

WEEKLY MARKET COMMENTARY

For the Week of May 8, 2017

THE MARKETS

Solid corporate earnings, a stronger-than-expected April employment report and higher oil prices helped U.S. stocks rise Friday. The S&P 500 and the NASDAQ closed at record highs. For the week, the Dow rose 0.33 percent to close at 21,006.94. The S&P gained 0.66 percent to finish at 2,399.29, and the NASDAQ climbed 0.88 percent to end the week at 6,100.76.

Returns Through 5/5/17	1 Week	YTD	1 Year	3 Year	5 Year
Dow Jones Industrials (TR)	0.33	7.06	22.03	11.05	12.81
NASDAQ Composite (PR)	0.88	13.33	29.33	13.81	15.59
S&P 500 (TR)	0.66	7.86	19.49	10.70	14.29
Barclays US Agg Bond (TR)	-0.23	1.36	0.31	2.51	2.17
MSCI EAFE (TR)	1.82	11.98	16.72	1.39	7.61

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.

After Tax Reform — Following the Oct. 22, 1986, signing of the Tax Reform Act, the U.S. economy grew by an average of 3.8 percent per year for three subsequent years, i.e., 1987-89 (source: Department of Commerce, BTN Research).

Inflation Returns — Inflation using the Consumer Price Index has exceeded 2 percent year-over-year for four consecutive months through March, the first time inflation has had such a streak since April 2012. The Federal Reserve's annual inflation target is 2 percent (source: Department of Labor, BTN Research).

Last Two Decades — The U.S. bond market, including treasury, municipal, corporate, mortgage and asset-backed debt, has increased 239 percent in size in the last 20 years to \$39.4 trillion as of Dec. 31, 2016, equal to growth of 6.3 percent per year (source: Securities Industry and Financial Markets Association, BTN Research).

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WEEKLY FOCUS – Thwart the Latest Scams

With criminals becoming more creative, honest citizens need to be more guarded to foil the latest scams. Here are a few examples to watch out for:

Shared Google Docs. Last week, individuals received an email from someone they knew inviting them to view a Google Doc by clicking a link. When they did, they were asked for access permissions to their Gmail account, and their contacts were spammed. The phishing scheme raced around the internet before Google issued a statement saying the attack had been stopped. The latest in a series of Google Doc scams, this episode serves as a reminder to be on guard. If you're not expecting a person to share a Google Doc, delete the email in question or contact them before clicking a link.

Phone recordings. If a stranger calls and asks a question like, "Can you hear me?" or "Are you the homeowner?" avoid saying "yes." If you do, your response is recorded, and they may claim you have agreed to an unwanted service or product. Even if they don't, you have verified your number is active and you answer calls from unknown numbers, allowing the scammer to sell your number to other questionable solicitors. Instead, let calls with an unfamiliar number go to your answering machine, answer and hang up or respond with a question, such as "Can you hear *me*?" or "Who is calling?" If you suspect a call was from a scammer, note the number and report it to the [BBB Scam Tracker](#) to warn others. You can also report suspicious or unwanted calls to the [FTC's National Do Not Call Registry](#) and register your home and mobile number to avoid, or at least reduce, unsolicited calls.

Home improvement scams. Spring and summer months bring out home improvement con artists. Popular scams advertise a service at a low price and persuade the homeowner more expensive services are needed, ask for a large up-front payment and don't deliver, or offer low prices because of poor services or "left-over" (actually substandard) product. When a major storm hits, storm chasers flood in who often install substandard roofs and are long gone when problems arise. The Better Business Bureau reminds homeowners to research companies thoroughly; check to see if they are licensed, bonded and insured; get a written contract; ask for references; and refuse to make large down payments or pay in cash.

Protecting your personal information and financial well-being is important to us. If you need assistance monitoring your accounts or believe you may have been a victim, please contact our office. We are here to assist you.

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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 May 2017. All rights reserved. Securities offered through Securities America, Inc., Member FINRA/SIPC. SAI# 1791307.1