



Economic & Market Commentary

Today's Weekly commentary comes from FactSet's Street Account Summary: US equities finished the week higher, recovering somewhat after sharp losses in the prior week (when the S&P logged its worst weekly performance since March 2020). This recovery came in a relatively catalyst-light period characterized by rising recession fears and weaker commodity prices. There was also help from a notable drop in Treasury yields, a move which at one point saw the 2Y treasury yield move back below 3% for the first time since June 9th. Some of last week's strength was chalked up to an oversold bounce following the prior week's nearly 6% drop for the S&P (the index had dropped 12% between June 2nd and June 17th). Broadly negative sentiment and positioning indicators were also part of the narrative. Nevertheless, the drag from the Fed-led tightening of global monetary policy remains, and there continues to be a good deal of analyst focus on risk to Q2 earnings amid inflation and foreign currency pressures. Chair Powell delivered his semiannual testimony to Congress this week, though there was little change to his monetary-policy narrative that the Fed is unconditionally committed to bringing inflation down and will remain alert to the evolving economic landscape. He did caution that further upside surprises to inflation could be in store and conceded that Fed hikes could provoke a recession. While it was a light week of economic data, those releases continued to underwhelm. The final readout of the UMICH consumer sentiment survey came in for outsized attention after Chair Powell mentioned the preliminary read at the June FOMC meeting. While the headline read continued to move lower, there was focus on slightly softer readings for one- and five-year inflation expectations.

Index Total Returns - June 24, 2022

	1-Wk	YTD	1-Yr
Dow Jones	5.39	-12.43	-6.09
MSCI-Emerging	0.80	-16.95	-24.21
S&P 400	5.13	-17.26	-12.38
S&P 500	6.46	-17.31	-6.98
MSCI-Developed	2.83	-18.39	-17.46
Russell 2000	6.02	-20.88	-23.45
NASDAQ	7.51	-25.52	-18.66

Barclay's U.S. Bond Index

5-year Muni	0.48	-5.70	-5.45
Int. Gov. Credit	0.56	-7.15	-7.53
Municipal	0.83	-9.31	-8.78
Aggregate	0.61	-10.94	-10.68
High Yield	0.57	-12.61	-10.89

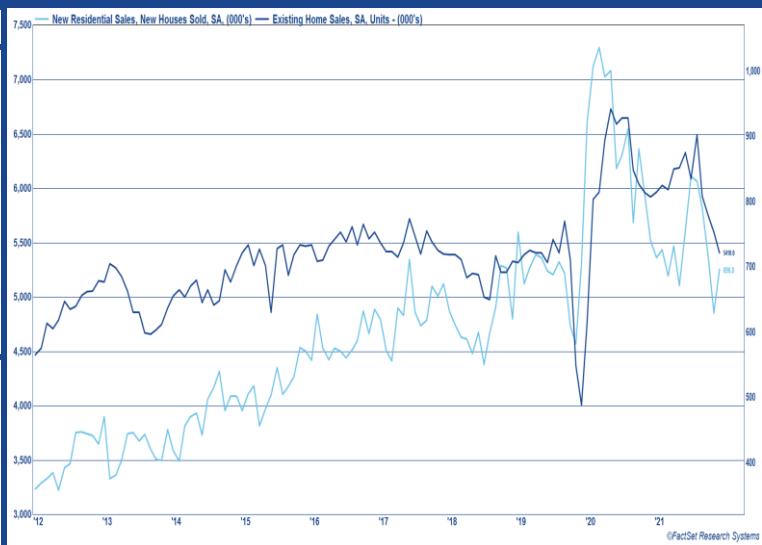
U.S. Treasury Yields

Treasury Yields	Latest	Week	1-Year
	Close	Ago	Ago
U.S. 1-Yr	2.71	2.75	0.09
U.S. 2-Yr	3.06	3.17	0.27
U.S. 3-Yr	3.15	3.35	0.47
U.S. 5-Yr	3.17	3.35	0.90
U.S. 10-Yr	3.13	3.24	1.49
U.S. 30-Yr	3.26	3.29	2.10

Municipal Yields - Bloomberg/Barclays Index

Issue Type	Latest	Week	1-Year
	Close	Ago	Ago
U.S. AAA	2.91	3.04	0.89
U.S. AA	3.10	3.23	0.93
U.S. A	3.56	3.67	1.14
U.S. Baa	4.09	4.20	1.53
U.S. Municipal	3.25	3.38	1.03
Michigan	3.39	3.50	1.09

New and Existing Home Sales



S&P 500 Sector Total Returns - June 24, 2022

Sector	1-Wk	YTD	1-Yr
Energy	-1.55	31.95	37.19
Utilities	7.24	-2.12	12.39
Consumer Staples	6.57	-4.62	8.98
Health Care	8.17	-7.60	4.88
Materials	2.70	-14.72	-4.94
Industrials	4.24	-15.36	-11.66
Financials	5.14	-16.38	-9.63
Real Estate	7.79	-18.19	-3.06
Info Tech	7.30	-23.30	-7.87
Communication Services	7.00	-26.35	-25.06
Consumer Discretionary	8.25	-28.13	-18.21
Index Characteristics	P/E	P/E NTM	Dividend Yield
S&P 500 - Large Cap	16.46	17.16	1.54
S&P 400 - Mid Cap	11.72	15.75	1.46
S&P 600 - Small Cap	11.37	16.37	1.40