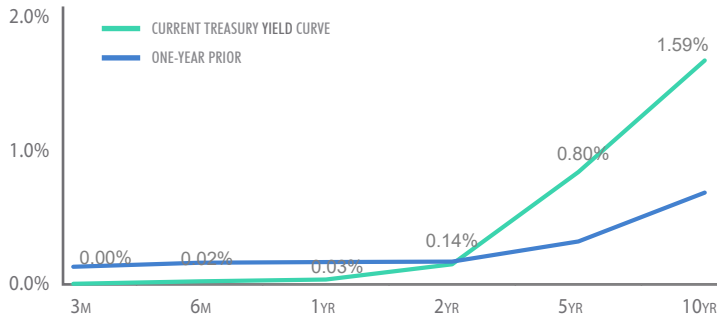


Historical Treasury Yield Curve



Source: Bloomberg Finance L.P. 5/31/21

Market Yields



Source: Bloomberg Finance L.P. 5/31/21

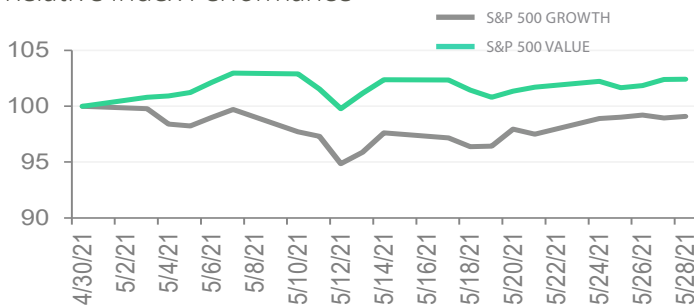
FEATURED MARKET DATA

Reopening Stocks Outperform

Value stocks outperformed growth stocks in May, a trend which has persisted throughout 2021. Strong performance for value stocks is a reversal of last year's trend when growth stocks, including technology shares, soared. A surge this year in business activity is driving up shares of more economically sensitive sectors such as manufacturing, energy and materials. Many of these companies beat first quarter earnings expectations and upwardly revised their earnings projections. Pent up demand could further aid value stocks, while growth stocks face headwinds from higher valuations and greater sensitivity to rising interest rates.

Source: Bloomberg, Wall Street Journal

Relative Index Performance



Source: Bloomberg

RECENT NEWS

ESG Driving Change

An activist investor won at least two seats on Exxon Mobil Corp's board on May 28. The defeat of board members supported by management will likely require the company to alter its strategy. Engine No. 1, an upstart hedge fund and activist investor, said its board candidates have the qualifications to help Exxon better prepare for a world less dependent on fossil fuels. On the same day, a Dutch court ordered Royal Dutch Shell to reduce its carbon emissions by 45% by 2030. The court ruled that Shell is partially responsible for climate change. Together, these events highlight how significantly climate change and other ESG factors are impacting the investment landscape.

Source: Bloomberg

U.S. Economic Indicators

Event	Event Date	Period	Survey	Actual	Prior / Revised (R)
Core CPI (YoY)	05/12/21	APR	3.6%	4.2%	2.6%
Core PPI (YoY)	05/12/21	APR	2.3%	3.0%	1.6%
Retail Sales Ex. Auto (MoM)	05/14/21	APR	0.6%	-0.8%	9.0% (R)
Building Permits	05/18/21	APR	1,770K	1,760K	1,755K (R)
Existing Home Sales	05/21/21	APR	6.07m	5.85m	6.01m
Markit US Services PMI	05/21/21	MAY	64.3	70.1	64.7
Chicago Fed National Activity Index	05/24/21	APR	1.20	0.24	1.71
Change in Nonfarm Payrolls	06/04/21	MAY	653K	--	266K
Unemployment Rate	06/04/21	MAY	5.9%	--	6.1%

Source: Bloomberg Finance L.P. 6/1/21. Glossary terms on following page.

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Glossary of Terms

Term	What is it:
Building Permits	Records the number of permits for future housing construction.
Capacity Utilization	Tracks the extent to which capacity is being used in the production of goods and services.
Change in Nonfarm Payrolls	This indicator measures the change in the number of employees on business and government payrolls.
Chicago Fed National Activity Index	A nationwide measure of economic activity and inflation pressures. An index value of zero indicates that the national economy is expanding at its historical trend rate of growth.
Consumer Confidence	Index examines how consumers feel about jobs, the economy and spending.
Consumer Price Index (CPI)	Measures the average change in retail prices over time for a basket consisting of more than 200 categories of assorted goods and services paid directly by consumers.
Core Consumer Price Index (Core CPI)	This measure of CPI excludes food and energy costs.
Durable Goods Orders	A measure of new orders placed with domestic manufacturers for durable goods, which are items that last three years or more.
Existing Home Sales	Measures monthly sales of previously owned single-family homes.
GDP Annualized QoQ	Measures the annualized quarterly growth of the final market value of all goods and services produced within a country. GDP is the foremost report on how fast or slow the economy is growing.
Housing Starts	Records the number of new housing units started during a period.
Index of Leading Economic Indicators (LEI)	An index designed to predict the direction of the economy.
Initial Jobless Claims	Tracks new filings for unemployment insurance benefits.
ISM Manufacturing	Measures manufacturing activity based on a monthly survey of purchasing managers.
MBA Mortgage Applications	The Mortgage Bankers Association's weekly mortgage application survey includes home loan application activity for conventional and government loans for home purchases and refinances.
Mortgage Delinquencies	A measure of the percent of total conventional and government loans which are at least one payment past due, but not in the process of foreclosure.
Personal Consumption Expenditure (PCE)	The Federal Reserve's preferred measure of inflation tracks overall price changes for goods and services. Core PCE excludes food and energy.
Personal Income and Spending	Index records the income Americans receive, how much they spend, and what they save.
Retail Sales	Tracks the sale of new and used goods for personal or household consumption.
Retail Sales Ex. Auto	Retail sales excluding motor vehicles and parts.
S&P Case-Shiller Home Price Index	Tracks the value of single-family housing within the U.S. There are multiple indexes including the 20-City Composite.
Unemployment Rate	The U-3 unemployment rates tracks the percentage of the civilian workforce that is unemployed.

Source: Bloomberg, The Secrets of Economic Indicators by Bernard Baumohl; PMA Asset Management, LLC

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