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Stocks declined during the holiday-shortened week. The weekly return for the S&P 500 Index was -1.3%, the Dow was -0.7%, and the NASDAQ was -1.4%. The Energy and Utility sectors posted gains for the week. All other sectors were negative, led by the Industrial, Materials and Technology sectors. The 10-year U.S. Treasury note yield increased to 4.256% at Friday's close versus 4.173% the previous week.

The key economic data for this week are the August Consumer Price Index (CPI) report scheduled for Wednesday and Producer Price Index (PPI) report scheduled for Thursday. These reports on consumer and producer prices are the last major inputs for consideration ahead of the Federal Open Market Committee (FOMC) meeting the following week. The current probability for the FOMC to hold rates steady at the September 20th meeting is 93.0%, consistent with last week.

The G20 summit was held in India. The Group did issue a statement condemning the war in Ukraine, but there was little actionable economic action taken at the summit.

One area of movement last week was crude oil which rose 2.3% as Saudi Arabia announced it is extending its one million barrel per day production cut until the end of December.

In our *Dissecting Headlines* section, we look at the shift back to Mexico from China as the leading supplier of imports to the United States.

Financial Market Update

	Weekly Return	YTD Return		Weekly Return	YTD Return
S&P 500 Index	-1.3%	17.4%	Aggregate Bond Index	-0.3%	1.1%
Dow Jones Industrial Average	-0.7%	6.0%	U.S. Dollar Index	0.8%	1.5%
NASDAQ 100	-1.4%	40.5%	WTI Crude Oil	2.3%	9.0%
Russell 2000 (Small Cap Index)	-3.6%	6.2%	Gold	-1.1%	5.1%
International Stocks (MSCI ex-US)	-1.4%	7.3%	Real Estate (US REIT Index)	-1.2%	1.4%

Sources: S&P Global, Thomson Reuters

Dissecting Headlines: Mexico

With China's economy currently struggling and political relations with the U.S. tenuous, Mexico has moved ahead of China as the largest source of imports into the U.S.

On a rolling three-month average as of August, Mexico currently provides 16% of the U.S.'s imports versus China's 13% contribution. The U.S. is Mexico's largest export market, accounting for 78% of Mexico's exports. North America as a whole (mainly U.S. and Canada) takes 85% of Mexico's exports, 6% goes to Asia, 5% to Europe and sub-1% each to Africa and Australia/New Zealand.

Major import categories from Mexico to the U.S. include motor vehicles, computers and electrical equipment, machinery, oil, medical devices, plastics, furniture and fixtures, beverages (Mexican Coca-Cola and Modelo!), and fruits and nuts.

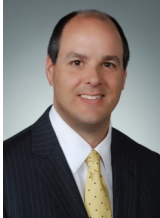
The almost half of China's exports are to other Asian countries and Europe takes just over 20% of China's exports. The U.S. represents just under 20% of China's exports (as of 2022) and that has declined year-to-date. Major Chinese categories are electrical machinery, computers and electrical equipment, pharmaceuticals, toys and sporting goods, furniture and fixtures, textiles, vehicles, and various food items.

The NovaPoint Team



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Joe has over 20 years of experience in the investment management industry. Prior to founding NovaPoint, he was a portfolio manager at Spectrum Advisory Services and GMT Capital in Atlanta, and Epoch Investment Partners in New York. He has also worked as an equity research analyst at Merrill Lynch and ABN Amro. Before beginning his investment career, Joe was an Infantry officer in the U.S. Army. Joe holds a BS from the U.S. Military Academy at West Point and an MBA from the University of Chicago. He is both a Chartered Financial Analyst (CFA) and a Chartered Market Technician (CMT).



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Alan has over 20 years of experience in the investment management industry. Prior to founding NovaPoint, he was a fixed income manager at both Spectrum Advisory Services and a private family office. Alan was also with the Bank Group division of Countrywide Capital Markets where he developed balance sheet strategies for depository institutions. He holds a BS in Banking and an MBA in Finance from Nova Southeastern University. Alan is an endurance athlete and three-time IRONMAN finisher.



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Frederick has over 30 years of experience in the investment management industry. Prior to joining NovaPoint, Frederick was a Partner and Investment Advisor at Brightworth where he advised high net worth investors. Frederick began his investment career in 1991 at Balentine & Co where he rose to Partner. He also co-founded and served as Chief Investment Officer at Wright Investment Management and at Smith & Howard Wealth Management. Prior to beginning his investment career, Frederick served as an Engineer officer in the U.S. Army. He holds a BS from the U.S. Military Academy at West Point and an MBA from Emory University. Frederick is a Chartered Financial Analyst (CFA).



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Tim has over 15 years of experience in the investment management industry. Prior to joining NovaPoint, Tim was the managing partner of Bull's Eye Wealth Management. Tim began his investment career at Raymond James & Associates and was a co-founder of Black Diamond Investment Partners. Following Black Diamond's merger with Waterloo Capital Management, Tim left to found Bull's Eye. He holds a BS from the University of South Carolina and an MBA from the University of Rochester. Tim is a Certified Financial Planner (CFP).



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Larry leads NovaPoint's accounting, tax and outsourced CFO business. He built his previous company, Atlas Solutions, as a solo entrepreneur before merging into NovaPoint CFO. Larry began his career as a Field Artillery officer in the United States Army. Larry earned his Bachelor of Science degree from the U.S. Military Academy at West Point, where he was a four-year letterman on the football team.

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