Heineman
FINANCIAL STRATEGIES

Stocks posted solid gains last week, propelled by the Fed's decision to cut short-term interest rates.

The Standard & Poor's 500 Index rose 1.22 percent, while the Nasdaq Composite Index climbed 2.21 percent. The Dow Jones Industrial Average advanced 1.05 percent. By contrast, the MSCI EAFE Index, which tracks developed overseas stock markets, fell 0.27 percent.[1,2]

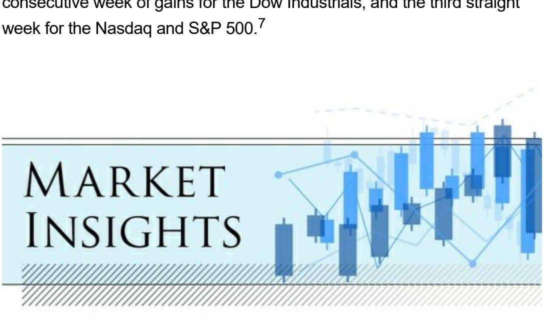
Third Week of Gains for S&P, Nasdaq

Stocks advanced to start the week following the president's positive comments on trade talks with China. The news helped push the S&P 500 to close above 6600 for the first time.[3]

After the Fed announced on Wednesday that it was cutting short-term interest rates by a quarter percentage point, all three major averages fell before rising again in a choppy, mixed trading session.[4,5]

After digesting the Fed decision, all three major averages posted solid gains on Thursday, paced by tech names. But small caps stole the day's headlines, with the Russell 2000 Index gaining more than 2 percent and hitting an intraday record high. Smaller companies tend to disproportionately benefit when the Fed lowers interest rates, given their greater reliance on outside funding than larger companies.[6]

The post-cut momentum continued into Friday; this was the second consecutive week of gains for the Dow Industrials, and the third straight week for the Nasdaq and S&P 500.[7]



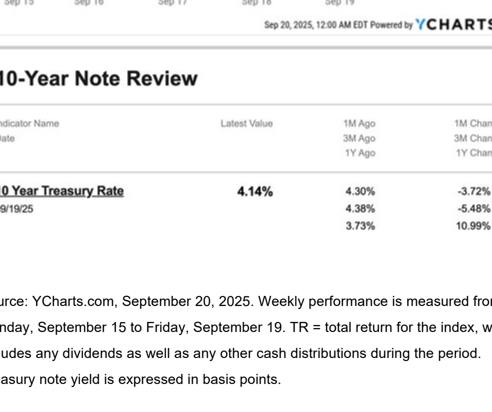
YCHARTS

Weekly Market Insights (WMI)

Major Index Return Summary

Name	1M TR	YTD TR	1Y TR	5Yr TR
Nasdaq Composite	3.97%	16.92%	28.72%	116.1%
Dow Jones Industrial Average	3.02%	9.87%	13.09%	83.90%
S&P 500	2.98%	13.83%	19.60%	115.3%
MSCI EAFE	1.21%	25.12%	18.37%	68.43%

S&P 500 Daily Close



10-Year Note Review

Indicator Name Date	Latest Value	1M Ago 3M Ago 1Y Ago	1M Change 3M Change 1Y Change
10 Year Treasury Rate 09/19/25	4.14%	4.30% 4.38% 3.73%	-3.72% ▼ -5.48% ▼ 10.99% ▲

Source: YCharts.com, September 20, 2025. Weekly performance is measured from Monday, September 15 to Friday, September 19. 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.

Following the Fed

The Federal Reserve decision brought the Federal Funds Rate down to a 4-4.25 percent target range—its lowest level in three years.

While widely anticipated, the real news about the cut was in the finer points made by Fed Chair Jerome Powell in the post-meeting press conference. He said the move was essentially a "risk management" cut. This concept confused investors a bit, resulting in scattered markets.

Powell also said two more rate adjustments are "penciled in" for this year. He suggested another rate change could occur in 2026, followed by another in 2027.[8]

This Week: Key Economic Data

Monday: Fed Officials speak: John Williams (New York Fed President), Alberto Musalem (St. Louis Fed President), Stephen Miran (Fed governor), Beth Hammack (Cleveland Fed President), and Tom Barkin (Richmond Fed President).

Tuesday: PMI Composite. Fed Officials speak: Michelle Bowman (Vice Chair for Supervision), Raphael Bostic (Atlanta Fed President), and Jerome Powell (Fed Chair) speak.

Wednesday: New Home Sales. San Francisco Fed President Mary Daly speaks.

Thursday: Fed Officials speak: Austan Goolsbee (Chicago Fed President), John Williams, Michelle Bowman, Michael Barr (Fed governor), Lorie Logan (Dallas Fed President), and Mary Daly. Gross Domestic Product (GDP)—third estimate. Durable Goods. Weekly Jobless Claims. Trade Balance in Goods. Fed Balance Sheet. Retail & Wholesale Inventories. Existing Home Sales.

Friday: Personal Consumption and Expenditures (PCE) Index. Consumer Sentiment. Tom Barkin and Michelle Bowman speak.

Source: Investors Business Daily - Econoday economic calendar; September 19, 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.

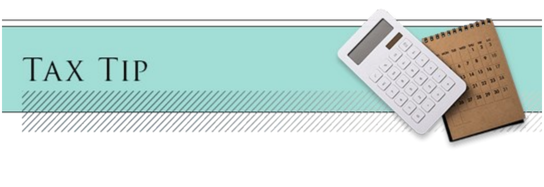
This Week: Companies Reporting Earnings

Tuesday: Micron Technology, Inc. (MU), AutoZone, Inc. (AZO)

Wednesday: Cintas Corporation (CTAS)

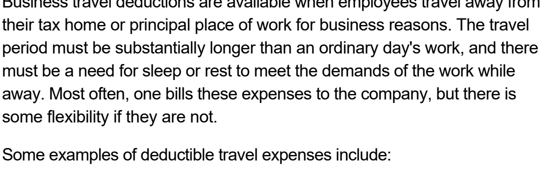
Thursday: Costco Wholesale Corporation (COST)

Source: Zacks, September 19, 2025. 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.



"The winter of the spirit must be journeyed through, and it must not only be conquered but the benefits used. Yet without it maturity cannot arrive."

– Jane Roberts



Traveling for Work? Here's What You Need to Know About Business-Related Travel Deductions

Business travel deductions are available when employees travel away from their tax home or principal place of work for business reasons. The travel period must be substantially longer than an ordinary day's work, and there must be a need for sleep or rest to meet the demands of the work while away. Most often, one bills these expenses to the company, but there is some flexibility if they are not.

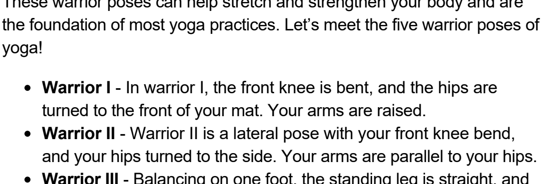
Some examples of deductible travel expenses include:

- Airline, bus, or train tickets or mileage rates to drive
- Fare for taxes or other types of transportation between an airport to a hotel and from a hotel to a work location
- Baggage fees
- Lodging
- Dry cleaning or laundry

If you are self-employed, you can deduct your travel expenses using Schedule C (Form 1040), Profit or Loss From Business (Sole Proprietorship).

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

Tip adapted from IRS[9]



Meet The Warrior Poses of Yoga

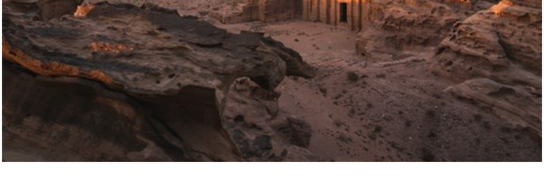
These warrior poses can help stretch and strengthen your body and are the foundation of most yoga practices. Let's meet the five warrior poses of yoga!

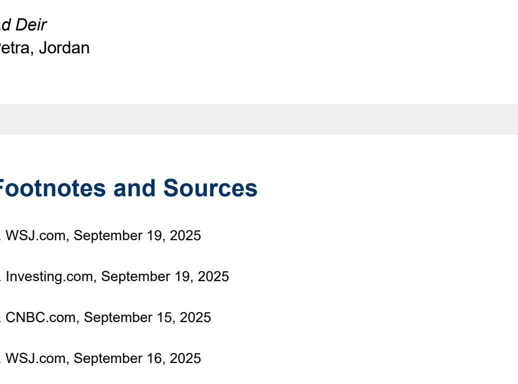
- **Warrior I** - In warrior I, the front knee is bent, and the hips are turned to the front of your mat. Your arms are raised.
- **Warrior II** - Warrior II is a lateral pose with your front knee bend, and your hips turned to the side. Your arms are parallel to your hips.
- **Warrior III** - Balancing on one foot, the standing leg is straight, and the opposite leg is lifted behind you when your arms reach forward.
- **Humble/Peaceful Warrior** - Your legs are in the same position as Warrior II, but your chest is bent toward your front leg with your arms clasped behind your back.
- **Reverse Warrior** - Your legs are in the same position as Warrior II, but your arms and torso reach backward, and your chest is facing the sky.

Tip adapted from Yoga Basics[10]

What item binds two people yet touches only one?

Last Week's Riddle: A train moving as fast as it can go strikes a man's hand, yet he is uninjured and the train goes off its tracks. Under what circumstances could this happen?
Answer: The train that strikes the man is a toy train running around on a model set.





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Footnotes and Sources

1. WSJ.com, September 19, 2025

2. Investing.com, September 19, 2025

3. CNBC.com, September 15, 2025

4. WSJ.com, September 16, 2025

5. WSJ.com, September 17, 2025

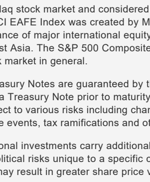
6. CNBC.com, September 18, 2025

7. CNBC.com, September 19, 2025

8. CNBC.com, September 17, 2025

9. IRS.gov, December 5, 2024

10. Yoga Basics, March 20, 2025



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