

2019



Predicting market performance is like reading a crystal ball.

The wise “Wall Street analysts are embarrassingly bad at predicting the future.”* Even Mad Money’s Jim Cramer’s Action Alert Plus portfolio has underperformed the S & P 500 index in terms of total cumulative returns since its 2001 launch, according to Jonathan Hartley & Matthew Owen, researchers at Wharton School at U Penn. **

Fortunately, Hamptons Real Estate is somewhat less complex thanks to the lack of electronic buy/sell orders, day traders and immediate knee jerk reactions to all global and regional gyrations. Ours is more like the tortoise, while Wall Street is more like the hare. Having said that, there’s no disputing that our markets are connected to Wall Street. This is obviously due to a large segment of our customer demographic coming from the financial world. In the 37 years that I have been monitoring East End Real Estate trends, I can say with certainty that when the stock market flies we are along for the ride and when it sinks we hibernate. So what to make of the current stock market whip lash... daily broad swings and how will that impact the Hamptons and North Fork Real Estate markets. Well the current dynamic is unlike any other — and I’ve been a broker here through two crashes, a few recessionary markets and some bull markets. This time factors other than the stock market are having influences. Unemployment is at an all time low, wages are increasing, consumer spending is hitting new highs, and specific to our concerns... 10,000 boomers are retiring every day. That statistic is the one I’m hanging my hat on! My fellow baby boomers are having grandchildren and many in the tristate area (our feeder markets) have worked hard and saved for retirement. Some will relocate to warmer climates, but my crystal ball tells me many will become snowbirds, keeping a family gathering place for spring, summer and fall out East in their “happy place” and traveling or spending winters in warmer climates.

Our markets rarely follow national trends because they are so unique. East End Real Estate has become somewhat of a luxury item. The proximity to Manhattan (and the grandchildren) remains a big draw.

My educated guess is 2019 is poised to be a healthy market for East End Real Estate.

Many segments of our markets will enjoy new heights, while others will experience a pull back. The difference is dictated by supply & demand.

The wild card of course is any unforeseeable negative geo-political event.

What does your crystal ball say? Visit our blog and make your prediction.

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* *Gizmodo.com* by Ed Cara

** *Marketwatch.com*, by Jennifer Booton



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