



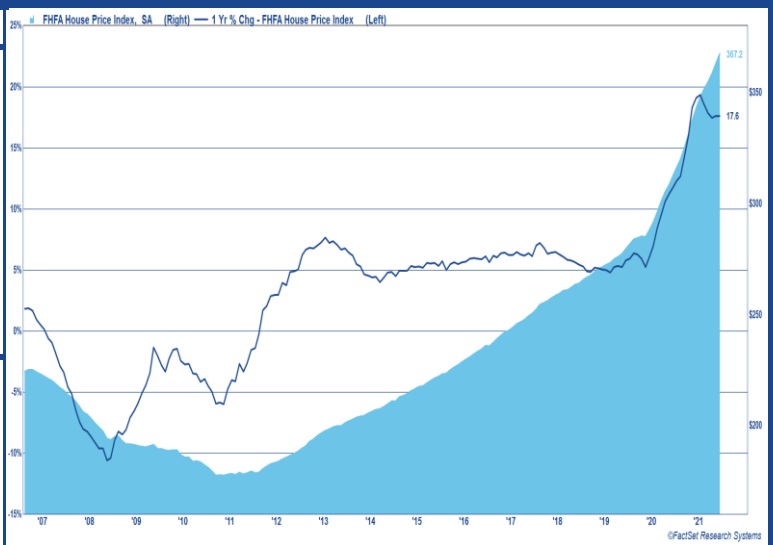
Economic & Market Commentary

Over the past couple of weeks, the expectation that Russian "peace keeping" forces would invade Ukraine pressured stock markets. On the day of the actual invasion, stock markets were down tremendously out of the gate but as the day wore on, reversed course, and finished strongly higher. The S&P 500 index fell -2.6% but finished the day up +1.5%, the Dow Jones Industrial index fell -859 points and finished up +92 points, while the Nasdaq Composite fell -3.5% and closed +3.3% higher. Headlines of the Ukraine conflict overshadowed mostly upbeat economic data last week. Home price gains remain strong as the FHFA Home Price Index showed U.S. home prices rose +17.5% in 4Q21 from 4Q20 and the December 2021 S&P/Case-Shiller Home Price Index rose +18.8% from one year ago. Despite inflation concerns and geopolitical events, consumer confidence held up rather well in February. The Conference Board reported consumer confidence fell slightly to 110.5 from January's level of 111.1. The report noted, "Concerns about inflation rose again in February, after posting back-to-back declines. Despite this reversal, consumers remain relatively confident about short-term growth prospects. Nevertheless, confidence and consumer spending will continue to face headwinds from rising prices in the coming months." The second reading of fourth-quarter 2021 U.S. GDP came in slightly higher than expected at +7.0% vs. +6.9%. Gains in business investment, consumer spending, and net exports were offset by declines in government spending. For full-year 2021, U.S. GDP grew +5.7% as advances in consumer spending, business investment and government expenditures were offset by net imports. For 2022, the consensus forecast for U.S. GDP growth is +3.7%. The Federal Reserve's preferred inflation measure, the PCE Price Index, rose in January +6.1% from one year ago, which is the fastest pace since 1982. To combat inflation, the Fed will begin raising rates in March with a 0.25% hike.

Index Total Returns - February 25, 2022

	1-Wk	YTD	1-Yr
MSCI-Emerging	-4.85	-4.78	-13.51
Dow Jones	-0.03	-5.99	10.47
S&P 400	1.14	-6.18	7.88
MSCI-Developed	-2.49	-6.58	-0.22
S&P 500	0.84	-7.80	16.12
Russell 2000	1.59	-8.99	-6.30
NASDAQ	1.10	-12.37	5.07
Barclay's U.S. Bond Index			
Int. Gov. Credit	-0.23	-2.61	-2.58
5-year Muni	0.13	-2.90	-1.78
Municipal	0.17	-3.17	-0.70
High Yield	0.37	-3.92	0.33
Aggregate	-0.33	-4.00	-2.59

Federal Housing Finance Agency - Home Price Index



U.S. Treasury Yields

Treasury Yields	Latest Close	Week Ago	1-Year Ago
U.S. 1-Yr	1.11	0.97	0.09
U.S. 2-Yr	1.59	1.48	0.17
U.S. 3-Yr	1.77	1.68	0.34
U.S. 5-Yr	1.89	1.82	0.79
U.S. 10-Yr	1.98	1.93	1.52
U.S. 30-Yr	2.30	2.25	2.28

S&P 500 Sector Total Returns - February 25, 2022

Sector	1-Wk	YTD	1-Yr
Energy	1.37	24.40	47.65
Financials	-0.26	0.14	20.93
Consumer Staples	-0.31	-1.49	22.96
Utilities	2.08	-5.55	17.25
Industrials	0.89	-6.24	9.92
Materials	0.60	-6.92	15.34
Health Care	2.72	-7.01	17.18
Info Tech	1.30	-11.31	19.70
Real Estate	2.69	-11.46	24.51
Communication Services	1.84	-12.76	1.23
Consumer Discretionary	-2.16	-13.82	8.46

Municipal Yields - Bloomberg/Barclays Index

Issue Type	Latest Close	Week Ago	1-Year Ago
U.S. AAA	1.70	1.73	1.05
U.S. AA	1.78	1.81	1.14
U.S. A	2.05	2.07	1.46
U.S. Baa	2.37	2.38	2.00
U.S. Municipal	1.88	1.91	1.28
Michigan	1.94	1.98	1.33

Index Characteristics	P/E NTM	P/E NTM 10yr-Avg.	Dividend Yield
S&P 500 - Large Cap	19.34	16.98	1.34
S&P 400 - Mid Cap	14.35	15.60	1.23
S&P 600 - Small Cap	13.61	16.14	1.18