



### INFLATION ACCORDING TO RON BARON

Did you know the price of most goods and services doubles every 14 years?

Inflation, a general increase in prices over time, has a significant impact on the purchasing power of our money. One effective way to outpace inflation and preserve or even grow our wealth is by investing in assets that have the potential to generate returns higher than the rate of inflation.

	Year	Cost	March 2024*	Multiple	CAGR
<b>Ron's Home 1948-1955</b> 1122 Grassmere Avenue, Wanamassa, NJ (Asbury Park, NJ "suburb")	1948	\$5,000	\$558,100 <sup>1</sup>	111.6X	6.5%
<b>Ron's Home 1955-1975</b> 542 Deal Parkway, West Allenhurst, NJ (Asbury Park, NJ "suburb")	1955	\$20,000	\$1,293,300 <sup>1</sup>	64.7X	6.3%
<b>Minimum Wage (New York City)</b>	1957	\$1 hour	\$16 <sup>2</sup> hour	16.0X	4.3%
<b>Golf Caddy Fees</b>	1957	\$4 18 holes	\$160 18 holes	40.0x	5.7%
<b>Gallon of Gasoline</b>	1960	\$0.31 gallon	\$3.52 <sup>3</sup> gallon	11.4x	3.9%
<b>Ron's Annual Tuition at Bucknell University</b>	1965	\$3,500	\$64,418 <sup>4</sup>	18.4X	5.1%
<b>Ron's U.S. Patent Examiner Annual Salary</b>	1966	\$7,729	\$138,728 <sup>5</sup>	17.9x	5.2%
<b>Ford Mustang (starting price)</b>	1966	\$2,500	\$30,920 <sup>6</sup>	12.4x	4.5%
<b>Sirloin Steak</b>	1966	\$0.67 pound	\$11.72 <sup>7</sup> pound	17.5x	5.1%
<b>NYC Top Law Firm – First Year Associate Annual Salary</b>	1970	\$15,000	\$225,000 <sup>8</sup>	15.0x	5.2%
<b>Gold</b>	1974	\$188 ounce	\$2,255 <sup>9</sup> ounce	12.0x	5.2%
<b>Dow Jones Industrial Average</b>	1982	795	39,807 <sup>9</sup>	50.0x**	9.7%**
<b>S&amp;P 500 Index</b>	1982	107	5,354.35 <sup>9</sup>	49.9x**	9.7%**
<b>Gross Domestic Product (GDP)</b>	1968	\$968 billion	\$27,957 <sup>10</sup> Billion	28.9x	6.3%

\* Sirloin Steak cost as of 2/29/2024, GDP data as of 12/31/2023.

\*\* Returns for indexes listed do not include dividends which add an estimated 1.5% to 2.0% annually to such returns.

# Letter from Ron

## Sources:

- 1 - [www.zillow.com](http://www.zillow.com). Data Retrieved April 1, 2024.
- 2 - New York State Department of Labor, New York's Minimum Wage, [www.labor.ny.gov/minimumwage](http://www.labor.ny.gov/minimumwage)
- 3 - U.S. Energy Information Administration, US Regular All Formulations Gas Price [GASREGW], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/GASREGW>, April 1, 2024.
- 4 - Bucknell University - Bursar Services, Cost Breakdown for 2023-24, <https://www.bucknell.edu/admissions-aid/tuition-fees-financial-aid/information-about-tuition-fees>
- 5 - Office of Personnel Management(OPM) Enterprise Human Resources Integration, Patent Examiner – Federal Salaries of 2022, retrieved from FederalPay.org, [www.federalpay.org/employees/occupations/patent-examining](http://www.federalpay.org/employees/occupations/patent-examining)
- 6 - Ford Motor Company, 2024 Ford Mustang, <https://www.ford.com/cars/mustang/>
- 7 - U.S. Bureau of Labor Statistics, Average Price: Steak, Sirloin, USDA Choice, Boneless (Cost per Pound/453.6 Grams) in U.S. City Average [APU0000703613], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/APU0000703613>, April 1, 2024.
- 8 - Merken, S. (2023, November 29). U.S. law firm salary raises spread for second year in a row. *Reuters*. <https://www.reuters.com/legal/legalindustry/us-law-firm-salary-raises-spread-second-year-row-2023-11-29/>
- 9 - FactSet.
- 10 - U.S. Bureau of Economic Analysis, Gross Domestic Product [GDP], retrieved from FRED, Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/GDP>, April 1, 2024.

**Risk:** All investments are subject to risk and may lose value.

The **Dow Jones Industrial Average** is a price-weighted measure of 30 U.S. blue-chip companies. It covers all industries with the exception of Transportation and Utilities. The **S&P 500 Index** measures the performance of 500 widely held large-cap U.S. companies. The indexes include reinvestment of dividends which positively impact the performance results. The indexes are unmanaged. Index performance is not fund performance; one cannot invest directly into an index.

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