



Most of us don't particularly like uncertainty, and in our opinion, the markets don't either! Inflation, mid-term elections, war in Ukraine, China - Taiwan and the FED are just a short-list of things the markets seem to be uncertain about. But these issues will eventually be resolved, and as always, new issues will evolve.

**THE MARKET**

The S&P 500 finished 2021 at 4766.18\* up from the 2020 finish at 3756.07\*. As of this writing, the S&P 500 stands at 3932.69\*, down approximately 17.49%\* so far in 2022. The S&P 500 remains more than 21.73% higher than the year-end close in 2019 of 3230.78\*. Corporate earnings are tapering somewhat, and face some headwinds as inflation creates further challenges for the economy. It's been a difficult year at best. But in our opinion, patience will again be rewarded for investors focused on the longer-term.

\*Source: Standard & Poor's Financial Services Company rate of return does not include reinvested dividends.

**THE ECONOMY**

According to the U.S. Labor Department in a statement released September 13, 2022, the Consumer Price Index (CPI) rose 8.3% in August from the same month a year ago, down from 8.5% in July and 9.1% in June, the highest inflation rate in four decades. The CPI rose 0.1% in August, above the expected -0.1%. Food prices were up 0.8% in August vs. July while energy prices dropped -5.0%. The "core" CPI, which does not include food and energy, rose 0.6% double the expected 0.3%. Core prices are up 6.3% vs a year ago, according to the Labor Department. The bottom line, in our opinion, is that inflation is "sticky" and we will likely be faced with these higher price pressures for a few years. On the bright side, the Labor department reports airline fares declined by -4.6% and used vehicles by -0.1%, hopefully giving consumers a small breath of fresh air. We feel the worst is behind us, but we are far from the end of the inflationary pressure.

**AT THE FED**

The Federal Open Market Committee (FOMC), in our opinion is likely to increase the fed funds rate by 0.75% again at their meeting announcement Wednesday, September 21st. We also expect the fed to continue the rate hikes into year end, albeit at a slightly lower pace. In our opinion, the challenge they face may be rooted in the growth in the money supply. Inflation is in essence, too much money chasing too few goods. They have a very difficult challenge in front of them to attempt to engineer a soft landing for the economy. We are rooting for them, but frankly believe it will take a bit of luck for them to accomplish the task.



**INVESTMENT COMMENTS**

The choppiness of the stock market has been frustrating to all of us, the entire year. As we said earlier in the year, in our opinion, this volatility will be with us for a while. That opinion has not changed. When a piece of information is announced that is worse than the published expectations, the markets react with an ugly downward move. This has happened as long as the markets have existed. The best strategy, in our opinion, is to stay on course and adjust asset allocations periodically as valuations change.

In the accumulation phase of investing, dollar cost averaging through volatile times may prove beneficial to many investors. It is typically more beneficial to continue monthly contributions to investment vehicles, as opposed to pausing them until the volatility slows.

Please give us a call if you have any questions or concerns relative to your current investment strategies.

Asset allocation cannot eliminate the risk of fluctuating prices and uncertain returns.

**Birthday Inflation!**

*by Keith Kinsey*

Many of you have received birthday greetings from us that includes the "News of the Past" sheet reflecting on the price of certain items on the day you were born. It then compares those prices to the price of things currently. Our team at Kinsey Wealth Management sent one of those documents to Kristen and Chris's son Oliver, on his birthday earlier this month. Oliver, or as I call him, Ollie by Golly, is also our oldest grandchild at the ripe old age of 2.

Kristen pointed out that the data on that letter was pretty incredible for someone who has been on this earth only 2 years. Here are some examples:

| Item           | 2020       | 2022       |
|----------------|------------|------------|
| Gallon of Milk | \$ 3.11    | \$ 3.72    |
| Loaf of Bread  | 1.32       | 1.53       |
| New House      | \$ 270,900 | \$ 374,900 |

Presented a different way:

**Percentage Increase 2020-2022**

|                |       |
|----------------|-------|
| Gallon of Milk | 19.6% |
| Loaf of Bread  | 15.9% |
| New House      | 38.4% |

\*The above data as published by clientbirthday.com. We have paid a subscription fee for the use of this information.

Ollie is much more expensive than he was the day he was born. I can't wait to see how it turns out for his new baby brother Tobbe!

**So Kristen... When I told you kids were expensive, I didn't expect this!**

**Keith L. Kinsey, CFP®**  
Managing Director - Investment Officer

**Kristen Kinsey-Gordon, CFP®**  
Vice-President - Investment Officer

6810 North Knoxville Avenue Peoria, IL 61614  
Wells Fargo Advisors  
TEL: (309)683-8951  
Toll free: (800)634-3323  
FAX: (309)693-3349

[www.kinseywmg.com](http://www.kinseywmg.com)

**Happy Investing!  
May God Bless!**

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**Investment and Insurance Products: NOT FDIC Insured / NO Bank Guarantee / MAY Lose Value**

# The Kinsey Report

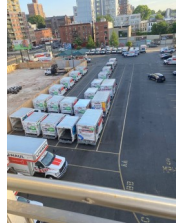
**KINSEY**  
WEALTH MANAGEMENT GROUP  
*of Wells Fargo Advisors*

## On the Road Again!

by Keith Kinsey

Some time in May our youngest, Kim, called us to let us know she had made the decision to leave her position as a Speech Pathologist with the Department of Education in New York City, and move into her home at Lake Wildwood on a full-time basis. We now have both our kids living on our street, not to mention our son-in-law, Chris and our two grandsons, Ollie and Tobbe. It truly doesn't get any better! Of course, I tell them Karen and I need to sell the house and move just to get away from them, but they know better.

Kim didn't have much furniture in her small Brooklyn apartment. After we kicked it around, our plan was for me to fly into LaGuardia the day before school was finished, find a hotel fairly close to the U-Haul dealer, rent a small truck, load it up and find our way back to Lake Wildwood. Looking at a map, I found a hotel on the other side of the block. The picture from the room proves I was close to the dealer.



The next afternoon, Kim found her way to me and off to her apartment we went. After circling the block about five times, finally a spot opened up where I could fit by encroaching on a fire hydrant. The NYPD officer just waved as he cruised by an hour or so later, thank goodness. A few hours later, Kim, Prince (the wonder dog) and I were on the road heading west through the city. I must mention, the U-Haul was a 2020 and equipped identically to the last one I rented back in the 1980's - right down to the AM/FM radio. (*Who would have thought that 80% of the radio stations in New Jersey would be country?*) After stopping for the night, and a handful of fuel and caffeine stops, we made it home by nightfall the next day. I threw in the towel as soon as I backed in her driveway, but Chris and Kristen helped Kim unload.

When the girls were young, we drove to Florida at least once each year. My friends thought I was insane. I explained over and over that when you lock yourself in a metal box with your kids for two days, you tend to learn a lot about them. And they likely learn a lot about you. Both Kim and Prince seem very happy to be back in Central Illinois.

As for Kim... she now enjoys a position as a Speech Pathologist with the Bloomington School District. After New York, the local schools just weren't an appropriate fit for her. She is very happy to be there.

As for Prince... He is 11 pounds of city dog, very capable of "going Brooklyn" on our 70 pound Golden Retriever if needed.

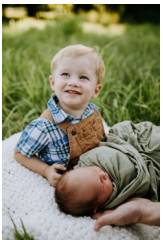
As for me... Karen and I are very blessed to have them so close, and a daily part of our lives.

**It was great to be on the road with Kim (and Prince) again. I wouldn't trade it for anything!**

## Tobias Myron Gordon

by Kristen Kinsey - Gordon

Back in December, when I found out I was due August 15<sup>th</sup>, my sister, Kim told me (jokingly) that I better not have the baby on her birthday. See, I was born on August 9<sup>th</sup> and Kim was born 3 years later on August 8<sup>th</sup> (she always says she was the best birthday gift I ever received). We always shared birthday parties and celebrated together- she did not want another one to share with (she actually didn't really mind). It is funny how families tend to all be born in the same month or few weeks of a certain year. We have a cousin born on August 6<sup>th</sup>, another born on August 8<sup>th</sup>, a niece born on August 16<sup>th</sup>, and a few anniversaries in between. This baby had a very limited window to have his "own day". We left for the hospital at 12:30am on August 7<sup>th</sup> and I received a text from my sister saying the baby only had 23.5 hours left.



Success! On August 7<sup>th</sup>, we welcomed Tobias Myron Gordon to the family-Tobbe for short. We are so blessed to have a second little boy to fill our house and hearts. Oliver is loving being a big brother and runs around yelling "TOBBE, TOBBE, TOBBE" (even when reminded the baby is sleeping). He is truly taking on the role seriously. We can already see the differences in the two boys developing - I am happy to say Tobbe is quite the little cuddle monster and loves to be held! We are looking forward to watching these two grow together!



## Crossing Paths

by Kristen Kinsey - Gordon

When we had Oliver two years ago, we were very blessed to have a wonderful night nurse, Ashley. She helped us through delivery as well as our first two nights of being new parents. We were so thankful for Ashley, and everything she did for us in the hospital, including taking Oliver and holding him on the second night, so we could get some sleep. She was so kind and helpful as she walked us through the newborn process. I always regretted not being able to properly thank her and let her know how much she meant to us.

Well, when people say it is a small world, it truly is. After Tobbe was born, he had to be in the nursery for 12 hours for observation (*nothing serious*). Oliver did not have a nursery stay, so here we are again - now second time parents- but still in completely new territory. As we walked into the nursery, the night shift had just begun. Guess who is there taking care of Tobbe? None other than Ashley - our nurse from two years prior. It was such a comfort to see her! And, we were finally able to thank her for everything she did to help us two years ago.

Ashley truly impacted us and I am so happy we were able to see her again, and thank her for everything she did... and does. Whenever you get the chance - don't wait to thank someone - you don't know if, or when you will have the chance.

**I am just glad our paths crossed again.**