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Just as it seemed Federal Reserve officials were greasing the wheels for a rate hike with speeches, last week brought out dovish comments by a Fed governor. Pair that with some soft economic data and suddenly the probability for action at this week's Federal Open Market Committee (FOMC) meeting fell. Among the weak readings were poor retail sales numbers and consumer sentiment. Industrial production and inflation also disappointed. It seems that the Fed orchestrated another bait and switch and we will have to wait until later this year, probably December, for the best chance at hike.

There was little movement in the short end of the London interbank offered rate (Libor) curve over the last week. One-month Libor remained at 0.53%, three-month Libor increased three basis points to 0.86% but six-month Libor remained at 1.25%.