

# CHAIRMAN'S CORNER: INFLATION



TRUXTON TRUST  
A PRIVATE BANK



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Earlier this year in this forum, I wrote about inflation and a concern that not enough people seemed to understand it nor fear it. Since then we've learned the hard way. Many businesses that were doing well prior to the pandemic are now struggling to make a profit. Their costs have increased dramatically. Labor is both more expensive and in shorter supply. You've noticed it right? When you go out for dinner, the restaurant seems to be short staffed. They don't have everything on the menu. And when you get the check, it's a good thing that you're sitting down. Because the bill is about twice the amount you were expecting it to be. Same with any repair work you've done on your home lately. Or on your car... Speaking of your car, I don't need to remind anyone of what's happened to gasoline prices in the past year or two.

Inflation. It's become a major problem for many American businesses and for many families. For some of us, the sky does seem to be falling...

Here in Nashville we've seen real estate prices escalate at levels not seen in decades. Great news if you own your house and/or any income producing commercial property. Businesses and their employees have been moving to Nashville at a high rate for a few years now and many of them seem to be willing and able to purchase homes at prices that are significantly higher than those of us who have lived here our whole lives find reasonable. In recent months, mortgage rates have risen over 200 basis points. All of sudden, houses aren't selling as rapidly as they were just a few months ago, leading some to wonder if a new recession has begun to set in. Or as Chicken Little might say: *is the sky falling?*

Here at Truxton Trust Company, we don't think so. At least not yet. The sky certainly has become cloudy though, for all the aforementioned reasons. Inflation hurts, and it is difficult to envision inflation receding quickly or anytime soon. Now more than ever, it is valuable to have experienced people helping you make sound financial decisions. We remain blessed to have a dedicated team of the most experienced advisors you can find anywhere. If we aren't helping you already, please call on us. It would be our pleasure to help you find peace of mind about money during these troubling times... ■