

## Last Week's Summary

- It was yet again another week of rising U.S. stocks, with high expectation for the earning season.
- S&P 500 Index hit all-time high, reached highest level to its 200-day moving average since 2013.
- U.S. 2-Year Treasury yield topped 2% for first time since 2008.
- U.S. 10-Year Treasury yield rose to 2.55%. The bond yield have been rising in expectations of higher inflation forecasted as a result of tax law changes.
- Oil rose to highest level in 3 years on signs that production cuts by OPEC. Russia was seen as tightening supplies too.
- **The US budget** deficit narrowed to USD 23.2 billion in December 2017 from USD 27.3 billion in the same month of the previous year, and compared to market expectations of USD 40.0 billion.

- **US retail trade** increased 0.4 percent month-over-month in December 2017, following an upwardly revised 0.9 percent rise in November and matching market expectations. Considering 2017 as a whole, sales advanced 4.2 percent compared to 3.2 percent in 2016.
- **Consumer prices** in the United States increased 2.1 percent year-on-year in December of 2017, easing from a 2.2 percent rise in November. Figures came below market expectations of 2.2 percent amid a slowdown in gasoline and fuel prices. Still, core inflation edged up to 1.8 percent amid rising cost of rents, healthcare and autos.



Equity Indices	Level	1 week	QTD	2017
S&P 500	2,786.24	1.61	4.28	21.82
Nasdaq	7,261.06	1.75	5.21	29.73
MSCI ACWI ex US	316.86	.91	3.68	27.77
Fixed Income	Yield	1 week	QTD	2017
Barclays U.S. Agg.	2.82	-0.18	-0.50	3.54
High Yield Corp.	5.62	-0.04	0.69	7.5

Mortgage Rates	This wk	Last wk	52 wk Low	52 wk High
30 Yr. Conv. Mortgage	4.15	4.05	3.84	4.39

Key Rates	1/12/2018	1/05/2018	12/31/2017
10-Yr. U.S. Treasuries	2.55	2.48	2.38
6-mo. CD rate	1.90	1.88	1.6
Prime Rate	4.50	4.50	4.25

## PIR Short Term Market Outlook

