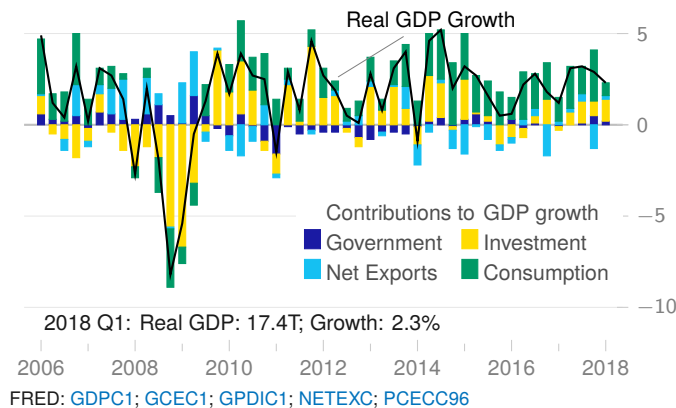


Fourth quarter U.S. economic growth, which remained strong, was driven by increased consumption and partially offset by a growing trade gap. The labor market is gradually nearing full employment and still adding jobs at a strong pace. Inflation remains near the Fed's two percent target in both the core 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

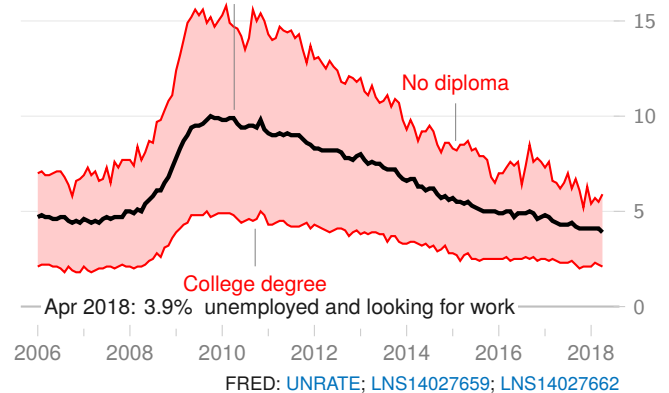
Real gross domestic product (GDP)

(Quarterly percent change, seasonally-adjusted annual rate)



Civilian unemployment rate (percent)

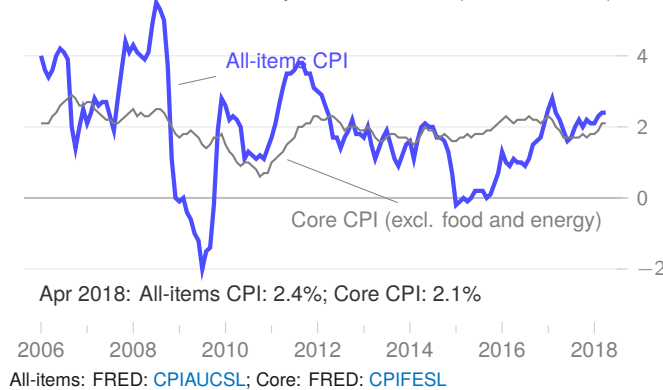
Unemployed and looking for work (U3 rate)



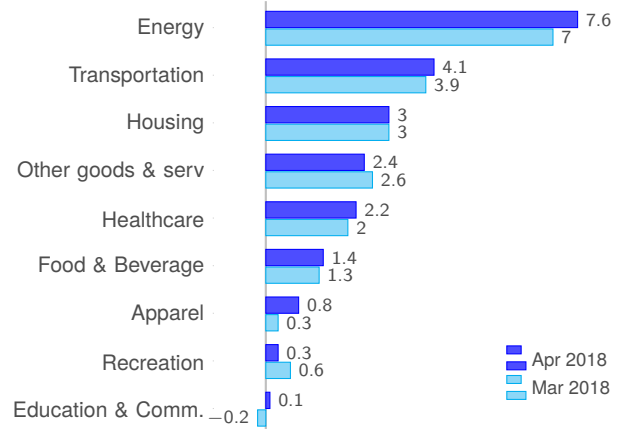
Inflation and Prices

Consumer price index (CPI) (annual percent change)

5-year expected annual inflation rate:
May 09, 2018: 2.2% (FRED: T5YIFR)

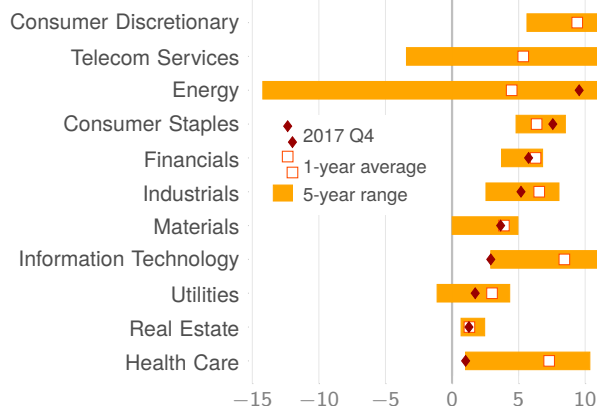


CPI components (annual percent change)



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	2723.07	▲ 2.2%	▲ 13.5%	2018-05-10
CBOE volatility index (VIX)	13.23	▼ -28.4%	▲ 29.6%	2018-05-10
Bank deposit interest rate	0.31%	▲ 0.03	▲ 0.14	Apr 2018
3-month treasury bill yield	1.90%	▲ 0.15	▲ 0.99	2018-05-10
2-year treasury bond yield	2.54%	▲ 0.20	▲ 1.17	2018-05-10
10-year treasury bond yield	2.97%	▲ 0.14	▲ 0.55	2018-05-10
30-year mortgage rate	4.55%	▲ 0.13	▲ 0.50	2018-05-10
US Dollar, broad index	120.45	▲ 1.9%	▼ -2.6%	May 2018
Crude oil, US\$/barrel	\$71.39	▲ 6.3%	▲ 50.8%	2018-05-10
Industrial production index	107.2	▲ 0.5%	▲ 4.3%	Mar 2018
Consumer confidence index	98.8	▼ -2.6%	▲ 1.9%	Apr 2018

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