

For the Week of November 15, 2010

## THE MARKETS

With the mid-term elections over and most quarterly corporate earnings reports complete, Wall Street turned its attention to the G20 summit in South Korea, where the U.S. had hoped for support of its desire for a revised Chinese monetary policy, according to the Associated Press. The group of 20 nations ended its meeting without a comprehensive plan to address global economic issues. Domestically, the University of Michigan consumer sentiment index for early November rose to 69.3 from 67.7, in line with analysts' expectations, according to CNNMoney.com. All three major stock indexes marked their biggest weekly decline in three months. For the week, the Dow lost 2.10 percent to close at 11,192.58. The S&P fell 2.10 percent to finish at 1,199.21, and the NASDAQ declined 2.36 percent to end the week at 2,518.21.

Returns Through 11/12/10	1 Week	YTD	1 Year	3 Year	5 Year
Dow Jones Industrials	-2.10	9.85	12.76	-2.01	3.64
NASDAQ Composite	-2.36	10.98	17.18	-0.86	2.72
S&P 500	-2.10	9.42	12.53	-3.73	1.54
BarCap US Agg Bond (TR)	-0.79	7.77	7.26	6.83	6.34
MSCI EAFE	-2.31	5.84	6.03	-7.63	3.25

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 S&P, excluding "1 Week" returns, is a reflection of return to an investor, by reinvesting dividends after the deduction of withholding tax.

**Big Bucks for a Seventh Grader** – The average cost for one year of college education at an in-state public college is \$16,140 for the 2010-11 school-year (cost includes tuition, fees, room and board). The total one-year cost has increased 6.3 percent per year over the past 30 years. If that same annual rate of inflation continues into the future, then a 7th grader today will ultimately pay \$103,000 for his/her four years of education at an in-state public college during the years 2016-20 (Source: College Board, BTN Research).

**Different Opinion** – The Federal Open Market Committee (FOMC) voted 10-1 to leave short-term interest rates unchanged following its two-day meeting that ended Nov. 3, 2010. Kansas City Federal Reserve Bank President Tom Hoenig cast the lone dissenting vote for the seventh consecutive meeting dating back to January 2010. Hoenig believes that the Fed should begin to gradually increase interest rates to block the progress of future inflation in our country (Source: FOMC, BTN Research).

**Higher Than Last Time** – The estimated turnout in the Nov. 2, 2010, mid-term elections was 41.5 percent of our country's voting age population. In the 2006 mid-term elections, 37.1 percent of the U.S. voting-age population voted (Source: Federal Election Commission, George Mason University, BTN Research).

## WEEKLY FOCUS – Year-End Risk Review

Start the new year off with some peace of mind with an insurance checkup. Today we will take a closer look at homeowners insurance, an important component of your holistic financial picture.

Has your homeowners coverage kept up with your home's value? Rising construction costs in some areas have resulted in some homes being underinsured. Guaranteed replacement cost coverage insures the home for the full cost of rebuilding. An inflation guard feature may not be enough, as construction costs may increase faster than inflation, leaving you at risk if your home is completely destroyed. Also verify the square footage of your property and document the interior and exterior condition of your home, especially if you have made improvements or additions.

Your homeowners policy also covers the contents of your home. Document with photos or video important items like jewelry, tools, artwork, appliances and electronics. Rare items like antiques, artwork, jewelry and coins may need an appraisal to ensure you get a fair replacement value. If you own a condo or townhome, you may need additional coverage for personal property beyond the association's policy.

Home-based business owners often assume their homeowners coverage also protects assets owned by the business. Best to double check by making an inventory of equipment and furniture. If your home is destroyed, you'll be out of work for a period of time. A home-business endorsement can also cover that loss of income.

We've only covered homeowners insurance, but now is a great time to review your auto, umbrella liability, disability and life policies. We can work with you and your insurance professional to make sure you have the most effective coverage to protect your wealth.

### BONNETT WEALTH MANAGEMENT

14710 West Dodge Rd., Suite 203, Omaha, NE 68154  
(402) 556-8858 ♦ (800) 956-8858 ♦ (888) 766-7488 Fax  
[www.bonnettwm.com](http://www.bonnettwm.com)

Jerome "Joe" P. Bonnett, Jr. — Registered Representative. Securities offered through Securities America, Inc., Member FINRA/SIPC  
Advisory services offered through Securities America Advisors, Inc. Bonnett Wealth Management and Securities America Companies are unaffiliated.

\* 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. SAI# 307814