

# WEEKLY MARKET COMMENTARY

For the Week of May 1, 2017

## THE MARKETS

Stocks slipped Friday following a first quarter report that showed the U.S. economy grew at its slowest pace in three years. Major indexes still managed to close up for the month, giving the Nasdaq its six consecutive month of growth. For the week, the Dow rose 1.91 percent to close at 20,940.51. The S&P gained 1.53 percent to finish at 2,384.20, and the NASDAQ climbed 2.32 percent to end the week at 6,047.61.

Returns Through 4/28/17	1 Week	YTD	1 Year	3 Year	5 Year
Dow Jones Industrials (TR)	1.91	6.71	20.90	10.82	12.44
NASDAQ Composite (PR)	2.32	12.34	26.64	13.70	14.70
S&P 500 (TR)	1.53	7.16	17.92	10.47	13.68
Barclays US Agg Bond (TR)	-0.16	1.59	0.83	2.66	2.27
MSCI EAFE (TR)	3.09	9.97	11.29	0.86	6.78

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.

**One Bad, One Dismal** — The debt-to-economy ratio for Greece is 167 percent (i.e., \$326 billion of debt stated as a percentage of the \$195 billion Greek economy). The debt-to-economy ratio for the U.S. is 105 percent, i.e., \$19.846 trillion of debt stated as a percentage of the \$18.8694 trillion American economy (source: Commerce Department, BTN Research).

**Where the Money Comes From** — Property taxes represent 31.3 percent of the total tax revenue collected by states; greater than the 23.3 percent of tax revenue collected from sales taxes and the 22.9 percent of tax revenue that comes from individual state income taxes (source: Tax Foundation, BTN Research).

**Better After Seven Years** — As of Friday, April 21, only three banks in the United States had failed in 2017. On April 21, 2010, 50 banks had failed. Just five banks failed during calendar year 2016 (source: FDIC, BTN Research).

# WEEKLY MARKET COMMENTARY

Page 2 of 2

## WEEKLY FOCUS – May Is Disability Insurance Awareness Month

If you were suddenly unable to work for two to three years, could you support your family, pay your bills, maintain your lifestyle and save for the future? Sixty-five percent of working Americans say they couldn't cover normal living expenses for **one** year. That could spell calamity, since the average length of a long-term disability claim is 34.6 months.

May is National Disability Insurance Month – the perfect time to review or implement an income security plan. After all, you spent considerable time crafting your financial plan. Planning for an event that could quickly derail your current and retirement lives deserves the same care and attention.

You probably have a 3-6 month emergency fund. But this is for your most critical expenses. Other out-of-pocket expenses can quickly deplete your savings. Of course, you could have a group disability insurance plan with your employer. But it might not cover every bill, allow you to continue your lifestyle and stay on track with your retirement goals.

Long-term or short-term group policies may replace only 60 percent of your income, and they usually don't cover bonus or commission income. So you're already starting your period of disability with a lower income. If your employer pays the premium, your benefits could be taxable. If you pay for your benefits pre-tax, your benefits will definitely be taxable. Will the remainder be enough? In short, if you have a group policy from your employer, read the fine print. Who pays the premium? How much will it cover and for how long a period? You may need added income while you're out of work.

When planning for your future, be sure to include income security along with retirement. If you don't have a group policy through your employer, you should consider individual coverage. If you already have a disability policy, review the policy for amount and length of coverage. If you have questions or would like to discuss your disability coverage options, set up an appointment with our office. We'll help evaluate your existing income security and prepare a customized financial strategy.



Jason Stahl  
1727 State Street  
PO Box 4010  
Bismarck, ND 58501  
701.255.9000

Cameron Weigel  
14 3rd Ave West  
PO Box 210  
Dickinson, ND 58601  
701.483.7007

Securities offered through Securities America, Inc., member FINRA/SIPC and Advisory Services offered through Securities America Advisors, Inc. Jason Stahl and Cameron Weigel, Representatives. Dakota Community Investments, Dakota Community Bank & Trust and Securities America are separate entities.

**Not FDIC Insured. No Bank Guarantee. May Lose Value. Not a Deposit. Not Insured by any Government Agency.**

\* 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# 1785035.1