

Hi {Firstname},

Stocks extended their August declines last week as higher yields and weak economic data out of China soured investor sentiment.

The Dow Jones Industrial Average lost 2.21%, while the Standard & Poor's 500 retreated 2.11%. The Nasdaq Composite index backtracked 2.59% for the week. The MSCI EAFE index, which tracks developed overseas stock markets, slumped 2.83%.^{1,2,3}

MARKET INSIGHTS



| Market Index | Close | Week | Y-T-D |
|--------------|-----------|--------|---------|
| DJIA | 34,500.66 | -2.21% | +4.08% |
| NASDAQ | 13,290.78 | -2.59% | +26.98% |
| MSCI-EAFE | 2,068.98 | -2.83% | +6.43% |
| S&P 500 | 4,369.71 | -2.11% | +13.81% |



| Treasury | Close | Week | Y-T-D |
|--------------|-------|--------|--------|
| 10-Year Note | 4.26% | +0.10% | +0.38% |

Sources: The Wall Street Journal, August 18, 2023; Treasury.gov, August 18, 2023
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, August 11, to Friday, August 18 close. Weekly performance for the MSCI-EAFE is measured from Friday, August 11, open to Thursday, August 17 close. Weekly and year-to-date 10-year Treasury note yield are expressed in basis points.

Stocks Wilt

Rising bond yields, driven primarily by strong economic data and the release of the minutes from July's Federal Open Market Committee (FOMC) meeting that pointed toward Fed officials' potential need to raise rates further, weighed on stocks throughout the week.

In a week of light trading typical of August, stocks were additionally buffeted by a string of economic data that painted a flailing economic recovery in China and warnings of potential downgrades of dozens of U.S. banks by Fitch, a credit-rating agency.

After the 10-year Treasury yield rose to its highest level since October 2022 on Thursday, yields eased on Friday, helping to arrest the week's downward trend.⁴

Retail Sales Surprise

Retail sales jumped 0.7% in July, the fourth-consecutive month of increasing consumer spending on goods. The report supported the growing narrative that the U.S. may be able to avoid a recession in the near term. The strong spending data, supported by a robust labor market, also may have placed the Fed in a more difficult position in trying to bring inflation down to its target rate without more rate hikes.⁵

Consumer spending was higher in most categories, including bars and restaurants, grocery and hardware stores, and back-to-school items like books and clothing. Sales of autos and electronics fell, a possible consequence of higher borrowing costs.⁵

This Week: Key Economic Data

Tuesday: Existing Home Sales.

Wednesday: Purchasing Managers' Index (PMI) Composite Flash. New Home Sales.

Thursday: Durable Goods Orders. Jobless Claims.

Source: Econoday, August 18, 2023

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

Monday: Zoom Video Communications, Inc. (ZM)

Tuesday: Lowe's Companies, Inc. (LOW)

Wednesday: Nvidia Corporation (NVDA), Autodesk, Inc. (ADSK), Analog Devices, Inc. (ADI), Snowflake, Inc. (SNOW)

Thursday: Marvell Technology, Inc. (MRVL), Ulta Beauty, Inc. (ULTA), Workday, Inc. (WDAY), Dollar Tree, Inc. (DLTR)

Source: Zacks, August 18, 2023

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.

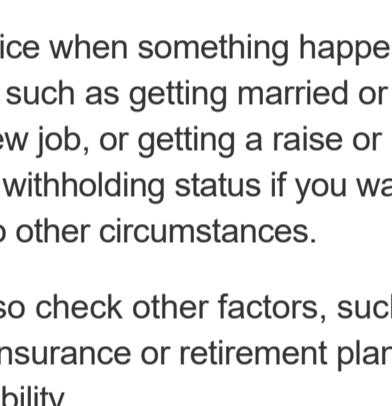
FOOD FOR THOUGHT



"Every individual matters. Every individual has a role to play. Every individual makes a difference."

— Jane Goodall

TAX TIP



Is it Time for a Paycheck Checkup?

There's no better time than the present to check your withholding status and make sure your paycheck accurately reflects the taxes you should be paying.

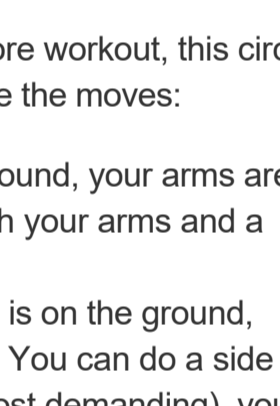
These paycheck checkups are a great practice when something happens in your life that may change your tax status, such as getting married or getting divorced, having a baby, getting a new job, or getting a raise or promotion at work. You can also adjust your withholding status if you want to change how much tax you withhold due to other circumstances.

During your paycheck checkup, you can also check other factors, such as how much you contribute to your health insurance or retirement plan. These expenses can also impact your tax liability.

**This information is not intended to substitute for specific individualized tax advice. We suggest you discuss your specific tax issues with a qualified tax professional.*

Tip adapted from IRS.gov⁶

HEALTHY LIVING TIP



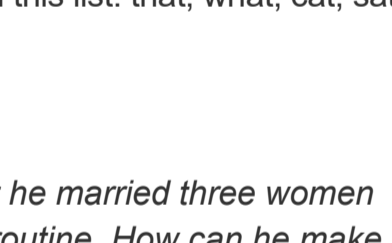
5-Minute Core-Strengthening Workout

Even if you only have a little time to dedicate to a core workout, this circuit will get you going and only takes 5 minutes. Here are the moves:

- 1-minute high plank: Your hands are on the ground, your arms are straight, and you are holding your body up with your arms and a tight core.
- 30-second side plank on each side: One hand is on the ground, your arm is straight, and the other is in the air. You can do a side plank with your feet stacked on each other (most demanding), your feet staggered (a little easier), or your bottom knee on the ground.
- 1-minute boat pose: Your feet are in the air, and your arms are by your side, reaching to your feet. You can pose with your legs bent (easier) or straight out (harder).
- 1-minute crunches: Lift your shoulders and upper back off the ground without pulling your neck.
- 1-minute dead bug: Lay on your back and alternate, extending out the opposite arm and the opposite leg simultaneously.

Tip adapted from Mind Body Green Movement⁷

WEEKLY RIDDLE



Which of these five words doesn't belong on this list: that, what, cat, sat, chat.

Last week's riddle: A man tells a friend that he married three women yesterday, which was legal. In fact, it was routine. How can he make such a statement? Answer: The man is a Justice of the Peace.

PHOTO OF THE WEEK



Edinburgh, Scotland

Footnotes and Sources

1. The Wall Street Journal, August 18, 2023
2. The Wall Street Journal, August 18, 2023
3. The Wall Street Journal, August 18, 2023
4. CNBC, August 18, 2023
5. The Wall Street Journal, August 15, 2023
6. IRS.gov, April 10, 2023
7. Mind Body Green Movement, April 24, 2023

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.

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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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David Gaynes
dgaynes@intfingroup.com
 (770) 353-6350

Gaynes Financial Services
<http://www.capitalgaynes.com/>

