

## CREDIT & COLLECTION MATTERS Spring Edition 2011

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### CEOs OPTIMISTIC ABOUT HIRING, SALES



Chief executives at America's largest companies expect sales to increase in the months ahead, with a majority planning to increase capital spending and hire more workers, according to a recent survey. In its first-quarter survey, The Business Roundtable, an association of CEOs at large U.S. companies, said nearly all of its members expect sales to increase over the next six months. More than 60% expect additional investment in their businesses, and more than half plan to increase hiring in the next two quarters. But the group sees relatively subdued economic growth this year. The executives expect U.S. gross domestic product to expand 2.9% in 2011. That's up slightly from the previous survey, but is below the 3.1% growth rate reported in the fourth quarter of 2010. John Engler, president of The Business Roundtable and a former governor of Michigan, acknowledged that the economy still faces significant challenges, including the impact of higher gas prices

on consumer spending. Engler said CEOs are more concerned about the federal budget than the outlook for monetary policy. The Federal Reserve has signaled that low interest rates and other stimulus measures will eventually have to be wound down, "so there's no shock there," he said.

The first-quarter survey does not reflect concerns about possible supply disruptions stemming from the natural disaster in Japan and subsequent nuclear crisis, according to Engler. The survey of 142 chief executives was conducted between February 28 and March 18.

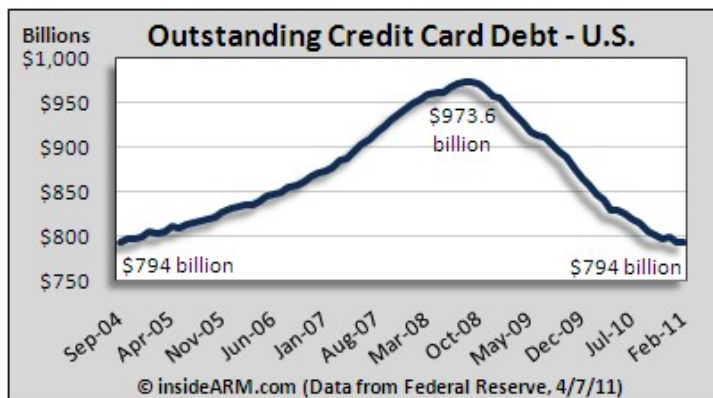
While some automakers and technology companies have already reported shortfalls, it's too soon to say how events in Japan could impact corporate America, according to Ivan Seidenberg, CEO of Verizon and chairman of The Business Roundtable.

CEOs are also worried about gas prices, which have jumped to an average of nearly \$3.83 a gallon from about \$3.10 a gallon at the start of the year. Gas prices have been driven higher by oil prices, which have spiked on the recent political turmoil in the Middle East.

In addition to undermining consumer confidence, rising gas prices could translate to higher production and transport costs for companies, said Engler. But he said the spike in gas prices could spur increased investment in domestic oil production.

Source: CNN Money

### BIG GAINS IN CONSUMER CREDIT; CREDIT CARDS STILL FALL



After breaking a 27-month losing streak in December 2010 with a small gain, consumer credit card debt outstanding fell by more than four percent in February, extending the new losing streak to two months, according to data released late Friday by the Federal Reserve.

In its monthly Consumer Credit statistical release (G.19), the Fed reported a \$2.7 billion decline in revolving debt outstanding, which is almost entirely comprised of credit card debt. The measure fell at an annualized rate of 4.1% after increasing at a 3% rate in December 2010 but sliding 5.9% in January 2011. Total consumer credit card debt outstanding was \$794 billion in February, down from a peak of \$973.6 billion in August 2008.

Non-revolving debt – principally made up of closed end accounts like student and auto loans – increased in February at an annual rate of 7.7% (\$10.3 billion), the largest gain in three years. Non-revolving debt was buoyed in the month by auto lending, according to the Fed. Total consumer credit, including credit cards, increased at a 3.8% annualized rate, the largest overall gain since October 2008.

Total outstanding debt in the U.S. was \$2.42 trillion in February. The Fed’s G.19 numbers do not include debt backed by real estate.

Source: InsideARM.com

## STUDY: 2 OUT OF 3 CONSUMERS STRESSED OVER FINANCES



As the stock market, unemployment rates, and gas prices continue to bounce up and down, many Americans say they find themselves stressed out about their personal finances. During National Financial Literacy Month this April, TransUnion is continuing to educate consumers on the basics needed to help reduce the stress of managing their finances and credit.

According to a recent Zogby International survey commissioned by TransUnion, two-thirds of adults (65%) say they are either always (21%) or sometimes (44%) stressed by money and finances, while a third (34%) say they are rarely (28%) or are never (6%) stressed by it.

“With today’s changing and turbulent economic conditions, it is easy for consumers to become worried and confused about how to manage their finances,” said Heather Battison, director of education for TransUnion’s consumer products. “Rather than get stressed out over financial worries, consumers should take the opportunity during Financial Literacy Month to make sure they have an understanding of the basics to achieving healthy credit and personal finances.”

Source: TransUnion

For tips to get you on the path to healthy credit, visit our blog at [www.salduttcollect.com/wp\\_blog](http://www.salduttcollect.com/wp_blog)

## A SEASON TO CELEBRATE: EASTER & PASSOVER

Easter and Passover generally share a common month, but other than their dates and their use of eggs as symbolism how do they relate? Easter is the celebration of Yeshua’s (Jesus’) resurrection, which did occur around the time of Passover. In fact, it is believed that Yeshua’s last supper was a Passover meal. Here are some other interesting facts about these important spring holidays of the Christian and Jewish faith:

- Easter is celebrated on the first Sunday after the full moon which happens on or after March 21, the Spring Equinox.
- Easter also refers to the fifty day season from Easter Sunday through Pentecost. It recognizes the resurrection of Jesus on



the third day after his death by crucifixion.

- Easter is also a movable feast, meaning it does not fall on a fixed day each year although Christians prefer to celebrate it on the Sunday of the resurrection.
  - Easter is the second most important candy-eating occasion of the year for Americans, who consumed 7 billion pounds of candy in 2010, according to the National Confectioner's Association.
  - About 90 million chocolate Easter bunnies are produced each year.
  - Peeps © are the most popular non-chocolate candy bought during the Easter season
  - Easter eggs are painted with bright colors because they represent the sunlight of spring. The act of painting eggs was originally called Pysanka.
  - The most famous event of Easter egg rolling takes place on the White House lawn, a tradition started during the Presidency of James Madison. The original site of the Easter Egg Roll was on the lawns of the U.S. Capitol.
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- Passover, or *Pesach*, is celebrated in remembrance of the Exodus of the Jews from Egypt.
  - There is no fixed date of the Passover. The date of this festival is dependent on the phases of the moon.
  - The term, Passover, specifically refers to the passing over of the first-born Jewish males, when the death plague hit Egypt.
  - "Seder" meal takes place on the first, sometimes even second, night of Passover, and comprises of a festive family meal.
  - During World War I, in Vilna, Poland, when it was very difficult to find kosher wine, the rabbinical authorities made a special announcement to allow sweet tea in the Seder ceremony, instead of the traditional four cups of wine.
  - "Haggadah" is the name of a religious Jewish text, explaining the complete story of Passover.
  - During the seven or eight days of Passover, only unleavened bread (matzoh) is eaten and foods containing yeast are strictly avoided.
  - According to tradition, four cups of wines are consumed at the festive meal of Passover night. Those who cannot have so much wine can have grape juice instead.

***The staff at Saldutti, LLC would like to wish you and your family  
a blessed Easter and a happy and healthy Passover!***

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Information contained in this publication should not be construed as legal advice or opinion, or as a substitute for the advice of counsel. The enclosed materials may have been abridged from other sources. They are provided for educational and informational purposes for clients and others who may be interested in the subject.

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