

Look Back

- Congress passed a stop-gap funding bill that will keep the government running through Dec 22 when a more permanent plan is expected
- Jobs data (ADP, NFP, Avg Hrly) posted encouraging numbers suggesting a continued positive trajectory for the US labor market

BBG Barclays U.S. Aggregate Bond Index | 1Y



Quick Take

A landmark week for global monetary policy is underway. The U.S. Federal Reserve, the European Central Bank, the Bank of England, and the Swiss National Bank all convene. The Fed is almost universally expected to raise the Fed funds rate 0.25% tomorrow, its third hike of the year and fifth since the financial crisis. Momentum is swinging towards tighter policy (i.e. higher rates, decreased asset purchases) among the world's major central banks. Global growth's ability to withstand harsher central bank policies will be tested after a decade of ultra-accommodation. Markets are pausing ahead of the deluge of updates from monetary policymakers. Additionally, the U.S. House and Senate will begin efforts to consolidate tax reform into one cohesive bill. Markets remain sensitive to Congress' progress and setbacks. This week's reconciliation process will be no different.

-Chip Hughey, CFA
Head of Retail Fixed Income Strategy & Services



Equity	Level	Index Returns %				
		1w	QTD	YTD	1Y	Δ-1w
S&P 500	2660	0.81	6.01	21.11	20.12	
Dow Jones	24386	0.45	9.45	26.36	26.43	
Nasdaq	6875	1.48	6.07	29.12	27.76	
Russell 2000	1520	-0.80	2.15	13.32	10.94	
MSCI EAFE	2015	0.22	2.38	23.39	23.94	
MSCI EM	1120	-0.17	3.66	32.80	30.90	

Fixed Income	Yield %	Index Returns %				
		1w	QTD	YTD	1Y	Δ-1w
US Aggregate	2.71	0.02	0.18	3.33	3.84	
US Credit	3.26	0.07	0.70	5.92	7.01	
Global HY	5.29	-0.05	0.34	9.85	10.62	
Municipals	2.33	0.34	0.56	5.25	5.54	

Benchmark Rates	Levels				1Y Trend
	12/11/17	12/04/17	11/10/17	12/13/16	
Fed Fuds	1.16	1.16	1.16	0.41	
3-Month Libor	1.55	1.51	1.42	0.96	
2Y US Treasury	1.54	1.81	1.68	1.16	
5Y US Treasury	2.16	2.14	2.07	1.91	
10Y US Treasury	2.39	2.37	2.41	2.47	
30Y US Treasury	2.78	2.76	2.87	3.13	
10Y Breakevens	1.90	1.90	1.91	1.99	
Prime Rate	4.25	4.25	4.25	3.50	
30Y Fixed Mtge	3.83	3.88	3.86	4.03	

Commodities	Levels				1Y Trend
	12/11/17	12/04/17	11/10/17	12/13/16	
WTI Crude	57.99	57.62	56.97	56.06	
Gold	1241.94	1276.11	1278.37	1158.45	

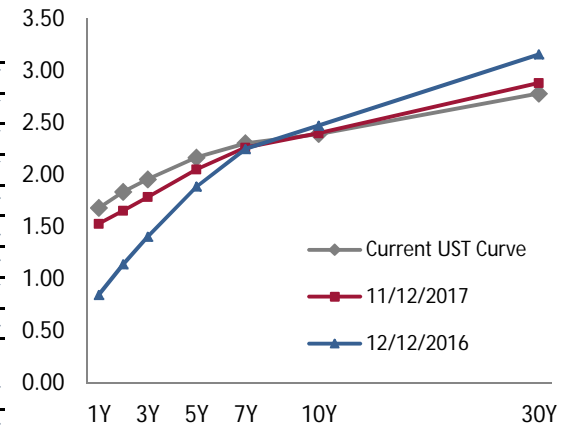
Currency	Levels				1Y Trend
	12/11/17	12/04/17	11/10/17	12/13/16	
\$ USD Index	93.87	93.19	94.49	101.07	
¥ JPY	113.56	112.41	113.62	115.19	
€ EUR	1.18	1.19	1.17	1.06	
£ GBP	1.33	1.35	1.31	1.27	

U.S. Eco Data	Levels			1Y Trend	
	Latest	Previous	1Y Trend		
GDP	3.30	09/30/17	3.10	06/30/17	
Core PCE	1.45	10/31/17	1.36	09/30/17	
NFP	228K	11/30/17	244K	10/31/17	
Avg Hrly Earn	2.50	11/30/17	2.30	10/31/17	
ECI	2.50	09/30/17	2.40	06/30/17	

Look Ahead

- Tax reform bill goes to conference committee for deliberation; timeline shrinking for passage this calendar year
- Amongst global central bank gatherings this week, Chair Yellen will give her last scheduled FOMC press conference Wed; Markets expecting the committee to hike

EUR-USD | 1Y



Weekly Chart

