

DEMOGRONOMICS: The blended understanding of demography (the counting of people) and economics (the track of commerce). When the larger picture of counting people is understood first, the logical nature of commerce follows with a reasonably predictable pathway. It is not a crystal ball - nor intended to sound as such. It is a logical understanding of “what’s next.” When we begin to recognize that people make markets of all shapes and sizes, we can begin to understand demography drives economics - and not the other way around.

The issue so many have with demography is that while it is logical and easy to track in black and white, the speed with which it unfolds is very slow given the push-button nature of our world today - and tomorrow. While speed and pace of our lives is likely to only quicken - thanks to technology - the basic fundamentals of people, people, people will not change.

In providing this long-term understanding for advisors and their clients, the **Demogronomics** team helps to make sense of the noise in the news. That noise drives far too many investment errors in the minds of too many investors when viewed from a short-term perspective. Case in point - if one truly knew in 1982 the DOW would rise from 950 to over 18,000 some 33 years later - why would you ever sell?

Investors are driven to sell, usually in a panic scenario - and more often than not - within a giant crowd of too many looking to get out at the same time. The damage is repetitive over the years and has been burned into the minds of the investor audience in a negative manner, shrouded by fear. By understanding **Demogronomics**, advisors can help their clients stay focused on the longer-term structure in place. If we know the facts, then we can be more patient with allowing those facts to show up in markets and economies - over time. Time and patience are the hallmarks of sound investing and the meeting your goals over time - with the proper advisor team.

Here are some facts about the **Demogronomics** today in the US:

We have a Barbell Economy - a rare structure for an economy our size.

On one end, we have the previous largest generation to ever hit our economy - the Baby Boomers. They are entering the last 40 - 50 years of their lives. They will impact - in significant ways - many new sectors of our economy.

Meanwhile, on the other end, we have the NEW largest generation to ever hit the US economy. These are the kids - Generation Y. Brought up on technology and far brighter and faster than anyone before them. The people who will impact our world for the next 50 years - are already alive and moving forward. Slow paces indeed - large pictures for sure - but very readable and easy to understand. This lessens the error of short-term judgment and permits the advisor to help the client meet their goals over time with patience and knowledge as the foundation - rather than fearful reactions and guessing.

Think demographics - not economics. We are in great shape!