

# RETIREMENT PLANS THAT “CLEARLY” WORK FOR YOU.



Prizant Group



**PAY THE PIPER:** Bear the consequences of an action or activity that one has enjoyed.



*The Pied Piper of Hamelin, origin of idiom 'Pay the Piper'*

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*Origin*

*Pay the piper comes from the famous 1842 poem by Robert Browning, The Pied Piper of Hamelin. The story is about a German town called Hamelin which, after years of contentment, was suddenly plagued by a huge increase in the rat population, probably due to some plague or poison which had killed all the cats. The rats swarmed all over, causing much damage. Try as they might, the townspeople could not get rid of the rats.*

*Then appeared a mysterious stranger bearing a gold pipe. He announced that he had freed many towns from beetles and bats, and for a cost, he would get rid of the rats for the town.*

*Although he only wanted a thousand florins, the people were so desperate that the Mayor promised him 50,000 for his trouble, if he could succeed.*

*At dawn, the piper began playing his flute in the town and all the rats came out of hiding and followed behind him. In this way, he led them out of the town. All the rats were gone.*

*When the piper came back to collect his pay, the town refused to pay even his original fee of one thousand florins. The mayor, thinking the rats were dead, told the piper he should be happy if he received any pay at all, even fifty florins.*

*The pied piper warned the town angrily that they would regret cheating him out of his pay.*

*Despite his dire warning, the rats were gone so the townspeople went about their business, at last enjoying a peaceful nights sleep without the scurrying and gnawing of rats.*

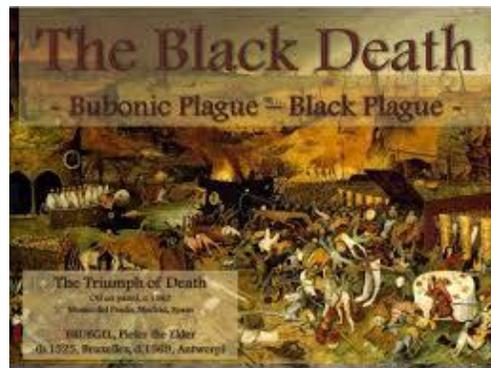
*At dawn, while they slept, the sound of the piper's pipe could be heard again, except this time only by the children. All the children got out of bed and followed behind the piper, just as the rats had before. The piper led the children out of*

*town and into a mountainous cave. After all the children had walked into the cave, a great landslide sealed up the entrance. One little boy managed to escape and tell the town what had happened to the children. Although they tried, they could never rescue them, and they were lost forever.*

*Even after more children were born, the town never forgot this fatal lesson. The piper will get his due [Piper](<https://www idioms online /pay-the-piper/>)*

To finish off our piper theme, let's listen to a little "Amazing Grace" on the bagpipes.

## Bagpipes



As the COVID-19 pandemic has swept over the globe, we are all **"Paying the Piper"** for thinking that mankind was impervious to the whims of the natural world. Global connectivity through trade/travel has made exotic viruses/diseases as threatening as an act of war. Once thought conquered diseases or newly discovered ones are being transmitted to First World countries from the developing world at an alarming rate. Ebola, Tuberculosis, Malaria, Polio, Cholera, Bubonic Plague, Zika Virus, SARS, MERS etc. are all becoming way too common in the First World countries, **Disease** Our hubris has made us **"Sitting Ducks"** for innumerable pathogen onslaughts. Together with the use and abuse of antibiotics, we are walking a thin line between a functioning modern society or one that succumbs to the scourges of the Middle Ages. **Antibiotics**. Of course, we could blame these pandemics on a particular religion (Jews were targeted for the Bubonic Plague in the Middle Ages) or Chinese/Southern European immigrants (Spanish Flu 1918) or the various Hispanic groups crossing our Southern borders. (COVID-19).

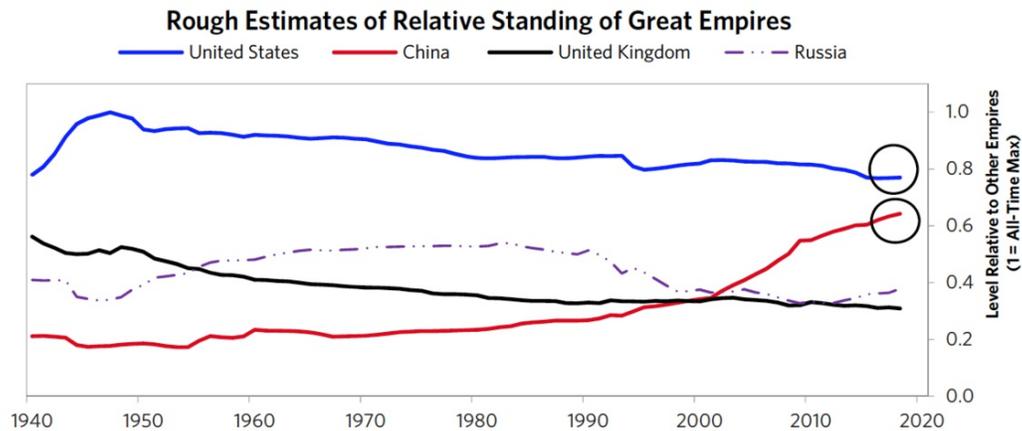
## Blame

Alas, there is no one to blame but ourselves for thinking that we, as homo sapiens, are the **"Masters of the Universe."** I suppose either mankind will figure it out (doubtful) or continue on the path to human extinction on this planet.

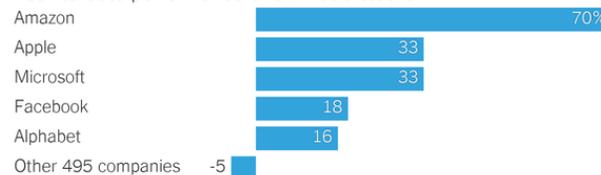
The cockroaches will rejoice!

Moving from "The Four Horseman of the Apocalypse" [Four](#) to economics of nations, I would **STRONGLY RECOMMEND** that you: grab your favorite adult beverage, pull up a chair, put your reader's on, and intently read Ray Dalio's "The Big Cycle of the United States and the Dollar Part 2" [Dalio](#)

## ARE WE GOING TO "PAY THE PIPER?"



Year-to-date performance of S&P 500 stocks



By The New York Times | Source: Goldman Sachs Global Investment Research

Since the March 23, 2020 low point for the S&P 500 Index in 2020, it has been a rocket ship to the moon! In past Missives, we have discussed the disconnect between the economic reality of the pandemic and the soaring prices of equities. What is really scary is that overall reliance of the S&P 500 Index on **5 companies** (and you thought the Nifty 50 of the 70's was concentrated!) [Nifty](#) I will let you make your own decisions in light of the following article:

### Beware the top-heavy market

Tech stocks are soaring. That makes some people nervous.

The five largest stocks now account for 22 percent of the S&P 500's market cap. That bumper performance from Alphabet, Amazon, Apple, Facebook and Microsoft — which all set new highs this month — has led to a record degree of market concentration, according to a new research note from Goldman Sachs full of eye-catching numbers.

- So far this year, the top five stocks are up 35 percent collectively. The index's

other 495 companies are down 5 percent.

- Said five stocks account for 15 percent of the S&P 500's total earnings.
- They're trading at a valuation of 31 times next year's estimated earnings, compared with 18 times for the rest of the index.

This concentration makes the market "vulnerable to an idiosyncratic shock," Goldman's analysts write. If the top five stocks were to fall by 10 percent, the bottom 100 of the S&P would need to rise by 90 percent just to keep the index flat.

- What could produce a shock? The analysts note that the dot-com boom ended around the time that the U.S. government won a big antitrust case against Microsoft in 2000. On Monday, the C.E.O.s of Alphabet, Amazon, Apple and Facebook will testify before Congress as part of an investigation into "the dominance of a small number of digital platforms and the adequacy of existing antitrust laws and enforcement." [Top Heavy](#)

## ARE WE GOING TO "PAY THE PIPER?"



I found this article recently about the "Cobra Effect" and the markets. As much as I **HATE SNAKES**, it is worthwhile to peruse.

### Cobra

We, at **The Prizant Group**, take our responsibilities as Pension Consultants/Investment Advisors quite seriously.

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vendors that we select for our clients' plans. Our fees are **FLAT, FIXED, AND TRANSPARENT**. We can be paid via the plan assets or directly by the plan sponsor. Our mode of operation benefits the plan participants via lower investment/record keeping fees, higher level of service, and quality employee education. We **DO NOT** want our plan participants to be in the situation in retirement of **PAYING THE PIPER**.

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