

Hi,

Stocks tumbled on Friday, sending stocks to a weekly loss after an otherwise quiet August week of trading.

The Dow Jones Industrial Average slipped -0.16%, while the Standard & Poor's 500 lost 1.21%. The Nasdaq Composite index declined 2.62% for the week. The MSCI EAFE index, which tracks developed overseas stock markets, fell 0.88%. ^{1,2,3}



Market Index	Close	Week	Y-T-D
DJIA	33,706.74	-0.16%	-7.24%
NASDAQ	12,705.21	-2.62%	-18.79%
MSCI-EAFE	1,946.51	-0.88%	-16.68%
S&P 500	4,228.48	-1.21%	-11.28%



	Treasury	Close	Week	Y-T-D
	10-Year Note	2.98%	+0.14%	+1.46%

Sources: The Wall Street Journal, August 19, 2022; Treasury.gov, August 19, 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, August 12, to Friday, August 19, close. Weekly performance for the MSCI-EAFE is measured from Friday, August 12, open to Thursday, August 18, close. Weekly and year-to-date 10-year Treasury note yield are expressed in basis points.

Summer Rally Hits Pause Button

The market rally that began in mid-June paused last week. Despite the week's losses, stocks exhibited resiliency in the face of a string of troubling economic news that included flat retail sales, weak housing numbers, an inversion in the yield curve, and tepid economic data out of China.

Nevertheless, stocks tumbled on Friday amid hawkish comments about future rate hikes, rising bond yields, and ahead of the annual meeting of global central bankers in Jackson Hole, Wyoming, in which Fed Chair Jerome Powell is scheduled to speak on August 26th.

Expect More Rate Hikes

Minutes from July's Federal Open Market Committee meeting indicated that additional rate hikes would be needed to help manage inflation. Fed officials did acknowledge that further rate hikes risked unintended economic weakness because of the time it takes for higher rates to work through the economy. The committee indicated that they might slow rate hikes to determine the impact of previous rate increases. ⁴

The minutes also contained the Fed's latest economic forecasts, which projected inflation to decline faster than its June estimate due to a bigger economic slowdown in the year's second half. ⁵

This Week: Key Economic Data

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

Wednesday: Durable Goods Orders.

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

Source: Econoday, August 19, 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

Monday: Palo Alto Networks, Inc. (PANW), Zoom Video Communications, Inc. (ZM).

Tuesday: Intuit, Inc. (INTU).

Wednesday: Nvidia Corporation (NVDA), Salesforce, Inc. (CRM), Snowflake, Inc. (SNOW).

Thursday: Marvell Technology, Inc. (MRVL), Dollar General Corporation (DG), Dell Technologies, Inc. (DELL), VMware, Inc. (VMW).

Source: Zacks, August 19, 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.

FOOD FOR THOUGHT



"Experience is a dear teacher, but fools will learn at no other."

– Benjamin Franklin

TAX TIP



Received A Letter From the IRS? Here's What to Do

The IRS mails letters or notices to taxpayers for a variety of reasons, including:

- You have a balance due
- You are due a larger or smaller refund
- The IRS has a question about their tax return
- You must verify your identity
- The IRS requires additional information
- The IRS changed their tax return

If you receive a letter or notice from the IRS, check to see if there are any action items. If something needs attention, the IRS may provide a deadline for a response. You should also keep a copy of the letter for your tax records. Remember, all official IRS correspondence is through the mail, so there is usually no need to call the IRS.

* 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.gov⁶



Combat "Text Neck" With These Two Stretches

From texting to emailing to browsing the internet and social media, we spend hours and hours every day on our phones, which can cause pain in our back and neck.

Have a tight neck? These two stretches can help!

- The exaggerated nod - This stretch seems simple, but it's very effective. Sit comfortably and with your teeth touching but not clenched, lean your head back like you are looking up to the ceiling. Then, gently open and close your mouth. You should feel a stretch both in the back of your neck and in the front.
- Touch your toes - This stretch addresses both your hamstrings and your neck. Stand with your feet shoulder-width apart and hinge at your hips while reaching down to touch your toes. Relax your neck. If you can't touch your toes, that's ok! Enjoy the stretch along your back.

Tip adapted from Healthline⁷



I am in the center of gravity, and part of every victory. I am clearly seen in the midst of a river. I could name three who are in love with me and have three associates in vice. What am I?

Last week's riddle: Trains travel from one town to another town all day, always on the same track, always going nonstop and at the same speed. The noon train took 80 minutes to complete the trip, but the 4 PM train took an hour and 20 minutes. Why? Riddle answer: 80 minutes is the same as an hour and 20 minutes.





Lummi Island, Washington, United States

Footnotes and Sources

1. The Wall Street Journal, August 19, 2022
2. The Wall Street Journal, August 19, 2022
3. The Wall Street Journal, August 19, 2022
4. The Wall Street Journal, August 17, 2022
5. The Wall Street Journal, August 17, 2022
6. IRS.gov, April 21, 2022
7. Healthline.com, May 26, 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.

This content is developed from sources believed to be providing accurate information. The information in this material is not intended as tax or legal advice. Please consult legal or tax professionals for specific information regarding your individual situation. This material was developed and produced by FMG Suite to provide information on a topic that may be of interest. FMG is not affiliated with the named representative, financial professional, Registered Investment Advisor, Broker-Dealer, nor state- or SEC-registered investment advisory firm. The opinions expressed and material provided are for general information, and they should not be considered a solicitation for the purchase or sale of any security.

Copyright 2022 FMG Suite.



Rhonda Heineman

rhonda@heinemanfinancial.com

402-505-9333

Heineman Financial Strategies

Financial Advisor

<http://heinemanfinancial.com>

Rhonda Heineman, CFP®, CFS®

Financial Advisor | Certified Financial Planner™ practice

Advisor/Fee Based Accounts - 401(k) Rollovers - IRA's - Investments - Insurance - Estate Planning - Financial Plans

Heineman Financial Strategies, 11204 Davenport St, Ste 204, Omaha NE 68154

Office: 402.505.9333, Fax: 402.505.9334

Please note that if I am unavailable, Danette Samson can be reached at (402) 505-9333 or danette@heinemanfinancial.com

Securities offered through Registered Representatives of Cambridge Investment Research, Inc., a broker-dealer member FINRA/SIPC. Advisory services through Cambridge Investment Research Advisors, Inc., a Registered Investment Adviser. Cambridge and Heineman Financial Strategies are not affiliated.

The information in this email is confidential and is intended solely for the addressee. If you are not the intended addressee and have received this email in error, please reply to the sender to inform them of this fact.

We cannot accept trade orders through email. Important letters, email, or fax messages should be confirmed by calling 402-505-9333. This email service may not be monitored every day, or after normal business hours. This message distributed via use of the FMG system.

This informational email is an advertisement and you may opt out of receiving future emails. To opt out, please click the "Unsubscribe" link below.

This message was sent by
Heineman Financial Strategies
402-505-9333
11204 Davenport St
Suite 204
Omaha, NE 68154

[Unsubscribe](#)