

WEEKLY MARKET COMMENTARY

For the Week of November 2, 2015

THE MARKETS

Following mixed earnings reports, U.S. stocks dipped on Friday but ended October with their strongest monthly performance in four years. All three major indexes saw their biggest percentage advances since October 2011; the S&P 500 rose 8.3 percent. For the week, the Dow rose 0.10 percent to close at 17,663.54. The S&P gained 0.22 percent to finish at 2,079.36, and the NASDAQ climbed 0.44 percent to end the week at 5,053.75.

Returns Through 10/30/15	1 Week	YTD	1 Year	3 Year	5 Year
Dow Jones Industrials (TR)	0.10	1.04	4.06	13.22	12.51
NASDAQ Composite (PR)	0.44	6.71	9.13	19.29	15.05
S&P 500 (TR)	0.22	2.70	5.20	16.20	14.33
Barclays US Agg Bond (TR)	-0.32	1.14	1.96	1.65	3.03
MSCI EAFE (TR)	-0.30	2.13	-0.07	8.02	4.81

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.

Taxes — Of American taxpayers, 54.7 percent (51.2 million out of 93.6 million returns) who reported adjusted gross income less than \$50,000 during tax year 2013 legally did not pay any federal income tax (source: Internal Revenue Service, BTN Research).

Cut in Half — American spending on "National Defense" (stated as a percentage of the size of the economy) has fallen from 7.2 percent in fiscal year 1965 to 3.3 percent in fiscal year 2015 (source: Treasury Department, BTN Research).

Boomerang Generation — In 2014, 15 percent of young adults aged 25-34 had moved back home and were living with their parents. In 1984, just 10 percent of people in this age bracket were living with their parents (source: Census Bureau, BTN Research).

WEEKLY MARKET COMMENTARY

Page 2 of 2

WEEKLY FOCUS – National Family Caregivers Month

The president has proclaimed November Family Caregivers Month to recognize the nearly 44 million Americans who are providing personal assistance for family members with disabilities or health challenges. According to “Caregiving in the U.S.,” a summary from the National Alliance for Caregiving and the AARP Public Policy Institute, more than 34 million of these individuals care for frail elders.

The study highlights the emotional, physical and financial toll upon caregivers. The average caregiver spends around 24 hours a week helping a family member or friend over a four-year period. Six in 10 report having to make career adjustments to juggle their responsibilities. Caregivers with closer relationships (like a spouse or a child/parent) often experience greater emotional stress.

The demands are only expected to increase. With the number of older individuals needing help steadily rising, the number of available caregivers is projected to drop. According to a spokesperson from the AARP Public Policy Institute, by mid-century, there will only be three family caregivers available for each person requiring care, compared to more than seven currently.

When a family member is not able to provide necessary care or a senior’s needs are too extreme, long-term care may become the only option. The Department of Health and Human Services reports almost 70 percent of people over the age of 65 will require some type of long-term care during their lifetimes, and 8 percent of those in the 40 to 50 age range have a disability that could require long-term care services.

Unfortunately, the costs of long-term care within a facility are staggering. The average yearly rate for a semi-private room is around \$74,820, and the annual charge for care in an assisted living facility is \$39,516. The average length of a nursing home stay is 835 days.

Your retirement plans should include a thorough analysis of potential risks, including health conditions that could require long-term care for you or your spouse. Many insurance policies today include home care, assisted living, adult daycare, nursing facilities – and even home modifications. Call our office to schedule an initial review or update of your retirement plan.



This commentary brought to you by:

Davidson Financial Services

Anthony A Davidson, Investment Advisor Representative

1795 Alysheba Way Suite 3101 Lexington, KY 40509

859-245-5880 fax: 859-245-7007

anthony@wealthhappens.net www.wealthhappens.net

Securities offered through Securities America, Inc., Financial Advisor Member FINRA/SIPC, Advisory services offered through Securities America Advisors, Inc. Davidson Financial Services and the Securities America companies are unaffiliated.

* 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#