

SEPTEMBER 5, 2017



Paige Wilhelm

*Senior Vice President
Senior Portfolio Manager
Federated Investment Counseling*

Waiting for September

The Department of Labor might as well just take August off. The preliminary monthly employment situation report it creates for August is often off base for seasonal reasons, leading many market participants to wait till the revision to get the best look. The result this August was a surprisingly low count of only 156,000 jobs added, much below the 180,000 expected. We will wait till September to get a better look.

Less equivocal reports came in housing and auto sales, which continued to disappoint. But second-quarter gross domestic product (GDP) had a decent second reading, showing the economy growing at 3%.

The short end of the London interbank offered rate (Libor) yield was essentially unchanged last week from the week prior, with 1-month Libor at 1.24%, 3-month at 1.32% and 6-month Libor at 1.46%.