

>: Inside Tycoon Publishing ...

Monday, March 19, 2007 / Ben Schott

Good Morning Tycoon Report Reader,

My name is Ben Schott. I'm an Associate Publisher and one of the shareholders of Tycoon Publishing. Like everyone here in our small firm, I wear many hats.

But my most important role is also my newest one: Editor In Chief of The Tycoon Report newsletter.

I decided to take an active role in The Tycoon Report for one key reason:

Because I want this newsletter to be the most valuable source of finance and investing information you read every day.

This is important enough to me that we've made several new hires in recent weeks to free up enough time in my schedule to do two things ...

1) Regular Columns in The Tycoon Report

Starting today, I'll contribute a column once a week ? on Mondays ? to keep you up to date on all of the things we're doing here at Tycoon to empower the individual investor.

2) Two-Way Communication

I won't stand a snowball's chance in hell of making The Tycoon Report your most valuable source of finance and investing information if I work in a vacuum. In fact, the single most important thing I can do is to listen to what you have to say. What can we do better in The Tycoon Report? What topics can our experts write about that will help you make better investing decisions? What do you like most (and least) about our service?

That's why I'd like to give you my personal e-mail address and invite you to contact me at any time with your questions, concerns, or suggestions for how we can better serve you. I will make every effort to respond to everything I receive and, more importantly, to take your input to heart.

My email address is: Editor@TycoonResearch.com

Important: Please continue to click on the ?Rate this Article? links at the bottom of each contribution from our experts. They have come to truly rely on and respect your feedback when it comes to the specific investing topics they cover.

Today I'd like to share a personal anecdote that, I hope, will give you some idea of why I'm so passionate about this newsletter and the group of people who work on it.

A couple years ago, I had a nice little consultancy business and was making more money than I ever had before. That's when a former colleague introduced me to Dylan Jovine and Chris Rowe, two Wall Street veterans with an idea for a new business.

The first time I met these two characters was when they picked me up in front of baggage claim at the Miami airport. I remember thinking (as much as thinking was possible over the thumping of Notorious B.I.G. on the car stereo) what a crazy driver Chris was, but that's another story. Over drinks that night, and then in a marathon strategy session the next day in their tiny, messy South Beach office, it dawned on me that this was more than a typical new-client meeting.

I went home and told my wife how excited I was to have ?landed? this new client. A few short weeks later, they showed up at my doorstep.

During dinner out on my back deck, they honored me by asking if I would join their firm on an exclusive basis.

It was an easy decision. My wife was pregnant with our daughter at the time, I had a ridiculous Northern California mortgage to cover every month ... how could I NOT be excited about taking less money? Who wouldn't want to put all their eggs in the basket of a new start-up business? Yes, I'm being sarcastic. But it really was the easiest decision I ever made in my life.

Why?

Because these guys were on the verge of doing something very special, and I wanted to be a part of it.

Here were two masters of Wall Street who'd made more money in their lives than I could even contemplate, guys whose intelligence and talent could take them absolutely anywhere, guys who should have been on top of the world, and yet ... they were angry.

They wanted something better for people like you and me ... ?little guys? whose hopes and dreams for retirement were being abused and disregarded by a greedy Wall Street establishment. They were pissed off that the typical individual investor was being manipulated by his broker, that the financial news media was feeding him pure, hyped-up fluff in the guise of actual stock research, that Ma and Pa U.S.A. didn't have access to the same kind of unbiased analysis that were making the institutions richer and richer.

I've never been an idealist. I'm not naïve enough to think that a great idea will necessarily translate into a great business. But what I saw in

Dylan and Chris was more than enough intelligence, talent, experience, and tenaciousness to make this idea work.

Flash forward to today.

Gone is the rinky-dink office in South Beach. Today our team has grown to include some of the best minds in the business, our new office bustles with purpose, our business is thriving, and The Tycoon Report is being read by 100,000 investors every day.

We're actually helping people. It feels great to say that. Dylan, Chris, Wayne, Teeka and Jason forward me success stories they receive from their readers every day.

But for every investor who's making better decisions with their money because of their relationship with us, there are a thousand more who've never read The Tycoon Report. For every current reader who gets exactly what he or she is looking for in our Monday-Friday issues, there's another one who wants something more.

That is why I decided to take on this new role. I'll say it again:

We won't rest until The Tycoon Report is the single most valuable piece of finance and investing information you read every day.

But again, we need your help. So please, remember to e-mail me directly if you have an idea to make this newsletter better. Also remember to click the "Rate this Article" links when you have questions or thoughts for our experts.



Ben Schott
Chief Investment Officer

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Tuesday, March 20

8:30 - Housing Starts: Concensus 1440k, Building Permits: Concensus 1560k

Big Picture: Housing starts have fallen 38% from the 33-year high of January 2006. As mortgage rates rose, underlying demand and speculative investment faded. As sales declined, inventory grew and strong price growth turned to declines. The correction for the inflated housing market was expected (and needed), but with a more gradual decline. Fixed long term mortgage rates are now in the low 6%'s, and downward price pressure on homes leave sales finding some stability as a return to positive construction waits for the huge supply of unsold homes to be thinned. The National Association of Realtors expects the bottom in housing starts in Q1 2007.

Thursday, March 22

8:30 - Initial Claims: Concensus 325k

Big Picture: Initial claims broke above the remarkably tight range held in the 4-week average (306K-318K) over the holiday period as the new year brought an 11-month low in January and a spike to 359K in February.

The recent levels suggest some loosening in the labor markets as the 4-week average has reached a 16-month high. Continued claims are on an upswing as well, with the weekly level at a 14-month high. Initial claims provide a nearly real time read on the labor market.

10:00 - Leading Indicators: Consensus -0.3%

Big Picture: Six monthly declines in 2006 reflect the weaker economy in late 2006 as the 6-month growth fell to a -0.8% low in July, but has now returned to the black. Over the last 16 years, the index correctly signaled the 1990 and 2001 recessions, while providing a false signal during the 1995 soft-landing. The recession alarms go off when the cumulative 6-month decline exceeds -1% amid a string of three or more consecutive monthly declines. No recession warning bells yet.

Friday, March 23

10:00 - Existing Home Sales: Consensus 6.35M

Big Picture: Higher mortgage rates and reduced demand have severely softened the housing market after the record high of June 2005 resales. 30-yr mortgage rates reached a 6.8% high in June 2006 and have fallen off considerably since, but the huge amount of unsold inventory reached a decade high in October and will continue to steer the yoy decline in prices. The downward trend appears to be stabilizing after a severe correction, which followed years of record growth. Falling long term mortgage rates, lower prices, and improving employment and income growth provide support and suggest a bottom is now forming. Annual price growth has been in decline since August. Existing sales include condos/co-ops, which make up about 1/8 of the total.

Source: www.briefing.com