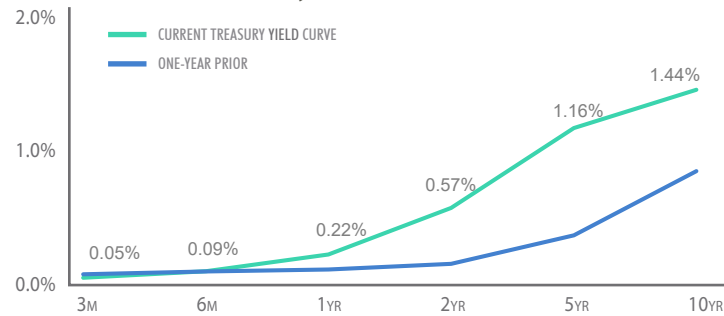


Historical Treasury Yield Curve



Source: Bloomberg Finance L.P. 11/30/21

Market Yields



Source: Bloomberg Finance L.P. 11/30/21

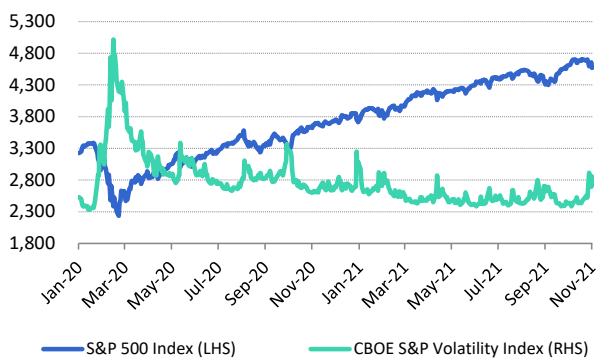
FEATURED MARKET DATA

Stocks Down as Volatility Rose

Volatility trended up during November even as equity markets generally climbed most of the month. The CBOE Volatility Index (VIX), a measure of expected stock market volatility surged to 27. Inflation and supply chain concerns weighed on investors, contributing to volatility. Positive market forces included progress on fiscal stimulus, third quarter corporate earnings strength and mostly positive economic data. The market turned sharply negative in the final days of the month as the new Omicron variant and hawkish comments from the Fed Chair Powell roiled financial markets. Equities finished lower in November with the S&P 500 index down -0.70% and the FTSE Global Ex. US index off -4.50%.

Source: Financial Times

S&P 500 vs. Volatility Index



Source: Bloomberg

U.S. Economic Indicators

Event	Event Date	Period	Survey	Actual	Prior / Revised (R)
Consumer Price Index (MoM)	11/10/21	OCT	0.6%	0.9%	0.4%
Consumer Price Index (YoY)	11/10/21	OCT	5.9%	6.2%	5.4%
Chicago Fed National Activity Index	11/22/21	OCT	0.10	0.76	-0.18 (R)
Personal Income	11/24/21	OCT	0.2%	0.5%	-1.0%
Personal Spending	11/24/21	OCT	1.0%	1.3%	0.6%
Core PCE (YoY)	11/24/21	OCT	4.1%	4.1%	3.7% (R)
Change in Nonfarm Payrolls	12/03/21	NOV	548K	210K	546K (R)
Unemployment Rate	12/03/21	NOV	4.5%	4.2%	4.6%
Labor Force Participation	12/03/21	NOV	61.7%	61.8%	61.6%

Source: Bloomberg Finance L.P. 12/3/21. Glossary terms on following page.

RECENT NEWS

Powell Says Faster Taper Possible

In Congressional testimony on November 30, Fed Chair Jay Powell said the Fed would discuss a faster tapering of balance sheet growth at its December meeting. This followed remarks that inflation has spread "much more broadly" across the U.S. economy, resulting in an elevated threat of "persistently higher inflation." U.S. equity markets declined on the hawkish comments. Markets also reassessed the pace they expected the Fed to raise rates as federal funds futures priced in slightly over 2 rate hikes in 2022. This reversed views in the prior two trading days that the Omicron variant would cause the Fed to slow rate hikes.

Source: Financial Times

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Glossary of Terms

Term	What is it:
Building Permits	Records the number of permits for future housing construction.
Capacity Utilization	Tracks the extent to which capacity is being used in the production of goods and services.
Change in Nonfarm Payrolls	This indicator measures the change in the number of employees on business and government payrolls.
Chicago Fed National Activity Index	A nationwide measure of economic activity and inflation pressures. An index value of zero indicates that the national economy is expanding at its historical trend rate of growth.
Consumer Confidence	Index examines how consumers feel about jobs, the economy and spending.
Consumer Price Index (CPI)	Measures the average change in retail prices over time for a basket consisting of more than 200 categories of assorted goods and services paid directly by consumers.
Core Consumer Price Index (Core CPI)	This measure of CPI excludes food and energy costs.
Durable Goods Orders	A measure of new orders placed with domestic manufacturers for durable goods, which are items that last three years or more.
Existing Home Sales	Measures monthly sales of previously owned single-family homes.
GDP Annualized QoQ	Measures the annualized quarterly growth of the final market value of all goods and services produced within a country. GDP is the foremost report on how fast or slow the economy is growing.
Housing Starts	Records the number of new housing units started during a period.
Index of Leading Economic Indicators (LEI)	An index designed to predict the direction of the economy.
Initial Jobless Claims	Tracks new filings for unemployment insurance benefits.
ISM Manufacturing	Measures manufacturing activity based on a monthly survey of purchasing managers.
MBA Mortgage Applications	The Mortgage Bankers Association's weekly mortgage application survey includes home loan application activity for conventional and government loans for home purchases and refinances.
Mortgage Delinquencies	A measure of the percent of total conventional and government loans which are at least one payment past due, but not in the process of foreclosure.
Personal Consumption Expenditure (PCE)	The Federal Reserve's preferred measure of inflation tracks overall price changes for goods and services. Core PCE excludes food and energy.
Personal Income and Spending	Index records the income Americans receive, how much they spend, and what they save.
Retail Sales	Tracks the sale of new and used goods for personal or household consumption.
Retail Sales Ex. Auto	Retail sales excluding motor vehicles and parts.
S&P Case-Shiller Home Price Index	Tracks the value of single-family housing within the U.S. There are multiple indexes including the 20-City Composite.
Unemployment Rate	The U-3 unemployment rates tracks the percentage of the civilian workforce that is unemployed.

Source: Bloomberg, The Secrets of Economic Indicators by Bernard Baumohl; PMA Asset Management, LLC

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