

WEEKLY MARKET COMMENTARY

For the Week of Feb. 15, 2016

THE MARKETS

Wall Street rebounded preceding the three-day holiday weekend. Despite Friday's rally, all three indexes posted losses for the week, thanks to the earlier selloff. Markets were closed Monday in observation of the Presidents' Day holiday. For the week, the Dow fell 1.23 percent to close at 15,925.00. The S&P lost 0.72 percent to finish at 1,860.00, and the NASDAQ dropped 0.59 percent to end the week at 4,015.25.

Returns Through 02/12/16	1 Week	YTD	1 Year	3 Year	5 Year
Dow Jones Industrials (TR)	-1.23	-7.99	-8.90	7.06	8.13
NASDAQ Composite (PR)	-0.59	-13.38	-10.71	10.83	9.07
S&P 500 (TR)	-0.72	-8.51	-8.79	9.35	9.32
Barclays US Agg Bond (TR)	0.16	1.78	1.36	2.28	3.80
MSCI EAFE (TR)	-4.72	-12.95	-16.02	-1.31	-0.04

Source: Morningstar.com. *Past performance is no guarantee of future results. Indexes are unmanaged and cannot be invested into directly. Three- and five-year returns are annualized. The Dow Jones Industrials, MSCI EAFE, Barclays US Agg Bond and S&P, excluding "1 Week" returns, are based on total return, which is a reflection of return to an investor by reinvesting dividends after the deduction of withholding tax. The NASDAQ is based on price return, which is the capital appreciation of the portfolio, excluding income generated by the assets in the portfolio in the form of interest and dividends. (TR) indicates total return. (PR) indicates price return. MSCI EAFE returns stated in U.S. dollars.

Taxes — The top 10 percent of taxpayers in 2013 earned at least \$127,695 in adjusted gross income (AGI), reported 45.87 percent of all AGI nationwide and paid 69.80 percent of all federal income tax (source: Internal Revenue Service, BTN Research).

Was the Best — The top performing individual stock within the S&P 500 in calendar year 2015 gained 134 percent. That same stock fell 20 percent in January 2016 (source: BTN Research).

Strength of the Dollar — The U.S. dollar gained 26.6 percent against the Euro from 2014-2015. A stronger dollar not only impacts the sale of U.S. products abroad (as more of the weaker foreign currency is needed to complete the purchase) but also translates into smaller profits for American multinational companies when their foreign sales are converted back into pricier dollars. Foreign sales account for 46.3 percent of the revenues of the average S&P 500 company (source: BTN Research).

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WEEKLY FOCUS – Long-Term Care Alternatives for Boomers

With their sheer numbers and unique approach to life, baby boomers have forever changed the landscape of the country. Experts predict they will continue to have a dramatic impact going forward as they face the challenges of increased medical needs and concerns over long-term care.

Certainly, changes will be required. The country's medical workforce is already stretched, and the shortage is expected to worsen. The costs of long-term care are steadily escalating, and many boomers don't have adequate savings or insurance to cover them. Even those that do don't view life in a nursing home in a positive light.

Thankfully, there are some bright spots on the horizon. Advances in technology may reduce pressures on medical professionals and offer additional options for seniors. Virtual and e-health medical care is growing in popularity. We now have software that monitors vital signs and tells patients when to take medications. There is an app that allows seniors to let caregivers know what they ate, what medications they took and how they are feeling. Traditional emergency-response services enable users to easily call for help; others employ activity sensors in seniors' homes, sending an alert whenever typical actions are not taken. Two-way video conversations can replace some health aid home visits.

A substantial number of older Americans is able to avoid or delay long-term care by living with other family members. In response to this growing need, new home plans frequently include mother-in-law suites or two master suites.

Area Agency on Aging offices offer a variety of services in the home and community to help seniors retain their independence, including meal delivery, recreational activities, transportation, housekeeping help, senior companions and even assistance with minor home repairs. As boomers age, this assistance will undoubtedly increase to meet growing demands.

While it's great to have an optimistic outlook and hope you never need long-term care, it's always best to plan for the unplanned. I would be happy to meet with you to review your plan for long-term care and discuss changes you might consider to better prepare for retirement.



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* The Standard & Poor's 500 (S&P 500) is an unmanaged group of securities considered to be representative of the stock market in general. The Dow Jones Industrial Average is a price-weighted index of 30 actively traded blue-chip stocks. NASDAQ Composite Index is an unmanaged, market-weighted index of all over-the-counter common stocks traded on the National Association of Securities Dealers Automated Quotation System. The Morgan Stanley Capital International Europe, Australia and Far East Index (MSCI EAFE Index) is a widely recognized benchmark of non-U.S. stock markets. It is an unmanaged index composed of a sample of companies representative of the market structure of 20 European and Pacific Basin countries and includes reinvestment of all dividends. Barclays Capital Aggregate Bond Index is an unmanaged index comprised of U.S. investment-grade, fixed-rate bond market securities, including government, government agency, corporate and mortgage-backed securities between one and 10 years. Written by Securities America. SAI# 1420247.1