

WEEKLY MARKET COMMENTARY

For the Week of June 9, 2014

THE MARKETS

U.S. stocks closed at record highs on Friday on U.S. jobs creation data. The U.S. non-farm payrolls report showed the economy recouped 8.7 million jobs lost during the recession, adding just under 217,000 jobs in May. The unemployment rate is currently at 6.3 percent. For the week, the Dow rose 1.28 percent to close at 16,924.28. The S&P gained 1.40 percent to finish at 1,949.44 and the NASDAQ climbed 1.86 percent to end the week at 4,321.40.

Returns Through 06/06/14	1 Week	YTD	1 Year	3 Year	5 Year
Dow Jones Industrials (TR)	1.28	3.22	15.24	14.83	17.12
NASDAQ Composite (PR)	1.86	3.47	26.21	16.94	18.50
S&P 500 (TR)	1.40	6.44	22.68	17.41	18.18
Barclays US Agg Bond (TR)	-0.51	3.34	2.13	3.32	5.13
MSCI EAFE (TR)	0.90	4.71	21.38	8.30	11.52

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.

Compared To The Biggest – The largest year-over-year increase (up 23.7 percent) in the Consumer Price Index (CPI) took place over the 12 months from June 1919 to June 1920. Over the most recent 12-month period (April 30, 2013, to April 30, 2014), the CPI was up 2 percent (source: Department of Labor, BTN Research).

Who Will Support These Folks? – During calendar year 2014, 277,000 American seniors will turn age 65 each month (source: Government Accountability Office, BTN Research).

Good For The Real Estate Industry – The average nationwide interest rate on a 30-year fixed rate mortgage dropped to 4.12 percent on May 29, 2014, its lowest level in 2014 and the lowest the rate has been since Oct. 31, 2013 (source: Fannie Mae, BTN Research).

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WEEKLY FOCUS – Re-evaluating Your Personal Risks

Infamous insurance giant Lloyd's of London has issued some of the world's most unusual insurance policies, including 1940s Hollywood pin-up Betty Grable's famous legs at a reported \$1 million each. Another policy written by Lloyd's was for Rock and Roll Hall of Famer Bruce Springsteen who, worried about how his career may be affected by future illnesses, insured his famous gravelly voice for \$6 million.

While you may not have legs like Betty Grable and your income may not hinge on a voice like Springsteen's, an important part of making financial decisions is evaluating your risks. For most of us, that includes the risk of losing our ability to earn income because of illness or disability; the risk of losing property through disaster or theft; the risk of being held responsible for someone else's loss; and the risk of significant health care expenses.

For your personal situation, however, those may not be the only risks to your financial security. If you have valuables in your home such as art, collectibles or a wine collection, you may need to purchase additional insurance to cover their destruction or theft. If you operate a business from your home, you may need additional insurance to cover the chance of a customer having an accident there. If you have a breed of dog considered overly large or potentially dangerous, you may want insurance to cover the risk the pet hurts someone. Depending on your relationship with said dog, you may want to purchase insurance to cover its health, life and disability as well.

We're entering the crush of summer weddings, many of which will be held outdoors. In addition to insuring ceremonies against the vagaries of the weather, you can also insure against loss or damage to items like the bridal gown or rings, and against the failure of a vendor to provide services, including photographers and caterers. Similar coverage can be purchased for other large events, such as bar or bat mitzvahs or quinceaneras.

Your risks will change as your life changes. What has changed in your life to add or remove risks to your financial well being? Call our office for a comprehensive review that includes identifying potential risks and evaluating how to protect against them.



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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#942617