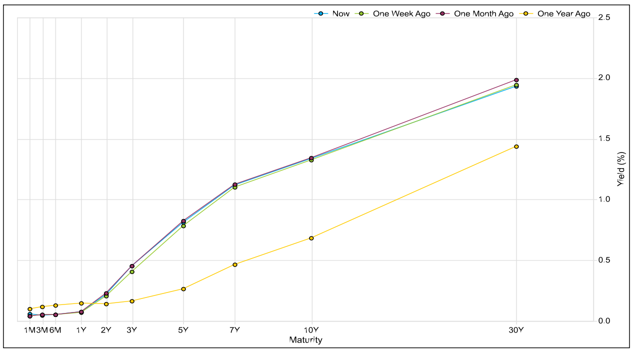
Portfolio Manager Commentary
September 10, 2021

Trustmark
Investment Advisors, Inc.

Economic Outlook
U.S. Producer Prices increased at a monthly rate of 0.7% for August, after having increased at a monthly rate of 1.0% in July. These are rates of price increases that we have not seen for quite a while. Otherwise, it was a slow week for economic releases.

Fixed Income
Bond investors may be able to chip away at one of the Treasury market's ongoing questions this week depending upon what the results are for the latest read on consumer inflation that will be released this Tuesday. A larger-than-forecast jump in wage growth for August has sharpened the focus on the question of whether inflationary pressures will be transitory as Federal Reserve officials are predicting. Strategists at Bank of America are saying that if this week's inflation report back up the Fed's transitory narrative, it will improve the odds that long-term yields will remain low for the next six to twelve months. The report is expected to show a fourth straight month of the Consumer Price Index gaining at an annual rate of 5% or better. In response to the latest economic data, the yield curve has been treading water for several weeks as traders have stuck to expectations that the Fed likely will not start raising its benchmark rate from zero until early 2023. The two- to ten-year yield gap is currently at 113 basis points, down from above 140 basis points in early June. The curve narrowed early during the summer months as traders initially bet that a Fed move to taper its bond purchases would begin as soon as the end of this year which would pave the way for hikes in the Fed Funds rate to begin shortly after that process began. The August employment report has dampened those expectations some as job growth was reported as much weaker than expected. The market will not be getting any thoughts from the Fed this week as a quiet period is in place before the FOMC meets next week. Most economist are not expecting any major policy changes to come from the meeting but the market will be carefully dissecting the speech that Chairman Powell will give at the close of the proceedings for any hints of the Fed's plans. Other economic news to be released this week include retail sales for August and the latest sentiment readings from the University of Michigan.

Change in Treasury Yield



Current Generic Bonds Yields

Treasuries		Agencies		Corporates		Municipals	
3 mo.	0.04%	3 mo	-0.06%	3 mo	0.15%	3 mo	0.11%
6 mo	0.05%	6 mo	-0.03%	6 mo	0.16%	6 mo	0.11%
1 yr	0.07%	1 yr	0.02%	1 yr	0.19%	1 yr	0.13%
2 yr	0.21%	2 yr	0.22%	2 yr	0.32%	2 yr	0.14%
5 yr	0.82%	5 yr	0.65%	5 yr	1.07%	5 yr	0.50%
10 yr	1.34%	10 yr	1.43%	10 yr	1.89%	10 yr	1.08%
30 yr	1.94%	30 yr		30 yr	2.73%	30 yr	1.77%

Equity
U.S. Equity finished the week lower as the S&P 500 Large Cap Index fell 1.69%, suffering its largest pullback in nearly three months. Market headlines are pointing towards concerns over a drawdown risk for stocks stemming from factors such as Fed tapering, higher taxes to fund Democratic priorities, the complex path for additional fiscal stimulus, dampened reopening momentum from the spread of the Delta variant, supply chain and inflation pressures, and elevated sentiment and valuation indicators.

All sectors finished the week negative as Health Care (-2.67%) and Industrials (-2.51%) were hit the hardest. Consumer Discretionary (-0.34%) remained the most resilient. Energy continues to lead all sectors year-to-date with a 28.87% return, though the sector has seen decent drawdowns the past few months.

Index Returns	Last Week	YTD
Dow Jones Industrials	-2.10%	14.53%
S&P 500 (LCap)	-1.69%	19.85%
S&P 400 (MCap)	-2.68%	16.47%
Russell 2000 (SCap)	-2.81%	12.80%
NASDAQ Composite	-1.61%	17.28%
MSCI EAFE (Int'l)	-1.11%	12.75%
iShares Real Estate	-3.79%	26.11%

Source: FactSet Research Systems

Asset Allocation
Current Sentiment

Cash	Favorable
Short FI	Neutral
Intermediate FI	Neutral
Inflation-Adjusted FI	Neutral
High Yield FI	Unfavorable
International FI	Unfavorable
Equity Income	Neutral
Large Cap Equity	Favorable
Mid Cap Equity	Neutral
Small Cap Equity	Unfavorable
International Equity	Unfavorable
Emerging Markets Equity	Unfavorable
Real Estate	Neutral
Commodities	Unfavorable

Summary below - Current stance on most asset classes:

Cash - Overweighting due to market volatility and uncertainty from Covid-19.

Short Term Bonds - Relative to Intermediate Bonds, the reduced duration is preferable given the oversold long-end of the curve.

Intermediate Term Bonds - The current trading range of intermediate bonds warrants a neutral position with limited upside potential. Some opportunities still remain in certain sectors.

Inflation-Adjusted Bonds - Low inflation expected in near-term providing zero real return.

High Yield Bonds - Spreads are rising given the market turbulence and exposure to unnecessary credit risk when compared to Treasuries would not be advised.

International Bonds - Foreign bonds offer good diversification qualities and higher yield opportunities, however, risks have been elevated recently and investment should be made cautiously.

Equity Income - High quality and higher-dividend-paying companies remain attractive for long-term investors given their favorable risk-adjusted profile and current yield curves.

Large Cap Stocks - A favorable weighting is recommended. Growth continues to be a more favorable style and should continue to be overweighed versus Value.

Mid Cap Stocks - Mid cap exposure remains neutral - more attractive than small caps but not as attractive as large caps.

Small Cap Stocks - In broad market corrections, small cap stocks will suffer most with increased volatility. Underweight until a clearer picture of recovery ensues.

International Stocks - Given most foreign investment is in developed markets and European countries, until sovereign debt concerns are alleviated, an underweight is recommended.

Emerging Market Stocks - Stronger balance sheets, less debt, and better growth potential make emerging markets more fundamentally attractive than developed countries longer-term. However, trade uncertainty and dollar strength provide a headwind for EM in the near term.

Real Estate - Pricing has begun to stabilize and long-term valuations appear attractive. Real Estate should continue to be a strong alternative to other asset classes.

Commodities - Global demand should support higher prices if the global recovery remains on track. Volatility will be higher, and commodities will be susceptible to short-term price shocks, however, if used in conjunction with other asset classes, risk can be reduced substantially within a diversified portfolio. Used alone though is not recommended

Sources of statistical information are Bloomberg and Ned Davis Research.
Non-deposit investment products are not insured or guaranteed by any government agency or government sponsored agency of the federal government or any state; are not deposits, obligations, or guaranteed by Trustmark National Bank or its affiliates; and are subject to investment risks, including the possible loss of principal. The opinions and analysis in this report are accurate to the best of our knowledge and are based on information and sources that we consider to be reliable and appropriate for due consideration. The volatility of market conditions and any change from the basic set of assumptions used herein could lead to substantial differences in the projected results and conclusions in this report. All projections, prices and assumptions herein are subject to change without notice. We do not guarantee the results, performance or liquidity of the securities discussed and any strategy or investment selection remains your responsibility. This report is strictly for information purposes and is not intended as an offer or solicitation for any transaction. Trustmark Investment Advisors, Inc. is a registered investment adviser under the Securities and Exchange Commission, a wholly owned subsidiary of Trustmark National Bank, and a division of Trustmark Wealth Management Wealth.