



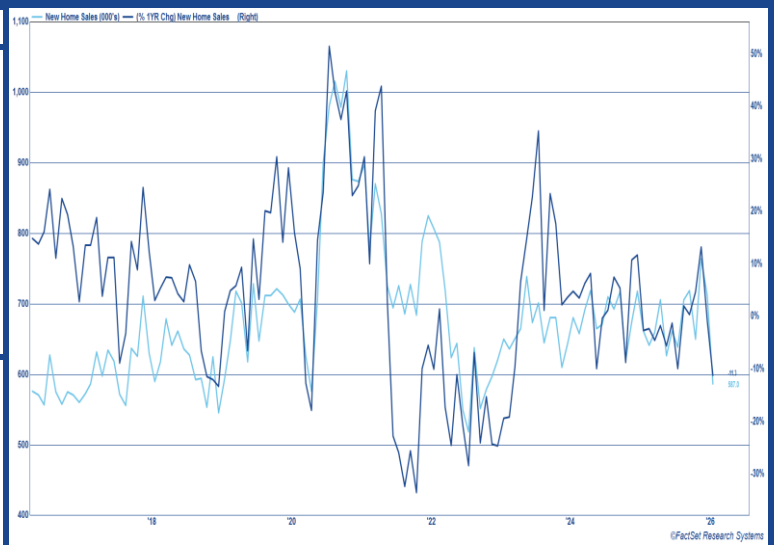
Economic & Market Commentary

Stocks climbed for the third week in a row boosted by conflict resolution optimism as the S&P 500, Russell 2000, and NASDAQ all closed at new all-time highs. Last week featured a light slate of U.S. data releases amid ongoing geopolitical tensions from the U.S.-Iran conflict, which drove energy price volatility and contributed to headline inflation pressures. Overall, the economy demonstrated resilience: regional manufacturing expanded solidly, the labor market stayed tight with low jobless claims, and core inflation measures remained contained despite energy-driven headline spikes. Housing activity continued to face headwinds from affordability and mortgage rates, while small businesses reported heightened caution. Existing-home sales declined 3.6% month-over-month to a seasonally adjusted annual rate of 3.98 million units—the lowest since June 2025. Median sales price hit a record of \$408,800 (+1.4% year-over-year) amid tight inventory (1.36 million units, or 4.1 months' supply). Sales fell across all regions, reflecting softer demand from lower consumer confidence and elevated rates. Final demand PPI rose 0.5% m/m (below consensus of 1.1%), lifting the year-over-year rate to 4.0%—the highest since February 2023. The increase was almost entirely driven by energy (+8.5%, with gasoline +15.7%); core PPI (ex-food, energy, trade services) advanced a modest 0.2% m/m, with services flat. Initial jobless claims held steady at 207,000, underscoring ongoing resilience with minimal layoffs. The NFIB Small Business Optimism Index declined 3.0 points in March to 95.8, falling below its 52-year historical average of 98.0 for the first time since April 2025. Energy cost spikes were cited as a key factor pressuring margins, though labor quality and taxes remained a top concern. Multiple Fed official speeches emphasized data-dependence; no major policy shifts signaled; bond market still forecasting low chance of near-term rate cuts.

Index Total Returns - April 17, 2026

	1-Wk	YTD	1-Yr
MSCI-Emerging	3.23	14.24	52.74
Russell 2000	5.57	12.26	49.60
S&P 400	3.52	10.74	34.80
MSCI-Developed	2.20	8.42	33.46
NASDAQ	6.84	5.46	51.19
S&P 500	4.55	4.47	36.58
Dow Jones	3.19	3.35	28.49
Barclay's U.S. Bond Index			
High Yield	0.66	1.47	10.41
Municipal	0.31	1.28	7.40
Aggregate	0.55	0.84	6.10
5-year Muni	0.12	0.73	5.87
Int. Gov. Credit	0.46	0.67	5.14

New Home Sales



U.S. Treasury Yields

Treasury Yields	Latest Close	Week Ago	1-Year Ago
U.S. 1-Yr	3.63	3.69	3.98
U.S. 2-Yr	3.70	3.80	3.80
U.S. 3-Yr	3.72	3.83	3.80
U.S. 5-Yr	3.84	3.94	3.94
U.S. 10-Yr	4.24	4.32	4.33
U.S. 30-Yr	4.88	4.91	4.80

S&P 500 Sector Total Returns - April 17, 2026

Sector	1-Wk	YTD	1-Yr
Energy	-3.50	23.58	39.40
Materials	-0.37	14.51	30.41
Industrials	1.16	12.20	40.42
Real Estate	3.94	11.99	15.39
Utilities	-1.69	8.89	22.06
Consumer Staples	-0.04	8.26	5.64
Comm. Services	6.28	6.33	60.29
Info Tech	8.09	4.89	59.13
Con. Discretion	6.64	1.87	34.26
Health Care	0.98	-3.46	11.86
Financials	3.28	-3.73	14.21

Municipal Yields - Bloomberg/Barclays Index

Issue Type	Latest Close	Week Ago	1-Year Ago
U.S. AAA	3.43	3.46	3.95
U.S. AA	3.46	3.49	4.02
U.S. A	3.83	3.87	4.38
U.S. Baa	4.43	4.47	4.86
U.S. Municipal	3.59	3.62	4.14
Michigan	3.71	3.76	4.25

Index Characteristics	P/E NTM	P/E NTM 10yr-Avg.	Dividend Yield
S&P 500 - Large Cap	21.29	19.32	1.07
S&P 400 - Mid Cap	16.55	16.40	1.23
S&P 600 - Small Cap	15.62	16.46	1.46