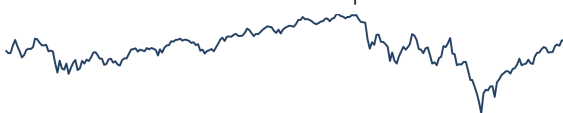


Look Back

- Congress and President Trump passed measures to keep the government open without a border wall resolution; Trump issued a national emergency declaration in response; 16 states sue
- Risk assets finished strong last week with the S&P 500 up 2.56% based on positive news

S&P 500 INDEX | 1Y



A familiar set of market drivers remains front-and-center this holiday-shortened week. U.S.-China trade negotiations continue today in D.C. just 11 days before the March 1 deadline. The two parties appear to be moving two steps forward and one step back, but inching towards an agreement nevertheless. It will be difficult for President Trump and President Xi to deliver a deal without extending the deadline. However, if an extension is announced within the context of cooperation and optimism, markets should be more receptive to the delay. This week we will also hear from a number of global central banks, including the Fed via the minutes from the December session. The message among international monetary policymakers will likely lean towards more caution and patience – an appropriate shift given the sluggish data arising among EU members and Asia. An inked trade agreement may provide the Fed with the breathing room needed to restart its policy normalization efforts.

- Chip Hughey, CFA
Head of Fixed Income Strategy and Services



Equity	Level	Index Returns %				
		1w	QTD	YTD	1Y	Δ-1w
S&P 500	2780	1.33	11.19	11.19	3.76	
Dow Jones	25891	1.94	11.40	11.40	5.04	
Nasdaq	7487	0.99	12.97	12.97	4.54	
Russell 2000	1574	2.39	16.89	16.89	3.34	
MSCI EAFE	1858	2.00	8.29	8.29	-7.21	
MSCI EM	1037	-0.49	7.45	7.45	-11.28	

Fixed Income	Yield %	Levels			
		1w	QTD	YTD	1Y
US Aggregate	3.17	0.24	1.24	1.24	3.42
US Credit	3.89	0.28	2.77	2.77	2.75
Global HY	6.58	0.44	4.95	4.95	0.75
Municipals	2.54	0.13	1.12	1.12	3.94

Benchmark Rates	Levels				1Y Trend
	02/19/19	02/11/19	01/18/19	02/20/18	
Fed Fuds	2.40	2.40	2.40	1.41	
1-Month Libor	2.48	2.49	2.52	1.62	
3-Month Libor	2.64	2.69	2.78	1.94	
2Y US Treasury	2.49	2.51	2.59	2.27	
5Y US Treasury	2.46	2.50	2.58	2.69	
10Y US Treasury	2.63	2.69	2.74	2.95	
30Y US Treasury	2.98	3.02	3.06	3.22	
Prime Rate	5.50	5.50	5.50	4.50	
30Y Fixed Mtge	4.34	4.36	4.48	4.35	

Commodites	Levels				1Y Trend
	02/19/19	02/11/19	01/18/19	02/20/18	
WTI Crude	56.09	53.10	53.01	57.34	
Gold	1340.96	1310.80	1285.27	1324.53	

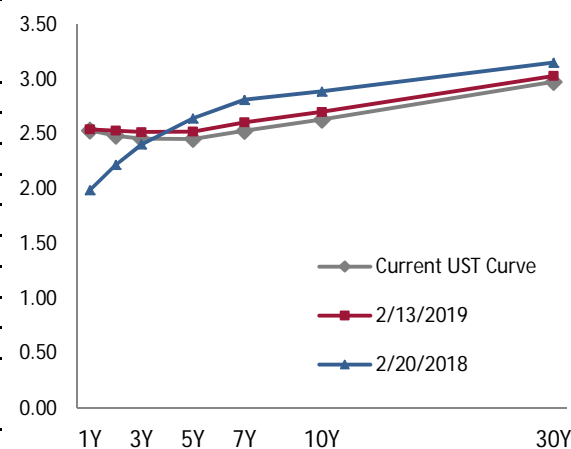
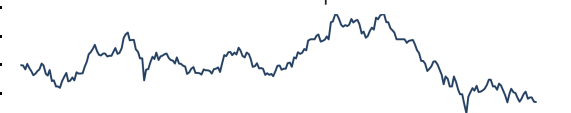
Currency	Levels				1Y Trend
	02/19/19	02/11/19	01/18/19	02/20/18	
\$ USD Index	96.52	96.71	96.30	90.00	
¥ JPY	110.63	110.48	109.37	107.78	
€ EUR	1.13	1.13	1.14	1.23	
£ GBP	1.31	1.29	1.30	1.39	

U.S. Eco Data	Levels				1Y Trend
	Latest	Previous	Previous	Previous	
GDP	3.40	09/30/18	4.20	06/30/18	
Core PCE	1.88	11/30/18	1.82	10/31/18	
NFP	222K	12/31/18	196K	11/30/18	
Avg Hrly Earn	3.30	12/31/18	3.30	11/30/18	
ECI	2.80	09/30/18	2.80	06/30/18	

Look Ahead

- U.S.-China trade talks continue this week in D.C.; Further breakthrough in negotiations could unlock upside potential in global risk assets
- FOMC Meeting Minutes are due Wednesday; Durable Goods Orders will print on Thursday

US 10 Year | 1Y



WTI Crude Forecast through Q4 2019

