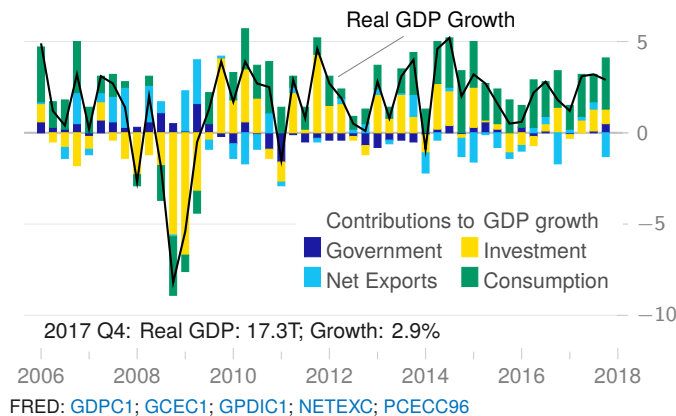


Fourth quarter U.S. economic growth, which remained strong, was driven by increased consumption and partially offset by a growing trade gap. The labor market is gradually nearing full employment and still adding jobs at a strong pace. Inflation remains near the Fed's two percent target in both the core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

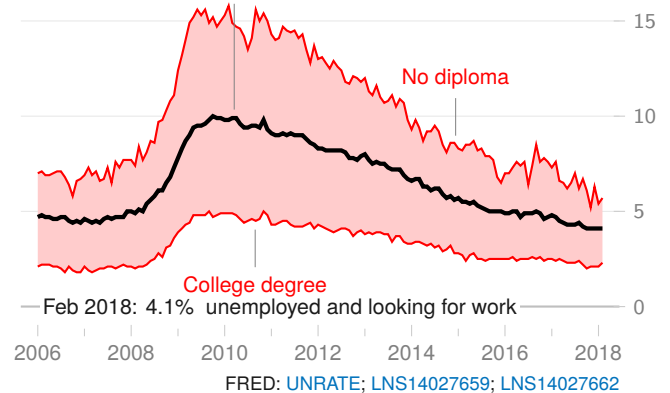
### Real gross domestic product (GDP)

(Quarterly percent change, seasonally-adjusted annual rate)



### Civilian unemployment rate (percent)

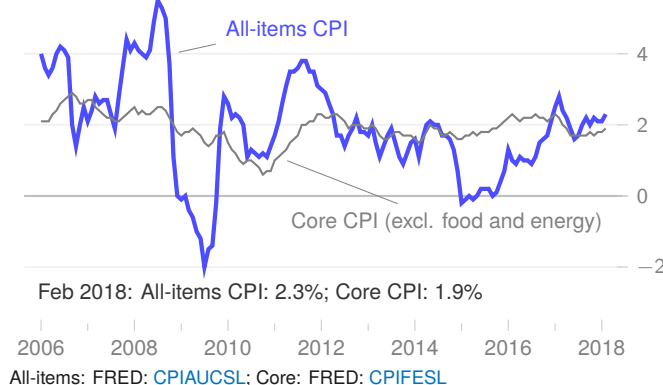
Unemployed and looking for work (U3 rate)



## Inflation and Prices

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

5-year expected annual inflation rate:  
Apr 03, 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               | 2644.69 | ▼ -3.1%   | ▲ 12.1%  | 2018-04-04 |
| CBOE volatility index (VIX) | 20.06   | ▲ 9.3%    | ▲ 62.0%  | 2018-04-04 |
| Bank deposit interest rate  | 0.28%   | ▲ 0.01    | ▲ 0.13   | Mar 2018   |
| 3-month treasury bill yield | 1.71%   | ▲ 0.03    | ▲ 0.95   | 2018-04-04 |
| 2-year treasury bond yield  | 2.28%   | ▲ 0.03    | ▲ 1.01   | 2018-04-04 |
| 10-year treasury bond yield | 2.79%   | ▼ -0.09   | ▲ 0.39   | 2018-04-04 |
| 30-year mortgage rate       | 4.44%   | ▲ 0.01    | ▲ 0.30   | 2018-03-29 |
| US Dollar, broad index      | 118.09  | ▲ 0.4%    | ▼ -5.6%  | Mar 2018   |
| Crude oil, US\$/barrel      | \$63.40 | ▲ 1.7%    | ▲ 26.2%  | 2018-04-04 |
| Industrial production index | 106.5   | ▲ 0.9%    | ▲ 4.3%   | Feb 2018   |
| Consumer confidence index   | 101.4   | ▲ 1.7%    | ▲ 4.6%   | Mar 2018   |

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