

WEEKLY MARKET COMMENTARY

For the Week of March 12, 2018

THE MARKETS

On Friday, investors responded positively to February's jobs report, which revealed the biggest gain in new jobs since the middle of 2016, along with a small wage increase, which eased inflation concerns. The three major indexes ended the day almost 2 percent higher, and the NASDAQ closed at a record high. For the week, the Dow rose 3.34 to close at 25,335.74. The S&P climbed 3.59 percent to finish at 2,786.57, and the NASDAQ climbed 4.17 percent to end the week at 7,560.81.

Returns Through 3/09/18	1 Week	YTD	1 Year	3 Year	5 Year
Dow Jones Industrials (TR)	3.34	3.02	24.33	14.94	14.76
NASDAQ Composite (PR)	4.17	9.52	29.49	15.22	18.44
S&P 500 (TR)	3.59	4.63	20.18	12.58	14.80
Barclays US Agg Bond (TR)	-0.12	-2.22	1.69	1.36	1.80
MSCI EAFE (TR)	1.86	-0.15	19.86	6.36	6.75

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.

Same House After Sixty Years — Warren Buffett lives in the same home today in Omaha, Nebraska, that he purchased for \$31,500 in 1958. Buffett, 87 years old, is worth \$78 billion (source: Forbes, BTN Research).

Improving Trend — American banks repossessed 292,000 homes in 2017, 379,000 homes in 2016 and 450,000 homes in 2015 (source: ATTOM Data Solutions, BTN Research).

Long Life — Life expectancy at birth in the U.S. was 51.7 years in 1916. Life expectancy at birth was 78.6 years in 2016. Thus, life expectancy has increased by 10 years every 37 years (source: National Vital Statistics Report, BTN Research).

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WEEKLY FOCUS – Ready for a Retirement Reversal?

Retired – but looking for work? You're not alone. A 2016 Federal Reserve study found one-third of retirees at all income levels change their mind and return to full- or part-time work¹ – that's nearly double 1985 figures, and the number is expected to keep rising.²

There's more than one reason to pick up a job after you retire. Retirees in lower-income brackets often return to work for supplemental income. But returning to work isn't always based on need. The study revealed the majority of retirees who reverse course and return to work do so because retirement life doesn't prove as appealing as imagined.

Life expectancies now average 15 years beyond retirement age. With that much time, it's easy to become bored with retirement leisure and feel disengaged since work is a source of identity and purpose. And when money is no longer a pressing issue, options open up, especially in today's economy.

Today's gig economy is characterized by the rise of independent contractors and freelancers making money through apps and social media on their own schedule. While the lack of a steady income might not be the most reliable when *planning* for retirement, it can work out well if you're already in retirement. Retirees can take advantage of the benefits of the gig economy, most notably, freedom and flexibility, while avoiding its potential pitfalls, such as financial uncertainty or lack of time.

The most common example of a gig is driving for Uber or Lyft. A beautiful day to drive some golf balls – or a great day to drive for extra cash? As a retiree, you get to decide.

The opportunities for work are many. Tired of the career you had preretirement? Indulge in the job you wanted that didn't make the pay cut. Follow your passions, old or new, such as performing in a band or writing a blog. Did you love your career? Leverage your skills, expertise and contacts as a consultant. Or use what you learned at your old company to start your own small business. With so many options, the question might not be whether or not you should pick up a side-gig in retirement, but which one should you choose.

It's never too late to pursue your dream job, and retirement might just be the best time to do so. Call our office today. We can help you decide whether reversing your retirement is right for you.

¹ <https://www.federalreserve.gov/econresdata/feds/2016/files/2016053pap.pdf>

² <https://www.bls.gov/careeroutlook/2017/article/older-workers.htm>

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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 March 2018. All rights reserved. Securities offered through Securities America, Inc., Member FINRA/SIPC. SAI#2055036.1