



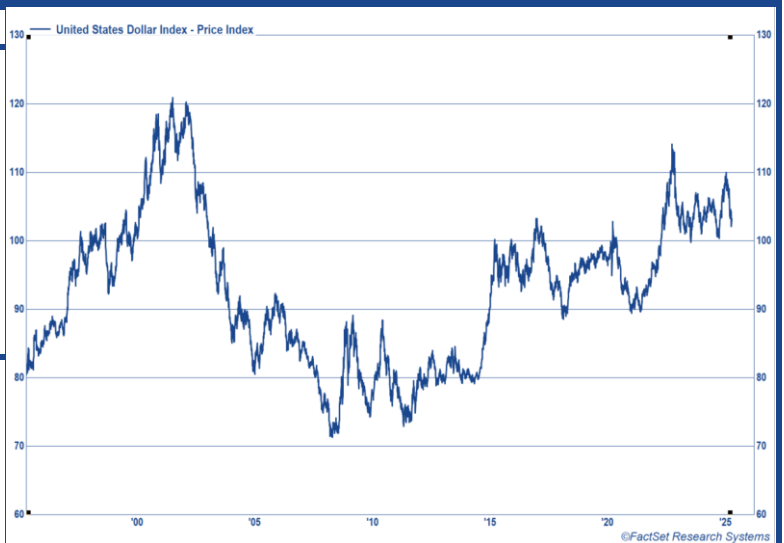
Economic & Market Commentary

Major market indices were up sharply for the week, rebounding after the prior week's notable slide. The market was extremely volatile as trade developments whipsawed the market with the VIX (aka - Fear Index) climbing above 50 on Tuesday. The S&P intraday Tuesday flirted with bear-market levels (20% below the Index's February all-time high) but did not close in bear territory. The Nasdaq hit the bear-market point the prior week. Then on Wednesday, the Index traded through a wild 533-point swing during the session on its way to a 9.52% gain as reciprocal tariffs were paused for 90 days for most nations except China, which saw their tariffs rise to 145%. The pause was enacted on roughly 75 countries that had not retaliated and had sought negotiated settlements. There are still very many moving parts in the trade/tariff narrative. Even with the 90-day reciprocal pause, tariff rates are still meaningfully higher at 10% versus the pre-tariff policy average of 2.5%. Elsewhere, the House passed a budget blueprint aligning with the Senate's, setting up the next phase of passing Trump's tax-cut and spending agenda which is expected to be passed later this summer. This is a very important part of the Administration's policy as it should help to offset the impact of higher prices associated with tariffs for consumers. On the economic front, March core CPI came in cooler than consensus while the headline logged an outright monthly decline. Airline fares, used cars, vehicle insurance, and hotels were all down while shelter-price growth decelerated. While inflation came in cooler than expected in March, expectations moved higher. Preliminary April University of Michigan consumer sentiment saw 1-yr inflation expectations of 6.7% vs March final of 5.0%, and 5-yr inflation expectations of 4.4% vs March final of 4.1%. With tariffs and sentiment in place, the stage is set for higher inflation and interest rates.

Index Total Returns - April 11, 2025

| | 1-Wk | YTD | 1-Yr |
|----------------|-------|--------|-------|
| MSCI-Developed | 0.82 | 2.41 | 2.70 |
| MSCI-Emerging | -3.83 | -2.20 | 1.48 |
| Dow Jones | 4.97 | -5.04 | 6.44 |
| S&P 500 | 5.73 | -8.47 | 4.57 |
| S&P 400 | 2.81 | -12.40 | -6.18 |
| NASDAQ | 7.30 | -13.23 | 2.44 |
| Russell 2000 | 1.83 | -16.28 | -7.68 |

U.S. Dollar Price Index



Barclay's U.S. Bond Index

| | 1-Wk | YTD | 1-Yr |
|------------------|-------|-------|-------|
| Int. Gov. Credit | -1.50 | 1.55 | 6.07 |
| Aggregate | -2.54 | 1.06 | 5.25 |
| 5-year Muni | -2.46 | -0.69 | 1.43 |
| High Yield | -0.70 | -1.42 | 6.12 |
| Municipal | -3.99 | -2.78 | -0.42 |

U.S. Treasury Yields

| Treasury Yields | Latest Close | Week Ago | 1-Year Ago |
|-----------------|--------------|----------|------------|
| U.S. 1-Yr | 4.03 | 3.85 | 5.17 |
| U.S. 2-Yr | 3.96 | 3.68 | 4.94 |
| U.S. 3-Yr | 4.00 | 3.66 | 4.78 |
| U.S. 5-Yr | 4.14 | 3.73 | 4.61 |
| U.S. 10-Yr | 4.47 | 4.01 | 4.57 |
| U.S. 30-Yr | 4.85 | 4.43 | 4.66 |

S&P 500 Sector Total Returns - April 11, 2025

| Sector | 1-Wk | YTD | 1-Yr |
|------------------|-------|--------|--------|
| Consumer Staples | 3.10 | 4.39 | 14.88 |
| Utilities | 2.41 | 1.61 | 21.76 |
| Health Care | 1.21 | -0.02 | -1.21 |
| Financials | 5.65 | -3.01 | 16.70 |
| Materials | 3.56 | -3.30 | -9.93 |
| Real Estate | -0.07 | -3.65 | 7.14 |
| Industrials | 6.54 | -4.29 | 2.75 |
| Energy | -0.39 | -6.70 | -16.16 |
| Comm. Services | 6.48 | -8.72 | 6.63 |
| Info Tech | 9.69 | -15.13 | 2.42 |
| Con. Discretion | 4.65 | -16.85 | 4.07 |

Municipal Yields - Bloomberg/Barclays Index

| Issue Type | Latest Close | Week Ago | 1-Year Ago |
|----------------|--------------|----------|------------|
| U.S. AAA | 4.10 | 3.45 | 3.52 |
| U.S. AA | 4.18 | 3.50 | 3.54 |
| U.S. A | 4.52 | 3.85 | 3.93 |
| U.S. Baa | 5.00 | 4.35 | 4.48 |
| U.S. Municipal | 4.29 | 3.62 | 3.68 |
| Michigan | 4.41 | 3.74 | 3.85 |

| Index Characteristics | P/E NTM | P/E NTM 10yr-Avg. | Dividend Yield |
|-----------------------|---------|-------------------|----------------|
| S&P 500 - Large Cap | 19.40 | 18.63 | 1.36 |
| S&P 400 - Mid Cap | 13.77 | 15.98 | 1.60 |
| S&P 600 - Small Cap | 13.18 | 15.43 | 1.90 |