



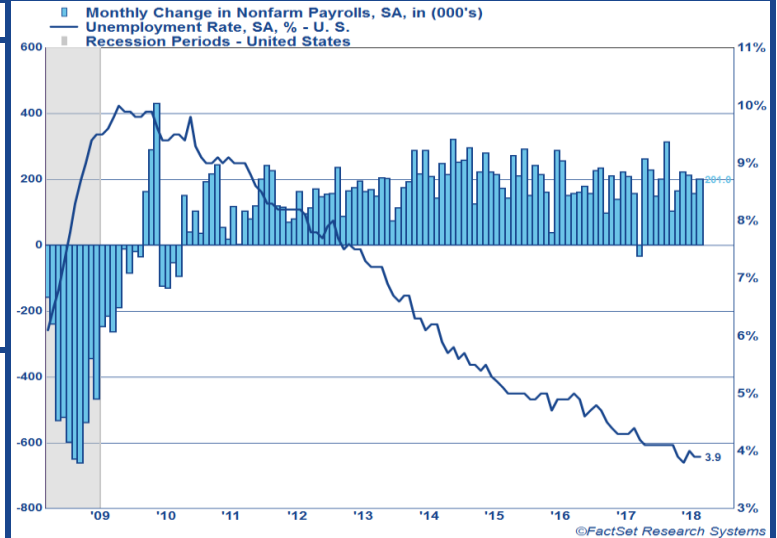
**Economic & Market Commentary**

September got off to a rough start as bonds and stocks finished lower for the week. The S&P 500, NASDAQ and Russell 2000 traded lower every day last week. Despite solid economic data, the stock market was pressured by trade concerns, concerns of a global growth slowdown and a sell-off in Technology stocks. The trade rhetoric last week centered on the increasing likelihood of the U.S. imposing an additional \$200 billion worth of tariffs on Chinese goods. After several trade related tweets this weekend from President Trump, it is really a question of when these new tariffs will be imposed as opposed to if they will be imposed. Additionally, the Wall Street Journal reported last week President Trump's next target for trade is likely to be Japan. A couple of reports last week raised concerns of a potential slowdown in global growth. The August IHS Markit PMI report cited "new export orders rose at a rate unchanged on July's near two year low." The Wall Street Journal reported European Union 2Q18 GDP increased at an annual rate of 1.5% and noted "for the second straight quarter, trade was a drag on economic growth, as imports rose at almost twice the pace of exports." The MSCI Emerging Markets Index fell into bear market territory as financial pressures on emerging market countries continued to mount, spawning fears of potential contagion into developed nations. The Information Technology sector was the clear loser last week declining -2.91%. Although Tech remains a top performing sector on a year-to-date basis, the sector was under pressure due to stretched valuations as well as heightened regulatory scrutiny. Over the past few months, there appears to be sector rotation into defensive positioning as Consumer Staples, Telecommunications and Utilities total returns have bested Info Tech, Industrials and Financials. Bond yields rose as the August labor report showed wages grew 2.9% y/y, the fastest pace in nine years.

**Total Returns - September 7, 2018**

Stock Index	1-Wk	YTD	1-Yr
NASDAQ	-2.53	15.32	24.81
Russell 2000	-1.57	12.47	24.05
S&P 500	-0.98	8.86	18.77
S&P 400	-0.83	7.77	20.17
Dow Jones	-0.14	6.58	21.67
MSCI-Developed	-2.83	-5.05	0.44
MSCI-Emerging	-3.06	-10.03	-3.98
<b>Barclay's U.S. Bond Index</b>			
High Yield	-0.13	1.86	3.02
5-year Muni	-0.24	0.41	-1.13
Municipal	-0.27	-0.02	-0.06
Int. Gov. Credit	-0.26	-0.62	-1.52
Aggregate	-0.45	-1.40	-1.79

**U.S. Labor Market**



**U.S. Treasury Yields**

Treasury Yields	Latest Close	Week Ago	1-Year Ago
U.S. 1-Yr	2.51	2.47	1.24
U.S. 2-Yr	2.69	2.62	1.31
U.S. 3-Yr	2.77	2.69	1.41
U.S. 5-Yr	2.82	2.73	1.69
U.S. 10-Yr	2.94	2.85	2.11
U.S. 30-Yr	3.10	3.01	2.72

**S&P 500 - Sector Total Returns - September 7, 2018**

Sector	1-Wk	YTD	1-Yr
Consumer Discretionary	-1.19	17.97	30.98
Info Tech	-2.91	17.50	29.21
Health Care	-0.28	13.00	14.59
Utilities	1.14	4.51	1.60
Industrials	0.65	3.26	14.76
Real Estate	-1.23	3.15	4.22
Energy	-2.18	2.47	15.60
Financials	-0.07	2.30	20.63
Materials	-0.50	-1.16	9.80
Consumer Staples	1.09	-3.29	0.92
Telecom Services	0.07	-3.29	8.43

**Municipal Yields - Bloomberg/Barclays Index**

Issue Type	Latest Close	Week Ago	1-Year Ago
U.S. AAA	2.50	2.43	1.73
U.S. AA	2.60	2.54	1.85
U.S. A	2.94	2.87	2.33
U.S. Baa	3.50	3.43	3.04
U.S. Municipal	2.74	2.68	2.04
Michigan	2.85	2.79	2.15

Index Characteristics	P/E NTM	P/E NTM 10yr-Avg.	Dividend Yield
S&P 500 - Large Cap	16.71	14.49	1.76
S&P 400 - Mid Cap	16.63	15.23	1.41
S&P 600 - Small Cap	18.03	15.18	1.23