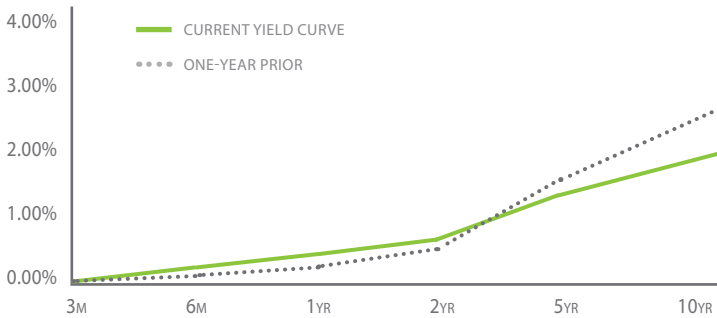


## Historical Yield Curve



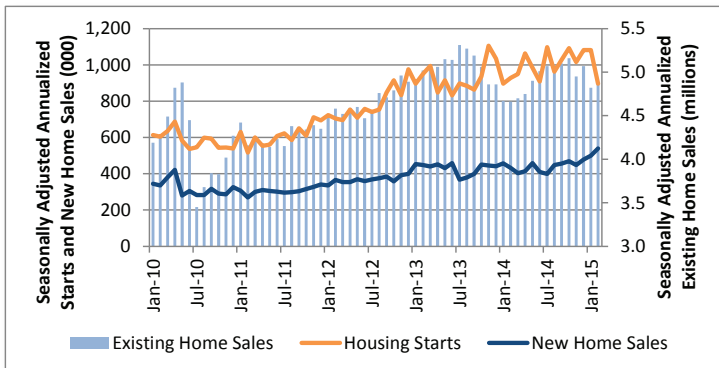
Source: Bloomberg Finance L.P., 4/1/15

## FEATURED ECONOMIC INDICATOR

### First Quarter Growth

For the second consecutive year, external factors including weather and port closures appear to be affecting 1st quarter growth. Economic forecasters do not anticipate the same severity of last year when 1st quarter GDP declined 2.10%. However, the mean economic forecast for GDP in the 1st quarter of 2015 is a sluggish 2.20% and some economists anticipate weaker results. Housing Starts is one area where noticeable declines were experienced the past two years in January and February most likely related to poor weather. Low Retail Sales and Personal Spending may have also been more impacted than normal by weather this year. Meanwhile, various manufacturing indicators such as Durable Goods Orders and ISM Manufacturing have been impacted by a contract dispute resulting in West Coast port closures. The impact of these external factors highlight the vulnerability of the slow economic recovery.

Source: Bloomberg



Source: Bloomberg

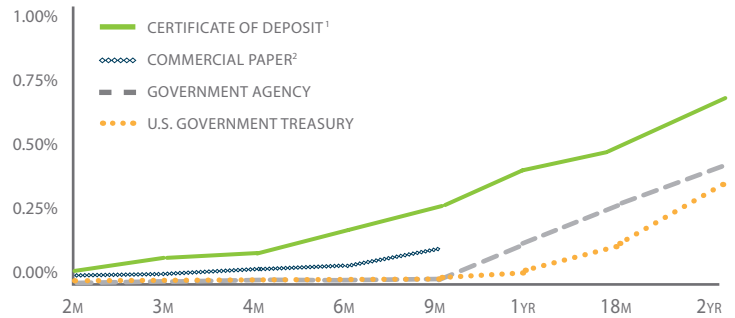
## RECENT NEWS

### Is The Fed Less "Patient"?

The latest Federal Open Market Committee statement removed the term "patient" from their assessment of when the Fed plans to first raise the discount rate. They have also removed specific target goals to allow more flexibility in making the first step. While a faster than expected drop in unemployment is pushing the central bank toward raising rates sooner this year, low oil and commodities prices are holding inflation below its target level which could delay taking action. Weaker economic results in the first quarter may also impact the Fed's policy decision.

Source: www.federalreserve.gov, Bloomberg

## Indicative Rates



<sup>1</sup> Average of top ten banks; <sup>2</sup> General Electric Capital Corp.

Source: PMA Financial Network, Inc., Bloomberg Finance L.P., 4/1/15

## U.S. Economic Indicators

Event	Event Date	Period	Survey	Actual	Prior / Revised (R)
Retail Sales Ex. Auto and Gas (MoM)	03/12/15	FEB	0.3%	-0.2%	-0.1% (R)
Chicago Fed National Activity Index	03/23/15	FEB	0.10	-0.11	-0.10 (R)
Core CPI (YoY)	03/24/15	FEB	1.7%	1.7%	1.6%
Durable Goods Orders Ex. Transportation (MoM)	03/25/15	FEB	0.2%	-0.4%	-0.7% (R)
Consumer Confidence	03/31/15	MAR	96.4	101.3	98.8 (R)
ISM Manufacturing	04/01/15	MAR	52.5	51.5	52.9
Initial Jobless Claims	04/02/15	MAR 28	287K	-	282K
Change in Nonfarm Payrolls	04/03/15	MAR	245K	-	295K
Unemployment Rate	04/03/15	MAR	5.5%	-	5.5%

Source: Bloomberg Finance L.P., 4/1/15

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