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Weekly Update

9/19/22

		<u>Last Week</u>	<u>YTD Returns</u>
Domestic Equities	S&P 500	-4.73%	-17.80%
International Developed	MSCI EAFE	-2.72%	-21.71%
Emerging Market	MSCI EM	-2.64%	-21.54%
Fixed Income	Bloomberg US Agg Bond	-0.93%	-12.38%

Index returns are from YCharts and are calculated on a total return basis, with dividends reinvested.

It was a rough week for markets, with declines across the board. Persistent inflation and an earnings warning from FedEx were enough to erase the prior week's gains. Inflation data for August showed a slight increase versus expectations of a small decline. As a result, the Fed now appears set for a 0.75% rate hike at this week's meeting, with a 1% increase an outside possibility. The increase in inflation was a tough blow, but the bigger issue may be the collective expectation on inflation through the end of the year. The markets seem to have begrudgingly accepted the Federal Reserve's word that they will take continued action to combat inflation for the foreseeable future. Now is a time to be cautious, but not one to abandon all hope. Parts of the equity markets will continue to do well, and higher short-term treasury yields offer a measure of safety for investors.