

Weekly Up-Date

December 26, 2023

Investor optimism and fears of missing out on future gains propelled stocks higher in the last full week of trading before year-end.

The Dow Jones Industrial Average added 0.22%, while the Standard & Poor's 500 gained 0.75%. The Nasdaq Composite index advanced 1.21% for the week. The MSCI EAFE Index, which tracks developed overseas stock markets, added 0.51%.^{1,2,3}



Market Index	Close	Week	Y-T-D
DJIA	37,385.97	+0.22%	+12.79%
NASDAQ	14,992.97	+1.21%	+43.25%
MSCI-EAFE	2,204.17	+0.51%	+13.39%
S&P 500	4,754.63	+0.75%	+23.83%



Treasury	Close	Week	Y-T-D
10-Year Note	3.90%	-0.01%	+0.02%

Sources: The Wall Street Journal, December 22, 2023; Treasury.gov, December 22, 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, December 15, to Friday, December 22 close. Weekly performance for the MSCI-EAFE is measured from Friday, December 15 open to Thursday, December 21 close. Weekly and year-to-date 10-year Treasury note yield are expressed in basis points.

Stocks Build on Gains

The current market narrative of declining inflation, easing interest rates, and better earnings ahead continued to fuel stock market gains, with some of the year's laggards, such as smaller cap stocks and energy names, leading the way.

While the stock market has repeatedly seen gains gather steam in the final trading hours, a late-day sell-off on Wednesday unnerved investors. While it's difficult to know precisely why, the sharp decline may have resulted from profit-taking and low trading volumes, which can result in unexpected volatility or other technical reasons. Whatever the case, stocks rebounded nicely the following day and Friday.

Housing Revival?

The housing market struggled this year amid higher mortgage rates and rising home prices. Last week, several housing reports suggested the housing market may be improving.

New home construction rose 14.8% in November, reaching levels not seen since May, while existing home sales rebounded 0.8%, reversing five straight months of declines. Existing home sales have been hurt by low inventory since many homeowners with low-rate mortgages are hesitant to move and take on a higher-rate mortgage. This logjam may loosen as 30-year mortgage rates fell from 7.79% at the end of October to 6.95% in mid-November.^{4, 5}

New home sales disappointed, however, falling 12.2%, though they came in 1.4% higher from November a year ago.⁶

This Week: Key Economic Data

Thursday: Jobless Claims.

Source: Econoday, December 22, 2023

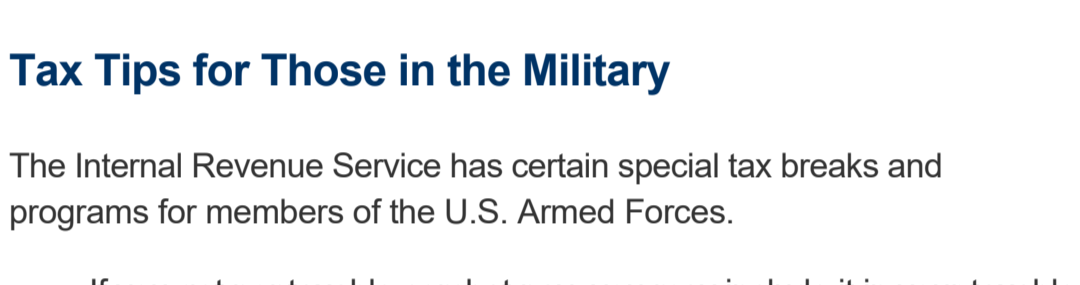
The Econoday economic calendar lists upcoming U.S. economic data releases (including key economic indicators), Federal Reserve policy meetings, and speaking engagements of Federal Reserve officials. The content is developed from sources believed to be providing accurate information. The forecasts or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

This Week: Companies Reporting Earnings

No companies reporting earnings this week.

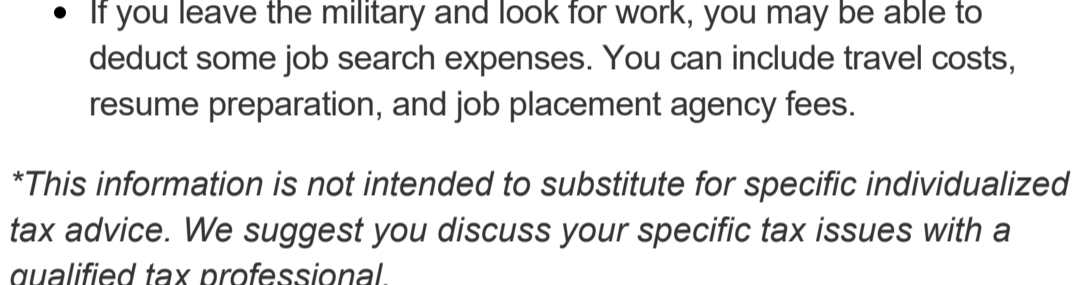
Source: Zacks, December 22, 2023

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.



"Humor is laughing at what you haven't got when you ought to have it."

– Langston Hughes



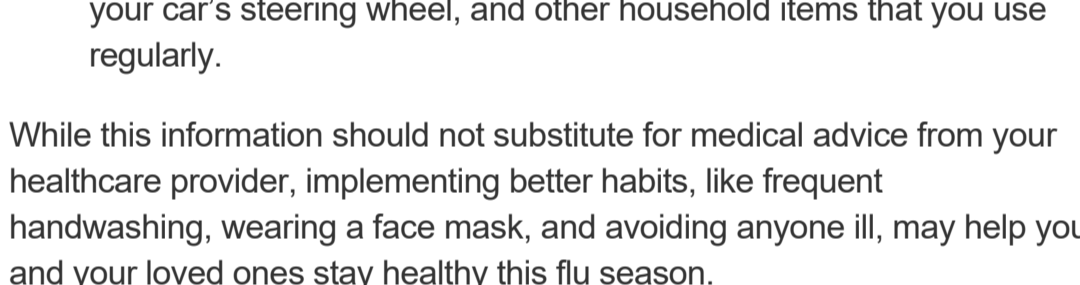
Tax Tips for Those in the Military

The Internal Revenue Service has certain special tax breaks and programs for members of the U.S. Armed Forces.

- If you get nontaxable combat pay, you may include it in your taxable income. Having it may boost your earned income tax credit, meaning you may owe less tax and could get a larger refund.
- As a rule, both spouses typically must sign a joint income tax return. If your spouse is absent due to military duty, you may be able to sign for your spouse. Remember, however, that you may need a power of attorney to file a joint return.
- If you leave the military and look for work, you may be able to deduct some job search expenses. You can include travel costs, resume preparation, and job placement agency fees.

**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.gov⁷



Stay Healthy During Flu Season

This flu season, it's more important than ever to stay healthy. Fortunately, you may reduce your risk this flu season with a few simple steps.

- Get the flu vaccination: The Centers for Disease Control estimates that last year, just over half of all Americans got the flu vaccine. Recent studies show that the flu vaccine can reduce the risk of flu illness by 40% to 60%; this is especially important for anyone with a chronic health condition and those 65 years and older.
- Wash your hands: Handwashing remains one of the most effective ways to prevent the flu. Wash your hands with soap and water for at least 20 seconds, and wash your hands often.
- Disinfect: Disinfect objects that you touch every day, like doorknobs, your car's steering wheel, and other household items that you use regularly.

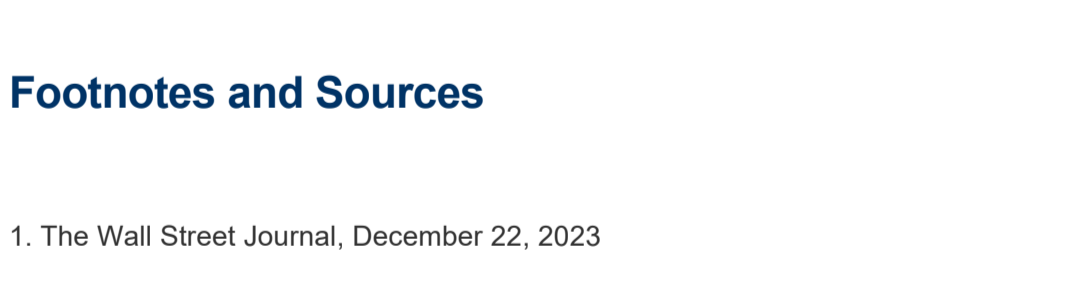
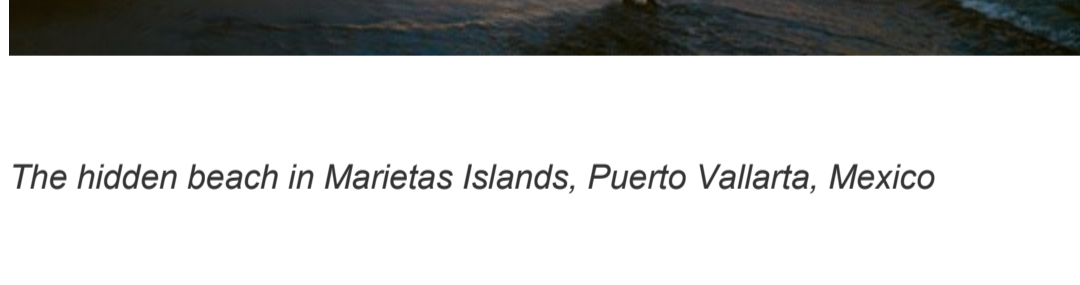
While this information should not substitute for medical advice from your healthcare provider, implementing better habits, like frequent handwashing, wearing a face mask, and avoiding anyone ill, may help you and your loved ones stay healthy this flu season.

Tip adapted from The Centers for Disease Control⁸



Liz went into a convenience store at 1:58 AM on Sunday to get a coffee. She drove six miles away and then returned to the store to get a lotto ticket, also at 1:58 AM. The store's clock was working perfectly, so how could it be 1:58 AM again when she returned?

Last week's riddle: Ray slipped off of a 30-foot escalator and landed on a sidewalk. He was embarrassed, yet uninjured. How could this be? Answer: He slipped off the escalator's bottom step.



The hidden beach in Marietas Islands, Puerto Vallarta, Mexico

Footnotes and Sources

1. The Wall Street Journal, December 22, 2023
2. The Wall Street Journal, December 22, 2023
3. The Wall Street Journal, December 22, 2023
4. MarketWatch, December 19, 2023
5. Fox Business, December 20, 2023
6. U.S. Census Bureau, December 22, 2023.
7. IRS.gov, October 23, 2023
8. CDC.gov, December 11, 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.

The forecasts or forward-looking statements are based on assumptions, may not materialize, and are subject to revision without notice.

The market indexes discussed are unmanaged, and generally, considered representative of their respective markets. Index performance is not indicative of the past performance of a particular investment. Indexes do not incur management fees, costs, and expenses. Individuals cannot directly invest in unmanaged indexes. Past performance does not guarantee future results.

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.

U.S. Treasury Notes are guaranteed by the federal government as to the timely payment of principal and interest. However, if you sell a Treasury Note prior to maturity, it may be worth more or less than the original price paid. Fixed income investments are subject to various risks including changes in interest rates, credit quality, inflation risk, market valuations, prepayments, corporate events, tax ramifications and other factors.

International investments carry additional risks, which include differences in financial reporting standards, currency exchange rates, political risks unique to a specific country, foreign taxes and regulations, and the potential for illiquid markets. These factors may result in greater share price volatility.

Please consult your financial professional for additional information.

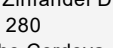
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