



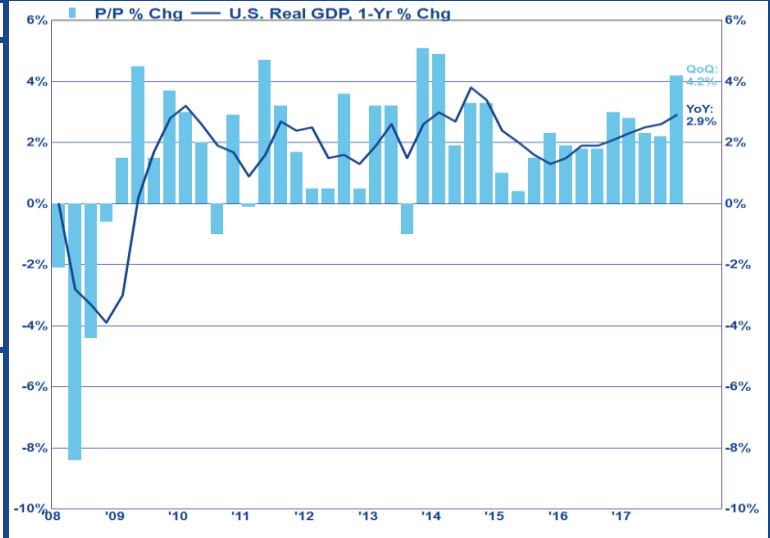
Economic & Market Commentary

Stocks finished the last week of August on a positive note rising modestly while bonds mostly lagged. For the month of August, U.S. stocks rose sharply as returns were propelled higher by positive developments on trade and continued solid readings on the economy. Tariff fears were lessened as China and the U.S. held low level talks in advance of a November meeting between China President Xi and President Trump. Additionally, after lengthy trade negotiations, the U.S. and Mexico reached a tentative trade agreement and the U.S. is currently negotiating a new trade agreement with Canada as well. Economic data during the month pointed to continued economic expansion as consumer and business confidence remained high, the labor market remained strong, inflation trended higher but did not accelerate, survey indicator readings remained expansionary, and 2Q18 GDP was revised slightly higher to 4.2% from 4.1%. The one area of weakness was housing as both existing and new homes sales declined during the month. The NASDAQ Index led the way last month rising +5.9% followed by the Russell 2000 (+4.3%), the S&P 500 (+3.3%), the S&P 400 (+3.2%) and the Dow Jones Industrial Index (+2.6%). International stocks lagged during the month with MSCI-Developed Index declining -1.9% and the MSCI-Emerging Market Index declining -2.7%. Sector wise within the S&P 500 for August, the Information Technology sector continued to lead the way advancing +6.9% followed by Consumer Discretion (+5.1%) and Health Care (+4.4%). The Energy and Material sectors were the laggards declining -3.3% and -0.5% respectively. Bonds were slightly higher for the month as the Bloomberg Barclays U.S. Aggregate Index advanced +0.6% and the Bloomberg Barclays U.S. High Yield Corporate Index rose +0.7%. The yield on the 10-yr Treasury declined 12 basis points (bps) to 2.85%, and the yield curve spread between 2's and 10's flattened 7 bps to 23 bps.

Total Returns - August 31, 2018

Stock Index	1-Wk	YTD	1-Yr
NASDAQ	2.07	18.31	27.45
Russell 2000	0.91	14.26	25.45
S&P 500	0.98	9.94	19.66
S&P 400	0.51	8.68	20.00
Dow Jones	0.79	6.73	21.00
MSCI-Developed	0.28	-2.28	4.39
MSCI-Emerging	0.60	-7.18	-0.68
Barclay's U.S. Bond Index			
High Yield	0.08	2.00	3.40
5-year Muni	-0.09	0.66	-0.74
Municipal	-0.03	0.25	0.49
Int. Gov. Credit	-0.02	-0.36	-1.01
Aggregate	-0.12	-0.96	-1.05

U.S. GDP



U.S. Treasury Yields

Treasury Yields	Latest Close	Week Ago	1-Year Ago
U.S. 1-Yr	2.47	2.44	1.23
U.S. 2-Yr	2.62	2.61	1.33
U.S. 3-Yr	2.69	2.68	1.44
U.S. 5-Yr	2.73	2.72	1.72
U.S. 10-Yr	2.85	2.82	2.13
U.S. 30-Yr	3.01	2.97	2.74

S&P 500 - Sector Total Returns - August 31, 2018

Sector	1-Wk	YTD	1-Yr
Info Tech	2.04	21.03	32.77
Consumer Discretionary	1.85	19.39	32.27
Health Care	1.06	13.31	16.12
Energy	-0.14	4.75	22.10
Utilities	-0.49	3.33	0.71
Real Estate	0.87	4.44	6.31
Industrials	0.50	2.59	13.16
Financials	0.36	2.37	16.92
Materials	0.48	-0.66	9.96
Telecom Services	-1.57	-3.36	3.65
Consumer Staples	-0.41	-4.33	1.00

Municipal Yields - Bloomberg/Barclays Index

Issue Type	Latest Close	Week Ago	1-Year Ago
U.S. AAA	2.43	2.40	1.77
U.S. AA	2.54	2.51	1.88
U.S. A	2.87	2.85	2.36
U.S. Baa	3.43	3.42	3.14
U.S. Municipal	2.68	2.65	2.08
Michigan	2.79	2.77	2.18

Index Characteristics	P/E	P/E NTM	Dividend Yield
S&P 500 - Large Cap	16.92	14.48	1.74
S&P 400 - Mid Cap	16.83	15.22	1.40
S&P 600 - Small Cap	18.36	15.18	1.21