

WEEKLY MARKET COMMENTARY

For the Week of April 28, 2014

THE MARKETS

U.S. stocks fell on Friday after the release of disappointing earnings reports by multiple large companies, including Amazon and Ford Motor Company. Investors also continue to remain on edge over possible escalating tensions between Russia and Ukraine. For the week, the Dow fell 0.26 percent to close at 16,361.46. The S&P lost 0.06 percent to finish at 1,863.40 and the NASDAQ dropped 0.49 percent to end the week at 4,075.56.

| Returns Through 04/25/14 | 1 Week | YTD | 1 Year | 3 Year | 5 Year |
|----------------------------|--------|-------|--------|--------|--------|
| Dow Jones Industrials (TR) | -0.26 | -0.62 | 13.99 | 12.34 | 18.27 |
| NASDAQ Composite (PR) | -0.49 | -2.42 | 23.88 | 12.98 | 19.19 |
| S&P 500 (TR) | -0.06 | 1.43 | 20.05 | 14.21 | 19.06 |
| Barclays US Agg Bond (TR) | 0.36 | 2.58 | -0.22 | 3.71 | 4.88 |
| MSCI EAFE (TR) | 0.29 | 1.18 | 14.09 | 6.29 | 13.80 |

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.

Impact Of Low Inflation? — Inflation (as measured by the Consumer Price Index) advanced by 1.51 percent on a year-over-over basis as of March 31, 2014. There has been only five calendar years in the past 50 years (1964-2013) when the rate of inflation was lower than 1.51 percent (source: Department of Labor, BTN Research).

Can't Live That Long — Fifty-six percent of more than 1,500 Americans at least age 25 believe that they are not on a financial track that would allow them to live a comfortable lifestyle through age 85 (source: Northwestern Mutual Planning and Progress Study, BTN Research).

Banking Business — There has not been a bank failure in the U.S. since Feb. 28, 2014, a stretch of 52 days as of April 21, 2014. Only five banks have failed YTD. On July 20, 2012, five U.S. banks failed in a single day (source: Federal Deposit Insurance Corporation, BTN Research).

WEEKLY FOCUS – Trusts Can Help Your Legacy Live On

Discussing death is never a pleasant aspect of financial planning, but it's certainly one of the most important. While no one likes to discuss his or her own mortality, many of us wonder how we'll be remembered. Perhaps you want your legacy to live on through the work of a charity, or maybe you'd rather bypass the probate that is associated with a will. Whatever the reason, a trust may be an option for you to consider.

Trusts, simply put, are a way for you to transfer your assets and property into one legal entity. One of the biggest benefits to a trust is that when properly established, you can avoid probate court and legal costs associated with a will. A trust gives you greater protection than a will against legal action from anyone who is unhappy with the distribution of assets and decides to challenge it. Also, a will is a matter of public record, while a trust, when established properly, is not.

There are many important uses of trusts. Trusts can minimize possible conflict between heirs when an estate is being settled; set out in detail how assets are distributed to beneficiaries; who inherits property, as well as who has the right to use it and under what conditions; and how and when money is disbursed for children or grandchildren's educational expenses. A charitable trust is a popular way to transfer assets such as money, real estate or art to a charitable trust, and designate that they eventually be given to a specific organization. Trusts can also help you manage your affairs if you become unable to do so. Many people set up trusts to prepare for the possibility that they may become disabled or ill before their death, and thus unable to manage their assets properly.

Aside from a will, trusts provide additional options for making certain that your legacy lives on. Trusts can help you manage your property and assets and can make sure they are distributed after your death according to your wishes. We can work with you and your estate planning attorney to create a comprehensive financial plan that addresses your specific needs. Call our office today to schedule an appointment.



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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#912581