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**Paige Wilhelm**

*Senior Vice President  
Senior Portfolio Manager  
Federated Investment Counseling*

Americans are slowly returning to the housing market, but are not yet filling their new purchases with appliances and furnishing. Sales of existing houses increased by six percent in March, marking the highest level in more than a year. But durable orders for items other than military and aircraft fell. New home sales, a smaller percentage of the housing market, dropped 11 percent, but year-over-year they have risen nearly 20 percent. In the labor market, first-time jobless claims were essentially unchanged.

Short rates did not budge over the last week. The 1- and 3-month London Interbank Offered Rate (Libor) remained at 18 and 27 basis points, respectively, and yields on the 1- and 3-month Treasuries were one and two basis points, respectively. The rate for the Fed's overnight reverse-repo facility was 0.05%; overnight Treasury and mortgage-backed repo declined for the week to average 0.06% and 0.08%.