

CREDIT & COLLECTION MATTERS

January 2011

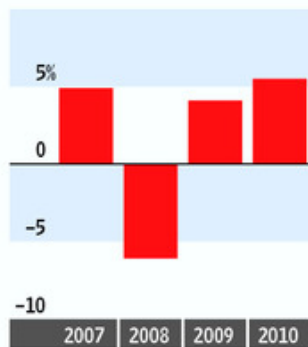
Gain a Competitive Advantage with Saldutti, LLC ...



RETAILERS SEE HOLIDAY SALES JUMP

Shining Star

Year-over-year change in U.S. retail sales, excluding autos, for the period Nov. 5 to Dec. 24



Source: MasterCard SpendingPulse

American shoppers expanded their year-end purchases this holiday season by the biggest margin since the boom year of 2005, but retailers still face daunting challenges in the new year, from rising gasoline and cotton prices to an overabundance of stores. U.S. retail sales, excluding automobiles, rose 5.5% between Nov. 5 and Dec. 24 compared with a year ago, according to MasterCard SpendingPulse, a unit of MasterCard Advisors. Last year, sales rose 4.1% during the 50 day period, but those results were easy comparisons against the recession in 2008, when sales fell 6.1%.

"To sum up, the holiday season is a joyous one," said Sherif Mityas, a of A.T. Kearney, a global management consulting firm. "Consumers are looking to spend again. They are more confident than they had been." Just how long retailers' confidence will last for shoppers and stores alike is the big question. A consumer sentiment index released in late December indicated that consumer moods were at their highest level in December since June. Recent surveys of chief executives and chief financial officers likewise show a growing number of companies expecting to increase hiring and spending over the next year.

This year's improved job and stock markets, and the two percentage-point cut in employees' payroll taxes that's coming in January should make people a little freer with their money, according to J.P. Morgan Chase economist Michael Feroli. He forecasts U.S. consumer

spending will rise 3.5% next year, the fastest pace since 2004.

During the holiday season, clothing posted the strongest gain, up 11.2% over the same period last year when apparel sales were roughly flat. Electronics sales rose only 1.2% this year, as a glut of televisions drove prices down and shoppers shied away from innovations such as 3D TVs. After several years of lackluster sales, jewelry was a standout category notching an 8.4% sales gain.

Even if shoppers continue to loosen purse strings in the year ahead, the retail landscape is still littered with too many stores for all to prosper. The U.S. now has some 40 square feet of retail space for each person—the most per person in the world. With the growing momentum of Internet sales—Web sales grew 15.5% during the holiday season—competition is going to get even more fierce, he said.

Source: Wall Street Journal

Issue 34

CONTACT

To learn how we can be of service to your business please visit us on the web

www.saldutticollect.com

1-877-809-4345

TEL: (856) 779-0300

FAX: (856) 779-0355 - fax

NJ: Cherry Hill/Lawrenceville

PA: Philadelphia/West Chester

BANKRUPTCY FILINGS LEAPT 9 PERCENT LAST YEAR

The number of Americans filing for personal bankruptcy topped 1.5 million last year, as high long-term jobless rates and depressed home prices drove more households to seek court protection. Personal bankruptcies rose to 1.53 million, up 9% from 2009, the highest level since a revamp of the law took effect in 2005, according to the American Bankruptcy Institute, an association of attorneys and other bankruptcy professionals, and the National Bankruptcy Research Center.

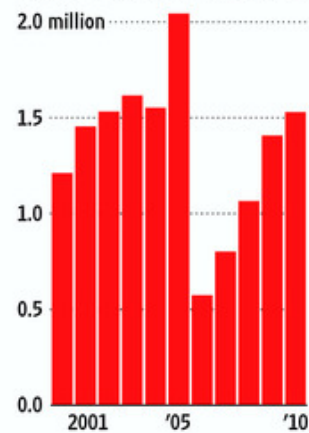
This year could bring a decline in bankruptcies, as the economy improves and consumers borrow less. "Over the course of the year, I think bankruptcies will be going down," said Robert Lawless, a University of Illinois law professor. "The reason for that is borrowing's down...there's less of a reason for people to take the legal step of filing for bankruptcy."

In all, some four million consumer bankruptcy filings have been recorded in the past three years. Surveys of debtors by the nonprofit Institute for Financial Literacy indicate that while most earn less than \$30,000 and lack college degrees, a growing minority are middle-class families with incomes above \$60,000 or college degrees.

Source: Wall Street Journal

Debt's Higher Toll

U.S. consumer bankruptcy filings



Note: Bankruptcy laws were changed in 2005.
Source: National Bankruptcy Research Center

MOST AMERICANS' 2011 RESOLUTIONS FEATURE JOBS



Most Americans made work-related New Year's resolutions this year, whether to try to change jobs or get a raise or promotion at their current workplace, according to a recent survey. The survey, conducted by Monster.com and HotJobs.com, found 98% of Americans polled were looking to make a change in their work situation in 2011.

Sixty-six percent of those polled said they were looking for a new job with a new employer, 15% were hoping for a raise or promotion at their current employer and 17% were hoping to start their own business. Two percent said they were happy with the status quo.

A government report last week showed U.S. employers hired fewer workers than expected in December and a surprisingly large number of people gave up searching for work, tempering the positive news of a big drop in the unemployment rate.

Forty-two percent of respondents to the Monster/HotJobs survey said they expected employment conditions to improve in 2011, compared to 33% who expected the jobs situation to worsen and 25% who don't think it will change much. Seventy-eight percent of respondents had a New Year's resolution related to their work, compared to 68% last year.

Source: Reuters

11 THINGS THAT ARE GOING TO HAPPEN IN 2011 ...

Every pundit worth his salt has some 2011 predictions but what do the markets see happening right now? The folks at Business Insider, a financial web site, have scoured InTrade.com, the popular prediction market, to get the odds on various events that may or may not happen in the coming year.

A note on how an InTrade market works: Each issue is posed as a YES/NO question. As betters think the outcome is more likely to be YES, the contract veers closer to 100. It gets closer to 0, as NO looks more



likely. At the end of the defined period, the contract closes at one or the other.

1. There's a **15.1%** chance the US goes into a recession in 2011
2. There's a **61%** chance Sarah Palin announces a Presidential run
3. There's a **10%** chance of a US/Israeli overt air strike on Iran by the end of the year
4. And there's a **3.8%** chance of a strike by the end of June.
5. There's an **85%** chance that the GM Volt will be delivered to dealers by the end of March
6. There's a **12%** chance the U.S. Supreme Court will strike down the Individual Mandate
7. There's a **35%** chance of an NFL lockout before opening day of the 2011-2012 season
8. There's been no trade in the future of Brian Moynihan, but there is a "bid" of **5%** (when asked if the CEO will depart Bank of America).
9. The odds of a US overt military strike against North Korea are **11%**
10. The odds of Congress approving an increase in federal debt ceiling to \$15.1T or more by the end of February are just **20%**
11. There's a **34%** chance that 2011 will be the warmest year on record

Source: The Business Insider

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.

Saldutti, LLC 856 779-0300
www.saldutticollect.com

powered by **Swiftpage** 