WEEKLY MARKET COMMENTARY

For the Week of Dec. 2, 2013

THE MARKETS

The NASDAQ reached a 13-year high following Friday's post-holiday close after a boost from the technology sector. The S&P 500 and the Dow dipped Friday, but both indexes still advanced to an eight-week winning streak. For the week, the Dow rose 0.20 percent to close at 16,086.41. The S&P gained 0.10 percent to finish at 1,805.81 and the NASDAQ climbed 1.71 percent to end the week at 4,059.89.

Returns Through 11/29/13	1 Week	YTD	1 Year	3 Year	5 Year
Dow Jones Industrials (TR)	0.20	25.65	26.63	16.50	15.91
NASDAQ Composite (PR)	1.71	34.46	34.87	17.57	21.46
S&P 500 (TR)	0.10	29.12	30.30	17.73	17.60
Barclays US Agg Bond (TR)	0.07	-1.47	-1.61	3.09	5.33
MSCI EAFE (TR)	0.83	20.97	24.84	10.46	13.42

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.

Improvement – As of Sept. 30, 2013, one out of every 10.3 home mortgages (9.8 percent) in the U.S. is either delinquent or is in the foreclosure process. As of Dec. 31, 2009, one out of every 6.7 home mortgages (15 percent) in the U.S. was either delinquent or was in the foreclosure process (source: Mortgage Bankers Association, BTN Research).

A Real Number – The nation's unemployment rate was 7.3 percent as of Oct. 31, 2013. Every half of 1 percent decrease in our nation's unemployment rate is equal to 774,000 Americans going back to work (source: Department of Labor, BTN Research).

What A Year – Eighty-eight of the 500 individual stocks in the S&P 500 (i.e., 18 percent of the 500 stocks in the index) have increased in value at least 50 percent YTD through the close of trading last Friday, Nov. 22, 2013 (source: BTN Research).

WEEKLY FOCUS – Consumers Going Back to Gift Cards

More than 80 percent of shoppers surveyed by the National Retail Federation (NRF) plan to buy at least one gift card during the holiday season. The group estimates that total spending on cards in November and December will reach $29.8 billion, up $1 billion from 2012. The NRF also estimates the average gift card amount will increase by 4 percent to $163.

In 2010, gift certificates, store gift cards and general-use prepaid cards began coming with some protection with restrictions on fees and expiration dates, thanks to the Credit Card Accountability, Responsibility and Disclosure Act of 2009. While the Credit CARD Act made gift cards more user friendly, the cards still carry the risk of being forgotten and not used during the first year or the issuer going out of business. For that reason, recipients should use the cards as soon as possible. More than $1 billion on gift cards still goes unredeemed annually, according to research from CEB TowerGroup.

In most states, money loaded onto a gift card is good for at least five years from the date the card was purchased, with any funds added to a gift card later also good for at least five years. Fees can be charged if you haven't used your card for at least one year, but restrictions apply to maintenance fees, inactivity fees for not using your card, usage fees or fees for adding money to your card.

To make sure you get the most for your money when purchasing a gift card, avoid gift cards that come with purchase fees or activations, such as general-use prepaid cards. Look for specials to pay below face value for your gift cards. Many restaurants offer specials such as buy $100 in gift cards, get another $25 gift card for free. Also, when using or gifting a card for use at businesses where gratuities are expected, such as restaurants or salons, be aware of something called "tip tolerance." Some businesses try to leave 20 percent of the card's value available for a tip, which can make your card not appear to have its full value. Gas stations, too, may pre-authorize $50-$75 when used at the pump, meaning if your card has a value less than that it may not work. It is best to "pre-pay" inside with the card for the exact amount, just to be certain.

Gift cards can be a great option when your loved one prefers cash or is difficult to buy for. They can also help the giver stick to a holiday gift budget. After all, any savings and investment plan depends on your commitment to a spending plan. Call us if you'd like to review your financial goals.

WEALTH HAPPENS.

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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#774332