

WEEKLY MARKET COMMENTARY

For the Week of Sept. 2, 2013

THE MARKETS

U.S. stocks fell on Friday to record its steepest decline since May 2012 over uncertainty on how the country will respond to a poison gas attack used in Syria, and in anticipation of the long weekend ahead. Markets were closed on Monday in observation of Labor Day. For the week, the Dow fell 1.29 percent to close at 14,810.31. The S&P lost 1.79 percent to finish at 1,632.97 and the NASDAQ dropped 1.85 percent to end the week at 3,589.87.

Returns Through 08/30/13	1 Week	YTD	1 Year	3 Year	5 Year
Dow Jones Industrials (TR)	-1.29	15.02	16.13	16.99	8.13
NASDAQ Composite (PR)	-1.85	18.89	17.05	17.73	8.85
S&P 500 (TR)	-1.79	16.15	18.70	18.40	7.32
Barclays US Agg Bond (TR)	0.44	-2.81	-2.47	2.58	4.93
MSCI EAFE (TR)	-1.70	9.67	20.33	8.62	2.23

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.

I'm Bigger Than You – Outstanding student loans were \$994 billion as of June 30, 2013. Outstanding credit card debt was \$854 billion as of June 30, 2013 (source: Federal Reserve, BTN Research).

Large Stake In The U.S. – China and Japan each own more than \$1 trillion of U.S. treasury debt. No other country in the world owns more than \$250 billion of U.S. treasury debt (source: Treasury Department, BTN Research).

Paying On Time – Only 2.41 percent of credit card accounts were at least 30 days delinquent as of March 31, 2013, (approximately one in every 41 accounts), the lowest level nationwide since 1990 or 23 years ago (source: American Bankers Association, BTN Research).

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WEEKLY FOCUS – The Cost Of Caregiving

According to a new Pew Research Center survey released in June 2013, 39 percent of U.S. adults are caring for an adult or child with significant health issues. That is up from 30 percent of U.S. adults in 2010. With most demographic groups having a nearly four in 10 chance of caring for a loved one – especially adults ages 30 to 64 who are traditionally still in the workplace – the need to plan for this possibility is great.

The costs associated with being a caregiver averages \$19 an hour, according to a MetLife Mature Market Institute survey, which is why many family members take on the responsibility themselves instead of hiring a caregiver for their loved one. But becoming a caregiver, either part-time or full-time, can dramatically impact your finances. Even if the person you are caring for has sufficient income, becoming a caregiver could require you to reduce your work hours or quit working entirely. If the loved one requiring care does not have adequate income, you may need to help by covering expenses or taking that person into your home. If you were to find yourself caring for a spouse who was unexpectedly forced to stop working due to injury or illness, you may potentially have an entire household to care for without any income at all. Social Security, Medicare and Supplemental Security Income may provide some help, but qualifying can be difficult and complicated.

Many people mistakenly assume that Medicare or Medicaid will pay for nursing home care. Unless your family member is indigent, he or she won't qualify for Medicaid. Medicare, which covers retirees over age 65, covers only the highest level of nursing home care – skilled care, provided by trained medical personnel around the clock. And even then, the payments are limited. Long-term care insurance can provide coverage for nursing home and home health needs, but it must be in place before the insured needs those services. Social Security does provide income to permanently disabled individuals, but those payments rarely come close to replacing the wages or salary that person earned before becoming disabled.

Financial issues related to caring for a loved one can be complicated. You may have time to plan as a family member ages or a disease progresses, or you may not if an accident suddenly renders a loved one unable to work or live independently. Call our office today to discuss what you can do now to be financially prepared should you or a loved one need care.

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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#722148