

# WEEKLY MARKET COMMENTARY

For the Week of April 17, 2017

## THE MARKETS

The three major indexes fell Thursday for the third day in a row. Reports from big banks showed evidence of a slowdown in loan growth. Geopolitical tensions in Syria and North Korea led some investors to question whether President Trump will be able to enact his domestic proposals. For the week, the Dow fell 1.01 percent to close at 20,453.25. The S&P lost 1.19 percent to finish at 2,328.95, and the NASDAQ dropped 1.26 percent to end the week at 5,805.15.

Returns Through 4/13/17	1 Week	YTD	1 Year	3 Year	5 Year
Dow Jones Industrials (TR)	-1.01	4.18	17.20	11.21	12.54
NASDAQ Composite (PR)	-1.26	7.84	17.34	13.22	14.03
S&P 500 (TR)	-1.19	4.64	14.24	10.97	13.60
Barclays US Agg Bond (TR)	0.61	1.75	1.06	2.73	2.36
MSCI EAFE (TR)	0.03	6.58	12.11	0.59	6.60

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.

**Rising but Not Roaring** — The U.S. economy grew by 1.6 percent in 2016, the 11th consecutive year that our domestic economy failed to grow by at least 3 percent. In data tracked since 1930, the previous longest stretch of sub 3 percent annual growth was just four years (source: Commerce Department, BTN Research).

**Time Flies** — The S&P 500 bull market that began on March 9, 2009, is now in its 98th month. The average bull market for the stock index since 1950 (including the current bull) has lasted 61 months (source: BTN Research).

**Stocks** — The S&P 500 gained 6.1 percent (total return) in the first quarter of 2017, the fifth best opening quarter for the stock index over the last 25 years, i.e., 1993-2017 (source: BTN Research).

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## WEEKLY FOCUS – Beware of Medicare Surprises

No one enjoys surprise health care costs. When it comes to Medicare, taking the following steps can help you avoid them.

**Sign up on time.** Fail to sign up for Part B during the seven months surrounding your birthday, and you risk incurring a late penalty surcharge on all future premiums unless you are covered by an employer group health insurance plan. A retiree health plan won't excuse you.

**See participating providers.** Non-participating medical providers can charge more than the Medicare-approved amount. There is a limit called "the limiting charge," which restricts the additional cost to 15 percent over the approved amount. However, it does not apply to some services or to supplies and durable medical equipment. Whether you're seeing a doctor for tests or having surgery, it's important to verify every medical professional and service involved participates in Medicare. Just because your doctor does, doesn't mean the lab they use does. Just because your surgeon does, doesn't mean the anesthesiologist, pathologist and radiologist do.

**Get admitted as an inpatient.** If you are kept under observation as a hospital outpatient, you may pay more than if you had been formally admitted. You will also be ineligible for nursing facility rehab services, which are only covered after three consecutive days of inpatient hospital care. A law went into effect this year requiring hospitals to tell patients they are "under observation" and as outpatients potentially liable to larger bills not covered by Medicare.

**Don't expect a ceiling with A & B.** Since there is no limit to your cost exposure with Medicare Part A and B, you could be responsible for a very large amount if you require extended care. That's why some people add a Medigap policy.

**Know your ceiling with Medicare Advantage.** A third of Medicare beneficiaries get their Part A, B and D through an Advantage Plan from a private company. These plans are legally required to set annual limits on in-network out-of-pocket expenses, but they vary from plan to plan.

It is important to understand the timing and details of health insurance options as you approach retirement. If you need help determining how health care coverage and costs may impact planning for your retirement, please call our office.

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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 April 2017. All rights reserved. Securities offered through Securities America, Inc., Member FINRA/SIPC. SAI# 1761921.1