



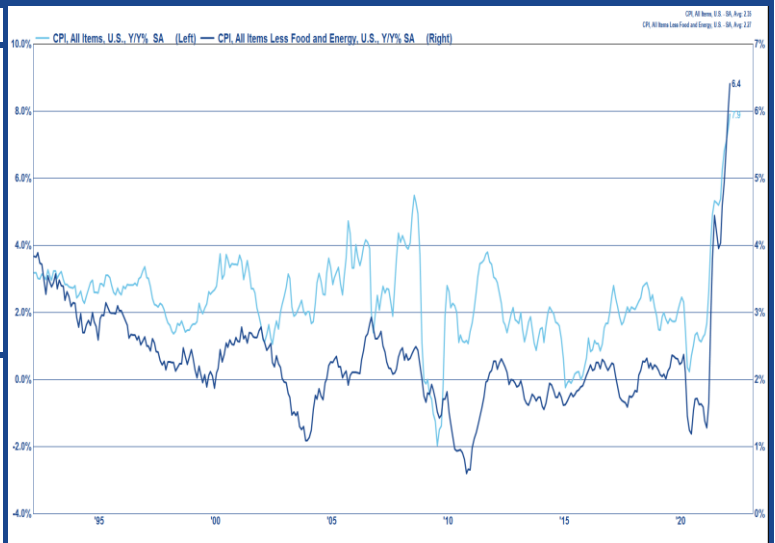
Economic & Market Commentary

The NFIB Small Business Optimism Index (SBOI) in February declined 1.4 points to 95.7 marking the second consecutive month below the historical average reading of 98. Once again, inflation remains the single most important problem for small businesses. According to the SBOI, a survey record 68% of small businesses are raising prices, and rightfully so as the Consumer Price Index (CPI) rose +0.8% in February and +7.9% y/y. This is the highest 12-month inflation rate since January 1982. It is important to note this CPI report includes only a fraction of skyrocketing oil and gas prices over the past two weeks due to the Russian "peace keeping" invasion of Ukraine, though the Biden Administration is peddling that inflation is primarily due to Putin, touting #PutinPriceHike. C'mon Man. Thankfully, WTI crude oil prices receded from multi-year highs earlier in the week and actually finished lower than the prior weeks close (\$109.33 vs \$115.77). Because of persistently high inflation, economic and earnings growth estimates are starting to move lower on concerns that consumer and business spending is being negatively impacted. Household budgets are being cramped from widespread inflation, and widespread it is. For the last twenty years or so inflation had averaged +2.0% and monthly inflation category data usually ranged from -0.02% to +0.02% with the occasional temporary volatile outliers. However, with this February's CPI report, monthly #'s were reminiscent of annual #'s especially within the Food category and many other categories as well. Fuel oil prices were up +7.7% in the month and +43.6% y/y. With each monthly CPI report, there is a Table 6 (Monthly) and a Table 7 (12-Month) which highlight the largest and smallest periodic change historically by category. The majority of historic changes are now from 2020 and 2021, replacing those from 1970s and 1980s. The probability of an economic recession is rising. High inflation and slow growth, there is an economic term for that: Stagflation.

Index Total Returns - March 11, 2022

	1-Wk	YTD	1-Yr
Dow Jones	-1.91	-8.93	3.34
S&P 400	-1.67	-9.32	-0.66
S&P 500	-2.84	-11.53	8.24
Russell 2000	-1.03	-11.66	-14.47
MSCI-Emerging	-5.08	-11.68	-18.31
MSCI-Developed	0.55	-12.18	-5.80
NASDAQ	-3.51	-17.79	-3.51
Barclay's U.S. Bond Index			
Int. Gov. Credit	-1.28	-3.17	-3.13
5-year Muni	-0.76	-3.52	-3.00
Municipal	-1.13	-4.39	-2.79
Aggregate	-1.76	-4.79	-3.52
High Yield	-1.54	-5.55	-1.21

Consumer Price Index - CPI



U.S. Treasury Yields

Treasury Yields	Latest Close	Week Ago	1-Year Ago
U.S. 1-Yr	1.14	1.00	0.08
U.S. 2-Yr	1.75	1.49	0.13
U.S. 3-Yr	1.91	1.60	0.31
U.S. 5-Yr	1.95	1.63	0.77
U.S. 10-Yr	2.00	1.73	1.53
U.S. 30-Yr	2.36	2.15	2.28

Municipal Yields - Bloomberg/Barclays Index

Issue Type	Latest Close	Week Ago	1-Year Ago
U.S. AAA	1.94	1.72	0.89
U.S. AA	2.05	1.81	0.99
U.S. A	2.32	2.08	1.30
U.S. Baa	2.66	2.42	1.86
U.S. Municipal	2.15	1.91	1.13
Michigan	2.18	1.98	1.19

S&P 500 Sector Total Returns - March 11, 2022

Sector	1-Wk	YTD	1-Yr
Energy	1.98	38.66	51.54
Utilities	-0.68	-1.54	18.03
Financials	-2.20	-6.75	7.80
Consumer Staples	-5.77	-7.15	13.91
Industrials	-2.43	-7.39	4.04
Health Care	-2.72	-8.48	14.56
Materials	-1.46	-9.70	6.18
Real Estate	-1.72	-11.42	23.45
Info Tech	-3.79	-17.23	9.70
Communication Services	-3.13	-17.73	-8.35
Consumer Discretionary	-2.54	-18.19	-0.35
Index Characteristics			
	P/E	P/E NTM	Dividend Yield
S&P 500 - Large Cap	18.40	17.00	1.39
S&P 400 - Mid Cap	13.67	15.64	1.29
S&P 600 - Small Cap	13.45	16.05	1.21