

WEEKLY MARKET COMMENTARY

For the Week of February 16, 2021

THE MARKETS

Stocks rose Friday, thanks to a recent drop in new COVID cases and hospitalizations, stronger-than-expected earnings over the past couple weeks, and anticipation of new fiscal aid. The S&P and the NASDAQ closed at record highs. For the week, the Dow rose 1.11 percent to close at 31,458.40. The S&P gained 1.28 percent to finish at 3,934.83, and the NASDAQ climbed 1.74 percent to end at 14,095.47.

Returns Through 2/12/21	1 Week	YTD	1 Year	3 Year	5 Year
Dow Jones Industrials (TR)	1.11	3.00	8.94	11.08	17.27
NASDAQ Composite (TR)	1.74	9.44	46.18	27.66	27.93
S&P 500 (TR)	1.28	4.94	18.56	16.21	18.42
Barclays US Agg Bond (TR)	-0.13	-1.23	4.44	5.62	3.81
MSCI EAFE (TR)	2.37	5.04	13.59	5.82	10.88

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, NASDAQ, 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. (TR) indicates total return. MSCI EAFE returns stated in U.S. dollars.

Jobs — The Congressional Budget Office forecasted on Feb. 1 that the number of employed Americans (150 million as of Jan. 31) will not recover to its pre-pandemic level of 158.7 million until 2024 (source: CBO, BTN Research).

Global Trade Rebounds — After declining for 10 months during the 2020 pandemic, the monetary value of goods shipped worldwide in November 2020 exceeded its previous high-water mark achieved in December 2019 (source: Netherlands Bureau for Economic Policy Analysis, BTN Research).

Nothing — 76 percent of 619 millennials surveyed in the fourth quarter 2019 do not believe Social Security will exist when they retire. Millennials were born between 1981-97 and are ages 24-40 in 2021 (source: Transamerica, BTN Research).

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WEEKLY FOCUS – Choosing an Executor for Your Will

Most of us recognize the importance of creating a thorough, well-reasoned estate plan. But we may not give adequate thought to choosing an executor to carry out the provisions of our wills. It's all too easy to default to a relative without objectively weighing their qualifications or the challenges they may face. Because of the importance and potential complexity of the executor's role, it's wise to answer multiple questions before making your choice.

Will they be around? You probably shouldn't select someone who is older than you or in questionable health. To be on the safe side, name an alternate in case your primary executor is unable to fulfill the role. This is usually a better option than co-executors. Although it may seem sharing responsibilities could lighten the load, it often complicates decisions, paperwork, and banking activities.

Are they local? Some states don't allow out-of-state executors unless they are a relative or a primary beneficiary. Many states impose special rules for non-resident executors or require them to obtain a bond. An executor who lives outside the area may also find it more difficult to maintain the deceased's property.

How capable are they? A business or legal background is helpful but not necessary. Executors can, and often should, work with an attorney and an accountant. Honesty, intelligence, discipline, organizational skills, and the ability to communicate well are essential.

Are they willing? Never name an executor without asking their permission.

Are they still the right choice? Just as you do with beneficiaries, it's important to review your decision periodically in case something has changed. Perhaps there has been a divorce or the person you designated has developed a health condition.

Should you consider a professional? You may want to name a third-party executor if you have a blended family, your family dynamics are difficult, you want to make things easier for a bereaved spouse, or you don't have a suitable relative or friend. A bank, trust company, or a professional who has experience dealing with estates can serve as an executor. Executor fees vary from state to state but often range between one and five percent of the estate.

Estate planning can be very involved, and it's crucial to get it right. We are happy to work with you, your attorney, and your tax professional to find solutions for your situation.

Securities America and its representatives do not provide legal advice; therefore it is important to coordinate with your legal advisor regarding your specific situation.

If you would like to talk with John about the topics discussed in this article, or you would like to set up a phone or in person appointment to review your accounts or discuss any concerns about the markets, etc., with John, then please contact our office at 408-440-1020, or John.plaza@securitiesamerica.com to arrange a time that is convenient for you.

* 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 February 2021. All rights reserved. Securities offered through Securities America, Inc., Member FINRA/SIPC. SAI#3453509.1