

JANUARY 21, 2020



Paige Wilhelm

*Senior Vice President
Senior Portfolio Manager
Federated Investment Counseling*

Steady as she goes

Plenty of economic data last week didn't result in much change in the economic landscape. Small business confidence slipped in December, but not overly so. Owners and management still cite finding qualified workers as a major issue. Not surprisingly, weekly jobless claims remain at historically low levels. They fell last week for the fifth week in a row, showing the U.S. economy is chugging along, if slowly.

Retail sales in December rose slightly, matching consensus, inflation on the producer level did not change materially and a survey of home builders showed similar confidence this month as last.

The U.S.-China signed Phase One of trade deal last week, but it remains to be seen how much it affects the domestic economy as it did not address many big issues and didn't resolve the entire tariff situation.

The London interbank offered rate (Libor) ended the week from the previous with 1-month falling from 1.68% to 1.65% and 3-month decreasing from 1.85% to 1.80% and 6-month slipping from 1.88% to 1.83%.