

Hi {Firstname},

Last week, Fed Chair Powell said the U.S. would not tame inflation without economic pain. This week heightened recession fears and sent stocks broadly lower.

The Dow Jones Industrial Average dropped 4.00%, while the Standard & Poor's 500 lost 4.65%. The Nasdaq Composite index fell 5.07% for the week. The MSCI EAFE index, which tracks developed overseas stock markets, declined 3.05%.^{1,2,3}



Market Index	Close	Week	Y-T-D
DJIA	29,590.41	-4.00%	-18.57%
NASDAQ	10,867.93	-5.07%	-30.53%
MSCI-EAFE	1,734.01	-3.05%	-25.77%
S&P 500	3,693.23	-4.65%	-22.51%



Treasury	Close	Week	Y-T-D
10-Year Note	3.69%	+0.24%	+2.17%

Sources: The Wall Street Journal, September 23, 2022; Treasury.gov, September 23, 2022
 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, September 16, to Friday, September 23, close. Weekly performance for the MSCI-EAFE is measured from Friday, September 16, open to Thursday, September 22, close. Weekly and year-to-date 10-year Treasury note yield are expressed in basis points.

Yields Surge, Stocks Tumble

Last week's meeting of the Federal Open Market Committee (FOMC) proved unsettling for the financial markets. It wasn't only the widely expected announcement of another rate hike but a more hawkish message that rates may be heading higher for longer than anticipated. Fed officials indicated that any policy change might be further off than investors had contemplated.

The latest rate hike caused bond yields to rise, with two-year and ten-year Treasury note yields touching levels not seen in over a decade. Global central banks moved in tandem with the Fed, as the Bank of England, Swiss National Bank, and Norway's Norges Bank, among others, also hiked rates.^{4,5}

Another Rate Hike

In its effort to cool inflationary forces, the Federal Reserve raised interest rates by 0.75% last week—the third consecutive rate increase of that size. Projections by FOMC members suggested that interest rates may increase by as much as 1.25 percentage points before year-end.⁶

The FOMC also projects that unemployment will rise to 4.4% by December 2023. This projection is up from its current level of 3.7%, and that core inflation will be 4.5% by year-end. In June, Fed officials projected core inflation would be at 4.3% by year-end. They also indicated that interest rates may reach as high as 4.6% in 2023, without any rate cut likely until 2024.⁷

This Week: Key Economic Data

Tuesday: Durable Goods Orders. Consumer Confidence. New Home Sales.

Thursday: Jobless Claims. Gross Domestic Product (GDP).

Friday: Consumer Sentiment.

Source: Econoday, September 23, 2022

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.

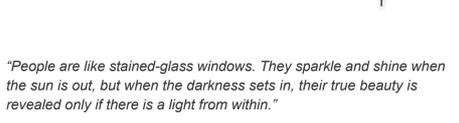
This Week: Companies Reporting Earnings

Wednesday: Cintas Corporation (CTAS), Paychex, Inc. (PAYX).

Thursday: Micron Technology, Inc. (MU), Nike, Inc. (NKE).

Source: Zacks, September 23, 2022

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.



"People are like stained-glass windows. They sparkle and shine when the sun is out, but when the darkness sets in, their true beauty is revealed only if there is a light from within."

— Dr. Elisabeth Kübler-Ross



Tax-Deductible Educator Expenses

The educator expense deduction allows eligible teachers and administrators to deduct part of the cost of technology, supplies, and training from their taxes. In this case, an "eligible educator" is a taxpayer that is a kindergarten through grade 12 teacher, instructor, counselor, principal, or aide. They must work at least 900 hours a year at a school that provides elementary or secondary education.

In 2022, educators can deduct up to \$300 of trade or business expenses not reimbursed by their employer, a grant, or another source. Some examples of covered expenses include:

- Professional development course fees
- Books
- Supplies
- Computer equipment
- Other classroom equipment
- Personal protective equipment (masks, disinfectant, etc.)

* 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.gov⁸



Choose In-Season Produce This Fall

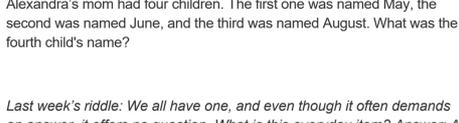
Eating healthy is essential to keep you and your family feeling good as the days get shorter and the temperature drops. One of the easiest ways to incorporate fresher, riper produce into your meals is to buy in-season items. Generally, in-season produce, harvested at the right time, is full of flavor and nutrition. Plus, sometimes fruits and veggies cost less when they're in season!

Here are some healthy picks that are in-season during the fall:

- Apples
- Beets
- Brussels Sprouts
- Carrots
- Cauliflower
- Pumpkin
- Winter squash
- Raspberries
- Celery

What are some of your favorite fall produce items?

Tip adapted from the US Department of Agriculture⁹



Alexandra's mom had four children. The first one was named May, the second was named June, and the third was named August. What was the fourth child's name?

Last week's riddle: We all have one, and even though it often demands an answer, it offers no question. What is this everyday item? Answer: A phone.



Sunken Tambingan Temple, Ubud, Bali, Indonesia.

Footnotes and Sources

1. The Wall Street Journal, September 23, 2022
2. The Wall Street Journal, September 23, 2022
3. The Wall Street Journal, September 23, 2022
4. The Wall Street Journal, September 22, 2022
5. CNBC, September 22, 2022
6. The Wall Street Journal, September 21, 2022
7. CNBC, September 21, 2022
8. IRS.gov, February 24, 2022
9. SNAP-Ed Connection, U.S. Dept. of Agriculture, June 1, 2022

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 performance does not guarantee future results.

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.

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

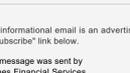
International investments carry additional risks, which include differences in financial reporting standards, currency exchange rates, political risks unique to a specific country, foreign taxes and regulations, and the potential for illiquid markets. These factors may result in greater share price volatility.

Please consult your financial professional for additional information.

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