
From the desk of Robert C. Arne, CFP | April 4th, 2026



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Carpe Diem Financial Newsletter

Good News from March

Good news is more challenging: may we applaud Trump for decapitating dictatorships others ignored and scaring allies into increasing spending. Seek good news with your neighbors and our new pump track!



People walk among the cherry blossom trees along the tidal basin on the National Mall, March 26, 2026, in Washington. (AP Photo/Tom Brenner, File)

Last Month Wrapped

Jump to the section you want to read first:

1. **[Stocks and the National Economy](#)**

Stock prices fell about six percent in March (more now) while the economy reels from gas prices up about a dollar.

2. **[Debt and the Dollar](#)**

Bond prices fell with higher yields as investors despair of rate cuts.

3. **[Santa Cruz County Mortgages and Housing](#)**

Realtor Dylan Linde reports on pump tracks in local parks.

4. **[Federal Government and Taxes](#)**

Trump calls for \$200 billion of war spending to negate market stimulus from tax cuts.

5. **[The Local Economy](#)**

California corruption continues in defiance of Trump corruption.

6. **[Reader Opinion and Poll Results](#)**

Readers comment on the economic effects of warfare and tax refunds.

March Financial Statistics

Index	27-Feb	31-Mar	March Changes
S&P 500	\$6,878	\$6,529	94.9%
US Dollar Index DX-Y NYB	97.7	99.69	102.0%
10 Year Treasuries	3.69%	4.30%	116.5%
30 Year Mortgages	5.81%	6.52%	112.2%
Gold	5184	4737	91.4%
<i>SLV Housing Inventory</i>	71	75	105.6%
SLV Days on Market	76	68	89.5%
SLV Avg Sales Price	\$823,000	817,000	99.3%

Financial statistics from Marketwatch, Yahoo Finance, Realtor.com and Ycharts:

Author's Comment on the Iran War

Baron Wiggle and the Bridge Troll

With the bridge wide open, Baron Wiggle assured the troll that he would not strike. Proclaiming “imminent threats”, he struck Troll’s glowing spear laboratory and knocked over a school in the process. “Unconditional surrender!” chortled Wiggle who claimed he had destroyed the glowing spear as Troll dusted it off. Troll hid his hurling stones in caves so nobody crossed his bridge. Chaos reigned the suffering planet. Baron Wiggle shot many more arrows as he claimed the fight was so close to ending that he needed buddies to make way across the bridge! “Not my problem,” claimed the oil Baron as he fondled metal representing someone else’s peace prize.

We are going to achieve our objectives in a matter of weeks, not months,” Secretary of State Marco Rubio told ABC News . Had we fought for liberty and democracy in Iran, the fight would be long but the end worthy—but Trump won’t fight for universal ideals and even Wilson’s internationalism ended in tragedy. Are we still fighting to destroy Iran’s military? Can we guarantee freed from attacks abroad or open the Straights? If Trump declares peace too soon, he burdens others to protect international shipping and the sanctity of life near Iran. But wars as lengthy as

Afghanistan's would brutalize the world. Ukraine and Taiwan suffer neglect as Russian oil grows valuable and China refines its nukes.

If Trump truly eliminated Iran's nuclear threat, short-term pain would be justified. But Iran sees his fear of launching boots onto the ground and abides time with radioactive materials and nuclear engineers in pockets. If the Houthi and Hezbollah disappeared, would the world be worse for it? With Israel relentless, terrorists rise from the dead. On gas prices Trump reassured true believers: "All I have to do is leave Iran, and we'll be doing that very soon, and they'll be come tumbling down." In the fog of war Trump gambles our personal finances.

— Robert C. Arne

1.

Stocks and the Economy:

Oil is up but gold, stocks and bonds are all down. Should we destroy missiles, navy, nukes or terrorist armies and when can we declare victory to go home? Closed straights and crashing missiles limit oil supply but not demand—raising prices on all goods transported with oil. AI stocks need energy to compete with carmakers and plane travelers, and gas prices rising a dollar just slow growth. Stocks fall when Trump threatens oil wars but rise when he speaks of better Iranian leaders.

2.

Debt and the Dollar:

Warfare and expanding government debt

Instability and deficit spending on war materials weaken the dollar which so far was strengthened as investors feared alternatives. Bond prices have fallen this month, pushing yields higher. Treasury yields have climbed as investors adjust expectations for inflation and fewer interest rate cuts. I expect gold to rise later when it competes less with adjustable-rate lending. Bond prices fell with higher yields as few expect interest rate cuts.

3.

Santa Cruz County Mortgages and Housing: Interest is rising again

Mortgage rates climbed after last month's fall so the war and Strait of Hormuz closing put off people's dreams yet again.

Local Realtor Dylan Linde's take on the current market:



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A new pump track is coming to Felton Covered Bridge County Park, bringing a major upgrade to the San Lorenzo Valley. Led by Santa Cruz Mountains Trail Stewardship in partnership with Santa Cruz County Parks, the project has an emphasis on youth recreation and outdoor enjoyment of the Santa Cruz Mountains.

So...what is a pump track?

A pump track is a looped riding course made up of "rollers" (small hills) and banked turns (berms) that allows bicycle, skateboard, and scooter riders to generate speed by "pumping" their body up and down rather than pedaling. The Felton track will be a roughly 10,000 square-foot paved loop designed for all ages and skill levels. It will replace an existing but underused volleyball court, turning the space into an active, fresh feature in the heart of downtown - right around the corner of Graham Hill and Mount Hermon roads.

The project is largely community-funded, with an estimated cost of around \$550,000. Once funding is complete, construction is expected to take only a few months. While the project has sparked some local debate, it has received approvals and continues moving forward. As of February the fundraising goal was just \$50k away. When completed, the Felton Pump Track should be a great community space for residents and visitors to ride, gather, and enjoy the outdoors.



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4.

Federal Government and Taxes:

More war means more taxes

Trump's Big Beautiful Bill did cut taxes for many Californians but his demand for \$200 billion in war spending will negate benefits and increase government debt payments.

5.

Local Economy:

California corruption?

I read both CNN on the left and Fox on the right for independent perspectives politicians fear. Fox reports that "We've seen millions in SNAP funds diverted by criminal rings in recent years. Millions more have been stolen by AI "ghost students"

enrolling in California community colleges and pocketing the cash. Most recently, we've seen billions in Medicaid funds go toward non-essential healthcare for illegal immigrants and hundreds of millions more down the drain for [fraudulent hospice schemes](#).”

6.

Reader opinions and poll responses

1. With the Strait of Hormuz closed and a war of indefinite length and contradictory promises, some of my investing clients are unsettled. Should investors:
 - A. Sell stocks and bonds to purchase bank CDs? No one said yes to weeping bankers!
 - B. Hold steady in stocks not matter what happens to the market? As Dewey said: “Damn the Torpedoes!”—69% Responded Yes
 - C. Worry all night and sell part of your stocks? No one worried that much.
 - D. Speculate in oil, defense and gold futures? 8% will take the risk.
 - E. Hedge bets not with CDs, but with emerging markets, REITs, High Yield bonds etc.? 23% responded yes including the planner.

2. How should Trump create a lasting peace and investor prosperity in the Middle East?
 - A. Proclaim victory and remove US forces attacking Iran? 54% of this crowd agreed. But what victory would he proclaim?
 - B. Conquer Iran for its oil and make it our colony? 8% would make it a colony, perhaps alongside Greenland and Canada?
 - C. Turn the conflict and Straits defense over to the UN or NATO? 15% agreed here and Trump recently swerved this direction.
 - D. With airmen or soldiers, bomb any missile or drone threatening shipping and take out any nuclear potential until finished? 23% agreed with this generalized victory strategy.
 - E. Ask China, Russia or Asian oil consumers to intervene?

3. With oil prices skyrocketing, should the US:
- A. Let the market decide prices and let CA buy the cheapest gas? 23% concur.
 - B. Ration gasoline as Nixon did in the 70's to lower prices? 8% agree.
 - C. Subsidize energy and food for the poor? 8% favor this solution.
 - D. Sell from our reserves to lower prices? 15% choose reserves.
 - E. Cut taxes and reduce regulations on US and Venezuelan oil to encourage production? 46% favor greater production. Trump said "Drill baby drill!"
4. 30-year Mortgages briefly dipped below 6% but went up with war. How low would rates (and payments) have to go to get you to refi, buy or take a reverse mortgage?
- A. I'm ready at 6%. No takers
 - B. Make that 5.5%. No takers
 - C. Only below 5% 36% might borrow here.
 - D. Get me to 4.5%. 18% budge here.
 - E. Only below 4%. 45% will wait for this low rate. Clearly rates must fall dramatically to entice the majority to mortgage!
5. What would you do with tax refunds this year?
- A. Gamble on Crypto? No takers in this crowd.
 - B. Pay down debts? 31% choose better solvency.
 - C. Invest in a Trump Account or 529 plan for children? No takers.
 - D. Increase retirement savings? 53% will save for retirement, increasing net worth.
 - E. Spend on living expenses? 15% choose household expenses.

DARYEL & JOAN HOOKEY said:

"The war of choice because trump "felt it in his bones" is a total sham. The real reason, as most thinking people know, is actually a war of distraction. The fingers of the whole, sordid Epstein affair go far beyond the fact that trump very likely is a pedophile and reach deep into the hidden crevices of the uber-rich who run the country."

“In those wars, it was always about the next rotation, never knowing when the mission would end or exactly what the mission was, year after year. Not with Epic Fury.” — Secretary of War Pete Hegseth

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