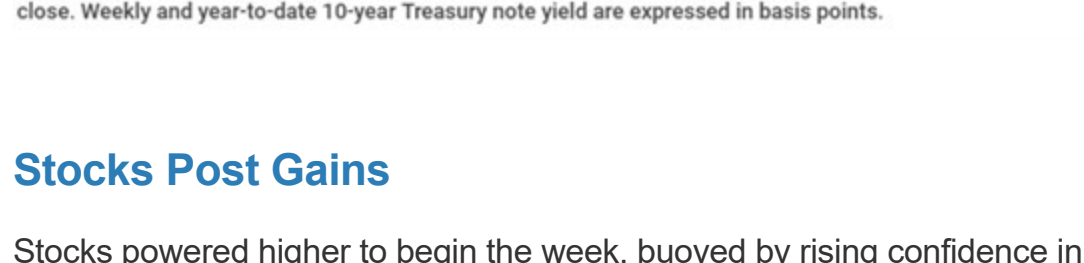


Stock prices inched higher last week amid declining COVID-19 cases, a pick-up in vaccinations, and progress on a fiscal relief bill. The Dow Jones Industrial Average gained 1.00%, while the Standard & Poor's 500 rose 1.23%. The Nasdaq Composite index climbed 1.73% for the week. The MSCI EAFE Index, which tracks developed overseas stock markets, added 1.80%.^{1,2,3}

Market Insights

Market Index	Close	Week	Y-T-D
DJIA	31,458.40	+1.00%	+2.78%
NASDAQ	14,095.47	+1.73%	+9.37%
MSCI-EAFE	2,221.46	+1.80%	+3.44%
S&P 500	3,934.83	+1.23%	+4.76%



Treasury	Close	Week	Y-T-D
10-Year Note	1.21%	+0.04%	+0.28%

Sources: The Wall Street Journal, February 12, 2021; Treasury.gov, February 12, 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, February 5, to Friday, February 12, close. Weekly performance for the MSCI-EAFE is measured from Friday, February 5, open to Thursday, February 11, close. Weekly and year-to-date 10-year Treasury note yield are expressed in basis points.

Stocks Post Gains

Stocks powered higher to begin the week, buoyed by rising confidence in economic recovery and the potential for another round of fiscal stimulus. Small cap stocks continued their 2021 rally as investors looked for out-of-favor names that might benefit from an economic rebound.

Stocks traded in a tight range through the remainder of the week. Investors appeared to digest current stock price valuations, wondering if the market had already "priced in" the optimism of a rebounding economy.

On Wednesday, Fed Chair Powell gave assurances that the Fed's rate policy would remain unchanged for the foreseeable future. Some fear that inflation may pick up with broader reopenings and additional fiscal stimulus.⁴

On Thursday and Friday, stocks drifted mostly higher in quiet trading, managing to set some new all-time highs.⁵

Economic Expectations Rising

A survey by The Wall Street Journal showed increasing optimism among economists about economic growth for this year.⁶

Among the survey's findings, economists, on average, now expect the economy to expand by 4.9%, an increase from their average estimate of 4.3% last month. They are, however, somewhat less sanguine about employment as they now expect 4.8 million jobs to be added this year, versus an earlier expectation of 5.0 million.⁶

Economists are forecasting accelerating inflation as a consequence of economic growth and fiscal stimulus, but believe that there is only a 17.5% probability of an economic downturn in the next 12 months, an improvement from its 21.2% risk estimate in January.⁶

This Week: Key Economic Data

- Wednesday:** Retail Sales. Industrial Production. Federal Open Market Committee (FOMC) Minutes.
- Thursday:** Jobless Claims. Housing Starts.
- Friday:** Existing Homes Sales. Purchasing Managers Index (PMI) Composite Flash.

Source: Econoday, February 12, 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

- Tuesday:** CVS Health Corp. (CVS), Agilent Technologies (A), Palantir Technologies, Inc. (PLTR).
- Wednesday:** Twilio, Inc. (TWLO), Shopify, Inc. (SHOP), Baidu (BIDU).
- Thursday:** Walmart (WMT), Albemarle (ALB), Roku (ROKU), Waste Management (WM), Ventas (VTR), Marriott International (MAR).

Source: Zacks, February 12, 2021. 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.

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Food for Thought

"The heart has its reasons, of which reason knows nothing."

— Blaise Pascal

Tax Tip

Owe the IRS Money? Here's How to Pay

If you owe federal taxes, you are required to pay by the April deadline. Remember, if you get an extension to file your taxes, payment is still due by the April deadline. If you can't pay the full amount that you owe now, you may be able to set up a payment plan.

- Here are some choices for making your payment:
- **Use Direct Pay:** IRS Direct Pay is a free and secure way to pay directly from your checking or savings account.
 - **Pay by Debit or Credit Card:** If you don't want to link a bank account, you can use your credit or debit card. Keep in mind that you'll have to pay a processing fee and may incur interest charges.
 - **Pay When You E-File:** If you file your federal tax return electronically, you can pay directly from your bank account using Electronic Funds Withdrawal.

* 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

Healthy Living Tip

Eating To Your Heart's Content

Deciding to change your diet can feel daunting. It can be difficult to figure out which one is "best" for you. Many fad diets come and go, but there are a few that have stuck around the most popular being the Mediterranean diet.

The Mediterranean diet is less of a traditional diet and more of a lifestyle shift toward healthier eating patterns. It's modeled after principles of Italian and Greek cuisine, which have remained relatively unchanged since the 1960s. Consuming this diet has been correlated with lower rates of heart disease, type 2 diabetes, and other chronic illnesses. The diet emphasizes eating more fruits, vegetables, legumes, nuts, seeds, fatty fish, whole grains, and olive oil and fewer meats and dairy products. The diet is flexible. Elimination isn't the intention rather balance more toward nutrient-rich foods versus energy-dense ones.

Food is life, and making healthy choices can help support a healthier life. While the Mediterranean diet could be a good option for someone, no single diet will fit everyone's lifestyle, preferences, and health needs perfectly. So, be sure to discuss any dietary choices you make with your physician or registered dietician first.

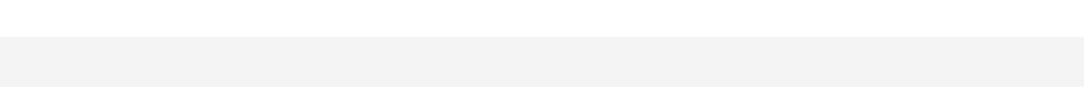
Tip adapted from Healthline.com⁸

Weekly Riddle

Two fathers and two sons went truffle hunting. Each found a truffle yet they found only three in all. Why?

Last week's riddle: Six cups are lined up in a row. Cups 1-3 on the left are full of juice; cups 4-6 on the right are empty. How can you arrange this row so empty and full glasses alternate while moving only one cup in the process? Answer: Pour the juice from the second cup into the fifth cup.

Photo of the Week



Coastal Brown Bear, Katmai National Park, Alaska.

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Footnotes and Sources

1. The Wall Street Journal, February 12, 2021
2. The Wall Street Journal, February 12, 2021
3. The Wall Street Journal, February 12, 2021
4. Board of Governors of the Federal Reserve System, February 19, 2021
5. CNBC.com, February 12, 2021
6. The Wall Street Journal, February 11, 2021
7. IRS.gov, June 5, 2020
8. Healthline.com, July 24, 2018

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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 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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