



Viewpoints

Welcome to **Viewpoints**, a monthly e-mail from PDS Planning to our valued clients and friends. Our goal with each issue of Viewpoints is to provide you with a wide variety of perspectives on life and wealth. Feel free to forward this e-mail to others, and certainly let us know if you prefer not to receive it.

For May 15, 2016

Economic and Investment News Bits

- ✚ "One benefit of all this pre-election uncertainty is that it surely sidelines the Fed, at least until December. Even in ordinary elections, the supposedly independent Fed has only 3 times in more than 4 decades hiked rates leading into elections," (Source: Federated Investors).
- ✚ **Yes or no to Brexit?** United Kingdom voters will decide on June 23 whether or not to remain part of the European Union – an economic and political partnership between 28 European countries. As a major contributor to the EU, a UK vote to leave – Brexit – has significant implications for Europe, financial markets, and investors worldwide. Former Prime Minister Tony Blair believes the vote will be close, but that ultimately, voters will realize that leaving the EU could prove disastrous for Britain.
- ✚ In the coming weeks, according to the *Wall Street Journal*, **Amazon is set to roll out its first broad push into perishable foods**. The new brands, with names like Happy Belly, Wickedly Rime, and Mama Bear, will include nuts, spices, tea, coffee, baby food and vitamins, as well as household items such as diapers and laundry detergent.
- ✚ "Our trans-Atlantic relationship is now at its weakest ever. The fact is the U.S. has abandoned its previous role with special friends Britain, France and Germany. By contrast, fast-growing China is more than willing to take over global leadership," (Source: Ian Bremmer).
- ✚ The rallies that have lifted stocks, oil and emerging markets for the past three months have one important thing in common – **the falling U.S. dollar**. The dollar is down 4.5% this year against most other major world currencies, and other investments have surged. Oil prices are up almost 70% from their February lows. Gold is up 19% year to-date. Emerging market stocks, bonds, and currencies have enjoyed double-digit gains in 2016.
- ✚ Of the 50 largest metro areas in the U.S., Columbus comes in #2 in the ranking of **America's Manliest Cities**. Criteria include the number of home improvement stores, steak houses, pickup trucks and motorcycles per capita, as well as "manly" occupations like fire fighters, police officers, construction workers and EMT personnel. In case you wonder, Charlotte is #1. (Source: Sperling's Best Places)

Thought for the week

Samuel Clemens (aka Mark Twain) American author (1835-1910)

"The difference between a cat and a lie is that a cat only has nine lives."

New Fiduciary Rule a Potential Game Changer

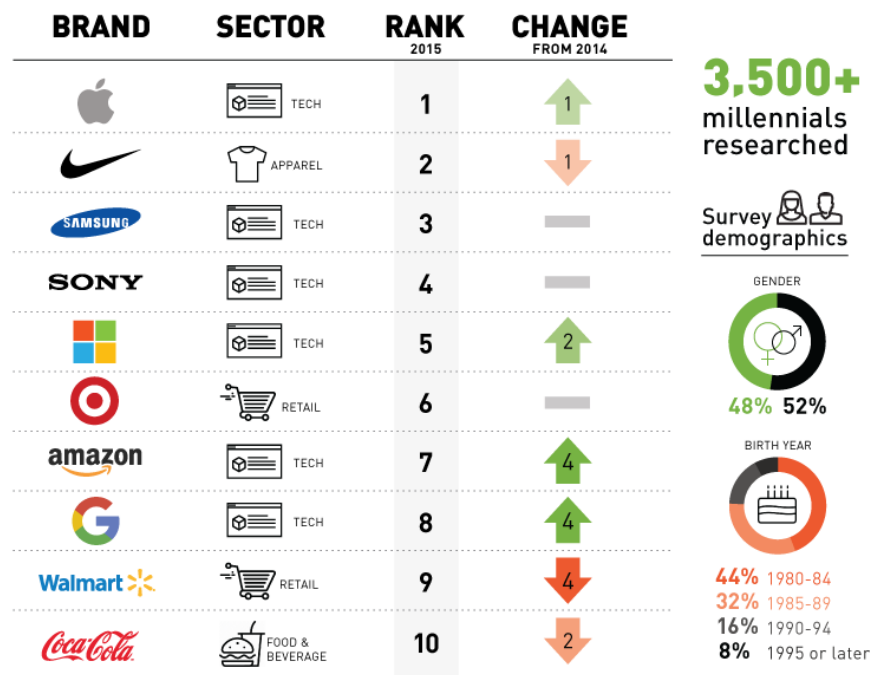
As the financial industry begins breaking down the Department of Labor's 1,023-page new fiduciary rule, there will be clear winners and losers. The new regulations require many firms that impart advice in the retirement account world to adjust their operations to comply with the rule. Why? Because the regs require advisors to act as **fiduciaries** when providing advice to clients on 401k plans, IRAs, and other qualified retirement accounts. In other words (*gasp*), individuals and companies must put their clients' interests ahead of their own. As a Registered Investment Advisor, PDS is already held to best-interest standard. **We heartily embrace the new rule!** Expect to see changes in marketing tactics of firms that entice the public with "high-returns, no loss guaranteed" advertising. And those "free dinners" that are a cover for annuity and other commissioned product sales could go the way of the dodo.

Chart For May

Chart of the Week

THE TOP 10 MILLENNIAL BRANDS

Tech continues to ascend the ranks, displacing traditional retail brands



Respondents asked for their favorite brands over last 3 years without prompt.
Source: Moosylvania Top 100 Brands, Nov 2015

In the coming years, millennials will make up 30% of all retail spending in the U.S. The chart above is a result of a survey of 3,500 millennials that were asked about their favorite brands over the past three years. It is no surprise that tech brands are in the top group. Surprisingly, Facebook, Twitter, LinkedIn, and Paypal ranked way down the list, most of them not even in the top 100.

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