SYMPHONY
FINANCIAL SERVICES, INC.

Market Commentary
March 14, 2016

Dear Investors:

Stim-u-late mar-kets! Come on! It's monetary easing.*

The European Central Bank (ECB) was singing a tune that invigorated financial markets last week. *The Wall Street Journal* explained:

> "The fresh measures included cuts to all three of the ECB's main interest rates, €20 billion a month of additional bond purchases atop the ECB's current €60 billion ($67 billion) program, and an expansion of its quantitative easing program to highly rated corporate bonds – all more aggressive steps than analysts had anticipated. The central bank also announced a series of ultra cheap four-year loans to banks, some of which could be paid to borrow from the ECB."

Most national indices in Europe gained ground last week. The Financial Times Stock Exchange Milano Italia Borsa (FTSE MIB), which measures the performance of the 40 most-traded stocks on the Italian national stock exchange, was up almost 4 percent. Spain's Indice Bursatil Español Index (IBEX 35), which is comprised of the most liquid stocks trading on the Spanish continuous market, gained more than 3 percent. Major markets in the United States moved higher, as well.

Of course, the harmony provided by global oil markets proved pleasing to investors, too. An International Energy Agency (IEA) report suggested more equitable supply and demand balances could mean oil prices have bottomed out.

Barron's offered a word of caution, "Investors shouldn't get too comfortable when it seems that oil moves and central-bank maneuvers are the main reason stocks go up or down, not earnings and economic growth."

*Set to the tune of Kool and the Gang's 'Celebration.' You know, "Cel-e-brate good times! Come on! It's a celebration."

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Data as of 3/11/16	1-Week	Y-T-D	1-Year	3-Year	5-Year	10-Year
Standard & Poor's 500 (Domestic Stocks)	1.1%	-1.1%	-0.9%	9.1%	9.2%	4.7%
Dow Jones Global ex-U.S.	1.1	-2.5	-9.6	-2.3	-1.6	1.3
10-year Treasury Note (Yield Only)	2.0	NA	2.1	2.1	3.4	4.8
Gold (per ounce)	-1.0	19.1	10.0	-7.1	-2.2	8.8
Bloomberg Commodity Index	2.0	1.8	-19.6	-16.5	-13.3	-6.8
DJ Equity All REIT Total Return Index	1.7	1.7	4.7	9.0	11.0	6.4

S&P 500, Dow Jones Global ex-US, Gold, Bloomberg Commodity Index returns exclude reinvested dividends (gold does not pay a dividend) and the three-, five-, and 10-year returns are annualized; the DJ Equity All REIT Total Return Index does include reinvested dividends and the three-, five-, and 10-year returns are annualized; and the 10-year Treasury Note is simply the yield at the close of the day on each of the historical time periods.
Sources: Yahoo! Finance, Barron's, djindexes.com, London Bullion Market Association.
Past performance is no guarantee of future results. Indices are unmanaged and cannot be invested into directly. N/A means not applicable.

HERE'S SOME GOOD NEWS:

Healthcare spending is expected to increase more slowly during 2016! It's projected to grow by 6.5 percent this year, according to a report from *PWC*. That's still a lot faster than inflation. *The Economist* projects overall consumer prices in the United States will increase by 1.2 percent this year.

The report suggested several factors are contributing to lower healthcare spending, including:

- **The Affordable Care Act's Cadillac Tax.** PWC reported the tax"…is motivating businesses to enact high cost-sharing. Their workers are already responding to the higher deductibles by scrutinizing what services are necessary and which are not…cost sharing can backfire if the employee foregoes preventative care and faces years of chronic illness." Twenty-five percent of employers offer only high-deductible healthcare plans for employees.
- **Virtual healthcare.** Telemedicine appears to be the next big thing in medicine. Doctors' making house calls using real-time audio and video is the gold standard for service, according to the Modern Medicine Network. Remote patient monitoring, pre-recorded videos, and computer-assisted or message-based communications also are being offered.
- **New health advisors.** A new variety of healthcare company is making information about facilities, providers, services, and pricing more accessible. In some cases, financial incentives encourage employees to seek treatment at a preferred facility.

These gains are more than offset by factors that are pushing healthcare spending higher, including:

- **High-cost specialty drugs.** *PWC* reported specialty drugs are becoming a focus for the pharmaceutical industry. "With 700 specialty products currently in development, these investments will soon surpass traditional drug investments…According to a recent Express Scripts report, total national prescription spending increased 13.1 percent last year to about $980 per person."
- **Cyber security investments.** Healthcare organizations are spending heavily on cyber security to protect patients from data breaches. The cost of a breach is about $200 per patient record. The cost of security is about $8 per patient record.

It's critical to factor healthcare spending into retirement plans. In 2015, the *Employee Benefits Research Institute* (EBRI) found a 65-year-old man needs $124,000 in savings and a 65-year-old woman needs $140,000 if each wants a 90 percent chance of having enough money saved to cover healthcare expenses in retirement. *EBRI's* analysis did not include the savings needed to cover long-term care expenses.

Weekly Focus – Think About It

"Yesterday is not ours to recover, but tomorrow is ours to win or lose."

--Lyndon B. Johnson, Former U.S. President

Best regards,

John Y. Kim, J.D., LL.M.
President

P.S. Please feel free to forward this commentary to family, friends, or colleagues. If you would like us to add them to the list, please reply to this e-mail with their e-mail address and we will ask for their permission to be added.

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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. You cannot invest directly in this index.
* The Standard & Poor's 500 (S&P 500) is an unmanaged index. Unmanaged index returns do not reflect fees, expenses, or sales charges. Index performance is not indicative of the performance of any investment.
* The Dow Jones Global ex-U.S. Index covers approximately 95% of the market capitalization of the 45 developed and emerging countries included in the Index.
* The 10-year Treasury Note represents debt owed by the United States Treasury to the public. Since the U.S. Government is seen as a risk-free borrower, investors use the 10-year Treasury Note as a benchmark for the long-term bond market.
* Gold represents the afternoon gold price as reported by the London Bullion Market Association. The gold price is set twice daily by the London Gold Fixing Company at 10:30 and 15:00 and is expressed in U.S. dollars per fine troy ounce.
* The Bloomberg Commodity Index is designed to be a highly liquid and diversified benchmark for the commodity futures market. The Index is composed of futures contracts on 19 physical commodities and was launched on July 14, 1998.
* The DJ Equity All REIT Total Return Index measures the total return performance of the equity subcategory of the Real Estate Investment Trust (REIT) industry as calculated by Dow Jones.
* These views are those of Peak Advisor Alliance, and not the presenting Representative or the Representative's Broker/Dealer, and should not be construed as investment advice.

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* You cannot invest directly in an index.
* Consult your financial professional before making any investment decision.
* Stock investing involves risk including loss of principal.

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