

The logo for Wealth Strategies Group, LLC features the company name in a bold, black, sans-serif font. The word "Wealth" is on the top line, "Strategies" is on the second line, and "Group, LLC" is on the third line. To the left of the text is a vertical blue bar. Below the text is a horizontal red bar.

# Wealth Strategies Group, LLC

Inflation readings showing an increase in January sent the markets lower last week as the S&P 500 lost 0.42% (up 5.18% YTD)<sup>1</sup>. We have a somewhat quiet week in the market this week with Monday's closure for Presidents Day.

Tax season begins to heat up as Forms 1099 for investment income and capital gains have begun to go out. Keep an eye out for them in the mail

or log on to your investment account website and download them. Schedule K-1's for partnerships are still outstanding in many cases. As we head into the busy tax season, make sure to discuss with your tax professional about 2024 planning. As noted previously, the standard deduction for 2024 has risen and tax brackets have also increased allowing for more gross income to possibly be taxed at a lower level. Your tax professional can help you decide whether a Roth IRA conversion or taking more than your Required Minimum Distribution from your IRA may make sense. If you're not retired, then perhaps maximizing your 401k or IRA contributions can help. Don't put the discussion off until it's too late to make plans.

----Chuck

### **This Week's Inspiration/Activity:**

***I have never met a man so ignorant that I couldn't learn something from him.  
Galileo Galilei (1564 - 1642)***

***Your activity for this week is to not dismiss an opinion or idea from someone you don't agree with and see if there is anything that you both can learn from the experience.***

### **This Week in History:**

***February 22, 2006 -- A gang of at least six men, some of them armed, steal £53 million from the Securitas bank depot in Kent, Great Britain. It was the largest such theft in British history<sup>2</sup>.***

<sup>1</sup> see update below

<sup>2</sup> <https://www.history.com/this-day-in-history/gang-commits-largest-robbery-in-british-history>

## MARKET INSIGHTS



February 19, 2024

Stocks fell last week as investors reacted to disappointing inflation updates and other economic reports that fell short of estimates.

## Stocks Snap Winning Streak

Markets were quiet Monday but opened lower Tuesday in response to the January inflation report that showed higher-than-expected consumer prices. But stocks regained some momentum on Wednesday and rallied Thursday despite disappointing reports on both retail sales and industrial production for January.<sup>1,2</sup>

News of higher-than-expected wholesale prices on Friday put investors back on edge and kept stocks from ending the week on a positive note. The weekly loss broke a five-week winning streak.<sup>3</sup>

Source: YCharts.com, February 17, 2024. Weekly performance is measured from Monday, February 12, to Friday, February 16.

ROC 5 = the rate of change in the index for the previous 5 trading days.

TR = total return for the index, which includes any dividends as well as any other cash distributions during the period.

Treasury note yield is expressed in basis points.

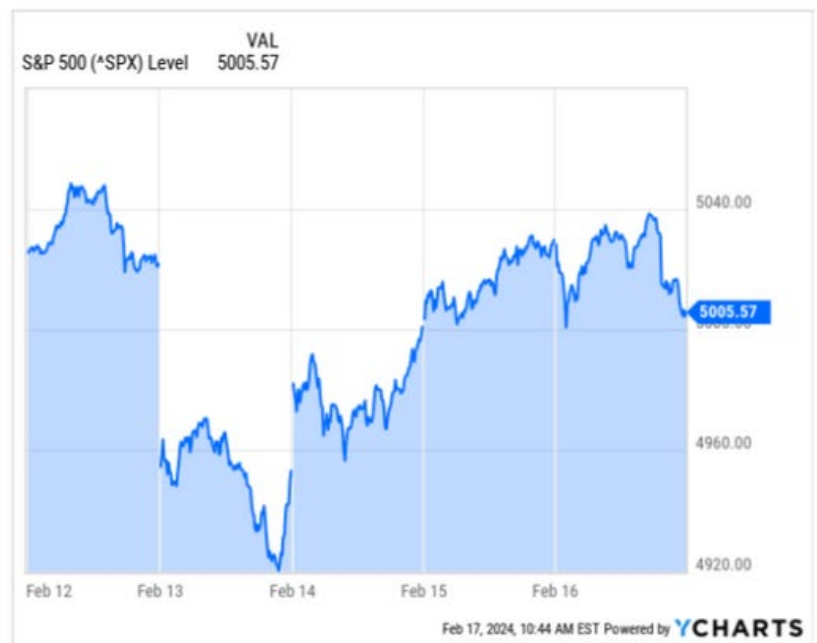
# YCHARTS

## Weekly Market Insights (WMI)

### Major Index Return Summary

Name	5D TR	1M TR	YTD TR	1Y TR
<b>Dow Jones Industrial Average</b>	-0.11%	3.61%	2.76%	17.12%
<b>MSCI EAFE</b>	1.44%	3.01%	1.06%	11.26%
<b>Nasdaq Composite</b>	-1.34%	5.64%	5.18%	34.15%
<b>S&amp;P 500</b>	-0.42%	5.18%	5.15%	24.37%

### S&P 500 Daily Close



### 10-Year Note Review

Indicator Name	Latest Value	1M Ago	1M Change
Date		3M Ago	3M Change
		1Y Ago	1Y Change
<b>10 Year Treasury Rate</b>	<b>4.30%</b>	4.07%	5.65% ▲
02/16/24		4.45%	-3.37% ▼
		3.86%	11.40% ▲

## Inflated Perspective

Consumer Price Index data was one of the big pieces of news driving markets last week, with January's numbers coming in at 3.1 percent compared to a year prior—cooler than December's 3.4 percent year-over-year gain but warmer than the 2.9 percent consensus. Jittery Investors focused on the hotter-than-expected part.<sup>4</sup>

With the consumer report closely followed by disappointing inflation news on the producer level, attention quickly shifted to the Fed and what's next for interest rates. While the Fed has indicated short-term rates may trend lower in 2024, the January inflation reports support Fed Chair Powell's recent comments that the Fed is in no hurry to cut rates.<sup>4</sup>

## This Week: Key Economic Data

**Tuesday:** Leading Indicators.

**Wednesday:** FOMC Meeting Minutes.

**Thursday:** Jobless Claims. Existing Home Sales. U.S. Fed Balance Sheet.

Source: Investors Business Daily - Econoday economic calendar; February 15, 2024

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

**Tuesday:** Walmart Inc. (WMT), The Home Depot, Inc. (HD), Palo Alto Networks, Inc. (PANW)

**Wednesday:** NVIDIA Corporation (NVDA)

**Thursday:** Intuit Inc. (INTU), Booking Holdings Inc. (BKNG)

**Friday:** Berkshire Hathaway Inc. (BRK.A, BRK.B)

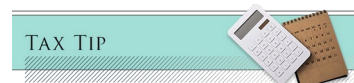
Source: Zacks, February 15, 2024

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.



*"You miss 100% of the shots you never take."*

– Wayne Gretzky



## Taking a Side Gig? Here's How It May Affect Your Taxes

Taxpayers who work in the gig economy may benefit from a better understanding of how their work affects their taxes. Taxpayers who work in the gig economy may benefit from a better understanding of how their work affects their taxes.

Here are some things taxpayers should know about the gig economy and taxes:

- Money earned through this work may be taxable.
- There are tax implications for the company providing the platform and the individual performing the services.

This income may be taxable even if the taxpayer providing the service doesn't receive a Form 1099-MISC, Form 1099-K, or Form W-2. This income may also be taxable if the activity is only part-time or side work or paid in cash.

*\*This information is not intended to be a substitute for specific, individualized tax advice. Please discuss your specific tax issues with a qualified tax professional.*

Tip adapted from IRS.gov<sup>5</sup>



## Show Your Heart Some Love

February is American Heart Month. While genetics and family history are primary factors in disease development and survival, some lifestyle factors are associated with better heart health. However, make sure to discuss any medical concerns with your health care provider before beginning any dietary and fitness regimen. The following information is not a substitute for medical advice.

- **Manage your blood pressure:** Make sure to get your blood pressure checked regularly. Hypertension is often asymptomatic.
- **Maintain a healthy weight:** Being overweight or obese may increase disease risk.
- **Eat well and exercise:** These two activities are associated with a lower incidence of heart disease.
- **Drink less alcohol and don't smoke:** These habits are seen more frequently in heart disease patients.
- **Sleep well and reduce stress:** Lower cortisol levels may reduce your risk for heart disease.

While not all risk factors are controllable, some are. The list above is not comprehensive. Give your heart some love this month and talk to your doctor about the best ways to care for it.

Tip adapted from MedlinePlus.gov<sup>6</sup>



What can explode slowly, with no smoke or flame?

*Last week's riddle: If a single-engine airplane taxied not onto a runway but onto an enormous conveyor belt whose speed precisely equaled that of the plane in the opposite direction, could the plane still manage to take off? Answer: Yes, eventually. A plane's wheels roll freely, and the thrust generated by the prop or jet engine will still be greater than drag, and the lift created by air flowing over the wing will still be greater than the aircraft's weight.*



*A freediver swimming in a Mexican cenote*

## Footnotes and Sources

1. The Wall Street Journal, February 13, 2024.
2. CNBC, February 16, 2024.
3. The Wall Street Journal, February 15, 2024.
4. The Wall Street Journal, February 13, 2024.
5. IRS.gov, April 7, 2023.
6. MedlinePlus.gov, December 12, 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.

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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