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The market was startled last week after a weakness in one of Portugal's largest lenders—including a threat of default—came to light. But reaction soon calmed and the focus again turned to the growing strength of the U.S. employment picture. The latest snapshot, the week's jobless claims, was again positive, with first-time requests for unemployment benefits dropping again. The 4-week moving average also decreased.

Both the 1- and 3-month Treasury ticked up slightly to 0.02% and 0.03%, respectively. The 1- and 3-month London interbank offered rates (Libor) remained at 0.15% and 0.23%, respectively. The Fed's overnight fixed-rate reverse-repo facility continued sitting at a rate of 0.05%. Overnight Treasury and mortgage-backed repo rates also were steady, ending the week at 5 and 7 basis points, respectively.