

CONTINUED MARKET VOLATILITY IN FEBRUARY

In February, the market continued to experience heightened volatility. The S&P 500, an index of the 500 largest companies in America, declined by about 3%. This is the first time the index experienced back-to-back monthly declines in almost a year and a half. The technology-heavy NASDAQ Index, which includes many headline growth stocks such as Apple, Netflix and Tesla, fell 3.4% for the month.

Market volatility continued primarily due to increased inflationary pressures, higher commodity prices and the Russia and Ukraine conflict. Brent crude oil prices reached \$100 a barrel on February 24th as Russia began its invasion, the highest level since 2014.

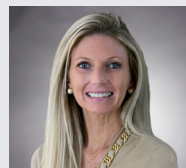
U.S. inflation rose at an annual rate of 7.5% in January, which continues to be the highest level in nearly 40 years. Energy remained the highest contributor with gasoline prices rising 40%. Prices for cars and trucks, furniture and other durable goods continued to rise. In fact, used car and truck prices rose over 40% compared to a year ago. However, inflation in 2022 is expected to slow as both supply chain problems and consumer demand ease. In addition, the Federal Reserve is expected to raise interest rates by one-quarter of 1% at its March meeting to slow inflationary pressures.

Investors may be concerned about the current market volatility and the ongoing geopolitical crisis. Yet, historically, geopolitical events do not generally result in sustained, long-term investment consequences.



At Jemma Financial, we encourage our investors to focus on their long-term goals and maintain a diversified portfolio that is not concentrated in any specific geographic region or asset class. Often, short-term market volatility can be viewed as a buying opportunity. One convenient and effective strategy is to invest a pre-set dollar amount on a monthly or quarterly basis that comes directly from your checking or savings account and into your investment account. This strategy, known as dollar cost averaging, avoids timing the market and takes the emotion out of investing.

As always, Jemma Financial is here to help you accomplish your financial goals and address any questions that you may have.



KATHARINE DUDLEY, AIF®

Vice President, Client Advisor

443.279.2007

jemmafinancial.com

Advisory services offered through Jemma Investment Advisors, LLC. No content published here constitutes a recommendation of any particular investment, security, a portfolio of securities, transaction or investment strategy.

To the extent any of the content published may be deemed to be investment advice, such information is impersonal and not tailored to the investment needs of any specific person. Consult your advisor about what is best for you.

In addition, no content published here should be construed as professional, legal or tax advice. To determine your individual tax situation and specific needs, please consult a professional tax advisor.

Past performance is no guarantee of future results.

Jemma Financial Services | Copyright 2022