



Weekly Economic News & Updates

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THE WEEK ON WALL STREET

Stocks ended last week higher as volatility slowed, completing their best quarter since 2009. A Friday tweet from Secretary of the Treasury Steven Mnuchin encouraged investors, referring to “constructive” discussions in the ongoing U.S.-China trade negotiations.¹

The S&P 500 gained 1.27% for the week. The Dow Industrials and Nasdaq Composite both exceeded that advance: the Dow rose 1.60%; the Nasdaq, 1.42%.²⁻⁴ Foreign shares went the other way. The MSCI EAFE index following international stocks retreated 0.91%.⁵

2019 Could Be a Big Year for IPOs

One of the ride-share pioneers, Lyft, closed on its initial public offering (IPO) on Friday, and a glance at the IPO calendar shows that as many as 226 companies could soon go public, with Uber and Airbnb possibly among them.⁶ This IPO wave may be a signal of a market top, or it may point to a comeback for risk appetite, which could be healthy for the overall market.

Should some big-name IPOs stumble, it may deter others from moving ahead, which may influence the market psychology. Conversely, an enthusiastic reception may help support further market advances.

[Companies mentioned are for informational purposes only. It should not be considered a solicitation for the purchase or sale of the securities.]

Good News for the Housing Market

The Fed's dovish tone has also influenced home loan rates. Freddie Mac's latest Primary Mortgage Market Survey shows an average interest rate of just 4.06% on a 30-year, fixed rate mortgage, compared with 4.28% a week earlier and 4.95% in December.⁷

This news is especially significant given the recent pickup in existing home sales. They jumped 11.8% in February, the biggest monthly gain in more than three years.⁸

[A 30-year, fixed rate mortgage is a conventional home loan meeting the lending requirements of Fannie Mae and Freddie Mac, but it is not a mortgage guaranteed or insured by any government agency. Private mortgage insurance, or PMI, is required for any conventional loan with less than a 20% down payment.]

TAX TIP

The federal income tax filing deadline is Monday, April 15. However, residents of Maine and Massachusetts have until Wednesday, April 17 to file their 2018 tax return. April 15 is Patriots' Day, and April 16 is Emancipation Day.⁹

WEEKLY QUOTE

“No pessimist ever discovered the secrets of the stars, or sailed to uncharted land, or opened a new doorway for the human spirit.”

HELEN KELLER

WEEKLY TIP

Good debt (a home loan, a student loan) should be distinguished from bad debt (such as credit card debt with a high-interest rate). Strive to pay off bad debt as quickly as you can, and remember that much of it may be linked to purchases that reflect wants rather than needs.

WEEKLY RIDDLE

What is the only planet within our solar system that rotates clockwise?

Last week's answer:

81. $8 + 1 = 9$, $9 \times 9 = 81$.

Sources: MarketingPro, Financial Strategies Group, The Baker Group, wsj.com, bigcharts.com, treasury.gov, Randy Baker and Chris Low and Rebecca Kooshak FTN Financial
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