

WEEKLY MARKET COMMENTARY

For the Week of Dec. 9, 2013

THE MARKETS

Stocks advanced on Friday on a robust jobs report, ending a five-day losing streak for the Dow and the S&P 500. Still Friday's increases weren't enough to keep the Dow from closing slightly lower for the week, ending an eight-week run of gains. For the week, the Dow fell 0.35 percent to close at 16,020.20. The S&P gained 0.01 percent to finish at 1,805.09 and the NASDAQ climbed 0.06 percent to end the week at 4,062.52.

Returns Through 12/06/13	1 Week	YTD	1 Year	3 Year	5 Year
Dow Jones Industrials (TR)	-0.35	25.21	25.61	15.14	16.33
NASDAQ Composite (PR)	0.06	34.54	35.90	16.12	21.90
S&P 500 (TR)	0.01	29.13	30.43	16.34	18.12
Barclays US Agg Bond (TR)	-0.50	-1.96	-2.23	3.02	5.03
MSCI EAFE (TR)	-2.16	18.35	21.05	7.89	14.55

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.

Very Few – Only 49 of the 500 individual stocks in the S&P 500 have decreased in value YTD through the close of trading last Friday, Nov. 29, 2013 (source: BTN Research).

Back In Time – Home prices across the United States at the end of the third quarter 2013 are at the same level that they first reached at the end of the second quarter 2005 or more than eight years ago (source: Office of Federal Housing Enterprise Oversight, BTN Research).

\$500,000 Folks – For tax year 2011, 0.62 percent (i.e., approximately two-thirds of 1 percent) of the 145.4 million filed tax returns reported adjusted gross income of at least \$500,000. Those high income Americans received 16.1 percent of all AGI in the country and paid 30.4 percent of all federal income tax (source: Internal Revenue Service, BTN Research).

WEEKLY MARKET COMMENTARY

Page 2 of 2

WEEKLY FOCUS – Year-End Risk Review

Start the new year off with some peace of mind with an insurance checkup. Today we will take a closer look at homeowners insurance, an important component of your holistic financial picture.

Has your homeowners coverage kept up with your home's value? Rising construction costs in some areas have resulted in some existing homes being underinsured. Guaranteed replacement cost coverage insures the home for the full cost of rebuilding. An inflation guard feature may not be enough, as construction costs may increase faster than inflation, leaving you at risk if your home is completely destroyed. Also verify the square footage of your property and document the interior and exterior condition of your home, especially if you have made improvements or additions.

Your homeowners policy also covers the contents of your home. Document with photos or video important items like jewelry, tools, artwork, appliances and electronics. Also record serial numbers for appliances and electronics. Provide a copy of your records to your insurance company while keeping a copy in a fire-proof safe for yourself. Rare items like antiques, artwork, jewelry and coins may need an appraisal to ensure you get a fair replacement value. If you own a condo or townhome, you may need additional coverage for personal property beyond the association's policy.

Home-based business owners often assume their homeowners coverage also protects assets owned by the business. Best to double check by making an inventory of equipment and furniture. If your home is destroyed, you'll be out of work for a period of time. A home-business endorsement can also cover that loss of income.

We've only covered homeowners insurance, but now is a great time to review your auto, umbrella liability, disability and life policies. We can work with you and your insurance professional to make sure you have the most effective coverage to protect your wealth.



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#778194