



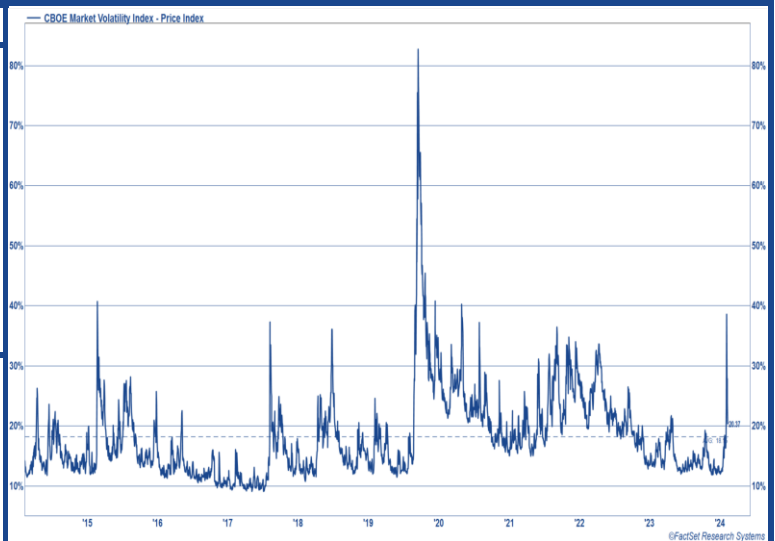
Economic & Market Commentary

Last week was very volatile as stock markets cratered on Monday, extending the prior Friday's market losses, driven lower by weakening economic data, especially from the labor market, and fears about a coming hard economic landing and a Federal Reserve once again well behind the policy curve. The VIX, which measures market volatility a.k.a. the Fear Index, logged its largest-ever intraday jump (to a high of nearly 66) on Monday before settling above 38. The VIX's historical average is 20 and had been at levels well below 20 since March 2023. The S&P 500 logged its worse day since September 2022 falling -3.0%. The daily loss was somewhat tempered by the July ISM Service report which showed activity expanded, posting an expansionary level of 51.4. The report was overall a bullish one as most components expanded including employment, prices paid, and new orders rose to 52.4 from June's level of 47.3. As the week progressed, commentary from analysts and economists noted the U.S. economy overall remained fundamentally sound and that it wasn't falling off a cliff like it did back during the financial crisis. Indeed, the Federal Reserve Bank of Atlanta's GDP Now, which provides a running quarterly estimate of U.S. GDP-based available data, currently estimates third-quarter 2024 GDP growth of +2.9%. As the week progressed, cooler heads prevailed, and the S&P 500 clawed its way back finishing basically flat -.02%. The one thing that investors do not like is uncertainty, but it is important to remember that economic cycles and market declines are normal. In fact, market corrections/bear markets happen roughly 33% of the time but seem to happen so much faster these days than in the past. If you consistently have had a well diversified balanced to aggressive portfolio asset mix, you would be hard pressed to find a calendar year in which you did not have at least one down quarter.

Index Total Returns - August 9, 2024

	1-Wk	YTD	1-Yr
S&P 500	-0.02	12.96	18.24
NASDAQ	-0.17	12.00	17.64
S&P 400	-0.40	6.47	9.38
Dow Jones	-0.56	5.95	13.40
MSCI-Emerging	0.27	5.77	4.26
MSCI-Developed	-0.29	4.05	6.71
Russell 2000	-1.32	3.48	5.49
Barclay's U.S. Bond Index			
High Yield	0.25	4.52	10.99
Int. Gov. Credit	-0.52	2.94	6.46
Aggregate	-0.82	2.36	5.88
Municipal	-0.44	1.01	4.27
5-year Muni	-0.03	0.83	3.61

VIX Index



U.S. Treasury Yields

Treasury Yields	Latest Close	Week Ago	1-Year Ago
U.S. 1-Yr	4.48	4.36	5.34
U.S. 2-Yr	4.05	3.88	4.80
U.S. 3-Yr	3.87	3.71	4.43
U.S. 5-Yr	3.79	3.62	4.13
U.S. 10-Yr	3.94	3.80	4.01
U.S. 30-Yr	4.22	4.10	4.17

S&P 500 Sector Total Returns - August 9, 2024

Sector	1-Wk	YTD	1-Yr
Comm. Services	0.78	21.27	29.68
Info Tech	-0.22	18.67	27.77
Utilities	-0.88	18.19	13.64
Financials	0.63	13.58	22.13
Consumer Staples	-0.29	12.94	9.74
Health Care	-0.62	10.90	13.73
Industrials	1.22	9.86	14.46
Energy	1.19	9.22	6.21
Real Estate	-0.14	6.22	13.56
Materials	-1.68	4.41	5.48
Con. Discretion	-1.00	-0.85	3.58

Municipal Yields - Bloomberg/Barclays Index

Issue Type	Latest Close	Week Ago	1-Year Ago
U.S. AAA	3.34	3.28	3.46
U.S. AA	3.36	3.30	3.49
U.S. A	3.72	3.64	3.98
U.S. Baa	4.20	4.12	4.59
U.S. Municipal	3.49	3.42	3.66
Michigan	3.61	3.54	3.84

Index Characteristics	P/E	P/E NTM	Dividend Yield
	NTM	10yr-Avg.	
S&P 500 - Large Cap	20.41	18.23	1.30
S&P 400 - Mid Cap	15.20	15.95	1.43
S&P 600 - Small Cap	14.62	15.28	1.74