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Good Morning,

Strong Q3 earnings have pushed stocks up off recent lows reversing the September downtrend – so far, at least. With the debt ceiling debate temporarily behind us, investors can focus on corporate profits, the primary driver of stock prices. Most industries are seeing solid growth as consumer demand remains strong. Supply chain issues may tap the brakes on earnings in the next several quarters.

We've touched on the labor market issues and reasons why current job openings far exceed the number of Americans looking for work. Those include continued concerns over COVID-19, enhanced and extended unemployment benefits, and the fact that many people (mostly women) have been forced to leave the labor force to care for children and aging parents due to COVID related program reductions. As we slowly emerge from the pandemic, there is another non-economic factor emerging that is difficult to quantify; the decision by millions of people to simply drop out of the labor force.

The headlines today have multiple references to how people are simply choosing not to work and wondering when, and if, that will change. As people struggle with their own and their loved ones' challenges, work comes to seem less important. In the aftermath of the pandemic, when people didn't work because they couldn't, we now have a large part of the population that has had a chance to reflect on what work means—and what it doesn't. And with many workers getting relatively large wage increases, it seems to be that their partners now have the economic freedom to choose not to work. Put a bit more bluntly, companies are having trouble hiring because a lot of people had time to think during the lockdowns. After thinking about it, they decided their jobs stunk—and that they didn't want to go back. This social change may become the most influential story of the post-pandemic era.

We've all been through a lot during the past 20 months or so. Let's just be nicer to each other.

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[http://www.commonwealth.com/RepSiteContent/weekly\\_comm/commentary\\_redirect.htm](http://www.commonwealth.com/RepSiteContent/weekly_comm/commentary_redirect.htm)

As always, if you would like to discuss this or anything regarding current market conditions or your portfolio, feel free to contact me at any time.

Have a great week!

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