



For the Week of February 1, 2021

THE MARKETS

U.S. stocks suffered steep losses Friday to close a roller coaster week on Wall Street. Volatility caused by retail investors' heightened speculative trading and new trial results for Johnson & Johnson's COVID vaccine concerned investors. As a result, the Dow and the S&P entered negative territory for the year. For the week, the Dow fell 3.27 percent to close at 29,982.62. The S&P lost 3.29 percent to finish at 3,714.24, and the NASDAQ dropped 3.48 percent to end the week at 13,070.69.

Returns Through 1/29/21	1 Week	YTD	1 Year	3 Year	5 Year
Dow Jones Industrials (TR)	-3.27	-1.95	8.54	7.12	15.47
NASDAQ Composite (TR)	-3.48	1.44	44.09	22.05	24.48
S&P 500 (TR)	-3.29	-1.01	17.25	11.70	16.16
Barclays US Agg Bond (TR)	0.03	-0.72	4.72	5.49	4.00
MSCI EAFE (TR)	-3.45	-1.07	8.94	2.23	8.84

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.

Now What Do I Do? — 82 percent of 2020 college graduates did not have a full-time job in place on the day they graduated last year (source: TotalJobs Group Ltd., BTN Research).

Not Done Yet — In 2008-2009, Congress authorized spending of \$983 billion to alleviate the impact of the global mortgage crisis, an amount equal to 6 percent of the size of the U.S. economy. In 2020, Congress authorized spending of \$3.7 trillion to alleviate the impact of the global pandemic, an amount equal to 17 percent of the size of the U.S. economy (source: BTN Research).

Is It a Bubble? — The U.S. stock market was worth \$42.6 trillion as of the close of trading on Jan. 22, twice the size of our \$21.2 trillion economy. At the peak of the dot com stock bubble in March 2000, the U.S. stock market was worth 1.4 times the size of the U.S. economy (source: Fund Manager Julien Bittel, BTN Research).



WEEKLY FOCUS – Medicare and Cancer Care

Thursday has been designated World Cancer Day to encourage prevention, early detection, and treatment. In that light, today's article addresses paying for cancer treatment while on Medicare.

Cancer is one of the costliest medical conditions to treat. While typical cancer drugs can cost \$10,000 per month, some run many times that. And the single greatest risk for developing cancer is age. In fact, half of all cancer diagnoses occur at age 66 or above. So how does Medicare cover cancer treatments?

Part A covers hospital stays after the \$1,408 deductible for each benefit period. Patients hospitalized longer than 60 days pay \$352 coinsurance per day. After 90 days, it's \$704 per each lifetime reserve day. Once the 60 lifetime reserve days are used, the patient pays all costs. Because many chemotherapy drugs are administered in a clinic or treatment center, **Part B** usually covers 80 percent of their costs after a \$203 deductible. If you have Medicare Parts A and B alone, there is no out-of-pocket maximum for these expenses.

Part D typically covers oral drugs, which can't be given through an IV – after a deductible that can't exceed \$445. Standard plans have either copayments or coinsurance charges and a coverage gap after \$4,130, when patients pay higher percentages until they reach catastrophic coverage once prescriptions total \$6,550. There is no maximum out-of-pocket under Part D.

Medicare beneficiaries with Parts A, B, and D often purchase a **Medigap supplement policy** to limit out-of-pocket costs. Coverage varies from plan to plan. Most doctors accept regular Medicare, and providers who do are required to accept any Medigap plan. The best time to purchase a Medigap policy is during your six-month open enrollment period, which starts the first month you're 65 and enrolled in Medicare Part B. At that time, you can purchase any policy sold in your state, even if you have health problems.

Other beneficiaries choose a Medicare **Advantage plan**, referred to as Part C, which combines Parts A and B and usually a drug plan in a private policy. Many plans have a required or a preferred (lower cost) network of doctors and providers, which may limit the specialists you can see during cancer care. Advantage plans have maximum out-of-pocket limits.

Planning for potential health care expenses has never been more important. Whether you're retired or still working, we can help you find the best vehicles to put money aside for health care.

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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 February 2021. All rights reserved. Securities offered through Securities America, Inc., Member FINRA/SIPC. SAI#3431335.1