

L'économie US : le point par Rafic Vartan

Market update for the week ending December 15 2018



CRUDE OIL 51.23 GOLD 1.238.10 SILVER 14.49 EUR/USD 1.13

Stocks ended the week down - Signs of a slowing economy in Asia and Europe wiped out gains earlier in the week as stocks fell 2% on Friday. Earlier in the week it looked like stocks would end the week higher as investors felt more optimistic that a trade deal would be worked out with China after President Trump tweeted that progress has been made, and talks with China have been productive. An inflation report showed inflation in check which lowers the risk of higher interest rates. Unfortunately, Friday's reports that showed weakness in Asia and Europe wiped out the earlier weekly gains, and stocks had another losing week. The Dow Jones Industrial Average closed the week at 24,100.51, down from 24,338.94 last week. It was down 1.2% for the week and is now down 2.5% year to date. The S&P 500 closed the week at 2,599.95, down from 2,633.08 last week. It was down 1.3% for the week and is down 2.8% year to date. The NASDAQ closed the week at 6,910.77, down from 6,969.25 last week. It was down 0.8% for the week and down 0.1% year to date.

Treasury Bond Yields unchanged this week - The 10 year Treasury bond closed the week yielding 2.89%, up slightly from 2.85% last week. The 30 year Treasury bond yield ended the week at 3.14%, unchanged from 3.14% last week. We watch Treasury bond yields because mortgage rates follow bond yields.

Mortgage rates dropped to the lowest level in three months - The December 13, 2018 Freddie Mac Primary Mortgage Survey reported that the 30 year fixed mortgage rate average was 4.63%, down

from 4.75% last week. The 15 year fixed was 4.07%, down from 4.21% last week. The 5 year ARM was 4.04%, down from 4.07% last week. Rates ended the week even lower.

Important things to do before selling your house - Getting ready to sell your house? Then it's time to roll up your sleeves and get to work! Selling a home, after all, entails a whole lot more than just planting a "For Sale" sign on your front lawn or uploading a few random photos of your place, especially if you're aiming for the most cash. And, honestly, who isn't? So before asking me to put your house on the market, please peruse this checklist of things to do in preparation. Some of these tips are surprisingly easy, while others might require a bit more elbow grease. But they're bound to pay off once buyers start loving your place, and hopefully making a great offer.

- **Consider your curb appeal** - Make sure the first thing prospective buyers see of your home entices them to want to see more. Yes, for better or worse, buyers do tend to judge a book by its cover. By investing some effort in relatively easy fixes like planting colorful flowers and repainting your front door, the outside of your house can appeal them to come on in.
- **Declutter living areas** - Less is definitely more when it comes to getting your house ready to show. Do a clean sweep of counters, windowsills, tables, and all other visible areas, and then tackle behind closed doors. Closets, drawers, and cupboards, since virtually nothing is off-limits for curious buyers. And if the house is overflowing with stuff, they might worry that the house won't have ample space for their own belongings. Take the excess and donate or pack it up for a storage space. The bonus to taking care of this now is that it's one less chore you'll have to do when it's actually time to move.
- **Depersonalize your space** - The next step on your declutter list? You want to remove any distractions so the buyers can visualize themselves and their family living in the property. That includes personal items and family photos, as well as bold artwork and furniture that might make your home less appealing to the general public. The goal is to create a blank canvas on which house hunters can project their own visions of living there, and loving it.
- **Repaint walls to neutral tones** - You might love that orange accent wall, but if it's your potential buyer's least favorite color, that could be a turnoff. You're pretty safe with a neutral color because it's rare that someone hates it, and the other benefit is that a light color allows buyers to envision what the walls would look like with the color of their choice.
- **Touch up any scuff marks** - Even if you're not doing a full-on repainting project, pay special attention to scrubbing and then touching up baseboards, walls, and doors to make the house sparkle and look cared-for.
- **Fix any loose handles** - A small thing, sure, but you'd be surprised by the negative effect a loose handle or missing light bulb can have on a buyer. It can make them stop and think, *what else is broken here?*
- **Add some plants** - Green is good, because plants create a more welcoming environment. You might also want to consider a bouquet of flowers or bowl of fruit on the kitchen counter or dining table.
- **Conduct a smell test** - Bad odors, even slight ones, can be a deal breaker, and the problem is that you might not even notice them. I recommend inviting an unbiased third party in to try to detect any pet smells or lingering odors from your kitchen. If the smells are pervasive, you might need to do some deep cleaning. I always use some masking techniques such as candles or plug-in room deodorizers during the open house. *Buyers like it!*
- **Clean, clean, clean** - And then clean some more. You want your property to look spotless. Take special care with the bathroom, making sure the tile, counters, shower, and floors shine.
- **Hide valuables** - From art to jewelry, make sure that your treasures are out of sight, either locked up or stored offsite.

- **Consider staging** - Nothing invigorates a house like some new furnishings or even just a perfectly chosen mirror. The key is getting your home staged by a professional. Home stagers will evaluate the current condition and belongings in your house and determine what elements might raise the bar.