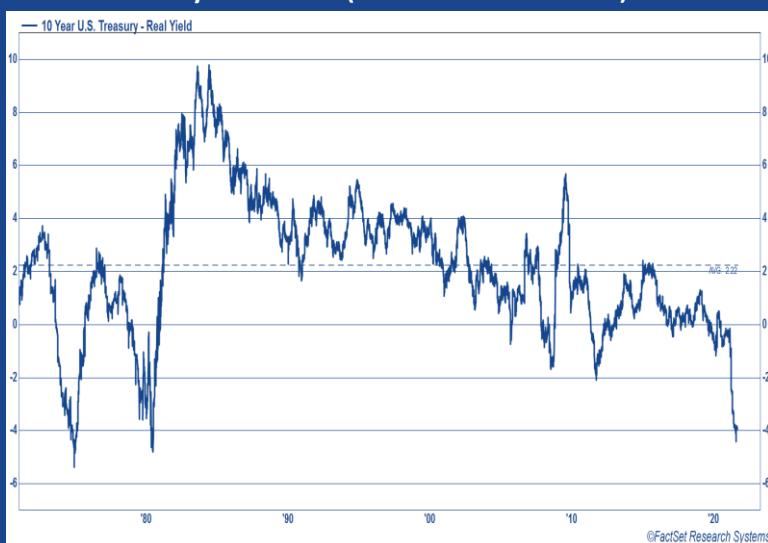


**Economic & Market Commentary**

Stocks were mostly lower for the third week in a row on concerns of mounting headwinds. Stock markets have been priced to perfection for quite some time with valuations greatly exceeding their historical averages and the path of least resistance has been to the upside with little regard paid to underlying risks and fundamentals, until now. The premise for such stretched valuations being the tailwinds of low interest rates forever, endless pandemic and economic fiscal stimulus packages, and continued above-average growth in the economy and corporate earnings. All three of these tailwinds appear to be heading into a cold front of spreading Delta variant, the expiration of Federal pandemic assistance, persistent supply chain issues, sustained higher inflation rates, recent corporate earnings warnings due to price pressures, an expected Federal Reserve tapering announcement this week, uncertainty surrounding infrastructure and reconciliation packages, and weakening technicals. Stock markets have advanced for seven consecutive months so a pullback should come as no surprise and pullbacks are a normal part of an investing cycle. Because of these growing headwinds, 2021 economic growth estimates have been moving modestly downward. In June, the FactSet consensus estimate called for U.S. GDP growth of 6.5% and now it stands at 6.0%. Compared to the last twenty years of economic growth, 6% is a very strong growth rate. The underlying fundamentals of the U.S. economy are good as manufacturing activity is strong, the labor market is improving, consumer demand is solid, and the housing market remains robust. However, as has been the case, risks to the economy are abundant and that reality appears to have taken hold.

**Index Total Returns - September 17, 2021**

	1-Wk	YTD	1-Yr
S&P 500	-0.54	19.26	34.04
NASDAQ	-0.46	17.28	38.83
S&P 400	-0.27	17.11	43.68
Dow Jones	-0.05	14.58	26.32
Russell 2000	0.45	14.01	46.48
MSCI-Developed	-1.38	11.34	25.68
MSCI-Emerging	-2.20	0.67	17.89
<b>Barclay's U.S. Bond Index</b>			
High Yield	0.14	5.01	10.82
Municipal	0.01	1.50	3.33
5-year Muni	0.02	0.76	1.60
Int. Gov. Credit	-0.13	-0.51	-0.11
Aggregate	-0.03	-0.77	-0.32

**10-Year Treasury - Real Yield (Yield less inflation rate)****U.S. Treasury Yields**

Treasury Yields	Latest	Week	1-Year
	Close	Ago	Ago
U.S. 1-Yr	0.08	0.07	0.12
U.S. 2-Yr	0.23	0.22	0.13
U.S. 3-Yr	0.47	0.45	0.15
U.S. 5-Yr	0.86	0.81	0.26
U.S. 10-Yr	1.37	1.33	0.69
U.S. 30-Yr	1.91	1.93	1.43

**S&P 500 Sector Total Returns - September 17, 2021**

Sector	1-Wk	YTD	1-Yr
Energy	3.32	33.57	53.11
Real Estate	-0.03	30.30	33.68
Financials	-0.06	28.70	55.10
Communication Services	-1.23	26.92	44.58
Info Tech	-0.68	19.83	37.91
Health Care	-0.17	18.11	27.96
Industrials	-1.56	14.05	27.98
Consumer Discretionary	0.55	13.36	24.71
Materials	-3.19	13.09	23.63
Consumer Staples	-0.74	8.01	15.43
Utilities	-3.04	7.51	15.22
Index Characteristics	P/E	P/E NTM	Dividend Yield
S&P 500 - Large Cap	20.89	16.55	1.29
S&P 400 - Mid Cap	16.42	15.99	1.11
S&P 600 - Small Cap	15.39	15.68	1.08