March Market Madness

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Welcome to Thursday,

Wow, it's been a *week.* Financial journalists have been typing faster than an Irish dancer's feet, churning out article after article about Silicon Valley Bank's collapse and the federal government's extraordinary actions to protect depositors, not to mention new inflation data, jobs numbers, and interest rate predictions. Haven't been able to keep up? No sweat — we're here to recap all the drama and what it means for you and your investments.

- **The DL on SVB:** If you were more tuned into the Oscars than financial news this week (we can't say that we blame you), SVB and Signature are terms that jumped the shark when the FDIC had to parachute in to protect depositors. Guess there were no George Baileys in town… We dive into the details below.
- **Never-ending inflation:** Consumer prices rose 6% in February compared to a year earlier, slowing down slightly but not enough to ease pressure on consumers.
- **Jobs, jobs, jobs:** While high-profile tech layoffs may be making headlines (like Meta's cuts this week), the US labor market remains hot, adding 311,000 jobs in February. Although the unemployment rate ticked up to 3.6% from 3.4%, the jobless rate is still around the lowest level in more than 50 years.
- **Tough decision for the Fed:** The combination of a strong jobs report and persistent inflation would normally have analysts predicting another big interest rate hike after the Federal Reserve's meeting next week, but things have changed given that rising rates played a role in SVB's death. One thing's for sure — next week's Fed meeting will be a nail-biter.

Wondering what all this market madness means for your wallet? With weird recession metaphors popping up more and more, you might want to check out our ideas for recession-resilient investments and make sure you have a solid emergency fund. No matter what the Fed does next week, it's unlikely that we'll see interest rates drop quickly anytime soon, so it's a good time to park your cash in a high-yield savings account (at an FDIC-insured bank, natch.)

We'll be back next Thursday with an update on interest rates. Until then, enjoy your St. Patrick's Day weekend, and best of luck with your March Madness bracket!

News you can use



- **CDs are cool again, reports the Wall Street Journal.** And no, they don't mean that 90s-era discs 💿 are experiencing a resurgence like vinyl. Investors are pouring moolah into *certificates of deposit*, which are seeing yields rise as high as 5.25% at some banks. Balances in CDs jumped from $36.5 billion in April 2022 to $418.4 billion in January. If you can commit to letting your cash sit for at least six months, it might be time to learn more about how to invest in CDs.

- **SPAMtastic childcare is coming to Minnesota, with Hormel becoming the latest company to build its own childcare center for employees.** The food giant isn't alone — the Wall Street Journal reported that more companies, like Marriott and Tyson Foods, are looking to add on-site daycare to help attract and retain talent. Whether you are looking to work for or invest in a company that supports working parents, these lists from Great Place to Work, Fortune, and Parents can help you ID companies that share your values.
- **Oil and gas companies are talking up the role they'll play in the energy transition, but their plans to boost investments in traditional fuels are out of whack with climate science, reports Axios.** Meanwhile, the industry is upbeat after the Biden administration just approved a controversial new drilling project in Alaska. Some ESG fund managers have been buying into the oil and gas stock rally, so you may want to check your fund holdings if you prefer to minimize exposure to fossil fuels.