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Weekly Economic Update

September 14, 2020

In this week's recap: Stocks continued a downward slide in response to continued uncertainty; fiscal stimulus still delayed.

THE WEEK ON WALL STREET

Stocks traveled a volatile path last week as investors appeared concerned about the upcoming elections, an uncertain economy, and more delays with additional fiscal stimulus.

The Dow Jones Industrial Average slid 1.66%, while the Standard & Poor's 500 slumped 2.51%. The Nasdaq Composite index plummeted 4.06% for the week. The MSCI EAFE index, which tracks developed overseas stock markets, rose 1.44%.^{1,2,3}

STOCKS CONTINUE TO SLIP

In a holiday-shortened week of trading, stocks resumed their slide from the prior week, with the technology-heavy Nasdaq slipping into correction territory in a three-day span ended on Tuesday, September 8th. (A correction is defined as a decline of at least 10% from a recent high.)⁴

After staging a strong rebound on Wednesday, stocks once again headed lower as the Senate did not pass another coronavirus stimulus bill. Mega-cap technology companies remained under pressure throughout the week. Energy stocks added to investors woes, plunging on data showing an unexpected build-up in inventories.⁵

The market ended the week on a mixed note, as technology companies lost additional ground.

FINAL THOUGHT

On Friday the nation commemorated the tragic events of September 11, 2001.

We join all Americans in remembering the lives we lost that day and the profound impact on the victims' families. We are reminded that it was the unity, kindness, and warmth that we collectively rediscovered in the wake of 9/11 that saw us through that difficult period.

TIP OF THE WEEK



Some companies match employee retirement plan contributions. So if you are an employee and your budget allows, contribute enough to qualify for the match. Business owners may qualify for tax deductions for starting a retirement plan. If you are located in FL, CO, or NY, contact us for a discussion of how a retirement plan can help you and your employees.

THE WEEK AHEAD: KEY ECONOMIC DATA

Tuesday: Industrial Production.

Wednesday: Federal Open Market Committee (FOMC) Announcement.

Thursday: Jobless Claims. Housing Starts.

Friday: Leading Economic Indicators.

Source: Econoday, September 11, 2020

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.

THE WEEK AHEAD: COMPANIES REPORTING EARNINGS

Tuesday: Adobe Systems (ADBE), Lennar Corporation (LEN), Fedex (FDX).

Source: Zacks, September 11, 2020

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.

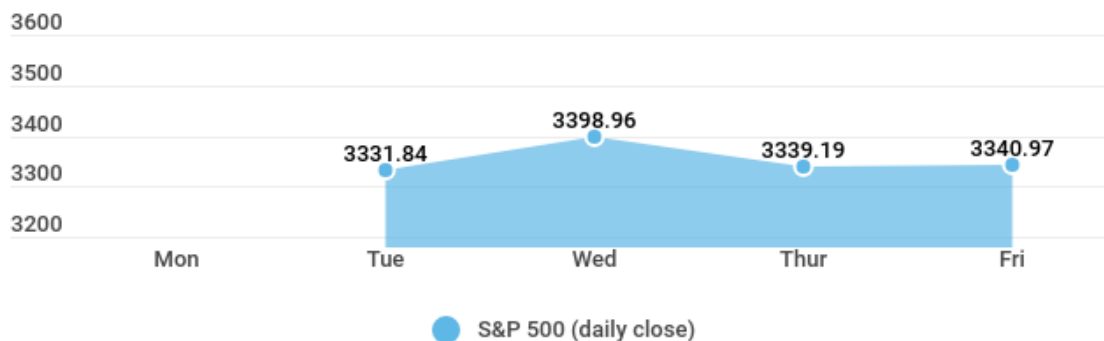
QUOTE OF THE WEEK



“Popularity: it is glory’s small change.”

VICTOR HUGO

| Market Index | Close | Week | Y-T-D |
|--------------|-----------|--------|---------|
| DJIA | 27,665.64 | -1.66% | -3.06% |
| NASDAQ | 10,853.55 | -4.06% | +20.96% |
| MSCI-EAFE | 1,897.15 | +1.44% | -6.86% |
| S&P 500 | 3,340.97 | -2.51% | +3.41% |



| | Treasury | Close | Week | Y-T-D |
|--|--------------|-------|--------|--------|
| | 10-Year Note | 0.67% | +0.04% | -1.25% |

Sources: The Wall Street Journal, September 11, 2020; Treasury.gov, September 11, 2020
 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 4, to Friday, September 11, close. Weekly performance for the MSCI-EAFE is measured from Friday, September 4, open to the Thursday, September 10, close. Weekly and year-to-date 10-year Treasury note yield are expressed in basis points.

THE WEEKLY RIDDLE



A plastic bottle filled with cola weighs one liter. What do you need to add to it to make it weigh less than two ounces?

LAST WEEK'S RIDDLE: If it were two hours later than right now, it would be half as long until midnight as it would be if it were an hour later than right now. What time is it?

ANSWER: 9:00 PM.

Know someone who could use information like this?

Please feel free to send us their contact information via phone or email. (Don't worry – we'll request their permission before adding them to our mailing list.)

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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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CITATIONS:

1. The Wall Street Journal, September 11, 2020
2. The Wall Street Journal, September 11, 2020
3. The Wall Street Journal, September 11, 2020
4. CNBC.com, September 8, 2020
5. CNBC.com, September 9, 2020

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