



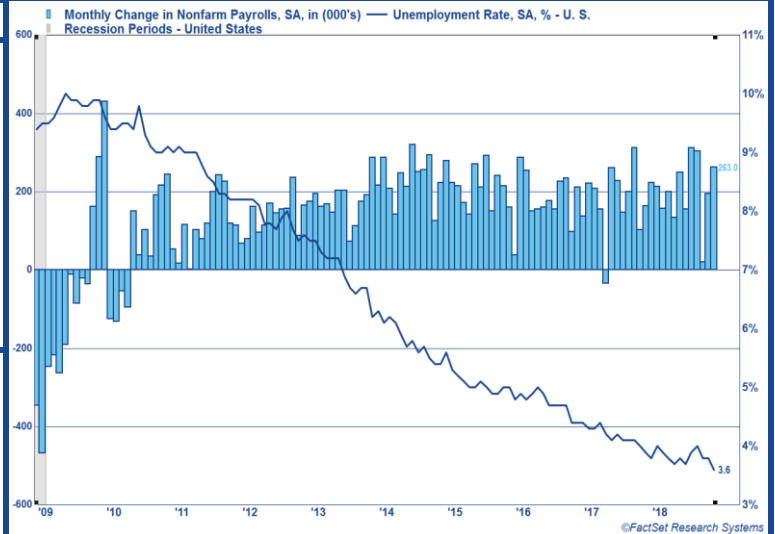
Economic & Market Commentary

Stock markets traded lower for most of last week until Friday's strong jobs report sent stocks sharply higher for the day and slightly higher for the week. Economic reports released last week were mixed as increases in April consumer confidence (129.2 vs. 124.2 March) and first quarter productivity (+3.6%) were offset by weaker April ISM Manufacturing (52.8% vs. March 55.3%) and Service (55.5% vs. March 56.1%) activity. The other driving force was the Fed as bond market participants construed Chairman Powell's press conference comments on inflation as being as more hawkish which sent most treasury yields higher for the week. The economic bright spot last week was the labor market which continues to remain very strong. To put how strong the labor market is into some perspective, let's go to the tape. According to the Bureau of Labor Statistics as of April 2019, the U.S. civilian non-institutional population is 258.7 million with a civilian labor force of 162.5 million. This equates to an employment participation rate of 62.8%, which is lower than the historical average of 65.4%. This rate was being skewed lower by demographics (retiring baby boomers) but has held steady of late due to the strong labor market. Of the civilian labor force, 156.6 million are employed and 5.8 million are unemployed, for an unemployment rate of 3.6%. This unemployment rate is the lowest since December 1969. The latest Job Openings and Labor Turnover report showed there are more job openings available (7.1 million) than unemployed (5.8 million). As has been the case for some time now, employers are having a hard time filling skilled and unskilled jobs, which has resulted in the strongest average hourly wage gains in over a decade ($\geq +3.0\%$). Since October 2010, employment has increased by 18.2 million.

Total Returns - May 6, 2019

Stock Index	1-Wk	YTD	1-Yr
NASDAQ	0.23	23.43	16.45
Russell 2000	1.42	20.19	5.80
S&P 400	0.38	19.71	7.54
S&P 500	0.22	18.26	14.28
Dow Jones	-0.14	14.41	13.35
MSCI-Developed	0.29	13.00	-2.54
MSCI-Emerging	0.47	12.63	-2.50
Barclay's U.S. Bond Index			
High Yield	0.13	8.80	6.90
Municipal	0.20	3.41	5.94
Aggregate	-0.06	2.90	5.33
Int. Gov. Credit	-0.10	2.35	4.82
5-year Muni	0.14	2.22	4.78

U.S. Labor Market



U.S. Treasury Yields

Treasury Yields	Latest Close	Week Ago	1-Year Ago
U.S. 1-Yr	2.41	2.43	2.24
U.S. 2-Yr	2.32	2.27	2.48
U.S. 3-Yr	2.31	2.25	2.62
U.S. 5-Yr	2.33	2.29	2.78
U.S. 10-Yr	2.53	2.50	2.95
U.S. 30-Yr	2.93	2.92	3.12

S&P 500 - Sector Total Returns - May 6, 2019

Sector	1-Wk	YTD	1-Yr
Info Tech	0.35	27.75	20.84
Communication Services	-1.76	21.39	19.11
Consumer Discretionary	-0.32	22.61	18.32
Industrials	1.16	22.48	12.22
Financials	1.27	18.53	6.48
Real Estate	1.02	18.03	21.95
Energy	-3.22	12.97	-9.75
Materials	-0.67	12.76	1.54
Consumer Staples	0.78	14.21	21.17
Utilities	0.37	11.09	17.74
Health Care	1.27	4.76	14.12

Municipal Yields - Bloomberg/Barclays Index

Issue Type	Latest Close	Week Ago	1-Year Ago
U.S. AAA	2.05	2.06	2.53
U.S. AA	2.14	2.16	2.62
U.S. A	2.47	2.49	2.96
U.S. Baa	3.11	3.15	3.63
U.S. Municipal	2.29	2.31	2.78
Michigan	2.35	2.39	2.84

Index Characteristics	P/E	P/E NTM	Dividend Yield
S&P 500 - Large Cap	16.99	14.82	1.85
S&P 400 - Mid Cap	16.20	15.64	1.49
S&P 600 - Small Cap	17.32	15.53	1.49