

WEEKLY MARKET COMMENTARY

For the Week of December 28, 2015

THE MARKETS

Oil prices rose marginally Thursday, but energy stocks dropped. Trading was subdued, and U.S. stocks ended a little lower overall during the shortened Christmas Eve trading session. For the week, the Dow rose 0.32 percent to close at 17,552.17. The S&P gained 0.97 to finish at 2,060.99, and the NASDAQ climbed 0.92 percent to end the week at 5,048.49.

Returns Through 12/24/15	1 Week	YTD	1 Year	3 Year	5 Year
Dow Jones Industrials (TR)	0.32	0.94	-0.22	12.83	11.48
NASDAQ Composite (PR)	0.92	6.60	5.76	18.78	13.62
S&P 500 (TR)	0.97	2.20	1.10	15.43	12.77
Barclays US Agg Bond (TR)	-0.09	0.58	1.03	1.50	3.37
MSCI EAFE (TR)	1.94	-0.66	-1.43	5.05	3.78

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.

Done in Dollars — Of all global financial business, 45 percent is transacted in U.S. dollars, including all oil and natural gas trading worldwide (source: Society for Worldwide Interbank Financial Telecommunication).

State and Local Taxes — For every \$100 the average American pays in state income tax in a year, they also pay \$103 in sales tax on consumer purchases throughout the year and \$145 in property taxes (source: Tax Foundation, BTN Research).

Impact on the Economy — The building of an average single family home creates the equivalent of 2.97 jobs for a full year. The building of an average rental apartment creates the equivalent of 1.13 jobs for a full year (source: National Association of Home Builders, BTN Research).

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WEEKLY FOCUS – A Credit Card for Two?

Sharing a credit card is a bigger commitment than dividing household bills or co-signing a lease or an auto loan. So it's best to weigh advantages and disadvantages thoughtfully before applying for a joint card.

On the plus side, a person with a lower credit ranking may have access to better offers and be able to raise their score easier. Having a card in common instead of separate accounts reduces bills and offers built-in accountability and transparency. It can also decrease annual fees and let holders pool rewards or frequent flyer miles. Both joint account holders will have full privileges. Each can call the company to inquire about balances, dispute a charge, request a limit increase or ask for a lower rate. When a spouse's name is on the account, it can be simpler to close the account after the other spouse dies.

The biggest drawbacks to joint credit cards are the inherent risks associated with them. Both card holders are equally responsible to pay charges. Suppose an adult child shares a card with an aging parent who becomes ill and forgets to pay a bill; both of their credit scores will be affected. Or consider what might happen when a parent opens a card with their 18 to 20-year-old student who can't qualify individually – but also has little experience handling credit.

When a spouse dies, the other will be liable for the entire balance of the joint card. Unless the couple lived in a joint property state, the surviving spouse would not be liable for debt from credit cards held only in the deceased spouse's name. No matter what a divorce decree says, credit card issuers will hold both spouses responsible for unpaid debt on a joint card, but a judge can order the account closed. Unmarried couples have even less protection.

Adding an authorized user to an individual card is an alternative that provides consolidation and transparency, but holds the original card owner solely responsible for the debt. As safeguards, primary cardholders can often limit the amount their authorized users can charge and can easily cut them off if it becomes necessary to do so.

We're concerned about every aspect of your financial security and are happy to arm you with knowledge to help you make informed credit decisions. Please contact us if you would like help deciding which type of credit card is right for your life-stage situations. We're always happy to help.



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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#1379452.1