



Randall Fielder, President & CEO  
1400 Broadfield Blvd., Suite 200  
Houston, TX 77084  
713-955-3555

# MARKET INSIGHTS

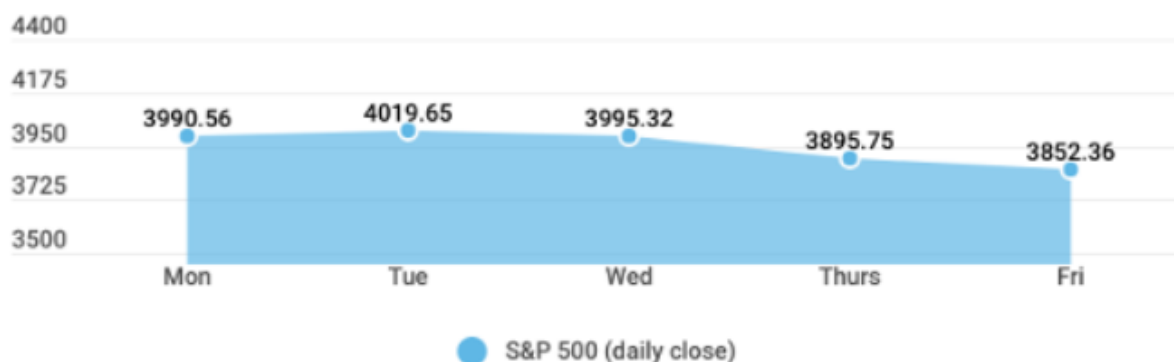
December 19, 2022


## RECESSION CONCERNS, FED TALK KEEP STOCKS COLD

Hawkish comments by the Fed and weak economic data heightened investors' recession concerns and sent stocks lower last week.

The Dow Jones Industrial Average lost 1.66%, while the Standard & Poor's 500 retreated 2.08%. The Nasdaq Composite index declined 2.72% for the week. The MSCI EAFE index, which tracks developed overseas stock markets, slipped 0.88%.

Market Index	Close	Week	Y-T-D
DJIA	32,920.46	-1.66%	-9.41%
NASDAQ	10,705.41	-2.72%	-31.57%
MSCI-EAFE	1,961.54	-0.88%	-16.03%
S&P 500	3,852.36	-2.08%	-19.17%



	Treasury	Close	Week	Y-T-D
	10-Year Note	3.48%	-0.09%	+1.96%

[info@park10financial.com](mailto:info@park10financial.com)

[www.park10financial.com](http://www.park10financial.com)



# MARKET INSIGHTS

## Stocks Under Pressure

Stocks began the week on a positive note, supported by a cooler-than-expected Consumer Price Index (CPI) report. Stocks reversed direction mid-week, however, following the Federal Open Market Committee (FOMC) meeting in which another 0.5% rate hike was announced.

The half-point increase was widely anticipated, but the increase in the terminal rate (i.e., the point at which the Fed stops raising rates) rattled investors. Continued hawkishness by Fed Chair Powell at the post-meeting press conference added to investors' anxiety. The potential for higher rates for longer, along with disappointing economic data, particularly a sharp decline in retail sales, amplified fears of a recession and sent stocks lower for the remainder of the week.

## Inflation And the Fed

The release of November's CPI showed inflation cooling for the second consecutive month, as prices rose just 0.1% month-over-month and 7.1% from a year ago. Both were better than

expected. The FOMC ended its last meeting of 2022 by raising interest rates another 0.5% and signaling that it would likely continue to hike rates into the new year. At a subsequent press conference, Fed Chair Powell commented that the next rate increase could be a quarter-percentage point. Most FOMC members appear to support raising the terminal rate (the point at which hikes end) to above 5%, up from its September projection of 4.6%.

## Key Economic Data

**Tuesday:** Housing Starts.

**Wednesday:** Consumer Confidence. Existing Home Sales.

**Thursday:** Jobless Claims. Gross Domestic Product (GDP). Index of Leading Economic Indicators.

**Friday:** New Home Sales. Durable Goods Orders. Consumer Sentiment.

## Companies Reporting Earnings

**Tuesday:** FedEx Corporation (FDX), Nike, Inc. (NKE), General Mills, Inc. (GIS).

**Wednesday:** Micron Technology, Inc. (MU).

# MARKET INSIGHTS

## FOOD FOR THOUGHT



*"Love is the master key that opens the gates of happiness."*

– **Oliver Wendell Holmes**

*\* 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.*

## HEALTH LIVING TIP



## TAX TIP



### Keep Well-Organized Records Until Period of Limitations Expire

Well-organized recordkeeping makes it easier to prepare your tax return and provide evidence of tax deductions. According to the IRS, you must keep records, such as receipts, canceled checks, and other documents that support an item of income, a deduction, or a credit appearing on a return as long as they may become material in the administration of any provision of the Internal Revenue Code. Depending on the assessment, these periods of limitation can range from 3 years to no limit. There are also periods of limitations for refund claims, which range from 2 years to 7 years. The IRS recommends keeping records of property records, healthcare insurance, and business income and expenses, among other categories.

### How To Start Journaling

Journaling has many potential benefits, from increased focus to more detailed goal-setting. Want to pick up the habit of journaling but need help figuring out where to start? Here are some tangible tips to get you started:

- Start small. Sometimes, the idea of starting a whole new journal can be overwhelming. Start by writing just one prompt or setting a timer for 2 minutes.
- Pick the simplest tools, and pick tools you love. You're more likely to enjoy journaling if you enjoy the journal and pen themselves!
- Depending on your journaling style, you can either start with a prompt or start with free writing. Free writing is the act of writing whatever comes to mind.
- Let it all out and write without censoring yourself. One tip: try writing as fast as possible, so you don't have time to edit!



# MARKET INSIGHTS

## WEEKLY RIDDLE



Name the three English-language three-letter words that begin and end with the letter E.

Riddle from last edition: What item binds two people yet touches only one?

Answer: A wedding ring.

## PHOTO OF THE WEEK



*Chiyoda City, Tokyo, Japan*



Do you have questions about your finances, the market, or the economy?

Park 10 Financial has the knowledge and expertise to answer all of your concerns.

**Email: [info@park10financial.com](mailto:info@park10financial.com)**