RBF Weekly Market Commentary
April 27, 2015

The Markets

Remember the dot-com bubble?

If so, you'll appreciate this week's notable event: The NASDAQ Composite Index, which includes a fair number of technology stocks, transcended its previous high (set in March 2000). Share values in the tech sector gained 4 percent last week, according to *Barron's*, as major players in the space delivered better-than-expected earnings results.

The performance of technology stocks has some wondering whether this tech boom will be like the last one. In the go-go 90s, technology start-ups attracted hundreds of millions in venture capital funding. Some, like not-very-memorable fashion retailer Boo.com, burned through $135 million of venture capital and went belly up the year after it launched. Others, like TheGlobe.com, a social network service with no earnings, went public in 1998 with a target share price of $9. Investors paid as much as $97 a share during the first day of trading. By the end of 2000, the stock price was worth less than a dollar a share.

Things are different this time around, according to *Financial Times*, largely because a lot more economic activity takes place online today. About $50 billion is spent on online advertising in the United States (compared to $8 billion 15 years ago) to reach an audience of three billion people (compared to 400 million in 2000). The business paradigm has changed, too, according to *Financial Times*:

> "This time around, many [companies] are being built to be sold to one of a handful of cash-rich acquirers… in the consumer internet markets, or… in enterprise software. In fast growing fields such as artificial intelligence, backers of more mature start-ups complain about the excess of early-stage venture capital flooding in, from investors hoping to sell out quickly to one of the giants."

The Dow Jones Industrial Average and the Standard & Poor's 500 Indices showed gains last week, too.

Data as of 4/24/15	1-Week	Y-T-D	1-Year	3-Year	5-Year	10-Year
Standard & Poor's 500 (Domestic Stocks)	1.8%	2.9%	12.7%	15.6%	11.8%	6.2%
Dow Jones Global ex-U.S.	1.7	8.8	1.8	7.3	3.3	3.7
10-year Treasury Note (Yield Only)	1.9	NA	2.7	2.0	3.8	4.3
Gold (per ounce)	-1.7	-1.4	-8.4	-10.5	0.5	10.6
Bloomberg Commodity Index	-0.2	-2.6	-26.5	-9.7	-5.6	-4.3
DJ Equity All REIT Total Return Index	0.9	2.3	18.0	13.0	13.0	9.0

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.

HOW DO YOU DEFINE INVESTMENT SUCCESS? The *Natixis 2014 Global Survey of Individual Investors* offered some interesting insight into the mindsets of investors in Asia, Europe, Latin America, the Middle East, the United Kingdom, and the United States who participated in the study. There was some good news and some bad news. First, the bad news:

> "Investors around the world say they'll need average returns of 9 percent a year, above inflation, to meet their financial goals, a figure well above the average annual return of the markets over most rolling periods during the past century."

This is a remarkable expectation. Second, it's not achievable without taking considerable risk and the vast majority of investors surveyed said, if they had to choose, they would opt for safety of principal over performance potential. In other words, they wouldn't take the risk necessary to earn such a high potential return. It's important to set realistic expectations for portfolio returns; expectations that reflect risk tolerance and long-term financial goals.

The good news, at least for U.S. investors, was found when participants were asked to describe the way they defined investment success. Answers overlapped in many regions but only the highest percentage of any region is shown for each statement below:

• **Outperforming my friends/family/colleagues**	9 percent	Middle East
• **Achieving my short-term investment goals**	21 percent	Latin America
• **Outperforming the market**	22 percent	Asia
• **Being on track to achieving my long-term investment goals**	37 percent	United States
• **Not losing principal**	30 percent	Europe
• **Only making gains and no losses**	30 percent	Europe

U.S. investors were more likely to have financial plans than investors in other regions. However, slightly more than one-half of Americans said they had clear financial goals.

Weekly Focus – Think About It

"There is nothing worse than a sharp image of a fuzzy concept."

--*Ansel Adams, American photographer*

Securities offered through Triad Advisors Inc., Members FINRA/SIPC.

* 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.
* This newsletter was prepared by Peak Advisor Alliance. Peak Advisor Alliance is not affiliated with the named broker/dealer.
* Government bonds and Treasury Bills are guaranteed by the U.S. government as to the timely payment of principal and interest and, if held to maturity, offer a fixed rate of return and fixed principal value. However, the value of fund shares is not guaranteed and will fluctuate.
*Corporate bonds are considered higher risk than government bonds but normally offer a higher yield and are subject to market, interest rate and credit risk as well as additional risks based on the quality of issuer coupon rate, price, yield, maturity, and redemption features.

* 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.
* Yahoo! Finance is the source for any reference to the performance of an index between two specific periods.
* Opinions expressed are subject to change without notice and are not intended as investment advice or to predict future performance.
* Economic forecasts set forth may not develop as predicted and there can be no guarantee that strategies promoted will be successful.
* Past performance does not guarantee future results. Investing involves risk, including loss of principal.
* You cannot invest directly in an index.
* Consult your financial professional before making any investment decision.
* Stock investing involves risk including loss of principal.

Sources:
[1] http://online.barrons.com/articles/stocks-climb-2-as-nasdaq-tops-15-year-record-1429934540?mod=BOL_hp_we_columns (*or go to* http://peakclassic.peakadvisoralliance.com/app/webroot/custom/editor/04-27-15_Barrons-Stocks_Climb_2%_as_NASDAQ_Tops_15-Year_Record-Footnote_1.pdf)
[2] http://www.businessinsider.com/where-are-they-now-the-kings-of-the-90s-dot-com-bubble-2013-10#boocom-founder-ernst-malmsten-once-said-after-the-pampered-luxury-of-a-lear-jet-35-concorde-was-a-bit-cramped-2
[3] http://www.businessinsider.com/where-are-they-now-the-kings-of-the-90s-dot-com-bubble-2013-10#the-globecoms-stephan-paternot-was-known-as-the-ceo-in-the-plastic-pants-after-he-was-filmed-in-a-nightclub-saying-got-the-girl-got-the-money-now-im-ready-to-live-a-disgusting-frivolous-life-4
[4] http://finance.yahoo.com/q/hp?s=TGLO+Historical+Prices (*or go to* http://peakclassic.peakadvisoralliance.com/app/webroot/custom/editor/04-27-15_Yahoo_Finance-TGLO-Historical_Prices-Footnote_4.pdf)
[5] http://www.ft.com/cms/s/0/655d167c-c89c-11e4-8617-00144feab7de.html#axzz3YLahLqdr (*or go to* http://peakclassic.peakadvisoralliance.com/app/webroot/custom/editor/04-27-15_FinancialTimes-Dotcom_History_is_Not_Yet_Repeating_Itself-Footnote_5.pdf)
[6]http://ngam.natixis.com/docs/352/754/562014_FINAL_Individual%20Investor%20Survey%20Full%20Report%20_4292014,0.pdf (*or go to* http://peakclassic.peakadvisoralliance.com/app/webroot/custom/editor/04-27-15_Natixis-2014_Global_Survey_of_Individual_Investors-Footnote_6.pdf)
[7] http://www.brainyquote.com/quotes/authors/a/ansel_adams.html