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FOMC Holds Rates Steady in January

The Federal Open Market Committee (FOMC) of the Federal Reserve held its first meeting of 2025 on January 28-29. During this two-day session, the committee focused on evaluating economic conditions and determining monetary policy. The FOMC decided to maintain the federal funds rate at its current range of 4.25% to 4.50%.

complexity. December saw a slight uptick in job creation, with 256,000 positions added, surpassing expectations.

Inflation will remain above the Federal Reserve's target, with the potential imposition of import tariffs influencing inflation dynamics.

The greatest risk is not a recession but limited production capability as immigration falls.



The committee acknowledged while the U.S. economy ended 2024 with stable employment, uncertainty around the new economic policies imposed by a new administration adds

Inflation remains a central concern, with the potential imposition of import tariffs influencing inflation dynamics.

<https://www.federalreserve.gov/newsevents/pressreleases/monetary20250129a.htm>

Little Known Facts about Valentine's Day



Valentine's Day Cards - The traditional Valentine's Day card has been tradition for almost 600 years and continues to be one of the most popular traditions today. In the United States alone, 144 million greeting cards are purchased and given every year on this holiday.

Red Roses - Roses are the classic symbol of love and a popular Valentine's Day gift. This tradition dates from the times of Ancient Greece when the flower was denoted as the symbolic flower of Aphrodite, the goddess of love and beauty.

Chocolate Makers - California is the American state with the highest number of chocolate producers and chocolate makers. In total, the state has 137 chocolate makers, meaning that it's highly likely that your Valentine's Day chocolates come from the west coast!

womansday.com/relationships/a4702/10-fun-valentines-day-facts-103385

Nationwide Survey: Shifting Outlook Requires New Approach to Financial Planning

According to the Nationwide Retirement Institute[®], over 60% of investors reported that their expectations for retirement have changed significantly in the last five years. This shift reflects evolving economic conditions and personal financial situations influencing retirement planning.

The survey polled 2,300 investors and over 500 advisors to discover how today's economic climate is affecting their financial plans for tomorrow. The changing retirement expectations are a result of the challenges people presently face in managing their finances today, from spending, to balancing their household budgets, to paying off debt.

Many current and future retirees see the importance of staying physically and socially active, so they're defying the idea of retirement as a time of rest.

Many older workers expect to keep working past age 65 because they believe they'll need the income or need to

save more for retirement. Unfortunately, while some older workers want to stay employed out of choice, a greater number find they are forced into retirement because of a layoff, a health problem or the need to provide care to a family member.



Many investors (50%) don't have a specific target amount of retirement savings they're aiming for. They're thinking more about an overall financial plan and how it aligns to their long-term goals. Many are also reducing optional purchases such as luxury goods (47%), leisure activities (44%), entertainment (44%) and vacations or travel (38%) to cover retirement expenses.

nationwide.com/financial-professionals/blog/research-learning/articles/the-shifting-retirement-outlook-requires-new-thinking-for-financial-planning



The worst market crash in the United States lasted two years (1930-1932) and helped spawn the Great Depression. A thousand dollars invested in September 1929 was worth just \$108.14 in July 1932.

One million \$1 bills would weigh 2,040.8 pounds. One million dollars in \$100 bills would weigh only 20.4 pounds.

Yap islanders of the Pacific used donut-shaped stones as money. Some stones were as large as 12 feet across.

The word “buck” as a reference to money dates back to days before paper when Americans traded animal and elk bucks for goods and services.

Over 170 different currencies are used around the world today.

The Spanish word peso means “weight.” In English it was known as “a piece of eight.”

<https://www.factretriever.com/money-facts>

Tips for US 2024 Tax Filing

Americans filing their 2024 taxes will be well prepared with attention to recent changes:

For 2024, the standard deduction has increased to \$14,600 for single filers and married individuals filing separately, \$21,900 for heads of household, and \$29,200 for married couples filing jointly.

The threshold for receiving Form 1099-K from third-party payment processors has been lowered to \$5,000. Those who engaged in online sales or received payments through platforms like PayPal or Venmo, should be prepared to report this income.

Americans with earned income below \$66,819 may qualify for the EITC, which can provide significant tax savings.

Eligible taxpayers can claim up to \$2,000 in Child Tax Credit (CTC) per qualifying child, with up to \$1,700 being refundable.

Tips for the best tax filing experience:

Submit your tax return by the April 15 deadline to avoid late-filing penalties.

If your income is \$84,000 or less, you qualify for IRS Free File, which offers free online tax preparation and filing.

Ensure all personal details, including Social Security numbers and income figures, are correct to prevent processing delays.

Consider obtaining an IP PIN from the IRS to add an extra layer of security to your tax filing process.

If you need more time, you can request an automatic



extension until October 15, 2025, by filing Form 4868 by April 15. Remember, this extends the filing deadline, not the payment deadline; any taxes owed are still due by April 15 to avoid penalties.

irs.gov/newsroom/irs-offers-top-tips-to-make-tax-time-easier

It Happened In ... February



February 3rd 1913 – The 16th Amendment to the U.S. Constitution was ratified, granting Congress the authority to collect income taxes.

February 6th 1895 – Legendary baseball player George Herman "Babe" Ruth was born in Baltimore, Maryland.

February 14th, 1849 - Photographer Mathew Brady took the first photograph of a U.S. President in office, James Polk.

February 21st, 1972 - President Richard Nixon arrived in China for historic meetings with Chairman Mao Tse-tung and Premier Chou En-lai.

February 28th 1994 – NATO conducted its first combat action in its 45 year history as four Bosnian Serb jets were shot down by American fighters in a no-fly zone.

<http://www.historyplace.com/specials/calendar/february.htm>



What Does the Social Security Fairness Act Mean for Retirees?

In January 2025, the Social Security Fairness Act was signed into law, eliminating the Windfall Elimination Provision (WEP) and the Government Pension Offset (GPO). These provisions previously reduced Social Security benefits for retirees with public pensions, impacting approximately 3 million public sector workers. The new law ensures that public sector retirees receive full Social Security benefits, providing financial relief and greater certainty for current and future retirees.



The law eliminates two Social Security policies that reduced benefits for retirees with a public pension: the Windfall Elimination Provision (WEP) and the Government Pension Offset (GPO). WEP reduced Social Security payout for those working jobs like public service and teaching that did not pay into Social Security,

and later worked in private sector jobs that paid into the system, so they qualified for Social Security benefits. GPO cut spousal or survivor Social Security benefits for those government employees who received a pension.

For future retirees, the act provides more certainty. Calculating retirement income will no longer need to factor in WEP or GPO reductions.

Public sector workers can retire with the comfort of knowing their full benefits will be available to them regardless

of whether they receive a pension from their government job.

Current retirees will start receiving larger benefit checks, to cover housing, groceries, and medical expenses.

investopedia.com/social-security-fairness-act-8773768