



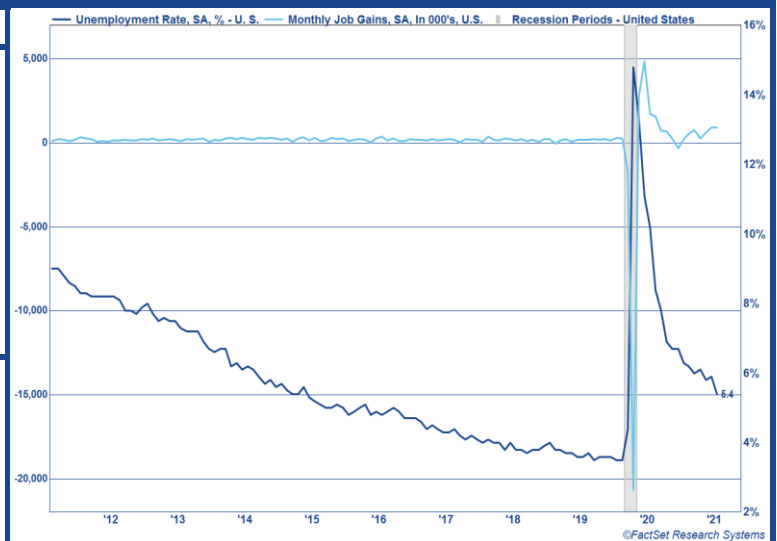
**Economic & Market Commentary**

Stocks finished higher last week buoyed by strong corporate earnings and positive guidance as most companies expect demand to stay elevated. Along with the strong demand backdrop, a consistent theme being reported by companies is the continued supply chain bottlenecks and higher input, transportation, and labor costs. Companies across the board are responding to higher costs with price increases and productivity initiatives. According to FactSet's Earnings Insight report, with 90% of S&P 500 companies having reported, second-quarter 2021 earnings growth stands at +89% and revenue growth is up +25%. In addition to strong earnings, economic data released last week was on the positive side as well. ISM Manufacturing and Service surveys posted solid expansionary readings of 59.5% and 64.1% respectively. The Service reading was an all-time survey high. Readings above 50% are considered expansionary and below 50% contractionary. Similar to the earnings theme reported by companies in the S&P 500 index, respondents the ISM surveys conveyed continued strong demand and supply constraints along with higher costs for inputs, transportation, and labor. Manufacturing and service companies continue to struggle to find skilled and unskilled labor, but it appears the labor market is improving as monthly job gains have had two solid months in a row. Job gains in July came in stronger than expected at 943,000 besting the consensus estimate of 875,000 and unemployment fell to 5.4% from 5.9%. The labor report cited, "the number of unemployed persons fell by 782,000 to 8.7 million; nonfarm payroll employment in July is up by 16.7 million since April 2020 but is down by 5.7 million from its pre-pandemic level in February." Job gains in July were broad-based by industry and June job gains were upwardly revised by +88,000, from +852,000 to +938,000.

**Index Total Returns - August 6, 2021**

	1-Wk	YTD	1-Yr
S&P 500	0.96	19.12	34.53
S&P 400	0.53	18.62	43.78
Dow Jones	0.79	16.22	31.09
NASDAQ	1.14	15.56	34.53
Russell 2000	0.98	14.41	47.05
MSCI-Developed	1.05	10.80	28.65
MSCI-Emerging	1.18	1.40	18.98
<b>Barclay's U.S. Bond Index</b>			
High Yield	-0.19	3.81	9.84
Municipal	-0.13	1.77	2.74
5-year Muni	-0.01	0.81	1.47
Int. Gov. Credit	-0.28	-0.42	-0.20
Aggregate	-0.42	-0.92	-1.29

**U.S. Labor Market**



**U.S. Treasury Yields**

Treasury Yields	Latest Close	Week Ago	1-Year Ago
U.S. 1-Yr	0.07	0.07	0.13
U.S. 2-Yr	0.20	0.18	0.11
U.S. 3-Yr	0.40	0.35	0.13
U.S. 5-Yr	0.76	0.70	0.21
U.S. 10-Yr	1.29	1.23	0.54
U.S. 30-Yr	1.94	1.89	1.20

**S&P 500 Sector Total Returns - August 6, 2021**

Sector	1-Wk	YTD	1-Yr
Energy	0.37	34.09	40.55
Real Estate	0.72	29.95	34.55
Financials	3.60	29.64	59.05
Communication Services	0.74	24.87	40.72
Info Tech	0.98	19.31	35.20
Health Care	0.67	18.12	27.55
Industrials	0.18	17.65	42.44
Materials	0.16	17.02	39.26
Consumer Discretionary	0.37	11.24	24.14
Utilities	2.31	9.29	15.52
Consumer Staples	-0.54	7.12	16.51

**Municipal Yields - Bloomberg/Barclays Index**

Issue Type	Latest Close	Week Ago	1-Year Ago
U.S. AAA	0.77	0.73	0.72
U.S. AA	0.81	0.78	0.89
U.S. A	1.02	0.98	1.51
U.S. Baa	1.32	1.30	2.44
U.S. Municipal	0.90	0.87	1.14
Michigan	1.00	0.95	1.18

Index Characteristics	P/E NTM	P/E NTM 10yr-Avg.	Dividend Yield
S&P 500 - Large Cap	21.25	16.43	1.27
S&P 400 - Mid Cap	17.08	15.96	1.08
S&P 600 - Small Cap	16.24	15.60	1.03