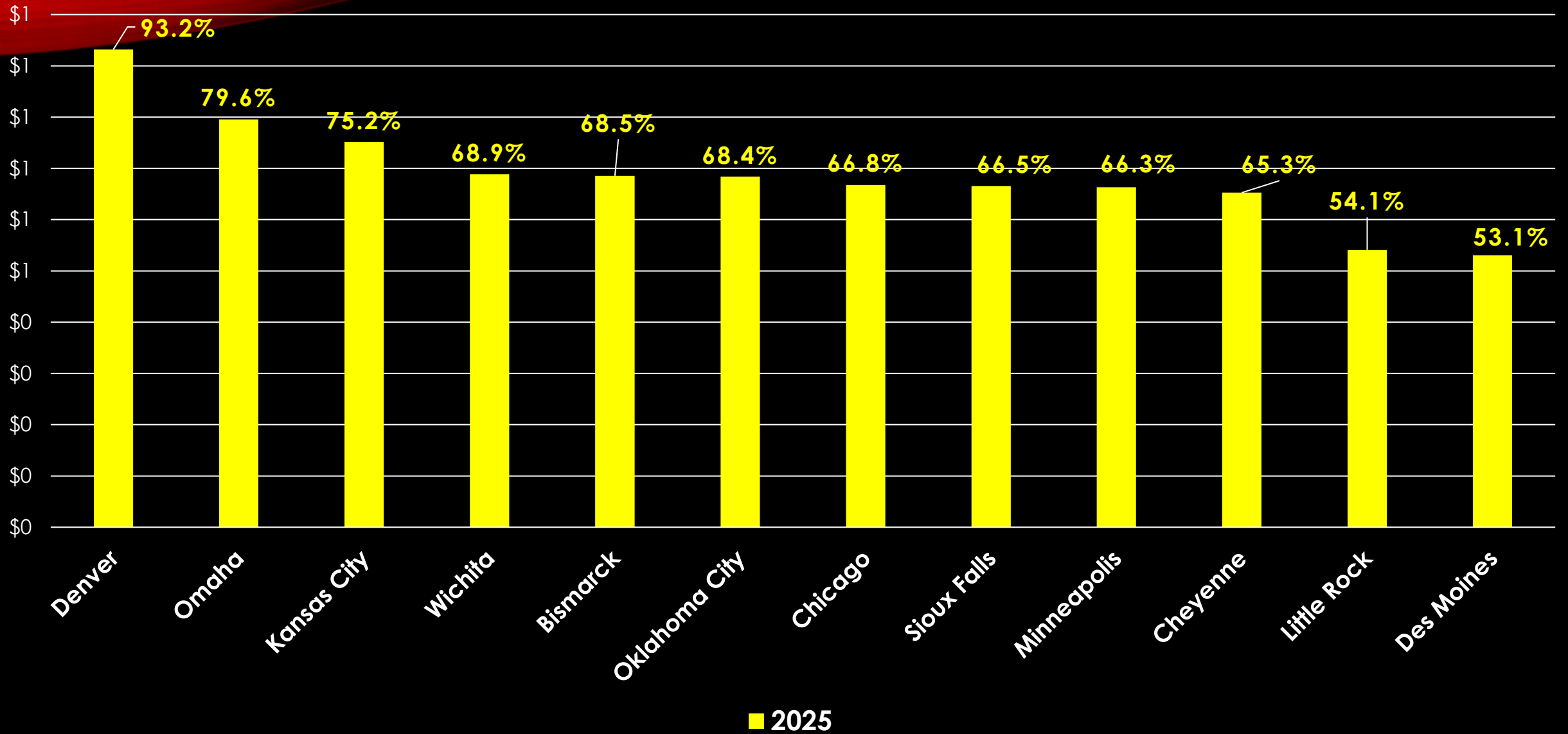
FIGURE 1: BUFFETT INDICATOR VS. RISK PREMIUM (%), 1985 – 2025



MONTHLY HOME PAYMENT ON MEDIAN PRICED HOME AND GROWTH: WITH 10% DOWN, 2019 & 2025 (INCLUDES TAXES, INSURANCE, PMI & MAINTENANCE)



PERCENT OF MONTHLY TAKE HOME PAY TO COVER HOUSE PAYMENT WITH 10% DOWN, 2025 (INCLUDES TAXES, INSURANCE, PMI & MAINTENANCE)



U.S. TREASURY YIELDS VS. 30-YEAR MORTGAGE RATE, 1990-2025

12.00

10.00

8.00

6.00

4.00

2.00

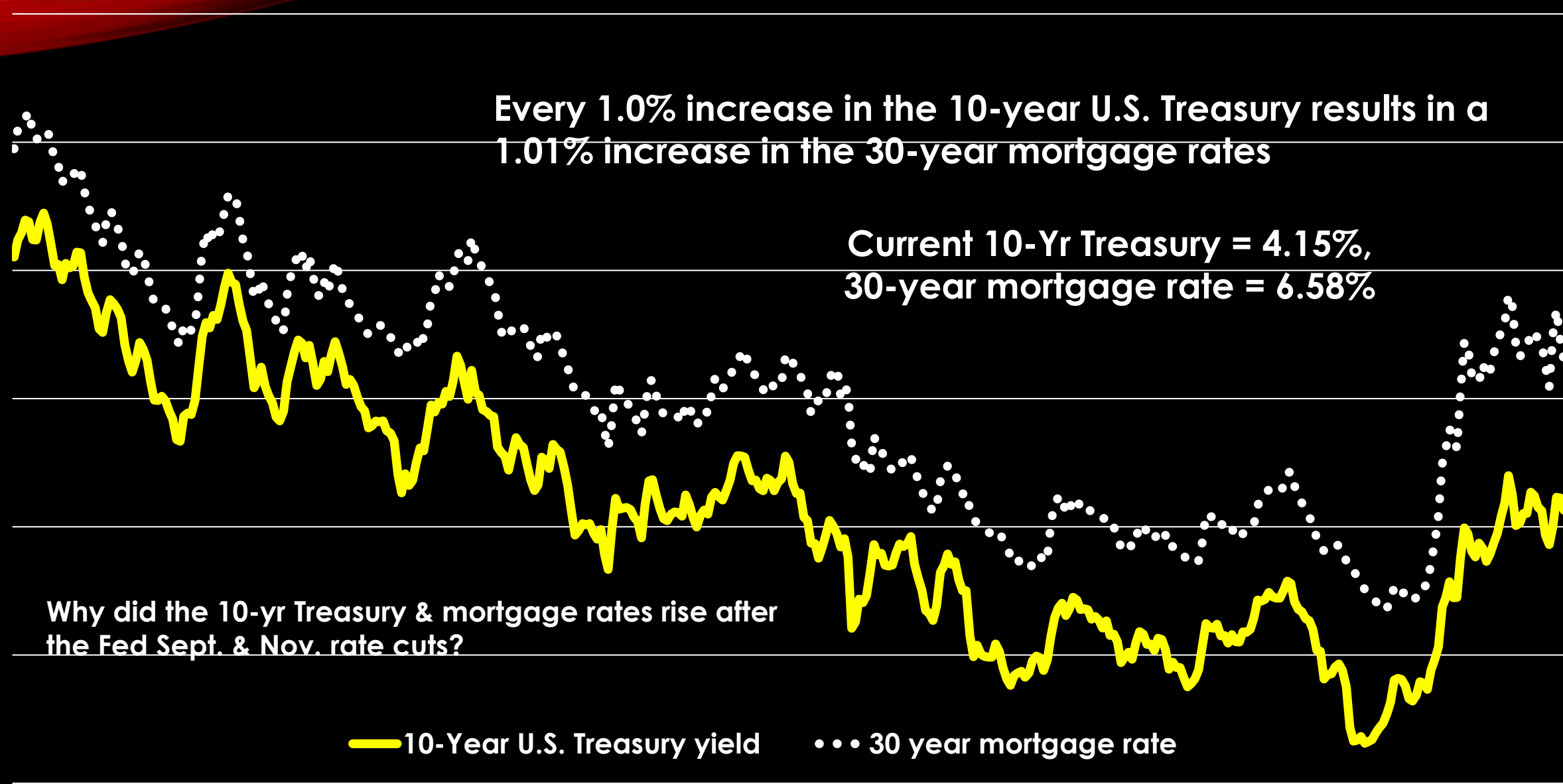
0.00

Every 1.0% increase in the 10-year U.S. Treasury results in a 1.01% increase in the 30-year mortgage rates

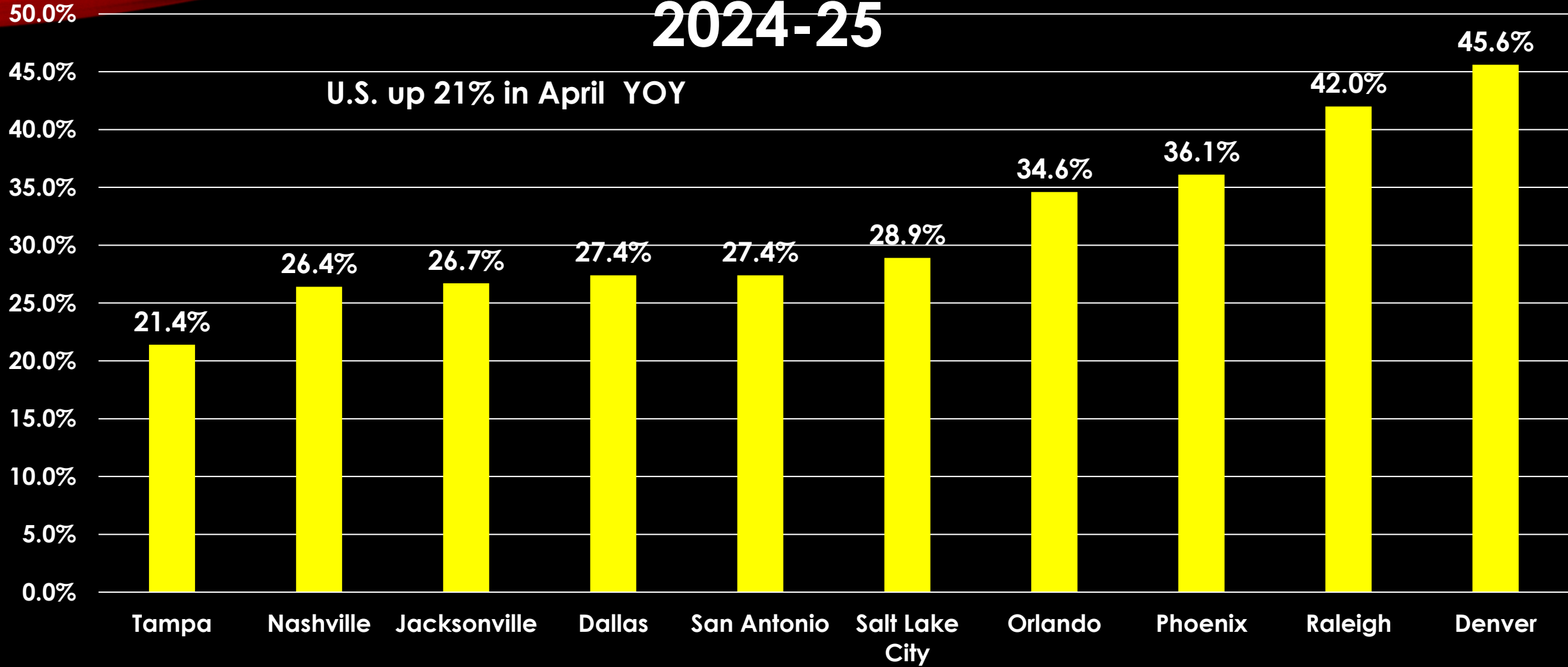
Current 10-Yr Treasury = 4.15%,
30-year mortgage rate = 6.58%

Why did the 10-yr Treasury & mortgage rates rise after the Fed Sept. & Nov. rate cuts?

— 10-Year U.S. Treasury yield ••• 30 year mortgage rate



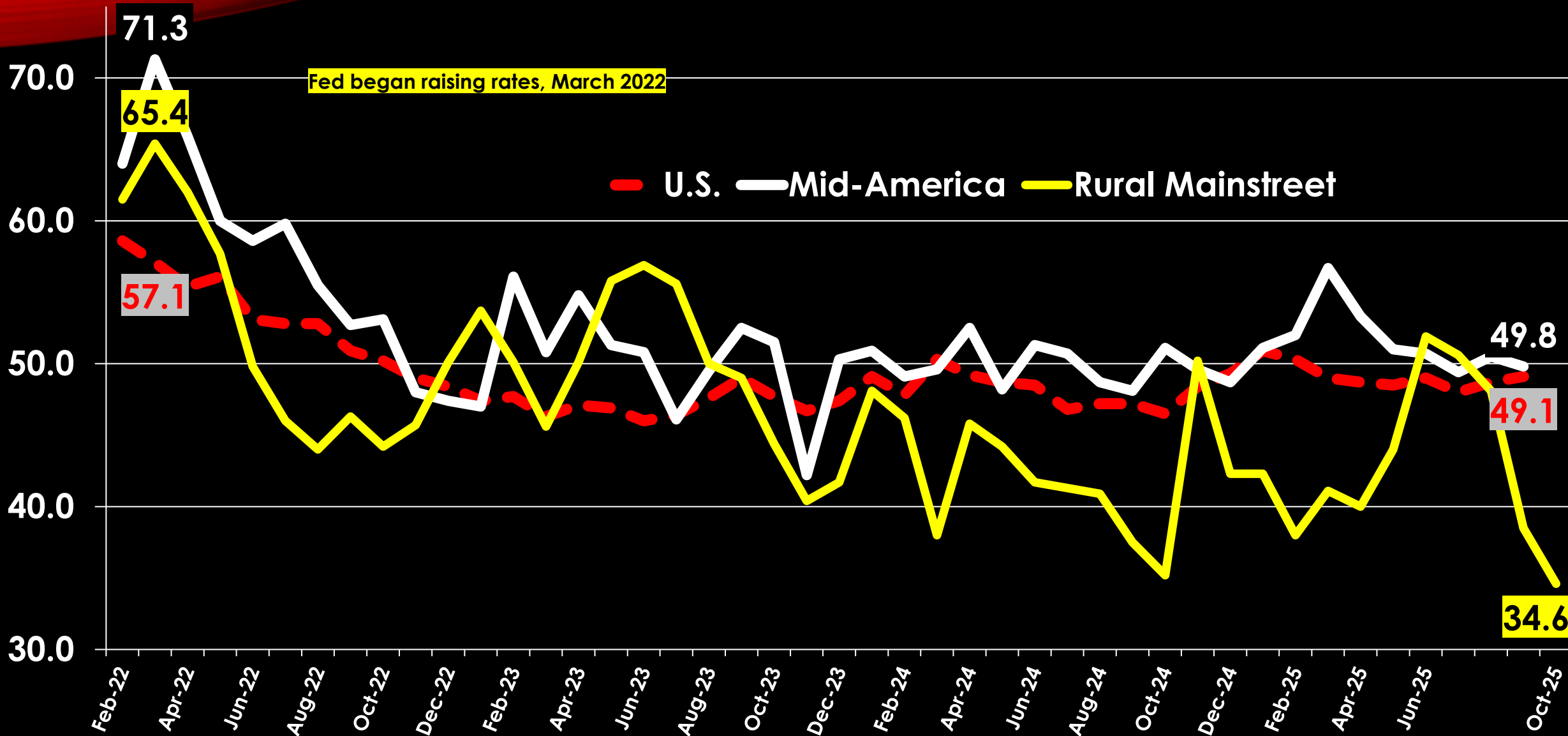
YOY CHANGES IN HOUSING INVENTORIES, MARCH 2024-25



COMMODITY YOY PRICE GROWTH, 2020-2025



CREIGHTON'S LEADING ECONOMIC INDICATORS, FIRST FED. RATE HIKE – OCT. 2025 (50.0 = GROWTH NEUTRAL)



Indicators to watch:

- *ADP employment report (Nov. 5)
- *Federal reserve actions on balance sheet raises or reduces the 30-year mortgage
 - *FED balance sheet (Weekly)
- *Case-Shiller price index (Nov. 25)
- *10-year U.S. treasury yield & high yield corp.
(<https://finance.yahoo.com/>)
- *ISM & Creighton surveys (first business day of month, (Nov. 3) ; Rural survey (Nov. 20)
 - *Statements by members of the Fomc
 - *BRICS meetings in India in 2026

**QUESTIONS?
NEWSLETTER? (“FREE AND WELL
WORTH THE PRICE”)**

**SEND ME AN EMAIL:
ERNIEG@CREIGHTON.EDU**

What to cut

Now

*Social security-raise the retirement age and reduce the yearly inflation adjustment

*Close VA Hospitals—give veterans a voucher for care

*Medicaid---implement work requirements for able-bodied

*universities---reduce federal student aid & other financial support; tax endowments; remove tax exempt status for bonds (treated as municipal bonds);

*Education department—close it and shift programs to states

*eliminate chips act

*close bases overseas

*slash USAID

*move agencies out of dc (e.g. u.s. dept. of agriculture)

*tax carried interest

*no stock buybacks or tax them

What's ahead if nothing is done!! Long Term

*increase the money supply—higher inflation

*higher interest rates

*U.S. dollar loses its reserve status ---replaced by brics

*discount treasury bond interest (i.e. a partial default)

*stable coin emerges from the shadows