



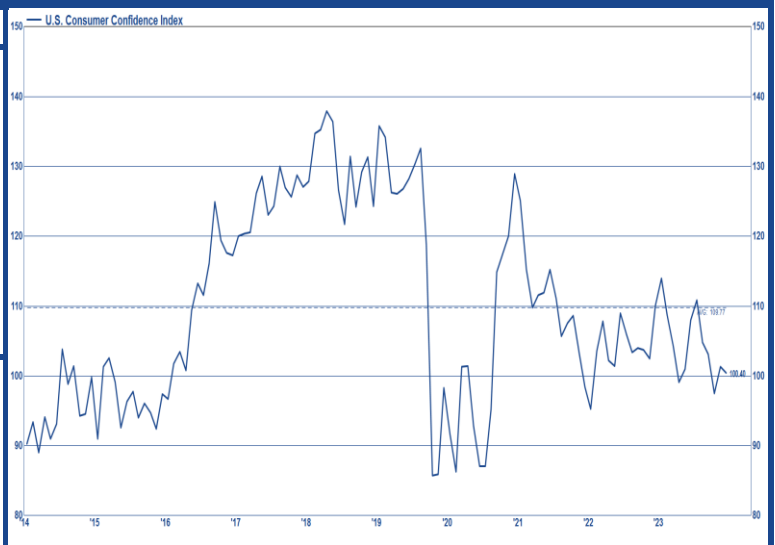
**Economic & Market Commentary**

Stocks finished mixed last week as the rotation out of big-tech and growth names continued in favor of value and other sub-classes. The small-cap Russell 2000 index posted its fourth gain (+1.7%) in the last five weeks and has significantly outperformed large-cap markets over the past month although it trails large-caps on a year-to-date basis. The tech heavy NASDAQ shredded -3.7% while S&P 500 Technology sector lost -5.1%. The S&P 500 index fell -2.0%, which is its worst week since April. The tech sell off was exacerbated with Friday's technology outage caused by cyber-security CrowdStrike whose stock finished down -17.1%. Operations were disrupted across the globe and across a wide range of industries affecting tens of millions from canceled flights to lost productivity. There is a fair amount of skepticism that the recent rotation out of big-tech is sustainable and will largely depend on upcoming big-tech earnings. Big-tech revenue and earnings growth has been robust the past few quarters driven higher largely by AI and their valuations have been driven higher as well but not without fundamental merit. Second-quarter 2024 earnings season kicks into high-gear this week and the consensus estimate is looking for +8.9% growth. Roughly 140 companies within the S&P 500 will be reporting this week including Verizon, Coca-Cola, UPS, Tesla, Alphabet, 3M, Kimberly-Clark, Lockheed Martin, Ford, IBM, Honeywell, and Colgate-Palmolive. As mentioned here numerous times, earnings growth is the key to sustaining and expanding market multiples and so far calendar year 2024 (+11.0%) and 2025 (+14.7%) estimates have held up well. Analysts will be looking for cracks in the earnings wall from a company's guidance on future revenue, earnings, and cash flow expectations. They also typically look for demand or sales volume deterioration, margin pressure from rising costs or changes in product sales mix, and sustainability of pricing power to name a few.

**Index Total Returns - July 19, 2024**

	1-Wk	YTD	1-Yr
NASDAQ	-3.65	18.55	29.58
S&P 500	-1.95	16.30	25.65
S&P 400	-0.17	9.30	16.93
Russell 2000	1.69	8.57	17.45
MSCI-Emerging	-2.96	8.24	13.34
Dow Jones	0.73	8.01	19.58
MSCI-Developed	-2.39	7.45	13.77
<b>Barclay's U.S. Bond Index</b>			
High Yield	0.30	4.01	11.97
Int. Gov. Credit	-0.15	1.46	5.20
Aggregate	-0.33	0.49	3.87
Municipal	0.16	0.34	3.98
5-year Muni	0.15	-0.03	3.05

**U.S. Consumer Confidence**



**U.S. Treasury Yields**

Treasury Yields	Latest Close	Week Ago	1-Year Ago
U.S. 1-Yr	4.87	4.86	5.31
U.S. 2-Yr	4.50	4.45	4.76
U.S. 3-Yr	4.28	4.22	4.33
U.S. 5-Yr	4.16	4.10	3.97
U.S. 10-Yr	4.24	4.18	3.74
U.S. 30-Yr	4.45	4.39	3.84

**S&P 500 Sector Total Returns - July 19, 2024**

Sector	1-Wk	YTD	1-Yr
Info Tech	-5.14	27.02	40.42
Comm. Services	-2.87	23.47	41.20
Financials	1.19	14.86	29.49
Utilities	-1.55	12.60	10.94
Energy	2.06	12.28	17.26
Consumer Staples	1.01	11.33	10.49
Industrials	0.56	10.35	18.31
Health Care	-0.26	9.34	13.27
Con. Discretion	-2.68	7.10	14.62
Materials	-0.44	6.22	10.96
Real Estate	1.32	2.92	11.41

**Municipal Yields - Bloomberg/Barclays Index**

Issue Type	Latest Close	Week Ago	1-Year Ago
U.S. AAA	3.46	3.48	3.14
U.S. AA	3.47	3.49	3.27
U.S. A	3.83	3.86	3.76
U.S. Baa	4.28	4.31	4.40
U.S. Municipal	3.60	3.62	3.42
Michigan	3.72	3.73	3.59

Index Characteristics	P/E NTM	P/E NTM 10yr-Avg.	Dividend Yield
S&P 500 - Large Cap	21.13	18.20	1.26
S&P 400 - Mid Cap	15.57	15.92	1.41
S&P 600 - Small Cap	15.01	15.33	1.69