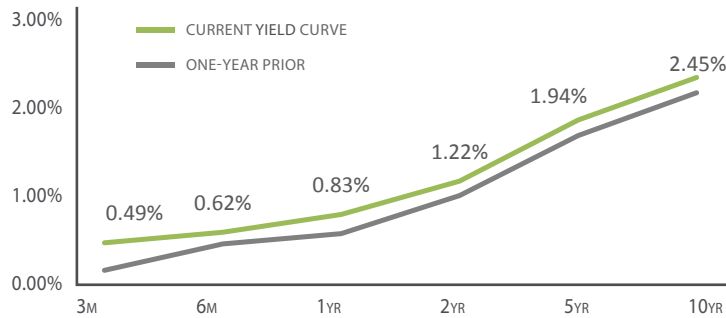
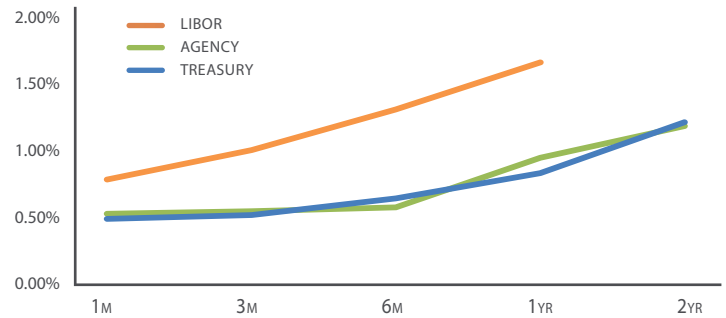


## Historical Yield Curve



Source: Bloomberg Finance L.P. 1/4/17

## Indicative Rates



Source: Bloomberg Finance L.P. 1/4/17

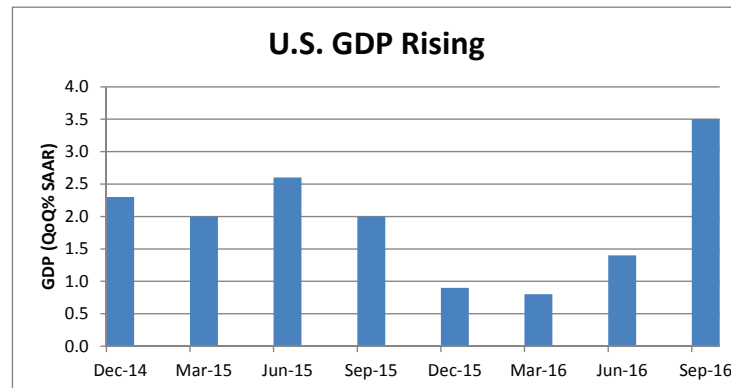
Rates do not reflect transaction fees.

## FEATURED ECONOMIC INDICATOR

### GDP Revised Up for 3rd Quarter 2016

Real gross domestic product increased at an annual rate of 3.5 percent in the third quarter of 2016, according to the "third" estimate released by the Bureau of Economic Analysis. Growth was revised up from 3.2% due to higher business investment, personal consumption, and government spending. While the higher growth is viewed positively, many economists expect the third quarter reading to be an outlier for the year due in part to unusually strong exports. Positively, consumer spending was revised up to a healthy 3% annual rate from an earlier estimate of 2.8%. Looking ahead, the consumer continues to look strong as Consumer Confidence increased to 113.7 in December from 109.4 in November.

Source: www.bea.gov, Wall Street Journal



Source: Bloomberg

## U.S. Economic Indicators

Event	Event Date	Period	Survey	Actual	Prior / Revised (R)
Consumer Price Index (YoY)	12/15/16	NOV	1.7%	1.7%	1.6%
Core CPI (YoY)	12/15/16	NOV	2.2%	2.1%	2.1%
Housing Starts (MoM)	12/16/16	NOV	12.8%		27.4% (R)
Existing Home Sales (MoM)	12/21/16	NOV	-1.8%	0.7%	1.5% (R)
Durable Goods Orders Ex. Transportation (MoM)	12/22/16	NOV	0.2%	0.5%	0.9% (R)
S&P Case-Shiller Composite Home Price Index (YoY)	12/27/16	OCT	5.03%	5.10%	5.03% (R)
ISM Manufacturing	01/03/17	DEC	53.8	54.7	53.2
Change in Nonfarm Payrolls	01/06/17	DEC	170K	--	156K
Unemployment Rate	01/06/17	DEC	4.7%	--	4.6%

Source: Bloomberg Finance L.P. 1/4/17

## RECENT NEWS

### Fed Turns More Hawkish

On December 14, the Federal Reserve increased their short-term interest rate target by 25 basis points to a range of 0.50%-0.75%. While the move was widely expected, markets did not anticipate the Fed to forecast three rate rises for 2017. This signals a more hawkish view as the Fed ponders the possibility of deficit-fueled spending programs. Such policies could drive the Fed to raise rates more than it now expects. Fed Chairwoman Janet Yellen acknowledged in a press conference that the central bank is "operating under a cloud of uncertainty." Fed officials have noted that they will change their respective outlooks when new policies are put in place rather than reach "premature" conclusions.

Source: Wall Street Journal

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