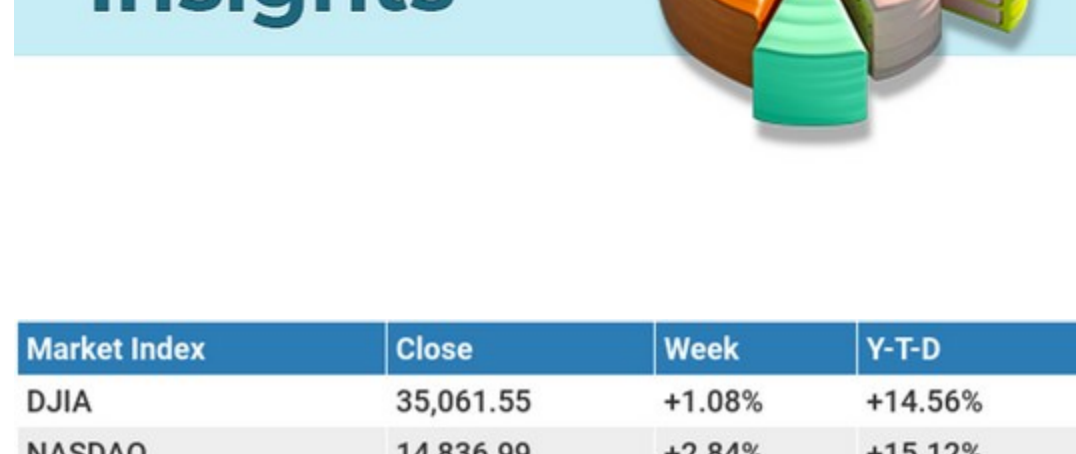


Overcoming a COVID-related economic growth scare, stocks moved higher amid a week of strong corporate earnings reports.

The Dow Jones Industrial Average rose 1.08%, while the Standard & Poor's 500 gained 1.96%. The Nasdaq Composite index soared 2.84% for the week. The MSCI EAFE index, which tracks developed overseas stock markets, dipped 0.20%.^{1,2,3}



Market Index	Close	Week	Y-T-D
DJIA	35,061.55	+1.08%	+14.56%
NASDAQ	14,836.99	+2.84%	+15.12%
MSCI-EAFE	2,298.19	-0.20%	+7.02%
S&P 500	4,411.79	+1.96%	+17.46



Treasury	Close	Week	Y-T-D
10-Year Note	1.30%	-0.01%	+0.37%

Sources: The Wall Street Journal, July 23, 2021; Treasury.gov, July 23, 2021
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, July 16, to Friday, July 23, close. Weekly performance for the MSCI-EAFE is measured from Friday, July 15, open to Thursday, July 22, close. Weekly and year-to-date 10-year Treasury note yield are expressed in basis points.

Delta Variant Head Fake

Stocks staged a broad retreat on Monday as traders worried about the adverse economic implications of growing Delta variant infections. Economically sensitive sectors, such as energy, financials, industrials, and materials, absorbed the brunt of Monday's sell-off.

But the markets did a quick about face, posting four-consecutive days of gains and leaving the three major averages with fresh record highs.⁴

The sharp reversal may be attributable to a "buy on the dip" investor mentality, the absence of investment alternatives to stocks in this low interest rate environment, and massive financial liquidity. Stocks were also lifted by a healthy kick-off to the second quarter earnings season.

Strong Start

The earnings season moved into full swing last week, and the results exceeded the market's high expectations.

Of the 120 companies in the S&P 500 index that have reported as of Friday, July 23, 89% of them beat the Street's earnings-per-share estimates by, on average, 20.6%. Financials and Consumer Discretionary sectors provided the biggest earnings surprises (+28.9% and +24.5%, respectively), while Materials and Utilities delivered the smallest positive surprises (+5.3% and +2.5%, respectively).

These earnings beats are leading Wall Street analysts to raise earnings estimates for 3Q 2021 through 1Q 2022.⁵

Final Thought

The National Bureau of Economic Research said last week that the pandemic-induced recession ended in April 2020, officially lasting two months and making it the shortest recession in U.S. history.⁶

This Week: Key Economic Data

Monday: New Home Sales.

Tuesday: Consumer Confidence. Durable Goods Orders.

Wednesday: FOMC (Federal Open Market Committee) Announcement.

Thursday: GDP (Gross Domestic Product). Jobless Claims.

Source: Econoday, July 23, 2021

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: Tesla (TSLA), Lockheed Martin (LMT).

Tuesday: Apple, Inc. (AAPL), Microsoft Corporation (MSFT), General Electric (GE), Advanced Micro Devices, Inc. (AMD), Visa (V), Alphabet, Inc. (GOOGL), Starbucks Corporation (SBUX), 3M Company (MMM), United Parcel Service, Inc. (UPS), Mondelez International (MDLZ).

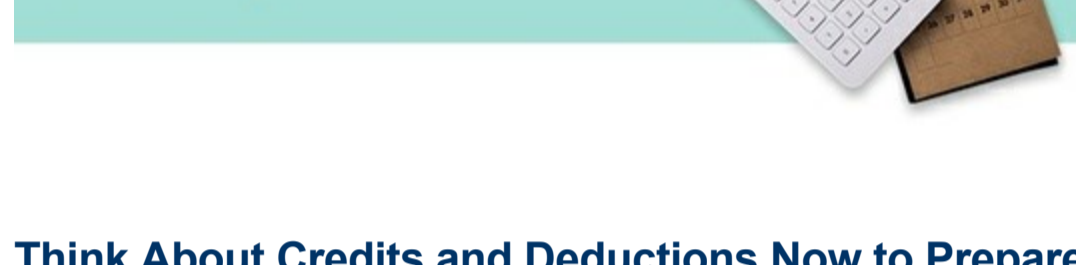
Wednesday: Facebook, Inc. (FB), The Boeing Corporation (BA), Qualcomm, Inc. (QCOM), Bristol Myers Squibb (BMY), PayPal Holdings (PYPL), Pfizer, Inc. (PFE), McDonalds Corporation (MCD), Shopify, Inc. (SHOP), Servicenow, Inc. (NOW), Thermo Fisher Scientific, Inc. (TMO).

Thursday: Amazon.com, Inc. (AMZN), Ford Motor Company (F), Mastercard (MA), Twilio, Inc. (TWLO), Merck & Company (MRK), The Southern Company (SO), Northrop Grumman (NOC), Comcast Corporation (CMCSA), Anheuser-Busch InBev (BUD), Abbvie, Inc. (ABBV).

Friday: Exxon Mobil Corporation (XOM), Caterpillar, Inc.(CAT), Chevron Corporation (CVX), Procter & Gamble (PG), Charter Communications, Inc. (CHRT).

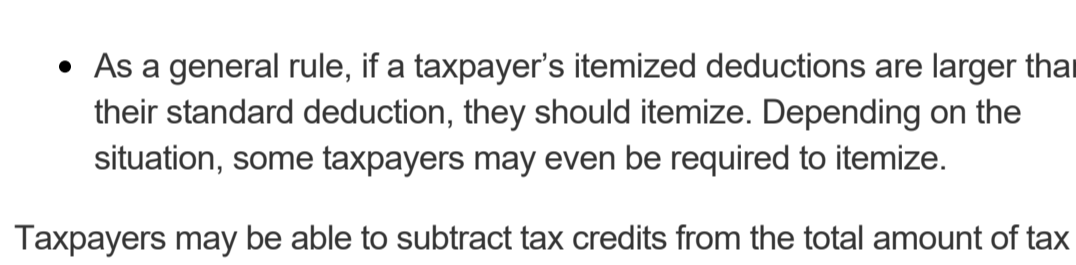
Source: Zacks, July 23, 2021

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"If you have passion, a chip on the shoulder, a sense of humor, and you can explain what you do very well, it doesn't matter if you're a plumber or a singer or a politician. If you have those four things, you are interesting."

- Larry King



Think About Credits and Deductions Now to Prepare for Filing

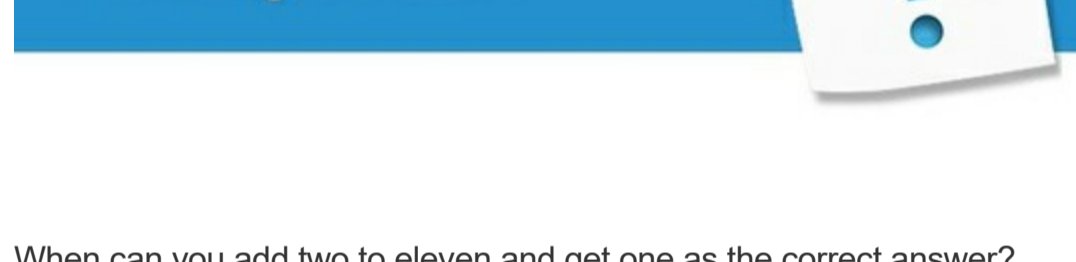
Here are a few facts about credits and deductions that can help you with year-round tax planning:

- Taxable income is what's left after someone subtracts any eligible deductions from their adjusted gross income, including the standard deduction. Some taxpayers may choose to itemize their deductions to lower their adjusted gross income.
- The Tax Cuts and Jobs Act made changes to itemized deductions. In comparing these changes, many individuals who used to itemize may find it more beneficial to take the standard deduction.
- As a general rule, if a taxpayer's itemized deductions are larger than their standard deduction, they should itemize. Depending on the situation, some taxpayers may even be required to itemize.

Taxpayers may be able to subtract tax credits from the total amount of tax they owe. To claim a credit, taxpayers should keep records that show their eligibility for it. Some major tax credits include the child tax credit and the child and dependent care credit, the American opportunity credit or lifetime learning credit, and the earned income tax credit.

* 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.gov⁷

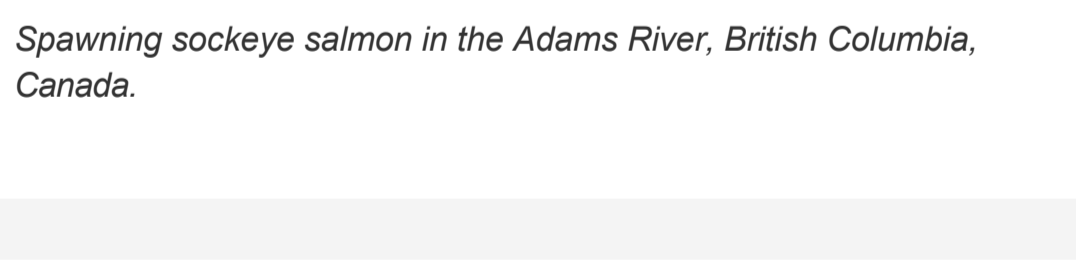


Macro Dieting is a New Way to Approach Calorie Counting

Macro dieting is a diet that goes a step further than just basic calorie counting. Instead of counting just the number of calories, you count the macronutrients, including proteins, carbs, and fats. How much of each macronutrient you need depends on your body type, goal, lifestyle, and activity level. Rather than depriving your body of nutrients, you are instead focusing on meals that give your body the nutrients it needs to be more efficient.

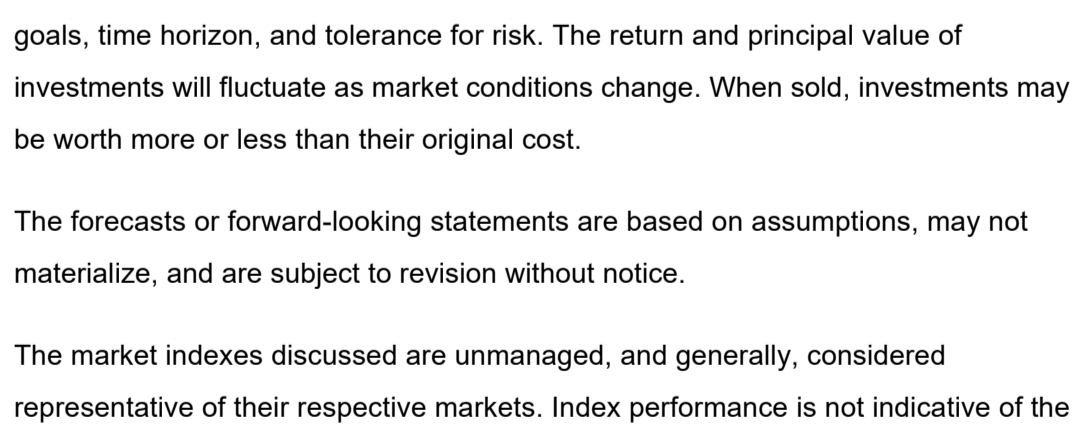
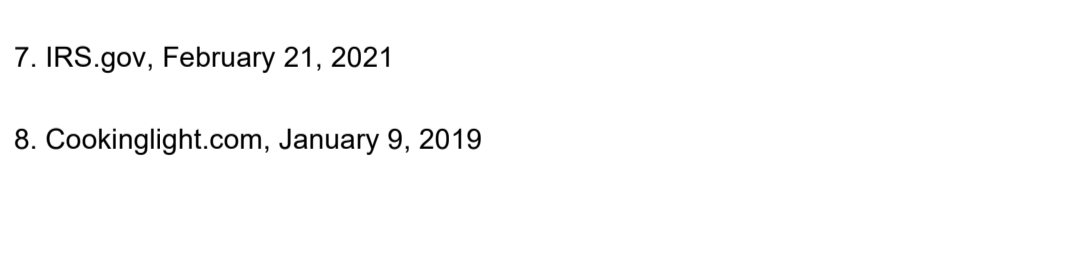
To start a macro diet, you first need to calculate how many grams of each macro you should be eating. A standard breakdown is 50-25-25, meaning 50% of your calories come from carbs, 25% come from protein, and 25% from fat. But, this breakdown will depend on your goals. For example, if you are focusing on strength training you may want to eat more protein.

Tip adapted from Cooking Light⁸



When can you add two to eleven and get one as the correct answer?

Last week's riddle: *If you were running a race, and you passed the person in 2nd place, what place would you be in now? Answer: 2nd place.*



Swimming sockeye salmon in the Adams River, British Columbia, Canada.

Footnotes and Sources

1. The Wall Street Journal, July 23, 2021
2. The Wall Street Journal, July 23, 2021
3. The Wall Street Journal, July 23, 2021
4. CNBC, July 23, 2021
5. Earnings Scout, July 23, 2021
6. The Wall Street Journal, July 19, 2021
7. IRS.gov, February 21, 2021
8. Cookinglight.com, January 9, 2019

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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