

Hello everyone,

Stocks rallied last week as investors reacted positively to a handful of better-than-expected corporate earnings reports and developments out of Washington, D.C.

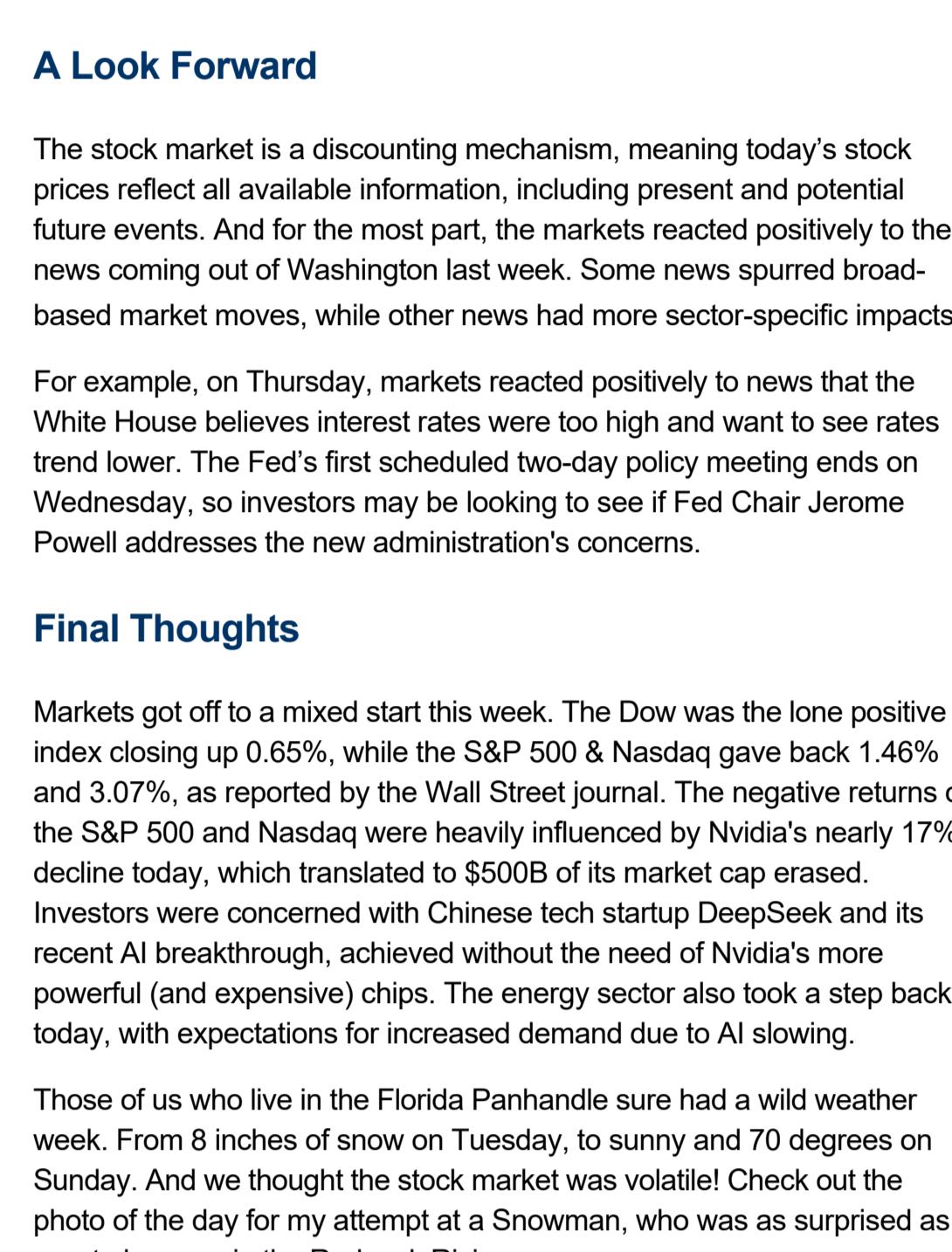
The Standard & Poor's 500 Index gained 1.74 percent, while the Nasdaq Composite Index added 1.65 percent. The Dow Jones Industrial Average rose 2.15 percent. The MSCI EAFE Index, which tracks developed overseas stock markets, added 3.03 percent.^{1,2}

Flurry of News

Markets surged over the first three trading days as investors cheered a flurry of new policy announcements and executive orders following Monday's inauguration. For example, investors responded to news that the White House trade team is considering taking a softer stance on tariffs.³

It was also a good week for Q4 company reports and other upbeat corporate news.⁴

Markets leveled off for a third day as investors were disappointed that existing home sales fell to a 30-year low. But for the week, the Nasdaq had closed above 20,000 on two of the four trading days, and the S&P 500 closed above 6,000 at every session.⁵

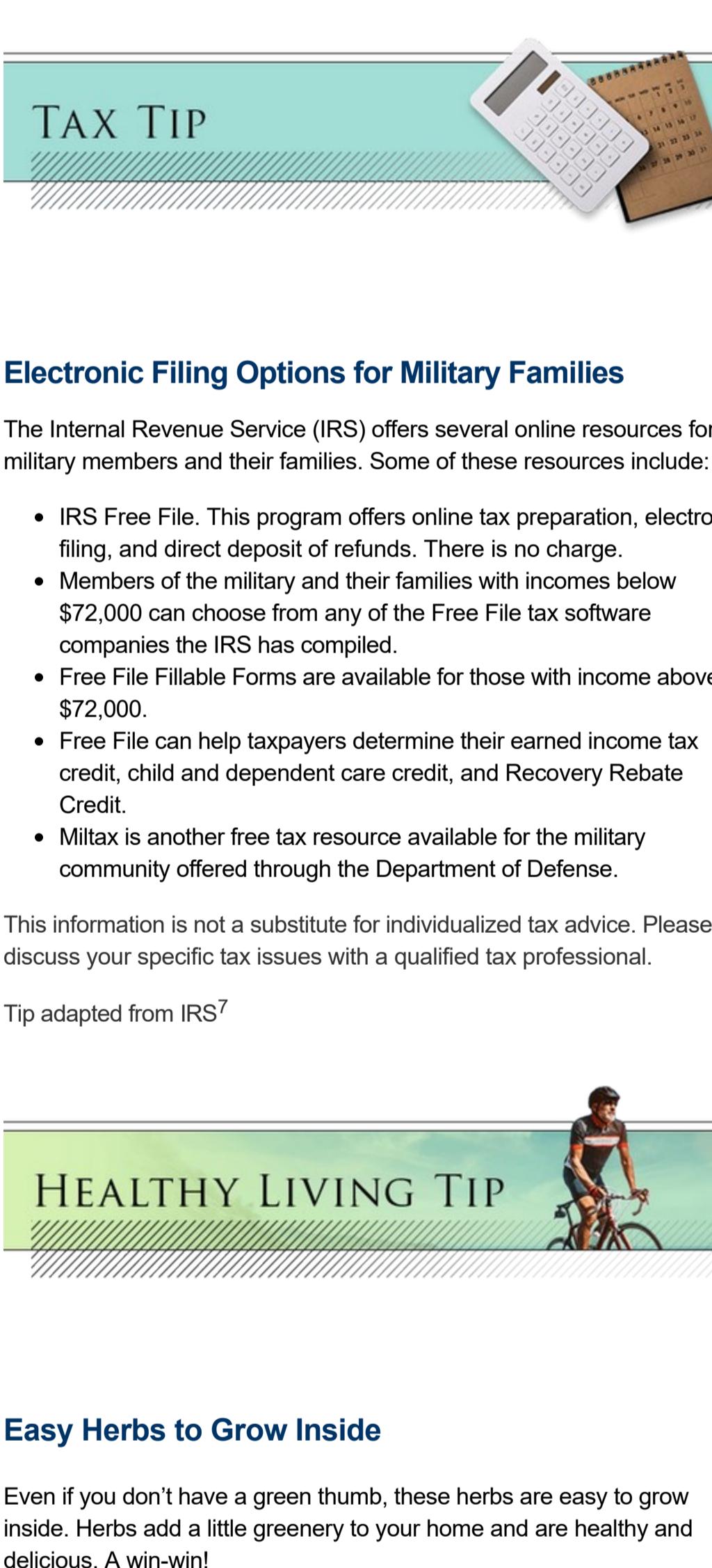


Weekly Market Insights (WMI)

Major Index Return Summary

Name	1M TR	YTD TR	1Y TR	5Y TR
Dow Jones Industrial Average	3.93%	4.82%	19.74%	69.23%
MSCI EAFE	4.38%	3.48%	10.37%	33.54%
Nasdaq Composite	1.49%	3.86%	30.94%	121.8%
S&P 500	2.51%	4.10%	27.52%	99.06%

S&P 500 Daily Close



10-Year Note Review

Indicator Name	Latest Value	1M Ago	3M Ago	1M Change	3M Change
10 Year Treasury Rate	4.63%	4.59%	4.21%	0.87% ▲	9.98% ▲

Source: YCharts.com, January 25, 2025. Weekly performance is measured from Friday, January 17, to Friday, January 24. 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.

A Look Forward

The stock market is a discounting mechanism, meaning today's stock prices reflect all available information, including present and potential future events. And for the most part, the markets reacted positively to the news coming out of Washington last week. Some news spurred broad-based market moves, while other news had more sector-specific impacts.⁶

For example, on Thursday, markets reacted positively to news that the White House believes interest rates were too high and want to see rates trend lower. The Fed's first scheduled two-day policy meeting ends on Wednesday, so investors may be looking to see if Fed Chair Jerome Powell addresses the new administration's concerns.

Final Thoughts

Markets got off to a mixed start this week. The Dow was the lone positive index closing up 0.65%, while the S&P 500 & Nasdaq gave back 1.46% and 3.07%, as reported by the Wall Street Journal. The negative returns of the S&P 500 and Nasdaq were heavily influenced by Nvidia's nearly 17% decline today, which translated to \$500B in its market cap erased.

Investors were concerned with Chinese tech startup DeepSeek and its recent AI breakthrough, achieved without the need of Nvidia's more powerful (and expensive) chips. The energy sector also took a step back today, with expectations for increased demand due to AI slowing.

Those of us who live in the Florida Panhandle sure had a wild weather week. From 8 inches of snow on Tuesday, to sunny and 70 degrees on Sunday. And we thought the stock market was volatile! Check out the photo of the day for my attempt at a Snowman, who was as surprised as I was to be seen in the Redneck Riviera.

Warmest regards,

Collin

This Week: Key Economic Data

Monday: New Home Sales.

Tuesday: Durable Goods, Consumer Confidence, Case-Shiller Home Price Index, Federal Open Market Committee (FOMC) meeting—Day 1.

Wednesday: FOMC meeting—Day 2, U.S. Trade Balance in Goods, Retail and Wholesale Inventories, FOMC announcement and Fed Chair Powell press conference.

Thursday: Gross Domestic Product (GDP), Pending Home Sales, Weekly Jobless Claims.

Friday: Personal Consumption & Expenditures (PCE) Index, Employment Cost Index, Fed Governor Michelle Bowman speaks.

Source: Investors Business Daily - Econoday economic calendar; January 24, 2025

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: AT&T Inc. (T)

Tuesday: Starbucks Corporation (SBUX), The Boeing Company (BA), RTX Corporation (RTX), Stryker Corporation (SYK), Lockheed Martin Corporation (LMT), General Motors Company (GM)

Wednesday: Microsoft Corporation (MSFT), Meta Platforms, Inc. (META), Tesla, Inc. (TSLA), T-Mobile US, Inc. (TMUS), ServiceNow, Inc. (NOW), International Business Machines Corporation (IBM), Automatic Data Processing, Inc. (ADP)

Thursday: Apple Inc. (AAPL), Visa Inc. (V), Mastercard Incorporated (MA), Thermo Fisher Scientific Inc. (TMO), Caterpillar Inc. (CAT), Comcast Corporation (CMCSA), The Blackstone Group (BS), United Parcel Service, Inc. (UPS), Marsh & McLennan Companies, Inc. (MMC), Intel Corporation, Inc. (INTC)

Friday: Exxon Mobil Corporation (XOM), AbbVie (ABBV), Chevron Corporation (CVX)

Source: Zacks, January 24, 2025. Companies mentioned are for informational purposes only. It should not be considered a solicitation for the purchase or sale of 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

"In a sense, one can never read the book that the author originally wrote, and one can never read the same book twice."

— Edmund Wilson

TAX TIP

Electronic Filing Options for Military Families

The Internal Revenue Service (IRS) offers several online resources for military families. Some of these resources include:

- IRS Free File. This program offers online tax preparation, electronic filing, and direct deposit of refunds. There is no charge below \$72,000, and you can choose from any of the free tax software above \$72,000.
- Free File Fillable IRS forms are available for those with income above \$72,000.
- Free File and Help taxpayers determine their earned income tax credit, child tax credit, and dependent care credit, and Recovery Rebate Credit.
- Mitax is another free tax resource available for the military community offered through the Department of Defense.

This information is not a substitute for individualized tax advice. Please discuss your specific tax issues with a qualified tax professional.

Tip adapted from IRS⁷

Tip adapted from IRS⁷

HEALTHY LIVING TIP

Easy Herbs to Grow Inside

Even if you don't have a green thumb, these herbs are easy to grow inside. Herbs add a little greenery to your home and are healthy and delicious. A win-win!

Here are some of the easiest herbs to grow inside:

- Basil
- Chives
- Mint
- Parsley
- Rosemary
- Thyme

When planting your indoor herb garden, you may need to separate the herbs into individual containers because each herb has different water and sunlight requirements. For example, thyme, rosemary, and oregano enjoy much less water than basil. Once you know a bit about the care of each herb, your indoor herb garden will be a success.

Tip adapted from Gardeners.com⁸

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WEEKLY RIDDLE

Joe showed up at a business meeting fresh and alert, even though he had not slept a wink during any of the past four days. Why wasn't he tired?

Last week's riddle: You can make it and read about it today, many answers are hidden in it.

Answers: *History*.

Tip adapted from Raymond James⁹

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PHOTO OF THE WEEK

Lost Snowman

Pensacola, Florida, United States

Joe Kagan, Raymond James Financial Services, Inc.

Jon Kagan,