

WEEKLY MARKET COMMENTARY

For the Week of January 23, 2017

THE MARKETS

For the first time in over 50 years, the stock market rose on the first day of a new presidency. Wall Street made a modest but broad advance as Donald Trump was sworn in as the 45th president of the United States. For the week, the Dow fell 0.24 percent to close at 19,827.25. The S&P lost 0.13 percent to finish at 2,271.31, and the NASDAQ dropped 0.34 percent to end the week at 5,555.33.

Returns Through 1/20/17	1 Week	YTD	1 Year	3 Year	5 Year
Dow Jones Industrials (TR)	-0.24	0.43	29.15	9.09	12.08
NASDAQ Composite (PR)	-0.34	3.20	24.23	9.79	14.80
S&P 500 (TR)	-0.13	1.54	24.86	9.60	13.96
Barclays US Agg Bond (TR)	-0.34	0.03	1.59	2.74	2.26
MSCI EAFE (TR)	-0.47	2.13	16.61	-0.96	6.09

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.

Own a Lot — The federal government owns 28 percent of all land in the United States, including 85 percent of Nevada and 65 percent of Utah (source: Congressional Research Service, BTN Research).

Slow Going — If GDP growth for 2016 being reported on Friday, Jan. 27, is less than 3 percent, it will be a record 11th consecutive year of sub 3 percent growth. The next longest streak in U.S. history of sub 3 percent growth was the four years from 1930-1933 (source: Commerce Department, BTN Research).

Campaign Rhetoric? — The U.S. economy began its 91st month of growth this week, an expansion exceeded in length only three times since 1900. President-elect Trump predicted on April 2, 2016, the United States is on course for a massive recession because the country is sitting on an economic bubble (source: Reuters, BTN Research).

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WEEKLY FOCUS – Protecting Our Children

We make sure our children use seat belts in the car, wear helmets when they bike and never run with scissors. But there is one danger we may not be considering: identity theft. About 1.3 million children are affected by identity theft each year according to Robert Chappell Jr., author of “Child Identity Theft: What Every Parent Needs to Know.”

Some fear the figure may be even higher. Since it is estimated half of child identity theft victims are under the age of six, the crime often isn’t detected for 10 to 15 years, when the child becomes old enough to apply for credit and is turned down.

Many people wrongly believe credit issuers always verify applicants’ age. It’s also natural to assume adults with assets, multiple financial accounts and a significant credit history are bigger targets for identity thieves. However, a study by Carnegie Mellon University’s CyLab found children are 51 times more likely than adults to fall victim to identity theft.

Awareness and vigilance are essential to protect your children’s or grandchildren’s identity. The first step is to guard their Social Security number. Like adult Social Security cards, children’s cards should never be carried. Destroy documents that contain the number. When school or medical forms ask for a Social Security number, inquire whether it is mandatory. Warn children not to share it.

Guard their other personal information. Know their school’s student directory policy. The Family Educational Rights Privacy Act requires parents be informed of their right to opt out of the release of students’ personal information to third parties. Don’t put a decal on your vehicle that shows the number of children in the family and their names. And don’t put a sign in your yard wishing them a happy birthday or congratulating them for graduating. Make sure children know the dangers of sharing an address or phone number on social media sites.

Heed warning signs. If a child receives credit card applications, a bill or collection call for something they didn’t purchase, or a notice from the IRS saying they didn’t pay income taxes, someone may be misusing their information.

Before the child’s 16th birthday, check whether they have a credit report. If they do and you find evidence of fraud, you’ll have time to correct it before they apply for a job, a credit card or a tuition loan. If you believe your child or grandchild may have become a victim of identity theft or fraud, 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 January 2017. All rights reserved. Securities offered through Securities America, Inc., Member FINRA/SIPC. SAI# 1689973.1