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## Fed holds steady, but consumers look ready

The Federal Reserve might have saved time and not even met last week, as policymakers didn't have much new information to offer in the statement following the Federal Open Market Committee meeting. It looks like a lock that the Fed will raise the target federal funds rate when it convenes in December.

There are many reasons the Fed will probably hike rates, but last week confirmed some important ones. A monthly survey on consumer sentiment showed people are confident in the economy—just in time for the holiday shopping season—and the job market is flush with openings. If wages continue to creep up, the domestic economy should be warm this winter, even if consumer spending looks to be stronger than business purchasing.

Last week, the London interbank offered rate increased from the previous week: 1-month climbed 1 basis point to 2.32%, 3-month rose 3 basis points to 2.61% and 6-month rose 5 basis points to 2.86%.