



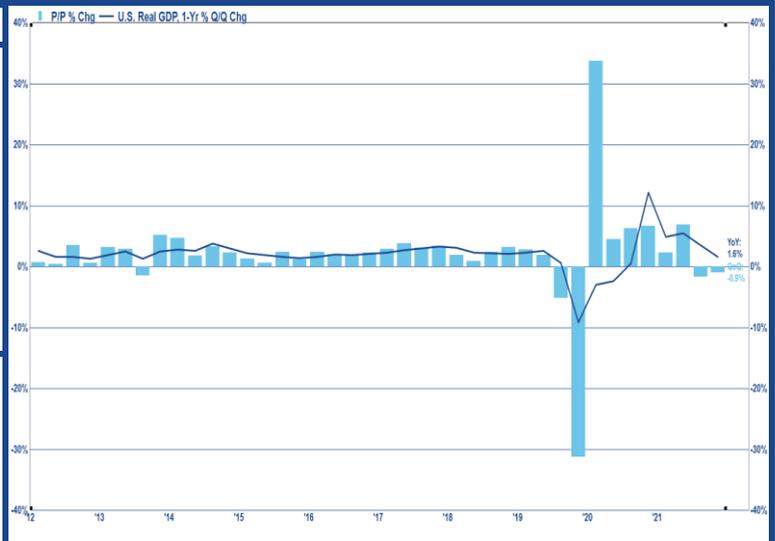
Economic & Market Commentary

Stock markets in July posted strong returns and the S&P 500 had its best month since November 2020. The majority of the rally occurred in the past two weeks as corporate earnings have held up better than expected. Also aiding the rally is the Federal Reserve which remains vigilant in tackling inflation, making it likely that peak inflation is behind us given the broad-based drop in commodity prices and widespread signs the economy is beginning to slowdown which should lead to lower demand. In fact, the first reading of 2Q22 U.S. GDP showed the economy shrank for the second consecutive quarter, which technically and commonly is the definition of a recession although historically recessions aren't officially labeled as such for months and sometimes up to a year later. Since 1929, the National Bureau of Economic Research (NBER) has been the institution to deem the country in recession and in 1978 formally created the Business Cycle Dating Committee. According to the NBER, the Business Cycle Dating Committee "maintains a chronology of US business cycles. The chronology identifies the dates of peaks and troughs that frame economic recessions and expansions. The NBER's definition emphasizes that a recession involves a significant decline in economic activity that is spread across the economy and lasts more than a few months. In our interpretation of this definition, we treat the three criteria - depth, diffusion, and duration- as somewhat interchangeable. A recession must influence the economy broadly and not be confined to one sector. The committee emphasizes economy-wide measures of economic activity which include real personal income, non-farm payrolls, employment as measured by household survey, real personal consumption expenditures, wholesale-retail sales and industrial production." The definition of recession has become rather political of late but keep this in mind, every time since 1948 that U.S. GDP has fallen for at least two straight quarters, the NBER has eventually declared a recession. Perhaps the redefining of economic history is next.

Index Total Returns - July 29, 2022

	1-Wk	YTD	1-Yr
Dow Jones	2.97	-8.60	-4.14
S&P 400	4.87	-10.81	-5.70
S&P 500	4.28	-12.58	-4.64
MSCI-Developed	2.11	-15.56	-14.32
MSCI-Emerging	0.41	-17.83	-20.09
Russell 2000	4.35	-15.43	-14.29
NASDAQ	4.72	-20.47	-14.95
Barclay's U.S. Bond Index			
5-year Muni	0.59	-3.79	-4.25
Int. Gov. Credit	0.60	-5.25	-6.48
Municipal	0.92	-6.58	-6.93
Aggregate	0.64	-8.16	-9.12
High Yield	1.53	-9.12	-8.02

U.S. GDP



U.S. Treasury Yields

Treasury Yields	Latest Close	Week Ago	1-Year Ago
U.S. 1-Yr	2.84	2.89	0.07
U.S. 2-Yr	2.90	2.99	0.20
U.S. 3-Yr	2.82	2.95	0.37
U.S. 5-Yr	2.70	2.88	0.73
U.S. 10-Yr	2.64	2.79	1.27
U.S. 30-Yr	2.98	3.00	1.91

S&P 500 Sector Total Returns - July 29, 2022

Sector	1-Wk	YTD	1-Yr
Energy	10.37	44.66	67.44
Utilities	6.51	4.92	15.58
Consumer Staples	1.65	-2.47	7.43
Health Care	2.00	-5.29	1.82
Industrials	5.71	-8.88	-6.03
Materials	4.10	-12.85	-5.06
Financials	2.99	-12.86	-5.97
Real Estate	4.88	-13.20	-1.64
Info Tech	5.09	-17.01	-5.51
Consumer Discretionary	5.55	-20.10	-10.29
Communication Services	2.49	-27.57	-28.96

Municipal Yields - Bloomberg/Barclays Index

Issue Type	Latest Close	Week Ago	1-Year Ago
U.S. AAA	2.47	2.62	0.72
U.S. AA	2.62	2.78	0.78
U.S. A	3.11	3.27	0.99
U.S. Baa	3.60	3.74	1.30
U.S. Municipal	2.79	2.94	0.87
Michigan	2.90	3.06	0.96

Index Characteristics	P/E NTM	P/E NTM 10yr-Avg.	Dividend Yield
S&P 500 - Large Cap	17.61	17.20	1.47
S&P 400 - Mid Cap	12.71	15.72	1.37
S&P 600 - Small Cap	12.23	16.39	1.34