

WEEKLY MARKET COMMENTARY

For the Week of Nov. 10, 2014

THE MARKETS

U.S. stocks closed relatively unchanged on Friday with only modest gains for the week on healthcare uncertainty after the U.S. Supreme Court agreed to hear a challenge to part of the Affordable Care Act. For the week, the Dow rose 1.17 percent to close at 17,573.93. The S&P gained 0.84 percent to finish at 2,031.92 and the NASDAQ climbed 0.04 percent to end the week at 4,632.53.

Returns Through 11/07/14	1 Week	YTD	1 Year	3 Year	5 Year
Dow Jones Industrials (TR)	1.17	8.10	15.34	16.30	14.82
NASDAQ Composite (PR)	0.04	10.92	20.10	19.79	17.01
S&P 500 (TR)	0.84	7.79	14.45	18.52	17.68
Barclays US Agg Bond (TR)	0.08	5.20	4.46	2.59	4.27
MSCI EAFE (TR)	-1.01	-3.79	-0.42	10.37	6.01

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.

Best and Worst — The best November-December performance for the S&P 500 in the past 25 years (1989-2013) was a gain of 12.2 percent (total return) in 1998. The worst November-December performance for the S&P 500 in the past 25 years (1989-2013) was a loss of 7.4 percent (total return) in 2000 (source: BTN Research).

He's a Nice Guy, Too — Bill Gates, the world's wealthiest person (net worth of \$81.3 billion), has given away \$30 billion of assets since the year 2000. Just the \$30 billion in assets that he has given away would make Gates the no. 14 wealthiest American today (source: Forbes, BTN Research).

Savings — The national average price of gasoline has dropped by 31.5 cents per gallon from Dec. 31, 2013, to last Friday, Oct. 31, 2014 (from \$3.318 to \$3.003). Since every 1 cent decrease in the price of gasoline saves Americans \$3.69 million a day, the price decrease of 31.5 cents a gallon is equal to a daily savings of \$116 million for U.S. consumers since the end of last year (source: AAA, Department of Energy, BTN Research).

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WEEKLY FOCUS – Be Aware of Scams this Holiday Season

The Better Business Bureau recently warned consumers of a common online scam taking place on one of the largest e-commerce companies: eBay. “Con artists are exploiting a vulnerability in eBay’s editing feature to redirect online shoppers to lookalike websites that can steal passwords,” according to the BBB.

The BBB advises online shoppers to always check the URL of the website before entering usernames, passwords or any other identifying information to make sure the address is correct and secure. Websites with secure connections will begin with HTTPS and have a lock icon. The BBB also warns against pursuing deals that look too good to be true. “Be suspicious of listings that have prices significantly lower than those listed elsewhere. It could just be a ploy to get clicks.”

On Oct. 31, the Internal Revenue Service also released a scam warning to the public. This sophisticated phone scam targets taxpayers by impersonating IRS agents and demanding immediate over-the-phone payment for back taxes. Scammers often use fake names and IRS badge numbers, can appear to call from the IRS toll-free number, and can recite a victim’s Social Security number. When victims do not cooperate with the con artists, they become hostile and insulting, and threaten arrest, loss of property, deportation (for recent immigrants), or suspension of a business or driver’s license.

The IRS will never ask for credit card numbers or request a pre-paid debit or wire transfer over the phone, and encourages taxpayers to be vigilant against phone and email scams that use the IRS as a lure. If you receive a phone call from someone claiming to be from the IRS, know you should never provide information over the phone, and instead call the IRS directly at 800-829-1040, especially if you know or think you may owe taxes. If you have no reason to believe you owe taxes, you can report the incident to the Treasury Inspector General for Tax Administration at 800-366-4484.

Scams increase near year-end when people are caught up in the generosity of the holidays, shopping around more online and preparing for the next tax season. Protecting your personal information is important to us. For more information on how to protect yourself from online and over-the-phone scams, and for tips on protecting your identity, please give our office a call.



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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#1056523.1