



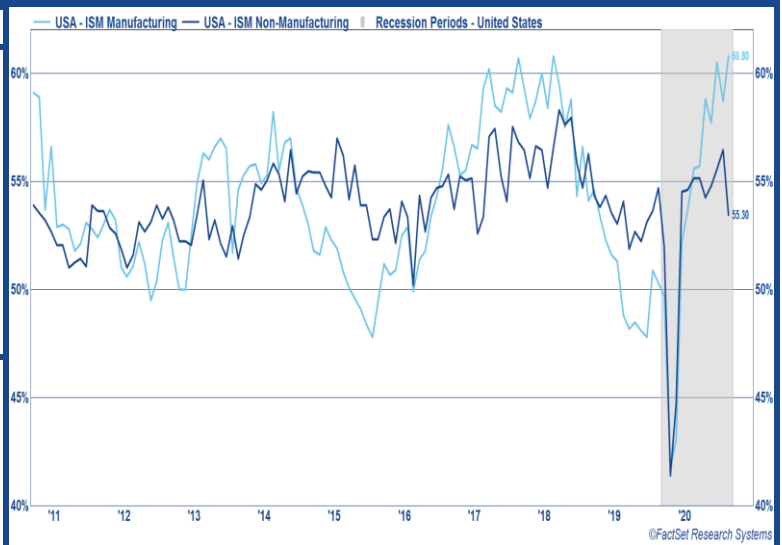
**Economic & Market Commentary**

Stock markets finished mixed last week in very volatile intra-day trading. Long-term interest rates continued their march higher putting pressure on bond prices. Long-term interest rates have been moving higher in anticipation of the U.S. economy moving back to normalcy and on near-term inflation concerns. The increase in rates has been putting pressure on the stock market as investors are throwing the now usual rate-tantrum because interest rates should remain very low forever. Riding in from the majestic sun setting horizon is savior and rate pacifier Federal Reserve Chair Jerome Powell who will come to the rescue again. Correction, this time the Federal Reserve indicated they will not manipulate the long end of the yield curve and are comfortable with an increase in rates as they see this as a normal part of the recovery and that any inflation pressures will be moderate and transitory. Speculation had been growing the Federal Reserve would step in to hold down long interest rates through a program called Operation Twist. Operation Twist is a balance sheet neutral policy where the Federal Reserve sells short-dated government securities and buys longer-dated securities of equal value. In theory, this drives short-term rates higher, long-term rates lower, and flattens the yield curve. In anticipation of the economic recovery, the yield curve has been steepening and rightfully so. Monthly job gains in February came in much stronger than expected at 369,000 vs. 100,000 and the unemployment rate dipped to 6.2%. February ISM business activity surveys posted solid expansionary readings with Manufacturing and Services registering 60.8% and 55.3% respectively. Readings above 50% are considered expansionary. These surveys hearken coming inflationary pressures as the vast majority of survey respondents noted increasing demand, a severe lack of raw material and supplies, a lack of available workers, depleted inventories, shipping delays, and rising prices.

**Total Returns - March 5, 2021**

	1-Wk	YTD	1-Yr
Russell 2000	-0.38	11.15	50.14
S&P 400	0.69	9.15	39.43
MSCI-Emerging	0.05	3.91	31.64
Dow Jones	1.85	3.29	23.25
S&P 500	0.84	2.57	29.30
MSCI-Developed	-0.49	0.66	18.64
NASDAQ	-2.05	0.37	49.08
<b>Barclay's U.S. Bond Index</b>			
High Yield	-0.16	0.54	8.26
5-year Muni	0.33	-0.43	1.89
Municipal	0.31	-0.66	1.51
Int. Gov. Credit	-0.46	-1.55	1.00
Aggregate	-0.80	-2.93	-0.26

**ISM Manufacturing & Service Activity**



**U.S. Treasury Yields**

Treasury Yields	Latest Close	Week Ago	1-Year Ago
U.S. 1-Yr	0.08	0.08	0.47
U.S. 2-Yr	0.15	0.14	0.58
U.S. 3-Yr	0.31	0.31	0.62
U.S. 5-Yr	0.78	0.78	0.67
U.S. 10-Yr	1.55	1.46	0.92
U.S. 30-Yr	2.29	2.19	1.57

**Total Returns - March 5, 2021**

Sector	1-Wk	YTD	1-Yr
Energy	10.10	40.16	24.46
Financials	4.38	14.43	30.98
Communication Services	2.45	7.37	40.56
Industrials	3.10	5.47	30.68
Materials	2.47	3.89	40.03
Real Estate	-1.34	0.71	-2.69
Health Care	0.30	-0.42	17.92
Info Tech	-1.35	-1.07	43.85
Consumer Discretionary	-2.82	-3.33	37.63
Consumer Staples	1.96	-4.67	6.83
Utilities	2.26	-4.88	-8.60

**Municipal Yields - Bloomberg/Barclays Index**

Issue Type	Latest Close	Week Ago	1-Year Ago
U.S. AAA	0.97	1.04	1.11
U.S. AA	1.08	1.13	1.17
U.S. A	1.39	1.45	1.44
U.S. Baa	1.93	1.98	1.88
U.S. Municipal	1.21	1.27	1.29
Michigan	1.26	1.32	1.39

Index Characteristics	P/E NTM	P/E NTM 10yr-Avg.	Dividend Yield
S&P 500 - Large Cap	21.72	16.02	1.46
S&P 400 - Mid Cap	19.55	15.77	1.24
S&P 600 - Small Cap	20.12	15.79	1.27