FLORIDA PRIME

Weekly Commentary

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Another sign of divergence between the economies of Europe and the U.S. came last week when the European Central Bank announced a major bond-buying stimulus package at a time when U.S. policymakers are leaning toward ending monetary accommodation. But the case also was made in the domestic housing market. Three constructive reports released last week show that the sector continues to be on the rebound—all well before spring when most activity occurs.

Jobless claims dipped from the week prior, but were still slightly higher than they had been in fall of 2014. But with oil's continued slide, consumers continued to gain confidence.

The 1-month London Interbank Offered Rate (Libor) remained at 17 basis points, with the 3-month at 26 basis points. The 1-month Treasury yield fell to half of a basis point, but the 3-month remained at three basis points. The rate for the Fed's overnight reverse-repo facility was 0.05%, overnight Treasury and mortgage-backed repo rates stayed higher at 0.06% and 0.08%, respectively.

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