

Weekly Market Insights

February 26, 2024

Stocks vaulted to new heights last week on the back of an artificial intelligence (AI) semiconductor company, marking investors' belief that AI has the potential to transform the U.S. economy.

Stocks Rally to Record Highs

Stocks traded in a fairly tight range for the first half of the short week, yawning at the lack of economic data while awaiting earnings results from one key company that creates chips that power the artificial intelligence operations of many firms.

A strong Q4 corporate report and long-term message from Nvidia Corp. pushed the S&P 500 and Nasdaq to new closing highs on Thursday.

Nvidia's market cap rose by \$277 billion on the news, pushing it to a \$2 trillion valuation. To put that in perspective, Nvidia's market cap is now roughly the same size as Canada's economy. Its 16% gain on Thursday was the largest one-day market cap increase by any U.S. company.^{1,2}

Remember, companies mentioned are for illustrative purposes only. It should not be considered a solicitation for the purchase or sale of any company connected with AI.



YCHARTS

Weekly Market Insights (WMI)

Major Index Return Summary

Name	5D TR	1M TR	YTD TR	1Y TR
Dow Jones Industrial Average	0.92%	3.41%	4.10%	20.54%
MSCI EAFE	1.38%	4.78%	2.51%	14.67%
Nasdaq Composite	0.57%	3.79%	6.67%	39.14%
S&P 500	1.17%	4.76%	6.91%	28.88%

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
10 Year Treasury Rate	4.26%	4.14%	2.90% ▲
02/23/24		4.42%	-3.62% ▼
		3.88%	9.79% ▲

Source: YCharts.com, February 24, 2024. Weekly performance is measured from Friday, February 16 to Friday, February 23.

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.

Inflection Point?

Nvidia's seismic increase in market cap gave investors pause for reflection, wondering whether this marked an inflection point for artificial intelligence.

The main story that investors took away was that, because of its market dominance as the leading global provider of AI computer chips, Nvidia served as a proxy for AI. Some of the world's most influential companies rely on Nvidia technology to power their own AI initiatives. Investors appear to have concluded that AI's impact may just be starting, and anticipate it will be a driving economic force in 2024 and beyond.^{3,4}

This Week: Key Economic Data

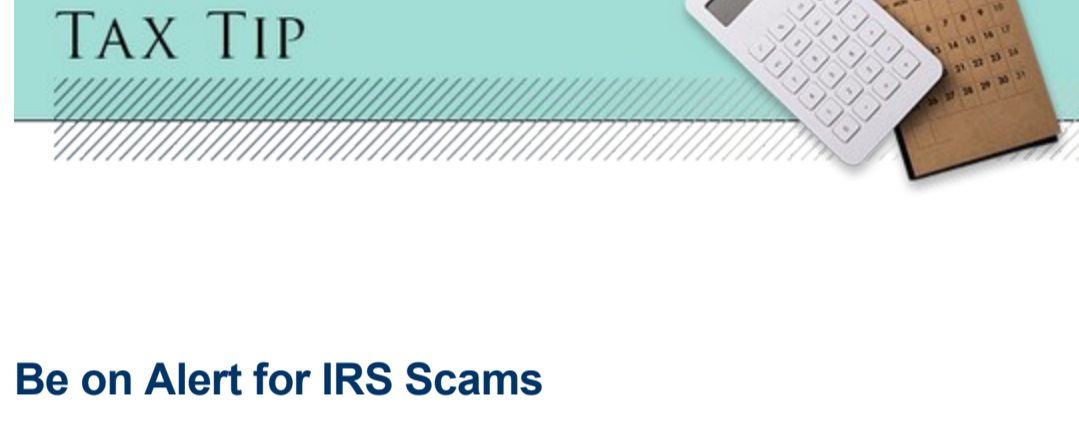
- Monday:** New Home Sales. Two-year Treasury Note Auction.
- Tuesday:** Durable Goods. Case-Shiller Home Price Index. Consumer Confidence.
- Wednesday:** GDP report (second estimate). Petroleum Status Report.
- Thursday:** Jobless Claims. Personal Income and Outlays.

Source: Investors Business Daily - Econoday economic calendar; February 19, 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

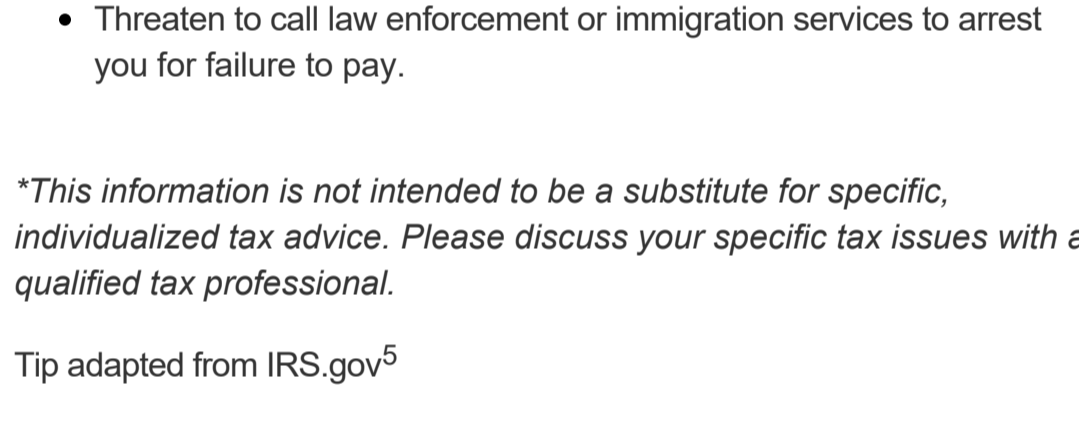
- Monday:** Workday, Inc. (WDAY), Zoom Communications, Inc. (ZM)
- Tuesday:** Dell Technologies Inc. (DELL), Agilent Technologies, Inc. (A), eBay Inc. (EBAY)
- Wednesday:** Salesforce Inc. (CRM), HP Inc. (HPQ)
- Thursday:** Hewlett Packard Enterprise Company (HPE)

Source: Zacks, February 19, 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.



"All you need in the world is love and laughter – to have love in one hand, and laughter in the other."

– August Wilson



Be on Alert for IRS Scams

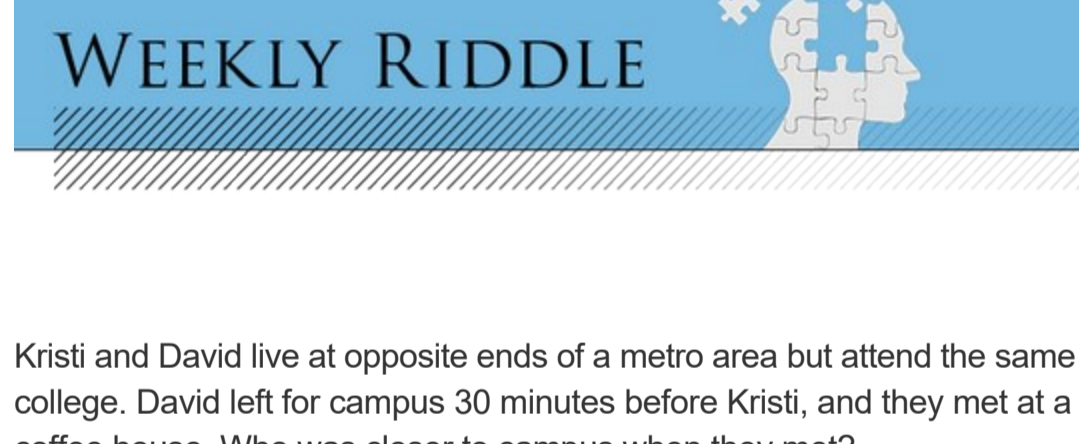
This tax season, the IRS expects an uptick in tax-related scams. In most cases, IRS "phishing" scams come in the form of bogus phone calls and emails that claim to come from the IRS.

Remember, the IRS will never:

- Call you without mailing an official notice first.
- Demand that you immediately pay your taxes over the phone.
- Take a debit or credit card number over the phone.
- Threaten to call law enforcement or immigration services to arrest you for failure to pay.

**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.gov⁵



Loving Yourself First

The rise of self-care over the past decade has brought attention to the concept of loving oneself—the basic philosophy behind it being that if we love and take care of ourselves with intention, we'll be happier and healthier, and all the people in our lives will benefit, including our romantic partners.

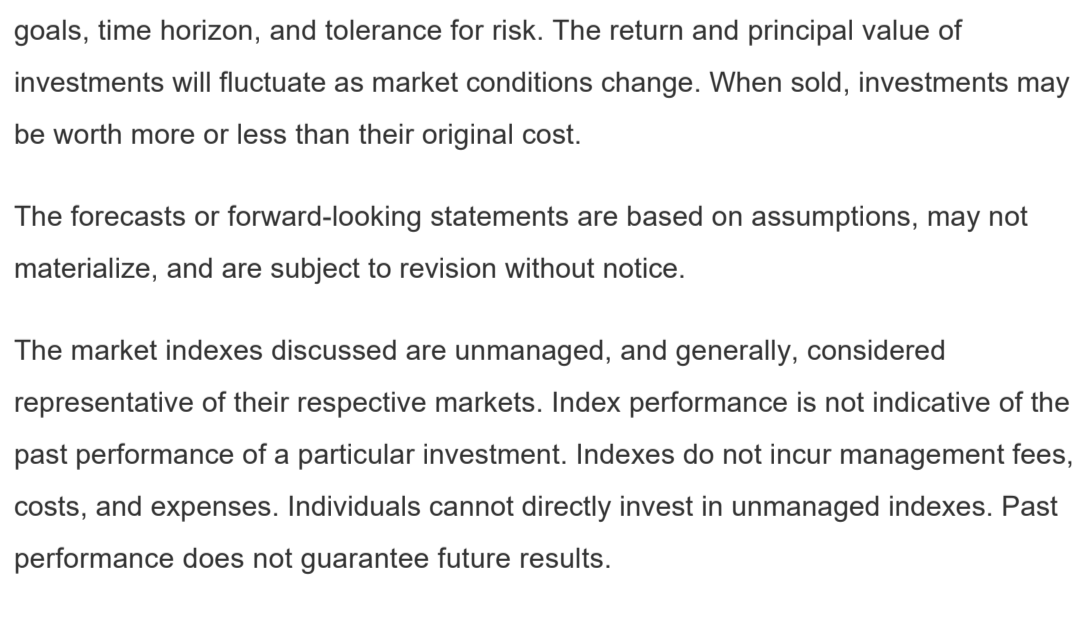
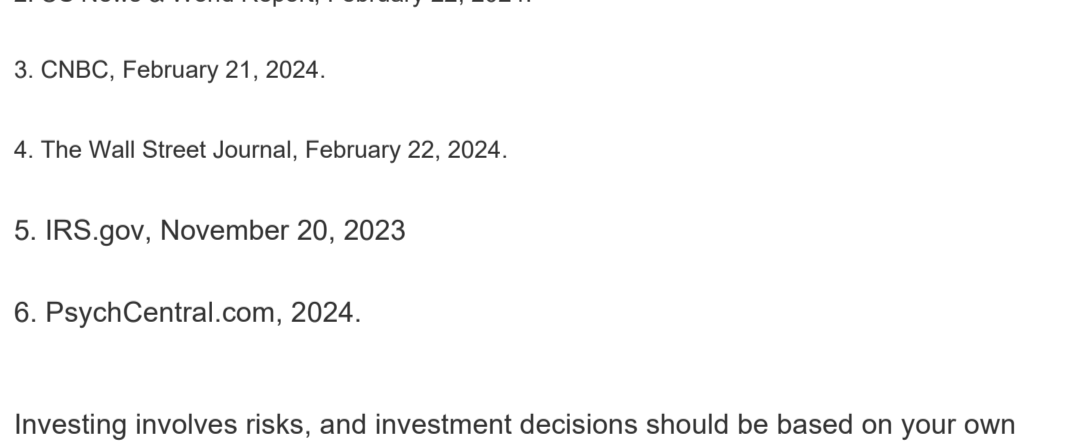
Loving ourselves isn't always easy. And it doesn't mean always being overly indulgent, but rather making choices that will support our overall well-being. For some people, that may look like taking time to relax if they have a lot of stress. For others, it can be making a to-do list to organize and accomplish tasks if they tend toward procrastination. We are being more self-aware and cheering ourselves on if we're often overly harsh or being more introspective and cheering ourselves on for ways to improve if we are myopic about our shortcomings. All these things and many more are intentional actions we can take to be our best selves.

Tip adapted from PsychCentral.com⁶



Kristi and David live at opposite ends of a metro area but attend the same college. David left for campus 30 minutes before Kristi, and they met at a coffee house. Who was closer to campus when they met?

*Last week's riddle: What can explode slowly, with no smoke or flame?
Answer: A population.*



A sea otter floating.

Footnotes and Sources

1. MarketWatch.com, February 22, 2024.
2. US News & World Report, February 22, 2024.
3. CNBC, February 21, 2024.
4. The Wall Street Journal, February 22, 2024.
5. IRS.gov, November 20, 2023
6. PsychCentral.com, 2024.

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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