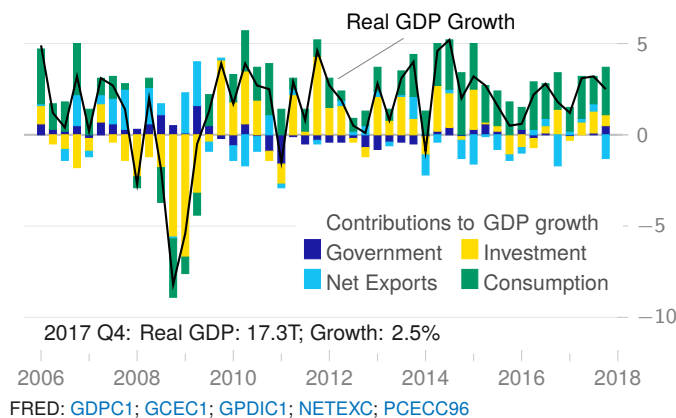


Fourth quarter U.S. economic growth, which remained strong, was driven by increased consumption. The labor market is gradually nearing full employment and still adding jobs at a healthy pace. Inflation remains near the Fed's two percent target in both the core CPI and the full index, with little expected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

Economic Growth and Employment

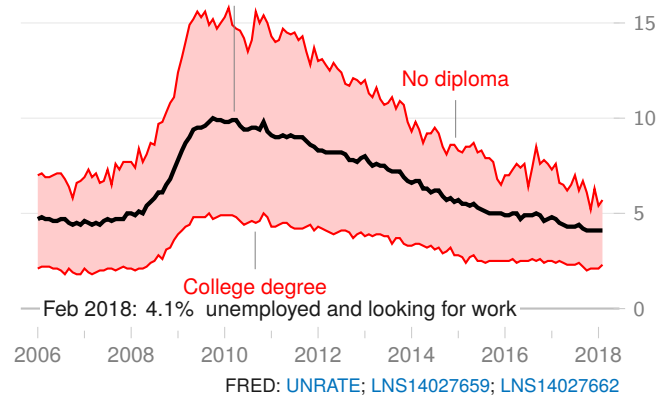
Real gross domestic product (GDP)

(Quarterly percent change, seasonally-adjusted annual rate)



Civilian unemployment rate (percent)

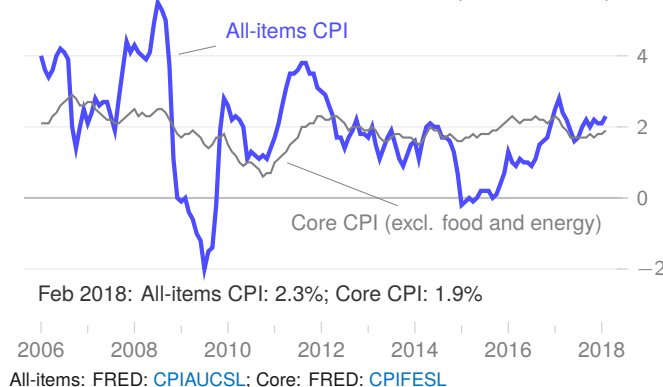
Unemployed and looking for work (U3 rate)



Inflation and Prices

Consumer price index (CPI) (annual percent change)

5-year expected annual inflation rate:
Mar 12, 2018: 2.2% (FRED: T5YIFR)

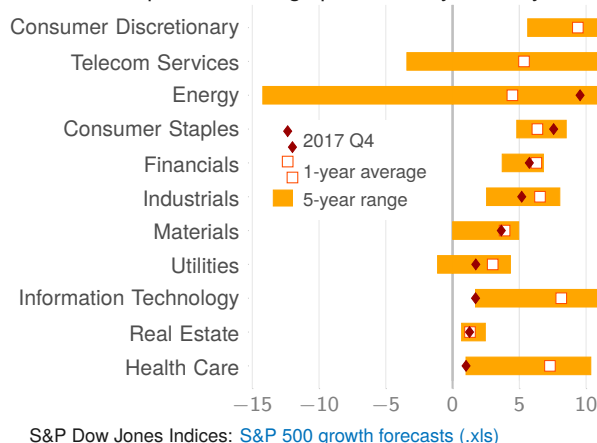


CPI components (annual percent change)



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	2765.31	▲ 4.1%	▲ 16.5%	2018-03-13
CBOE volatility index (VIX)	16.35	▼ -36.2%	▲ 44.1%	2018-03-13
Bank deposit interest rate	0.27%	▲ 0.01	▲ 0.13	Feb 2018
3-month treasury bill yield	1.73%	▲ 0.11	▲ 0.98	2018-03-13
2-year treasury bond yield	2.26%	▲ 0.17	▲ 0.90	2018-03-13
10-year treasury bond yield	2.84%	▼ -0.02	▲ 0.26	2018-03-13
30-year mortgage rate	4.46%	▲ 0.14	▲ 0.25	2018-03-08
US Dollar, broad index	118.31	▲ 0.6%	▼ -5.4%	Mar 2018
Crude oil, US\$/barrel	\$60.93	▲ 2.6%	▲ 25.7%	2018-03-13
Industrial production index	107.2	▼ -0.1%	▲ 3.7%	Jan 2018
Consumer confidence index	99.7	▲ 4.2%	▲ 3.5%	Feb 2018

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