

MODERN DAY MONEY STORIES TO HELP STAY AHEAD OF THE CURVE

This Month's Stories

#1 Will the FED increase interest rates in 2022 and how will it affect everyday households?

#2 Top 20 Largest Metropolitan Areas in the US

#3 Investing equity into other sectors while rates are still low?

MONTHLY INFLATION COUNT SINCE THE START OF THE PANDEMIC

January 2020 US Dollar Purchasing Power - \$1
Dec 2021 US Dollar Purchasing Power - \$0.93

source - U.S. Bureau of Labor Statistics

**Inflationary Purchase
Power Decrease**

-6.5%

Many speculate that Jerome Powell, Chairman of the FED, will increase interest rates three times in 2022.

Projections released by the central bank predict three interest-rate hikes next year and three more in 2023. That's significantly more than the single rate jump it had forecast in September, and indicates the central bank is much more concerned about rising prices than it was two months ago.



Economists said the rate hikes could begin as soon as March, but some expect economic weakness to push lift-off until the summer.

"We have to make sure that higher inflation doesn't get entrenched. It's one of the two main threats, the other being the pandemic, to getting back to maximum employment," he said.

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Inflation hits the highest levels since 1981.

As inflation continues to rise higher than expected, the Federal Reserve was planning on raising short-term interest rates just a quarter point, but now there is a good chance it will have to raise them higher. This helps the economy to not fall behind on the inflation curve.

Consumers' and businesses' expectations of price hikes could become permanent, creating a self-fulfilling prophecy. The Fed has several options to choose from: Raise rates at every one of its seven meetings, raise by half a percentage point right away but do fewer hikes later, and/or start selling from its portfolio of securities to take some money out of circulation.

How does this affect everyday households?



Used car and truck prices still climb with high demand and a lack of new vehicles. New car and truck production is still being limited by parts shortages. Food and clothing prices are still rising at a strong rate. Rent has started rising with the expiration of moratoriums on rent increases and evictions. Imports in general are more expensive.

The price of personal services, such as haircuts and restaurant dining, continues to go up. Gas and airfares are on the rise, and the cost of nursing home care is picking up because of staffing shortages.



PRIVATE VAULT ACCOUNT

Interested in an inflation buster?

Some economists estimate the current inflation rate to be higher than reported and over 6% per year. Holding your savings within a mutual company might be a better alternative than traditional savings account. Contact Chad for details.

NEXT MONTH IN THE FEBRUARY ISSUE:

Cryptocurrency and the Hearings on Capital Hill



**Is the Federal
Government trying to
regulate it?**

AN INTRODUCTION TO THE NEWSLETTER

Hello, my name is Chad Mitchell, and I would like to welcome you to the very first issue of my monthly news letter, The Metropolis Monthly. I designed it to share new updates and ideas on our constantly evolving economy and to spark a sense of financial interest in my fellow Americans, especially the middle class.

Like most of us, I started from small beginnings. Back in 1993, at age 16, I worked a \$4.25 per hour minimum wage job to save money for my first car, which cost me \$600 (or over 142 hours at that earning rate).

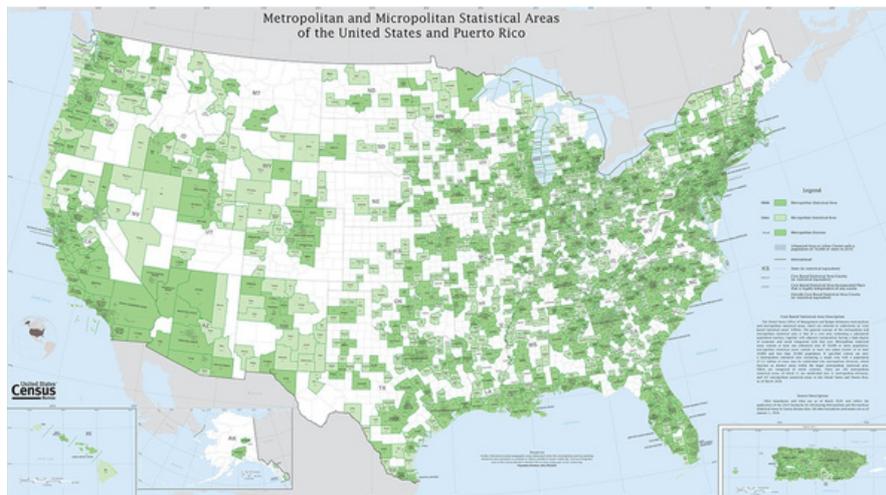
While hard work might teach us the value of a dollar, it does not teach us the best way to save, spend, and maximize that dollar.

Adult financial freedom isn't just for the mega-rich; anyone can learn and benefit. From inflation to interest rate changes to cryptocurrency, we are going to explore all of those topics and many more in the months ahead.



TOP 20 LARGEST METROPOLITAN AREAS IN THE US

- 1 NEW YORK-NEWARK-JERSEY CITY, NY & NJ
- 2 LOS ANGELES-LONG BEACH-ANAHEIM, CA
- 3 CHICAGO-NAPERVILLE-ELGIN, IL
- 4 DALLAS-FORT WORTH-ARLINGTON, TX
- 5 HOUSTON-THE WOODLANDS-SUGAR LAND, TX
- 6 WASHINGTON-ARLINGTON-ALEXANDRIA, DC-VA-MD-WV
- 7 PHILADELPHIA-CAMDEN-WILMINGTON, PA-NJ-DE-MD
- 8 MIAMI-FORT LAUDERDALE-WEST PALM BEACH, FL
- 9 ATLANTA-SANDY SPRINGS-ALPHARETTA, GA
- 10 BOSTON-CAMBRIDGE-NEWTON, MA-NH



- 11 PHOENIX-MESA-CHANDLER, AZ
- 12 SAN FRANCISCO-SAN JOSE-OAKLAND-BERKELEY, CA
- 13 RIVERSIDE-SAN BERNARDINO-ONTARIO, CA
- 14 DETROIT-WARREN-DEARBORN, MI
- 15 SEATTLE-TACOMA-BELLEVUE, WA
- 16 MINNEAPOLIS-ST. PAUL-BLOOMINGTON, MN-WI
- 17 SAN DIEGO-CHULA VISTA-CARLSBAD, CA
- 18 TAMPA-ST. PETERSBURG-CLEARWATER, FL
- 19 DENVER-AURORA-LAKEWOOD, CO
- 20 BALTIMORE-COLUMBIA-TOWSON, MD MSA

source - wikipedia.org



me·trop·o·lis

/mə'trəp(ə)ləs/

noun

the capital or chief city of a country or region.

By definition, a Metropolis is a large city, and there are over 384 metropolitan areas in the United States according to Census.gov. While they all have different shapes, sizes, and locations, the one thing they all share, along with rural areas, is that we all use money to navigate through it.

While some might think "Money" is a dirty word or just a piece of paper we use to buy material objects, it is really just storage for our most precious and limited commodity... time. Since many of us spend the majority of our time each week earning money, shouldn't we spend at least a small portion of our time learning how to wisely save and maximize it?

THINKING OF REFINANCING AND CASHING OUT EQUITY IN YOUR HOME WHILE RATES ARE STILL LOW TO INVEST IN OTHER SECTORS?

Thanks to rising home values, chances are you've built up a lot of equity in your home over the years. You can tap into this equity in the form of a cash-out mortgage refinance. The cash you take out at closing can be used for virtually anything you want - including investing in other sectors, including the stock market.



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Are you allowed to use a cash-out refinance to invest in stocks?

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The good news is that you can use the cash you take out at closing during a refi for just about anything you want, from funding a home improvement project or paying down outstanding high-interest debt to covering the cost of a wedding or college tuition.

PROS

"First, the advantages of funding stock market investing via a cash-out refinance are multiple. You'll likely lock-in the funding at a lower rate of interest, since interest rates on secured mortgage loans are relatively lower than for any unsecured loan," says Lyle Solomon, a financial expert and principal attorney with Oak View Law Group in Rocklin, California.

"Also, the money you get from a cash-out refi is not taxable, since it's not considered as income."

Source: MSN.com

CONS

As with any financial endeavor, there are pluses and minuses to ponder. Consider the possible benefits carefully. Different investments hold different levels of risk, and those not experienced in investing should always educate themselves first to find the best place to put their money.

For many Americans the demands of a full time job and family eat away at potential time to study riskier investments, so money markets or mutual accounts are safer, although they have lower returns.

Saving in 2022 doesn't look like it did in 1992. A Private Vault Account might be a good fit for you.



Thinking of Buying Your First Home?

Call (323) 401-9177
and get a copy of our eBook

5 STAGES OF BUYING A HOUSE



METROPOLIS MONTHLY ZOOM CALENDAR

JANUARY 2022

Jan 6

The 5-year
retirement plan

Jan 8

The
Family Bank

Jan 10

Savings Accounts
for Crypto & Stock
Traders

Jan 12

Refinancing your
401k

Jan 14

Maximizing
Term-life
Insurance

Jan 16

Capital Accounts
for Small
Business Owners

Do you have an idea for a topic you would like us to discuss in a future issue?

**email your idea to
CMitchell@Metropolis-Equity.com.**

Mitchell's Monthly Rant



The Best time to Plant a tree was 20 years ago. The second best time to plant a tree is today.

Like most of us, I would love to go back five years in time with what I know now, especially since I have acquired two different finance licenses since then and can now offer most "average Joe's" many different savings and lending programs that I did not know existed a half decade ago when I was flipping houses.

If you would like to discuss my generational wealth building savings accounts or a loan program, I am happy to do so, but this letter is not meant to be a sales pitch, nor is it intended to be financial advice.

Adult financial freedom isn't just for the mega-rich; and when our neighbors and family members don't take interest in learning, it eventually affects us all as a country.

Humanity has gone from trading chickens on the barter system, to using tulips as a store of value (shout out to the 17th century Dutchmen), to using gold, to using paper notes, and now to digital currency. This is the most exciting and confusing time in the history of mankind using money in a society. And with the government printing so much money during the pandemic, the mighty US dollar might not remain the global currency forever. Learning about new financial programs is for everyone. Let's learn together.

Thanks for reading the maiden voyage of this newsletter, and I look forward to hearing from anyone that actually made it all the way through it.

CTM.