

THE MAIN ADVISORY

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Piecing It All Together

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— Changing Shopping Habits

Darla writes, “My husband and I moved to a condominium five years ago, leaving the big house with its maintenance and lawn care as a distant memory. In the process, my mantra became “if I can’t eat it or wear it, I don’t want it.” Well, after having recently built a long wall of cabinetry in our garage, I realized my intentions were good, but the reality is we continue to amass “stuff.” In all fairness, I can attest that some of the cabinets are filled with toys, diapers, and goodies for our three grandsons.

I’ve noticed my shopping habits have changed considerably within the past decade. Long gone are the days when a stroll around the mall, window shopping, and munching on a warm pretzel were considered a nice way to spend the day. Today, I do a majority of my shopping online. I confess I’m an Amazon Prime “junkie.”

It seems I’m not alone as an avid Internet shopper. Current headlines deem shopping malls as we know them today to be extinct within 20-25 years. In fact, there is a trend in the South, especially close to Latino populations, to convert shopping malls into entertainment meccas with indoor carnival rides, live music, dancing, and lots of eateries. It is a place to meet friends for an evening out.

Amazon has become the behemoth Internet shopping site, but Walmart has begun to turbocharge its website to compete more effectively. Nearly every week, there is a new announcement for another feature or service being offered by the online shopping retailers.

The latest trend is 3D printing. Amazon is the first to offer an online 3D store. The new concept gives customers access to more

than 200 unique print on-demand products, many that can be customized by material, size, styles, and color variations, and personalized with text and image imprints. The new store is one



of the largest online destinations to discover 3D printed products featuring convenient search tools, interactive 3D preview functionality, and a product personalization widget. In the beginning, customers will find a wide range of items to browse including jewelry, toys, home décor, and fashion accessories.



Per Amazon’s recent press release, “The 3D Printed Products store enables every customer the opportunity to be a product designer. From pendants to decorative vases to bobble head figurines, the new store features a broad selection of items to foster creativity. The store includes modestly priced customizable items sellers are currently offering for under \$40, including cufflinks and funky wine glass holders. In the \$100 price range, customers can design customized fashion accessories like pendants, earrings, and necklaces.”

3D printing will change the way we shop in the future. No longer will teenage girls show up at the prom wearing the same dress. Everyone will sport their own design. Retailers will need less floor space for inventory. Stores will be set up to encourage the “creative genius” in everyone. Retailing websites will become more robust as well.

Have you ever noticed that ads pop up on your computer after you’ve searched a particular shopping website? Our Internet surfing habits are being tracked by retailers all the time. This data-driven online shopping may soon transform the old brick-and-mortar shopping experience, too. Mobile apps will trans-

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Assembling your financial puzzle one piece at a time.

Up or Down

So, what is actually causing market volatility all of a sudden? Oh, there are many headlines: Russia's invasion of Ukraine, the Israeli/Gaza conflict, weakness in China, Argentina's bond default, Puerto Rico's bond troubles, Europe on the brink of recession with Italy already there, Portugal's bank bailout, and the Federal Reserve Bank's bond tapering, to name a few.

Recently released statistics revealed that employment numbers were above 200,000 new jobs created last month. This marks seven months in a row at this pace or better. Gross Domestic Product (GDP) came in at 4% after reporting a negative 2.9% in the previous quarter. CPI (Consumer Price Index) from June increased 0.3% after rising 0.4% in May. A combination of this good news could easily be trumping the ugly global headlines when it comes to instigating market volatility.

Fears prevail that inflation is rising which may cause the Federal Reserve Bank, chaired by Janet Yellen, to begin raising interest rates earlier than expected. Rising interest rates can have the effect of slowing an economy and corporate profitability. Individuals may have more difficulty affording a new automobile or home if rates rise. Moreover, corporations may curtail cheap borrowing habits that have fueled many stock buybacks in the past several months which, in turn, can make earnings look better than they are in reality. Inflation can also push employees to seek higher wages, in turn raising expenses and lowering profits.

A careful look at the chart to the right makes it difficult to comprehend run-away inflation. It appears many of the things Americans purchase have actually gone down rather dramatically over the past ten years. Service costs do appear to have risen rather significantly over tangibles.

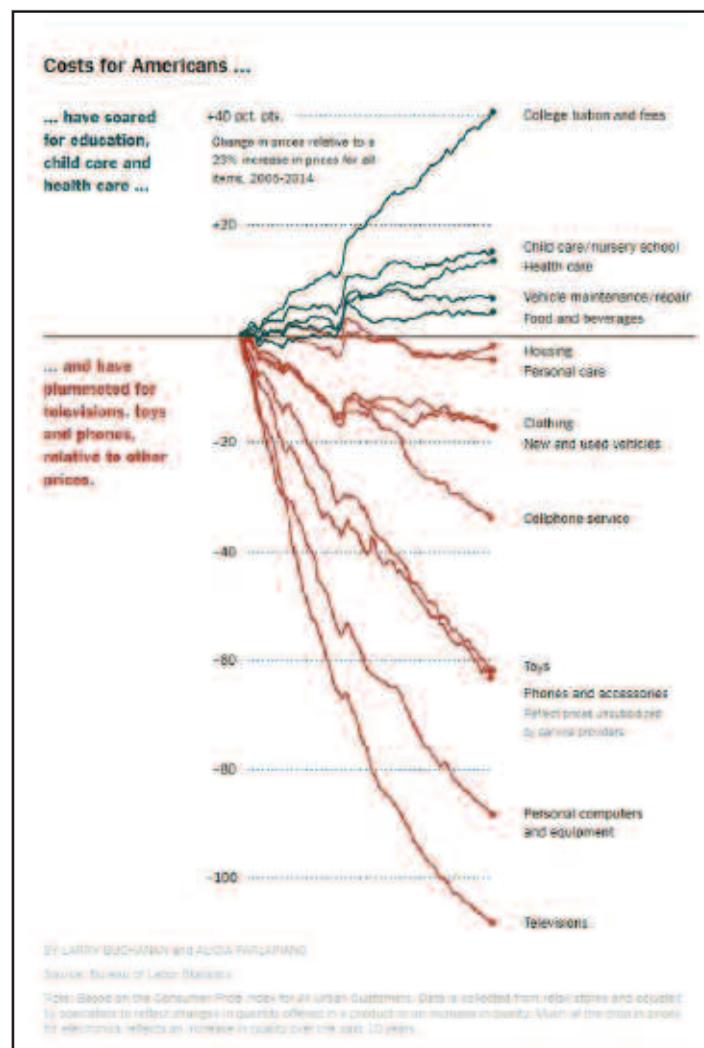
Europe is fighting deflation and lowering interest rates. CPI in the U.S. has risen approximately 2.3% over the past year, but one wonders how much of the rise is the result of a drought in California that is affecting the supply of fresh fruits and vegetables and driving costs up. Confusing the conversation even more is that the price of gold has fallen over the same period; gold typically rises on inflation fears.

Maybe, all the "inflation" fears and debate about rising interest rates are just "talk," i.e. hot air. Maybe, markets simply needed an excuse to remove some of the froth and wake investors from complacency. Time will tell. Continue to keep an eye on the good news and bad news headlines; both can contribute to market volatility. ■



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You Keep Asking, We Keep Watching ...

RE: RMDs TO CHARITY

The House of Representatives proposed and passed a bill in July making permanent the opportunity to have charitable donations paid from IRAs for anyone over the age of 70. This is the first glimmer of hope on the subject since the opportunity expired on December 31, 2013. There was bi-partisan support with 56 Democrats joining 221 Republicans in favor of the bill. The bill is now in the Senate, where it is likely to get

caught up in a debate over how to deal with a package of temporary tax breaks that expired at the beginning of the year. President Obama is threatening a veto as he claims the bill will add to the deficit.

However, we've seen wrangling on this subject before. Nothing

may happen until after the November elections. It won't be the first time a temporary bill has passed allowing distributions from an IRA late into the year. In the past, there were lenient "catch-up" provisions or extensions into the following year permitted. Don't be discouraged, and don't lose hope on this one. Required minimum distributions must be out of the IRA accounts by December 31st. Even if a last minute deal is cut, contributions from an IRA can be facilitated rather quickly. ■



Changing Shopping Habits *(continued from Front Cover)*

form shopping by offering a concierge service of sorts by waking up when a shopper walks through the door and offering discounts on favorite products or informing him of which celebrity recently wore a particular outfit in stock.

The consumer will hold the power in his hands through self-check-out, pre-orders, delivery, and customization. We will buy everything from lunch to concert tickets with our mobile devices. Retailers will constantly be forced to improve upon their technology, and it will become a "survival of the fittest."

All these changes prompt me to contemplate what new investment opportunities will evolve from the changing trends. Perhaps, the shipping companies will be benefactors. UPS recently announced they are taking cash reserves to expand operations. Maybe, it is the

Internet providers who will benefit. I'll be on watch for more turf wars on this front. Could it be that more innovative mobile devices, or wearables, will pop on the scene? Will retail salespeople become technology experts?

There is one thing I have difficulty shopping for online—produce. I still like to see, touch, and smell for freshness. Online shopping still has some limitations! ■



ONE NEW WEBSITE ... NETXINVESTOR

When you visit www.MainAdvisory.com and go to "My Client Center," "My Account Access," you will see that Pershing has combined two old websites, NetXView and MyEDocumentSuite, into

ONE NEW SITE:
www.NetXInvestor.com.

We hope you find this site easier and more user-friendly! If you ever have any difficulties, please feel free to call the Pershing Help Tech Desk at **1-888-406-2444**.

NETX INVESTOR™

OUR TEAM!



The Main Advisory Team. Darla Main, Lauren Peck, and Suzanne Campanella.

Darla Main - President, Main Advisory, Inc.

We had two big first birthdays in our family in July. Yes, Elliot and Mason are now one year old. They are so fun and change weekly. Both are on the verge of walking. Elliot is known as "spider-man" because he walks all around holding on to everything. Mason is nipping at his heels, though. Both boys are very verbal, but aside from Mum-Mum and DaDa, communication unintelligible. Costco and Sam's Club memberships are a must because they have hefty appetites. It is a requirement to have the plates filled before they are strapped into the high chair; that means business! Big brother and big cousin, Mac, will be three in August. He and his Grandpa "G" are partners in crime. We are surely blessed to have them all within minutes from our house.

JOURNEYS & TRAVELS

... to Petra



Darla writes, "On my recent trip to Israel, I crossed into Jordan to visit the ancient city of Petra. It is one of the most fascinating and mind-blowing places I've ever visited.

On July 7, 2007, Petra was announced as one of the new Seven Wonders of the World. It is a must see, but you need to be healthy enough to walk a long distance on stone and sand. Someone in our group claimed we clocked approximately nine miles touring the ancient civilization.

More than 2,000 years ago, the Nabataeans carved this city into the mountains. Petra is known as the Rose City due to the color of the stone out of which it is carved. Petra was established possibly as early as 312 BCE as the capital city of the Nabataeans. The Nabataeans were famous for their advanced irrigation systems and water harvesting mechanisms. Signs of the irrigation systems were

Lauren Peck - Assistant Director of Investments

Earlier this summer, a friend mentioned that he was putting together a co-ed softball team through PSL, a recreational sports league for adults in the Pittsburgh area. The team was in need of additional female players, and since I played slow and fast pitch softball through my high school years, I decided to sign up. After a few practices, we now gather every Wednesday night (weather permitting) to play games. I'll admit, my skills were more than a little rusty when I first donned my softball mitt again (I guess that is what 10+ years off will do to you!); but, I'm having a lot of fun and have enjoyed making new friends and getting some regular exercise. So far our team's winning percentage is .500. Not great, but we'll take it! ☺ After all, we're just playing for fun!

Suzanne Campanella - Client Services

My husband and I have made it to the next stage of parenthood: both kids have graduated from college! Caroline graduated from Penn State University in May with a BS in Elementary Education and a minor in Special Education. She has spent the summer working at a local day camp, traipsing the hillsides with a dozen 4-year-olds. She is more than ready to hang up her camp counselor's cap and return to the classroom. The college years were good to us, and we are relieved to have them behind us.

certainly evident throughout the ancient city.

For centuries, Petra was abandoned and remained unknown until 1812 when it was rediscovered by Swiss explorer Johann Ludwig Burckhardt. English poet Bergen described this astonishing city eloquently in his poem "Lost City" which captures the essence of the place so magically."

"It seems no work of Man's creative hand,
by labor wrought as wavering fancy planned;
But from the rock as if by magic grown,
eternal, silent, beautiful, alone!
Not virgin-white like that old Doric shrine,
where Athena held her rites divine;
Not saintly-grey, like many a minster fane,
that crowns the hill and consecrates the plain;
But rose-red as if the blush of dawn,
that first beheld them were not yet withdrawn;
The hues of youth upon a brow of woe,
which Man deemed old two thousand years ago,
match me such marvel save in Eastern clime,
a rose-red city half as old as time." ■