

Weekly Market Insights

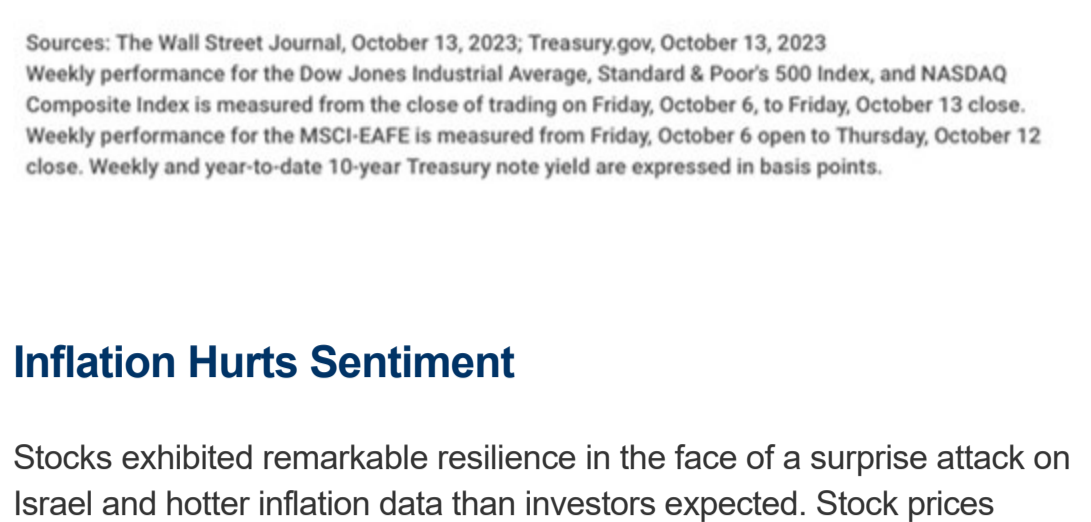
October 16, 2023

Stocks ended mixed last week amid the outbreak of hostilities in the Middle East and higher-than-expected inflation data.

The Dow Jones Industrial Average gained 0.20%, while the Standard & Poor's 500 rose 0.45%. But the Nasdaq Composite index slipped 0.18% for the five trading days. The MSCI EAFE index, which tracks developed overseas stock markets, advanced 2.37%.^{1,2,3}



Market Index	Close	Week	Y-T-D
DJIA	33,670.29	+0.20%	+1.58%
NASDAQ	13,407.23	-0.18%	+28.10%
MSCI-EAFE	2,040.99	+2.37%	+4.99%
S&P 500	4,327.78	+0.45%	+12.72%



Treasury	Close	Week	Y-T-D
10-Year Note	4.63%	-0.15%	+0.75%

Sources: The Wall Street Journal, October 13, 2023; Treasury.gov, October 13, 2023
Weekly performance for the Dow Jones Industrial Average, Standard & Poor's 500 Index, and NASDAQ Composite Index is measured from the close of trading on Friday, October 6, to Friday, October 13 close.
Weekly performance for the MSCI-EAFE is measured from Friday, October 6 open to Thursday, October 12 close. Weekly and year-to-date 10-year Treasury note yield are expressed in basis points.

Inflation Hurts Sentiment

Stocks exhibited remarkable resilience in the face of a surprise attack on Israel and hotter inflation data than investors expected. Stock prices initially buckled on the breakout of hostilities in the Middle East. Still, they rallied in afternoon trading as investors gained optimism that the war may not spread to other countries. Oil and defense stocks rose sharply, while airlines fell.

Stocks continued to advance into Wednesday as falling bond yields and a retreat in oil prices overcame the disappointment of an elevated wholesale inflation report. When consumer prices also came in higher than anticipated by Wall Street, stocks moved lower in response to higher bond yields. The weakness continued into Friday on a bump in consumer inflation expectations despite a solid start to a new earnings season.

PPI, CPI Updates

The disinflationary trend appears to be stalling if the inflation numbers are any indication. September's producer price index (PPI) came in higher than expected, rising 0.5% versus a forecast of a 0.3% increase, while the year-over-year increase of 2.2% was the most significant jump since April. The driver of last month's hop was in goods, which surged 0.9%.⁴

Consumer inflation data followed, which also came in hotter than forecast. The Consumer Price Index (CPI) rose 0.4% in September and 3.7% year-over-year above the forecast of 0.3% and 3.6%, respectively. The news on core inflation was a bit more comforting, rising in line with expectations.⁵

This Week: Key Economic Data

Tuesday: Retail Sales. Industrial Production.

Wednesday: Housing Starts.

Thursday: Existing Home Sales. Jobless Claims. Index of Leading Economic Indicators.

Source: Econoday, October 13, 2023
The Econoday economic calendar lists upcoming U.S. economic data releases (including key economic indicators), Federal Reserve policy meetings, and speaking engagements of Federal Reserve officials. The content is developed from sources believed to be providing accurate information. The forecasts or forward-looking statements are based on assumptions and may not materialize. The forecasts also are subject to revision.

This Week: Companies Reporting Earnings

Monday: The Charles Schwab Corporation (SCHW)

Tuesday: Bank of America Corporation (BAC), Johnson & Johnson (JNJ), Lockheed Martin Corporation (LMT), The Goldman Sachs Group, Inc. (GS), Prologis, Inc. (PLD), J.B. Hunt Transport Services, Inc. (JBHT)

Wednesday: Netflix, Inc. (NFLX), Tesla, Inc. (TSLA), The Procter & Gamble Company (PG), United Airlines Holdings, Inc. (UAL), Abbott Laboratories (ABT), Morgan Stanley (MS), Elevance Health, Inc. (ELV)

Thursday: AT&T, Inc. (T), Intuitive Surgical, Inc. (ISRG), Blackstone, Inc. (BX), CSX Corporation (CSX), Union Pacific Corporation (UNP), Freeport-McMoran, Inc. (FCX)

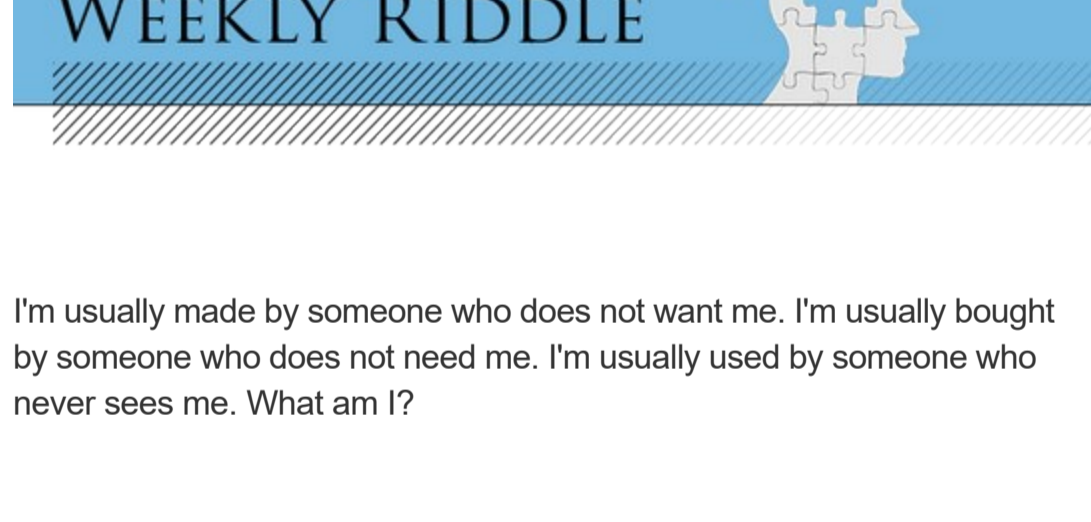
Friday: SLB (SLB), American Express Company (AXP)

Source: Zacks, October 13, 2023
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"Everyone thinks of changing the world, but no one thinks of changing himself."

—Leo Tolstoy



Taxpayer Bill of Rights

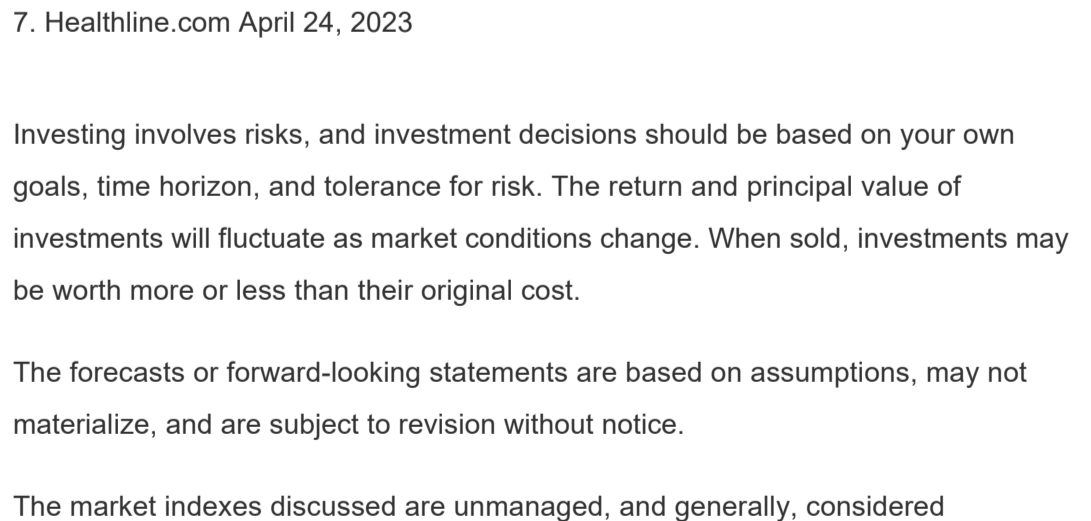
The Internal Revenue Service (IRS) is available year-round for any questions. They also have a Taxpayer Bill of Rights, which promises the level of service and information you will receive when working with the IRS.

Here are the ten fundamental rights you have as a taxpayer when interacting with the IRS:

- The right to be informed: As a taxpayer, you have the right to know what is required to comply with tax laws.
- The right to quality service: You will receive prompt, courteous, and professional assistance.
- The right to pay no more than the correct amount of tax: You only pay what is legally due, including interest and penalties.
- The right to challenge the IRS' position and be heard: You have the right to object to IRS actions and provide further justification with documentation.
- The right to appeal an IRS decision in an independent forum: Taxpayers are entitled to a fair and impartial administrative appeal of most IRS decisions, including certain penalties.
- The right to finality: You have the right to know how much time you have to challenge an IRS position and how soon the IRS must audit your taxes.
- The right to privacy: All IRS inquiries, examinations, and enforcement won't be more intrusive than necessary.
- The right to confidentiality: Taxpayers have the right to expect that their tax information will remain confidential.
- The right to retain representation: Taxpayers have the right to retain an authorized representative of their choice to represent them in their interactions with the IRS.
- The right to a fair and just tax system: Taxpayers have the right to expect the tax system to consider all facts and circumstances that might affect their liabilities, ability to pay, or ability provide timely information.

"This information is not intended to substitute for specific individualized tax advice. We suggest you discuss your specific tax issues with a qualified tax professional."

Tip adapted from IRS.gov⁶



Health Benefits of Garlic

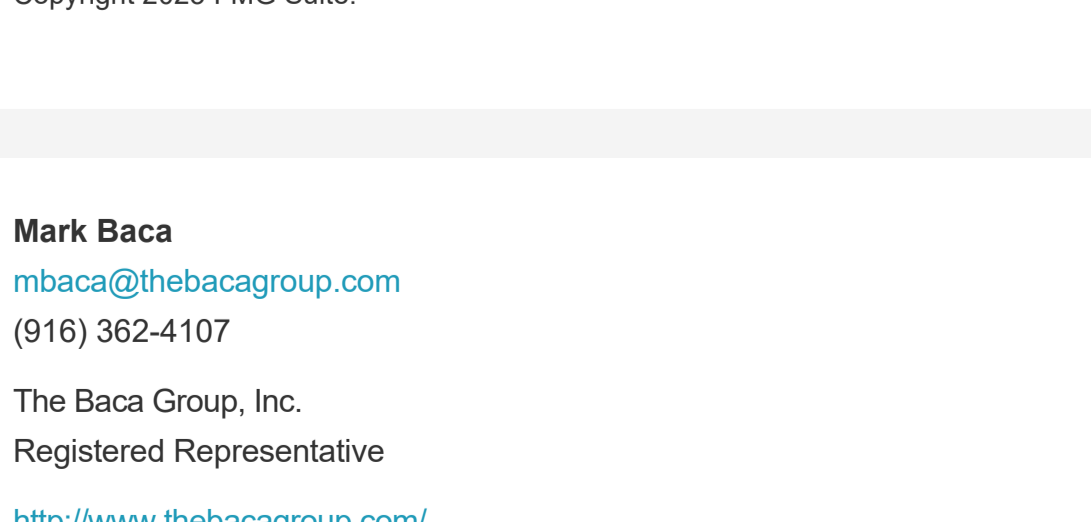
Not only is garlic delicious, but it also has many potential health benefits.

One of the most powerful benefits of garlic is that it may help your immune system and may help you combat sickness, including the common cold. One large, 12-week study found that a daily garlic supplement reduced the number of colds by 63% compared to a placebo. The average length of cold symptoms was also reduced by 70%, from 5 days in the placebo group to just 1.5 days in the garlic group.

Garlic may also improve cholesterol levels, which may lower the risk of heart disease. Garlic may lower both total and LDL cholesterol (otherwise known as the "bad" cholesterol).

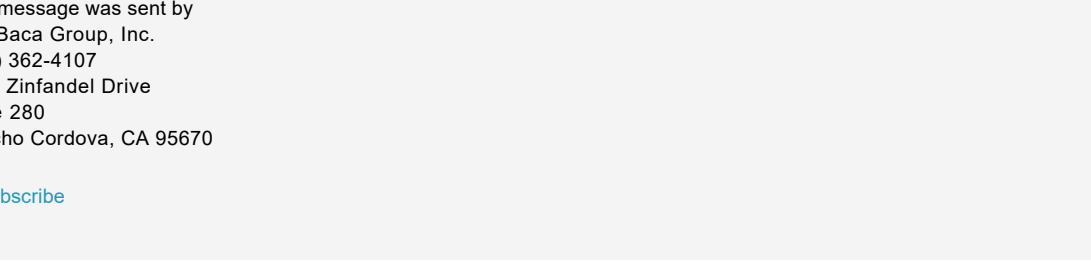
So next time you're making your favorite dish, you may want to consider adding a few cloves of garlic to your recipe.

Tip adapted from Healthline.com⁷



I'm usually made by someone who does not want me. I'm usually bought by someone who does not need me. I'm usually used by someone who never sees me. What am I?

Last week's riddle: It is round and has a big mouth but never speaks. It is most often in a cabinet. What is it? Answer: A jar.



Mount Hood, Oregon reflected in Trillium Lake

Footnotes and Sources

1. The Wall Street Journal, October 13, 2023
2. The Wall Street Journal, October 13, 2023
3. The Wall Street Journal, October 13, 2023
4. CNBC, October 11, 2023
5. CNBC, October 12, 2023
6. IRS.gov, February 6, 2023
7. Healthline.com April 24, 2023

Investing involves risks, and investment decisions should be based on your own goals, time horizon, and tolerance for risk. The return and principal value of investments will fluctuate as market conditions change. When sold, investments may be worth more or less than their original cost.

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The Dow Jones Industrial Average is an unmanaged index that is generally considered representative of large-capitalization companies on the U.S. stock market. Nasdaq Composite is an index of the common stocks and similar securities listed on the NASDAQ stock market and is considered a broad indicator of the performance of technology and growth companies. The MSCI EAFE Index was created by Morgan Stanley Capital International (MSCI) and serves as a benchmark of the performance of major international equity markets, as represented by 21 major MSCI indexes from Europe, Australia, and Southeast Asia. The S&P 500 Composite Index is an unmanaged group of securities that are considered to be representative of the stock market in general.

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Please consult your financial professional for additional information.

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