



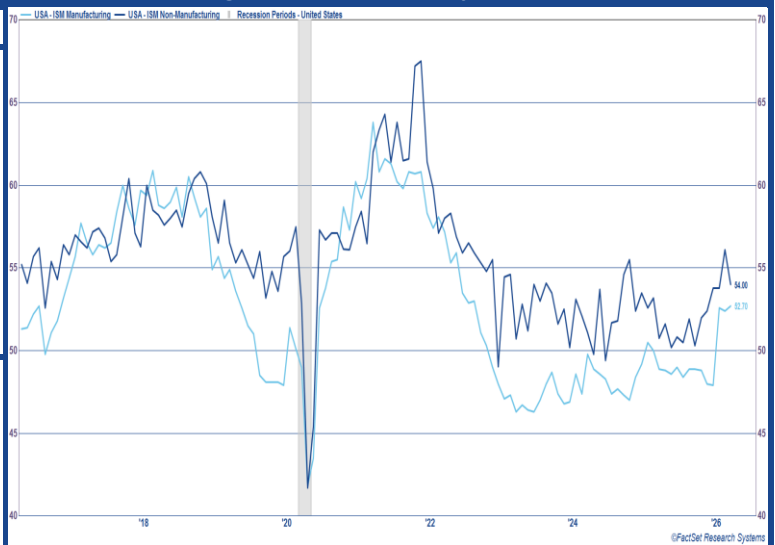
Economic & Market Commentary

Stocks climbed for the second week in a row, boosted by news of a ceasefire and growing optimism about artificial intelligence (AI). A two-week ceasefire was announced midweek to facilitate peace negotiations over the weekend, though doubts persisted due to disagreements on Strait of Hormuz tolls and management, ongoing missile exchanges, and questions about Lebanon's inclusion in the ceasefire. These concerns were justified, as talks between the U.S. and Iran ultimately failed. In the AI sector, Broadcom (AVGO) and Alphabet (GOOGL) announced a long-term partnership, META launched a new AI model, and Amazon (AMZN) reported robust demand for AI-powered services and custom chips, with an estimated annual run rate of \$35 billion. Economic data showed March ISM services at 54.0, below expectations of 54.9 and February's nearly four-year high of 56.1. New orders increased, and prices rose sharply, while respondent commentary remained mostly positive yet reflected geopolitical uncertainty. March CPI jumped +0.9% month-over-month and +3.3% year-over-year. Core CPI, excluding food and energy, grew +0.20% in March, pushing the annual pace to +2.6%. Energy prices soared +10.9%, with gasoline surging a record +21.2%. Aside from the spike in energy costs, March's CPI was similar to previous months. The final estimate for fourth-quarter U.S. GDP growth was revised down to +0.5% annualized from +0.7%, largely due to lower services consumption and the effects of the government shutdown. In April, preliminary University of Michigan Sentiment dropped to an all-time low of 47.6, with both current conditions and expectations falling, and one-year inflation expectations rising to +4.8%. Household budgets continued to feel the strain after five years of high inflation, and climbing gas prices exacerbated the situation. The first quarter of 2026 earnings season begins this week, with consensus predicting +12.6% growth compared to the first quarter of 2025.

Index Total Returns - April 10, 2026

	1-Wk	YTD	1-Yr
MSCI-Emerging	7.95	10.67	53.56
S&P 400	3.37	6.97	33.14
Russell 2000	3.99	6.33	45.54
MSCI-Developed	4.65	6.09	36.24
Dow Jones	3.07	0.15	23.09
S&P 500	3.58	-0.07	31.02
NASDAQ	4.68	-1.29	40.64
Barclay's U.S. Bond Index			
Municipal	0.83	0.97	6.48
High Yield	0.91	0.80	11.21
5-year Muni	0.44	0.61	5.37
Aggregate	0.12	0.29	6.25
Int. Gov. Credit	0.13	0.21	5.19

ISM Manufacturing and Service Activity



U.S. Treasury Yields

Treasury Yields	Latest Close	Week Ago	1-Year Ago
U.S. 1-Yr	3.69	3.67	3.97
U.S. 2-Yr	3.80	3.80	3.85
U.S. 3-Yr	3.83	3.82	3.88
U.S. 5-Yr	3.94	3.94	4.04
U.S. 10-Yr	4.32	4.30	4.40
U.S. 30-Yr	4.91	4.88	4.87

S&P 500 Sector Total Returns - April 10, 2026

Sector	1-Wk	YTD	1-Yr
Energy	-4.07	28.06	52.89
Materials	3.51	14.93	35.30
Industrials	4.69	10.91	40.79
Utilities	1.28	10.77	28.00
Consumer Staples	0.48	8.30	9.14
Real Estate	2.93	7.74	16.92
Comm. Services	5.89	0.04	47.99
Info Tech	4.82	-2.95	45.48
Health Care	0.36	-4.40	11.17
Con. Discretion	5.81	-4.47	23.17
Financials	2.50	-6.78	12.39

Municipal Yields - Bloomberg/Barclays Index

Issue Type	Latest Close	Week Ago	1-Year Ago
U.S. AAA	3.46	3.58	3.85
U.S. AA	3.49	3.61	3.92
U.S. A	3.87	3.98	4.27
U.S. Baa	4.47	4.59	4.75
U.S. Municipal	3.62	3.74	4.03
Michigan	3.76	3.87	4.16

Index Characteristics	P/E NTM	P/E NTM 10yr-Avg.	Dividend Yield
S&P 500 - Large Cap	20.51	19.28	1.12
S&P 400 - Mid Cap	16.00	16.40	1.27
S&P 600 - Small Cap	15.02	16.46	1.51