

WEEKLY ECONOMIC UPDATE

April 30, 2018

WEEKLY QUOTE

"I never thought a man should make money off his friends."

- Lloyd Anderson

WEEKLY TIP

Freddie Mac takes weekly surveys of mortgage rates, but the mortgage market is not frozen between those snapshots. Rates fluctuate daily, which makes it essential to compare home loan terms on the same day.

WEEKLY RIDDLE

It can be high or low, it may run between your toes. It relates to the sun and the sky, and it may make things fall and rise. What is it?

Last week's riddle:

It is clear, yet it muddies things. It arrives, but it falls down and quickly runs away. What is it?

Last week's answer:

Rain.

MAIN STREET SUSTAINS ITS OPTIMISM

America's two most respected consumer confidence indices just improved. The University of Michigan's final April household sentiment gauge rose a full point from its initial reading to 98.8 last week, and the Conference Board's index came in at a great 128.7 for April – 1.7 points higher than its March mark.¹

HOW FAST DID THE ECONOMY GROW IN Q1?

According to the Department of Commerce, the annualized pace of growth was 2.3%. That beat the 2.0% consensus forecast from MarketWatch. The Federal Reserve believes the economy will expand 2.7% this year.^{1,2}

SPRING BRINGS THE HOME BUYERS OUT

The National Association of Realtors says that existing home sales rose 1.1% in March; the median sale price was \$250,400, 5.8% higher than last year. Census Bureau data shows a 4.0% advance for new home buying last month.³

A SLIGHT WEEKLY RETREAT FOR EQUITIES

Last week, major U.S. equity indices saw small 5-day declines, as follows: S&P 500, 0.01%, to 2,669.91; Nasdaq, 0.37%, to 7,119.80; Dow, 0.62%, to 24,311.19. The 10-year Treasury yield reached 3.03% Wednesday; it was at 2.96% at Friday's close.^{4,5}

THIS WEEK: March personal spending numbers and earnings news from Akamai, Allergan PLC, CNA Financial, Kemper, Loews, McDonalds, Nutri/System, and Transocean appear Monday. On Tuesday, the Street looks at the April ISM factory PMI and earnings announcements from Aetna, Allstate, Anadarko Petroleum, Apple, Archer Daniels Midland, AutoNation, BP, Brinker International, Cummins, Denny's, Edison International, Genworth Financial, Gilead Sciences, GrubHub, Hanesbrands, Huntsman, Marathon Petroleum, Merck, Mondelez, NCR, Pfizer, Regis Corp., Seagate, Snap, Under Armour, Voya Financial, and Western Union. Wednesday, the Federal Reserve makes a rate decision, ADP issues a new payrolls report, and AIG, AmeriGas, Avis Budget Group, CBRE Group, Clorox, CVS Health, Exelon, Express Scripts, Fitbit, Garmin, Humana, Hyatt Hotels, Kraft Heinz, Logitech, Macerich, MasterCard, MetLife, Molson Coors, Prudential Financial, Smart & Final, Spotify, Tesla, Valvoline, Wyndham Worldwide, and Zynga present earnings. Thursday's earnings roll call features Activision Blizzard, Avon, CBS, Cigna, Fluor, GoPro, Icahn Enterprises, Kellogg's, Live Nation, Motorola Solutions, Pandora, Pinnacle Foods, RE/MAX, Vulcan Materials, and Xerox; also, ISM's March service sector PMI arrives. On Friday, a new Department of Labor jobs report complements earnings from Alibaba Group, Boise Cascade, Celgene, Fred's, and Starwood Properties.

| % CHANGE | Y-T-D | 1-YR CHG | 5-YR AVG | 10-YR AVG |
|------------|-----------|----------|-----------|------------|
| DJIA | -1.65 | +15.87 | +13.05 | +8.89 |
| NASDAQ | +3.13 | +17.70 | +23.42 | +19.37 |
| S&P 500 | -0.14 | +11.77 | +13.75 | +9.12 |
| REAL YIELD | 4/27 RATE | 1 YR AGO | 5 YRS AGO | 10 YRS AGO |
| 10 YR TIPS | 0.79% | 0.39% | -0.68% | 1.56% |

Sources: wsj.com, bigcharts.com, treasury.gov - 4/27/18^{4,6,7,8}

Indices are unmanaged, do not incur fees or expenses, and cannot be invested into directly. These returns do not include dividends. 10-year TIPS real yield = projected return at maturity given expected inflation.

**Please feel free to forward this article to family, friends or colleagues.
If you would like us to add them to our distribution list, please reply with their address.
We will contact them first and request their permission to add them to our list.**

Securities sold, advisory services offered through CUNA Brokerage Services, Inc. (CBSI), member [FINRA/SIPC](#), a registered broker/dealer and investment advisor. CBSI is under contract with the financial institution to make securities available to members.
Not NCUA/NCUSIF/FDIC insured, May Lose Value, No financial institution guarantee. Not a deposit of any financial institution.

This material was prepared by MarketingPro, Inc., and does not necessarily represent the views of the presenting party, nor their affiliates. The information herein has been derived from sources believed to be accurate. Please note - investing involves risk, and past performance is no guarantee of future results. Investments will fluctuate and when redeemed may be worth more or less than when originally invested. This information should not be construed as investment, tax or legal advice and may not be relied on for the purpose of avoiding any Federal tax penalty. This is neither a solicitation nor recommendation to purchase or sell any investment or insurance product or service, and should not be relied upon as such. All market indices discussed are unmanaged and are not illustrative of any particular investment. Indices do not incur management fees, costs and expenses, and cannot be invested into directly. All economic and performance data is historical and not indicative of future results. The Dow Jones Industrial Average is a price-weighted index of 30 actively traded blue-chip stocks. The NASDAQ Composite Index is a market-weighted index of all over-the-counter common stocks traded on the National Association of Securities Dealers Automated Quotation System. The Standard & Poor's 500 (S&P 500) is a market-cap weighted index composed of the common stocks of 500 leading companies in leading industries of the U.S. economy. NYSE Group, Inc. (NYSE:NYX) operates two securities exchanges: the New York Stock Exchange (the "NYSE") and NYSE Arca (formerly known as the Archipelago Exchange, or ArcaEx®, and the Pacific Exchange). NYSE Group is a leading provider of securities listing, trading and market data products and services. The New York Mercantile Exchange, Inc. (NYMEX) is the world's largest physical commodity futures exchange and the preeminent trading forum for energy and precious metals, with trading conducted through two divisions – the NYMEX Division, home to the energy, platinum, and palladium markets, and the COMEX Division, on which all other metals trade. Additional risks are associated with international investing, such as currency fluctuations, political and economic instability and differences in accounting standards. This material represents an assessment of the market environment at a specific point in time and is not intended to be a forecast of future events, or a guarantee of future results. MarketingPro, Inc. is not affiliated with any person or firm that may be providing this information to you. The publisher is not engaged in rendering legal, accounting or other professional services. If assistance is needed, the reader is advised to engage the services of a competent professional.

Citations.

- 1 - [marketwatch.com/economy-politics/calendars/economic](#) [4/27/18]
- 2 - [cbsnews.com/news/q1-gdp-2018-economy-grew-in-first-quarter/](#) [4/27/18]
- 3 - [consumeraffairs.com/news/home-sales-rose-in-march-but-so-did-prices-042518.html](#) [4/25/18]
- 4 - [markets.wsj.com/us](#) [4/27/18]
- 5 - [quotes.wsj.com/bond/BX/TMUBMUSD10Y](#) [4/27/18]
- 6 - [bigcharts.marketwatch.com/historical/default.asp?symb=DJIA&closeDate=4%2F27%2F17&x=0&y=0](#) [4/27/18]
- 6 - [bigcharts.marketwatch.com/historical/default.asp?symb=COMP&closeDate=4%2F27%2F17&x=0&y=0](#) [4/27/18]
- 6 - [bigcharts.marketwatch.com/historical/default.asp?symb=SPX&closeDate=4%2F27%2F17&x=0&y=0](#) [4/27/18]
- 6 - [bigcharts.marketwatch.com/historical/default.asp?symb=DJIA&closeDate=4%2F26%2F13&x=0&y=0](#) [4/27/18]
- 6 - [bigcharts.marketwatch.com/historical/default.asp?symb=COMP&closeDate=4%2F26%2F13&x=0&y=0](#) [4/27/18]
- 6 - [bigcharts.marketwatch.com/historical/default.asp?symb=SPX&closeDate=4%2F26%2F13&x=0&y=0](#) [4/27/18]
- 6 - [bigcharts.marketwatch.com/historical/default.asp?symb=DJIA&closeDate=4%2F28%2F08&x=0&y=0](#) [4/27/18]
- 6 - [bigcharts.marketwatch.com/historical/default.asp?symb=COMP&closeDate=4%2F28%2F08&x=0&y=0](#) [4/27/18]
- 6 - [bigcharts.marketwatch.com/historical/default.asp?symb=SPX&closeDate=4%2F28%2F08&x=0&y=0](#) [4/27/18]
- 7 - [treasury.gov/resource-center/data-chart-center/interest-rates/Pages/TextView.aspx?data=realyield](#) [4/27/18]
- 8 - [treasury.gov/resource-center/data-chart-center/interest-rates/Pages/TextView.aspx?data=realyieldAll](#) [4/27/18]