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Up trends amid volatility

Stocks had another volatile time last week despite strong economic indicators. The most crucial was the November nonfarm payroll report, which was solid, with unemployment at a 49-year low and wages rising. Hiring trends were buoyed by employers continuing to have difficulties finding people with the requisite skills needed for their businesses.

The services side of the U.S. economy had a nice showing in November, led by new orders, as non-manufacturing activity unexpectedly climbed to levels last seen in the summer of 2005. The growth was broad, with many industries expanding. Manufacturing was no slouch, either, as it was pushed up by an increase in new orders.

Last week, the London interbank offered rate changed as follows: 1-month climbed 1 basis point to 2.40%, 3-month rose 3 basis points to 2.77% and 6-month decreased 1 basis point to 2.89%.