WEEKLY MARKET COMMENTARY

For the Week of March 24, 2014

THE MARKETS

Stocks fell Friday on continued concerns over Russia's annexation of Crimea. Despite Friday's dip, the S&P 500 hit a record intra-day high and both the S&P 500 and the Dow posted their best weekly gains since mid-February. For the week, the Dow rose 1.48 percent to close at 16,302.70. The S&P gained 1.38 percent to finish at 1,866.40 and the NASDAQ climbed 0.74 percent to end the week at 4,276.79.

Returns Through 03/21/14	1 Week	YTD	1 Year	3 Year	5 Year
Dow Jones Industrials (TR)	1.48	-1.09	15.81	13.57	20.70
NASDAQ Composite (PR)	0.74	2.40	32.71	16.68	24.03
S&P 500 (TR)	1.38	1.45	23.32	15.34	21.99
Barclays US Agg Bond (TR)	-0.39	1.60	-0.13	3.54	4.82
MSCI EAFE (TR)	0.11	-2.02	13.83	7.10	15.49

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.

Recessions And Bears – Of the 11 recessions that have occurred in the past 66 years, eight have occurred in tandem with bear stock markets (i.e., at least a 20 percent decline in the S&P 500), including the past four recessions (source: National Bureau of Economic Research, BTN Research).

Coming Back – The average U.S. home has increased in value by 14 percent over the past two years, i.e., 2012-2013 (source: Office of Federal Housing Enterprise Oversight, BTN Research).

Time Is Running Out – The Affordable Care Act requires that an individual must purchase his or her health plan through a government exchange and be enrolled by March 31, 2014, to obtain subsidized coverage (source: Affordable Care Act, BTN Research).

WEEKLY FOCUS – Is 70 the New 65?

According to a Harris Poll for CareerBuilder conducted in late 2013, about 58 percent of workers 60 and older say they are currently delaying retirement, compared with a peak of 66 percent of people this age who were putting off retirement in 2010.

The biggest reason for delaying retirement was they felt they hadn't earned enough money to maintain their lifestyle in retirement (79 percent) while 61 percent said they still needed health insurance and other benefits. Other top ranking reasons included enjoy their jobs (49 percent), and being afraid that retirement will be boring (27 percent).

For the past decade or longer, we've been hearing "50 is the new 40" or "60 is the new 50" – pick your measurement – meaning that thanks to medical advances and improved health care, Americans are living longer and maintaining their activity levels later in life. With that increased longevity comes the concern of a longer retirement requiring more assets to sustain a quality of life. Consider that when Social Security was created and the full-retirement age set at 65 for a man, the average life span for men was *less* than 65 years.

Try as our nation might, the burden of stretching the Social Security dollars of today's workers across the growing needs of today's retirees has reached unsustainable levels. Faced with longer retirement, many Americans have stepped up their plans for saving – and for many those plans will increasingly include working longer than the traditional retirement age. And as unpopular as it might be, increasing the retirement age to 70 or even older remains one possibility for improving Social Security's viability.

Definitions of "working longer" span the spectrum, from remaining in the full-time career you've been in for decades to seeking perhaps a less stressful or more rewarding job in another field to working part-time or as a consultant to add some flexibility to your schedule. We can help you explore the impact each of those options may have on your retirement planning. Call our office to schedule an appointment to discuss your desired retirement age and a financial plan to get you there.

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#887176