

Investors rode a rollercoaster of emotions as rising hostilities at the Russian-Ukrainian border sent stocks sharply lower before a powerful late-week rally erased early losses.

The Dow Jones Industrial Average was flat (-0.06%), while the Standard & Poor's 500 edged higher by 0.82%. The Nasdaq Composite index gained 1.08% for the week. The MSCI EAFE index, which tracks developed overseas stock markets, lost an eye-catching 5.72%.^{1,2,3}

MARKET INSIGHTS



Market Index	Close	Week	Y-T-D
DJIA	34,058.75	-0.06%	-6.27%
NASDAQ	13,694.62	+1.08%	-12.47%
MSCI-EAFE	2,108.09	-5.72%	-9.76%
S&P 500	4,384.65	+0.82%	-8.00%



Treasury	Close	Week	Y-T-D
10-Year Note	1.97%	+0.05%	+0.45%

Sources: The Wall Street Journal, February 25, 2022; Treasury.gov, February 25, 2022
 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, February 18, to Friday, February 25, close. Weekly performance for the MSCI-EAFE is measured from Friday, February 18, open to Thursday, February 24, close. Weekly and year-to-date 10-year Treasury note yield are expressed in basis points.

Geopolitical Events

The build-up to Russia's eventual invasion of Ukraine triggered elevated market volatility, resulting in broad-based selling that sent the S&P 500 into correction territory as the holiday-shortened week of trading began.⁴

The sell-off culminated on Thursday morning following the overnight incursion of Russian troops into Ukrainian territory, though markets staged a powerful late-day recovery that coincided with President Biden's announcing fresh sanctions against Russia. The afternoon rebound was remarkable, as the S&P 500 ended 1.5% higher after being down more than 2.6%, while the Nasdaq Composite closed 3.3% higher after dropping nearly 3.5% intraday. Thursday afternoon's momentum continued into Friday as stocks rallied to end the week in positive territory.⁵

Invasion Implications

Setting aside the more important aspects of the human cost and damage to world order, Russia's invasion of Ukraine introduced an acute layer of uncertainty into many layers of the financial markets. The immediate repercussion was the impact on global economic recovery due to rising energy prices, which reduce consumers' discretionary spending and saddle businesses with higher costs.

The inflationary impact of higher energy and other prices, along with the prospect of decelerating economic growth, also complicates the Fed's strategy to guide interest rates higher. Already, the probability of a 50 basis point interest rate hike at the Fed's March 2022 meeting seems less likely than it was just a week ago. Finally, Russia's actions have raised new concerns over second-order effects that could further unsettle markets, such as a new round of supply-chain disruptions.

This Week: Key Economic Data

- Tuesday:** ISM (Institute for Supply Management) Manufacturing Index.
- Wednesday:** ADP (Automated Data Processing) Employment Report.
- Thursday:** Factory Orders. Jobless Claims. ISM (Institute for Supply Management) Services Index.
- Friday:** Employment Situation.

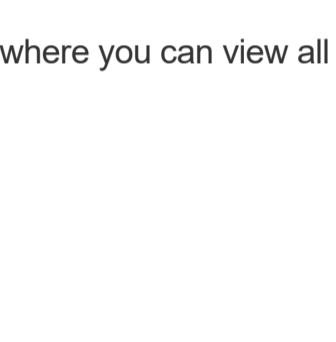
Source: Econoday, February 25, 2022
 The Econoday economic calendar lists upcoming U.S. economic data releases (including key economic indicators), Federal Reserve policy meetings, and speaking engagements of Federal Reserve officials. The content is developed from sources believed to be providing accurate 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:** Lucid Group, Inc. (LCID), Zoom Video Communications, Inc. (ZM).
- Tuesday:** Salesforce.com, Inc. (CRM), Target Corporation (TGT), Ross Stores, Inc. (ROST).
- Wednesday:** Dollar Tree, Inc. (DLTR), Snowflake, Inc. (SNOW).
- Thursday:** Broadcom, Inc. (AVGO), Costco Wholesale Corporation (COST), Best Buy Co., Inc. (BBY), Marvell Technology, Inc. (MRVL), The Kroger Company (KR).

Source: Zacks, February 25, 2022
 Companies mentioned are for informational purposes only. It should not be considered a solicitation for the purchase or sale of the securities. 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. Companies may reschedule when they report earnings without notice.

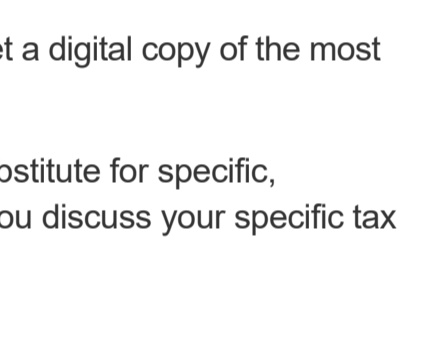
FOOD FOR THOUGHT



"Who are wise in love, love most, say least."

– Alfred, Lord Tennyson

TAX TIP



Have You Created Your IRS Online Account?

The IRS makes it easy to create an online account where you can view all kinds of account information, such as:

- Your payoff amount
- The balance if you owe taxes
- Your payment history
- Key information from your most current tax return
- Payment plan details if you have one
- Select IRS notices
- Economic payments (if you have any)
- Your address on file with the IRS

You can even make online payments and get a digital copy of the most recent transcript of your tax return.

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

Tip adapted from IRS.gov⁶

HEALTHY LIVING TIP



A "Berry" Important Superfood

Not only are blueberries delicious, but they are also a powerful superfood that has many potential health benefits. They are low in calories, can be added to countless dishes, and are the perfect easy snack. Here are some benefits of blueberries, according to Healthline:

1. They are high in fiber, Vitamin C, Vitamin K, and Manganese (all important nutrients)
2. They are high in antioxidants
3. They may help lower blood pressure, according to one study by PubMed Central
4. They may help maintain brain function and improve memory based on their antioxidant levels, according to a study by the National Institute of Health
5. They may reduce muscle damage after exercise and improve inflammation

Tip adapted from Healthline⁷

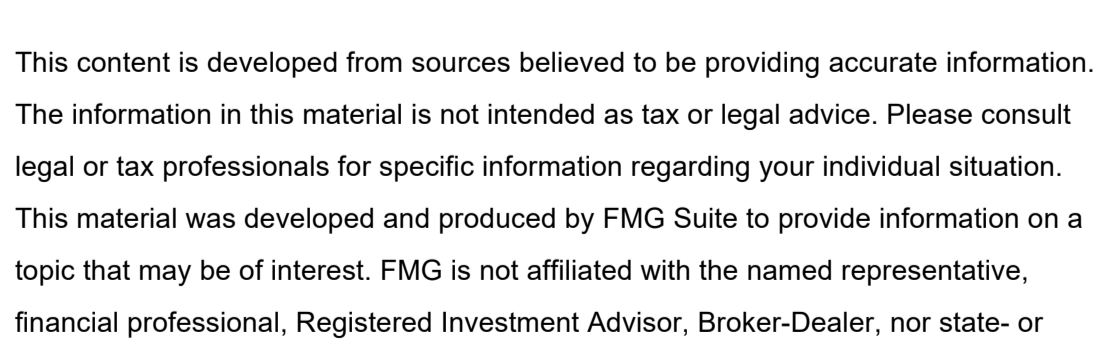
WEEKLY RIDDLE



You have a can of soda in your hand and someone tells you to drink the bottom half of it first. How can you do that?

Last week's riddle: *You go in through one hole, you come out through three holes. Once you're inside you're ready to go outside, but once you're outside you're still inside. What is it? Answer: A Sweater.*

PHOTO OF THE WEEK



Amalfi Coast, Positano, Italy.

Footnotes and Sources

1. The Wall Street Journal, February 25, 2022
2. The Wall Street Journal, February 25, 2022
3. The Wall Street Journal, February 25, 2022
4. The Wall Street Journal, February 22, 2022
5. The Wall Street Journal, February 24, 2022
6. IRS.gov, July 26, 2021
7. Healthline.com, September 30, 2021

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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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