

# WEEKLY MARKET COMMENTARY

For the Week of November 23, 2015

## THE MARKETS

Wall Street ended a solid week on Friday, with the S&P 500 closing its best week in almost a year and the Dow erasing its year-to-date loss. Investors appear to have made peace with December's anticipated rate hike, interpreting it as a sign of confidence in the economic recovery. For the week, the Dow rose 3.48 percent to close at 17,823.81. The S&P gained 3.34 percent to finish at 2,089.17, and the NASDAQ climbed 3.59 percent to end the week at 5,104.92.

Returns Through 11/20/15	1 Week	YTD	1 Year	3 Year	5 Year
Dow Jones Industrials (TR)	3.48	2.28	3.12	14.47	12.55
NASDAQ Composite (PR)	3.59	7.79	8.57	20.51	15.18
S&P 500 (TR)	3.34	3.40	3.94	17.05	14.13
Barclays US Agg Bond (TR)	0.15	0.68	1.48	1.50	3.09
MSCI EAFE (TR)	2.52	1.31	-0.86	8.10	4.48

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.

**Increase for Everyone** — Individual income taxes paid by American taxpayers to the IRS would have to increase by 28 percent to eliminate our \$439 billion deficit from fiscal year 2015 (source: Treasury Department, BTN Research).

**The Last Month** — Of the last 25 Decembers, 21 have produced a positive total return for the S&P 500. The average December performance since 1990 is a gain of 2.0 percent, the best of any month (source: BTN Research).

**Above Average** — The ongoing bull market for the S&P 500 is the 11th for the index since 1950 and has reached 6.7 years in length. The average length of all 11 bulls since 1950 is five years (source: BTN Research).

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## WEEKLY FOCUS – Preventing Holiday Overspending

Most of us follow some type of budget during our day-to-day lives. Fewer of us create a well-thought-out plan for our holiday spending. But with Black Friday and Cyber Monday coming up this weekend, it's important to have a strategy to prevent a spending whirlwind and post-holiday remorse.

First, make a list of the people you intend to buy gifts for. Consider trimming this list by dropping out of gift exchanges with co-workers or extended relatives. Talk to friends about planning a get together after the holidays instead of trading presents. Eliminate token gifts to people you're not really close to. Once your list is whittled down, assign a reasonable dollar amount for each person.

If you have children or grandchildren, you may need to communicate reasonable expectations. To redirect them to a less materialistic focus, involve them in providing a gift to someone less fortunate or create warm memories with inexpensive family activities. You might also consider buildable financial gifts like savings bonds. They may not seem as exciting as hot, new gadgets, but they'll undoubtedly be appreciated in the future.

Once you know your allowance for each person, create a list of potential gift items and start researching best prices. If you hate crowds, you may be able to purchase an item just before the big sale and get your credit card company to reimburse the cost difference. (Check your individual card's policy.) You'll need to send in your receipt, the ad and a claim form within a specified time period.

There are several things you can do to stay on target. Keep your list with you and update it frequently so you don't forget what you've purchased. Set aside a credit card specifically for gift purchases, and check your total online frequently. Or keep a spreadsheet to track purchases for each person. If you struggle with impulse buys, consider putting your total cash in an envelope and using only that cash for gifts; just be sure to keep it close to your body while out shopping. And make sure you hold on to your receipts.

With forethought and discipline, you can practice conscious gift giving and enjoy stress-free holidays. Having a goal and a plan for achieving it applies to many areas of your finances, from holiday spending to college funding and retirement planning. Call us for assistance when you need to create or update a budget plan for achieving a financial goal.



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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# 1359589.1