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Tax code rewrite hits a bump

No one thought it would be easy for the Republicans to significantly change the U.S. tax code, and sure enough, late last week the House and Senate bills differed substantially. That creates uncertainty, and markets and investors don't like uncertainty.

But that was not the only economic news last week. Consumers appear as confident as they have been this year and the labor market continues to show strength. This could be just the right combination for the holiday shopping season that is soon upon us, if not already here.

Last week, the 1-month London interbank offered rate (Libor) yield continued to be anchored at around 1.24%, while 3-month Libor rose by 1 basis point to 1.41% and 6-month Libor increased by 2 basis points to 1.61%.