

WEEKLY MARKET COMMENTARY

For the Week of Nov. 18, 2013

THE MARKETS

Comments from a Federal Reserve Chair nominee, who said it was too early to end the current stimulus, helped the Dow and the S&P 500 reach new highs on Friday for a sixth straight week of gains. For the week, the Dow rose 1.37 percent to close at 15,961.70. The S&P gained 1.61 percent to finish at 1,798.18 and the NASDAQ climbed 1.70 percent to end the week at 3,985.97.

Returns Through 11/15/13	1 Week	YTD	1 Year	3 Year	5 Year
Dow Jones Industrials (TR)	1.37	24.51	30.53	15.56	16.64
NASDAQ Composite (PR)	1.70	32.01	40.50	16.61	21.32
S&P 500 (TR)	1.61	28.46	35.79	17.01	18.12
Barclays US Agg Bond (TR)	0.42	-1.47	-1.61	3.23	5.65
MSCI EAFE (TR)	1.67	19.99	30.29	8.01	13.33

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.

Estate Taxes – The maximum amount that a deceased individual may pass onto his or her heirs federally estate-tax free (with proper planning) rises to \$5.34 million in 2014, up from \$5.25 million in 2013. The limit was \$325,000 in 1984 or 30 years ago (source: Internal Revenue Service, BTN Research).

Avoiding The Dreaded Dip – As of Nov. 10, 2013, the S&P 500 has gone 769 calendar days without a 10 percent or greater drop in the index, the fifth longest stretch without a double-digit pullback in the past 50 years. The longest stretch without a double-digit loss in the past 50 years was the 2,553 calendar days which ran from Oct. 11, 1990, to Oct. 7, 1997 (source: BTN Research).

Skill Set – If the 3.883 million job openings in the U.S. were filled, the number of unemployed Americans would drop from 11.272 million to 7.389 million, and the jobless rate would fall from 7.3 percent to 4.8 percent (source: Department of Labor, BTN Research).

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WEEKLY FOCUS – Good Relationships Rely On Good Communication

Satisfaction within a relationship depends largely on communication that sets expectations and fosters trust. The familiarity that comes with long-term relationships often leads to shortcuts in communication through assumptions, one way to sabotage a relationship.

We want to foster our long-term relationship with you by ensuring we don't resort to shortcuts and assumptions. One way we do that is by setting client service standards that establish expectations for the services we provide, the way we provide them and the steps you can take to help us do the best job possible.

Making us aware of changes in your life, both big and small, ranks at the top of that list of steps. Between current contact information and major events like marriage, birth of a child and a death in the family, lie those life happenings you may not think to share. These may include loss of a key account at your business or employer, damage to your home or the gradual decline of a parent's health.

Because we tend to let lesser events slip by in our busy lives or we become accustomed to gradual changes, it's important for us to meet face to face periodically to talk about your life and your finances. We recommend meeting at least annually, but your individual circumstances may require more frequent meetings, perhaps just until a situation has resolved itself.

We find these meetings most productive when you share with us your full financial information. Clients sometimes think of us only in terms of asset management and growth. To provide the best service, we benefit from understanding your financial obligations and current risk management tools as well as your assets and wage earnings. We can work with your other professional advisors, such as an attorney or CPA, to make sure everyone's on the same page.

Call our office today to schedule a time when we can catch up over coffee or perform a more comprehensive year-end portfolio review.



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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#768065