

WEEKLY MARKET COMMENTARY

For the Week of June 5, 2017

THE MARKETS

Despite May's weak jobs report and revised, lower jobs numbers for March and April, all three major indexes closed at records Friday. Technology and industrial stock gains led the increase. For the week, the Dow rose 0.69 to close at 21,206.29. The S&P gained 1.01 percent to finish at 2,439.07, and the NASDAQ climbed 1.54 percent to end the week at 6,305.80.

Returns Through 6/02/17	1 Week	YTD	1 Year	3 Year	5 Year
Dow Jones Industrials (TR)	0.69	8.52	21.94	10.95	14.70
NASDAQ Composite (PR)	1.54	17.14	26.84	14.17	18.08
S&P 500 (TR)	1.01	9.91	18.31	10.52	16.26
Barclays US Agg Bond (TR)	0.49	2.57	1.66	2.71	2.22
MSCI EAFE (TR)	1.73	15.64	19.12	1.95	10.87

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.

They Are Not Done Yet — Between now and the end of 2018, the Federal Reserve has 13 scheduled meetings. The median estimate of Federal Open Market Committee policymakers suggests five separate rate hikes of 0.25 percent each will occur by Dec. 31, 2018. The next Fed meeting is June 13-14 (source: Federal Reserve, BTN Research).

Breakeven — The three summer months (June, July and August) have produced an average loss of 0.1 percent (total return) for the S&P 500 stock index over the last 25 years, i.e., 1992-2016 (source: BTN Research).

Too Pessimistic — An annual survey of Americans 65 or older gave the U.S. stock market at least a 50 percent chance of rising in the upcoming year only one time over 12 surveys conducted from 2002-2013. The U.S. stock market (as measured by the S&P 500) was actually up 10 of the 12 years (down in 2002 and 2008), gaining 105 percent (total return), an average of 6.2 percent per year (source: University of Michigan, BTN Research).

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WEEKLY FOCUS – Protect Your Finances on Vacation

Don't let money problems ruin a vacation designed to be relaxing and rejuvenating. Ensure your next trip is a positive getaway by minimizing financial risks or issues with these simple steps:

Plan ahead. Pay your bills in advance or set up automatic payments while you're away. Bring at least two credit cards; make sure they don't expire soon. Notify your card issuers of upcoming travel – especially outside the country. Unless you're sure your bank has ATMs at your destination, determine the minimal amount of cash you may need to carry.

Limit loss. Pay for travel costs with a credit card that has built-in protections, such as auto rental collision coverage, purchase protection, trip cancellation insurance and lost luggage insurance. Make duplicate copies of your passport, credit cards, tickets and itinerary. Leave one set with a friend or relative at home and keep one set separate from originals while traveling. Don't keep all of your cash and credit cards in the same place. Place a sheet of paper with your basic contact information inside your suitcase and document contents by taking a photo in case it is lost or stolen. If possible, stay in a hotel with room safes and hallway security cameras. But realize hotel safes are not foolproof. In fact, there are locking devices available online to make them more secure.

Guard your identity. Ask the post office to hold mail to eliminate a tell-tale sign you're away and keep sensitive information more secure. If you make luggage tags, be careful what information you include. Avoid using a home phone number, which allows criminals to do a reverse lookup to get your street address. Instead, use a work phone number or a separate email address dedicated for travel. Turn on text or email alerts notifying you of every credit card transaction. If you need to access banking information, use an Ethernet cable in your hotel room or log in via a cellular network, which is safer than a Wi-Fi connection. Keep your phone with you and secure it with a password, auto-lock and remote tracking or disabling.

Has anything changed in your life that could affect your financial well-being? Call our office for a comprehensive review that includes identifying potential risks and evaluates how to protect against them.

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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 June 2017. All rights reserved. Securities offered through Securities America, Inc., Member FINRA/SIPC. SA# 1812832.1