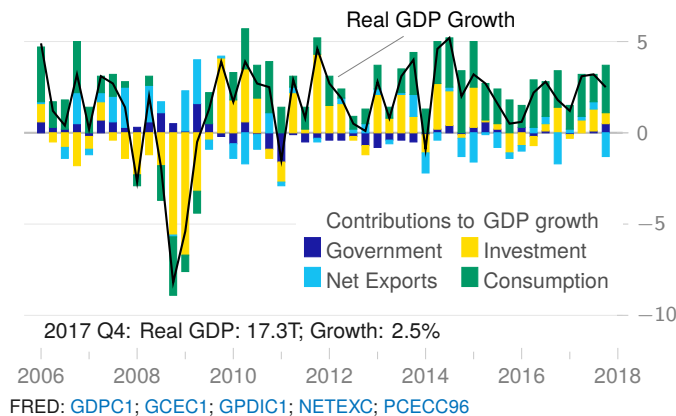


Fourth quarter U.S. economic growth, which remained strong, was driven by increased consumption. The labor market is gradually nearing full employment and still adding jobs at a healthy pace. Inflation remains near the Fed's two percent target in both the core CPI and the full index, with little expected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

Economic Growth and Employment

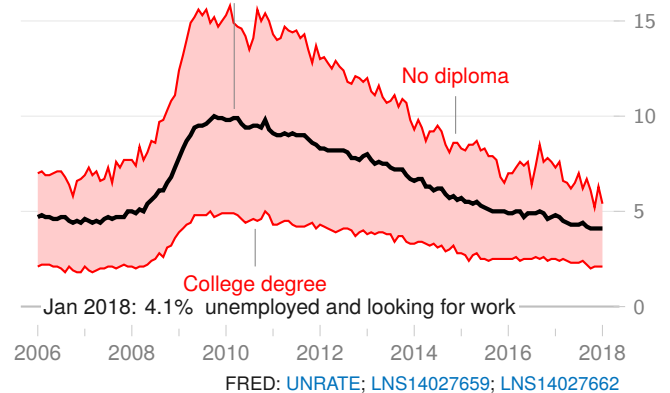
Real gross domestic product (GDP)

(Quarterly percent change, seasonally-adjusted annual rate)



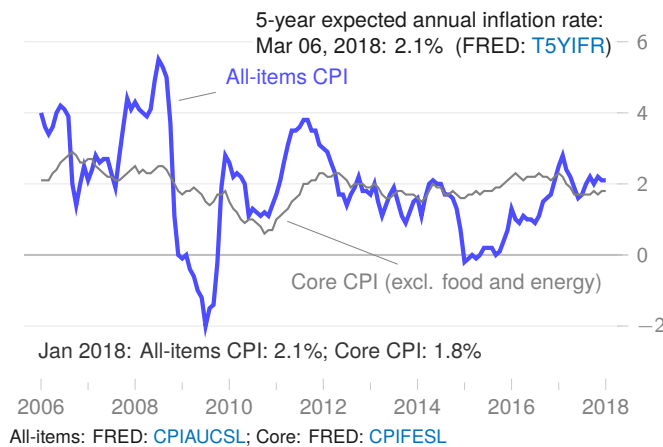
Civilian unemployment rate (percent)

Unemployed and looking for work (U3 rate)

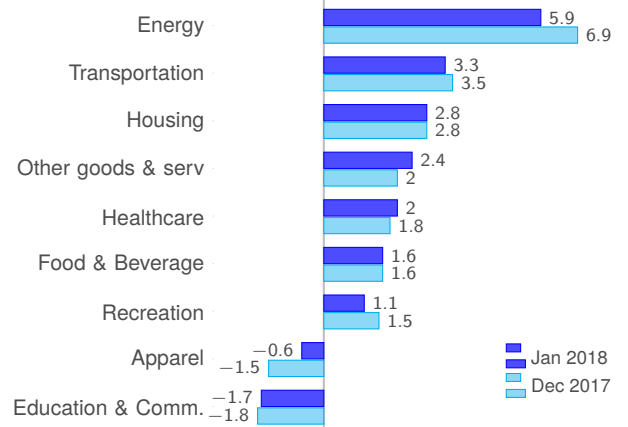


Inflation and Prices

Consumer price index (CPI) (annual percent change)



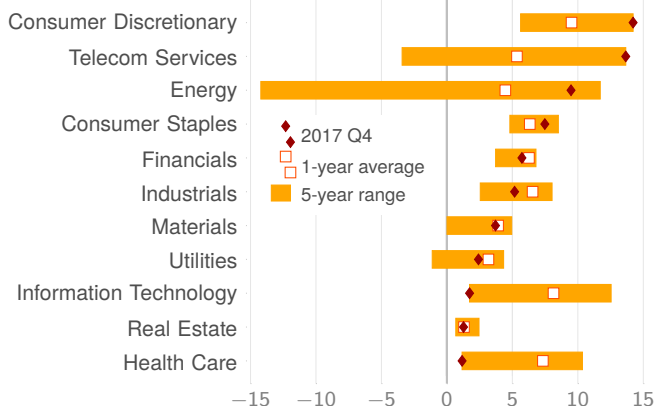
CPI components (annual percent change)



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	2726.80	▲ 1.2%	▲ 15.1%	2018-03-07
CBOE volatility index (VIX)	17.76	▼ -40.8%	▲ 55.1%	2018-03-07
Bank deposit interest rate	0.27%	▲ 0.01	▲ 0.12	Feb 2018
3-month treasury bill yield	1.68%	▲ 0.16	▲ 0.94	2018-03-07
2-year treasury bond yield	2.25%	▲ 0.15	▲ 0.94	2018-03-07
10-year treasury bond yield	2.89%	▲ 0.10	▲ 0.40	2018-03-07
30-year mortgage rate	4.43%	▲ 0.21	▲ 0.33	2018-03-01
US Dollar, broad index	118.57	▲ 0.8%	▼ -5.2%	Mar 2018
Crude oil, US\$/barrel	\$61.35	▼ -4.0%	▲ 16.2%	2018-03-07
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