



WEEKLY MARKET COMMENTARY

For the Week of May 13, 2019

The Markets

U.S. stocks dropped early Friday but rose after President Donald Trump and Treasury Secretary Steven Mnuchin described trade talks between China and the United States as productive. The rebound helped the S&P snap a four-day losing streak. For the week, the Dow fell 1.96 percent to close at 25,942.37. The S&P lost 2.10 percent to finish at 2,881.40, and the NASDAQ dropped 3.03 percent to end the week at 7,916.94.

Returns Through 5/10/19	1 Week	YTD	1 Year	3 Year	5 Year
Dow Jones Industrials (TR)	-1.96	12.17	7.36	15.89	12.05
NASDAQ Composite (PR)	-3.03	19.32	6.91	18.07	14.22
S&P 500 (TR)	-2.10	15.77	7.99	13.69	11.20
Barclays US Agg Bond (TR)	0.31	3.22	5.71	1.90	2.56
MSCI EAFE (TR)	-2.63	10.02	-6.06	7.01	2.05

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.

All Are Too High — On Dec. 17, 2018, 10 Wall Street strategists forecasted the yield of the 10-year Treasury note as of Dec. 31, 2019. The 10 predictions ranged from a low of 2.75 percent to a high of 3.60 percent. The yield on the 10-year Treasury note closed at 2.5 percent as of Tuesday, April 30 (source: Barron's, BTN Research).

Fourteen — The best 14 trading days for the S&P 500 over the last 10 years gained 86.2 percent (total return), more than the 84.2 percent gained by the other 2,502 trading days in the decade (source: BTN Research).

What a Surprise — A divorced person who was married for at least 10 years is eligible to collect a Social Security survivor benefit when their ex-spouse dies, even if the ex-spouse had remarried. Please consult a Social Security expert for details (source: Social Security Administration, BTN Research).



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WEEKLY FOCUS – Can You Afford to Miss Months of Work?

It won't happen to me. It's easy to think that way when considering the possibility of being out of work due to a debilitating illness or injury. But the numbers paint a different picture. More than one in four of today's 20-year-olds can expect to miss work due to a disability for 90 days or more before they reach 67, and 45 percent of consumers who filed for bankruptcy between 2013 and 2016 cited medically related work loss as a contributor.¹

Back injuries, cancer, strokes, heart attacks, diabetes and mental health issues are among the most common conditions that force people to take extended time away from work, but there are many more that unexpectedly afflict people every day. Worker's compensation and Social Security do not cover most of these conditions.¹ So, unless you plan to retire soon, or you can afford to go months without a paycheck, you should protect your income with disability insurance.

When selecting disability coverage, it's important to understand the differences in policies. In general, there are two types of disability insurance: short-term and long-term. Both will replace a portion of your salary up to a cap.² How much you pay for your coverage will vary depending on your age, health, occupation, how long it will pay benefits, gender (unlike life insurance, women typically pay higher rates for disability coverage) and the elimination period (the amount of time you must wait before collecting benefits).

When comparing coverage, be sure to know how the carriers define "disabled." Some will only pay if you are unable to work at any job you're qualified for. Others will pay if you can't work in your occupation. Some will pay partial benefits if you can work part time, and others will only pay when you are unable to work at all.²

Disability coverage often excludes certain health issues, such as existing back problems or mild depression, meaning you cannot file a claim if you're disabled for an excluded condition. But because many injuries and illnesses can lead to a disability, you should still consider purchasing coverage even if you have an exclusion.²

To learn more about how disability insurance can help protect your income and what coverage is right for you, call our office today to schedule an appointment.

¹ https://disabilitycanhappen.org/wp-content/uploads/2019/05/DIAM2019_Facts.pdf

² <https://www.insuranceblogbychris.com/disability-insurance/>

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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 2019. All rights reserved. Securities offered through Securities America, Inc., Member FINRA/SIPC. SAI#2538813.1