

WEEKLY MARKET COMMENTARY

For the Week of July 23, 2018

THE MARKETS

Major U.S. indexes spent most of Friday in positive territory but slipped slightly during the last hour following President Trump's threat to enact tariffs on all \$500 billion of Chinese imports. For the week, the Dow rose 0.20 percent to close at 25,058.12. The S&P climbed 0.04 percent to finish at 2,801.83, and the NASDAQ dropped 0.07 percent to end the week at 7,820.20.

Returns Through 7/20/18	1 Week	YTD	1 Year	3 Year	5 Year
Dow Jones Industrials (TR)	0.20	2.61	18.61	14.27	12.73
NASDAQ Composite (PR)	-0.07	13.28	22.38	14.43	16.86
S&P 500 (TR)	0.04	5.90	15.50	11.91	12.93
Barclays US Agg Bond (TR)	-0.27	-1.47	-0.71	1.78	2.22
MSCI EAFE (TR)	0.63	-1.42	5.23	4.41	5.53

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.

Double-Digit Bump Next Year — On May 23, the Congressional Budget Office projected the health insurance premium for the Affordable Care Act benchmark silver plan (i.e., the plan which is used to calculate premium subsidies) will increase by 15 percent from 2018 to 2019 (source: Congressional Budget Office, BTN Research).

Bull Market — Since bottoming on March 9, 2009, the S&P 500 has gained 404 percent (total return) and set 202 record closing highs through trading on Friday, July 13, equal to an 18.9 percent gain per year (source: BTN Research).

Be Prepared for This — The average American household, even after the benefit of Medicare coverage, spends \$197,000 in out-of-pocket healthcare costs during retirement. This figure does not include any costs relating to nursing home care (source: BTN Research, Webb and Zhivan).

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Page 2 of 2

WEEKLY FOCUS – Saving on Your Medical Bills

Keeping a lid on health care costs starts with gathering knowledge. If you choose your insurance, compare the breadth of the networks between different plans. Typically, lower cost plans have narrower networks.

Verify a potential physician is in your network on your plan's website. Since insurance websites don't always have the most current information, it's a good idea to call the physician's office as well and ask if the doctor is in network. Document the date of your call and who you spoke to. When a physician orders tests, verify the test facility and the provider evaluating the tests are in network. You may compare prices of upcoming services using a website like HealthcareBluebook.com. If you're able to, ask about a discount for paying cash. Doctors, hospitals and labs often offer discounts when patients pay bills in full.

When your doctor prescribes a medication, ask whether it's covered under your plan or if there's a less expensive version. Review drug prices from different pharmacies on GoodRx.com. If you'll be taking the prescription for an extended period, see if there's a discount for getting a 90-day supply. And remember, some drugs are cheaper if you pay cash without billing insurance.

In a genuine emergency, cost is a secondary issue. But if your health issue isn't life-threatening, use an urgent care center, which usually cost less – and often have shorter waits to be seen. During hospital admissions, add a statement to your paperwork saying you will only permit in-network care. Take photos of the statement.

Following a visit to the ER or hospital, request an itemized bill and review it carefully. Itemized bills often contain errors. Look for expensive medications not received and overly high costs. Services are often accidentally miscoded. Miscoding not only adds unnecessary expense, it can negatively impact your medical records by falsely indicating a medical problem that makes you appear a greater liability to insurers. If you find questionable charges, get a price quote from other hospitals before calling the number on your bill. Document your conversation and prepare to make follow-up calls.

If it has been a while since you evaluated how health care costs play a role in your retirement savings, or if your situation has changed, contact our office to schedule a time we can meet to help you stay on track with your long-term goals.

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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 July 2018. All rights reserved. Securities offered through Securities America, Inc., Member FINRA/SIPC. SAI# 2187496.1