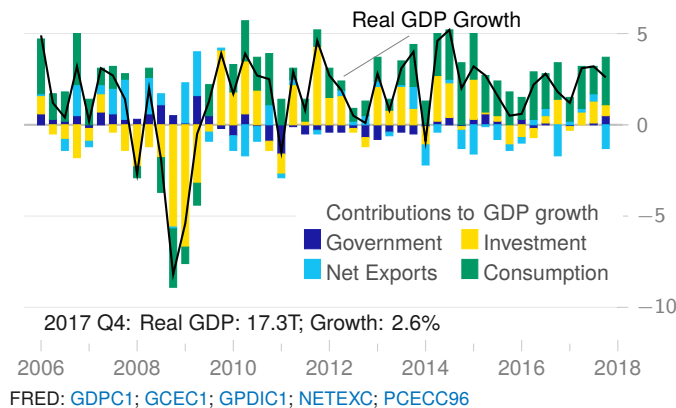


Third quarter U.S. economic growth, which remained strong, was driven by increased consumption and investment. The labor market is gradually nearing full employment and still adding jobs at a healthy pace. Inflation remains near the Fed's two percent target in both the core CPI and the full index, with 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

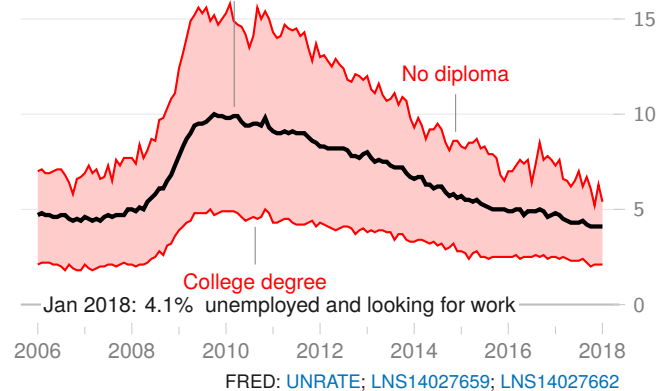
### Real gross domestic product (GDP)

(Quarterly percent change, seasonally-adjusted annual rate)



### Civilian unemployment rate (percent)

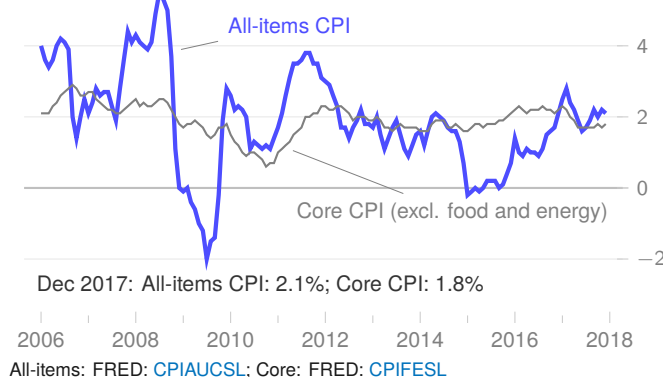
Unemployed and looking for work (U3 rate)



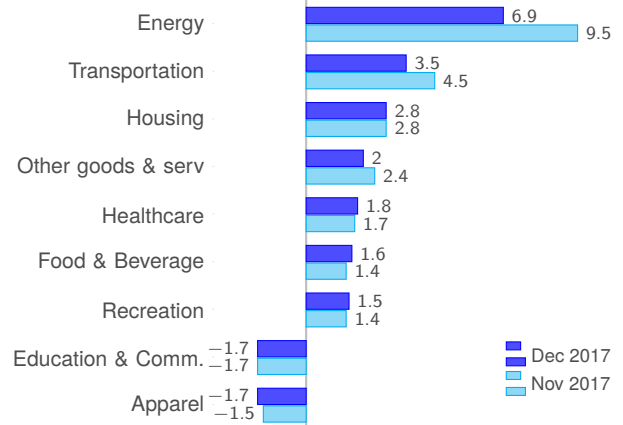
## Inflation and Prices

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

5-year expected annual inflation rate:  
Feb 07, 2018: 2.3% (FRED: [T5YIFR](#))



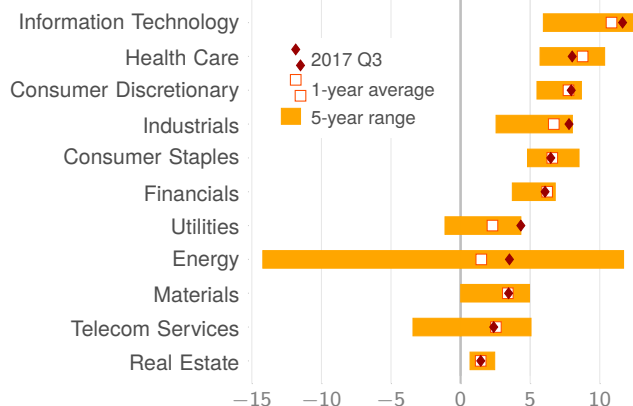
### CPI components (annual percent change)



FRED: [CPI Indexes](#)

## Markets, Interest Rates, and Other Indicators

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



S&P Dow Jones Indices: [S&P 500 growth forecasts \(.xls\)](#)

### Recent market developments and other key indicators

		one month	one year	as of:
S&P 500 index	2581.00	▼ -6.1%	▲ 12.5%	2018-02-08
CBOE volatility index (VIX)	33.46	▲ 240.7%	▲ 192.2%	2018-02-08
Bank deposit interest rate	0.23%	0.00	▲ 0.10	Jan 2018
3-month treasury bill yield	1.55%	▲ 0.13	▲ 1.02	2018-02-08
2-year treasury bond yield	2.13%	▲ 0.15	▲ 0.97	2018-02-08
10-year treasury bond yield	2.85%	▲ 0.30	▲ 0.45	2018-02-08
30-year mortgage rate	4.32%	▲ 0.33	▲ 0.15	2018-02-08
US Dollar, broad index	115.53	▼ -1.4%	▼ -8.0%	Feb 2018
Crude oil, US\$/barrel	\$61.73	▼ -2.8%	▲ 19.4%	2018-02-07
Industrial production index	107.5	▲ 0.9%	▲ 3.6%	Dec 2017
Consumer confidence index	95.7	▼ -0.2%	▼ -2.8%	Jan 2018

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