



**DOT MECHTENBERG, INC.**  
Specializing in Wealth Management

Dot Mechtenberg is the exclusive Financial Planning expert for the Haystack Help Radio Show and the Sportsman Of Colorado Radio Show airing on 560AM KLZ The Source in Denver, CO. Dot is a regular featured guest on both radio shows. Dot also continues to be featured on CBS4 Haystack Help TV in Denver, CO.



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*Dot Mechtenberg Presents:*

# WEEKLY ECONOMIC UPDATE

March 28, 2016

## WEEKLY QUOTE

“Before you are a leader, success is all about growing yourself. When you become a leader, success is all about growing others.”

- Jack Welch

## WEEKLY TIP

Canceling an old credit card may be a bad idea if you have a good credit history. Part of that history is based on long you have been borrowing, and if that old card has a good history attached to it, it may be wiser to keep it.

## WEEKLY RIDDLE

You put me on a table. You cut me, yet you will not eat me. What am I?

Last week's riddle:

## MIXED NEWS ON HOME SALES

New home buying increased 2.0% in February, with all of the gain attributable to a remarkable 38.5% jump in sales in the West (a region which had witnessed a 32.7% January plunge in new home purchases). In contrast to this Census Bureau data, the National Association of Realtors noted a 7.1% February decline in existing home sales, with tightening inventory a factor. Last month, the median sale price of a new home was \$301,400, up 2.6% in a year; the median existing home sale price was \$210,800, up 4.4% from 12 months ago.<sup>1</sup>

## THE ECONOMY EXPANDED 1.4% IN Q4

Last quarter's GDP was just revised upward by the Bureau of Economic Analysis. In its previous estimate, the BEA had measured Q4 growth at 1.0%. Analysts polled by Briefing.com had expected no change for the third and final estimate.<sup>2</sup>

## HARD GOODS ORDERS DECLINE

Overall orders for capital goods dipped 2.8% for February, according to the Census Bureau. With transportation orders removed, the number looked better; the pullback in core durable goods orders was just 1.0%. In January, overall durable goods orders increased 4.2% while core orders rose 1.2%.<sup>2</sup>

## AN EXTENDED RALLY ENDS

Hawkish comments from some Federal Reserve officials held stocks and commodities in check last week, contributing to the end of a 5-week win streak. Across four trading days, the S&P 500 retreated 0.67% to 2,035.94; the Nasdaq Composite, 0.46% to 4,773.50; and the Dow Jones Industrial Average, 0.49% to 17,515.73. Gold had its worst week in more than five months, giving back 2.6% to settle at \$1,221.60 on the COMEX Friday. Oil ended the week at \$39.46 on the NYMEX.<sup>3</sup>

**THIS WEEK:** On Monday, Wall Street will consider February consumer spending and pending home sales reports. Janet Yellen speaks on monetary policy Tuesday in New York, and, in addition to her statements, investors will look at the Conference Board's new consumer confidence survey, January's S&P/Case-Shiller home price

Why is B the coolest letter within the alphabet?

**Last week's answer:**  
It is surrounded by A-C.

index, and earnings from Dave & Buster's, Lennar, and Sonic. Wednesday offers the March ADP employment change report and earnings from Lululemon Athletica and Paychex. Thursday, the March Challenger job-cut report and new initial claims figures arrive. The Labor Department's latest employment report, the final March consumer sentiment report from the University of Michigan, the March ISM manufacturing PMI, and China's latest manufacturing PMIs all appear Friday.

<b>% CHANGE</b>	<b>Y-T-D</b>	<b>1-YR CHG</b>	<b>5-YR AVG</b>	<b>10-YR AVG</b>
DJIA	+0.52	-1.14	+8.67	+5.53
NASDAQ	-4.67	-2.11	+14.80	+10.64
S&P 500	-0.39	-1.22	+10.99	+5.63
<b>REAL YIELD</b>	<b>3/24 RATE</b>	<b>1 YR AGO</b>	<b>5 YRS AGO</b>	<b>10 YRS AGO</b>
10 YR TIPS	0.34%	0.12%	1.02%	2.20%

Sources: wsj.com, bigcharts.com, treasury.gov - 3/25/16<sup>4,5,6,7</sup>

Indices are unmanaged, do not incur fees or expenses, and cannot be invested into directly. These returns do not include dividends. 10-year TIPS real yield = projected return at maturity given expected inflation.

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## Citations.

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