



WEEKLY MARKET COMMENTARY

For the Week of September 9, 2019

The Markets

Stocks rose Friday as investors hoped for another rate cut from the Federal Reserve following a weaker-than-expected jobs report. According to the Labor Department, nonfarm jobs rose by 130,000 last month, compared to 164,000 in July. For the week, the Dow rose 1.53 percent to close at 26,797.46. The S&P gained 1.83 percent to finish at 2,978.71, and the NASDAQ climbed 1.76 percent to end the week at 8,103.07.

Returns Through 9/06/19	1 Week	YTD	1 Year	3 Year	5 Year
Dow Jones Industrials (TR)	1.53	16.90	5.56	15.79	12.06
NASDAQ Composite (PR)	1.76	22.12	2.28	15.38	12.07
S&P 500 (TR)	1.83	20.50	5.62	13.11	10.46
Barclays US Agg Bond (TR)	-0.15	8.93	10.12	2.99	3.41
MSCI EAFE (TR)	2.23	12.11	1.31	5.77	2.32

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.

It Will Happen at Some Point — 40 percent of 226 economists surveyed in July 2019 believe the United States will fall into a recession by the end of 2020, while the remaining 60 percent believe our nation's next recession will begin in 2021 or later (source: BTN Research, National Association for Business Economics).

Maintaining Purchasing Power — A 65-year-old spending \$100,000 per year (after-tax) would need \$128,008 per year (after-tax) by age 75 and \$163,862 per year (after-tax) by age 85 if their cost of living increased by 2.5 percent per year due to inflation (source: BTN Research).

Most Ever — Mortgage debt in the U.S. peaked at \$9.29 trillion as of Sept. 30, 2008, fell 16 percent to \$7.84 trillion by June 30, 2013, and now has climbed all the way back to a new record level of \$9.41 trillion as of June 30, 2019 (source: Federal Reserve Bank of New York, BTN Research).



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WEEKLY FOCUS – Hope for the Best, Prepare for the Worst

None of us wants to contemplate a natural disaster striking our homes or communities. But as Hurricane Dorian sadly reminds us, hurricanes, tornados, earthquakes, floods and fires do happen. Taking these simple steps to prepare for tragic events can lessen their toll:

If you receive Social Security or other regular checks, switch to direct deposit in case mail service is affected. If you don't have an emergency fund, save \$1,000 immediately and build your fund until it could cover three to six months' worth of living expenses. Keep it in a liquid account. And in case power outages make bank accounts immediately inaccessible, securely store \$200 - \$300 in cash in your home.

Make a list of possessions inside and outside your home. Include videos that zoom in on serial numbers and brand names. Update the list yearly and store it in a safe place and online, ideally on a cloud-based platform. Collect copies of important papers like deeds, birth certificates, emergency contacts, financial and medical papers and a list of creditors in a water- and fire-proof box at home, along with a key to a safe deposit box in which originals are kept.

Review your insurance policies – homeowners, auto, life, health and disability – to see what is covered, what the deductibles are and how much they pay. For instance, many basic homeowners' policies do not cover floods. If you're in an area where floods are a concern, you may need separate flood insurance. Make sure policies are updated for inflation and recent acquisitions. Ensure any tools or property you need for your profession are covered.

Know what to do when a disaster strikes. Once you and your loved ones are safe, one of the first steps is to document your damage, e.g., take a 360-degree video of each area affected. Providing complete information can help your claim process more quickly. If you're unable to make loan payments, contact your creditors to let them know as soon as possible. In addition to contacting local or state response agencies, you may ask DisasterAssistance.gov, the Federal Emergency Management Agency or Disaster Loan Assistance from the Small Business Administration for help.

Don't wait until disaster hits. Call our office today. We can help you come up with a practical pre-disaster checklist.

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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 September 2019. All rights reserved. Securities offered through Securities America, Inc., Member FINRA/SIPC. SAI# 2722120.1