

# WEEKLY MARKET COMMENTARY

For the Week of June 22, 2015

## THE MARKETS

Stocks fell Friday amid uncertainty over today's meeting between Greece and its international creditors. Indexes were up for the week despite Friday's drop. For the week, the Dow rose 0.66 percent to close at 18,014.28. The S&P gained 0.78 percent to finish at 2,109.76 and the NASDAQ climbed 1.30 percent to end the week at 5,117.00.

Returns Through 06/19/15	1 Week	YTD	1 Year	3 Year	5 Year
Dow Jones Industrials (TR)	0.66	2.27	8.99	14.75	14.39
NASDAQ Composite (PR)	1.30	8.04	17.38	20.43	17.24
S&P 500 (TR)	0.78	3.48	9.89	18.32	15.98
Barclays US Agg Bond (TR)	0.50	0.18	2.71	1.94	3.60
MSCI EAFE (TR)	-0.40	7.78	-3.13	13.40	8.89

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.

**Help Wanted** — There were 5.376 million job openings in the U.S. as of April 30, 2015, the highest number recorded for this statistic going back to its December 2000 inception (source: Department of Labor, BTN Research).

**Which Are You?** — Forty-six percent of nearly 5,500 adults surveyed in January 2015 have "more savings than debt" compared to 31% of the group that have "more debt than savings." The remaining 23% of those surveyed have savings "roughly equal" to debt (source: Northwestern Mutual Planning and Progress Study 2015, BTN Research).

**Lunch for Four** — The winning bid to have lunch this year with billionaire Warren Buffett, the world's 3rd wealthiest person (worth \$73 billion), was \$2.3 million, down from 2012's record of \$3.46 million. Buffett lives in a house in Omaha, Neb., that he purchased in 1958 for \$31,500 (source: Forbes, BTN Research).

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## WEEKLY FOCUS – Buying or Renting the Next Nest

If you're an empty nester preparing to downsize, you may want to take a close look at the financial and emotional pros and cons of buying or renting your next home. Before the last decade's housing crisis, home ownership was generally considered a reliable investment that increased over time. Today, appreciation is less certain. And if viewed from a purely financial perspective, any possible gains must be weighed against returns that might be achieved if your home's equity was allocated to alternate investments.

If you invest the proceeds from your present home's sale in the markets and take out a mortgage on your next home, buying will probably cost more than renting. But even a mortgage-free home incurs considerable costs; closing fees, regular maintenance and capital improvements quickly add up. And while you can't predict the cost of future rent payments, you also don't know what future property taxes will be.

At the same time, the decision to buy or rent involves more than financial considerations. There are countless lifestyle issues. When a career no longer dictates where you live, you can choose the climate, scenery and culture that appeals most to you. But suppose you buy a home in Arizona and later miss your home state. Or you realize you downsized too much. What if a health crisis creates a need to live close to family? Making another change is considerably easier if you are renting. You may also enjoy the freedom from home maintenance and worry less about a home you don't own while you're traveling.

On the other hand, home ownership may be emotionally important to you. There's the security of seeing a concrete investment that belongs to you. Perhaps you enjoy home repairs, yard work and decorating. Owning a home can offer the freedom to make it look and function the way you want it to.

Unsure of whether you would like to buy or rent for your golden years? We can help you identify what is most important to you and what makes the most sense for your financial situation.



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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#1232010.1