



VICTORY PARTNERS

MIDDLE MARKET INSIGHT

What Business Owners Need To Know

THE U.S.

ANNOUNCES A DIPLOMATIC
BOYCOTT TO THE 2022
OLYMPIC GAMES

CHINA

OPPOSES THIS BOYCOTT
AND WILL TAKE
“COUNTERMEASURES”

RUSSIA

AMASSED 70,000
TROOPS TO UKRAINE
BORDER

UKRAINE

SEEKS TO JOIN THE
NATO MILITARY
ALLIANCE

BIDEN THREAT

BIDEN THREATENS
RUSSIA WITH
ECONOMIC SANCTIONS

34%

THE NATION'S CURRENT
PERSONAL SAVING
RATE

MEDIAN INCOME

FAMILY BALANCES GREW
40% OVER THE PAST TWO
YEARS

LOWER INCOME

FAMILY BALANCES
GREW 70% OVER THE
PAST TWO YEARS

China & The U.S. Olympic Diplomatic Boycott

- China said Tuesday that the United States has betrayed the principles of the Olympics and will have to "pay a price" for its diplomatic boycott of the Beijing Winter Olympics, as key Western allies hesitated in deciding whether to follow the U.S. lead.
- The White House said on Monday that US government officials would boycott the Winter Olympics over China's human rights "atrocities," even though US athletes are free to travel and compete there.
- "It is foolish and silly of the United States to do this," Wang Wen, a professor at Renmin University in Beijing, told Reuters, adding that other major powers could do the same to the United States in 2028."

Biden vs. Putin

- President Joe Biden awaits for a video call with Vladimir Putin on Tuesday. He is prepared to put on the table economy-jarring sanctions if Russia decides to invade its neighbor, Ukraine. Biden seeks for a diplomatic solution as 70,000 Russian troops amass at the Ukraine-Russian border.
- "A key principle of the NATO alliance is that membership is open to any qualifying country. And no outsider has membership veto power. While there's little prospect that Ukraine would be invited into the alliance anytime soon, the U.S. and its allies won't rule it out."
- Both the White House and the Kremlin have tried in advance to lower expectations for the call. Both sides said they did not expect a breakthrough on Ukraine or other issues under the discussion, only the conversation itself would be progress.

Americans' Pandemic-Era Savings

- Millions of households have left higher bank balances than before the pandemic due to the injection of government funds to prevent economic disasters. Savings facilitated the flow of personal consumption, helped pay off debt, and sometimes reduced the urgency to find a job.
- "New research by the JPMorgan Chase Institute, which assesses the bank accounts of 1.6 million families, found that low-income families experienced the "greatest percent gains" during each round of stimulus, yet also exhausted their balances faster. That's in part because those households went into the crisis with the thinnest financial buffers."
- Moody's Analytics estimated that there was still \$2.5 trillion left in overall excess savings as of October and that the total would decrease by \$50 billion a month on average through the end of next year — with the fastest declines among those with the lowest incomes.

Sources: www.reuters.com | www.apnews.com | www.nytimes.com