

# The Ten Surprises of 2019

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**Blackstone**

# The Ten Surprises of 2018

**These surprises were announced Tuesday, January 2, 2018. The definition of a surprise is an event that the average investment professional would assign a one out of three chance of taking place, but where I believe the event is probable, with better than a 50% chance of happening**

1. China finally decides that a nuclear capability in the hands of an unpredictable leader on its border is not tolerable even though North Korea is a communist buffer between itself and democratic South Korea. China cuts off all fuel and food shipments to North Korea, which agrees to suspend its nuclear development program but not give up its current weapons arsenal.
2. Populism, tribalism and anarchy spread around the world. In the United Kingdom Jeremy Corbyn becomes the next Prime Minister. In spite of repressive action by the Spanish government, Catalonia remains turbulent. Despite the adverse economic consequences of the Brexit vote, the unintended positive consequence is that it brings continental Europe closer together with more economic cooperation and faster growth.
3. The dollar finally comes to life. Real growth exceeds 3% in the United States, which, coupled with the implementation of some components of the Trump pro-business agenda, renews investor interest in owning dollar-denominated assets, and the euro drops to 1.10 and the yen to 120 against the dollar. Repatriation of foreign profits held abroad by U.S. companies helps.
4. The U.S. economy has a better year than 2017, but speculation reaches an extreme and ultimately the S&P 500 has a 10% correction. The index drops toward 2300, partly because of higher interest rates, but ends the year above 3000 since earnings continue to expand and economic growth heads toward 4%.
5. The price of West Texas Intermediate Crude moves above \$80. The price rises because of continued world growth and unexpected demand from developing markets, together with disappointing hydraulic fracking production, diminished inventories, OPEC discipline and only modest production increases from Russia, Nigeria, Venezuela, Iraq and Iran.

## The Ten Surprises of 2018 (Cont'd)

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6. Inflation becomes an issue of concern. Continued world GDP growth puts pressure on commodity prices. Tight labor markets in the industrialized countries create wage increases. In the United States, average hourly earnings gains approach 4% and the Consumer Price Index pushes above 3%.
7. With higher inflation, interest rates begin to rise. The Federal Reserve increases short-term rates four times in 2018 and the 10-year U.S. Treasury yield moves toward 4%, but the Fed shrinks its balance sheet only modestly because of the potential impact on the financial markets. High yield spreads widen, causing concern in the equity market.
8. Both NAFTA and the Iran agreement endure in spite of Trump railing against them. Too many American jobs would be lost if NAFTA ended, and our allies universally support continuing the Iran agreement. Trump begins to think that not signing on to the Trans-Pacific Partnership was a mistake as he sees the rise of China's influence around the world. He presses for more bilateral trade deals in Asia.
9. The Republicans lose control of both the Senate and the House of Representatives in the November election. Voters feel disappointed that many promises made during Trump's presidential campaign were not implemented in legislation and there is a growing negative reaction to his endless Tweets. The mid-term election turns out to be a referendum on the Trump Presidency.
10. Xi Jinping, having broadened his authority at the 19th Party Congress in October, focuses on China's credit problems and decides to limit business borrowing even if it means slowing the economy down and creating fewer jobs. Real GDP growth drops to 5.5%, with only minor implications for world growth. Xi proclaims this move will ensure the sustainability of China's growth over the long term.

# The Ten Surprises of 2019

**These surprises were announced Thursday, January 3, 2019. The definition of a surprise is an event that the average investment professional would assign a one out of three chance of taking place, but where I believe the event is probable, with better than a 50% chance of happening**

1. The weakening world economy encourages the Federal Reserve to stop raising the federal funds rate during the year. Inflation remains subdued and the 10-year Treasury yield stays below 3.5%. The yield curve remains positive.
2. Partly because of no further rate increases by the Federal Reserve and more attractive valuations as a result of the market decline at the end of 2018, the S&P 500 gains 15% for the year. Rallies and corrections occur but improved earnings enable equities to move higher in a reasonably benign interest rate environment.
3. Traditional drivers of GDP growth, capital spending and housing, make only modest gains in 2019. The expansion continues, however, because of consumer and government spending. A recession before 2021 seems unlikely.
4. The better tone in the financial markets discourages precious metal investors. Gold drops to \$1,000 as the equity markets in the United States and elsewhere improve.
5. The profit outlook for emerging markets brightens and investor interest intensifies because the price earnings ratio is attractive compared to developed markets and historical levels. Continuous expansion of the middle class in the emerging markets provides the consumer buying thrust for earnings growth. China leads and the Shanghai composite rises 25%. The Brazil equity market also comes to life under the country's new conservative leadership.

## The Ten Surprises of 2019 (Cont'd)

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6. March 29 comes and goes and there is no Brexit deal. Parliament fails to approve one and Theresa May, arguing that a change in leadership won't help the situation, remains in office. A second referendum is held and the U.K. votes to remain.
7. The dollar stabilizes at year-end 2018 levels and stays there throughout the year. Because of concern about the economy, the Federal Reserve stops shrinking its balance sheet, which is interpreted negatively by currency traders. The flow of foreign capital into United States assets slows because of a softer monetary policy and a lack of need for new capital for business expansion.
8. The Mueller investigation results in indictments against members of the Trump Organization closest to the president but the evidence doesn't support any direct action against Trump himself. Nevertheless, an exodus of Trump's most trusted advisors results in a crisis in confidence that the administration has the people and the process to accomplish important goals.
9. Congress, however, with a Democratic majority, gets more done than expected, particularly on trade policy. Progress is made in preserving important parts of the Affordable Care Act and immigration policy. A federal infrastructure program to be implemented in 2020 is announced.
10. Growth stocks continue to provide leadership in the U.S. equity market. Technology and biotech do well as a result of continued strong earnings. Value stocks other than energy-related businesses disappoint because of the slowing economy.

# The Also Rans of 2019

**Every year there are always a few Surprises that do not make the Ten either because I do not think they are as relevant as those on the basic list or I am not comfortable with the idea that they are “probable.”**

11. Geopolitical tensions increase. Iran continues to destabilize the Middle East and Kim Jong Un fails to live up to his North Korea denuclearization promises. Secretary of State Pompeo and National Security Advisor Bolton make statements indicating the United States may take pre-emptive action in both places, thereby causing one of several sharp market sell-offs. But in spite of hostile rhetoric, the United States does not go to war with anyone as we approach the 2020 election. Trump’s tough talk on some issues like trade works, however, and leads to successful diplomatic negotiations on national security.
12. In desperation China engages in ambitious infrastructure programs to bolster its economy. China grows at 6.5% real, but the increased debt causes concern around the world and has a negative impact on the renminbi.
13. China announces, “We want to be the world leaders in free trade.” It sends envoys around the globe to negotiate better bilateral trade terms in order to offset the losses from the ongoing U.S. disagreements. Joint ventures in which foreign companies control the majority share are initiated in all sectors, from industrials and autos to raw materials. As China’s influence around the world becomes greater, the U.S. further isolates itself.
14. The European Central Bank is forced to restart quantitative easing in response to a defiant Italy, a weakening Germany and Brexit. Thwarting expectations that Brexit would bring the rest of Europe closer together, Italy realizes that it can break all fiscal rules without any fear of punishment from the E.U. As a result, the Italian economy falls into recession, debt spreads surge and the ECB is forced to liquefy the system again.

# “Radical” Asset Allocation

Asset Class	Allocation	
Global large cap Multinationals	5%	Fair value in terms of yield and multiple
Other U.S. long only	15%	Valuations attractive
European long only	5%	Slowing growth
Emerging Market equities	10%	Relative growth attractive, dollar stabilizes
Japanese Equities	5%	Better opportunities elsewhere
Hedge Funds (all strategies)	10%	Selected strategies attractive
Private Equity	10%	Competition intense for deals
Real Estate	10%	Still finding opportunities
Gold	0%	No change
Natural Resources and agricultural commodities	5%	World standard of living rising
Non-conventional High Yield Fixed Income (Mezzanine, Leveraged Loans, Emerging Market Debt)	15%	Still some value in selective categories, willing to take credit risk over duration risk
Cash	10%	Residual, awaiting tactical opportunities
<b>Total</b>	<b>100%</b>	

Note: As reflected in the “Disclaimers” section, the above reflects the personal views of Byron Wien, Vice Chairman & Joe Zidle, Managing Director in the Private Wealth Solutions Group and does not necessarily reflect the view of Blackstone itself.

**U.S. Fundamentals Are Strong**

Blackstone



# NDR Crowd Sentiment Poll (7/31/2002 – 12/24/2018)

## S&P 500 Composite Index

Extremes generated when sentiment reading:

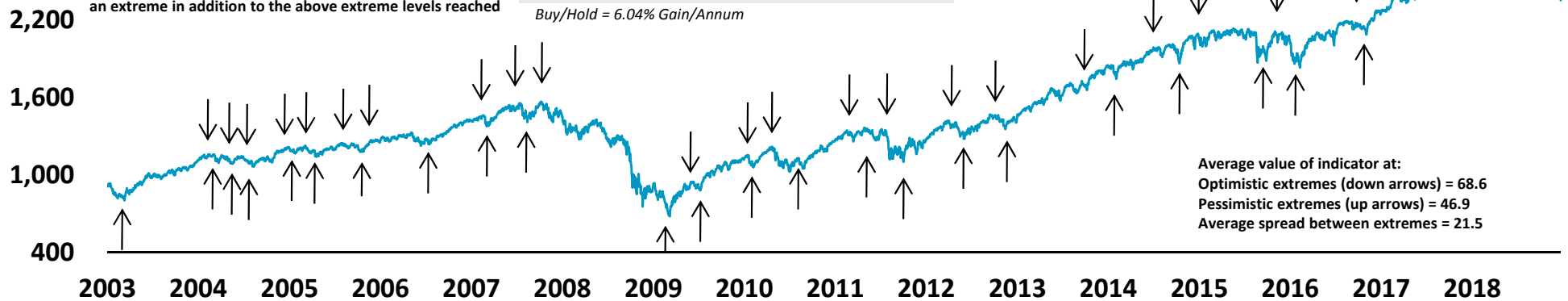
Rises above 61.5% = Extreme Optimism

Declines below 55.5% = Extreme Pessimism

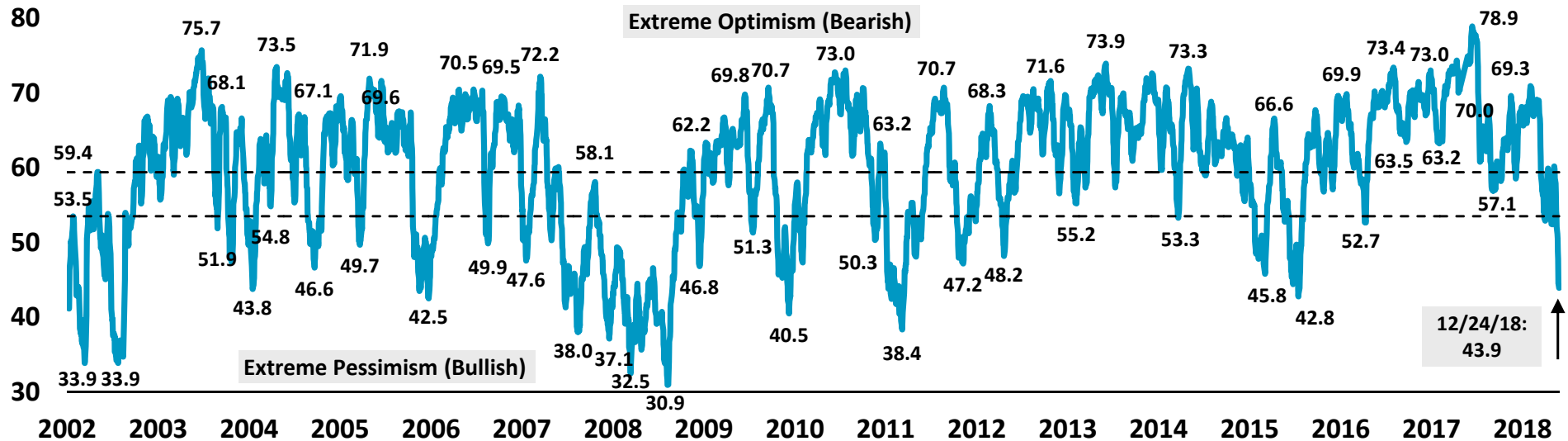
Sentiment must reverse by 10 percentage points to signal an extreme in addition to the above extreme levels reached

S&P 500 Index Performance Full History: 12/1/1995–12/24/2018		
NDR Crowd Sentiment Poll is:	Gain/Annum	% of Time
Above 66.0	-3.39	25.04
57.0 – 66.0 From Above	1.35	18.09
57.0 – 66.0 From Below	19.43	19.05
Below 57.0	8.85	37.35
<i>Buy/Hold = 6.04% Gain/Annum</i>		

Arrows represent extremes in optimism and pessimism. They do not represent buy and sell signals and can only be known for certain (and added to the chart) in hindsight

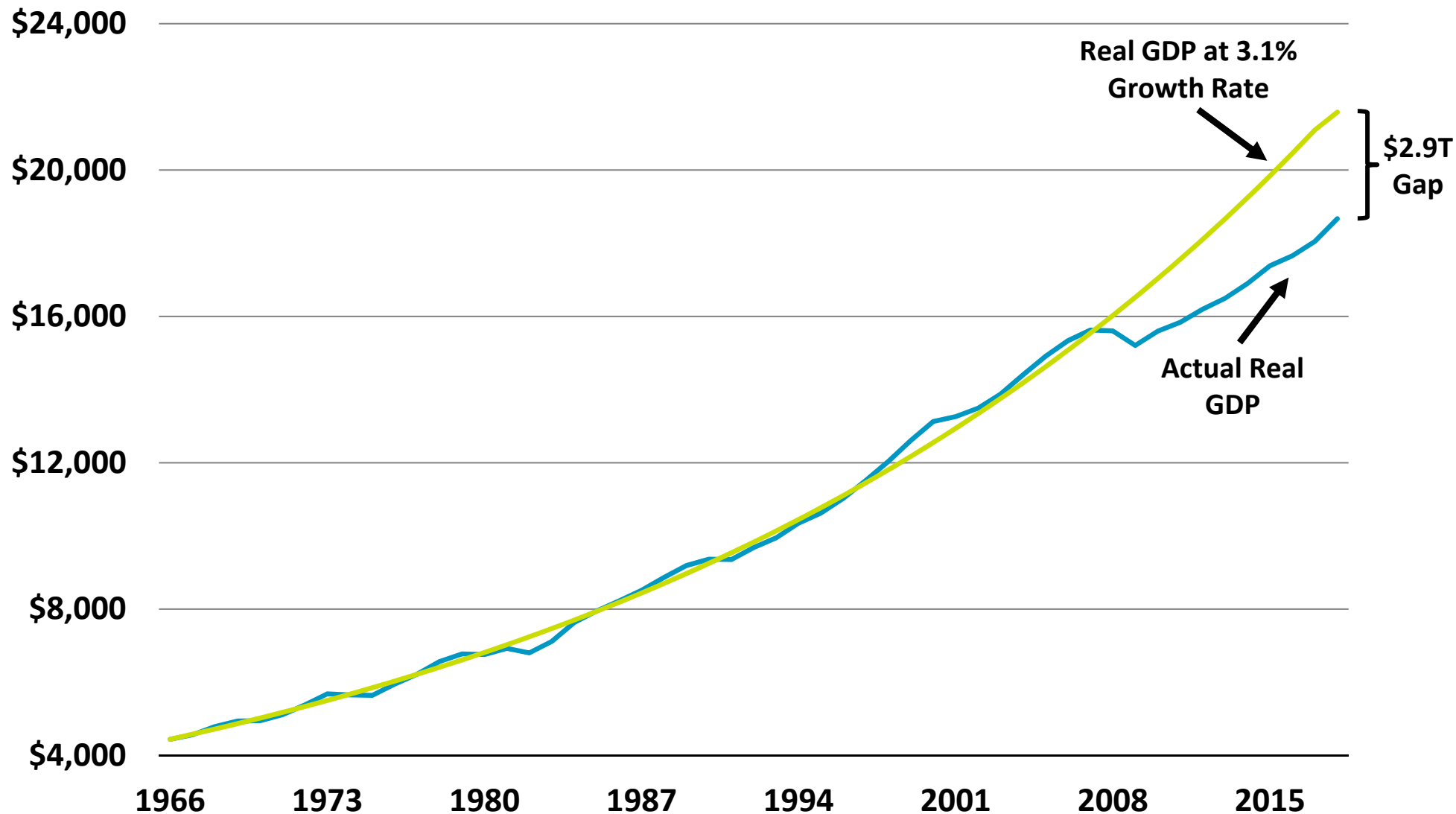


## NDR Crowd Sentiment Poll



# Don't Count on 3% Growth Forever

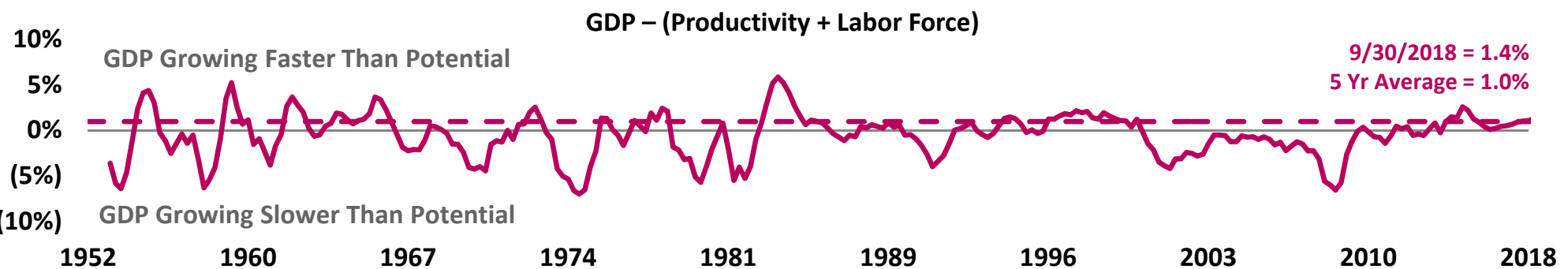
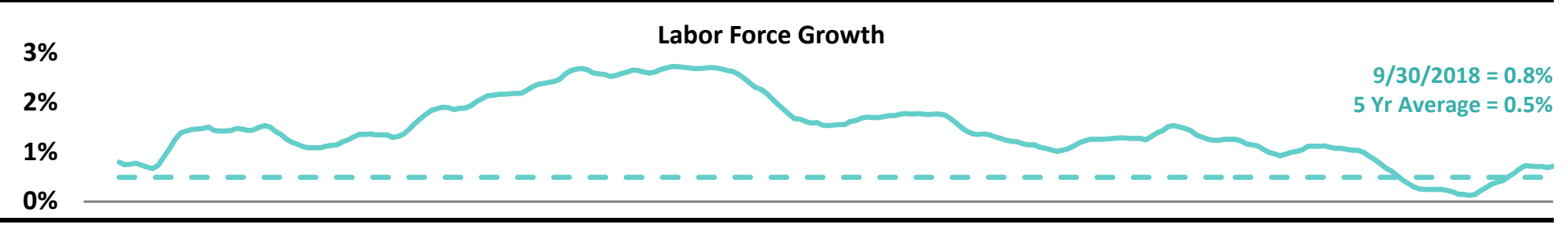
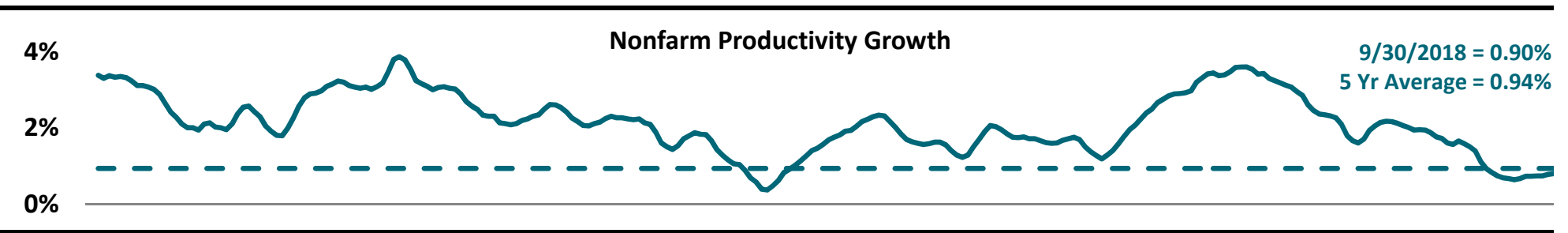
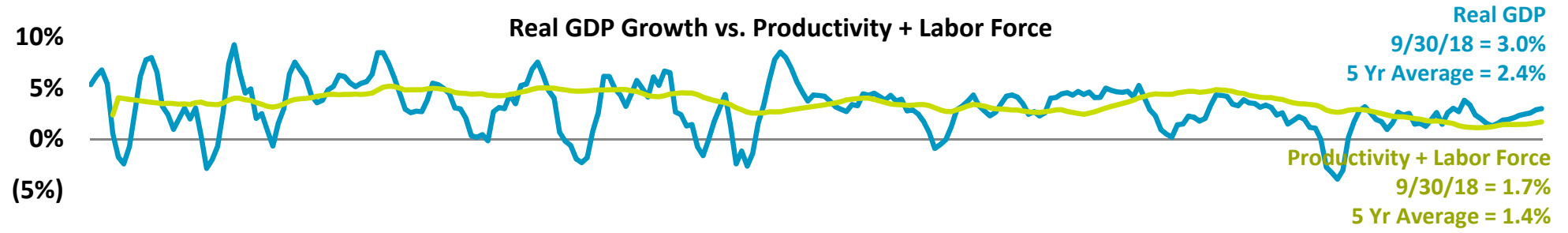
U.S. Real GDP Growth  
(\$ in Trillions)



Source: Bureau of Economic Analysis, Strategas and Blackstone, as of 9/30/18.

# Labor, Productivity and the Growth Rate

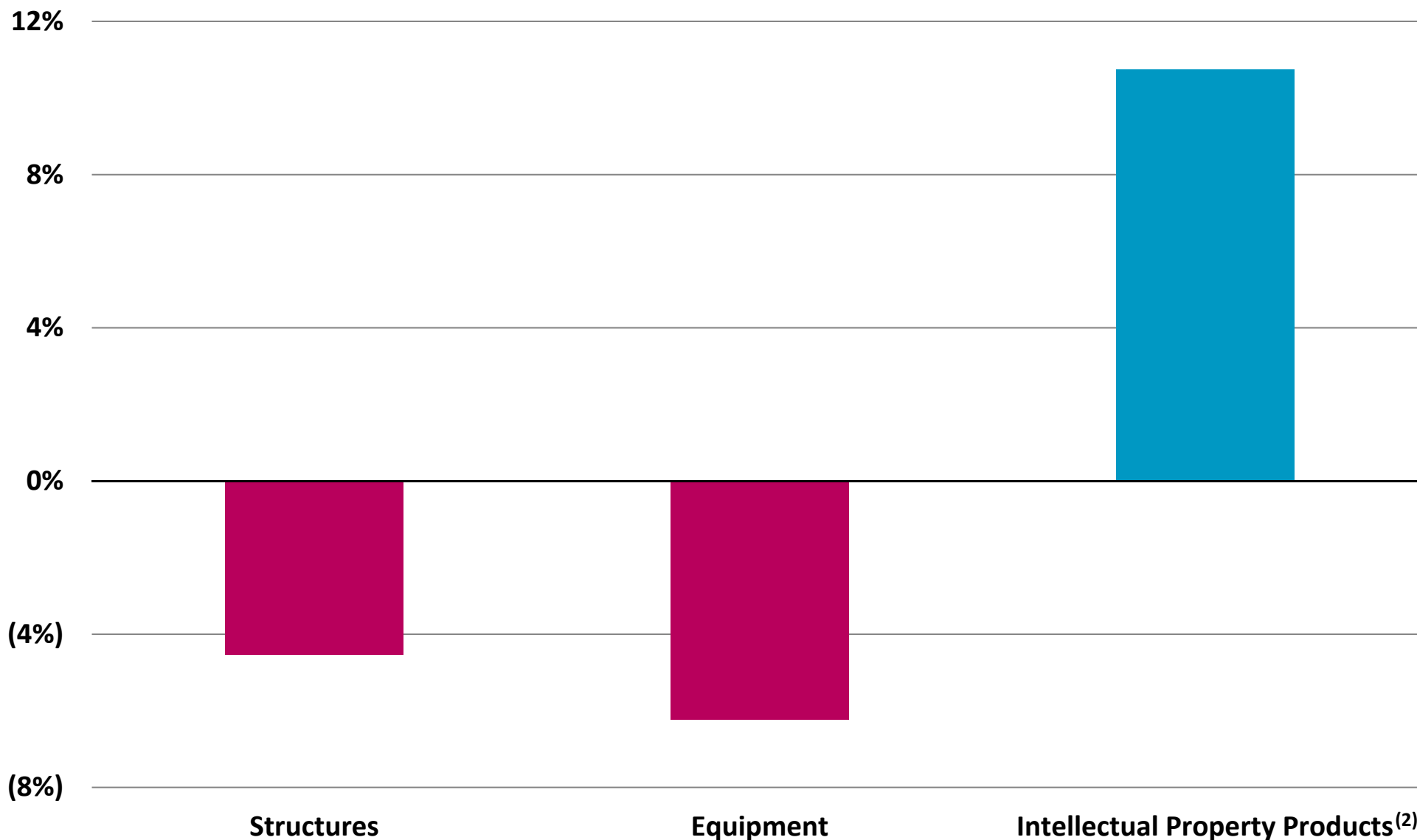
## Long-Term Composition of Real U.S. GDP Growth (YoY % Change)



Source: Ned Davis Research and Bureau of Labor Statistics, as of 9/30/18.

# CapEx Increasingly Being Spent on Intellectual Property

Percent Change in Share of Overall Capital Expenditures<sup>(1)</sup> (1990-3Q'2018)



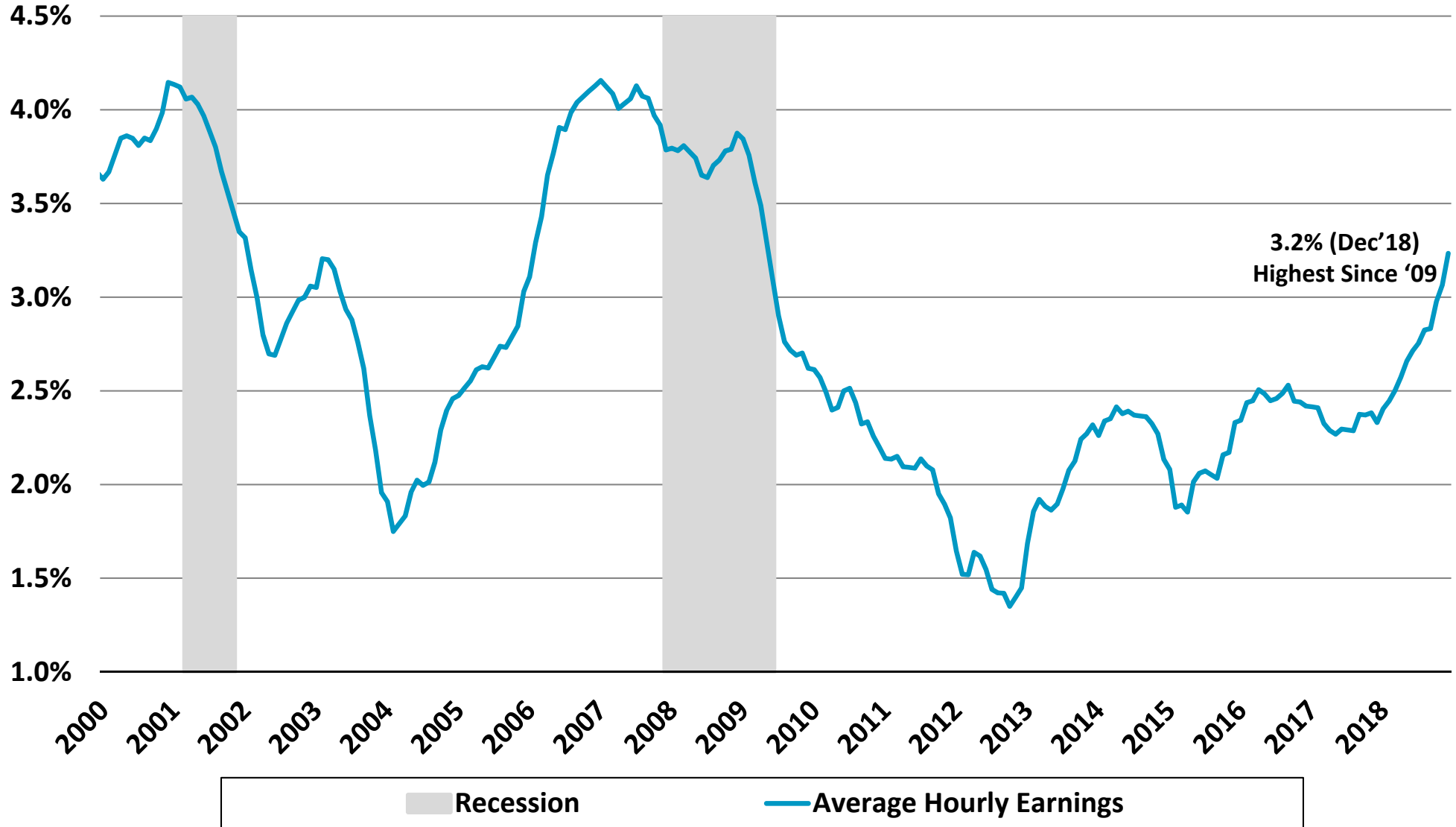
Source: Blackstone, Strategas, Haver and Bureau of Economic Analysis, as of 9/30/18.

(1) Represents private nonresidential investment.

(2) Intangible fixed assets—whether purchased or produced for own use—that are used repeatedly, or continuously, in the processes of production for at least a year. In the BEA National Income and Product Accounts (NIPAs), these products consist of software, research and development, and of entertainment, literary and artistic originals.

# More Help for U.S. Consumer Spending

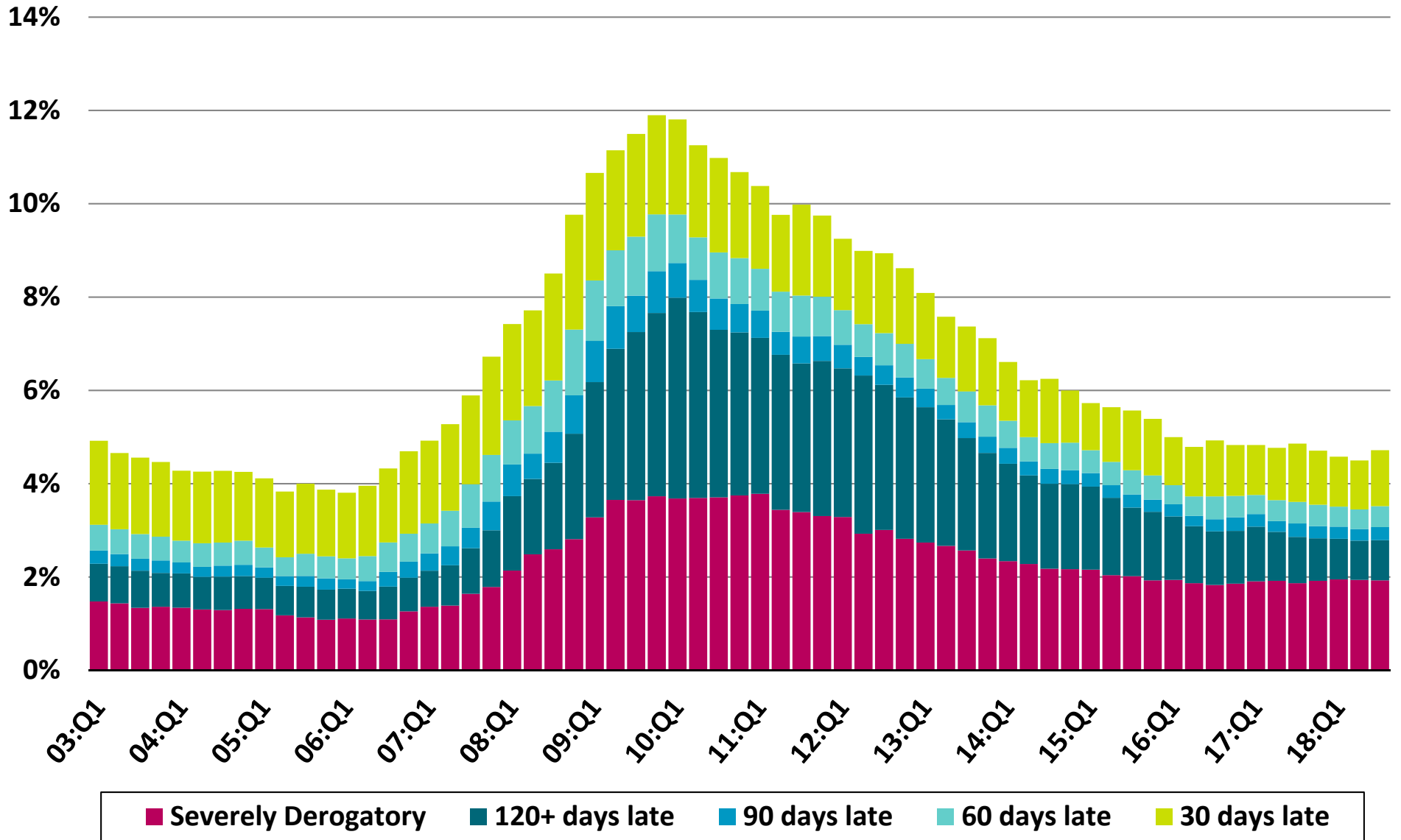
## U.S. Average Hourly Earnings 3 Month Average (YoY %)



Source: Bureau of Labor Statistics and Blackstone, as of 12/31/18. Represents 3-month YoY average of average hourly earnings of production and nonsupervisory employees: total private, seasonally adjusted.

# Household Credit Delinquencies of All Statuses Declining

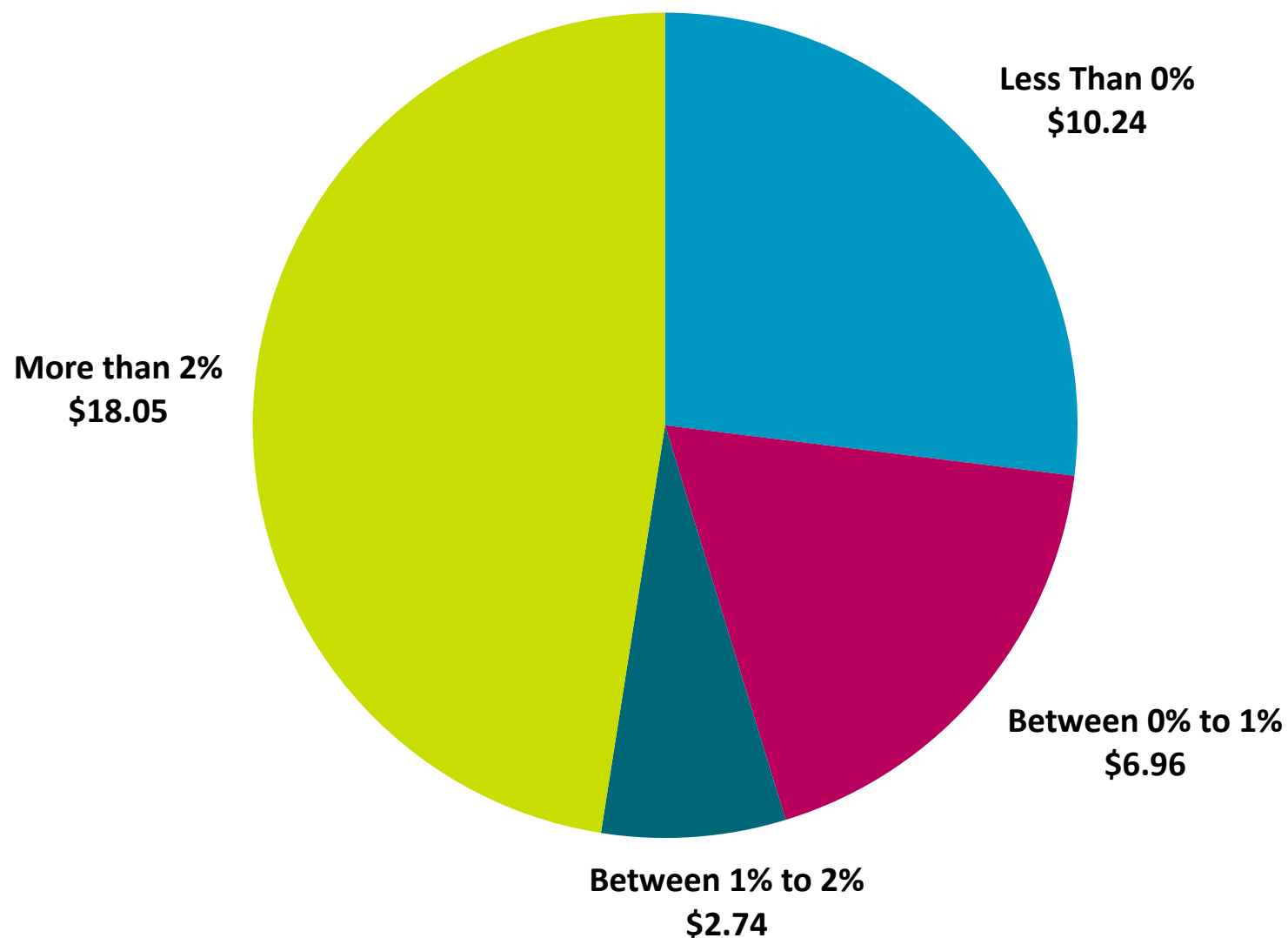
## Percent of Total Household Debt by Delinquency Status



Source: Federal Reserve Board of New York Consumer Credit Panel and Equifax, as of 9/30/18. Includes mortgage, automobile, credit card, student, house equity revolving, and other types of debt.

# Most Global Debt Yields Less Than U.S. Treasuries

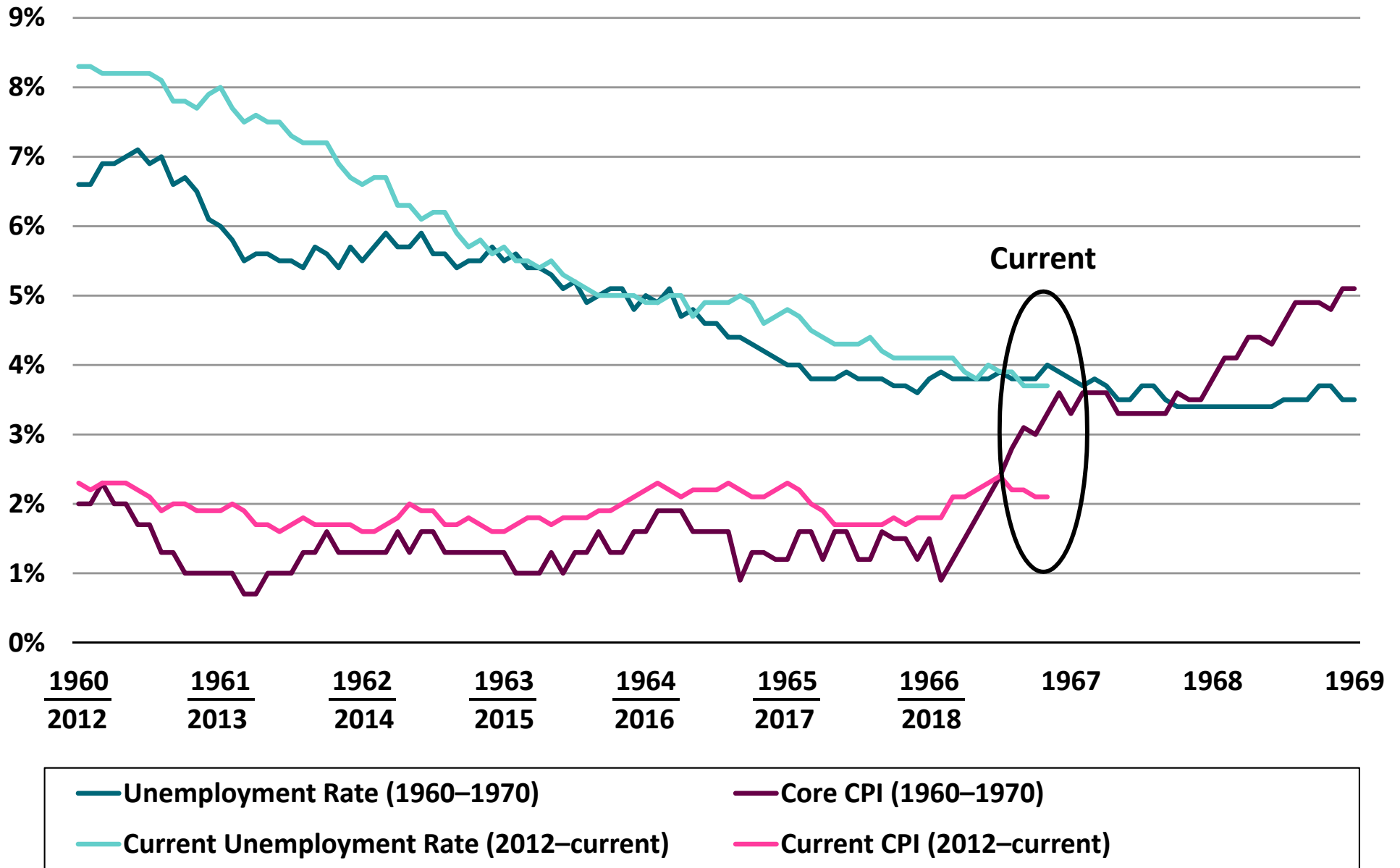
Total Outstanding Global Debt = \$37.99 trillion  
(\$ in trillions)



# Trends to Watch



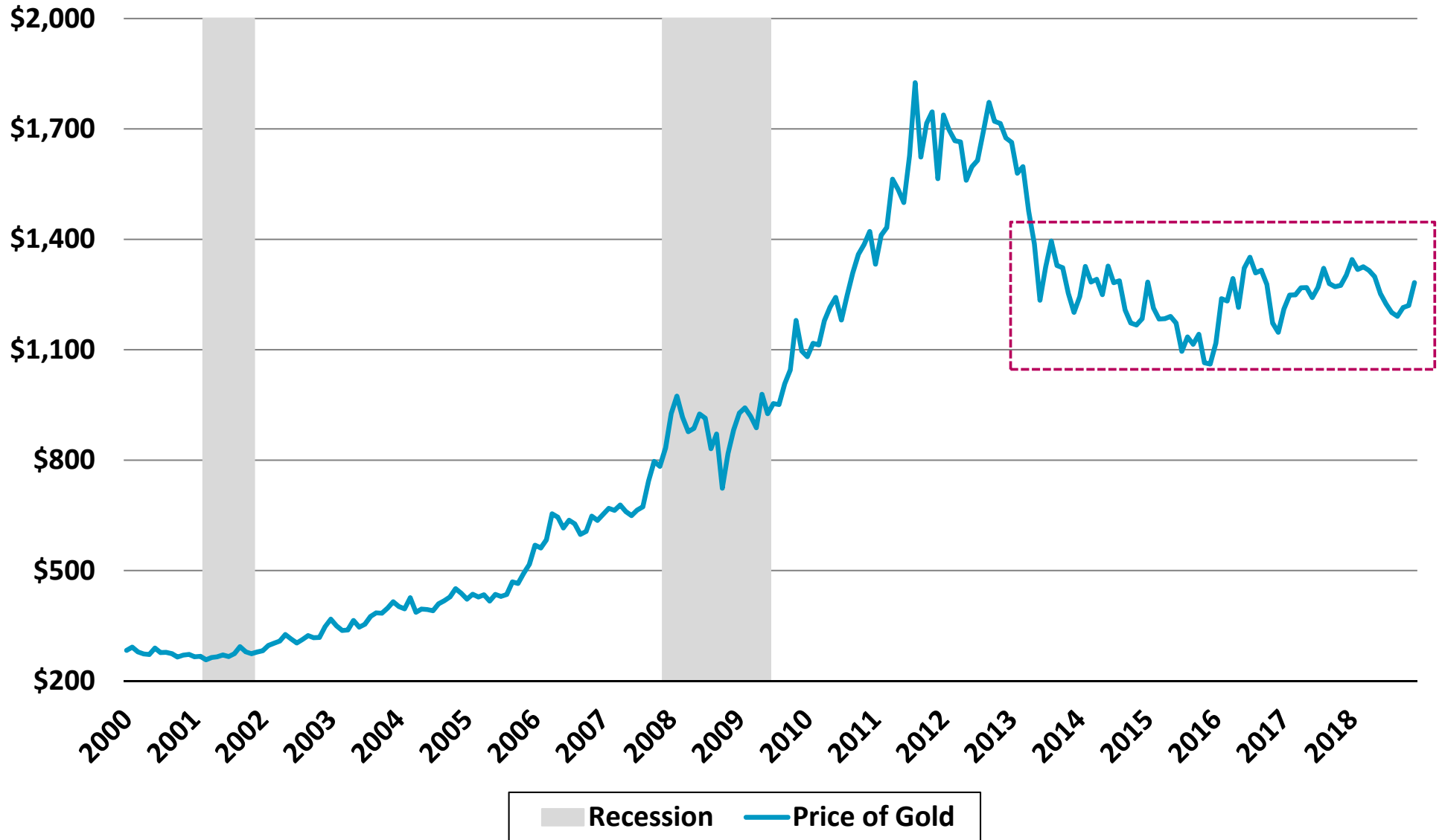
# Inflation Is Coming: 1960's vs. Today



Source: Bureau of Labor Statistics, Bloomberg and Blackstone, as of 11/30/18.

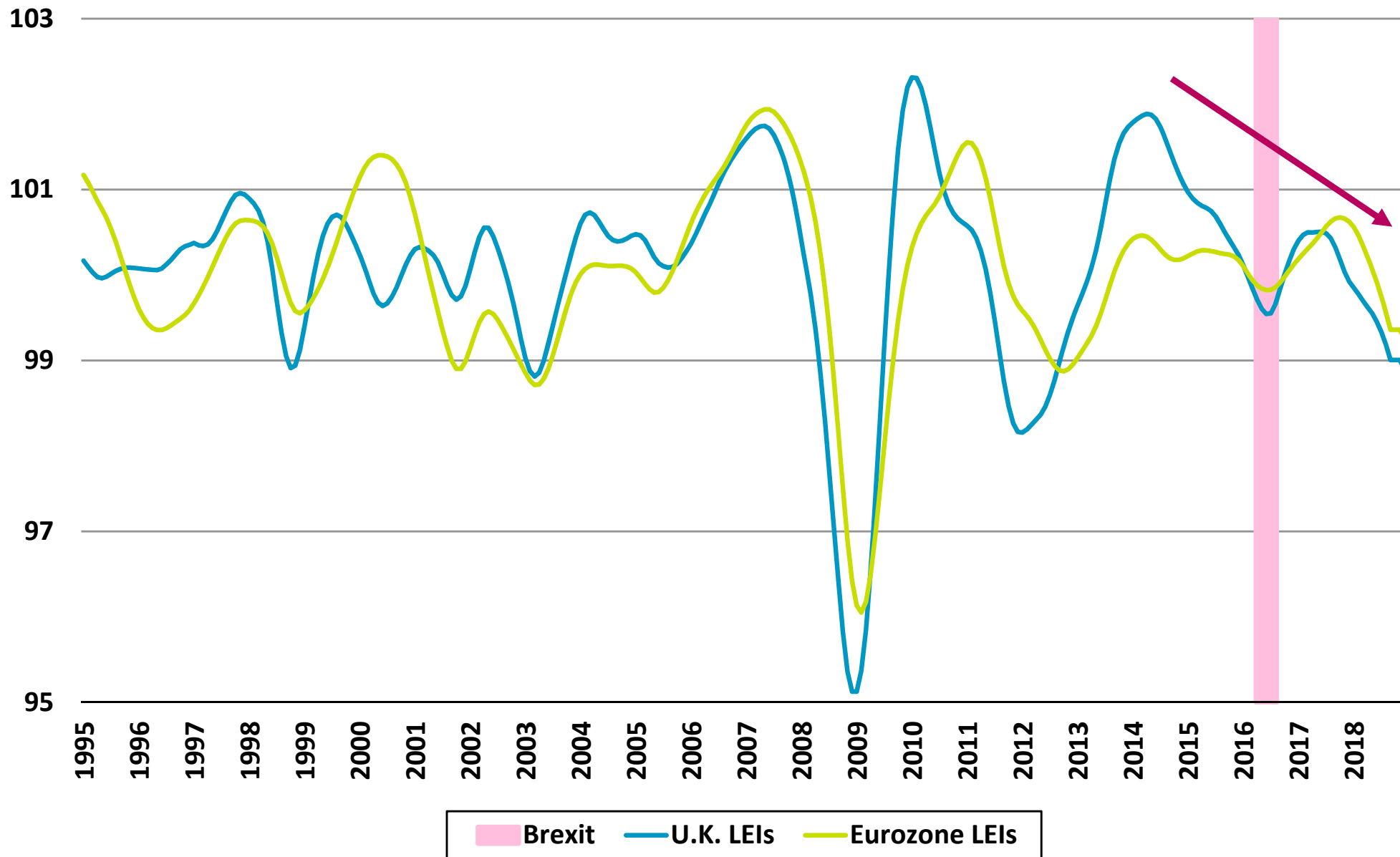
# Time for Gold to Move out of Its Long Consolidation: One Way or the Other

Gold Spot Price (USD)



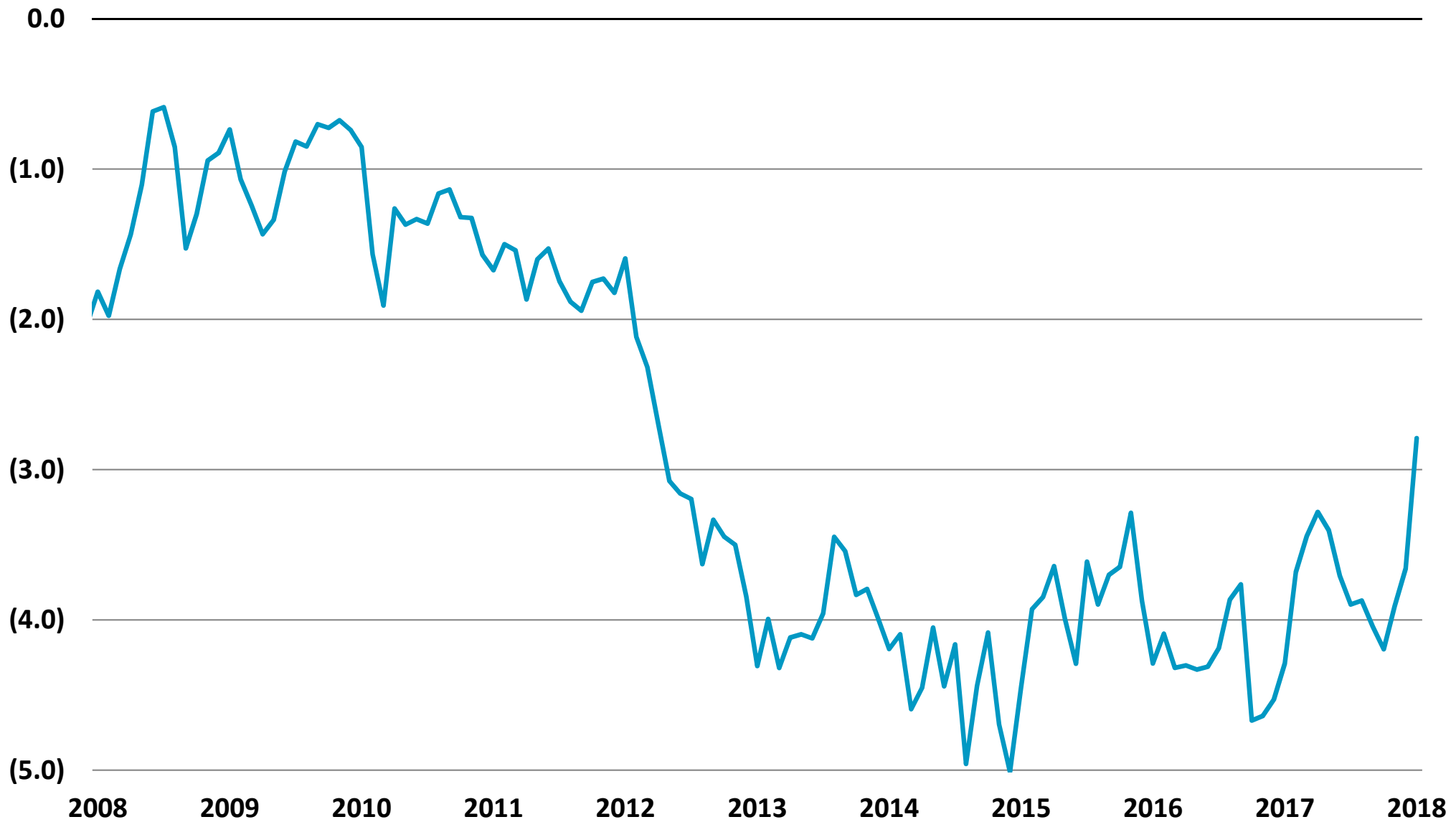
Source: Bloomberg, as of 12/31/18.

# Eurozone and U.K. Leading Indicators Peaked



# Relative Value in Emerging Markets Attractive

Emerging Markets Less Developed Markets P/E Ratios<sup>(1)</sup>

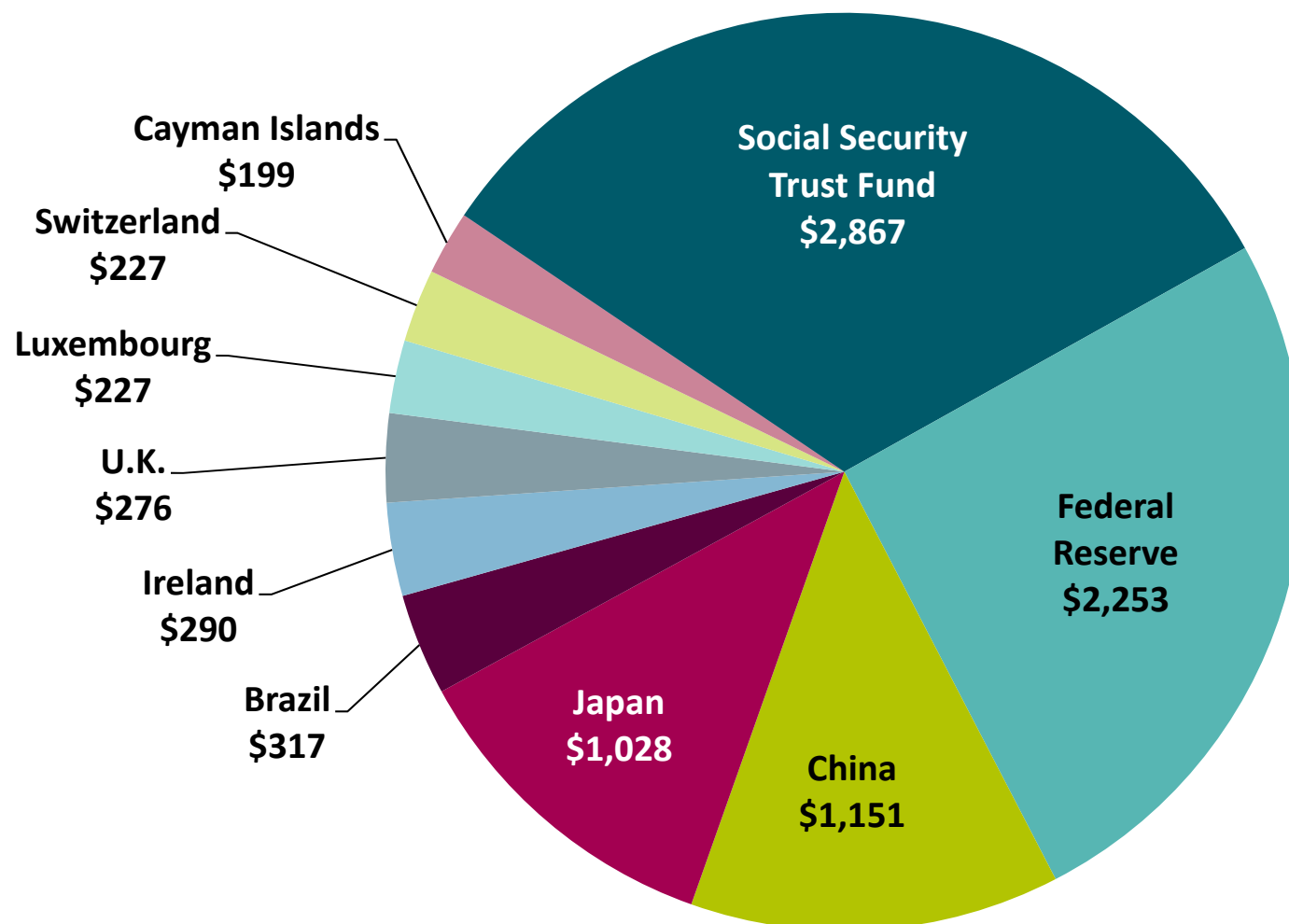


Source: Bloomberg, as of 12/31/18.

(1) Represents forward 12 month estimated Price/Earnings ratios for the MSCI World Index and MSCI Emerging Markets Index.

# Selected Major Holders of U.S. Treasury Debt

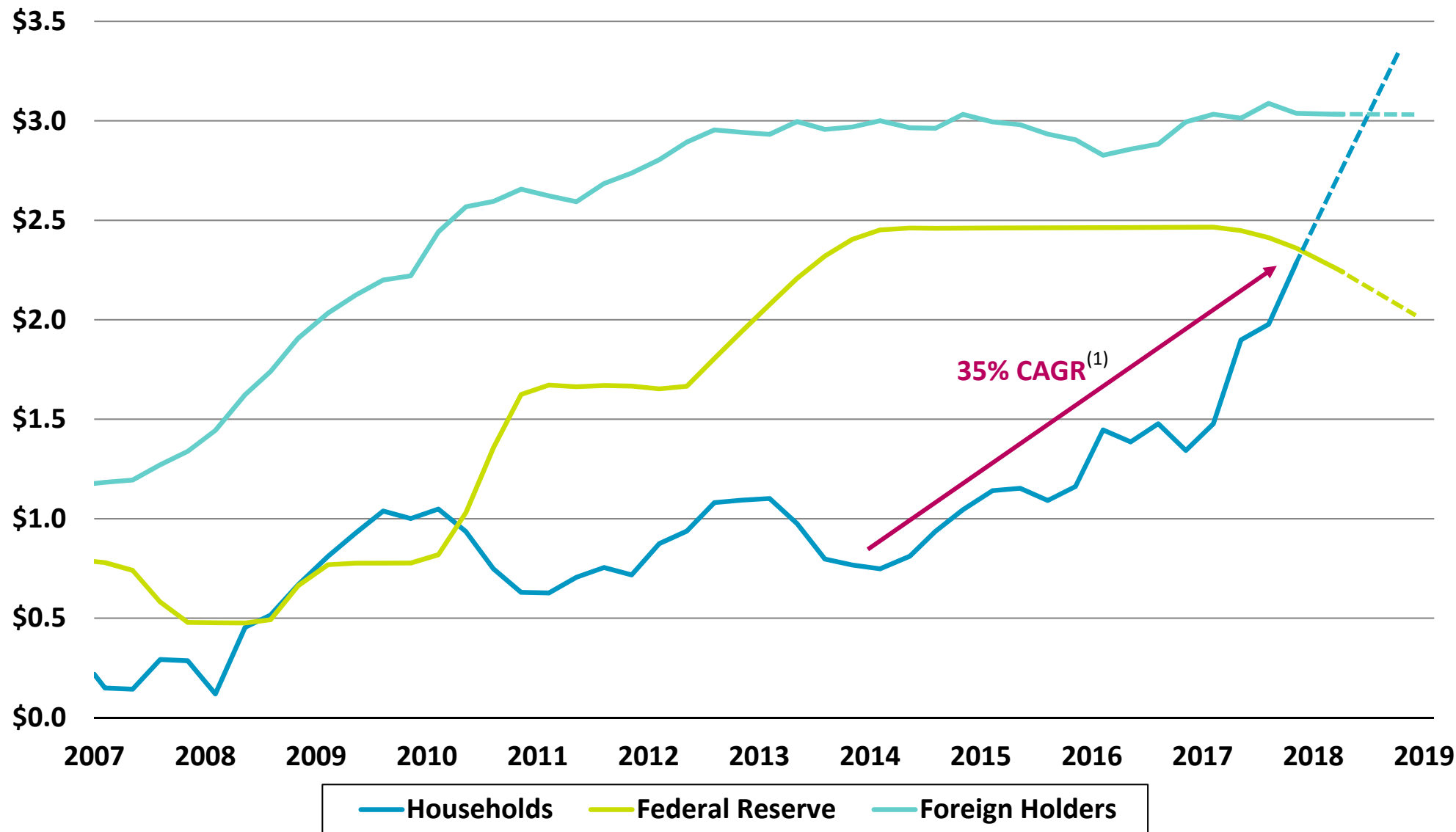
Selected Holders Account for \$8.8T in U.S. Treasury Debt, of Which China and Japan Comprise 25% (\$ in billions)



Source: Federal Reserve and Treasury Department. Foreign holdings data for September 2018, as of 11/30/18. Federal Reserve data as of 11/28/18. Social Security Data as of 11/30/18.

# Treasury Demand Depends on Private Sector

Treasury Securities By Holder Type  
(\$ in Trillions)

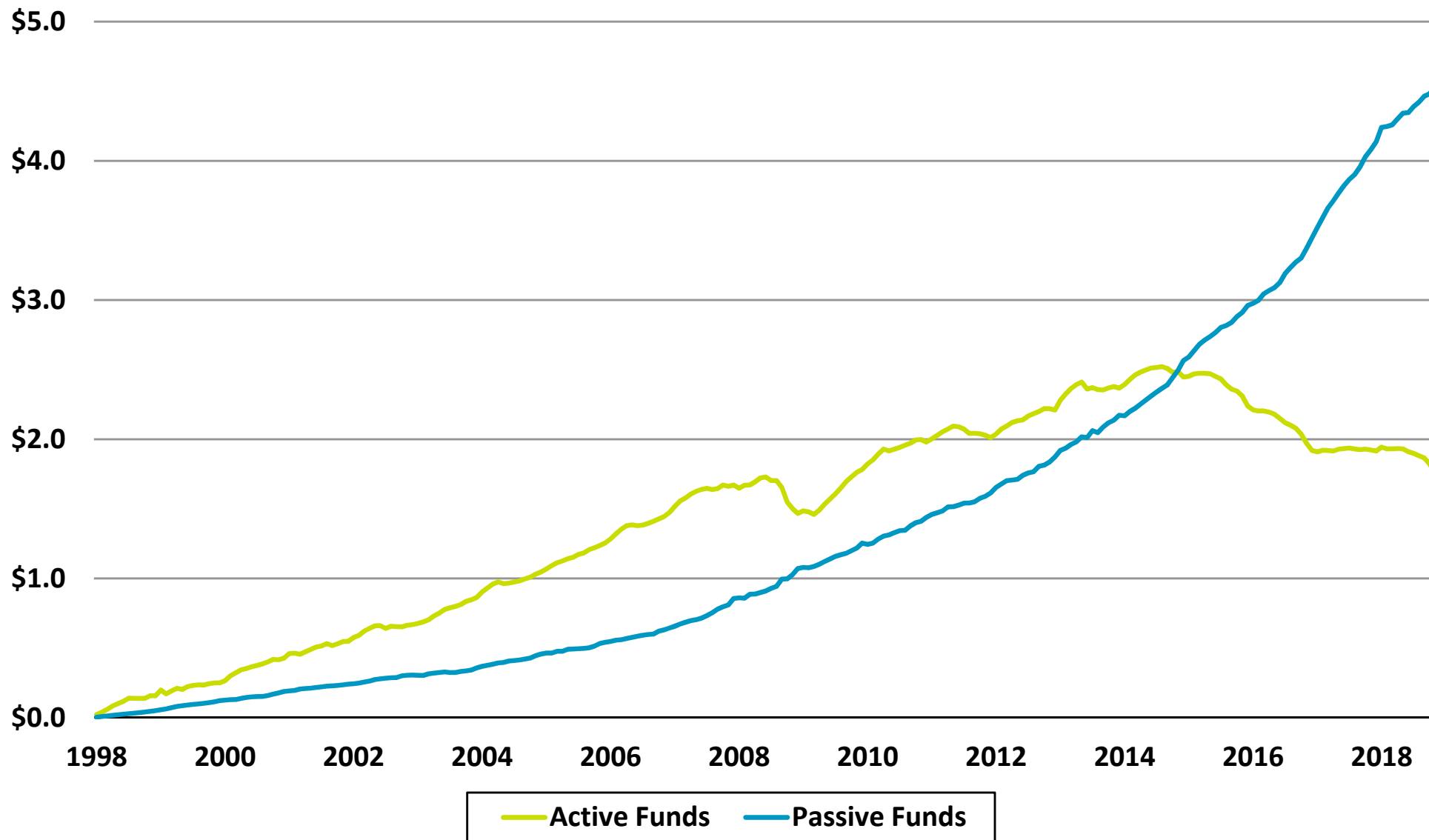


Source: Federal Reserve, as of 12/5/18. Household data as of 9/30/18. "Households" also includes nonprofit organizations. Estimates past 9/30/18 represent continuation of 3Q'18 trend for the respective holder type.

(1) Represents change in household assets over period 10/1/14 through 9/30/18.

# Passive Fund Flows Dwarving Active Flows

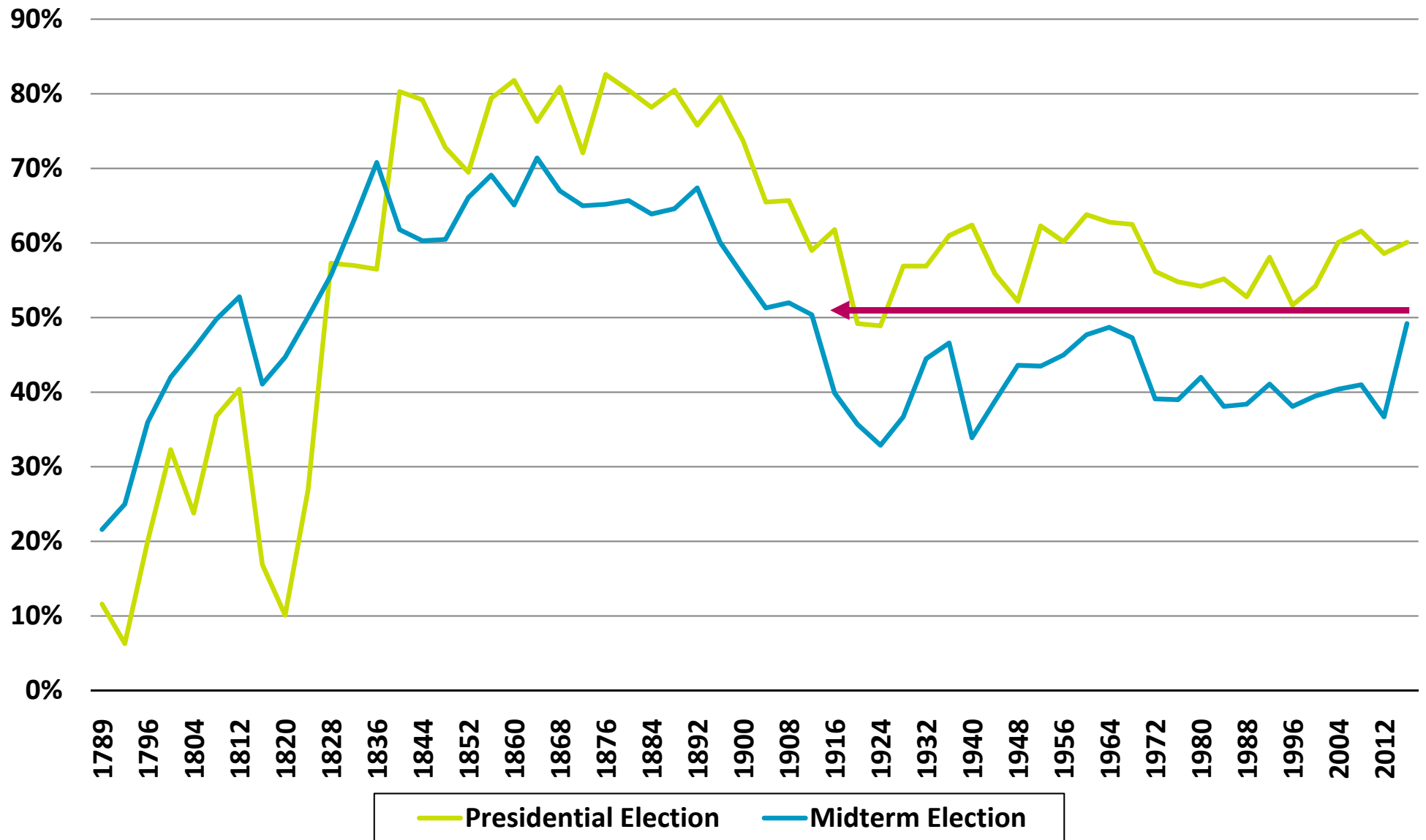
Cumulative Flows  
(\$ in Trillions)



Source: Blackstone calculations of Morningstar Direct data. Represents overall cumulative flows from the period 1/1/1998 to 11/30/2018. Includes US domiciled funds, passive funds include exchange-traded funds.

# Highest Midterm Election Turnout in a Century

Midterm Election Turnout in 2018 (49.2%) Highest Since 1914 (50.4%)



Source: United States Election Project. Represents all U.S. presidential and midterm elections from 1789-2018.



# **Financial Markets: Challenging Earnings**

# Dividend Discount Model

**1 Year**

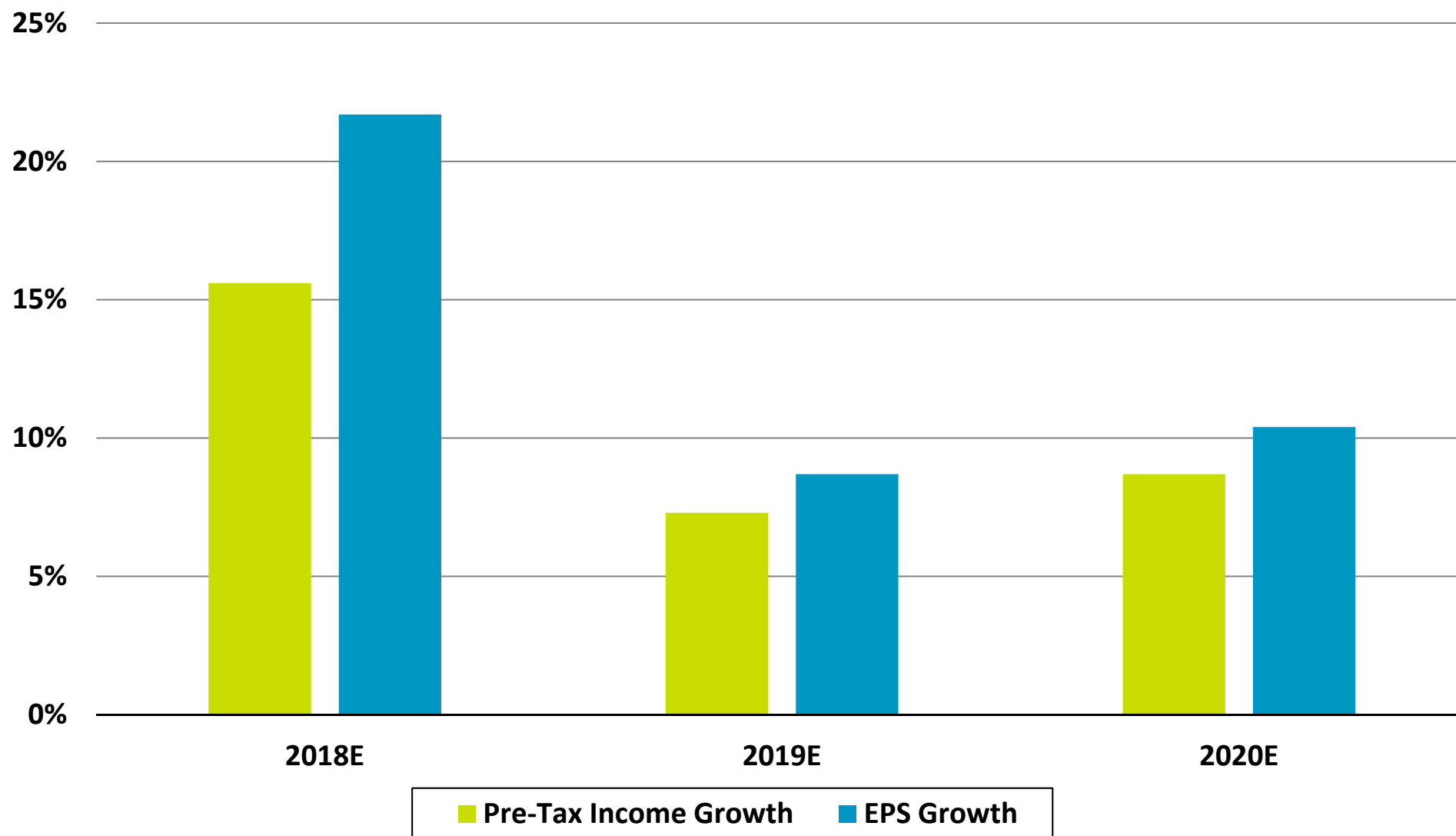
**10 Year Treasury Yield**

<b>EPS \$</b>	<b>1.00%</b>	<b>1.25%</b>	<b>1.50%</b>	<b>1.75%</b>	<b>2.00%</b>	<b>2.25%</b>	<b>2.50%</b>	<b>2.75%</b>	<b>3.00%</b>	<b>3.25%</b>	<b>3.50%</b>	<b>3.75%</b>	<b>4.00%</b>
<b>160</b>	23,360	11,680	7,787	5,840	4,672	3,893	3,337	2,920	2,596	2,336	2,124	1,947	1,797
<b>162</b>	23,652	11,826	7,884	5,913	4,730	3,942	3,379	2,957	2,628	2,365	2,150	1,971	1,819
<b>164</b>	23,944	11,972	7,981	5,986	4,789	3,991	3,421	2,993	2,660	2,394	2,177	1,995	1,842
<b>166</b>	24,236	12,118	8,079	6,059	4,847	4,039	3,462	3,030	2,693	2,424	2,203	2,020	1,864
<b>168</b>	24,528	12,264	8,176	6,132	4,906	4,088	3,504	3,066	2,725	2,453	2,230	2,044	1,887
<b>170</b>	24,820	12,410	8,273	6,205	4,964	4,137	3,546	3,103	2,758	2,482	2,256	2,068	1,909
<b>172</b>	25,112	12,556	8,371	6,278	5,022	4,185	3,587	3,139	2,790	2,511	2,283	2,093	1,932
<b>174</b>	25,404	12,702	8,468	6,351	5,081	4,234	3,629	3,176	2,823	2,540	2,309	2,117	1,954
<b>176</b>	25,696	12,848	8,565	6,424	5,139	4,283	3,671	3,212	2,855	2,570	2,336	2,141	1,977
<b>178</b>	25,988	12,994	8,663	6,497	5,198	4,331	3,713	3,249	2,888	2,599	2,363	2,166	1,999
<b>180</b>	26,280	13,140	8,760	6,570	5,256	4,380	3,754	3,285	2,920	2,628	2,389	2,190	2,022
<b>182</b>	26,572	13,286	8,857	6,643	5,314	4,429	3,796	3,322	2,952	2,657	2,416	2,214	2,044
<b>184</b>	26,864	13,432	8,955	6,716	5,373	4,477	3,838	3,358	2,985	2,686	2,442	2,239	2,066
<b>186</b>	27,156	13,578	9,052	6,789	5,431	4,526	3,879	3,395	3,017	2,716	2,469	2,263	2,089
<b>188</b>	27,448	13,724	9,149	6,862	5,490	4,575	3,921	3,431	3,050	2,745	2,495	2,287	2,111
<b>190</b>	27,740	13,870	9,247	6,935	5,548	4,623	3,963	3,468	3,082	2,774	2,522	2,312	2,134

Note: Model assumes that S&P 500 Earnings per Share start the period growing at the short-term rate indicated in the rows. The growth rate declines linearly over 2 years to a 4% nominal growth rate then remains there in perpetuity. Analysis assumes the dividend payout ratio remains at the current level of 37% and the equity risk premium is a constant 3.25%.  
Source: Blackstone and Bloomberg, as of 11/30/18.

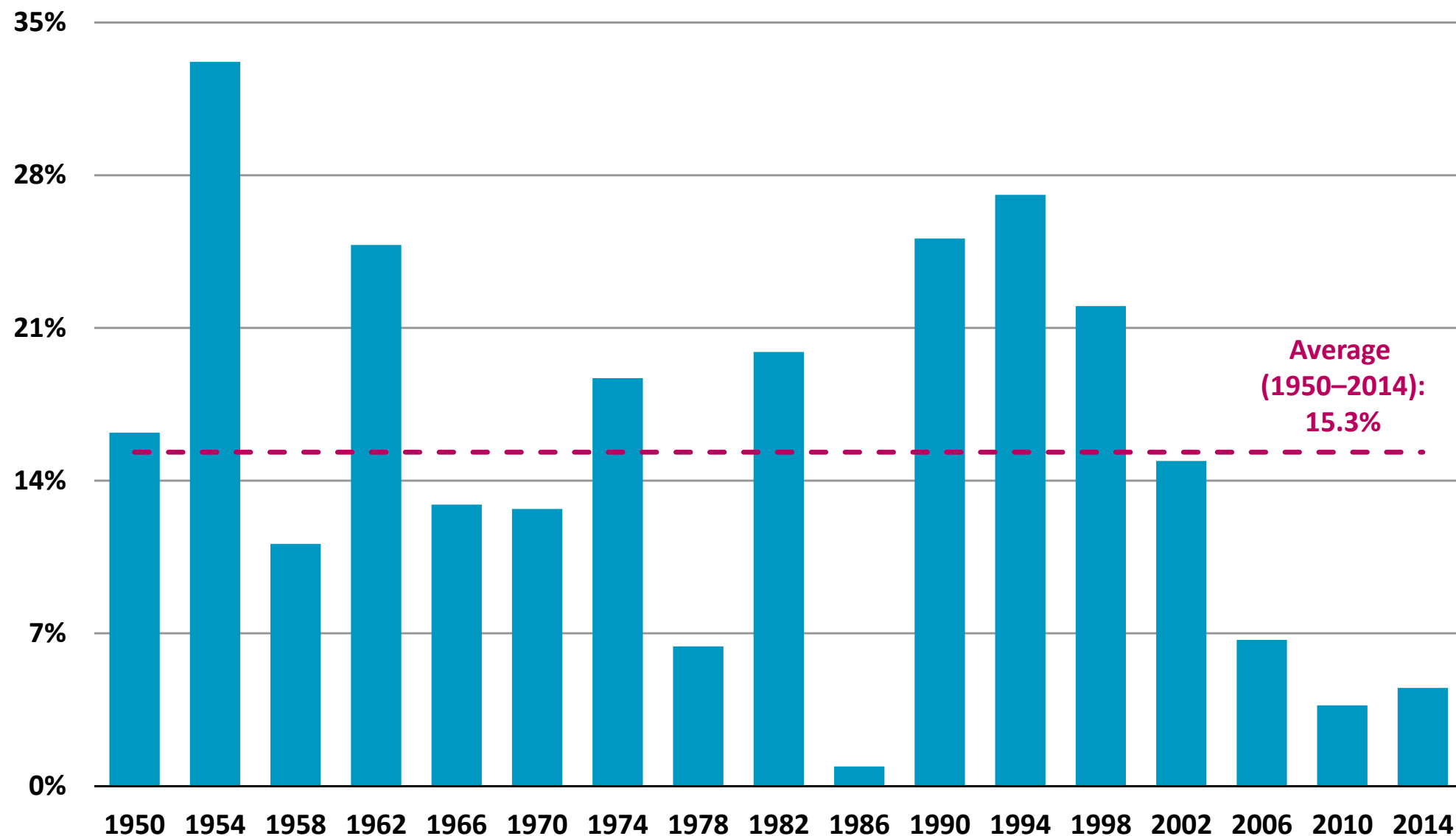
# Pre-Tax Income Growth Decelerating

## S&P 500 Pre-Tax Income Growth vs. EPS Growth



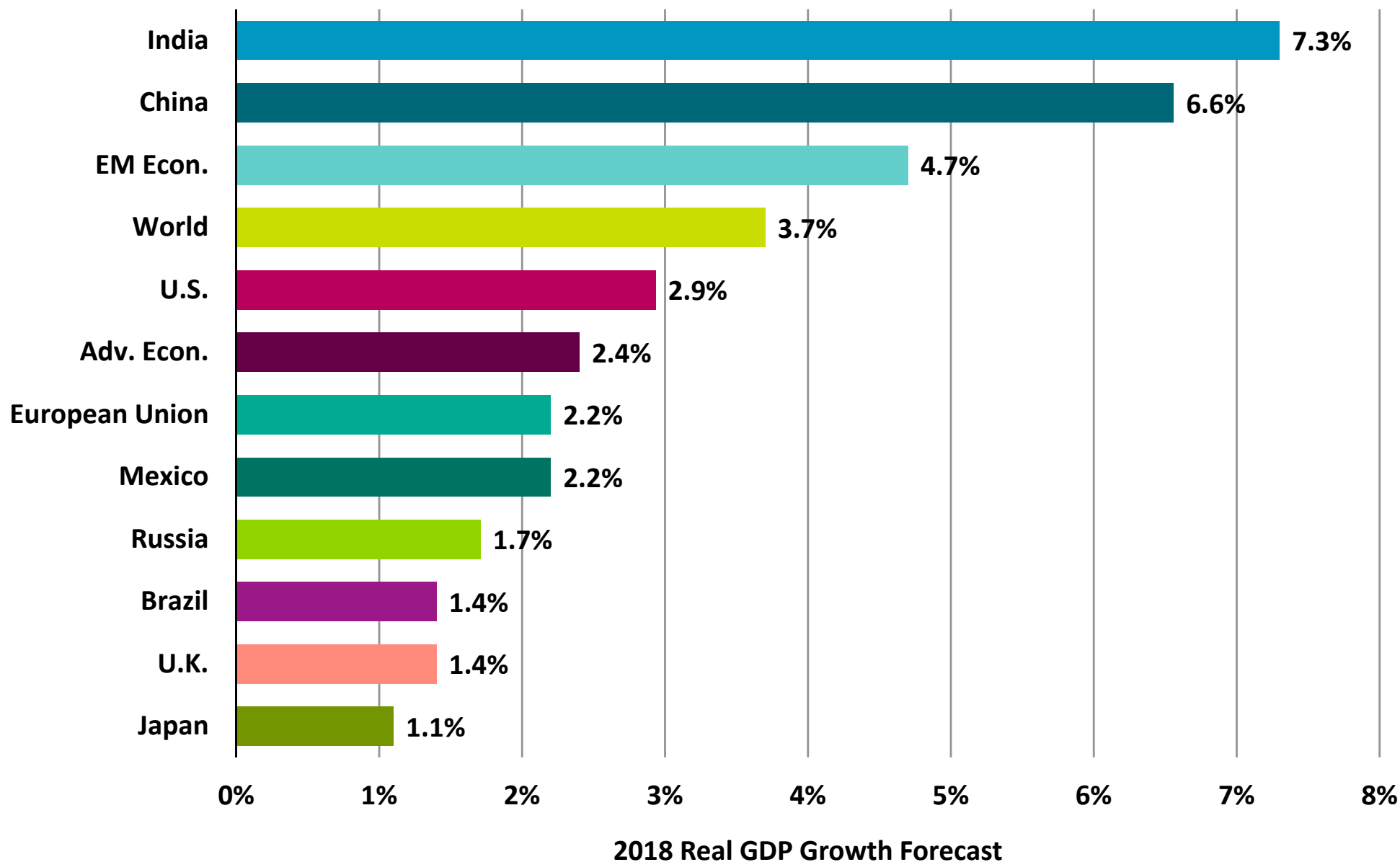
# Since 1950, S&P Returns Are Positive After Midterm Elections

S&P 500 Price Return 12 Mo. Period Following Mid-Term Election (1950-2014)



Source: Strategas, as of 12/31/15.

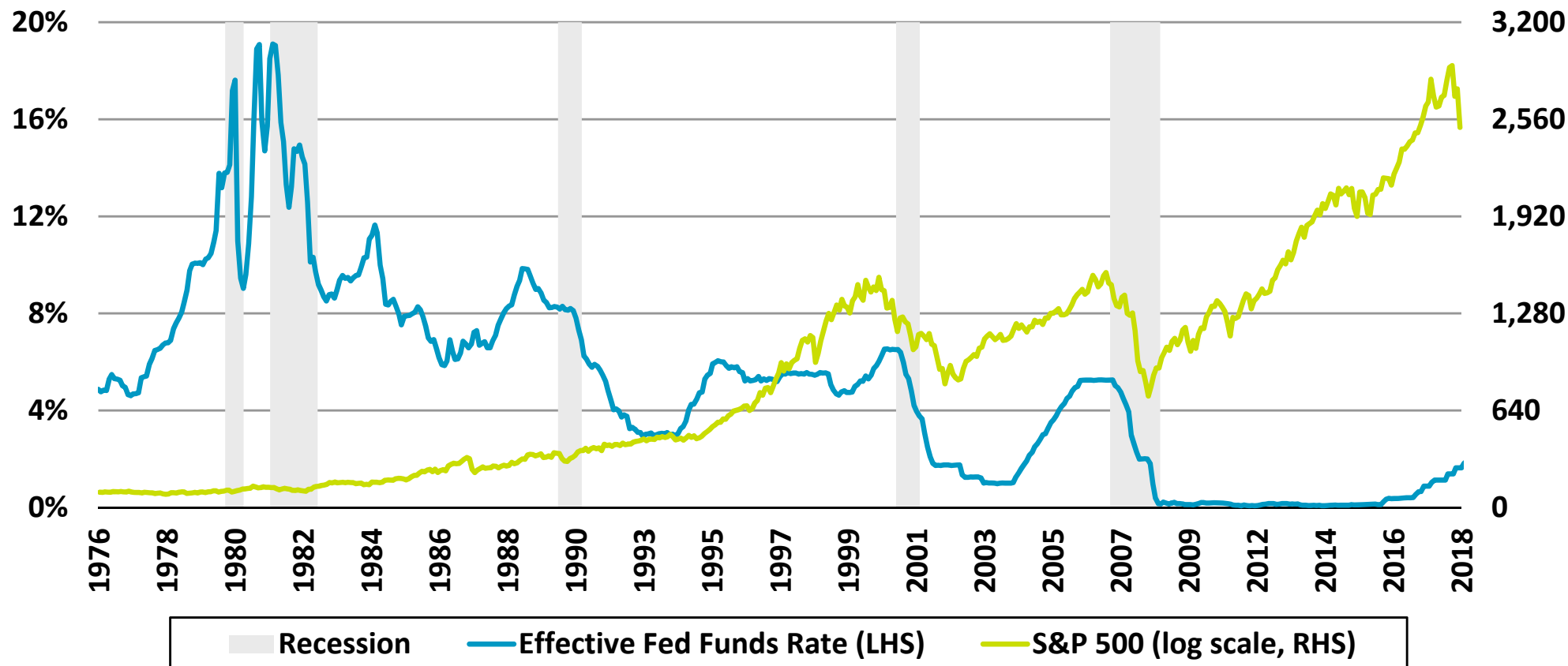
# Global Real GDP Growth – 2018 – Forecast



Source: International Monetary Fund, "World Economic Outlook, October 2018." Represents year over year change.

# **Recession Monitor**

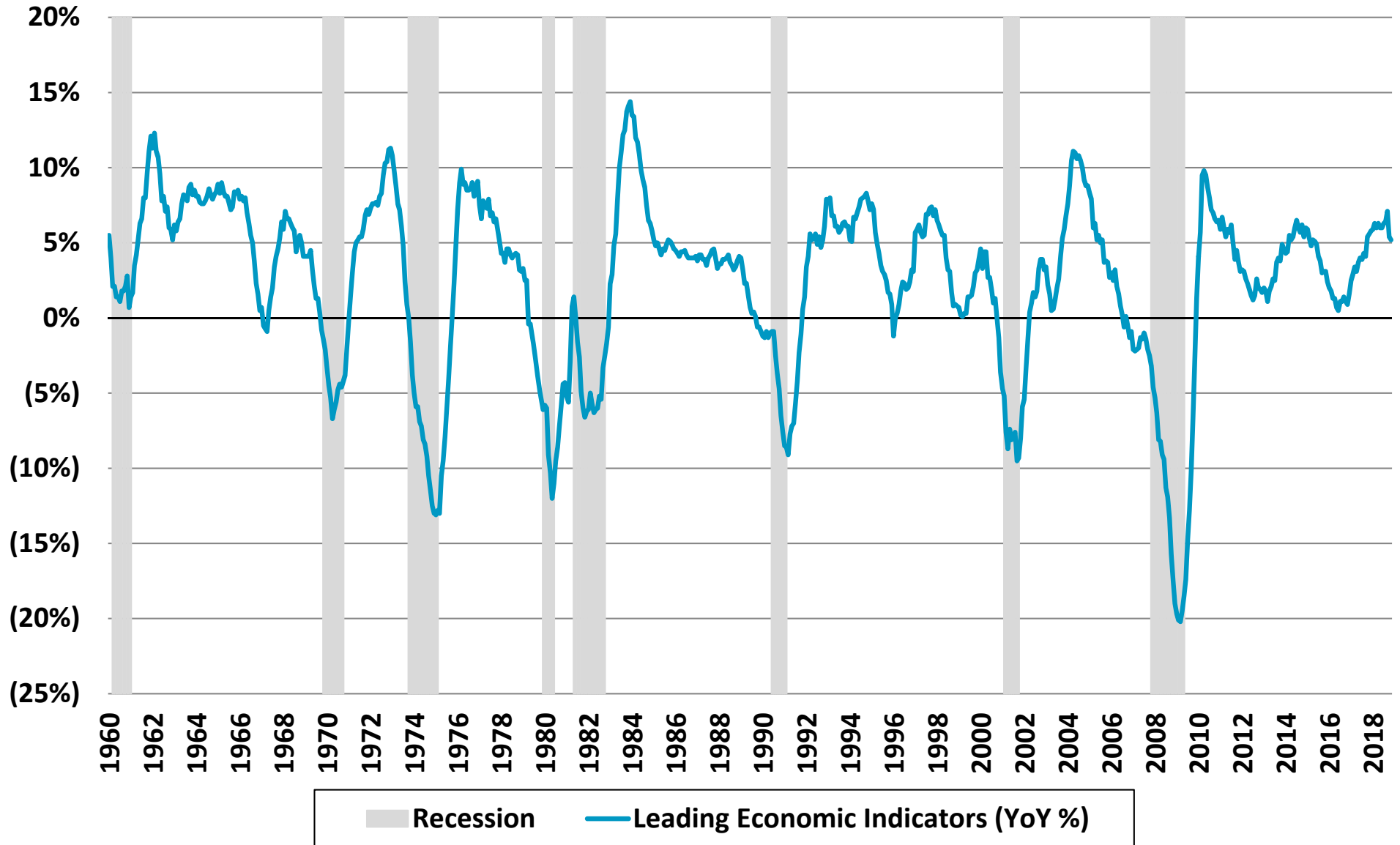
# The Market Goes Up until the Fed Stops



First Fed Hike	S&P Level	Last Fed Hike	S&P Level	Return	Stock Market Peaked	Recession Started
12/1/1976	102.49	3/3/1980	112.5	9.80%	2/13/1980	Feb-80
8/7/1980	123.3	5/8/1981	131.66	6.80%	11/28/1980	Aug-81
3/29/1988	260.07	2/24/1989	287.13	10.40%	7/16/1990	Aug-90
6/30/1999	1,372.71	5/16/2000	1,466.04	6.80%	3/24/2000	Apr-01
6/30/2004	1,140.84	6/29/2006	1,272.87	11.60%	10/9/2007	Jan-08

# U.S. Leading Economic Indicators Rolled Over

Average of 22 Months from Last Peak to Recession  
(YoY % Change)

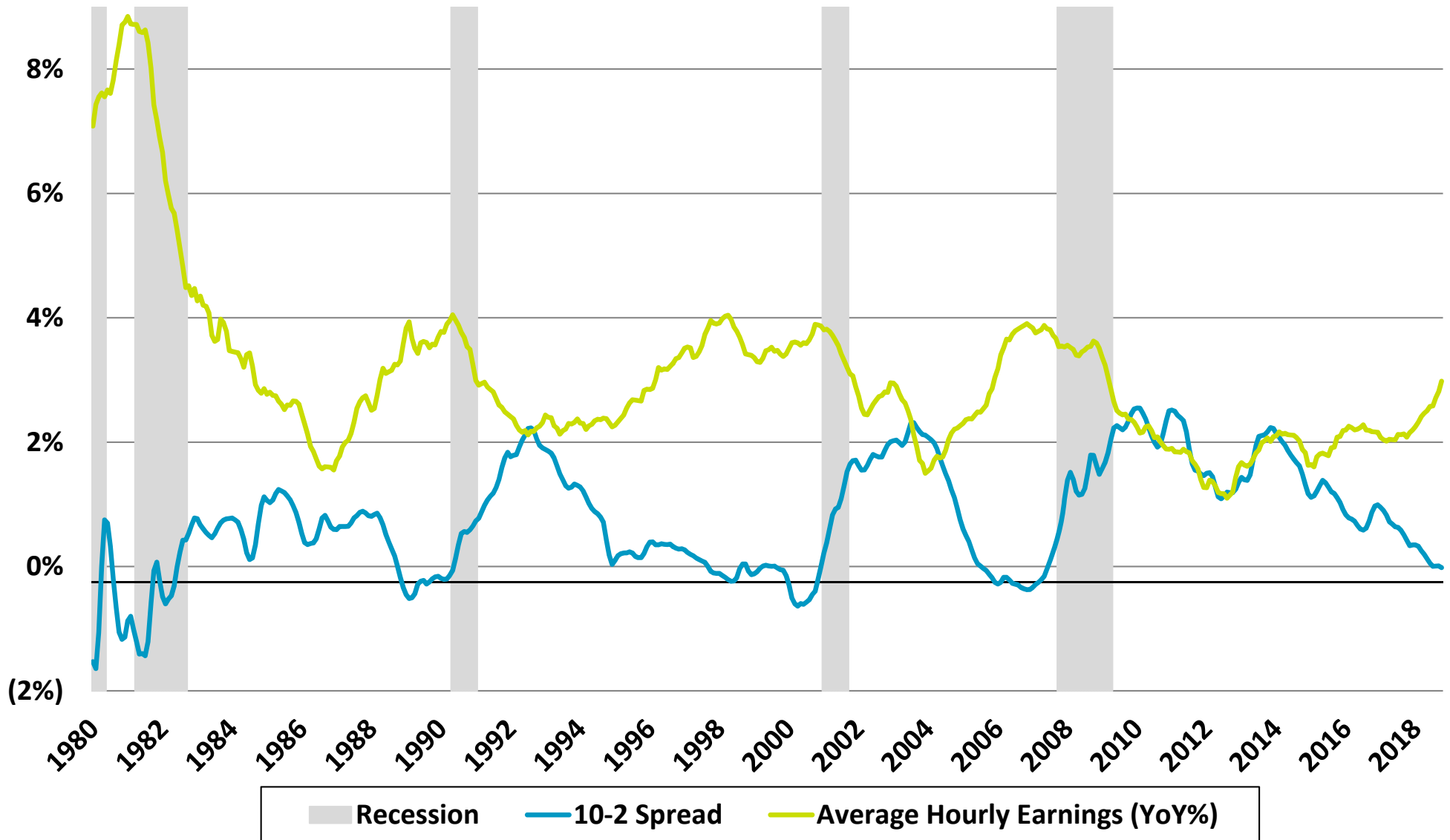


Source: Conference Board, Bloomberg and Blackstone, as of 11/30/18. Represents the Conference Board US Leading Economic Index.



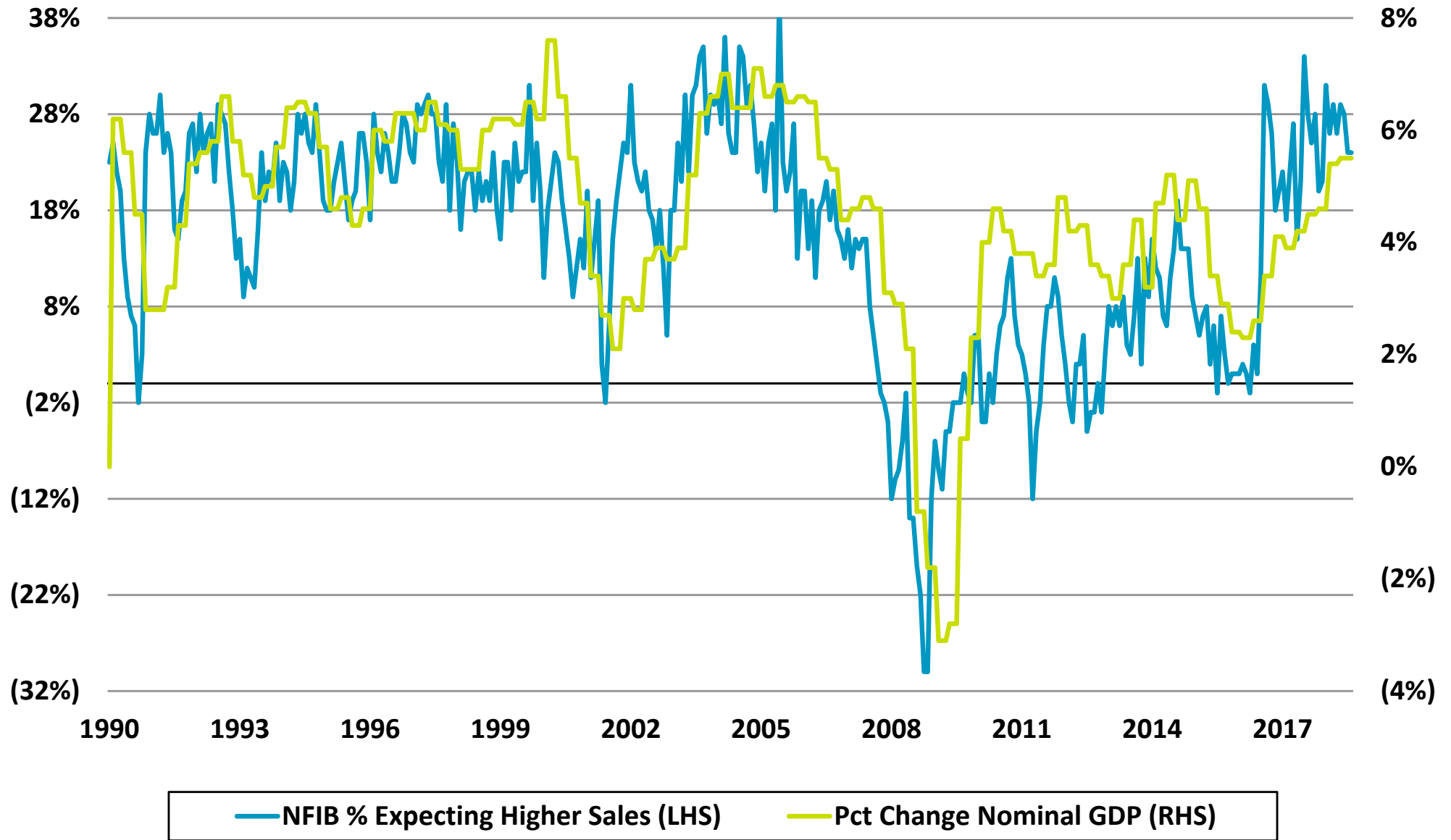
# Average Hourly Earnings Are Increasing Slowly

The Yield Curve Inversion Leads a Recession by 17 Months on Average



Source: Blackstone, Federal Reserve and Bureau of Labor Statistics. Represents 3-month YoY average of average hourly earnings of production and nonsupervisory employees: total private, seasonally adjusted.

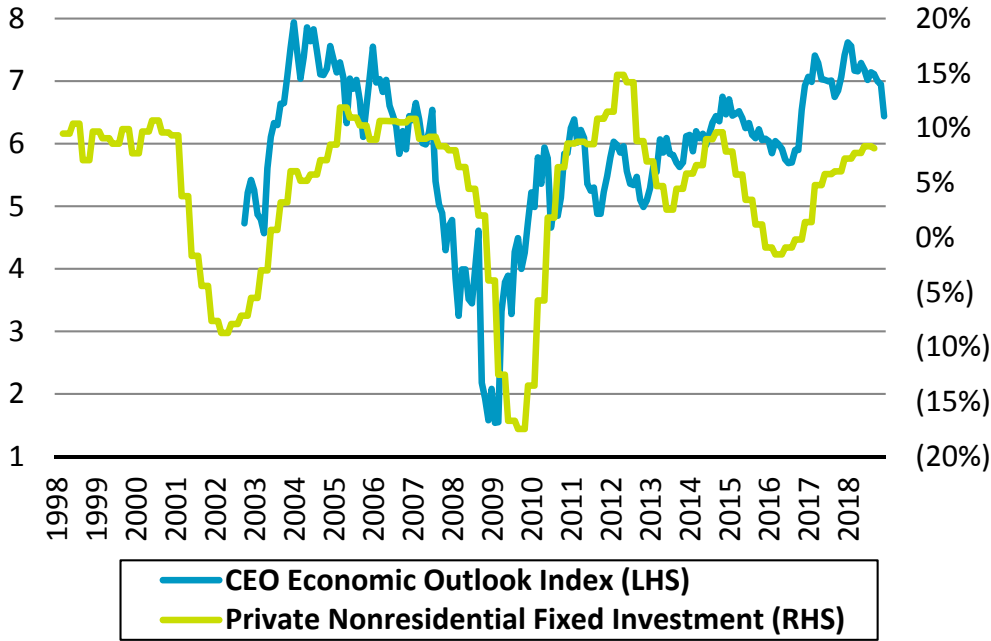
# Small Business Sales Growth Expectations & GDP Growth



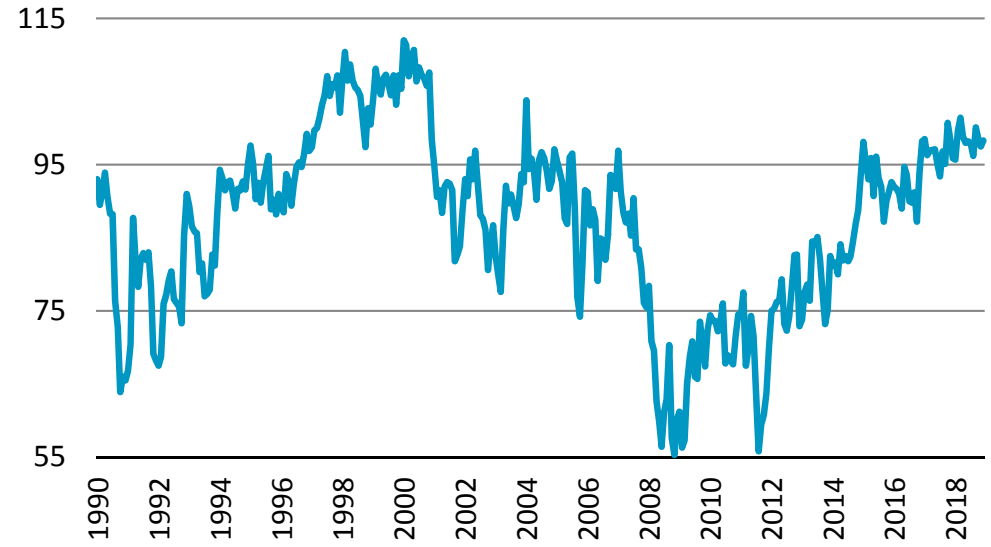
Source: Strategas, Bureau of Economic Analysis, National Federation of Independent Business (NFIB) and Bloomberg, as of 12/31/18. GDP growth represents quarterly YoY change.

# Problem Areas Are Capital Spending and Housing

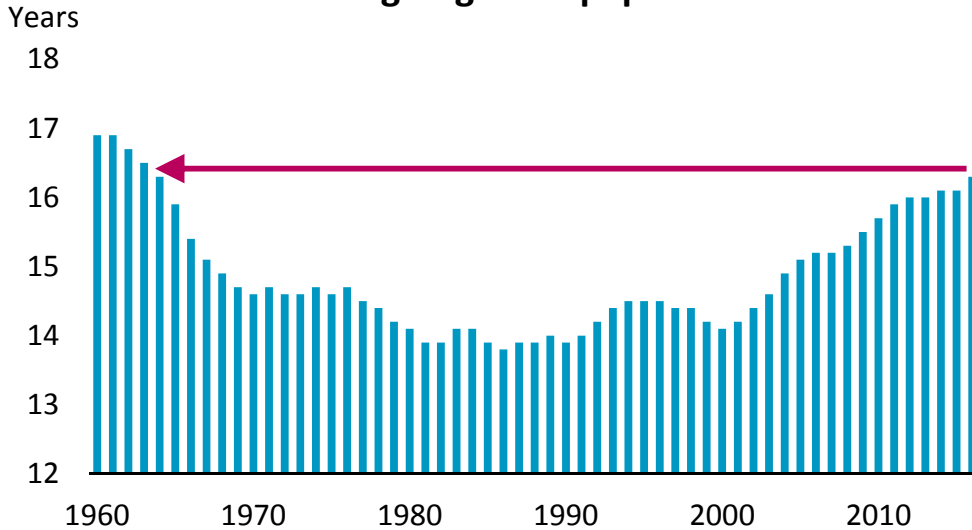
### Capital Spending Follows CEO Confidence<sup>(1)</sup>



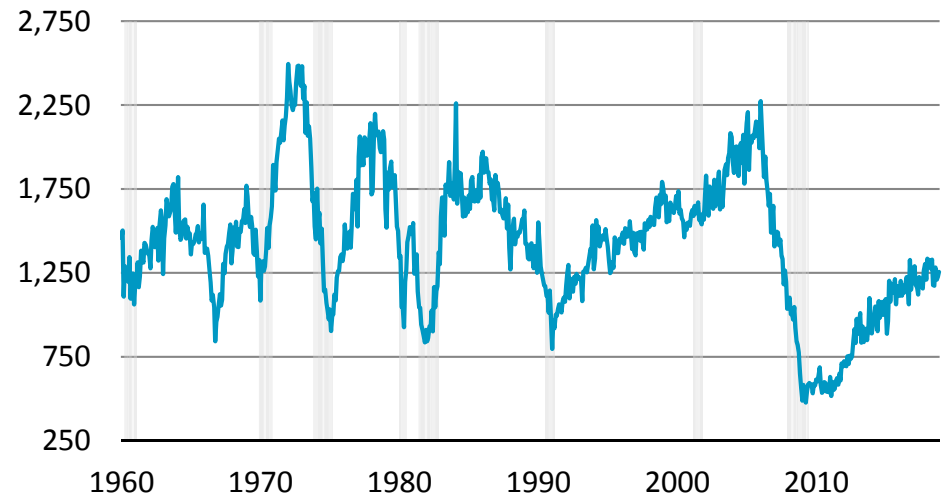
### Consumer Confidence<sup>(2)</sup>



### Average Age of Equipment<sup>(3)</sup>



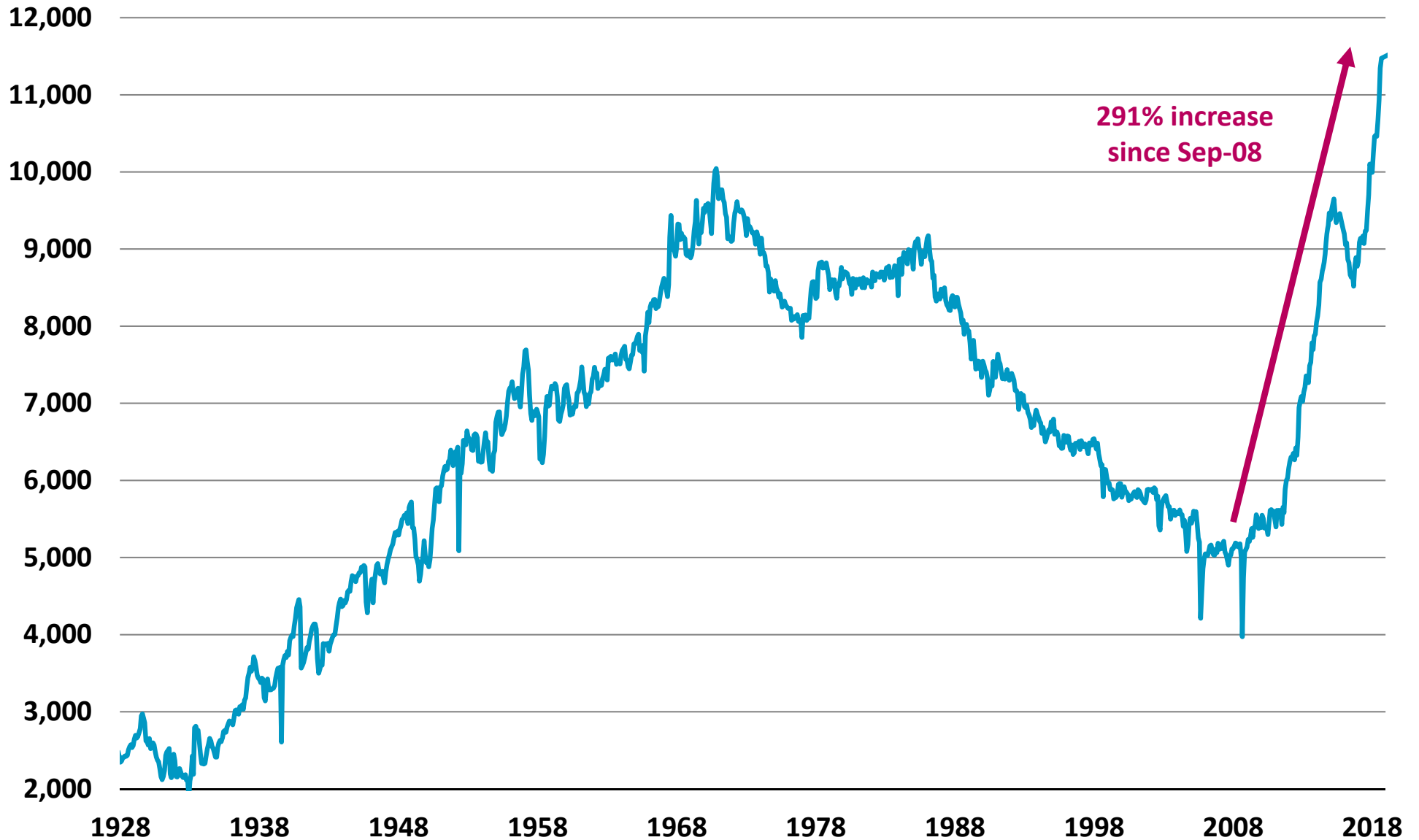
### New Housing Starts<sup>(4)</sup>



(1) Bureau of Economic Analysis and Business Roundtable. Nonresidential investment represents YoY change, as of 9/30/18. CEO Index as of 12/31/18.  
 (2) Bloomberg, as of 12/31/18. Represents the University of Michigan Consumer Sentiment Index.  
 (3) Strategas Research Partners, as of 12/31/16.  
 (4) Census Bureau and Department of Housing and Urban Development, as of 11/30/18. Represents seasonally-adjusted annual rate of housing starts for new privately owned housing units.

# Record Supply Could Dampen Price Increases

## U.S. Field Production of Crude Oil (Thousands of Barrels)

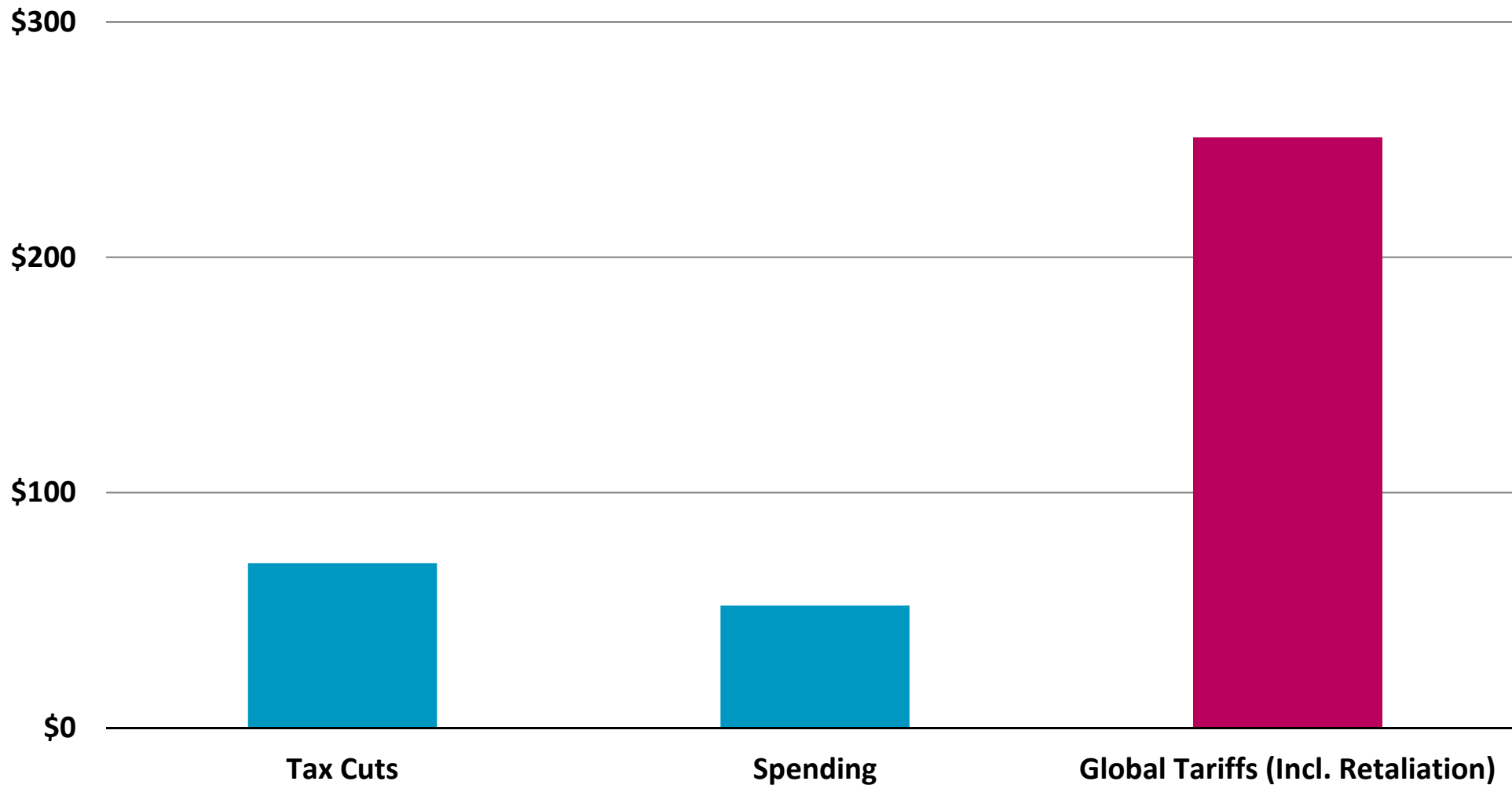


Source: U.S. Energy Information Administration, as of 10/31/18.

# Potential “Pain Points” In Next Recession

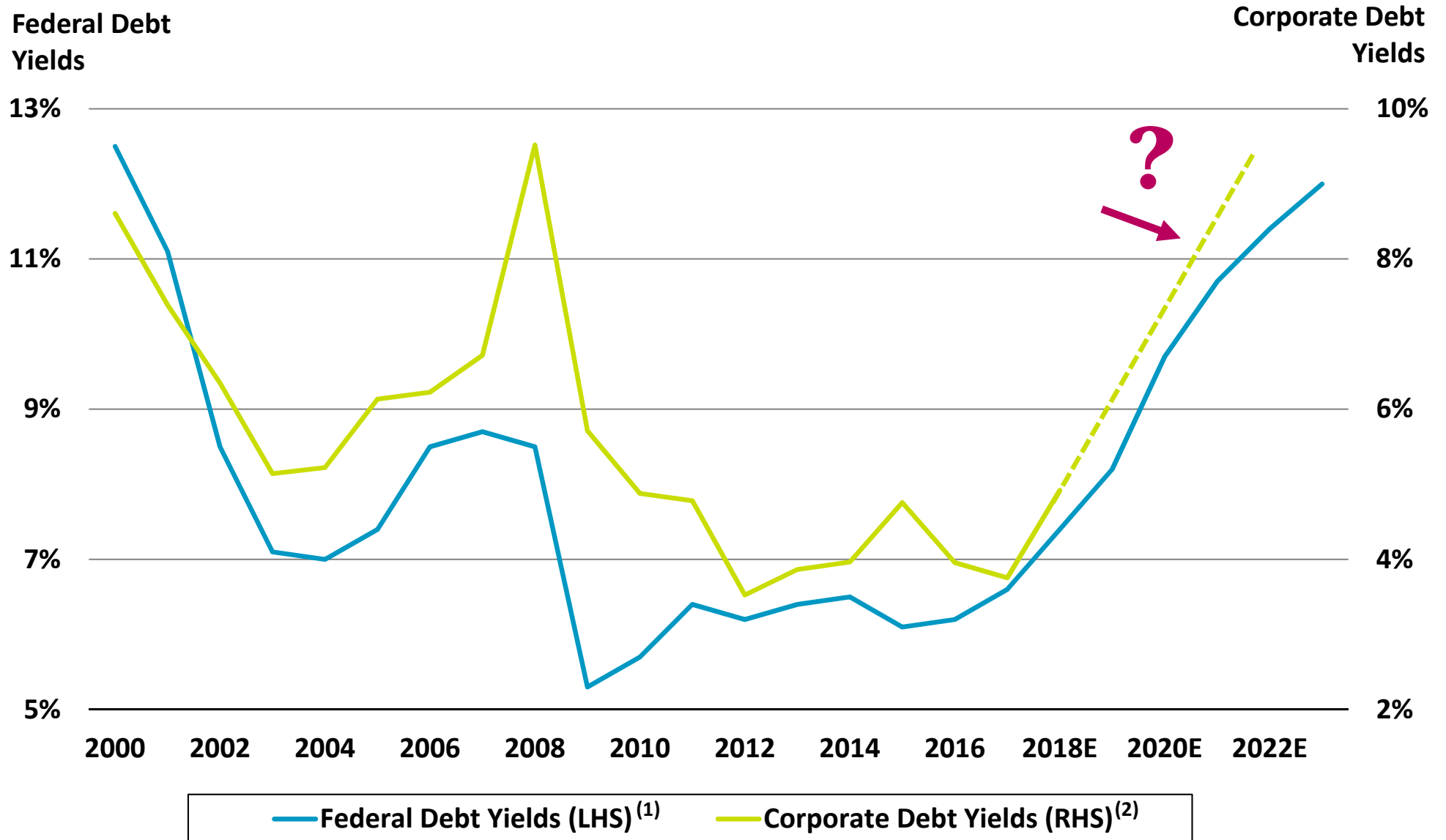
# Tariffs Could Overwhelm Impact of Tax Reform in 2019

Breakdown of Incremental CY 2019 Projected Fiscal Stimulus and Potential Tariffs  
(\$ in Billions)



# Every 1% Federal Rate Increase Adds \$200B to the Deficit

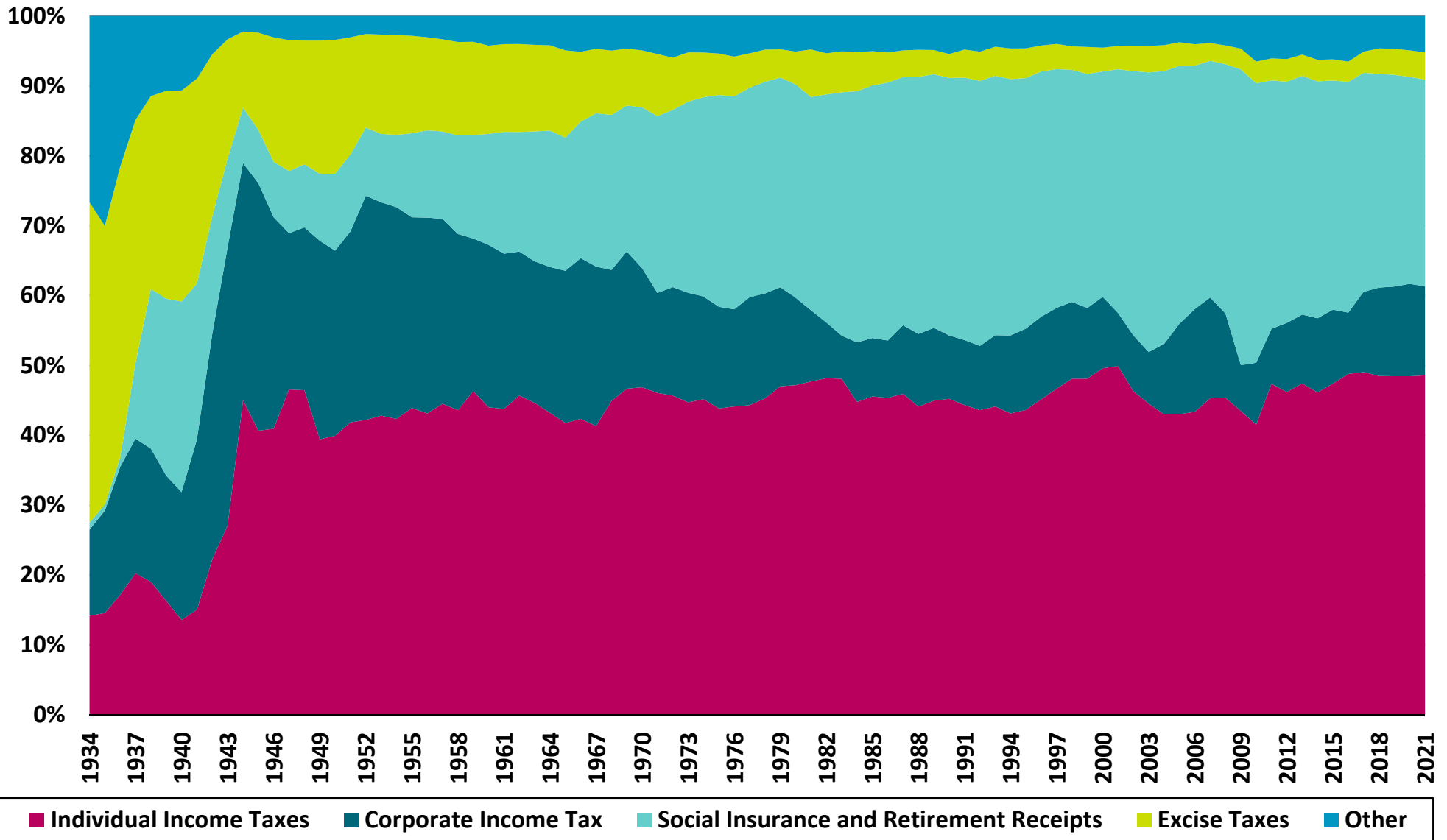
Interest Payments to Rise to 12% of Total Federal Government Outlays by 2022



(1) Source: Office of Management and Budget "FY2019 Mid-Session Review," as of 7/13/18. Note: OMB Projections forecast the average rate for the 91-day Treasury bill to be 2.1% and 2.7% in 2018 and 2019, respectively. The MSR also forecasts the annual average yield on 10-year Treasury notes to increase to 3.0% and 3.2% in 2018 and 2019, respectively.  
 (2) Source: Bloomberg and Blackstone, as of 11/30/18. Represents the weighted average yield to worst of U.S. corporate investment grade and U.S. corporate high yield debt.

# Half of All Government Receipts From Individual Income Taxes

Government Receipts Percent of Total

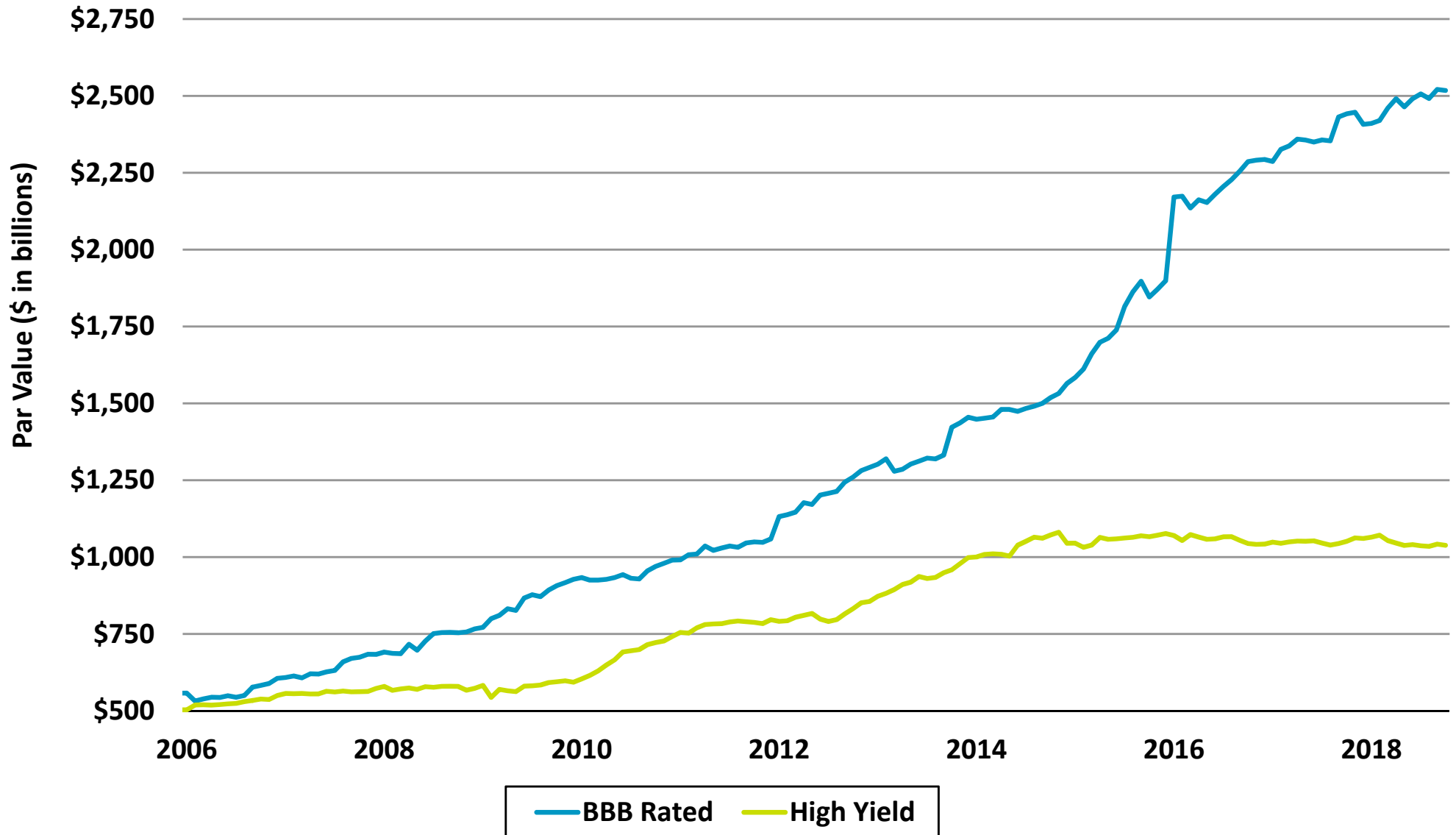


Source: Office of Management and Budget and the Tax Policy Center of the Urban Institute and Brookings Institution, as of 2/15/17. Estimates through 2021.



# Corporate Credit Risk: “Fallen Angels”

The Amount of BBB Debt Now Dwarfs the HY Market



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# **Appendix – Life's Lessons**

# Life's Lessons

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**Here are some of the lessons I have learned in my first 80 years. I hope to continue to practice them in the next 80**

1. Concentrate on finding a big idea that will make an impact on the people you want to influence. The Ten Surprises, which I started doing in 1986, has been a defining product. People all over the world are aware of it and identify me with it. What they seem to like about it is that I put myself at risk by going on record with these events which I believe are probable and hold myself accountable at year-end. If you want to be successful and live a long, stimulating life, keep yourself at risk intellectually all the time.
2. Network intensely. Luck plays a big role in life, and there is no better way to increase your luck than by knowing as many people as possible. Nurture your network by sending articles, books and emails to people to show you're thinking about them. Write op-eds and thought pieces for major publications. Organize discussion groups to bring your thoughtful friends together.
3. When you meet someone new, treat that person as a friend. Assume he or she is a winner and will become a positive force in your life. Most people wait for others to prove their value. Give them the benefit of the doubt from the start. Occasionally you will be disappointed, but your network will broaden rapidly if you follow this path.
4. Read all the time. Don't just do it because you're curious about something, read actively. Have a point of view before you start a book or article and see if what you think is confirmed or refuted by the author. If you do that, you will read faster and comprehend more.
5. Get enough sleep. Seven hours will do until you're sixty, eight from sixty to seventy, nine thereafter, which might include eight hours at night and a one-hour afternoon nap.
6. Evolve. Try to think of your life in phases so you can avoid a burn-out. Do the numbers crunching in the early phase of your career. Try developing concepts later on. Stay at risk throughout the process.

## Life's Lessons (Cont'd)

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7. Travel extensively. Try to get everywhere before you wear out. Attempt to meet local interesting people where you travel and keep in contact with them throughout your life. See them when you return to a place.
8. When meeting someone new, try to find out what formative experience occurred in their lives before they were seventeen. It is my belief that some important event in everyone's youth has an influence on everything that occurs afterwards.
9. On philanthropy my approach is to try to relieve pain rather than spread joy. Music, theatre and art museums have many affluent supporters, give the best parties and can add to your social luster in a community. They don't need you. Social service, hospitals and educational institutions can make the world a better place and help the disadvantaged make their way toward the American dream.
10. Younger people are naturally insecure and tend to overplay their accomplishments. Most people don't become comfortable with who they are until they're in their 40's. By that time they can underplay their achievements and become a nicer, more likeable person. Try to get to that point as soon as you can.
11. Take the time to give those who work for you a pat on the back when they do good work. Most people are so focused on the next challenge that they fail to thank the people who support them. It is important to do this. It motivates and inspires people and encourages them to perform at a higher level.
12. When someone extends a kindness to you write them a handwritten note, not an e-mail. Handwritten notes make an impact and are not quickly forgotten.
13. At the beginning of every year think of ways you can do your job better than you have ever done it before. Write them down and look at what you have set out for yourself when the year is over.
14. The hard way is always the right way. Never take shortcuts, except when driving home from the Hamptons. Short-cuts can be construed as sloppiness, a career killer.

## Life's Lessons (Cont'd)

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15. Don't try to be better than your competitors, try to be different. There is always going to be someone smarter than you, but there may not be someone who is more imaginative.
16. When seeking a career as you come out of school or making a job change, always take the job that looks like it will be the most enjoyable. If it pays the most, you're lucky. If it doesn't, take it anyway, I took a severe pay cut to take each of the two best jobs I've ever had, and they both turned out to be exceptionally rewarding financially.
17. There is a perfect job out there for everyone. Most people never find it. Keep looking. The goal of life is to be a happy person and the right job is essential to that.
18. When your children are grown or if you have no children, always find someone younger to mentor. It is very satisfying to help someone steer through life's obstacles, and you'll be surprised at how much you will learn in the process.
19. Every year try doing something you have never done before that is totally out of your comfort zone. It could be running a marathon, attending a conference that interests you on an off-beat subject that will be populated by people very different from your usual circle of associates and friends or traveling to an obscure destination alone. This will add to the essential process of self-discovery.
20. Never retire. If you work forever, you can live forever. I know there is an abundance of biological evidence against this theory, but I'm going with it anyway.