

WEEKLY MARKET COMMENTARY

For the Week of November 20, 2017

THE MARKETS

Although the House of Representatives approved a tax cut package, early reports of resistance in the Senate dampened investors' outlooks Friday. The S&P 500 and the Dow declined for the second week in a row. The NASDAQ also slipped. For the week, the Dow fell 0.19 percent to close at 23,358.24. The S&P lost 0.06 percent to finish at 2,578.85, and the NASDAQ rose 0.47 percent to end the week at 6,782.79.

Returns Through 11/17/17	1 Week	YTD	1 Year	3 Year	5 Year
Dow Jones Industrials (TR)	-0.19	20.76	26.55	12.60	16.01
NASDAQ Composite (PR)	0.47	26.00	27.16	13.24	18.91
S&P 500 (TR)	-0.06	17.27	20.33	10.41	16.08
Barclays US Agg Bond (TR)	0.24	3.20	2.97	2.40	2.00
MSCI EAFE (TR)	-0.59	20.95	24.90	6.05	9.14

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.

Supply and Demand — The price of oil closed at \$57.35 a barrel on Monday, Nov. 6, 2017, its highest close since oil finished at \$59.01 a barrel on June 30, 2015, or more than 28 months ago (source: NYMEX, BTN Research).

Complete Cycle — The jobless rate in the United States was 5.0 percent in October 2005, then doubled to 10.0 percent by October 2009, and now has come full circle to 4.1 percent in October 2017. The last time we had an unemployment rate that was lower than 4.1 percent was in December 2000, or almost 17 years ago (source: Department of Labor, BTN Research).

Increase Everyone — Individual income taxes paid by American taxpayers would have to increase by 42 percent to eliminate our \$666 billion deficit from fiscal year 2017 (source: Treasury Department, BTN Research).

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WEEKLY FOCUS – November Is Long-Term Care Insurance Awareness Month

More than 50 percent of Americans will require long-term care (LTC) at some point in their lives. If you're over 65, you stand a 66 percent chance of needing LTC. If you haven't thought about it before, now is the time to consider preparing for that possibility. Many advisors recommend buying LTC insurance at age 50-65, although some suggest 30-40 to nail down lower premiums. Keep in mind, the older you are when you buy it, the more expensive it will be.

Here are some things to consider when looking at policies:

- **The elimination period**, or how many days before your benefits begin after you start receiving care. The longer the elimination period, the lower your annual premium.
- **The benefit period**, the length of time the policy continues to pay benefits, also affects the price of the premium.
- **Inflation riders** allow an annual increase in the daily benefit to account for the rising cost of inflation. With an increasing elderly population, the costs of LTC could rise by five percent or more annually.
- **Daily benefits** represent the amount the insurer pays to cover daily care. Keep in mind, a nursing home can be less expensive than the costs associated with in-home care, depending upon the level of care required.

LTC insurance has its drawbacks. The cost is climbing faster than the rate of inflation; not everyone is eligible; and it's a use-it-or-lose-it product.

Are there alternatives? Yes. If you have enough liquid assets, you could consider cashing in investment products such as stock shares. You could also consider term or permanent life insurance policies with accelerated benefit riders.

Veterans and their spouses can take advantage of the Veterans Aid & Attendance Pension Benefit, which provides up to \$1,794 per month to a veteran, \$1,153 to a surviving spouse or \$2,127 to a couple. The tax-free money can be used for in-home care, an assisted living community or private nursing home.

Call our office today. We can help you explore your options in LTC coverage to provide peace of mind.

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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 November 2017. All rights reserved. Securities offered through Securities America, Inc., Member FINRA/SIPC. SAI# 1953391.1