



Did you know?

A quiz to test your market and economy knowledge. *Spring, 2018*

What is a Spaghetti Western? When was the first federal income tax introduced in the United States? Which country has the highest debt as a percent of GDP? Test your knowledge in this latest edition of "Did You Know?"

AT THE MOVIES

Question: "The Good, the Bad and the Ugly" is called a "Spaghetti Western" because:

- A. Clint Eastwood was constantly eating spaghetti on set
- B. The make-up team used spaghetti sauce for blood
- C. The film was directed by an Italian
- D. Spaghetti was served at the premier

Answer: (C) The film was directed by an Italian

A Spaghetti Western is an entire subgenre of western films that emerged in the 1960s. During this period Italian producers and directors found success by taking the "old Hollywood" genre and giving it new life through low-budget international productions starring up-and-coming talent like Clint Eastwood. They were filmed in Europe with a cast and crew largely made up of Italians, Spaniards and Americans. Though Italy had been making westerns far before the 1960s, the international success "A Fistful of Dollars" is largely seen as the beginning of Spaghetti Westerns. A Spanish journalist is credited with coining the term in the 1960s.

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FEDERAL INCOME TAX

Question: The first federal income tax in the United States as we know it was introduced in:

- A. 1812
- B. 1816
- C. 1901
- D. 1913

** Volatility is defined here as daily % change in S&P 500 over a 12-month rolling average.*

Answer: (D) 1913

As mentioned in the market commentary, tariff and excise taxes made up an overwhelming portion of the U.S. government's income prior to 1913 and the ratification of the 16th amendment. Before this amendment, U.S. laws made collecting and using an income tax impractical. There was, however, a temporary income tax in place to help fund the Civil War.

DEBT LEVEL

Question: The country with the highest debt as a % of GDP is:

- A. Italy
- B. Japan
- C. Egypt
- D. Brazil

Answer: (B) Japan

As of 2013 (source: *CIA World Factbook 2013*) Japan had roughly \$10 trillion in public debt. That number as a percentage of GDP is 214%. By comparison, the U.S. had \$17 trillion which was 74% of GDP.