

## BUSINESS NEWS/INTEREST RATE

UPDATE #488

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# TOP SELLING CHRISTMAS GIFTS, EVER

2010: Apple iPad: It's the first of its kind - a slim tablet that lets you seamlessly glide between movies, music, browsing the web, and Street Fighter beat-downs. With Wi-Fi and 3G, everything from racing simulators to magazines are just a touch away.

2009: Nook eReader (Barnes & Noble): We had a classic consumer showdown on our hands this holiday season: B&N's e-book has a second screen while Amazon's Kindle has just one; throw in its Wi-Fi and the Nook seemed set for a Christmas KO.

2008: Elmo Live (Fisher Price): Children can't really resist a "truly lifelike creation" that seems "to actually be speaking as his mouth opens," can they? But wait! The red monster also "waves his arms, sits and stands, even crosses his legs with just a tickle or a squeeze."

2007: iPod Touch (Apple): The first touchscreen and Web-enabled iPod went from annual fanboy fantasy to national must-have, largely because it came at a fraction of the iPhone's price tag. Christmas? There's an app for that.

2006: Playstation 3 (Sony): Sony's response to Microsoft's Xbox 360 had a North American launch inspiring such anticipation that pre-sale units hit \$3,000 on eBay (retail topped out at \$599), while mothers and mouth-breathers alike camped out for days to buy one in person.

2005: Xbox 360 (Microsoft): Beating Sony to the punch? Check. Internet connectivity for Halo tournaments stretching from nerds in Taiwan to schoolchildren in Toledo? You got it. Enough supply to meet holiday demand? Not so much. Frenzy ensued.

2004: RoboSapiens (WowWee): What's a RoboSapien, you ask? Why a remote-control, fourteen-inch-tall humanoid capable of performing sixty-seven preprogrammed actions and movements, including (but by no means limited to) break dancing, farting, and belching, of course!

2002-2003: Beyblades (Hasbro): In a classic demonstration of the power of synergy, Hasbro released these customizable "fighting" spin-tops in Japan simultaneously with a hit cartoon. World domination followed.

2001: Bratz (MGA Entertainment): Ah, Cloe, Jade, Sasha, and Yasmin. They're the original quartet of ten-inch "teenagers distinguished by large

heads and skinny bodies." While their June 2001 launch proved disappointing, by Christmas they were well on their way to billions.

2000: Razor Scooters (Razor USA): This was the year we decided we didn't want to drive... or walk. What to do? Dodge children in the streets! The original Razor also won Toy of the Year for establishing itself as a "classic mode of transportation, like bikes and skateboards."

1999: Pokemon (Nintendo): With the Japanese cartoon a sensation, kids demanded more, and the video-game series came to rival even the Mario titles in popularity, inspiring South Park to parody the whole phenomenon

1998: Furby (Tiger Electronics): Who wouldn't want a furry robot that can talk and blink its eyes? Indeed, who wouldn't want one so badly that they'd be willing to pay a huge markup? After retailing for \$35, Furbies skyrocketed to \$100, not to mention "collector's items" like "tuxedo Furby" and "biker Furby."

1997: Tamagotchi (Bandai): Housed in an egg-shaped computer, these digital pets required feeding and poo-cleaning, but the hard work paid off with the occasionally redeeming happiness monitor. Deeply creepy stuff, but apparently very popular: seventy million Tamagotchis have been sold.

1996: Tickle Me Elmo (Tyco): "When squeezed, Elmo would chortle. When squeezed three times in a row, Elmo would begin to shake and laugh hysterically." Needless to say, this was something Sesame Street watchers everywhere needed to have. And they needed to have it now.

1995: Beanie Babies (Ty Inc.): First conquering Chicago and then spreading all over this plush nation, Legs the Frog, Squealer the Pig, Spot the Dog, Flash the Dolphin, Splash the Whale, Chocolate the Moose, Patti the Platypus, and dozens of other \$5 bean-bag creatures with pun-tastic names.

1993-1994: Mighty Morphin Power Rangers (Bandai): Five racially diverse teenagers with superpowers fought evil aliens for a TV smash, and so came a line of toys featuring the Rangers and their "Zords" - you know, giant robotic dinosaurs they used to combat aforementioned evil aliens. Duh.

1992: Barney Talking Doll (Playskool): Barney & Friends was aimed at a younger crowd that somehow found it irresistible to watch a man in a dinosaur suit sing some of the most mawkish songs ever. This talking doll brought the tunes all day long. Needless to say, parents were thrilled.

1991: POG (World POG Federation, Others): It may have the least likely origin of any Christmas-season smash: a milk-cap game played during breaks by Hawaiian dairy workers. A two-person contest involving a flimsy disc and a slammer, POGs gave kids the chance to, well, take their friend's

Christmas present supply away in minutes.

1990: Teenage Mutant Ninja Turtles (Bandai): The action figures and video games were so popular they got kids to learn about Renaissance painters - or learn their names, at least. Adolescent abnormal reptiles Leonardo, Raphael, Donatello, and Michelangelo discovered the ancient art of Ninjutsu from a giant talking rat to fight ninjas while eating pizza. Cowabunga, dude.

1989: GameBoy (Nintendo): The first eight-bit handheld videogame system to utilize cartridges, GameBoy went anywhere and didn't force you to play the same damn game over and over again.

1985: Care Bears (American Greetings/Kenner): The rare successful line of toys inspired by greeting cards - really - these plush teddy bears didn't become a smash until their TV show offered children a glimpse of life in the Kingdom of Caring.

1984: The Transformers (Hasbro): Without them, we might never have discovered Megan Fox. Or how to turn plastic robots into cars, planes, tape recorders, insects, and dinosaurs. Transformative, indeed.

1983: Cabbage Patch Kids (Caleco): Here's how their Web site puts it: "One day, a young boy named Xavier Roberts wandered into a magic cabbage patch hidden behind a beautiful waterfall. He discovered busy little Bunnybees sprinkling cabbages with magic crystals. Suddenly, all sorts of different kids and babies peeked out of the cabbages!"

1982: BMX Bikes (Schwinn Sting-Ray, Others): They didn't emerge out of nowhere, but with the establishment of the International BMX Federation in April 1981 and its first championships a year later, suddenly every kid wanted to be D.D. Leone (what, don't know your bike-racing icons?).

1981: The Smurfs (Schleich): After twenty-four years in Belgium, Les Schtroumpfs didn't connect here until the syndicated Hanna-Barbera cartoon in 1981. So America fell in love with blue creatures in white hats living in mushroom houses in the woods, the 300 hundred-million-sold kind of love.

1980: Rubik's Cube (Ideal Toys): 'Twas another Christmas delight from the other side of the Iron Curtain. A professor at Budapest's Academy of Applied Arts and Design, Erno Rubik often built geometric models. One of them (a 27-piece cube) started being marketed in Hungary in 1977 and by 1980 was frustrating millions of Americans.

1978: Hungry Hungry Hippos (Milton Bradley): Lizzie Hippo (the purple one), Henry Hippo (orange), Homer Hippo (green), and Harry Hippo (yellow) are all hungry for marbles! Four players face off to see whose hippo can eat the most marbles by such cunning strategies as... eh, just bang on the hippo

handle.

1977: Slime (Mattel): There's nothing kids (more specifically, boys) love more than something disgusting. And so slime was a surefire sensation - and continued to connect with Ghostbusters.

1975: The Pet Rock (Rock Bottom Productions): During the '70s, adman Gary Dahl had two revelations: 1) people want pets that don't need to be fed, cleaned, or tended to; 2) people are stupid. The Pet Rock was born. Its popularity was short, but it lasted long enough to make Dahl a millionaire.

1959: Barbie (Mattel): Good ideas are one thing, but it helps if you're married to the co-founder of Mattel. Inspired by a doll she saw on a trip to Germany, Ruth Handler created Barbara Millicent Roberts. And with the help of ads aimed at kids instead of their parents, billions of dollars followed.

1952: Mr. Potato Head (Hasbro): If the Irish Hunger of 1847 soured the world on the potato, George Lerner redeemed it in a big way. His Mr. Potato Head was the first toy advertised on television and, not coincidentally, sold a million kits in a year.

1943: The Slinky (Poof-Slinky): While marine engineer Richard James was devising a spring to hold shipboard marine torsion meters steady, one fell from his desk and proceeded to spring end over end across the floor. When stairs also proved no obstacle, toys stores came calling.

1936: Monopoly (Parker Brothers): Charles Darrow patented the real-estate adventure in 1935, and Hasbro claims that approximately 750 million people have partaken, making it the most played board game in the world - Guinness says so.

1930: Mickey and Minnie Mouse Handkerchiefs (Waldburger, Tanner & Company): The previous year had seen a Mickey writing tablet, but the handkerchiefs ensured that the mouse nearly named "Mortimer" would become so iconic that "Mickey Mouse" was used as a password for the Invasion of Normandy in 1944.

1929: Yo-Yos (Duncan): After hotel bellhop Pedro Flores attracted a crowd playing a traditional Filipino game with an object on a string during his lunch break, he started the Flores Yo-Yo Company. (Incidentally, "yo-yo" means "come-come" or "come back.")

<http://www.esquire.com/the-side/2010-holiday-gift-ideas/top-christmas-gifts-ever#fbIndex1>

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As a general update, the 30 year treasury index closed on Wednesday, December 14th, at 4.56%. (finance.yahoo.com). The November, 2010, average completed at 4.19% (21 data points). This number will comprise 20% of the 2011 rate for lump sum calculations. The Internal Revenue Service has issued new regulations on the new blended corporate rate. All three rates are used in the calculation for the various time horizons. The January, 2010, rates, including the 30 year treasury index, are 4.60%, 6.65%, and 6.76% respectively. The barrel price of crude oil futures, January, 2011 delivery, on the New York Mercantile Exchange rose \$.44 and is now quoted at \$88.72 (Wednesday, 13:49 EST).

If you know of another co-worker or associate who is interested in receiving these daily interest rate updates, especially #1 which describes how interest rates affect the lump sum (still applicable with PPA '06), please send me an email with their email address so I may add them to the list.

Howard is also a holder of the CRC (Certified Retirement Counselor) designation as well as the ATP (Accredited Tax Preparer) designation. He undertook the requirements for this education to better meet the needs of retirees.

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