

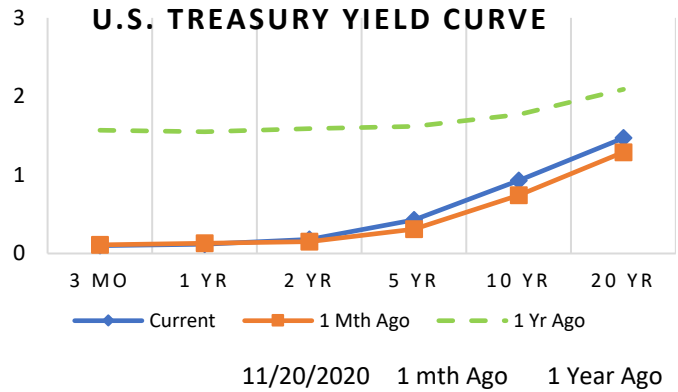
Economic & Market Developments

- Retail Sales for the month of October rose just 0.3%, moderating from September's growth of 1.6%.
- The NAHB Housing Market Index, which measures home builder confidence, rose to an all-time of 90, beating expectations and up from October's 85 print.
- Housing starts beat expectations, increasing 4.9% in October. While building permits were flat for the month, they remain elevated at the highest level since the Great Financial Crisis.
- Existing home sales increased 4.3% in October, compared to market expectations of a 1.2% decline. Total sales were the highest since November of 2005.
- Weekly Initial Jobless Claims disappointed, coming in at 742k, compared to expectations of 707k. Continuing Jobless Claims

Total Returns (%)	1-WK	YTD	1-Year
Equity			
DJIA	-0.65	4.69	7.68
S&P 500	-0.73	11.95	16.60
NASDAQ	-0.23	37.46	45.02
MSCI World (ex-US)	1.92	4.76	9.25
MSCI EAFE	1.88	2.48	6.16
MSCI EM	1.77	10.88	17.89
Fixed Income			
BBG BARC US Agg Bond	0.59	7.31	7.26
BBG BARC US Agg 1-5 yr	0.11	4.05	4.27
BBG BARC High Yield 1-5 yr	0.53	2.02	4.19
BBG BARC Muni	0.36	4.17	4.61
TIPS	0.36	9.12	9.33

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

Global Equity Valuations			
S&P 500	21.60	21.20	2.00
World ex-US	15.90	19.60	2.80
Emerging Markets	14.20	18.70	2.30

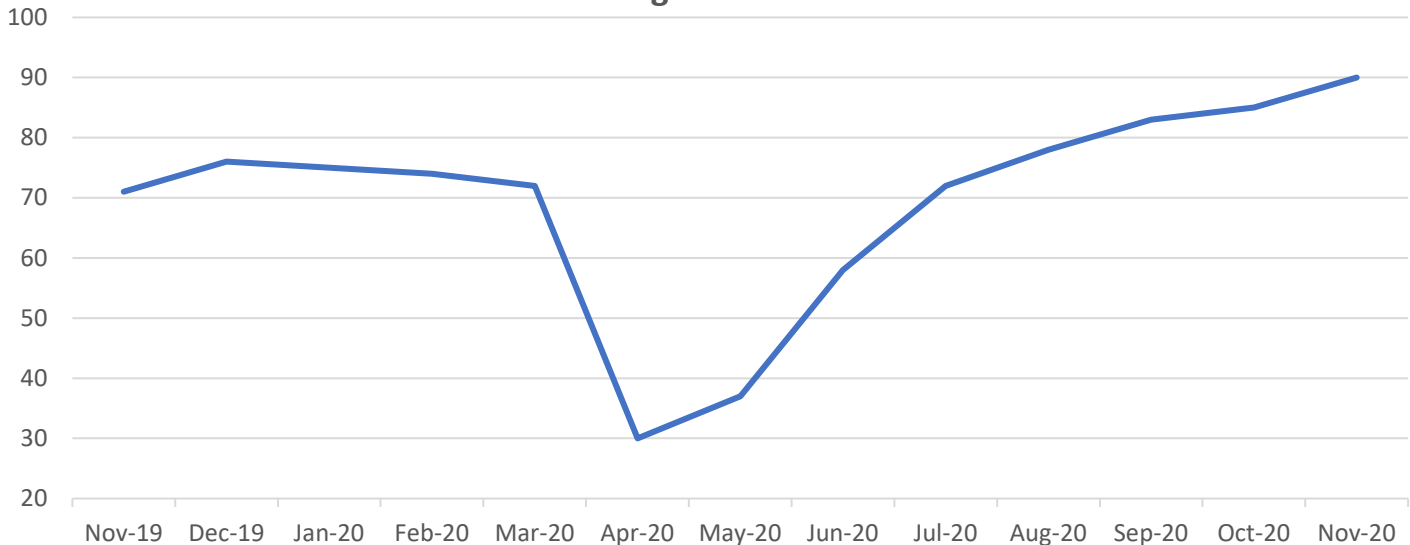


Interest Rates (%)			
Fed Funds Target	0.25	0.25	1.75
6-Month US Trsy	0.11	0.11	1.58
2-Year US Trsy	0.18	0.16	1.59
10-Year US Trsy	0.88	0.83	1.77
ICE BofA AAA	1.62	1.66	2.51
ICE BofA HY	4.96	5.34	5.8

Mortgage Rates			
15 Year Mortgage	2.28	2.33	3.15
30 Year Mortgage	2.72	2.8	3.66

Chart of the Week

NAHB Housing Market Index



Source: National Association of Home Builders

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.