



For the Week of Feb. 20, 2012

THE MARKETS

U.S. stocks closed Friday with weekly gains of more than 1 percent. The Dow closed just shy of the psychologically important 13,000 mark on the release of positive economic news and optimism for a Greek resolution. The Dow hasn't closed above 13,000 since May 19, 2008, before the start of the most recent U.S. recession. The NASDAQ is also within 50 points of closing above 3,000 – something it has not done since Dec. 11, 2000. The markets are closed today in recognition of President's Day. For the week, the Dow climbed 1.31 percent to close at 12,950.10. The S&P gained 1.48 percent to finish at 1,361.23 and the NASDAQ rose 1.65 percent to end the week at 2,951.78.

Returns Through 02/17/12	1 Week	YTD	1 Year	3 Year	5 Year
Dow Jones Industrials (TR)	1.31	6.44	8.00	23.12	3.09
NASDAQ Composite (PR)	1.65	13.31	4.24	26.14	3.41
S&P 500 (TR)	1.48	8.56	3.73	22.52	0.83
BarCap US Agg Bond (TR)	-0.15	0.48	8.83	6.93	6.43
MSCI EAFE (TR)	1.64	9.82	-8.92	17.24	-3.73

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, BarCap US Agg Bond 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. The NASDAQ is based on price return, which is the capital appreciation of the portfolio, excluding income generated by the assets in the portfolio in the form of interest and dividends. (TR) indicates total return. (PR) indicates price return. MSCI EAFE returns stated in U.S. dollars.

Another Deadline – Physicians who treat Medicare patients will face an across-the-board cut of 27 percent on March 1, 2012, unless Congress passes new legislation (source: Congress, BTN Research).

Very Stately – The only states that had unemployment rates less than 5 percent as of the end of last year (i.e., Dec. 31, 2011) were the three contiguous states of North Dakota, South Dakota and Nebraska (source: Department Of Labor, BTN Research).

One Big Happy Family – The U.S. is projected to add 100 million people to its population over the next 30 years, an increase of 32 percent over our current population of 313 million (source: Census Bureau, Research).



WEEKLY MARKET COMMENTARY

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WEEKLY FOCUS – America Saves Week: ‘It All Adds Up’

In 2007, America Saves and the America Savings Education Council (ASEC) began America Saves Week – an annual opportunity for organizations to promote good savings behavior and a chance for individuals to assess their own saving status. This year, America Saves Week runs Feb. 19-26, 2012.

According to the ASEC, most Americans are not saving adequately for retirement, and most lower-income households do not have adequate emergency savings for unexpected expenses.

“Most of us know it is smart to save money for those big-ticket items we really want to buy – a new television or car or home,” the U.S. Department of Labor (DOL) writes in *Saving Fitness: A Guide to Your Money and Your Financial Future*. “Yet you may not realize that probably the most expensive thing you will ever buy in your lifetime is your retirement.”

The DOL says the two main reasons for insufficient retirement savings are increased longevity and decreased pension plans. Most retirement plans today, such as 401(k)s, exclude part-time employees and the self-employed. Currently, only about 57 percent of all workers are earning retirement benefits at work.

Many Americans assume Social Security will pay for all or most of their retirement needs, when in reality a comfortable retirement plan usually requires Social Security, employer-based retirement benefits, personal savings and investments.

America Saves Week encourages workers to look closely at their savings and the spending habits that may take away from saving. AmericaSavesWeek.org has materials and information that can help you, your children or your grandchildren assess saving for retirement, education and other big-ticket expenses. America Saves Week is an annual reminder to double check your financial stability and encourage you to save. Take the time this week to call our office to set up a review of your retirement plan, or to receive help with explaining the importance of savings to younger generations.

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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. SAI# 462569