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MANAGING YOUR MONEY, WORK AND SUCCESS

Spending Well

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Talking Points

JIM WILSON FOR THE NEW YORK TIMES

A Golf Legend And Marketing Master

Arnold Palmer took advantage of his good name to earn an estimated $875 million from endorsements, licensing and other off-course ventures, according to Forbes. He even found a way to capitalize on the popular drink named for him — the Arnold Palmer, a mixture of iced tea and lemonade — in a deal with Arizona Beverages. "Last year we sold half a billion containers with Arnie's face on it," said Don Vultaggio, the Arizona founder. Though Arizona labels it "Half and Half," Mr. Palmer had his own preference for the mix: only one-quarter to one-third lemonade.

Small Step for the Poor

Last year, according to census data, three and a half million Americans climbed above the poverty line — income of $24,300 for a family of four in most states. Good news, but consider another number from the Census Bureau: There are still nearly half a million households in the United States that don't have hot and cold running water, a bathtub or shower, or a working flush toilet.

CHRIS CUMMINS FOR THE NEW YORK TIMES

Chipotle's Road to Recovery

After a string of illnesses among diners at its restaurants crippled Chipotle Mexican Grill, food safety has become a primary focus in rebuilding the business, including monitoring employees' health each day and improving procedures among its suppliers. Some sales have returned, but more slowly than investors expected. Shares have fallen 45 percent in the last year.

Looking Past the Weight

One in three Americans are obese, and their health needs are not always served well. Both patients and doctors say physicians are too quick to label a fat person's weight as the cause of medical problems, and research has shown that doctors may spend less time with obese people and fail to refer them for diagnostic tests.

Seeing Value in Cards With Fees

STRATEGIES
STACY COWLEY

Paying $450 annually for a credit card with lavish rewards has wide appeal.

TAMIR KALIFA FOR THE NEW YORK TIMES

DEAL HUNTER **Amber Cooney said her rewards card signup bonus, and careful planning of her spending patterns with the card, help her earn free vacations. Her points have paid for travel to Argentina and Paris. This year she'll visit Japan.**

Seldom does a new credit card go viral.

There are the unboxing videos posted on YouTube: People exulting in receiving the precious new metallic rectangle, lovingly unwrapping it, boasting to the world of their ownership of it. (One video features a cat ripping the package open.)

There are message boards and blogs dedicated to obsessing over it. It is so popular that JPMorgan Chase, the bank that issues the card, ran out of the engraved card's fancy metal stock in 10 days, and had to send a temporary plastic placeholder to disappointed customers.

But the Chase Sapphire Reserve card has intensified the arms race among large credit card issuers, which are introducing lavish rewards programs to capture affluent consumers who spend large sums on travel and recreation, but no longer want to be bound to one hotel or airline's affinity programs.

The price for these premium cards can seem outlandish: $450 a year. But for a growing number of customers, the math makes sense. Cards that were once more about elite service and social status are emphasizing their bottom-line value proposition — even when it comes with a hefty annual fee.

"American Express used to have a stranglehold on the high-end market, but folks like Chase and Citi are coming hard after their crown," said Matt Schulz, an analyst for CreditCards.com, a comparison site. "It's the best time in years to shop for a rewards card."

American Express's Platinum charge card pioneered the premium category, and was its undisputed champion. But in 2014, Citi overhauled its high-end Prestige credit card to take on the Platinum card with similar perks — free hotel stays, access to airport lounges, transferable points redeemable for airfares — as well as spending incentives to let customers cash in faster. It quickly became a favorite among cost-conscious road warriors. Chase started making plans early last year for its own entry into the market.

In late July, rumors began spreading on FlyerTalk, a popular message board, that Chase had a new card, with a 100,000-point sign-up bonus — twice the standard offer from its rivals. When an online link accidentally went live in August, people pounced.

"It significantly exceeded our expectations," said Amy Bonitatibus, a spokeswoman for Chase.

It has been a particular hit with millennials, who make up the majority of the cardholders, which is noteworthy because many millennials have shunned credit cards.

The card's rich sign-up bonus caught the eye of Amber Cooney, 29, who works for a nonprofit lender in Austin and is saving for a honeymoon next year in Italy and Croatia. She considers herself a casual credit card user, but she started paying attention to points and rewards when she realized that her spending patterns could net her free vacations if she planned carefully.

"Rewards cards made travel a reality for me," she said. "I went from seeing Niagara Falls and calling that my international travel to visiting four different countries." Her points have paid for airfare to Argentina and hotels in Paris; she plans to use her Chase card on a trip to Japan this year.

Ben Schlappig, 26, a travel blogger, plans to shift most of his spending to his Chase Sapphire Reserve. The card offers triple points on dining and travel spending, the two categories that consume nearly all of his budget.

Chase defines "travel" fairly flexibly, and includes services like Airbnb and Uber. "The card is almost too good to be true," said Mr. Schlappig, who writes the blog One Mile at a Time. "I think a lot of people are scared that some of the perks will be cut."

Ms. Bonitatibus insists that Chase has no current plans to make changes, but the general trend with loyalty and points programs is that card issuers are quick to ditch benefits that dig too deeply into their profits.

Citi Prestige customers grumbled this year when the card dropped its free access to American Airlines' Admirals Club lounges, a perk that had disappeared two years earlier from American Express's Platinum card. With credit card companies adjusting the perk programs so often, the value of each issuers' reward miles and points changes frequently. One travel blogger, The Points Guy, posts monthly calculations of what he considers each card's benefits to be worth.

The major issuers say that demand for their premium cards is rising. The number of Citi Prestige cardholders increased sixfold in the last 18 months, according to a company spokeswoman, and American Express says that its Platinum card membership is "large, growing and loyal."

The premium cards' gains may come at the expense of the more traditional airline, retail and hotel cards issued by banks. Around 43 percent of adult Americans had at least one affinity credit card last year, a decrease from the 55 percent who carried one in 2009, according to Packaged Facts.

David Robertson of The Nilson Report, which follows the credit card industry, said, "If you look at the behavior of millennials, it's clear they're not going to commit to a relationship with one credit card, or brand, the way their parents did."

From Free to Fees

Premium cards have perks like free hotels, lounge access and points redeemable for airfares.

1.2 billion
The number of direct-mail credit card solicitations that Americans received in the second quarter of 2016.

19%
The percentage of such credit card solicitations that were for fee-carrying rewards cards, a record proportion.

43%
The percentage of adult Americans who had at least one affinity credit card in 2015, down from 55% in 2009.

'Trust Your Gut' May Be Sound Trading Advice, Study Finds

STRATEGIES
DAVID GELLES

DREW ANGERER/GETTY IMAGES

STRESS SIGNALS **A study suggested that high-frequency traders who were more in tune with their bodies made more profitable trades and had longer careers.**

What attributes make for a successful trader? Is it comprehensive knowledge of an industry? The ability to read the markets? Luck? Or might it be something subtler and seemingly unrelated — namely, an awareness of one's own heartbeat?

In a study published last month in the journal Scientific Reports, a group of researchers suggests that high-frequency traders who were sensitive to their own bodies routinely made more profitable trades, and had longer careers.

The team, which included professors from universities in Britain and Australia, was investigating a theory developed by John Coates, a former trader who until recently was a researcher at Cambridge University.

Mr. Coates set out to try to identify whether "gut feelings" were merely the stuff of myth, or something real and measurable.

"I always knew when I was trading on Wall Street that there was something extra to making it," he said. "There were times when something just felt right."

In his 2013 book, "The Hour Between Dog and Wolf: How Risk Taking Transforms Us, Body and Mind," Mr. Coates tells how George Soros, the hedge fund billionaire, relied on so-called animal instincts. Mr. Soros would have backaches, and "used the onset of acute pain as a signal that there was something wrong in my portfolio."

Building off that work, Mr. Coates wondered whether traders who were more sensitive to their own bodies might perform better at their jobs. To investigate his hypothesis, Mr. Coates and his colleagues worked with 18 traders at a hedge fund in London in 2012. The subjects, all men, were high-frequency traders, buying and selling bond futures and other products.

Using heart rate monitoring equipment, Mr. Coates and his colleagues assessed the traders' ability to silently count their own heartbeats without touching their chest or any pulse point. A control group of 48 men who were not traders was also tested for their ability to monitor their heart rates.

Over all, the hedge fund employees were substantially more accurate than the control group, suggesting the high-frequency traders were more attuned to their own bodies than the public.

Among the traders, more accurate heartbeat awareness was correlated with profitability. That is, the better a trader was at sensing his own heart rate, the more successful he was at trading. What is more, the longer an employee of the hedge fund had been working as a trader, the more accurate he was at counting his heart rate.

In the paper, Mr. Coates and his colleagues suggest that acute awareness of heart rate might somehow contribute to traders' profitability.

"Traders in the financial world often speak of the importance of gut feelings for choosing profitable trades," the authors wrote. "By this they mean that subtle physiological changes in their bodies provide cues helping them rapidly select from a range of possible trades the one that just 'feels right.' Our findings suggest that the gut feelings informing this decision are more than the mythical entities of financial lore — they are real physiological signals, valuable ones at that."

Yet the researchers stop short of establishing any direct causal link between heart rate awareness and trader profitability. "Our study, being field work, could not establish causation," they wrote.

Yet he remained intrigued by the possibility that when traders and other employees in high-stress professions were able to listen to their bodies, they made better decisions. He said that in addition to the pulse, other signals from the body such as muscle tension, colon distention, stomach distention and immune reactions might be picking up on things that the rational mind was missing.

"There's a part of our brain that sends the signals to our body, and it's really smart," Mr. Coates said. "It doesn't succumb to the mistakes of behavioral finance."