



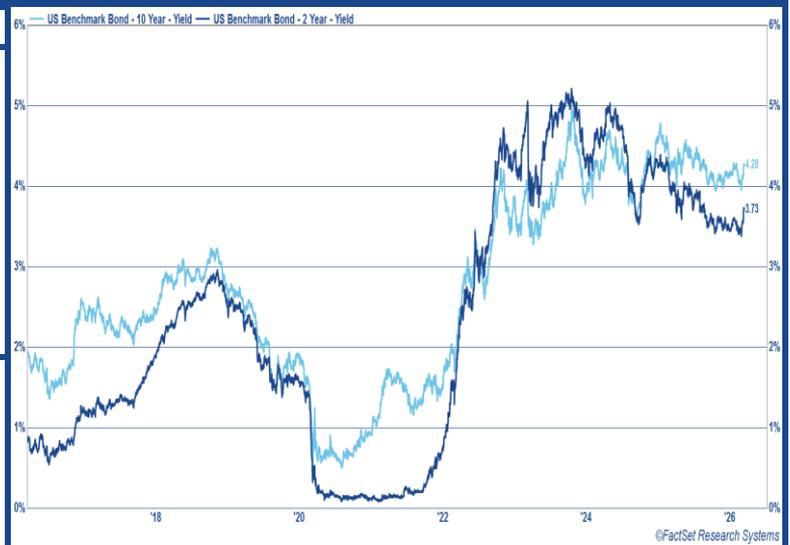
Economic & Market Commentary

Last week, stock and bond markets entered modestly negative territory for the year, primarily due to ongoing repercussions from the Iran conflict. Oil prices began the week near \$100 per barrel, decreased amid relief efforts, but ultimately remained unchanged as supply concerns persisted. Investor anxiety continues to intensify regarding oil supply disruptions. Crude oil plays a critical role in the global economy, serving as an essential input for numerous industries, including fuel and energy, plastics and packaging, textiles, personal care products, household goods, medical supplies, recreation, transportation, and even various food products such as preservatives, flavorings (yum), and chewing gum (Doublemint yum). While crude oil is refined into fuels like gasoline, diesel, jet fuel, and heating oil, a substantial portion—often exceeding half of each barrel—is allocated to petrochemical feedstocks. These feedstocks facilitate the production of thousands of everyday products through processes involving compounds such as ethylene, propylene, benzene, and toluene. Globally, approximately 100 million barrels of crude oil are consumed daily, with 20-25% transported via the Strait of Hormuz. Iran's closure of this critical passage has effectively halted nearly all tanker traffic, resulting in the largest supply disruption on record, as Gulf countries have reduced output by at least eight million barrels per day. The length of the Strait's closure remains a major source of uncertainty. A prompt resolution could rapidly stabilize prices and minimize economic consequences, whereas a prolonged interruption may lead to sustained inflation and broader economic challenges. Historically, unexpected supply shocks, such as the Arab Oil Embargo (1973-74), Iranian Revolution (1978-79), Iran/Iraq War (1980-81), and Gulf War (1990-91), have resulted in production reductions of 5-10%, inflation increases of 3-7%, and recessions ranging from -0.5% to -3%. Developments in the conflict over the coming weeks will be pivotal in shaping market trends and economic growth.

Index Total Returns - March 13, 2026

| | 1-Wk | YTD | 1-Yr |
|----------------------------------|-------|-------|-------|
| MSCI-Emerging | -1.96 | 4.84 | 35.71 |
| S&P 400 | -1.98 | 1.33 | 18.65 |
| MSCI-Developed | -2.02 | 0.61 | 21.79 |
| Russell 2000 | -1.75 | 0.14 | 26.08 |
| Dow Jones | -1.91 | -2.75 | 16.05 |
| S&P 500 | -1.56 | -2.86 | 21.65 |
| NASDAQ | -1.23 | -4.77 | 28.58 |
| Barclay's U.S. Bond Index | | | |
| 5-year Muni | -0.36 | 0.92 | 4.86 |
| Municipal | -0.68 | 0.73 | 4.94 |
| Int. Gov. Credit | -0.58 | -0.03 | 4.90 |
| Aggregate | -0.92 | -0.16 | 4.71 |
| High Yield | -0.77 | -0.51 | 7.18 |

U.S. Treasury Yields



U.S. Treasury Yields

| Treasury Yields | Latest Close | Week Ago | 1-Year Ago |
|-----------------|--------------|----------|------------|
| U.S. 1-Yr | 3.63 | 3.54 | 4.03 |
| U.S. 2-Yr | 3.73 | 3.56 | 3.95 |
| U.S. 3-Yr | 3.75 | 3.59 | 3.94 |
| U.S. 5-Yr | 3.87 | 3.73 | 4.02 |
| U.S. 10-Yr | 4.28 | 4.15 | 4.26 |
| U.S. 30-Yr | 4.91 | 4.77 | 4.58 |

S&P 500 Sector Total Returns - March 13, 2026

| Sector | 1-Wk | YTD | 1-Yr |
|------------------|-------|--------|-------|
| Energy | 2.16 | 29.21 | 37.74 |
| Consumer Staples | -0.17 | 10.48 | 13.02 |
| Utilities | 0.48 | 10.04 | 24.89 |
| Materials | -1.48 | 7.89 | 18.16 |
| Industrials | -3.13 | 6.18 | 29.73 |
| Real Estate | -1.30 | 5.49 | 8.82 |
| Comm. Services | -1.18 | -2.87 | 36.78 |
| Health Care | -1.95 | -3.20 | 6.03 |
| Info Tech | -0.82 | -6.62 | 31.63 |
| Con. Discretion | -2.95 | -7.90 | 15.57 |
| Financials | -3.38 | -10.74 | 4.54 |

Municipal Yields - Bloomberg/Barclays Index

| Issue Type | Latest Close | Week Ago | 1-Year Ago |
|----------------|--------------|----------|------------|
| U.S. AAA | 3.42 | 3.29 | 3.61 |
| U.S. AA | 3.43 | 3.31 | 3.64 |
| U.S. A | 3.80 | 3.68 | 4.01 |
| U.S. Baa | 4.46 | 4.35 | 4.51 |
| U.S. Municipal | 3.56 | 3.44 | 3.77 |
| Michigan | 3.70 | 3.58 | 3.86 |

| Index Characteristics | P/E NTM | P/E NTM 10yr-Avg. | Dividend Yield |
|-----------------------|---------|-------------------|----------------|
| S&P 500 - Large Cap | 20.66 | 19.25 | 1.14 |
| S&P 400 - Mid Cap | 15.71 | 16.42 | 1.29 |
| S&P 600 - Small Cap | 14.70 | 16.20 | 1.57 |