

WEEKLY MARKET COMMENTARY

For the Week of April 23, 2018

THE MARKETS

All three major indexes dropped Friday. Technology stocks led the decline, thanks to concern over upcoming earnings reports. A jump in U.S. bond yields also worried investors. For the week, the Dow gained 0.46 percent to close at 24,462.94. The S&P rose 0.54 percent to finish at 2,670.14, and the NASDAQ climbed 0.56 percent to end the week at 7,146.13.

| Returns Through 4/20/18 | 1 Week | YTD | 1 Year | 3 Year | 5 Year |
|----------------------------|--------|-------|--------|--------|--------|
| Dow Jones Industrials (TR) | 0.46 | -0.41 | 21.66 | 13.51 | 13.70 |
| NASDAQ Composite (PR) | 0.56 | 3.52 | 20.78 | 12.68 | 17.39 |
| S&P 500 (TR) | 0.54 | 0.44 | 15.59 | 10.62 | 13.76 |
| Barclays US Agg Bond (TR) | -0.62 | -2.30 | -0.54 | 0.82 | 1.48 |
| MSCI EAFE (TR) | 0.50 | 0.90 | 18.08 | 5.44 | 7.01 |

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.

Finally, A New High — After adjusting numerical data from the past for the impact of inflation, the median household income in 2016 (\$59,039) is the highest ever recorded in the United States, besting the previous record for median household income (\$58,665) set in 1999 (source: Federal Reserve Bank of St. Louis, BTN Research).

Don't Have It, Don't Spend It — Just 47 percent of American workers report they do an excellent or very good job of living within a budget (source: Society of Actuaries, BTN Research).

Just Not Enough — Almost two out of every three American workers (65 percent) believe, even if they continue to work until age 65, they will not accumulate enough savings to meet their retirement needs (source: Transamerica Center for Retirement Studies, BTN Research).

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Page 2 of 2

WEEKLY FOCUS – Cancer Care Costs and Medicare

Cancer has long been one of the most costly medical conditions to treat, and chemotherapy and biologic drugs have grown increasingly expensive over the last decade. While typical cancer drugs can cost \$10,000 per month, some run many times that. The single greatest risk for developing cancer is age. In fact, half of all cancer diagnoses occur at age 66 or above. So how does Medicare cover cancer treatments?

Part A covers hospital stays after the \$1,340 deductible for each benefit period. Patients hospitalized longer than 60 days pay \$335 coinsurance per day. After 90 days, it's \$670 a day. Once the lifetime reserve is passed, the patient pays all costs.

Because many chemotherapy drugs are administered in a clinic or treatment center, **Part B** usually covers 80 percent of the costs after a \$183 deductible. If you have Medicare Parts A and B alone, there is no out-of-pocket maximum for these expenses.

Part D typically covers oral drugs that can't be given through an IV – after a deductible that can't exceed \$405. Standard plans have either copayments or coinsurance charges and a coverage gap after \$3,750 when patients pay higher percentages until they reach catastrophic coverage once prescriptions total \$5,000. There is no maximum out-of-pocket under Part D.

Medicare beneficiaries with Parts A, B and D often purchase a **Medigap supplement policy** to limit out-of-pocket costs. Coverage varies from plan to plan. Over 90 percent of doctors accept regular Medicare, and providers who do are required to accept any Medigap plan. The best time to purchase a Medigap policy is during your six-month open enrollment period, which starts the first month you're 65 and enrolled in Medicare Part B. At that time, you can purchase any policy sold in your state, even if you have health problems.

Other beneficiaries choose a Medicare **Advantage plan**, referred to as Part C, which combines Parts A and B and usually a drug plan. An HMO plan typically covers 80 percent of in-network costs and pays no out-of-network costs. PPO plans provide different levels of coverage and may include out-of-network coverage. Advantage plans have maximum out-of-pocket limits.

Planning for potential health care expenses has never been more important. Whether you're retired or still working, we can help you find the best vehicles to put money aside for health care.

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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, Copyright April 2018. All rights reserved. Securities offered through Securities America, Inc., Member FINRA/SIPC. SAI#2097950.1