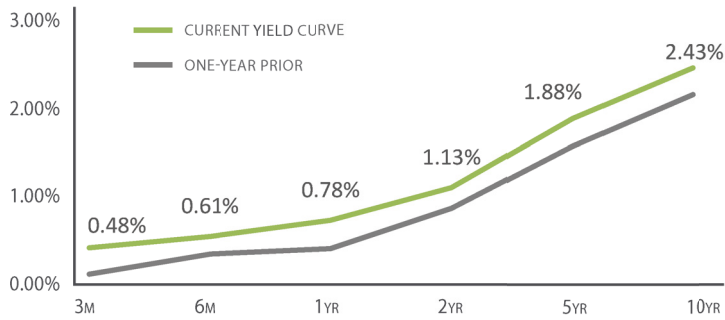
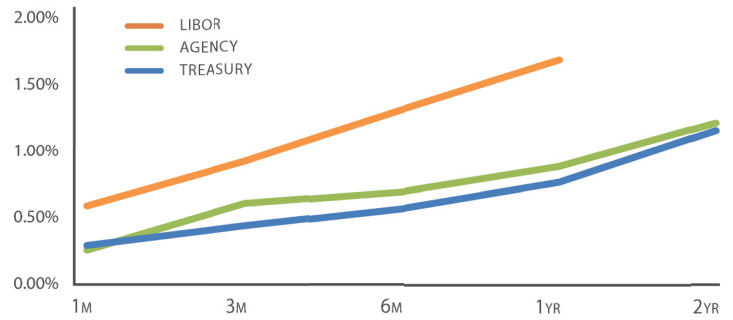


Historical Yield Curve



Source: Bloomberg Finance L.P. 12/1/16

Indicative Rates



Source: Bloomberg Finance L.P. 12/1/16

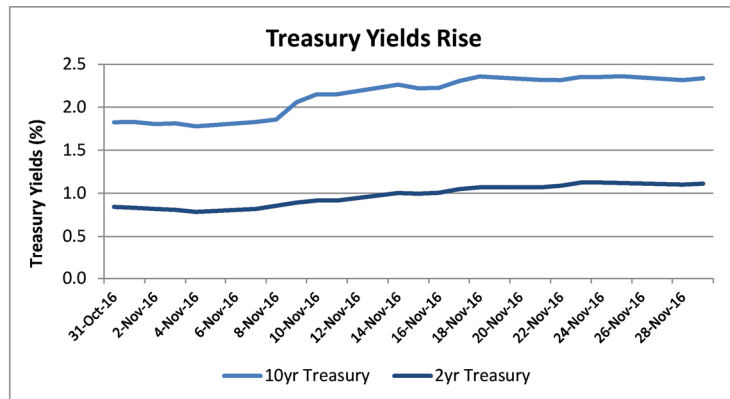
Rates do not reflect transaction fees.

FEATURED ECONOMIC INDICATOR

Market Volatility Increases

Treasury bond yields rose for three consecutive weeks following the November 8 election. Investors are projecting that tax cuts, fiscal stimulus and less stringent regulations will boost economic growth, leading to higher inflation and more hikes in interest rates by the Federal Reserve. In addition, many analysts and traders believe that new policies, including higher deficit spending, will create greater volatility in rates and less predictable monetary policy. Part of November's rise in rates relates to what analysts call term premium, which reflects the risk related to uncertain future interest rates. A long period of relatively calm, predictable changes in rates may have been left behind.

Source: Wall Street Journal, Bloomberg



Source: Bloomberg

RECENT NEWS

Fed Focus: Growth and Inflation

The Federal Reserve has a lot of new information to absorb as it prepares for its December open market committee meeting. The Fed is considering the potential for future economic growth under new policies and is examining strong new economic data including higher durable goods orders, stronger retail sales and soaring housing starts in October. Looking ahead, the yield on the 30-year Treasury bond, which serves as an indicator of the market's inflation expectations, reached 3.089%, its highest intraday level since early December 2015. Uncertainty has risen and the market will be listening closely as the Fed announces not only its decision for December, but also updates its projections for the economy and monetary policy over the next year.

Source: Wall Street Journal

U.S. Economic Indicators

Event	Event Date		Survey	Actual	Prior / Revised (R)
Consumer Price Index (YoY)	11/17/16	OCT	1.6%	1.6%	1.5%
Core CPI (YoY)	11/17/16	OCT	2.2%	2.1%	2.2%
Chicago Fed National Activity Index	11/21/16	OCT	0.00	-0.08	-0.23 (R)
Existing Home Sales	11/22/16	OCT	5.44m	5.60m	5.49m (R)
Durable Goods Orders Ex. Transportation (MoM)	11/23/16	OCT	0.2%	1.0%	0.2%
Consumer Confidence	11/29/16	NOV	101.5	107.1	100.8 (R)
ISM Manufacturing	12/01/16	NOV	52.5	53.2	51.9
Change in Nonfarm Payrolls	12/02/16		180K	--	161K
Unemployment Rate	12/02/16	NOV	4.9%	--	4.9%

Source: Bloomberg Finance L.P. 12/1/16

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