



STRAIGHTLINE
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Weekly Update

3/20/23

		<u>Last Week</u>	<u>YTD Returns</u>
Domestic Equities	S&P 500	1.47%	2.41%
International Developed	MSCI EAFE	-3.11%	2.71%
Emerging Market	MSCI EM	-0.26%	-0.22%
Fixed Income	Bloomberg US Agg Bond	1.43%	2.90%

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

While US markets were higher last week, investors remain uneasy as global banking fears linger. All eyes will be on the Fed this week as they hold their March meeting. The Fed was already walking a tightrope in attempting to slow inflation while maintaining economic stability, and now the rope has gotten thinner. From a policy standpoint, they will have to decide whether to hike rates again and risk doing more damage to the banks, or whether to hold off and risk appearing soft on inflation. It is a difficult situation, to say the least, and the language around their decision will likely determine how markets react. Adding another wrinkle to the matter is the fact that they will also be updating their dot plot projections for future rate levels, and they will have to reconcile any differences between Wednesday's rate decision and future policy projections. We maintain the view that we will get through the banking concerns without any major damage to broad markets. However, the already murky near-term outlook has only gotten harder to predict.