

Market Update 4/27/15 and Putting Your Tax Refund To Work!

https://ui.constantcontact.com/visualeditor/visual_editor_preview.jsp?agent.uid=112091...



Thomas Cymer, CFP(r), CRPC(r)
President and Financial Professional
[Opulen Financial Group, LLC](#)

Opulen Financial Group, L

Thomas Cymer CFP® CRPC® Presents:

WEEKLY ECONOMIC UPDATE

April 27, 2015

WEEKLY QUOTE

"If you laugh, you think, and you cry, that's a full day."
- Jim Valvano

WEEKLY TIP

Do you really need weekly housecleaning service, a gardener, or a dog walker? The money you save by not using these services could go toward debts, an emergency fund, or investing.

WEEKLY RIDDLE

It traveled from Kentucky to Texas in three days, and it did so while staying in a corner. What is it?

Last week's riddle: Wilbert was driving a black car. The car's lights were off, there was no moonlight - and a cat was in the middle of the road. How did Wilbert know to stop?

Last week's answer: He was driving during the day.

NEW HOME SALES DROP, REALES CLIMB

March brought a 6.1% advance for existing home sales according to the National Association of Realtors. This happened with a 4.6-month inventory of homes for resale, which is underneath the 6-month level characteristic of a thriving housing market. New home purchases tumbled 11.4% in March after a great February; on the bright side, there were more new home sales in the first quarter than in Q1 2014.¹

ORDERS FOR DURABLES INCREASE

The 4.0% March gain noted by the Census Bureau was welcome. From November through February, overall hard goods orders declined by 1.4% or more each month (excepting January's 2.8% increase).²

OIL ADVANCES, GOLD RETREATS

In New York, oil prices rose 2.5% from April 20-24 on inventory concerns: light sweet crude for July delivery settled Friday at \$57.15 on the NYMEX. Gold lost 2.4% last week to a Friday close of \$1,175.00 on the COMEX.³

TECH EARNINGS GIVE BIG LIFT TO NASDAQ

That benchmark rose 3.25% last week, briefly topping the 5,100 level on the way to a close of 5,092.09 Friday. Five-day gains also came for the Dow (1.42% to 18,080.14) and S&P 500 (1.75% to 2,117.69).⁴

THIS WEEK: On Monday, Apple, Container Store, Hertz Global, MGM Resorts, Universal Health Services and Barrauda Networks report earnings. Tuesday brings a new Conference Board consumer confidence survey, February's S&P/Case-Shiller home price index and earnings from Aetna, Aflac, Big 5, Bristol-Myers Squibb, UPS, Edison International, Smart & Final, Ford Motor Co., Buffalo Wild Wings, Panera, Cummins, Coach, Supervalu, Ally, Akamai, NCR, Genworth, Pfizer, Twitter, GoPro, JetBlue, Revlon, Kashi, Whirlpool, U.S. Steel, T-Mobile, Merck, Sirius XM, Wyman Resorts, Western Digital and Valero. Wednesday offers a Federal Reserve policy statement, an estimate of Q1 GDP, March pending home sales numbers and earnings from Anthem, Baidu, General Dynamics, Yelp!, Goodyear, Fiat Chrysler, GrubHub, Hilton, Humana, Praxair, Time Warner, Starwood Hotels & Resorts, Marriott and Northrup Grumman. Thursday presents March personal spending data, new initial claims figures and earnings from Avon, Visa, Colgate-Palmolive, Diebold, Coca-Cola, LiveNation, Time Warner Cable, ExxonMobil, Expeida, Virgin America, Fluor, HealthSouth, Pitney-Bowes, Public Storage, ConocoPhillips, Blackrock, Magellan Health, Marathon Petroleum, Nutrisystem and Cigna. Friday offers the University of Michigan's final April consumer sentiment index, ISM's April factory PMI and results from Berkshire Hathaway, Chevron, Clorox, CVS and Weyerhaeuser.

% CHANGE	Y-T-D	1-YR CHG	5-YR AVG	10-YR AVG
DJIA	+1.44	+9.57	+12.27	+7.65
NASDAQ	+7.52	+22.75	+20.25	+16.10
S&P 500	+2.86	+12.73	+14.79	+8.22
REAL YIELD	4/24 RATE	1 YR AGO	5 YRS AGO	10 YRS AGO
10 YR TIPS	0.04%	0.49%	1.47%	1.63%

Sources: online.wsj.com, bigcharts.com, treasury.gov - 4/24/15^{5,6,7,8}

Indices are unmanaged, do not incur fees or expenses, and cannot be invested into directly. These returns do not include dividends. 10-year TIPS real yield = projected return at maturity given expected inflation.

**Please feel free to forward this article to family, friends or colleagues.
If you would like us to add them to our distribution list, please reply with their address.
We will contact them first and request their permission to add them to our list.**

Putting Your Tax Refund to Work

What could that money potentially help you to accomplish?

Provided by Thomas Cymer CFP® CRPC®

Should your refund be spent? In 2014, more than 109 million tax filers received federal tax refunds, with the average refund at \$2,792. What happens to that money?¹ According to H&R Block's Tax Institute, little of it is saved or invested: last year, more people used their refunds to settle debts or pay for cars or vacations than anything else.² As nearly 80% of Americans end up getting a refund from the IRS each year (including about a third of Americans with incomes above \$200,000), it is worthwhile to consider other uses for the lump sum.²

Where else could your refund be directed? Putting it into a savings or checking account is sensible enough - but with the pathetic interest rates most bank accounts earn today, you may be wondering about alternatives. Here are some other options.

You could effectively put your refund into your workplace retirement plan. Does your employer offer to match your retirement plan contributions? If so, you might want to think about contacting your plan administrator or human resources officer and increasing your elective salary deferrals into the plan this year by the same amount as the refund. If you deposit the actual refund dollars in a checking or savings account, you can offset the increase in the amount of salary you defer by distributing the refund dollars from the bank account to yourself. Hopefully, that checking or savings account generates at least some interest on those deposited funds as well.

You could fully fund your IRA(s) with it. If you have not made the maximum allowable IRA contribution for 2015 - \$5,500 across all your Roth and traditional IRAs, \$6,500 for those 50 or older - you could boost that contribution as an effect of your refund. Another option: use the refund you fully fund your IRA for 2016.³

You could tell the IRS to put the money in bonds. In addition to a direct deposit or a check in the mail, the IRS gives taxpayers who receive refunds a third option: the money can be used to purchase U.S. Series I Savings Bonds. Up to \$5,000 of refund dollars can be invested this way (in multiples of \$50).⁴

You could use those dollars for home improvement. Do you think you will live in your current home for years to come? If so, you could apply your refund to energy-saving home improvements (including HVAC, roof and windows upgrades) that could result in some nice long-term savings for you. If you make such improvements, you might even be eligible for a federal tax credit of up to \$500. Congress retroactively preserved this credit for the 2014 tax year, and may act to preserve it again for 2015. Even if that credit sunsets, the Residential Energy Efficient Property Credit is in place through the end of 2016 - a tax credit for up to 30% of the cost of qualifying alternative energy improvements to a primary residence.⁵

You could make an additional mortgage payment or pay property tax. Assuming your home isn't underwater, you may want to use the refund dollars to reduce mortgage principal. Also, mortgage companies often keep a few thousand bucks in escrow to pay various tax and insurance expenses linked to your home, and some will actually let a borrower's savings account stand in for their escrow account. If they permit, you could make such payments out of an account of your own while it earns a (tiny) bit of interest.⁶

Lastly, think about avoiding a refund altogether. In figurative terms, your federal tax refund amounts to an interest-free loan to Uncle Sam. If you don't particularly want to make that "loan" again, see if your W-4 can be tweaked to decrease that possibility.

Thomas Cymer CFP®CRPC® may be reached 571-299-2053 or via email tcymer@opulnfg.com.
www.opulnfg.com 1001 19th St, N Suite 1200 Arlington VA 22209

Citations.

- 1 - [irs.gov/irs/dec-26-2014-131214](#)
- 2 - [money.com/140113/finance/bonus-outside-131315](#)
- 3 - [irs.gov/retirement-plans/Plan-Participant--Employee-Retirement-Topics-IRA-Contributions-Links-12215](#)
- 4 - [irs.gov/irs/dec-26-2014-131214](#)
- 5 - [money.com/money/personal-finance/article/2015/01/09/7-recently-extended-tax-breaks-that-will-save-taxpayers-money-119135](#)
- 6 - [bankrate.com/finance/taxes/irs-tax-ref-with-early-mortgage-payment-1.aspx-121014](#)

Opinions expressed herein are solely those of Opulen Financial Group, LLC and our editorial staff. Material presented is believed to be from reliable sources; however, we make no representations as to its accuracy or completeness. All information and ideas should be discussed in detail with your individual adviser prior to implementation. Fee-based financial planning and investment advisory services are offered by Opulen Financial Group, LLC, a Registered Investment Advisor in the State of VA, LA, MA, and DC. Insurance products and services are offered through Thomas Cymer, as Insurance Agent, Opulen Financial Group, LLC, and Thomas Cymer, Insurance Agent, are affiliated companies. This update shall in no way be construed or interpreted as a solicitation to sell or offer to sell investment advisory services to any residents of any State other than the State of Virginia or where otherwise legally permitted.

This material was prepared by MarketingPro, Inc., and does not necessarily represent the views of the presenting party, nor their affiliates. This information has been derived from sources believed to be accurate. Please note - investing involves risk, and past performance is no guarantee of future results. The publisher is not engaged in rendering legal, accounting or other professional services. If assistance is needed, the reader is advised to engage the services of a competent professional. This information should not be construed as investment, tax or legal advice and may not be relied on for the purpose of avoiding any Federal tax penalty. This is neither a solicitation nor recommendation to purchase or sell any investment or insurance product or service, and should not be relied upon as such. All indices are unmanaged and are not illustrative of any particular investment. The Dow Jones Industrial Average is a price-weighted index of 30 actively traded blue-chip stocks. The NASDAQ Composite Index is an unmanaged, market-weighted index of all over-the-counter common stocks traded on the National Association of Securities Dealers Automated Quotation System. The Standard & Poor's 500 (S&P 500) is an unmanaged group of securities considered to be representative of the stock market in general. It is not possible to invest directly in an index. NYSE Group, Inc. (NYSE:NYSE) operates two securities exchanges: the New York Stock Exchange (the "NYSE") and NYSE Arca (formerly known as the Archipelago Exchange, or ArcaX), and the Pacific Exchange. NYSE Group is a leading provider of securities listing, trading and market data products and services. The New York Mercantile Exchange, Inc. (NYMEX) is the world's largest physical commodity futures exchange and the preeminent trading forum for energy and precious metals, with trading conducted through two divisions - the NYMEX Division, home to the energy, platinum, and palladium markets, and the COMEX Division, on which all other metals trade. Additional risks are associated with international investing, such as currency fluctuations, political and economic instability and differences in accounting standards. This material represents an assessment of the market environment at a specific point in time and is not intended to be a forecast of future events, or a guarantee of future results. Past performance is no guarantee of future results. Investment will fluctuate and when redeemed may be worth more or less than when originally invested. All economic and performance data is historical and not indicative of future results. Market indexes discussed are unmanaged. Investors cannot invest in unmanaged indices. The publisher is not engaged in rendering legal, accounting or other professional services. If assistance is needed, the reader is advised to engage the services of a competent professional.

Citations.

- 1 - [arkansasonline.com/news/2015/10/24/10-24-15-new-home-sales-fall-11-4-20150424-14/24/15](#)
- 2 - [investing.com/economic-indicator/durable-goods-orders-86-14/24/15](#)
- 3 - [proactiveinvestors.com/companies/news/61155/gold-drops-16-to-1175-wt-decrease-1-to-5715-61155.html-14/24/15](#)
- 4 - [markets.on.nytimes.com/research/markets/usmarkets/usmarkets.asp-14/24/15](#)
- 5 - [markets.wsj.com/us-14/24/15](#)
- 6 - [bigcharts.marketwatch.com/historical/default.aspx?ym=D1A&closeDate=4%2F24%2F14&x=0&y=0-14/24/15](#)
- 6 - [bigcharts.marketwatch.com/historical/default.aspx?ym=COMP&closeDate=4%2F24%2F14&x=0&y=0-14/24/15](#)
- 6 - [bigcharts.marketwatch.com/historical/default.aspx?ym=SP&closeDate=4%2F23%2F14&x=0&y=0-14/24/15](#)
- 6 - [bigcharts.marketwatch.com/historical/default.aspx?ym=D1A&closeDate=4%2F23%2F14&x=0&y=0-14/24/15](#)
- 6 - [bigcharts.marketwatch.com/historical/default.aspx?ym=COMP&closeDate=4%2F23%2F14&x=0&y=0-14/24/15](#)
- 6 - [bigcharts.marketwatch.com/historical/default.aspx?ym=SP&closeDate=4%2F23%2F14&x=0&y=0-14/24/15](#)
- 6 - [bigcharts.marketwatch.com/historical/default.aspx?ym=D1A&closeDate=4%2F25%2F14&x=0&y=0-14/24/15](#)
- 6 - [bigcharts.marketwatch.com/historical/default.aspx?ym=COMP&closeDate=4%2F25%2F14&x=0&y=0-14/24/15](#)
- 7 - [treasury.gov/resource-center/data-chart-center/interest-rates/Pages/TextView.aspx?data=reahy301-14/24/15](#)
- 8 - [treasury.gov/resource-center/data-chart-center/interest-rates/Pages/TextView.aspx?data=reahy301-14/24/15](#)

Week of September 30th, 2013

[Forward email](#)

 Safe unsubscribe

This email was sent to tcymen@opulenfg.com by tcymen@opulenfg.com |

[Update Profile/Email Address](#) | Rapid removal with [SafeUnsubscribe™](#) | [Privacy Policy](#).



Opulen Financial Group, LLC | 1818 Library St. Suite 500 | Reston | VA | 20190