

# WEEKLY MARKET COMMENTARY

For the Week of March 31, 2014

## THE MARKETS

U.S. stocks ended up on Friday but off for the week following a selloff in the biotechnology sector. Low consumer sentiment in March also weighed on the markets. The NASDAQ fell nearly 3 percent for the week, marking its worst week since October 2012. For the week, the Dow rose 0.12 percent to close at 16,323.06. The S&P lost 0.44 percent to finish at 1,857.62 and the NASDAQ dropped 2.83 percent to end the week at 4,155.76.

Returns Through 03/28/14	1 Week	YTD	1 Year	3 Year	5 Year
Dow Jones Industrials (TR)	0.12	-0.97	14.71	13.12	19.14
NASDAQ Composite (PR)	-2.83	-0.50	27.18	15.03	21.88
S&P 500 (TR)	-0.44	1.00	20.89	14.82	20.43
Barclays US Agg Bond (TR)	0.26	1.87	-0.07	3.77	4.85
MSCI EAFE (TR)	2.11	0.05	16.83	7.30	15.29

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.

**Imagined More** — Forty-three percent of Baby Boomers surveyed in November 2013 (both employed and retired) described their present financial situation to be "worse than expected" (source: AARP, BTN Research).

**A Majority But Not All** — Medicare pays for 60 percent of the average healthcare costs for an American senior (source: American Journal of Law & Medicine, BTN Research).

**Double-Digit** — The average interest rate nationwide on a 30-year fixed rate mortgage was at least 10 percent for the 12 consecutive years of 1979-1990. The average rate is 4.32 percent today (source: Freddie Mac, BTN Research).

## WEEKLY FOCUS – Planning for Aging Parents

Watching a parent becoming increasingly dependent on others for the normal activities of daily life can be difficult. It can be even harder for the parent to admit needing help. Creating a plan for how you, your parent, your family and your parent's medical professionals will handle that possible scenario can alleviate misunderstanding and confusion when a crisis arises. Here are five tips to prepare for your parent's aging:

1. Pick a point of contact. One sibling or other close relative should be in charge of communicating with doctors. This person should have a health care power of attorney for the parent.
2. Find a family-friendly primary doctor. An elderly parent may receive care from multiple specialists. With your parent, decide on one doctor to be the primary medical resource. Make sure reports from specialists are sent to the primary doctor. If you are caring for your parent from a distance, consider asking your doctor if he or she is willing to communicate via email.
3. Create a central storage place for vital documents, including medical records, Social Security number and health insurance policy information. In an emergency, you don't want to be digging through decades of files to find what you need. Hard copies should be duplicated and stored in at least two fire- and water-proof locations. Digital imaging and storage services offer a convenient place to access files remotely.
4. Talk to your parent about long-term care insurance. Nursing home costs continue to rise faster than inflation and can quickly deplete your parent's savings. If your parent is healthy enough to qualify, paying the premiums yourself can help safe-guard your savings from your parent's health-care expenses in the future.
5. Discuss finances. The point-of-contact relative, or another relative equipped to deal with financial matters, should have a financial power of attorney. This person should know the location of key accounts and policies, and the names and phone numbers for key advisors.

A final word of advice: Don't make promises you can't keep. A parent who resists help can use emotional leverage to extract promises you'll later find difficult to keep – like withholding information from other family members or vowing not to place the parent in a nursing facility. Discussing such issues ahead of time can help you and your family avoid these situations. If you would like help in creating a plan for caring for an aging parent, contact our office.



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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#892408