



**Economic & Market Commentary**

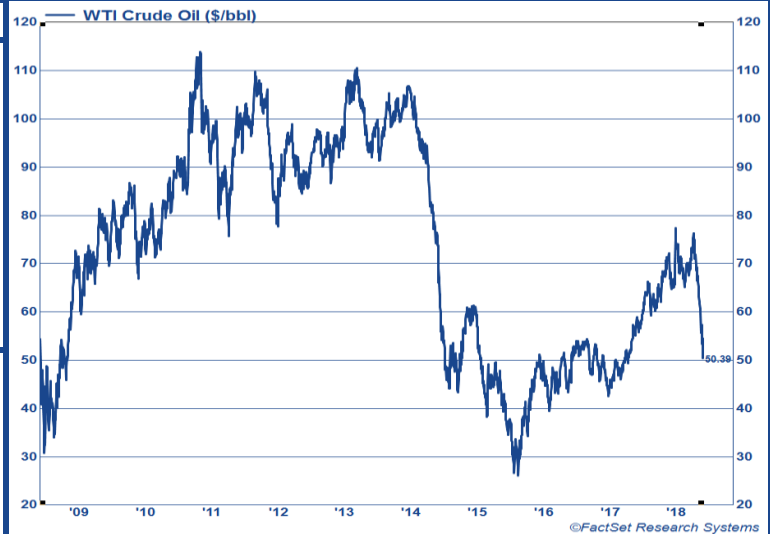
-Last Monday, the National Association of Home Builders (NAHB) reported that in November the Housing Market Index, which measures builder confidence, fell 8 percentage points to a level of 60. The index fell in large part due to rising affordability issues related to higher mortgage rates and home prices. NAHB Chief Economist Robert Dietz commented, "For the past several years, shortages of labor and lots along with rising regulatory costs have led to a slow recover in the single-family construction. While home price growth accommodated increasing construction costs during this period, rising mortgage interest rates in recent months coupled with the cumulative run-up in pricing has caused housing demand to stall. Recent policy statements on economic conditions have lacked commentary on housing, even as housing affordability has hit a ten-year low. Given that housing leads the economy, policymakers need to focus more on residential market conditions." This abrupt deterioration in builder confidence sent stocks sharply lower on Monday and set the tone for the week. The S&P 500 Index finished the week in correction territory for the second time this year (first time last February) as it has fallen -10.2% from its recent closing high of 2,930.75 on September 20, 2018.

-You've likely noticed the recent decline in prices at the gas pump and last week oil prices continued their spiral lower hitting levels not seen since October of last year. Over the past two months, the combination of slowing global demand and high levels of production have sent oil prices into a bear market as prices have declined -34.9% to \$50.39 from its recent high of \$77.41 on June 27, 2018. Oil producers have been in talks to lower oil production but no agreements have been reached.

**Total Returns - November 23, 2018**

Stock Index	1-Wk	YTD	1-Yr
NASDAQ	-4.25	1.49	2.10
Dow Jones	-4.40	0.26	5.56
S&P 500	-3.77	0.19	3.34
Russell 2000	-2.53	-2.00	-0.59
S&P 400	-2.15	-2.66	-0.23
MSCI-Developed	-1.09	-10.26	-8.14
MSCI-Emerging	-1.73	-14.51	-14.18
<b>Barclay's U.S. Bond Index</b>			
5-year Muni	0.12	0.31	0.21
High Yield	-0.29	-0.37	0.11
Municipal	0.22	-0.45	0.14
Int. Gov. Credit	0.05	-0.54	-0.68
Aggregate	0.03	-1.92	-1.86

**Oil Prices**



**U.S. Treasury Yields**

Treasury Yields	Latest Close	Week Ago	1-Year Ago
U.S. 1-Yr	2.67	2.68	1.62
U.S. 2-Yr	2.82	2.80	1.77
U.S. 3-Yr	2.83	2.86	1.88
U.S. 5-Yr	2.87	2.89	2.10
U.S. 10-Yr	3.04	3.07	2.36
U.S. 30-Yr	3.30	3.33	2.77

**S&P 500 - Sector Total Returns - November 23, 2018**

Sector	1-Wk	YTD	1-Yr
Health Care	-2.61	9.90	11.73
Utilities	-1.35	5.53	0.52
Consumer Discretionary	-4.25	3.28	8.27
Real Estate	-1.46	2.73	1.94
Info Tech	-6.07	2.63	1.71
Consumer Staples	-2.35	-2.10	2.33
Financials	-2.93	-5.66	0.87
Industrials	-3.17	-6.75	-0.97
Energy	-5.00	-9.39	-2.92
Communication Services	-4.00	-10.59	0.32
Materials	-3.48	-10.67	-7.37

**Municipal Yields - Bloomberg/Barclays Index**

Issue Type	Latest Close	Week Ago	1-Year Ago
U.S. AAA	2.70	2.73	2.09
U.S. AA	2.81	2.84	2.18
U.S. A	3.16	3.19	2.60
U.S. Baa	3.77	3.81	3.24
U.S. Municipal	2.96	2.99	2.35
Michigan	3.03	3.07	2.48

Index Characteristics	P/E	P/E NTM	Dividend Yield
S&P 500 - Large Cap	15.12	14.61	1.95
S&P 400 - Mid Cap	14.77	15.34	1.60
S&P 600 - Small Cap	15.60	15.39	1.48