

WEEKLY MARKET COMMENTARY

For the Week of June 18, 2018

THE MARKETS

Wall Street closed lower Friday but off the day's lows after President Trump announced new tariffs on Chinese goods and a plummet in oil prices pushed energy stocks down. For the week, the Dow fell 0.84 percent to close at 25,090.48. The S&P rose 0.07 percent to finish at 2,779.66, and the NASDAQ climbed 1.32 percent to end the week at 7,746.38.

| Returns Through 6/15/18 | 1 Week | YTD | 1 Year | 3 Year | 5 Year |
|----------------------------|--------|-------|--------|--------|--------|
| Dow Jones Industrials (TR) | -0.84 | 2.62 | 20.17 | 14.97 | 13.47 |
| NASDAQ Composite (PR) | 1.32 | 12.21 | 25.64 | 15.48 | 17.74 |
| S&P 500 (TR) | 0.07 | 4.92 | 16.52 | 12.39 | 13.65 |
| Barclays US Agg Bond (TR) | 0.13 | -1.94 | -1.08 | 1.66 | 1.90 |
| MSCI EAFE (TR) | -0.49 | -0.77 | 9.45 | 5.15 | 6.24 |

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.

In the Year 2034 — On June 5, Social Security trustees announced the trust fund backing the payment of Social Security benefits (OASI retirement benefits) would be zero in 2034. A zero trust fund does not mean the payment of Social Security benefits would also go to zero but rather would drop to 77 percent of their originally promised levels through the year 2092. When the trustees released their 2008 report (i.e., 10 years ago), the Social Security Trust Fund was projected to be depleted in 2042 (source: Social Security Trustees 2018 Report, BTN Research).

Downhill From Here — Forty-six percent of Americans surveyed believe future generations of retirees will be worse off financially than current American retirees (source: Aegon Center for Longevity and Retirement).

Strong Banks — No U.S. banks failed during the first five months of 2018 (January-May), the first time that has occurred since 2006. There were no bank failures in 2006, the last calendar year when that happened. Since 2007, 531 banks have failed, an average of 48 per year over the last 11 years (source: FDIC, BTN Research).

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WEEKLY FOCUS – Things to Know Before Your Summer Getaway Abroad

Is traveling abroad on your mind? Below are some savvy tips to make sure you get the most out of your money.

Let your credit card company know you're traveling out of the country and ask about foreign transaction fees. When it comes to cash, avoid currency exchange booths in favor of ATMs, which will give you better rates. Find a bank ATM that accepts major credit cards for cash withdrawals, and use your bank or major credit card. Larger institutions or your bank will handle exchange rates on their end, and the withdrawal will provide you with foreign currency. You'll still be charged a transaction fee, so make fewer and larger withdrawals.

When seeking out an ATM, make sure you know what to ask for. For example, in Chile, it's called *un Redbanc*; in France, ask for a *distributeur*; in the U.K, a *cashpoint*; in Italy, look for a *Bankomat*; and in Canada, an *ABM*, short for automatic banking machine. You may want to shorten your pin number – many foreign ATMs won't accept pins longer than four digits.

Renting cars in large foreign cities may not be the best economic choice. However, it can be a good option if you visit smaller cities and villages. If you do rent a car, check the glove compartment for a cardboard parking clock. In many countries, signs post the amount of time you can park in a spot for free. Set the clock to your arrival time and return before it expires. Also, be cautious about where you park. Thieves are always on the lookout for tourist cars. A parking lot with glittering pavement could mean broken glass from break-ins. A safer option would be to use a parking garage with an attendant on staff.

Rail passes are another good choice if you're traveling quite a bit outside bigger cities. Consider a second-class train car. They're just as fast as first-class and cost about 50 percent less. For the most economical way to travel, look to buses. They're slower but even less expensive than rail. For example, traveling from London to Edinburgh by train will cost around \$145 but only about \$45 by bus.

Call our office today. We can help ensure planning for travel and other important activities is part of your overall financial strategy.

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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 2018. All rights reserved. Securities offered through Securities America, Inc., Member FINRA/SIPC. SAI#2153883.1