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Paige Wilhelm
*Senior Vice President
Senior Portfolio Manager
Federated Investment Counseling*

Both change and no change at the Fed

U.S. consumers are as confident as they have been in nearly two decades, and that may be partly due to inflation continuing to flounder below the Federal Reserve's target of 2%. The Fed responded to this and other inflation data by not hiking rates at last week's Federal Open Market Committee meeting, but the markets saw nothing to think one won't come in December.

The employment situation report showed a healthy, if not ebullient, jobs market, and manufacturing and nonmanufacturing data was strong. One thing is certain, the Federal Reserve will tackle economic news with a different leader starting in 2018 as President Trump tapped Fed governor Jerome Powell instead of current Chair Janet Yellen to run the central bank beginning next year.

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 2 basis points to 1.40% and 6-month Libor increased by 2 basis points to 1.59%.