

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,

Market

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.<sup>1,2</sup> 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.



### **Dow Jones Industrial** <u>Average</u>

Nasdag Composite

Name

Major Index Return Summary

### MSCI EAFE 1.38% 4.78% 2.51%

0.57%

5D TR

0.92%

1M TR

3.41%

3.79%

YTD TR

4.10%

6.67%

1Y TR

20.54%

14.67%

39.14%

5040.00

4980.00

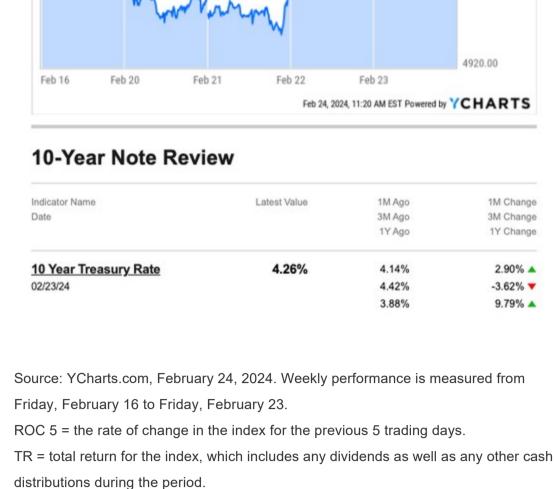
THE PARTY OF THE P	5.5.70	3311374		
S&P 500	1.17%	4.76%	6.91%	28.88%
S&P 500 Daily	Close			
	VAL 8.80			
			M	5100.00
		Many	" My	5088.80

Treasury note yield is expressed in basis points.

Inflection Point?

intelligence.

Confidence.



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 Al's impact may just be starting, and anticipate it will be a driving economic force in 2024 and beyond.<sup>3,4</sup> This Week: Key Economic Data **Monday:** New Home Sales. Two-year Treasury Note Auction.

Tuesday: Durable Goods. Case-Shiller Home Price Index. Consumer

**Wednesday:** GDP report (second estimate). Petroleum Status Report.

Source: Investors Business Daily - Econoday economic calendar; February 19, 2024

(including key economic indicators), Federal Reserve policy meetings, and speaking

engagements of Federal Reserve officials. The content is developed from sources

statements are based on assumptions and may not materialize. The forecasts also

believed to be providing accurate information. The forecasts or forward-looking

The Econoday economic calendar lists upcoming U.S. economic data releases

**Thursday:** Jobless Claims. Personal Income and Outlays.

Nvidia's seismic increase in market cap gave investors pause for

reflection, wondering whether this marked an inflection point for artificial

The main story that investors took away was that, because of its market

are subject to revision. This Week: Companies Reporting Earnings

### (ZM) Tuesday: Dell Technologies Inc. (DELL), Agilent Technologies, Inc. (A), eBay Inc. (EBAY)

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

Wednesday: Salesforce Inc. (CRM), HP Inc. (HPQ)

Source: Zacks, February 19, 2024

hand, and laughter in the other."

Be on Alert for IRS Scams

you for failure to pay.

qualified tax professional.

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

August Wilson

TAX TIP

**Thursday:** Hewlett Packard Enterprise Company (HPE)

**Monday:** Workday, Inc. (WDAY), Zoom Video Communications, Inc.

notice.

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

FOOD FOR THOUGHT

"All you need in the world is love and laughter – to have love in one

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

individualized tax advice. Please discuss your specific tax issues with a

\*This information is not intended to be a substitute for specific.

HEALTHY LIVING TIP

## **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

partners.

Tip adapted from PsychCentral.com<sup>6</sup>

healthier, and all the people in our lives will benefit, including our romantic

Loving ourselves isn't always easy. And it doesn't mean always being overly indulgent but rather making choices that help 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 searching 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.

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.

factors may result in greater share price volatility.

market in general.

performance does not guarantee future results.

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read the prospectus and prospectuses for the underlying investment portfolios of variable products. In addition to carefully reviewing the prospectus, you are advised to consider the investment objectives, risks and charges, and expenses of the investment before investing. A prospectus may be obtained from our office or directly from the mutual fund company, insurance company or offering entity. \*\*Variable annuities are long-term investments designed for retirement purposes. Variable products have limitations, exclusions, charges, termination provisions and terms for keeping them in force. There is no guarantee that any variable investment options in a product will meet their stated goals or objectives. The account value is subject to market fluctuations and investment risk so that, when withdrawn, it may be worth more or less than its original value. \*\*\*Index or fixed annuities are not designed for short-term investments and may be subject to caps, restrictions, fees and surrender charges as described in the annuity contract. Annuity product guarantees including optional benefits, for both fixed and variable annuity products, rely on the financial strength of and are subject to the claims-paying ability of the issuing company. Employees or representatives of Falck Financial Services acting as registered representatives of First Heartland® Capital, Inc. and/or First Heartland® Consultants, Inc. may transact business in a particular state only if first registered, excluded or exempted from registration requirements. Richard J. Falck is a Registered Representative of First Heartland® Capital, Inc., and an Investment Advisor Representative of First Heartland® Consultants, Inc., a registered broker/dealer and registered investment adviser based in Lake Saint Louis, Missouri.

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Weekly Riddle 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. PHOTO OF THE WEEK

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. The forecasts or forward-looking statements are based on assumptions, may not materialize, and are subject to revision without notice. The market indexes discussed are unmanaged, and generally, considered representative of their respective markets. Index performance is not indicative of the past performance of a particular investment. Indexes do not incur management fees,

costs, and expenses. Individuals cannot directly invest in unmanaged indexes. Past

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

Europe, Australia, and Southeast Asia. The S&P 500 Composite Index is an

U.S. Treasury Notes are guaranteed by the federal government as to the timely

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

unmanaged group of securities that are considered to be representative of the stock

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reporting standards, currency exchange rates, political risks unique to a specific

country, foreign taxes and regulations, and the potential for illiquid markets. These

The Dow Jones Industrial Average is an unmanaged index that is generally

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