FEIERTAG
FINANCIAL SERVICES

YOUR FINANCIAL FUTURE

Your Guide to Life Planning

February 2012

Our roads to success may have twists and turns and ups and downs; together we can navigate a course and enjoy the scenery along the way.

Steven Feiertag, CFP®
Feiertag Financial Services
2107 Reston Circle
Royal Palm Bch, FL 33411
800-252-4276
Fax: 561-333-0721
steven.feiertag@lpl.com
www.stevenfeiertag.com

In This Issue

Please CLICK on any Article Title, Then SCROLL to See All Pages

February 2012 from Feiertag Financial Services

Weekly Market Commentary | Week of January 30, 2012

January's gain sets a positive tone for the year. When January was positive for the S&P 500, the year as a whole ended with a gain 90% of the time since WWII. This historical relationship is called the January effect. Last year, each of these time-worn axioms based on the calendar actually worked for investors.

Make a Plan to Reduce Your Debt

The recession -- and subsequent slow recovery -- has caused millions of Americans to focus even more closely on living within their means. If you are ready to face up to your own financial realities, one crucial step is to set out a plan of action.

Strategies for Smart Retirement Planning

Some factors that influence your retirement savings results, such as the types of investments available to you through your plan and the performance of the financial markets, can't always be controlled. But there are some factors you can influence that can help keep your portfolio on track.

Please CLICK on any Article Title, Then SCROLL to See All Pages

Our practice is supported by the resources of LPL Financial, the nation's largest independent broker/dealer,* which provides us with access to unbiased research and a wide selection of nonproprietary investment options. Even though we receive this powerful support, we are independent. This independence allows us to serve your needs first, above any corporate mandates.

We view our relationship with you as a partnership, built through trust, integrity and communication. This can only be achieved with a strong commitment to the process on our part and yours, and we thank you for your ongoing efforts and loyalty.

Please let me know if we can do anything further to meet your needs. Our goal is to deliver service that exceeds your expectations.

Investments, taxes, insurance, estate planning…the list of financial concerns you face today seems overwhelming. And with more options available than ever before, it's difficult to know which ones may be right for you.

As a Financial Representative with LPL Financial, I can help. With years of training and experience, I can help you sort through and choose the investments that are most appropriate for your needs.

Whether it's planning for a secure retirement or developing a strategy to pay for your child's college education, I employ a thorough and disciplined approach to investing. There are many potential benefits including quality investment choices combined with professional guidance and objective advice.

Many of you have stopped the habit of contributing each year to your Roth IRA's. That likely is a mistake. Please call our office to see if you qualify for a Roth IRA. If you are still working and meet the IRA income guidelines for contributing to a Roth IRA, now is a good time to think about funding your Roth IRA for 2011. You have until April 17, 2012 to make your 2011 Roth IRA contribution. Many of our clients have Roth IRA's in place; it is very easy to mail in a check or set up an automatic monthly investment option on your account. Please call to get more information.

I appreciate your time and consideration. I look forward to helping you develop and stick to a well thought-out investment plan.

We always appreciate referrals from our satisfied clients, friends, business partners, and family members. We welcome the opportunity to serve the people you care about. Please visit our website (www.steven.feiertag.com) and if you like what you see pass this on to your contacts. Thank you for your continued business and support.

Feiertag Financial Services

Steven I Feiertag, CFP®

Registered Representative, LPL Financial

2107 Reston Circle

Royal Palm Beach, FL 33411

800-252-4276

steven.feiertag@LPL.com

www.steven.feiertag.com

Securities offered through LPL Financial. Member FINRA/SIPC.

* According to *Financial Planning* magazine, June 1996-2011, based on total revenue

LPL Tracking # 1-037641

Weekly Market Commentary | Week of January 30, 2012

Highlights

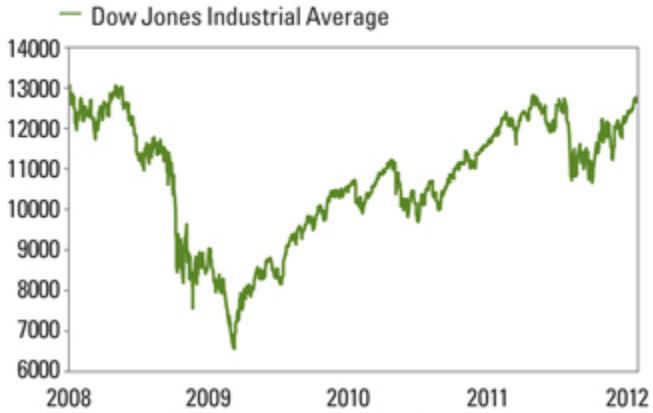
- The upcoming Super Bowl will test the stock market's historical correlations with the calendar and events that proved rewarding to investors in 2011.
- Investors' New Year's resolution may have been to buy stocks after five years of selling nearly every month. However, we are afraid this may turn out to be like most resolutions and fade come February.
- We expect volatility to return and the stock market to shed some recent gains. But we adhere to our outlook for 8-12%* gains for the year for stocks.

**LPL Financial Research provided this range based on our earnings per share growth estimate for 2012, and a modest expansion in the*
price-to-earnings ratio.

January May Seem "Super," but Don't Be Bowled Over

Last week, the Dow Jones Industrial Average (DJIA) hit a new three-and-a-half-year intraday high [Chart 1]. Earnings, gross domestic product (GDP), and consumer spending are already back to new highs, so seeing the stock market return to pre-financial crisis levels seems reasonable.

1 Dow Jones Industrial Average Near Three-and-a-Half-Year Highs



Source: LPL Financial, Bloomberg Data 01/30/12

January's gain sets a positive tone for the year. When January was positive for the S&P 500, the year as a whole ended with a gain 90% of the time since WWII. This historical relationship is called the "January effect." Last year, each of these time-worn axioms based on the calendar actually worked for investors. For example:

- "Sell in May and go away," which suggests investors sell and avoid the summer months, worked with stocks peaking for the year on April 29.
- October, the "bear killer" month when stock market downturns famously end and reverse in the month of October, ended the 19% peak-to-trough stock market decline with stocks bottoming for the year on October 3.
- A "Santa Claus rally" in December produced gains in the week between Christmas and New Year's.

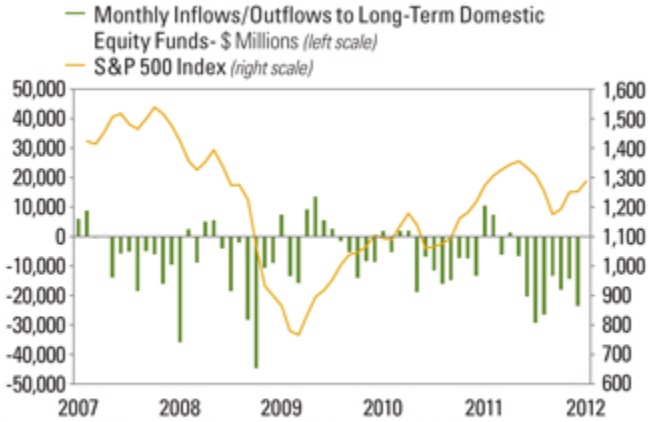
Although not based on the calendar, and more than a little bit tongue-in-cheek, another classic stock market indicator worth mentioning this week is the "Super Bowl indicator." Last year, both teams were original NFL teams and the DJIA posted a modest gain for the year. The Super Bowl indicator shows that the DJIA goes up for the year as a whole when the winner comes from the original NFL (NFC team or an AFC team from the pre-1970-merger NFL - like the Steelers or Colts). But when an original AFL or expansion team wins, the DJIA falls. Going into the 1998 Super Bowl when the underdog Denver Broncos defeated the Green Bay Packers, the Super Bowl indicator had been correct in 28 of 31 years.

However, since 1998, the Super Bowl indicator has had a poor record; it has only been correct about 50% of the time over the past 13 years. The most notable failure was the New York Giants' upset win in 2008 over the New England Patriots, which was supposed to bring about a bull run for stocks - instead the Dow plunged that year as the financial crisis took hold. This year's rematch of the 2008 contest will be on Sunday, February 5. While a win for the Giants would suggest gains for stocks in 2012, using longer-term history as a guide, it is unlikely that this event holds any significance for the stock market. In fact, make that highly unlikely.

Individual investor buying is more likely to empower a rally than historical correlations with the calendar or a sporting

event. Investors' New Year's resolution may have been to buy stocks. Individual investors appear to be beginning to "put a toe back in" to the stock market after five years of selling stocks nearly every month. Data on mutual fund cash flows for the month of January suggests that investors are finally once again buying U.S. stock mutual funds - or have at least temporarily stopped selling them [Chart 2]. However, we are afraid this may turn out to be like most resolutions and fade come February.

2 January Brings a Break in the Selling



Source: LPL Financial, Investment Company Institute, Bloomberg Data 01/30/12

Past performance is no guarantee of future results.

We expect volatility to return and the stock market to shed some recent gains. But we adhere to our outlook for 8-12% gains for the year for stocks driven by 7% earnings growth and a slight improvement in valuations. In the near term, the recent four weeks of back-to-back gains may give way to a modest pullback, but we expect several factors to mitigate the extent of the slide including upcoming rate cuts in China, solid manufacturing and employment data in the United States, and further steps toward stability in Europe.

IMPORTANT DISCLOSURES

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.

The Standard & Poor's 500 Index is a capitalization-weighted index of 500 stocks designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries.

Correlation is a statistical measure of how two securities move in relation to each other. Correlations are used in advanced portfolio management.

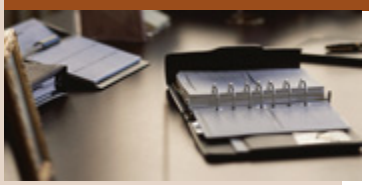
Gross Domestic Product (GDP) is the monetary value of all the finished goods and services produced within a country's borders in a specific time period, though GDP is usually calculated on an annual basis. It includes all of private and public consumption, government outlays, investments and exports less imports that occur within a defined territory.

This research material has been prepared by LPL Financial.

The LPL Financial family of affiliated companies includes LPL Financial and UVEST Financial Services Group, Inc., each of which is a member of FINRA/SIPC.

To the extent you are receiving investment advice from a separately registered independent investment advisor, please note that LPL Financial is not an affiliate of and makes no representation with respect to such entity.

Tracking #1-041489 | Exp. 1/13



Make a Plan to Reduce Your Debt

The recession -- and subsequent slow recovery -- has caused millions of Americans to focus even more closely on living within their means. If you are ready to face up to your own financial realities, one crucial step is to set out a plan of action. Here are some key considerations to keep in mind.

Keep Track of Your Spending

Once you have a record of your spending, compare your average monthly outlay with your monthly income.

It's hard to reduce your spending if you don't have a good idea of how much you are spending. Keep track of your typical monthly expenses for three months to find out where your money is going. To get an even more realistic idea, factor in some unexpected expenses -- such as auto and home repairs. Once you have a record of your spending, compare your average monthly outlay with your monthly income. If you have a surplus, this is the amount you can apply each month to paying down debt and building savings. If you have a shortfall, you'll need to examine your expenses more closely to see what you can potentially cut back or cut out.

Keep Saving

One way to establish good saving habits is to make saving even easier than spending. A handy tip is to set up separate savings accounts with separate goals attached to them. Here are three suggestions that can help you better allocate your savings.

- **Emergency Account:** Your goal for this account should be to build up at least three to six months of living expenses. This way, if you lose your job or need a lump sum to pay for a significant expense, you may not have to tap into your other savings or ring up more debt.
- **Family Account:** This account can help fund your children's school expenses (such as class trips and team uniforms) or vacations.
- **Investment Account:** This account should be reserved for general or long-term saving goals. Hopefully, you already have a retirement savings account (either through your workplace or on your own) and perhaps a college savings plan. But having another account to save for other longer-term goals -- maybe to start your own business or remodel your home -- can be a smart move.

Keep a Tight Watch on Your Credit Cards

If you've accumulated significant credit card debt, you've first got to stop the bad behavior. Paying off debt is easier once you stop using your credit cards.

- Pay off your highest interest credit card debt first, making sure you avoid the "minimum balance trap." Paying more than the minimum can make a big difference.
- Consolidate your debt by transferring outstanding balances to lower-rate cards. If you don't want to transfer your balances, you may be able to get your current credit card company to match the interest rate of a competitor.
- Cancel all cards except for the one that offers the lowest interest rate.
- Finally, set up a realistic payment timetable and stick with it. If you have trouble keeping pace, talk to a professional. The counselors at the nonprofit National Foundation for Credit Counseling can help develop a more structured plan for you. To find the nearest location, call 800-388-2227 or visit www.nfcc.org.

Tracking #1-034878

Strategies for Smart Retirement Planning

A study conducted by the Employee Benefit Research Institute estimated that the average American worker will face a retirement savings shortfall of more than $47,000.[1] How can you avoid a similar fate?

Some factors that influence your retirement savings results, such as the types of investments available to you through your plan and the performance of the financial markets, can't always be controlled. But there are some factors you can influence that can help keep your portfolio on track.

Step 1: Stay invested. It's not easy to see your account value decrease after a decline in the stock market, particularly after a steep, sudden drop of 10% or more. But one of the dangers of cashing out is missing a potential market rebound. Trying to "time" the market is a strategy even the most seasoned financial professionals have difficulty mastering. It can also lead investors into the trap of "chasing gains"; that is, moving your money from one investment that's lagging into another one that's currently achieving better performance.

Step 2: Regularly monitor your investment mix. One of the benefits of a diversified portfolio is balance. If one type of investment is experiencing losses, another type may be earning gains. Over time, these gains and losses may cause your asset allocation to skew away from your target mix.[2] Or your tolerance for risk may evolve over time. Lifestyle changes can also necessitate a readjustment to your allocation. That's why it's important to monitor your mix and make adjustments when necessary.

Step 3: Increase your savings rate. Perhaps the most important way to help fund your future is to sock away as much as possible. Finding the extra money to invest can be tough -- you've got plenty of expenses to worry about today without the added anxiety of worrying about tomorrow. But every dollar you can spare can make a difference. Whether retirement is just around the corner or 30 to 40 years away, regularly setting money aside -- particularly in a tax-deferred vehicle such as a 401(k) or tax-exempt account like a Roth IRA -- can often be the smartest move you can make.

Whether retirement is just around the corner or 30 to 40 years away, regularly setting money aside -- particularly in a tax-deferred vehicle such as a 401(k) or tax-exempt account like a Roth IRA -- can often be the smartest move you can make.

2012 Retirement Plan Account Limits

Maximum contribution limit for 401(k), 403(b), and 457 plan participants	$17,000
Maximum additional "catch up" contributions for 401(k), 403(b), and 457 plan participants aged 50 and older	$5,500
Maximum traditional IRA contribution	$5,000
Maximum additional "catch up" contributions for traditional IRA accountholders aged 50 and older	$1,000
Maximum contribution limit for SIMPLE retirement accounts	$11,500
Maximum contribution limit for Roth IRAs[3]	$5,000

[1]*Source: Employee Benefit Research Institute, EBRI Notes, October 2010.*

[2]Diversification and asset allocation do not ensure a profit or protect against a loss in a declining market.

[3]Roth IRA contributions may be made only by single taxpayers with modified adjusted gross incomes (MAGIs) of less than $122,000 and married joint filers with MAGIs of under $179,000. Phase-out limits for partial contributions also apply. If your MAGI is close to or over these limits, talk to your financial or tax professional before contributing to a Roth IRA.

LPL Compliance # 733792 Exp. 05/2012