

MAY 16, 2016



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The focus on the U.S. employment situation the prior week shifted to the consumer and the results were good. Data released last week shows retail sales increased 1.3% in April, a healthy bump from poor March figures. Actually, it represents the biggest rise this year, driven by robust vehicle sales. Consumer sentiment as measured in the University of Michigan's consumer survey in April also impressed, growing approximately 7 points to 95.8. That's the best reading since June of 2015.

Producer level inflation was lower than expected, however. Even though energy prices rose, April producer prices rose just 0.2%. Ex energy and food figures were lifted only 0.1%. But business inventories were positive, increasing slightly.

Treasury yields moved upward over the last week, as the yield on the 2-year Treasury rose from 0.74% to 0.78%, the 3-year yield increased from 0.88% to 0.93% and the 5-year yield grew from 1.23% to 1.25%.