



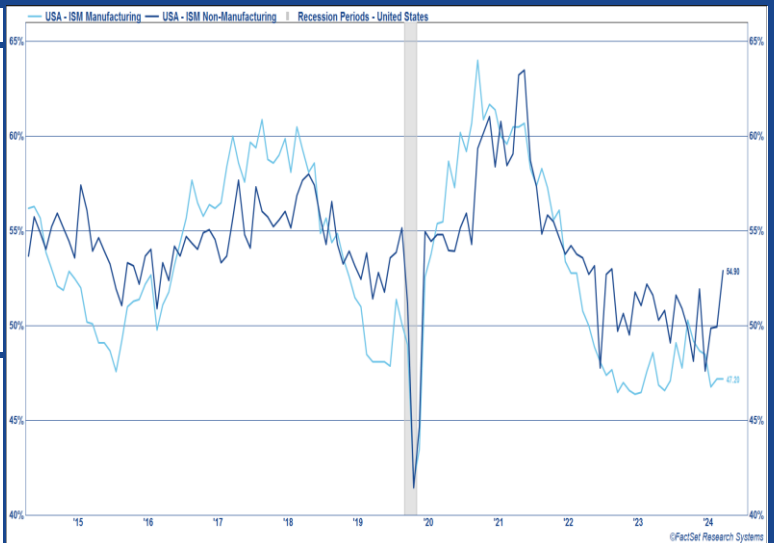
Economic & Market Commentary

Stocks were mixed last week and those that were in positive territory had fractional gains. Economic data released last week came in stronger than expected, sending bond yields sharply higher. The yield on the 10-Year treasury rose from 3.79% to 3.98% and as of this morning stands slightly north of 4.0%. Labor measures were the primary cause of higher yields as many reports came in stronger than expected. The Job Openings and Labor Turnover (JOLTS) report for August saw job openings rise to 8.0 million from the prior's month level of 7.7 million, which came as a surprise. Job openings still exceed the number of unemployed - 6.8 million. Back in April 2022 there were 11.8 million job openings and the ratio of openings to unemployed was 2-to-1. Weekly initial claims printed another, albeit low, in-line consensus number after the prior week's reading which was the lowest since May. Typically, initial jobless claims rise as the labor market is weakening but this still is not the case. September non-farm payrolls came in much stronger than expected at 254,000 vs 140,000 which is the highest print since last March. July and August numbers were revised higher as well at +55,000 and +17,000, respectively. Over the past 12 months, monthly job gains have averaged a healthy +203,000. Employment rose in food/drink services +69,000, health care +45,000, government +31,000, social services +27,000, and construction +25,000. The unemployment rate dipped to +4.1% and average hourly earnings rose +0.4% for the month and were up +4.0% y/y. September ISM Services came in much stronger than expected at 54.9% vs 51.5%. September's posting is the highest since February 2023. New orders were stronger, rising 6.4 percentage points to 59.4%, and prices paid index posted a surprise increase of 2.1 percentage points to 59.4%. These strong numbers pushed bond yields higher and greatly dampened Fed rate-cut expectations for November and December.

Index Total Returns - October 4, 2024

	1-Wk	YTD	1-Yr
S&P 500	0.26	21.87	36.12
NASDAQ	0.12	21.51	38.27
MSCI-Emerging	0.42	17.72	26.97
Dow Jones	0.13	14.03	28.96
S&P 400	0.03	13.42	26.66
MSCI-Developed	-3.73	10.45	21.96
Russell 2000	-0.48	10.32	25.80
Barclay's U.S. Bond Index			
High Yield	-0.15	7.82	15.54
Int. Gov. Credit	-0.94	3.88	8.61
Aggregate	-1.24	3.40	10.45
Municipal	0.03	2.27	10.35
5-year Muni	0.03	2.22	7.56

ISM Manufacturing & Services



U.S. Treasury Yields

Treasury Yields	Latest Close	Week Ago	1-Year Ago
U.S. 1-Yr	4.19	3.92	5.42
U.S. 2-Yr	3.92	3.56	5.06
U.S. 3-Yr	3.83	3.48	4.85
U.S. 5-Yr	3.81	3.50	4.72
U.S. 10-Yr	3.98	3.75	4.73
U.S. 30-Yr	4.26	4.10	4.86

S&P 500 Sector Total Returns - October 4, 2024

Sector	1-Wk	YTD	1-Yr
Utilities	1.09	31.50	42.76
Comm. Services	2.23	30.64	44.95
Info Tech	0.07	29.65	51.90
Financials	1.14	22.89	40.12
Industrials	0.53	20.24	35.93
Consumer Staples	-1.54	16.78	23.26
Energy	7.01	15.01	7.03
Con. Discretion	-1.24	12.81	26.83
Health Care	-0.89	12.64	19.86
Materials	-1.93	12.60	23.51
Real Estate	-1.76	11.35	32.31

Municipal Yields - Bloomberg/Barclays Index

Issue Type	Latest Close	Week Ago	1-Year Ago
U.S. AAA	3.19	3.18	4.19
U.S. AA	3.21	3.19	4.22
U.S. A	3.57	3.56	4.71
U.S. Baa	4.08	4.08	5.25
U.S. Municipal	3.34	3.32	4.39
Michigan	3.50	3.47	4.53

Index Characteristics	P/E NTM	P/E NTM 10yr-Avg.	Dividend Yield
S&P 500 - Large Cap	21.65	18.32	1.22
S&P 400 - Mid Cap	15.99	15.87	1.36
S&P 600 - Small Cap	15.47	15.48	1.59