Here's To Your Wealth
April, 2015

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SmartCEO Magazine
as a *Top Wealth Manager (2012)*

Consumers' Research Council of America
as one of *America's Top Financial Planners* (2010- 2014)

The Markets:

After a prolonged period of underperformance, the international stock markets are finally showing signs of a recovery. In fact, thus far in 2015, non-U.S. stock markets, as measured by the EAFE and the EEM are up significantly. The main driver for this continues to be the strengthening U.S. dollar - a strong dollar makes imported goods cheaper and helps overseas economies to sell to us. Make no mistake, there is a stealth effort by governments and their central banks to use weaker currencies to help their own economies. A few decades ago, the U.S. may have cried foul and challenged this approach; however, after our experiment with zero percent interest rates and our own ’Quantitative Easing’ we can only watch as German and Japanese exports become incredibly competitive.

A stronger U.S. dollar is not all bad, and relative currency valuations rarely have a one-dimensional impact. Imports into the U.S. are cheaper for the American consumer and these lower prices will help keep inflation in check. If inflation is not the threat it might be, the Federal Reserve may be comfortable staying its course of low interest rates. All this suggests a continuation of one of the greatest stock and bond market rallies in history. The current iteration of the U.S. stock market rally began back in March of 2009. The bond market rally, depending on who you ask, can be traced all the way back to 1981 when Ronald Reagan was in his first term. If you are thinking that both of these bull markets sound like they are getting a little long in the tooth, you might be right. Certainly markets move both ways, and when one examines the past 6-plus years of stock market performance, the charts look almost too good to be true. But as long as these low interest rates continue, and central banks continue their easy money policies, capital has nowhere else to go other than to risk-on assets if it wants to attempt to get any return greater than the historical rate of inflation.

The euphoria continues, and we know it’s rarely a good idea to be the last one to leave a party, but the central bank bar is still open and Janet Yellen and the other central bank leaders are the bartenders.

Weekly Update for the Week Ending April 27th, 2015

Index	Last Week			One Month		Year-to-Date	
	Close	Net Change	% Change	Net Change	% Change	Net Change	% Change
Dow Jones Global Index	340.44	5.59	1.67%	7.59	2.28%	19.58	6.10%
Dow Jones Industrial Average	18080.14	253.84	1.42%	69.00	0.38%	257.07	1.44%
S&P 500 Index	2117.69	36.51	1.75%	26.19	1.25%	58.79	2.86%
Nasdaq Composite Index	5092.09	160.27	3.25%	97.36	1.95%	356.04	7.52%
S&P MidCap 400 Index	1533.84	18.04	1.19%	3.05	0.20%	81.40	5.60%
Russell 2000 Index	1267.54	15.68	1.25%	4.08	0.32%	62.84	5.22%
MSCI EAFE Index (EFA)	67.40	1.43	2.17%	1.55	2.35%	6.56	10.78%

DC Magazine
as a *Five Star Wealth Manager* (2012)

Financial Advisor Magazine
as an *All-Star Research Manager (2012)*

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MSCI Emerging Markets Index (EEM)	43.85	1.15	2.69%	3.49	8.65%	4.56	11.61%
BAML US High Yield Master II Index	1089.03	2.64	0.24%	16.76	1.56%	40.85	3.90%
Above returns exclude dividends. Data Source: Investors FastTrack							

Quote of the Day:

"In the full light of the day, I don't want to think about the sunset"

~~Pop Icon and TV Personality, Shakira

Potomac Wealth Advisors, LLC

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 ***Dow Jones Global Indexes (DJGI)*** is a family of international equity indexes, including world, region, and country indexes and economic sector, market sector, industry-group, and subgroup indexes created by Dow Jones Indexes a unit of Dow Jones & Company best known for the Dow Jones Industrial Average**.**

The indexes are constructed and weighted using market value-weighted index. They provide 95 percent market capitalization coverage of developed markets and emerging markets. More than 3000 DJGI indexes provide data on more than 5500 companies around the world. Market capitalization is float-adjusted

*The ***DJIA*** is a widely followed measurement of the stock market. The average is comprised of 30 stocks that represent leading companies in major industries.

* 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 ***NASDAQ*** Composite Index is a market-valued weighted index, which measures all securities listed on the NASDAQ stock market.

*The ***S&P Mid Cap 400 Index*** This Standard & Poor’s index serves as a barometer for the U.S. mid-cap equities sector and is the most widely followed mid-cap index in existence. To be included in the index, a stock must have a total market capitalization that ranges from roughly $750 million to $3 billion dollars. Stocks in this index represent household names from all major industries including energy, technology, healthcare, financial and manufacturing.

*The ***Russell 2000 Index*** is a small-cap stock market index of the bottom 2,000 stocks in the Russell 3000 Index
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* The ***MSCI EAFE*** Index is a stock market index that is designed to measure the equity market performance of developed markets outside of the U.S. & Canada. It is maintained by MSCI Barra,[1] a provider of investment decision support tools; the EAFE acronym stands for **Europe, Australasia and Far East.**

* The MSCI ***Emerging Markets Index and the EEM*** are float-adjusted market capitalization indexes that consists of indices in 21 emerging economies: Brazil, Chile, China, Colombia, Czech Republic, Egypt, Hungary, India, Indonesia, Korea, Malaysia, Mexico, Morocco, Peru, Philippines, Poland, Russia, South Africa, Taiwan, Thailand, and Turkey.

*The **Merrill Lynch US High Yield Master II Index** (H0A0) is a commonly used benchmark index for high yieldcorporatebonds. It is administered by Merrill Lynch . The Master II is a measure of the broad high yield market, unlike the Merrill Lynch BB/B Index\ which excludes lower-rated securities.

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**The economic forecasts set forth in the presentation may not develop as predicted and there can be no guarantee that strategies promoted will be successful.*

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