

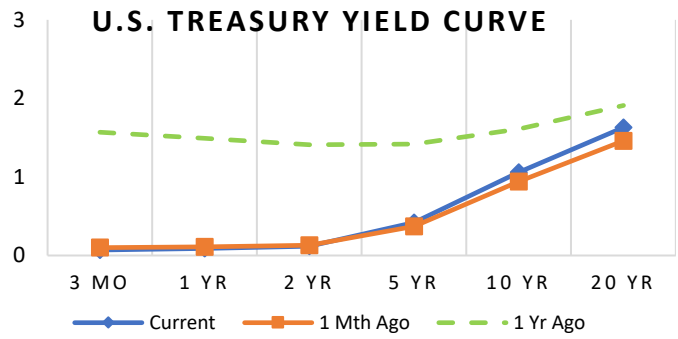
## Economic & Market Developments

- The ISM Manufacturing PMI for January was 58.7, missing expectations of 60 and moderating from the previous December's 60.5 reading. The ISM Services PMI was also 58.7, beating expectation and accelerating from December at 57.7.
- Initial Jobless Claims for last week were 779 thousand, the lowest in 4 weeks. Continuing Jobless Claims dropped to 4.592 million from 4.785 million.
- Non Farm Payrolls for the month of January were 49 thousand, just missing consensus estimates of 50 thousand. Government payrolls contributed 43 thousand, while the private sector disappointed, only adding 6 thousand.
- The unemployment rate dropped to 6.3% from 6.7%, while the participation rate dropped 0.1% to 61.4%.

Total Returns (%)	1-WK	YTD	1-Year
<b>Equity</b>			
DJIA	3.90	1.87	8.79
S&P 500	4.67	3.61	18.70
NASDAQ	5.28	5.62	46.53
MSCI World (ex-US)	3.57	3.82	16.52
MSCI EAFE	2.76	1.67	10.84
MSCI EM	4.96	8.21	31.37
<b>Fixed Income</b>			
BBG BARC US Agg Bond	-0.39	-1.11	4.84
BBG BARC US Agg 1-5 yr	0.01	0.04	3.68
BBG BARC High Yield 1-5 yr	0.55	1.26	5.41
BBG BARC Muni	0.06	0.39	3.73
TIPS	-0.26	0.07	9.71

	P/E	P/E	Dividend
	Forward	Trailing	Yield (%)
	12M	12M	

<b>Global Equity Valuations</b>			
S&P 500	21.60	21.20	2.00
World ex-US	17.40	23.10	2.40
Emerging Markets	15.40	21.70	2.00

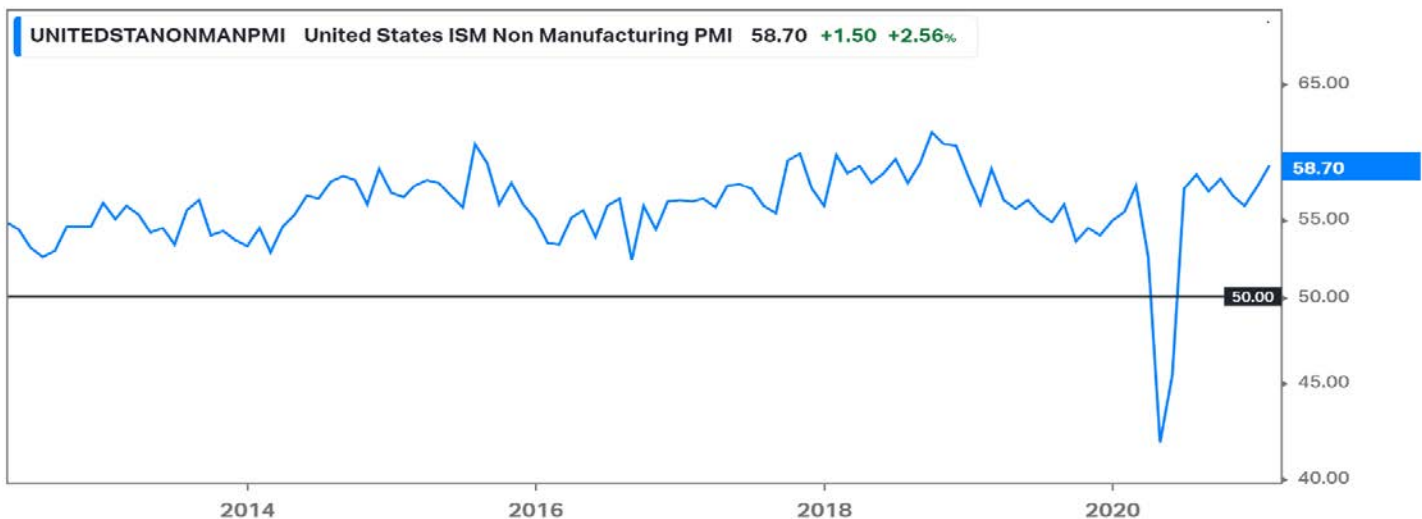


	2/5/2021	1 mth Ago	1 Year Ago
<b>Interest Rates (%)</b>			
Fed Funds Target	0.25	0.25	1.75
6-Month US Trsy	0.07	0.09	1.57
2-Year US Trsy	0.11	0.13	1.41
10-Year US Trsy	1.13	1.03	1.61
ICE BofA AAA	1.70	1.66	2.32
ICE BofA HY	4.30	4.38	5.28

<b>Mortgage Rates</b>			
15 Year Mortgage	2.21	2.16	2.97
30 Year Mortgage	2.73	2.65	3.45

## Chart of the Week

U.S. ISM Services PMI



### **Disclosures**

Bank of Ann Arbor is not affiliated with any of the sources referenced in this report. The information contained herein is proprietary (to Morningstar, The Northern Trust Company, and Koyfin) and shared with permission, or, publicly available through the Federal Reserve Bank of St Louis. Information contained within is not warranted by Bank of Ann Arbor. Bank of Ann Arbor is not responsible for any losses arising from use of this information. Investments are not insured by the FDIC and are not guaranteed by Bank of Ann Arbor. Investments may lose value. Investments can be subject to the volatility of the financial markets in the U.S. and abroad. Performance results are subject to market conditions. Past Performance is not a guarantee of future results.