

February 28, 2011

Weekly Economic Update

Attached you will find this week's Economic Update:

Stocks and Commodities: Worries over Libya's revolution and how to continue production of crude oil rocked the world markets; stocks fell dramatically. Not only did the Dow Jones Industrial Average slip 2% in value; other stock indexes also fell. Meanwhile the price of oil shot up from the same worries. After flirting over \$100 a barrel, the price of oil finally settled at \$97.88 (p 13.5% for the week). The oil crisis also affected the price of Gold as it gained 1.5% to settle above \$1,400 an ounce.

Bond, Mortgage and Deposit Rates: As the stock market stumbled, investors sought the safety of Treasury bonds. The result was a flattened yield curve (from 282bp to 270bp between the 2-year Note and 10-year Bond). LIBOR rates remained steady as the Swap rates fell from 6bp to 15bp on longer maturities. But the decrease in yield helped the mortgage rates. National and local rates on 30-year and 15-year mortgages dropped at least 5bp as did the rates on Freddie Mac's products. Interest rates on state and local Money Market accounts and CDs remained stable, but are trending downward.

The Oscar Awards: Maybe you didn't watch the Oscar awards last night, but it is hard to completely ignore them. Here are a couple of quick items regarding last night's telecast:

- Global box-office receipts increased 8% overall, to a record high of \$31.8 B in 2010.
- It is the 10th time that co-hosts were together at the Oscars in 83 years, and the first male/female hosting.
- An Oscar is 13-1/2 inches tall and weighs 8-1/2 pounds.
- Moët & Chandon is the official champagne of the Academy Awards (1,200 units @ retail \$39.99 a bottle).
- 15 pounds of edible gold dust was used to garnish the 4,000 miniature chocolate Oscars served for dessert.
- The # of feature films eligible for Best Picture fell 8% in 2010 to 248 (271 in 2009)
- The # of awards being handed out rose 20% from 40 to 50.
- The Academy of Motion Picture Arts and Sciences (AMPAS) who vote on all awards has 5,755 members.
- The highest grossing film of 2010 was Pixar's *Toy Story 3* at \$415M, 2nd was *Inception* at @\$293M by YE 2010.
- The lowest-grossing Best Picture nominee for 2010 was *Winter Bone*, earning just \$6.4M at the box office.
- 41.7M people in the US watched the Oscars telecast in 2010 (highest showing in 5 years) earning a 23.1 rating.
- The shortest Oscar show that ever ran was in 1959 at the RKO Pantages Theatre and hosted by Bob Hope.
- The longest Oscar telecast was in 2002 (held for the first time at the Kodak Theater) hosted by Whoopi Goldberg, lasting 263 minutes (4 hours, 23 minutes).

Thanks for reading,



Contributing Editor

Home Office: 1025 West Fairfield Ct.
Glendale, WI 53217
Branch Office: 12960 W Bluemound Rd
Elm Grove, WI 53122
Cell: (262) 408-3463

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