



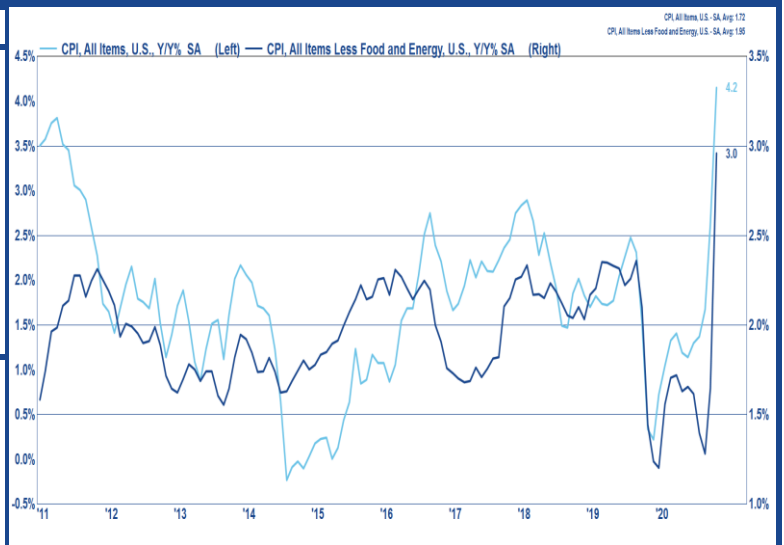
Economic & Market Commentary

Last week stock markets finished modestly higher. However, for the month of May they finished mixed with international and large-cap stocks leading the way while small-cap, mid-cap, and technology trailed. Sector returns within the S&P 500 Index show the reflation trade held last month as cyclical sectors such as Energy, Materials, Financials, and Industrials bested big-name tech sectors Information Technology, Consumer Discretionary, and Communication Services. This same theme holds true on a year-to-basis too. The two big developments last month were on the inflation and labor fronts and these two measures will be a primary focus over the coming months. Inflation in April posted strong monthly and 12-month period increases at the consumer and producer levels. Demand is outpacing supply for a variety of reasons and indications are this will continue in the near term. The key debate surrounding inflation is whether it will be transitory or more prolonged. The cash bond market is sticking with the Federal Reserve's assessment of transitory inflation as bond yields have been range bound for the last month or so. The bond futures market says not so fast and is increasingly pricing in the likelihood of a shortened accommodation period. Moreover, the tapering flares have been shot into the sky and talk of the Federal Reserve pulling back on monthly Treasury and Agency bond purchases sooner rather than later has been increasing as well. The Federal Reserve has steadfastly noted they are committed to reducing unemployment and are willing to allow the economy and inflation to run hotter for longer in order to maximize employment. Last month saw perplexing April labor data as the unemployment rate rose during a widely publicized labor shortage and while weekly initial jobless claims trended lower.

Index Total Returns - May 28, 2021

	1-Wk	YTD	1-Yr
S&P 400	1.43	18.81	56.77
Russell 2000	2.45	15.30	64.56
Dow Jones	1.03	13.76	38.79
S&P 500	1.20	12.62	40.32
MSCI-Developed	0.90	10.07	38.41
NASDAQ	2.08	6.98	45.95
MSCI-Emerging	3.57	7.26	51.00
Barclay's U.S. Bond Index			
High Yield	0.36	2.25	14.96
Municipal	0.20	0.78	4.74
5-year Muni	0.09	0.15	2.75
Int. Gov. Credit	0.22	-0.98	0.73
Aggregate	0.35	-2.29	-0.40

Consumer Inflation - CPI



U.S. Treasury Yields

Treasury Yields	Latest Close	Week Ago	1-Year Ago
U.S. 1-Yr	0.04	0.04	0.18
U.S. 2-Yr	0.14	0.15	0.17
U.S. 3-Yr	0.29	0.34	0.22
U.S. 5-Yr	0.79	0.82	0.34
U.S. 10-Yr	1.58	1.62	0.71
U.S. 30-Yr	2.26	2.33	1.47

S&P 500 Sector Total Returns - May 28, 2021

Sector	1-Wk	YTD	1-Yr
Energy	-1.00	39.22	40.94
Financials	0.61	29.53	66.17
Materials	-0.11	20.91	60.21
Real Estate	1.03	19.48	29.68
Industrials	1.40	19.03	57.98
Communication Services	0.61	16.49	43.71
Health Care	-0.72	9.29	22.02
Info Tech	-0.17	6.36	42.65
Consumer Discretionary	1.24	6.22	38.64
Consumer Staples	-0.66	5.22	23.10
Utilities	-1.38	4.65	12.81

Municipal Yields - Bloomberg/Barclays Index

Issue Type	Latest Close	Week Ago	1-Year Ago
U.S. AAA	0.85	0.88	0.98
U.S. AA	0.91	0.94	1.25
U.S. A	1.16	1.19	2.15
U.S. Baa	1.58	1.62	3.70
U.S. Municipal	1.02	1.05	1.62
Michigan	1.06	1.10	1.68

Index Characteristics	P/E NTM	P/E NTM 10yr-Avg.	Dividend Yield
S&P 500 - Large Cap	21.44	16.25	1.34
S&P 400 - Mid Cap	18.37	15.83	1.09
S&P 600 - Small Cap	18.12	15.68	1.06