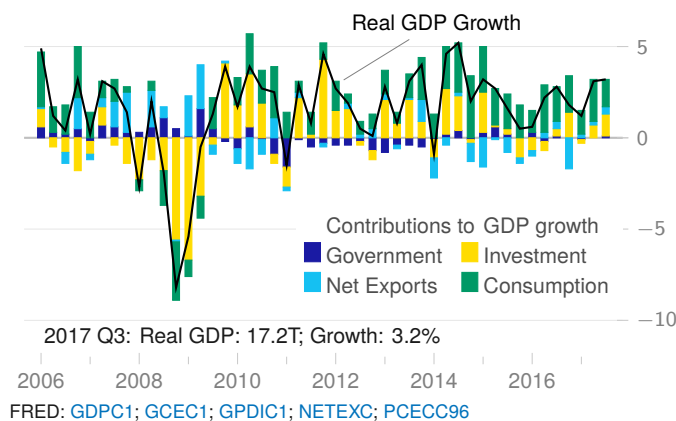


Third quarter U.S. economic growth, which remained strong, was driven by increased consumption and investment. The labor market is gradually nearing full employment and still adding jobs at a healthy pace. Inflation remains near the Fed's two percent target in both the core CPI and the full index, with little expected acceleration. Short- and medium-term borrowing costs have increased as Fed interest rate hikes are expected to continue or accelerate.

## Economic Growth and Employment

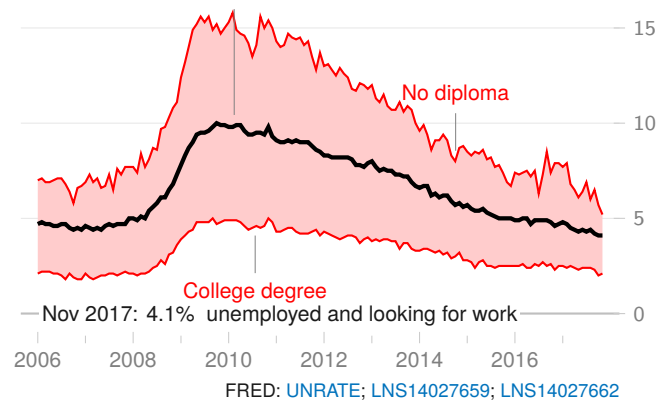
### Real gross domestic product (GDP)

(Quarterly percent change, seasonally-adjusted annual rate)



### Civilian unemployment rate (percent)

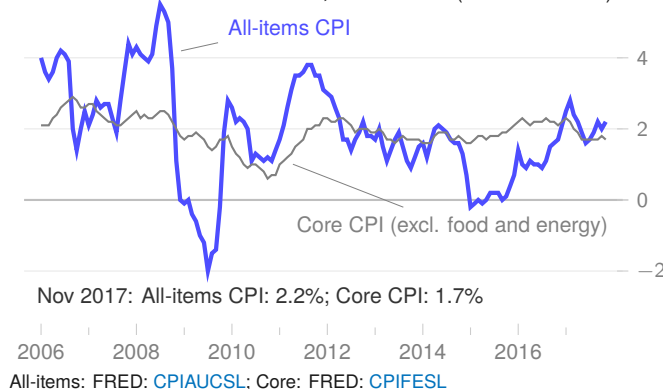
Unemployed and looking for work (U3 rate)



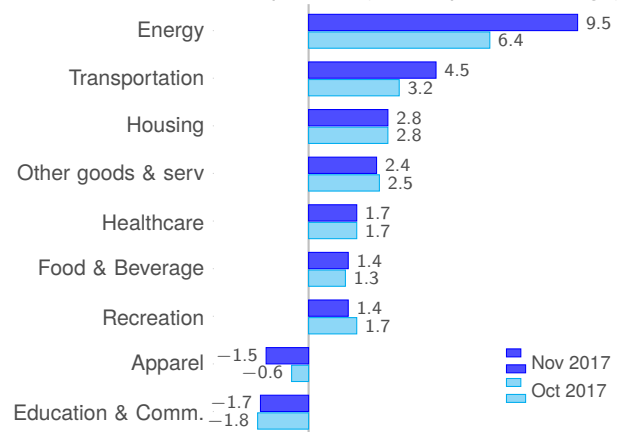
## Inflation and Prices

### Consumer price index (CPI) (annual percent change)

5-year expected annual inflation rate:  
Dec 20, 2017: 2.1% (FRED: T5YIFR)

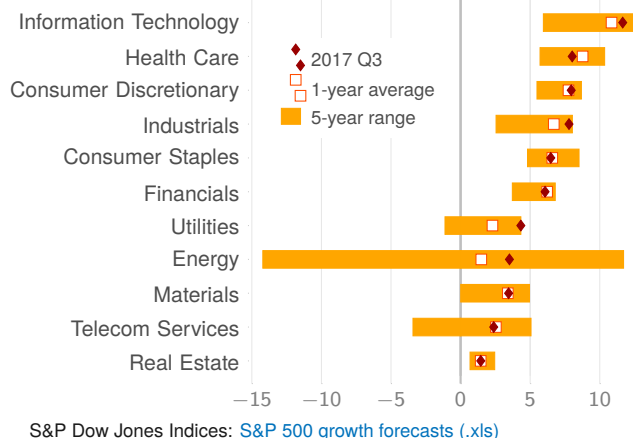


### CPI components (annual percent change)



## Markets, Interest Rates, and Other Indicators

### S&P 500 reported earnings per share by industry



### Recent market developments and other key indicators

		one month	one year	as of:
S&P 500 index	2684.57	▲ 3.4%	▲ 18.5%	2017-12-21
CBOE volatility index (VIX)	9.62	▼ -2.6%	▼ -14.6%	2017-12-21
Bank deposit interest rate	0.22%	▲ 0.01	▲ 0.09	Nov 2017
3-month treasury bill yield	1.35%	▲ 0.06	▲ 0.83	2017-12-21
2-year treasury bond yield	1.89%	▲ 0.15	▲ 0.64	2017-12-21
10-year treasury bond yield	2.48%	▲ 0.16	▼ -0.09	2017-12-21
30-year mortgage rate	3.94%	▲ 0.02	▼ -0.36	2017-12-21
US Dollar, broad index	120.04	▼ -0.2%	▼ -5.9%	Dec 2017
Crude oil, US\$/barrel	\$58.03	▲ 1.6%	▲ 11.1%	2017-12-20
Industrial production index	106.4	▲ 0.2%	▲ 3.4%	Nov 2017
Consumer confidence index	98.5	▼ -2.2%	▲ 5.0%	Nov 2017

Retrieved from [FRED](#), [CBOE](#), [Quandl](#), and [University of Michigan](#)