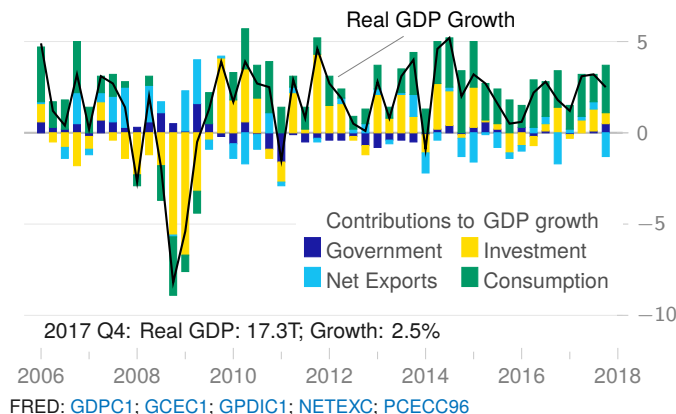


Fourth quarter U.S. economic growth, which remained strong, was driven by increased consumption and partially offset by a growing trade gap. The labor market is gradually nearing full employment and still adding jobs at a strong pace. Inflation remains near the Fed's two percent target in both the core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

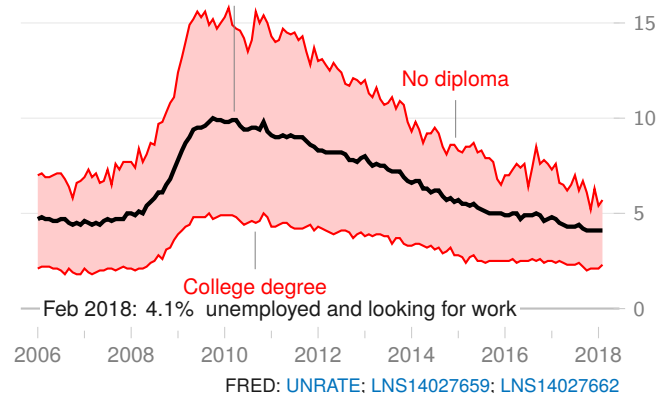
### Real gross domestic product (GDP)

(Quarterly percent change, seasonally-adjusted annual rate)



### Civilian unemployment rate (percent)

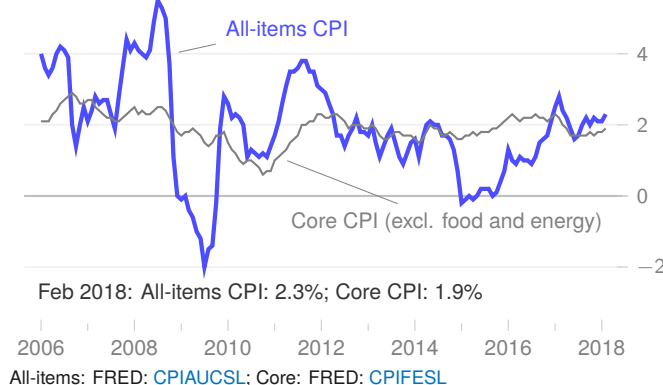
Unemployed and looking for work (U3 rate)



## Inflation and Prices

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

5-year expected annual inflation rate:  
Mar 26, 2018: 2.2% (FRED: T5YIFR)



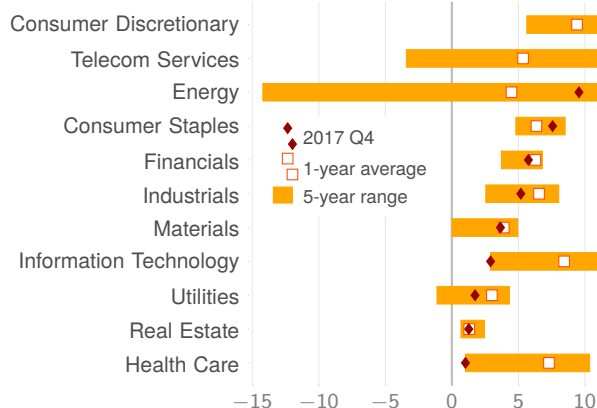
### CPI components (annual percent change)



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	2612.62	▼ -4.8%	▲ 11.6%	2018-03-27
CBOE volatility index (VIX)	22.50	▲ 21.0%	▲ 80.0%	2018-03-27
Bank deposit interest rate	0.27%	▲ 0.01	▲ 0.13	Feb 2018
3-month treasury bill yield	1.77%	▲ 0.11	▲ 0.99	2018-03-27
2-year treasury bond yield	2.26%	▼ -0.01	▲ 1.00	2018-03-27
10-year treasury bond yield	2.78%	▼ -0.12	▲ 0.38	2018-03-27
30-year mortgage rate	4.45%	▲ 0.05	▲ 0.22	2018-03-22
US Dollar, broad index	118.26	▲ 0.6%	▼ -5.4%	Mar 2018
Crude oil, US\$/barrel	\$64.65	▲ 2.9%	▲ 35.1%	2018-03-27
Industrial production index	108.2	▲ 1.1%	▲ 4.4%	Feb 2018
Consumer confidence index	99.7	▲ 4.2%	▲ 3.5%	Feb 2018

Retrieved from FRED, CBOE, Quandl, and University of Michigan