



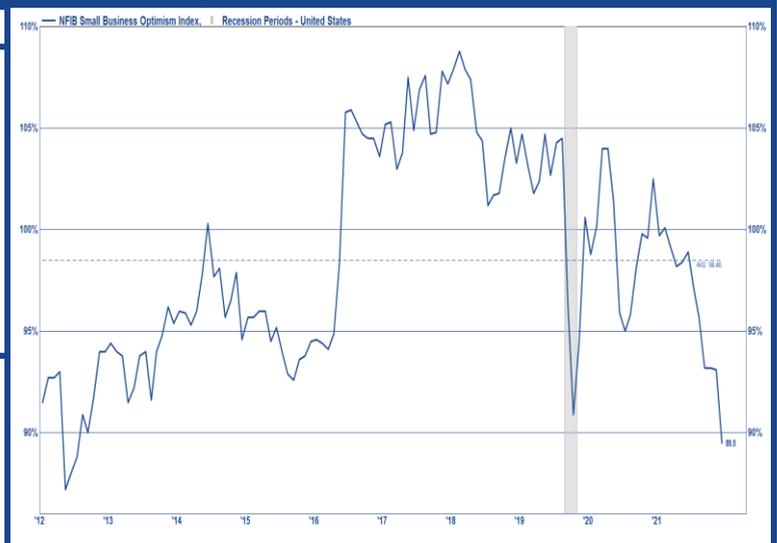
Economic & Market Commentary

There was a large amount of economic data to digest last week with retail sales being the lone bright spot. Small business optimism in June dropped 3.6 points to 89.5 and companies became much less optimistic about the economy as near-term business conditions expectations component fell seven points to 61%, which is the lowest level recorded in the NFIB Small Business Optimism Index's 48-year survey. Inflation continues to be the single most important problem for small businesses followed by the lack of available labor. It is not surprising that inflation is the largest problem as consumer and wholesale inflation in June reached new forty-year highs. Consumer prices rose 9.1% over the last twelve months while producer prices increased 11.3% and hotter than expected readings like these set the stage for another 0.75% by the Federal Reserve later this month. Because commodity prices have declined of late, it is possible headline consumer prices have peaked but the distressing part is that it appears prices at the core level, which exclude food and energy, are broadly rising as core CPI inflation in June rose to 0.7% from levels of 0.6% in April and May. Commodity prices have declined due to expectations of slower growth from Fed rate hikes and there are signs the slowdown is beginning. The Fed's Beige Book, which surveys the pulse of regional economic activity, cited "the economy continues to expand at a modest pace, however, several Districts reported growing signs of a slowdown in demand, and contacts in five Districts noted concerns over an increased risk of recession." Additional signs of pending economic weakness include a modest rise in weekly initial jobless claims and weak earnings from major banks which are increasing their loss reserves as their outlook on the economy darkens.

Index Total Returns - July 15, 2022

	1-Wk	YTD	1-Yr
Dow Jones	-0.16	-12.97	-8.82
S&P 400	-0.69	-18.26	-11.76
S&P 500	-0.91	-18.27	-10.09
MSCI-Emerging	-3.69	-20.54	-26.70
MSCI-Developed	-1.75	-20.81	-19.31
Russell 2000	-1.40	-21.76	-19.40
NASDAQ	-1.57	-26.50	-20.70
Barclay's U.S. Bond Index			
5-year Muni	0.24	-4.56	-4.76
Int. Gov. Credit	0.35	-6.61	-7.52
Municipal	0.31	-7.65	-7.88
Aggregate	0.89	-9.80	-10.41
High Yield	0.26	-12.66	-11.51

Small Business Optimism Index



U.S. Treasury Yields

Treasury Yields	Latest Close	Week Ago	1-Year Ago
U.S. 1-Yr	2.98	2.83	0.07
U.S. 2-Yr	3.13	3.12	0.23
U.S. 3-Yr	3.14	3.15	0.42
U.S. 5-Yr	3.05	3.14	0.78
U.S. 10-Yr	2.93	3.10	1.30
U.S. 30-Yr	3.10	3.27	1.92

S&P 500 Sector Total Returns - July 15, 2022

Sector	1-Wk	YTD	1-Yr
Energy	-3.04	26.58	44.39
Utilities	-0.10	-1.05	9.55
Consumer Staples	0.11	-4.54	6.15
Health Care	-0.39	-6.84	3.08
Industrials	-1.21	-17.23	-14.18
Financials	-0.89	-17.79	-11.49
Materials	-1.29	-19.62	-10.64
Real Estate	-0.43	-19.66	-8.52
Info Tech	-0.32	-23.78	-12.32
Communication Services	-3.26	-28.50	-28.70
Consumer Discretionary	-1.04	-29.13	-21.24

Municipal Yields - Bloomberg/Barclays Index

Issue Type	Latest Close	Week Ago	1-Year Ago
U.S. AAA	2.66	2.71	0.76
U.S. AA	2.82	2.86	0.81
U.S. A	3.29	3.35	1.01
U.S. Baa	3.79	3.86	1.35
U.S. Municipal	2.98	3.03	0.90
Michigan	3.09	3.16	0.97

Index Characteristics	P/E	P/E NTM	Dividend Yield
S&P 500 - Large Cap	16.29	17.18	1.57
S&P 400 - Mid Cap	11.58	15.74	1.50
S&P 600 - Small Cap	11.35	16.40	1.46