



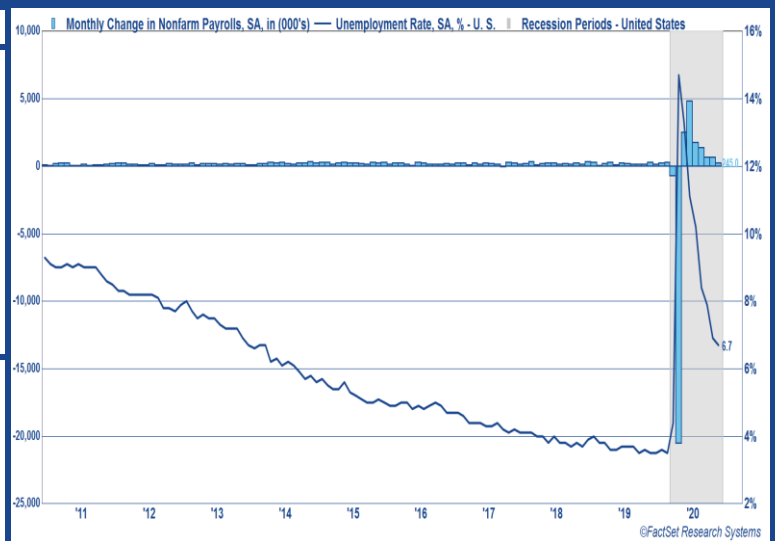
**Economic & Market Commentary**

Vaccine optimism along with renewed hope for a relief stimulus package buoyed stock markets last week. The beaten down Energy sector rallied strongly again along with the Information Technology sector which has benefitted greatly since the Covid-19 outbreak and related mandates last March. Stock markets continue to rally in the face of tepid economic data trends due to deteriorating Covid-19 conditions. The pace of the economic recovery has likely been delayed as some firms are lowering 1Q21 estimates. Jobs gains in November came in much lower than expected at 245,000 vs 475,000. This marks the fifth consecutive month of decelerating job gains. Since 22.2 million jobs were lost back in March and April, 12.3 million have been gained back (55.4%). This leaves roughly 10 million people still without employment, and of the 12.3 million gained back, 2.5 million are working part-time. Since last February, the leisure and hospitality industry is down 3.4 million jobs, professional services ↓1.1 million jobs, manufacturing ↓599,000 jobs, retail trade ↓550,000 jobs, health care ↓527,000 jobs, wholesale trade ↓281,000 jobs, construction ↓279,000 jobs, transportation ↓182,000 jobs, finance ↓115,000 jobs and warehousing ↓97,000 jobs. It is as though bad news is a tailwind for capital markets, which kind of makes perfect sense for this nonsensical viral year. There are concerns this rally is overdone as valuations are stretched with S&P 500 forward P/E ratio at its highest level in nearly two decades, 93% of S&P 500 stocks are trading above their 200-day moving averages, sentiment indicators are at or near all-time highs, and inflows into the equity market have been very strong the past few weeks. More good news as there appears to be an ample supply of toilet paper with this round, and likely more, of Covid-19 related restrictions. As the late and great Tiger George Kell used to say, "oh you gotta believe" this is a welcome stress reliever.

**Total Returns - December 4, 2020**

	1-Wk	YTD	1-Yr
NASDAQ	2.14	40.10	46.84
S&P 500	1.72	16.50	21.08
Russell 2000	2.04	14.84	18.91
MSCI-Emerging	1.66	14.42	23.36
S&P 400	1.80	10.48	14.17
Dow Jones	1.16	8.28	11.87
MSCI-Developed	1.02	5.41	9.25
<b>Barclay's U.S. Bond Index</b>			
Aggregate	-0.42	6.84	6.78
Int. Gov. Credit	-0.14	6.01	6.07
High Yield	0.86	5.96	8.04
Municipal	0.13	4.64	4.91
5-year Muni	0.11	4.00	4.27

**U.S. Labor Market**



**U.S. Treasury Yields**

Treasury Yields	Latest Close	Week Ago	1-Year Ago
U.S. 1-Yr	0.12	0.09	1.57
U.S. 2-Yr	0.14	0.15	1.58
U.S. 3-Yr	0.21	0.19	1.59
U.S. 5-Yr	0.42	0.37	1.60
U.S. 10-Yr	0.97	0.84	1.78
U.S. 30-Yr	1.73	1.58	2.23

**S&P 500 - Sector Total Returns - December 4, 2020**

Sector	1-Wk	YTD	1-Yr
Info Tech	2.80	38.98	47.99
Consumer Discretionary	-0.32	30.44	35.87
Communication Services	1.85	23.09	25.92
Materials	0.12	18.96	24.52
Health Care	2.88	12.00	15.72
Industrials	0.47	11.35	13.99
Consumer Staples	1.07	9.95	11.73
Utilities	-2.14	-0.90	2.05
Real Estate	1.40	-1.47	0.25
Financials	1.91	-3.89	-0.34
Energy	4.50	-29.85	-25.70

**Municipal Yields - Bloomberg/Barclays Index**

Issue Type	Latest Close	Week Ago	1-Year Ago
U.S. AAA	0.80	0.80	1.60
U.S. AA	0.95	0.96	1.67
U.S. A	1.46	1.48	1.98
U.S. Baa	2.29	2.38	2.54
U.S. Municipal	1.17	1.18	1.81
Michigan	1.23	1.24	1.92

Index Characteristics	P/E	P/E NTM	Dividend Yield
S&P 500 - Large Cap	22.42	15.77	1.56
S&P 400 - Mid Cap	19.76	15.80	1.48
S&P 600 - Small Cap	19.58	15.64	1.59