

Weekly Market Insights:

Despite Turbulent Week, Stocks Stage Comeback

Stocks staged a choppy comeback last week as investors cheered positive earnings, led by mega-cap tech stocks. The rally came to pass despite fresh data showing a slowing economy and increasing inflationary pressures.

Stocks Bounce Back. Twice.

Last week opened with a rebound rally as investors breathed a sigh of relief that Middle East tensions had eased. The market rally extended into Tuesday, with investors cheering positive corporate earnings reports. By Tuesday's market close, the S&P 500 had gained 2% for the week.^{1,2,3}

But investor enthusiasm didn't last, as midweek saw profit taking in all three averages. Rising bond yields threw a wet blanket on market momentum; at one point, the yield on the 10-year Treasury note rose more than 40 basis points from its low earlier in the week.⁴

On Thursday, markets slipped on two fresh pieces of economic data: a Gross Domestic Product (GDP) slowdown and higher consumer prices. But by midday, selling pressure slowed. Stocks pushed higher on Friday behind upbeat Q1 reports from two mega-cap tech stocks, helping the S&P 500 and the Nasdaq post their best week since November.⁵



YCHARTS

Weekly Market Insights (WMI)

Major Index Return Summary

Name	5D TR	1M TR	YTD TR	1Y TR
Dow Jones Industrial Average	0.67%	-2.57%	2.05%	17.26%
MSCI EAFE	1.74%	-2.55%	3.00%	10.61%
Nasdaq Composite	4.23%	-2.35%	6.32%	35.43%
S&P 500	2.67%	-1.91%	7.38%	27.71%

S&P 500 Daily Close



10-Year Note Review

Indicator Name	Latest Value	1M Ago	3M Ago	1M Change	3M Change	1Y Change
10 Year Treasury Rate	4.67%	4.24%	4.15%	3.43%	10.14% ▲	12.53% ▲
04/26/24					36.15% ▲	

Source: YCharts.com, April 27, 2024. Weekly performance is measured from Monday, April 22, to Friday, April 26.

ROC 5 = the rate of change in the index for the previous 5 trading days.

TR = total return for the index, which includes any dividends as well as any other cash distributions during the period.

Treasury note yield is expressed in basis points.

Earnings vs. Inflation

Corporate earnings and economic reports battled it out last week. In the end, earnings won, at least for the week.

The big economic news was that Q1 GDP grew at a 1.6 percent annualized rate—slower than the 2.4 percent economists expected and less than Q4 2023. The GDP report seemed to support the Goldilocks economy theory—not too hot, but not too cool—a story investors have favored this year.

The PCE (personal consumption expenditures) Index, the Fed's preferred inflation gauge, was embedded within the GDP report. Excluding food and energy, it increased 2.8% from a year ago. It was unchanged from February and slightly higher than expected. It joined a growing list of factors pointing to an uptick in inflation, complicating the Fed's interest rate decision.⁵

This Week: Key Economic Data

Tuesday: Employment Cost Index. Case-Shiller Home Price Index. Consumer Confidence.

Wednesday: FOMC Announcement and Fed Chair Press Conference. Treasury Refunding Announcement. ISM Manufacturing Index. EIA Petroleum Status Report.

Thursday: Motor Vehicle Sales. Jobless Claims. International Trade in Goods & Services. Factory Orders. Productivity and Costs.

Friday: Employment Situation.

Source: Investors Business Daily - Econoday economic calendar; April 23, 2024
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

Tuesday: Amazon.com, Inc. (AMZN), Eli Lilly and Company (LLY), The Coca-Cola Company (KO), Advanced Micro Devices, Inc. (AMD), McDonald's Corporation (MCD), Starbucks Corporation (SBUX)

Wednesday: Mastercard Incorporated (MA), QUALCOMM Incorporated (QCOM), Pfizer Inc. (PFE), Automatic Data Processing, Inc. (ADP)

Thursday: Apple Inc. (AAPL), Amgen Inc. (AMGN), Booking Holdings Inc. (BKNG), ConocoPhillips (COP), Cigna Group (CI)

Friday: Berkshire Hathaway Inc. (BRKA, BRKB)

Source: Zacks, April 23, 2024
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

"The hardest tumble a man can make is to fall over his own bluff."

—Ambrose Bierce

TAX TIP

IRS Program Helps Seniors Prepare Taxes

The IRS has a Free File tool, which facilitates online tax preparation, direct deposits of refunds, and electronic filing choices, designed for taxpayers on a fixed budget, including seniors and retirees. Here is some information to know about the tool:

- IRS Free File is at [IRS.gov](https://www.irs.gov) and features some significant names in the tax software provider world.
- To use the tool, taxpayers can browse multiple offers.
- The eligibility standards for Free File depend on the tax partner but are typically based on income, age, and state residency.
- Free File has most of the necessary forms when filing your taxes. Even if you have a unique tax situation, you may still be able to use Free File.
- Some Free File products are available in Spanish.
- You can also search for credits and deductions in Free File.
- Some providers in Free File also offer state return preparation. You can use the lookup tool in Free File to find the tax partner that might be appropriate for your state requirements.
- Taxpayers can access Free File through computers, smartphones, or tablets.

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

Tip adapted from [IRS.gov](https://www.irs.gov)⁶

HEALTHY LIVING TIP

Aloe Vera: One Powerful Plant

Aloe vera is a medicinal plant used for nearly everything. It is a cactus-type plant that grows well in many climates and has thick, juicy leaves that store water. Because of this, aloe vera is beloved for its hydrating properties. Let's explore aloe's many benefits and how to include them in your daily routine.

The thick, sticky gel in aloe leaves contains potent bioactive compounds, including vitamins, minerals, amino acids, and antioxidants.

Aloe vera is also known for its healing properties. Its antibacterial, antiviral, and antiseptic properties may help heal wounds and treat skin problems or as a topical treatment for first—and second-degree burns.

Lastly, aloe vera can lower blood sugar levels by enhancing insulin sensitivity and managing blood sugar. Some preliminary evidence has suggested that aloe vera may benefit people with prediabetes or type 2 diabetes. Check with your doctor or medical team for more information.

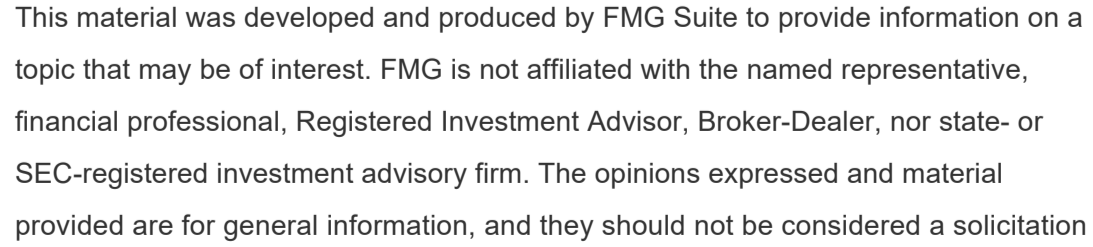
Tip adapted from [Medical News Today](https://www.medicalnewstoday.com)⁷

WEEKLY RIDDLE

I protect you. I sit on a bridge. You can see through me. People walking by might wonder what I hide. What am I?

Last week's riddle: How can you name three consecutive days without mentioning the words Monday, Tuesday, Wednesday, Thursday, Friday, Saturday, or Sunday? Answer: Use the words yesterday, today, and tomorrow.

PHOTO OF THE WEEK



A green sea turtle, Queensland, Australia

Footnotes and Sources

1. The Wall Street Journal, April 26, 2024
2. CNBC.com, April 22, 2024
3. CNBC.com, April 23, 2024
4. CNBC.com, April 24, 2024
5. The Wall Street Journal, April 25, 2024

6. [IRS.gov](https://www.irs.gov), October 23, 2023

8. [Medical News Today](https://www.medicalnewstoday.com), January 23, 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.

The forecasts or forward-looking statements are based on assumptions, may not materialize, and are subject to revision without notice.

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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 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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