



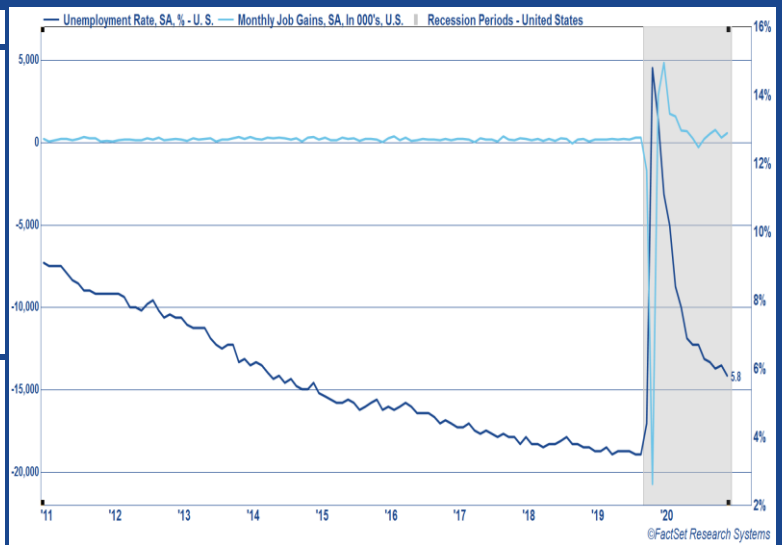
**Economic & Market Commentary**

Stock and bond markets finished slightly to modestly higher last week, and economic reports released continues to show an economy on the rebound from the pandemic. Institute for Supply Management (ISM) surveys posted strong expansionary readings for Manufacturing (+61.2) and Service (+64.0) activity in May. The May ISM Service reading is an all-time high. Both ISM surveys cited that industry activity was broad-based, demand is strong and rising, business conditions are improving, supply shortages and logistic constraints continue, prices keep moving higher, and it is very difficult to hire workers which is impacting production and service levels. Speaking of workers, the U.S. labor market continues to see improvement but the forecast remains cloudy. Weekly initial jobless claims have begun trending lower for the past few months and have fallen for five straight weeks posting a pandemic low of 385,000 last week. Historically, this type of labor trend bodes well for monthly job gains and is the main reason job gain expectations have been so high the past couple of months. Unfortunately, these expectations have been off the mark since the start of the pandemic. Covid-19 has made forecasting most challenging for analysts and economists especially on the labor front. Here are the actual vs. estimated non-farm payroll results since February. February: 379,000 vs 184,000; March 916,000 vs. 635,000; April: 266,000 vs. 975,000; and May: 559,000 vs. 650,000. With vaccinations on the rise and the economy reopening, one area or industry may be expanding and gaining jobs while another area or industry that benefitted from the shutdowns may be contracting. With so many moving parts affecting the labor market right now (child care, schooling, etc.), it is difficult to make accurate predictions.

**Index Total Returns - June 4, 2021**

	1-Wk	YTD	1-Yr
S&P 400	0.06	18.88	49.35
Russell 2000	0.78	16.20	59.20
Dow Jones	0.69	14.55	34.92
S&P 500	0.64	13.35	38.08
MSCI-Developed	0.73	11.22	32.51
MSCI-Emerging	1.59	7.72	42.56
NASDAQ	0.49	7.51	44.72
<b>Barclay's U.S. Bond Index</b>			
High Yield	0.28	2.53	12.90
Municipal	0.21	0.99	4.80
5-year Muni	0.09	0.24	2.71
Int. Gov. Credit	0.04	-0.94	0.88
Aggregate	0.12	-2.17	0.16

**U.S. Labor Market**



**U.S. Treasury Yields**

Treasury Yields	Latest Close	Week Ago	1-Year Ago
U.S. 1-Yr	0.05	0.04	0.19
U.S. 2-Yr	0.14	0.14	0.19
U.S. 3-Yr	0.30	0.29	0.25
U.S. 5-Yr	0.79	0.79	0.40
U.S. 10-Yr	1.55	1.58	0.81
U.S. 30-Yr	2.24	2.26	1.62

**S&P 500 Sector Total Returns - June 4, 2021**

Sector	1-Wk	YTD	1-Yr
Energy	6.70	48.55	39.98
Financials	1.27	31.18	55.71
Real Estate	3.05	23.13	29.31
Materials	0.74	21.81	53.49
Industrials	0.23	19.31	48.54
Communication Services	0.56	17.15	43.52
Health Care	-1.15	8.04	22.33
Info Tech	1.19	7.63	42.99
Consumer Staples	1.08	6.35	23.77
Consumer Discretionary	-0.95	5.21	33.80
Utilities	0.39	5.05	11.95

**Municipal Yields - Bloomberg/Barclays Index**

Issue Type	Latest Close	Week Ago	1-Year Ago
U.S. AAA	0.83	0.85	1.00
U.S. AA	0.89	0.91	1.26
U.S. A	1.14	1.16	2.11
U.S. Baa	1.54	1.58	3.53
U.S. Municipal	1.00	1.02	1.61
Michigan	1.06	1.06	1.62

Index Characteristics	P/E NTM	P/E NTM 10yr-Avg.	Dividend Yield
S&P 500 - Large Cap	21.50	16.26	1.33
S&P 400 - Mid Cap	18.29	15.83	1.10
S&P 600 - Small Cap	18.18	15.60	1.05