



Personalized Service, Sophisticated Strategies

*In this week's recap: A Fed taper may loom; economic data mixed.*

# Weekly Economic Update

*Presented by Don Clark, MBA, CFP®, August 23, 2021*

## THE WEEK ON WALL STREET

Stocks turned lower last week amid the increasing probability of a Fed tapering, mixed economic data, and growing concerns about the economic impact of the Delta variant.

The Dow Jones Industrial Average slumped 1.11%, while the Standard & Poor's 500 lost 0.59%. The Nasdaq Composite index slipped 0.73%. The MSCI EAFE index, which tracks developed overseas stock markets, surrendered 2.94%. <sup>1,2,3</sup>

## UNSETTLING NEWS

After the Dow Industrials and S&P 500 index climbed to new record highs to begin the week, stocks pulled back amid weaker-than-expected retail sales, festering concerns about the Delta variant, and slowing growth in China.

The stock market retreat accelerated mid-week with the release of the FOMC (Federal Open Market Committee) meeting minutes, which signaled that Fed officials may be ready to begin reducing its monthly bond purchases before the end of the year. Stocks managed to stabilize on Friday, paring

some of the week's losses. Consumer staples, health care, real estate, and utilities were the top-performing groups. <sup>4</sup>

## TAPER BY YEAR END?

Two weeks ago, multiple regional Federal Reserve Bank presidents suggested that the economy was strong enough to justify tapering the Fed's monthly bond purchases.

Last week, that chorus grew a bit louder with the release of minutes from July's FOMC (Federal Open Market Committee) meeting. The precise timing was left undecided, with some officials believing it should begin before year-end, while others thought waiting until the start of the new year was the better choice. <sup>5</sup>

---

### TIP OF THE WEEK



*The fine print on a lease or a mortgage is always worth reading. Ask the business owners and homeowners who have learned this from experience.*

---

## THE WEEK AHEAD: KEY ECONOMIC DATA

**Monday:** Existing Home Sales. PMI (Purchasing Managers' Index) Composite Flash.

**Tuesday:** New Home Sales.

**Wednesday:** Durable Goods Orders.

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

**Friday:** Consumer Sentiment.

Source: Econoday, August 20, 2021

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

**Monday:** JD.com, Inc. (JD), Palo Alto Networks, Inc. (PANW).

**Tuesday:** Best Buy Co. (BBY), Intuit, Inc. (INTU).

**Wednesday:** Salesforce.com (CRM), Ulta Beauty, Inc. (ULTA), Autodesk, Inc. (ADSK).

**Thursday:** Marvell Technology, Inc. (MRVL), Workday, Inc. (WDAY), Dollar Tree (DLTR), Dell Technologies (DELL), VMware, Inc. (VMW), Peloton Interactive, Inc. (PTON).

Source: Zacks, August 20, 2021

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

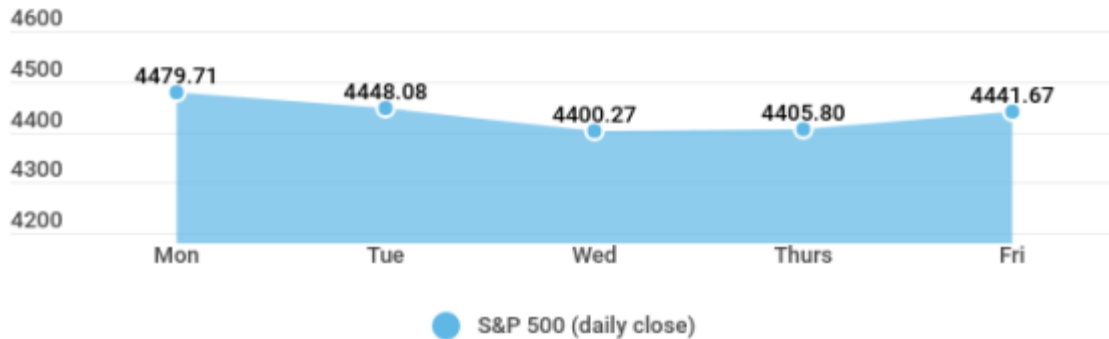


*“Every man is working out his destiny in his own way and nobody can be of any help except by being kind, generous, and patient.”*

HENRY MILLER

---

Market Index	Close	Week	Y-T-D
DJIA	35,120.08	-1.11%	+14.75%
NASDAQ	14,714.66	-0.73%	+14.17%
MSCI-EAFE	2,309.06	-2.94%	+7.52%
S&P 500	4,441.67	-0.59%	+18.25%



Treasury	Close	Week	Y-T-D
10-Year Note	1.26%	-0.03%	+0.33%

Sources: The Wall Street Journal, August 20, 2021; Treasury.gov, August 20, 2021  
 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 13, to Friday, August 20, close. Weekly performance for the MSCI-EAFE is measured from Friday, August 13, open to Thursday, August 19, close. Weekly and year-to-date 10-year Treasury note yield are expressed in basis points.

## THE WEEKLY RIDDLE



*Aaron is the brother of Bob. Bob is the brother of Cody. Cody is the father of Dan. So how is Dan related to Aaron?*

*LAST WEEK'S RIDDLE: What three positive numbers give the same answer when multiplied or added together?*

*ANSWER: 1,2, and 3.*

---

Don Clark, MBA, CFP® may be reached at 913-451-7526 or [dclark@personalfinancialgroup.com](mailto:dclark@personalfinancialgroup.com)  
[www.personalfinancialgroup.com](http://www.personalfinancialgroup.com)

**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.)

---

Securities offered through LPL Financial, Member FINRA/SIPC. Investment Advice offered through Personal Financial Group, Inc. a registered investment advisor and separate entity from LPL Financial. The information contained in this e-mail message is being transmitted to and is intended for the use of only the individual(s) to whom it is addressed. If the reader of this message is not the intended recipient, you are hereby advised that any dissemination, distribution or copying of this message is strictly prohibited. If you have received this message in error, please immediately delete.

This material was prepared by MarketingPro, Inc., and does not necessarily represent the views of the presenting party, nor their affiliates. The information herein has been derived from sources believed to be accurate. Please note - investing involves risk, and past performance is no guarantee of future results. Investments will fluctuate and when redeemed may be worth more or less than when originally invested.

This information should not be construed as investment, tax or legal advice and may not be relied on for the purpose of avoiding any Federal tax penalty. This is neither a solicitation nor recommendation to purchase or sell any investment or insurance product or service, and should not be relied upon as such.

All market indices discussed are unmanaged and are not illustrative of any particular investment. Indices do not incur management fees, costs and expenses, and cannot be invested into directly. All economic and performance data is historical and not indicative of future results. Additional risks are associated with international investing, such as currency fluctuations, political and economic instability and differences in accounting standards. This material represents an assessment of the market environment at a specific point in time and is not intended to be a forecast of future events, or a guarantee of future results.

MarketingPro, Inc. is not affiliated with any person or firm that may be providing this information to you. The publisher is not engaged in rendering legal, accounting or other professional services. If assistance is needed, the reader is advised to engage the services of a competent professional.

Copyright 2021 FMG Suite.

CITATIONS:

1. The Wall Street Journal, August 20, 2021
2. The Wall Street Journal, August 20, 2021

3. The Wall Street Journal, August 20, 2021
4. ALPS Portfolio Solutions, August 20, 2021
5. Reuters.com, August 19, 2021



**Don Clark**  
dclark@personalfinancialgroup.com

Managing Principal  
Personal Financial Group  
7007 College Boulevard Suite 270, Overland Park, KS 66211  
Phone 913-451-7526  
[www.personalfinancialgroup.com](http://www.personalfinancialgroup.com)

Securities offered through LPL Financial, Member FINRA/SIPC. Investment Advice offered through Personal Financial Group, Inc. a registered investment advisor and separate entity from LPL Financial. The information contained in this e-mail message is being transmitted to and is intended for the use of only the individual(s) to whom it is addressed. If the reader of this message is not the intended recipient, you are hereby advised that any dissemination, distribution or copying of this message is strictly prohibited. If you have received this message in error, please immediately delete.