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## Housing strong in June

When there are scant economic reports in a given week, the markets can overreact to a poor or positive result of one, especially if it is unexpected. Last week, there was no such excitement.

The major data releases concerned housing, and they were mostly positive. June housing starts and permits increased, beating expectations. The best performing category was multifamily dwellings, but single-family starts ended three straight months of declines. Builder sentiment slipped but was still solid.

In labor market news, even though new applications for unemployment insurance have been extraordinarily low for so long, it was still notable that the weekly measure dropped to 233,000. It has been since 1973 that new jobless claims have been so minimal.

The short end of the London interbank offered rate (Libor) yield again was essentially unchanged last week from the week prior: 1-month Libor at 1.23%, 3-month at 1.31% and 6-month at 1.46%.