

## L'économie US par Rafic Vartan

Market update for the week ending September 22 2018



CRUDE OIL **70.71**    GOLD **1.1203.30**    SILVER **14.31**    EUR/USD **1.17** **Dow and S&P hit record highs again**

**this week -** Another round of data pushed stocks to record highs this week. The lowest weekly unemployment claims in 50 years caused stocks to surge on Thursday. Over the past few weeks, rising corporate profits, tame inflation, a weakening dollar, near record low unemployment, rising wages, and near historic high consumer confidence readings helped investors overcome fears of higher interest rates and trade and tariff concerns. The Dow Jones Industrial Average closed the week at 26,743.50, up from 26,151.67 last week. It is up 8.2% year to date. The S&P 500 closed the week at 2,929.67, up from 2,904.98 last week. It's up 9.6% year to date. The NASDAQ closed the week at 7,986.96, down from 8,010.04 last week. It's up 15.7% year to date.

**Treasury Bond Yields higher -** The 10 year treasury bond closed the week yielding 3.07%, up from 2.99% last week. The 30 year Treasury bond yield ended the week at 3.20%, up slightly from 3.13% last week. We watch Treasury bond yields because mortgage rates follow bond yields.

**Mortgage rates higher this week -** The September 20, 2018 Freddie Mac Primary Mortgage Survey reported that the 30 year fixed mortgage rate average was 4.65%, up from 4.60% last week. The 15 year fixed was 4.11% up from 4.06% last week. The 5 year ARM was 3.92%, almost unchanged from 3.93% last week.

**California employers add 44,800 new jobs in August -** The California Employment Development Department reported that 44,800 new jobs were added in August. The unemployment rate held steady at a record low of 4.2%, down from 4.6% last August. Average hourly wages grew 3.1% year over year, their largest year over year increase since last October. Los Angeles and Orange County average hourly earnings grew 5.4% from last August.

**California existing home sales numbers drop in August. Prices continue to rise -** The California Association of Realtors reported this week that the number of existing home sales dropped in August to a seasonally adjusted annualized rate of 399,600. It was the fourth straight month of sales declines and the first time in over two years that the number of existing home sales dropped below the benchmark 400,000 level. The median price of a home in California rose to \$596,410, up 6.6% from August 2017. On a regional basis the Los Angeles County median price rose 6.4%, Orange County rose 6.3%, and Ventura County rose 3.1% from last August. Housing inventory levels rose 17.2% from one year ago, the fifth straight month of housing supply increases. The unsold inventory index in August was a 3.3 month supply of homes listed for sale, up from 2.9 months in August 2017.

**What is Curb Appeal? How to boost the first impression buyers have of your home -** What is curb appeal? This all important practice will improve how your home looks to buyers right as they pull up and park, or even as they drive by (slowly, I hope). That includes your front yard, driveway, and your home's exterior, from its paint job to the potted plants on your patio to even the welcome mat that greets people as they pass through your front door. Curb appeal is both an art and a science. And since it's a buyer's first impression of your home, it can be absolutely essential in selling your home. Adding curb appeal doesn't have to cost an outrageous amount of money. You'd be surprised by how inexpensive "prettifying" your home's front exterior can be, if you're willing to do a little work yourself. Or maybe a lot of work! (Hey, you want to sell the place, right?)

Here are some of my favorite suggestions:

- **Strategic landscaping** - One of the most important aspects of curb appeal is getting the grounds to look as good as they possibly can. Experts estimate that well landscaped....