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| FEB 2020 | [Midwest Money Management Inc.](http://email.email01.fmgsuite.com/c/eJxtkL1qxDAQhJ_m1Mlo9WercHHEBFIk77CWVrbA8hlLh8nbR9eEFIGplmXmmwkjzlYAi-ks9QszjfeAmXnMB6Zl_wgjDFYaK1kapZBCSGiCXtkOusEMbuqdASWmaXJvNy0oY9oEdDEv5Zkqdf6R2TpicB7IaXCRZq1N9BqsIY_gvUAlfwM_qRRc6CPQXlNMdI5GzkEID1yj9pwQgKOLkkdB_Wy0sMr2bBvXWo-but_ke9N1XS-Ci-bSGMoLol3R-AgAA0c5e64JJG8GyHWPDQYxKuXbGzvOx3Jibt2VYWdjx7ziWZ_70gpuaVnrvGGp3U6V-cde0dc_vBRsDE4QV1oqTu5f3qP5fb_GhTbqD-DEdoA) |

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| Commentary |

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| February 10, 2020**The Markets**Last week, major U.S. indices posted strong gains. That’s welcome news, but the drivers behind share price appreciation appear to have little to do with company fundamentals.Fourth quarter earnings season is underway. During earnings season, companies let investors know how profitable they were during the previous quarter. With 45 percent of companies in the Standard & Poor’s 500 (S&P 500) Index reporting, earnings are slightly down. If the trend continues, this will be the fourth consecutive quarter of year-over-year earnings declines, according to*FactSet*.Falling company profits, in tandem with rising share prices, have made U.S. stocks relatively expensive. The price-to-earnings ratio of the S&P 500 Index was 25.04 on Friday. That’s significantly higher than its long-term average of 15.78.Expectations for economic growth may have been behind last week’s gains. A*xios* reported, “U.S. economic data had been strengthening ahead of the [coronavirus] outbreak – last month the all-important services sector notched its best reading since September, a private payrolls survey showed the highest job growth in five years, and consumer confidence held at historically high levels.”*The Economist Intelligence Unit* (EIU) estimates U.S. economic growth will be 1.7 percent in 2020, although the coronavirus could create issues that slow growth.Economic growth also could be inhibited by the national debt. The *Federal Reserve Bank of St. Louis* showed U.S. debt at about 105 percent of gross domestic product (GDP) at the end of the third quarter of 2019 (GDP is the value of all goods and services produced by the United States). According to the *Council on Foreign Relations*, high levels of debt can slow economic growth and divert investment from infrastructure, education, and research.Ben Levisohn of *Barron’s* suggested last week’s gains might have been the result of limited supply and high demand for U.S. stocks, “…because the world’s problems might actually make U.S. markets more attractive.” Stock market gains may also owe something to supportive central bank policies.During the next few weeks, stay calm and expect some volatility.**DO YOU KNOW A FINANCIAL TWO-TIMER?** In an online poll conducted by *YouGov, CreditCards.com* asked people how open and honest they are with their spouses and partners about money. The survey discovered financial infidelity is not uncommon. Respondents cheat financially in a variety of ways, including:34 percent have spent more than their spouse/partner would approve12 percent have secret debt10 percent have secret credit card accounts9 percent have secret savings accounts8 percent have secret checking accountsRespondents had a variety of reasons for secretive financial dealings:36 percent said privacy and control were important27 percent said they never felt the need to share26 percent were embarrassed by the way they handle money (frequently cited by wealthiest respondents.)Janice Wood of*PsychCentral* wrote, “Financial infidelity can take as big a toll on relationships as sexual infidelity and emotional dishonesty…A few things that couples can do to prevent financial infidelity is to talk more, get on the same page regarding both joint and individual goals they might have, and also budget for some occasional indulgences along the way of achieving their long-term financial goals…”If you’re looking for a great Valentine’s Day gift, talking with your spouse or partner about money is a choice that could deliver long-term rewards.**Weekly Focus – Think About It**“It is better to be hated for what you are than to be loved for what you are not.”*--Andre Gide, Author and Nobel Prize winner*\* These views are those of Carson Coaching, and not the presenting Representative, the Representative’s Broker/Dealer, or Registered Investment Advisor, and should not be construed as investment advice.\* This newsletter was prepared by Carson Coaching. Carson Coaching is not affiliated with the named firm.\* Government bonds and Treasury Bills are guaranteed by the U.S. government as to the timely payment of principal and interest and, if held to maturity, offer a fixed rate of return and fixed principal value. However, the value of fund shares is not guaranteed and will fluctuate.\* Corporate bonds are considered higher risk than government bonds but normally offer a higher yield and are subject to market, interest rate and credit risk as well as additional risks based on the quality of issuer coupon rate, price, yield, maturity, and redemption features.\* The Standard & Poor's 500 (S&P 500) is an unmanaged group of securities considered to be representative of the stock market in general. You cannot invest directly in this index.\* All indexes referenced are unmanaged. The volatility of indexes could be materially different from that of a client’s portfolio. Unmanaged index returns do not reflect fees, expenses, or sales charges. Index performance is not indicative of the performance of any investment. You cannot invest directly in an index.\* The Dow Jones Global ex-U.S. Index covers approximately 95% of the market capitalization of the 45 developed and emerging countries included in the Index.\* The 10-year Treasury Note represents debt owed by the United States Treasury to the public. Since the U.S. Government is seen as a risk-free borrower, investors use the 10-year Treasury Note as a benchmark for the long-term bond market.\* Gold represents the afternoon gold price as reported by the London Bullion Market Association. The gold price is set twice daily by the London Gold Fixing Company at 10:30 and 15:00 and is expressed in U.S. dollars per fine troy ounce.\* The Bloomberg Commodity Index is designed to be a highly liquid and diversified benchmark for the commodity futures market. The Index is composed of futures contracts on 19 physical commodities and was launched on July 14, 1998.\* The DJ Equity All REIT Total Return Index measures the total return performance of the equity subcategory of the Real Estate Investment Trust (REIT) industry as calculated by Dow Jones.\* The Dow Jones Industrial Average (DJIA), commonly known as “The Dow,” is an index representing 30 stock of companies maintained and reviewed by the editors of The Wall Street Journal.\* The NASDAQ Composite is an unmanaged index of securities traded on the NASDAQ system.\* International investing involves special risks such as currency fluctuation and political instability and may not be suitable for all investors. These risks are often heightened for investments in emerging markets.\* Yahoo! Finance is the source for any reference to the performance of an index between two specific periods.\* Opinions expressed are subject to change without notice and are not intended as investment advice or to predict future performance.\* Economic forecasts set forth may not develop as predicted and there can be no guarantee that strategies promoted will be successful.\* Past performance does not guarantee future results. Investing involves risk, including loss of principal.\* The foregoing information has been obtained from sources considered to be reliable, but we do not guarantee it is accurate or complete.\* There is no guarantee a diversified portfolio will enhance overall returns or outperform a non-diversified portfolio. Diversification does not protect against market risk.\* Asset allocation does not ensure a profit or protect against a loss.\* Consult your financial professional before making any investment decision.Sources:https://www.barrons.com/articles/dow-jones-industrial-average-gains-846-points-in-comeback-week-51581124626?mod=hp\_DAY\_3 (or go to https://peakcontent.s3-us-west-2.amazonaws.com/+Peak+Commentary/02-10-20\_Barrons-Coronavirus-Slower\_Growth-The\_Dow\_Just\_Had\_A\_Spectacular\_Week-Footnote\_1.pdf)https://www.factset.com/hubfs/Resources%20Section/Research%20Desk/Earnings%20Insight/EarningsInsight\_013120.pdfhttps://www.investopedia.com/terms/e/earnings.asphttps://www.multpl.com/s-p-500-pe-ratiohttps://www.axios.com/newsletters/axios-marketshttps://country.eiu.com/united-stateshttps://country.eiu.com/article.aspx?articleid=148994798&Country=United%20States&topic=Economy (or go to https://peakcontent.s3-us-west-2.amazonaws.com/+Peak+Commentary/02-10-20\_TheEconomist-Fed\_Continues\_Delicate\_Balancing\_Act-Footnote\_7.pdf)https://fred.stlouisfed.org/series/GFDEGDQ188Shttps://www.cfr.org/backgrounder/national-debt-dilemmahttps://www.cfr.org/global/global-monetary-policy-tracker/p37726https://www.creditcards.com/credit-card-news/financial-infidelity-cheating-poll.phphttps://psychcentral.com/news/2019/12/31/financial-infidelity-can-take-a-toll-on-relationships/152583.htmlhttps://www.goodreads.com/quotes/tag/love |

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 | [Schedule an Appointment](http://email.email01.fmgsuite.com/c/eJxtkMtqxDAMRb9mvHOQ_Eq88GJoKMyi_QfFj8SQF4mH0L-vB0rpoqCVkK6OTnA0GECW8nGWT1qiuwdamKdlpzyuj-CwM0IbwbITIAAE1sJWmgabTne2b61GCX3f27ebgrhQngGbtIznM5fY-G1hkxMetSWrVDsAGS_AqA46tKRsa8iH34Mf8TxpjI8Q15JTjofTYggAHrki5XkkRE42CZ4gtoNWYKRp2eymUvabvN_Ee63rul4EVxzOynC-IGqXtE-I2HESg-cqouA1gLhqCY0mSlL6Oua3tZAvbD-28aClKpCaHY6ql4mO8lzH-uecx6kMM52lWWNhPzt_sGMwKViIXCohebT_Yu817-vlGKvbb0GveFc)Let's get together and work on your life and financial plans. |

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| Midwest Money Management Inc.17316 Kenyon AveSuite 104Lakeville, MN55044[http://www.MidwestMoneyManagement.com](http://email.email01.fmgsuite.com/c/eJxtkLtuhDAURL9m3YH8BhcuVosibUH-4WJfgyVsEHiF9u_jpIhSRJr6zJnxFiZNGQnxOMsnJLR3D4k4SDvEOT-9Zb3mSnMSLaecUs5qWCd0y9pe9WbojGKCDsNgHjdJMUFcKWtDms9XLNi6LZHFKsG5CBwdVRqM084E3XmOTErlu0n8Fo54njDj02MuMUQ8rOKTp9SxRoJ0DQJjDZjAm0Cxm5SkWuiOrHYpZb-J-41_1FzX1Y7RX3iWccv4HiFXaKrMH5_92OYDUh0nFDks1MULHOWV57pgjfNSphXO0mYsxG25gCt_hNDr4A3FRkguGjT_Cu2V9_5-j9XXvgDfAm8f) |
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