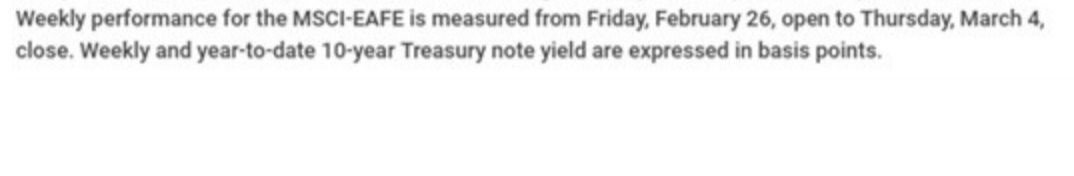


Stocks were mixed last week as rising bond yields and heightening inflation fears sent stocks on a wild ride, capped by a remarkable Friday afternoon rally.

The Dow Jones Industrial Average gained 1.82%, while the Standard & Poor's 500 increased by 0.81%. The Nasdaq Composite index fell 2.06% for the week. The MSCI EAFE Index, which tracks developed overseas stock markets, rose 0.76%.^{1,2,3}

Market Insights

Market Index	Close	Week	Y-T-D
DJIA	31,496.30	+1.82%	+2.91%
NASDAQ	12,920.15	-2.06%	+0.25%
MSCI-EAFE	2,185.44	+0.76%	+1.77%
S&P 500	3,841.94	+0.81%	+2.29%



Treasury	Close	Week	Y-T-D
10-Year Note	1.56%	+0.14%	+0.63%

Sources: The Wall Street Journal, March 5, 2021; Treasury.gov, March 5, 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 26, to Friday, March 5, close. Weekly performance for the MSCI-EAFE is measured from Friday, February 26, to Thursday, March 4, close. Weekly and year-to-date 10-year Treasury note yield are expressed in basis points.

Rising Yields Whipsaw Stocks

The week began on an ebullient note as stocks surged on a retreat in bond yields and approval of a new vaccine, with sharp gains in reopening stocks, hard-hit technology companies, and small-cap companies.

But the optimism proved fleeting as worries over rising bond yields upended the high valuation growth stocks and sent the broader market lower. Deteriorating investor sentiment culminated in a steep sell-off on Thursday, sparked by comments from Fed Chair Jerome Powell that did little to allay investors' concerns about rising yields and festering inflation anxieties.⁴

Stock prices rallied on a strong employment report on Friday, but some of the enthusiasm was tempered by rising yields.

U.S. Dollar's Surprising Strength

Last week, the U.S. dollar gained 0.93% against a basket of international currencies—a relatively big move in the currency market. Year-to-date the dollar has appreciated over 2%.⁵

U.S. dollar strength this year has defied the expectations of many analysts who anticipated that a global economic recovery would prompt a shift away from the safe harbor of the dollar toward non-dollar denominated assets.

However, rising U.S. yields and a faltering economic rebound in Europe have instead propelled the U.S. dollar higher, raising concerns about tight financial conditions abroad and its potential adverse impact on an emerging markets recovery.

This Week: Key Economic Data

- Wednesday:** Consumer Price Index (CPI).
- Thursday:** Jobless Claims, Job Openings and Labor Turnover Survey (JOLTS).
- Friday:** Consumer Sentiment.

Source: Econoday, March 5, 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

- Wednesday:** Campbell Soup Company (CPB).
- Thursday:** JD.com (JD), Ulta Beauty, Inc. (ULTA), Docusign (DOCU), GoodRx Holdings (GDRX).

Source: Zacks, March 5, 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

"In seed time learn, in harvest teach, in winter enjoy."

—William Blake

Tax Tip

Rules for Home Office Deductions

If you have a business and work out of your home, the IRS allows you to deduct certain expenses on your return. Here are a few key things to keep in mind:

- The IRS requires you to use your office (or a part of your home) for "regular and exclusive use." The part of the house should be your principal place of business, a place where you meet customers, or a separate structure dedicated to the business, like a garage or studio.
- To calculate your deduction, you can use two methods:
 - The simplified option allows you to multiply the allowable square footage of your office by \$5 up to a maximum of 300 square feet.
 - The regular method allows you to specifically calculate the actual expenses like rent, mortgage interest, taxes, repairs, depreciation, and utilities you pay for the portion of your home used for the business. If you use only part of a space for your business, you'll need to figure out the percentage devoted to business activities.

* 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.gov⁶

Healthy Living Tip

Avoiding Falling Back While Springing Forward

Getting used to the clocks shifting back and forth during the onset and conclusion of Daylight Saving time can throw many of us for a loop, not to mention "springing forward" tends to be more difficult than "falling back." It can take longer than we expect to adjust to not only a one-hour time change, but also disruptions to our meal, fitness, work, and sleep schedules, among other factors. So, how can you combat this? Here are a few tips that may help.

- Gradually prepare for the time change the week before. Try to shift as many things in your routine "forward" by 10 minutes each day.
- Manage your environmental lighting as much as possible. Try to get more light in the morning (to suppress your body's natural sleep hormones) and as little in the evening as possible, especially approaching bedtime and during the night.
- Do your best to avoid napping if possible. While it can be really tempting to "catch up" with your lost hour, until you're adjusted, napping could slow your period of adapting to the new schedule.

Don't let losing an hour slow you down. Taking some proactive measures may just help you ease into the transition better than you think.

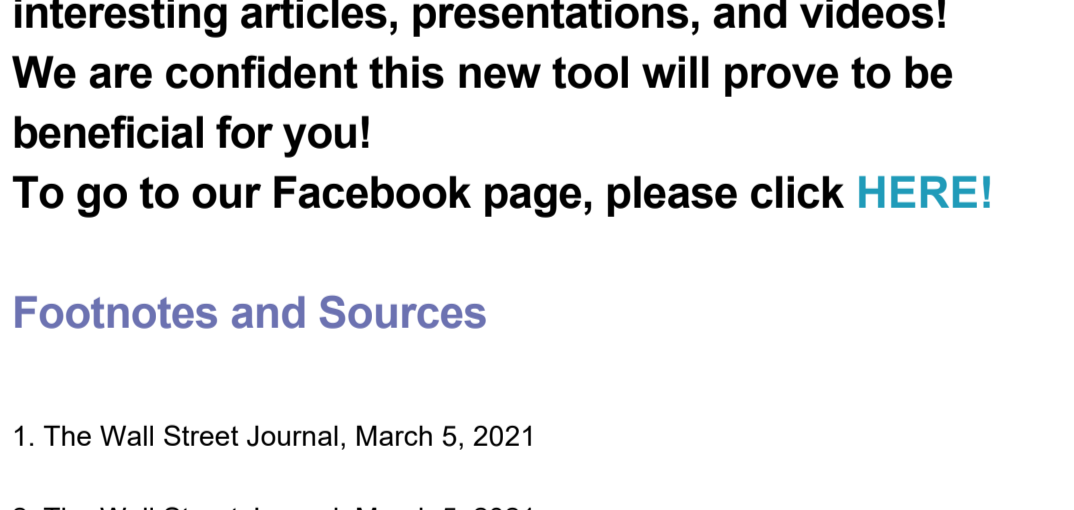
Tip adapted from WebMD.com⁷

Weekly Riddle

The name of a particular insect is six letters long. You can lop off the last three letters from its name and end up with the name of another insect. What is this six-letter word?

Last week's riddle: A woman walking along a canal sees a boat full of people, yet there isn't a single person on board. How could this be? Answer: Everyone on a boat is married or partnered (not single).

Photo of the Week



Kofa National Wildlife Refuge, Arizona.

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Footnotes and Sources

- The Wall Street Journal, March 5, 2021
- The Wall Street Journal, March 5, 2021
- The Wall Street Journal, March 5, 2021
- The Wall Street Journal, March 4, 2021
- The Wall Street Journal, March 5, 2021
- IRS.gov, September 23, 2020
- WebMD.com, 2020

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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.

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Please consult your financial professional for additional information.

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