



Fixed Income Group A Division of RJ O'Brien

The Missile

www.fixedincomegroup.com/resources/market

ECO <go>
(All times are CST)

9 <GO> to Save as Default

1) Calendars 2) Alerts 3) Export 4) Settings Economic Calendars

United States Browse 15:12:30 01/09/17 - 01/12/17

Economic Releases All Economic Releases View Agenda Weekly

	Date	Time	A	M	R	Event	Period	Surv(M)	Actual	Prior	Revised
21)	01/09	14:00				Consumer Credit	Nov	\$18.400b	--	\$16.018b	--
22)	01/10	05:00				NFIB Small Business Optimism	Dec	99.3	--	98.4	--
23)	01/10	09:00				Wholesale Inventories MoM	Nov F	0.9%	--	0.9%	--
24)	01/10	09:00				Wholesale Trade Sales MoM	Nov	--	--	1.4%	--
25)	01/10	09:00				JOLTS Job Openings	Nov	5517	--	5534	--
26)	01/11	06:00				MBA Mortgage Applications	Jan 6	--	--	0.1%	--
27)	01/12	07:30				Import Price Index MoM	Dec	0.7%	--	-0.3%	--
28)	01/12	07:30				Initial Jobless Claims	Jan 7	255k	--	235k	--
29)	01/12	07:30				Revisions: Philadelphia Fed Manf. Business Outlook Survey					
30)	01/12	07:30				Import Price Index ex Petroleum	Dec	--	--	0.0%	--
31)	01/12	07:30				Continuing Claims	Dec 31	2077k	--	2112k	--
32)	01/12	07:30				Import Price Index YoY	Dec	1.8%	--	-0.1%	--
33)	01/12	08:45				Bloomberg Consumer Comfort	Jan 8	--	--	45.5	--

Australia 61 2 9777 8600 Brazil 5511 2395 9000 Europe 44 20 7330 7500 Germany 49 69 9204 1210 Hong Kong 852 2977 6000
Japan 81 3 3201 8900 Singapore 65 6212 1000 U.S. 1 212 318 2000 Copyright 2017 Bloomberg Finance L.P.
SN 356180 CST GMT-6:00 H706-3689-2 06-Jan-2017 15:12:30

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United States Browse 15:10:25 01/13/17 - 01/13/17

Economic Releases All Economic Releases View Agenda Weekly

	Date	Time	A	R	Event	Period	Surv(M)	Actual	Prior	Revised
21)	01/13	07:30			PPI Ex Food and Energy MoM	Dec	0.1%	--	0.4%	--
22)	01/13	07:30			PPI Final Demand MoM	Dec	0.3%	--	0.4%	--
23)	01/13	07:30			PPI Ex Food, Energy, Trade Mo	Dec	0.2%	--	0.2%	--
24)	01/13	07:30			PPI Final Demand YoY	Dec	1.5%	--	1.3%	--
25)	01/13	07:30			PPI Ex Food and Energy YoY	Dec	1.5%	--	1.6%	--
26)	01/13	07:30			PPI Ex Food, Energy, Trade Yo	Dec	1.8%	--	1.8%	--
27)	01/13	07:30			Retail Sales Advance MoM	Dec	0.7%	--	0.1%	--
28)	01/13	07:30			Retail Sales Ex Auto MoM	Dec	0.5%	--	0.2%	--
29)	01/13	07:30			Retail Sales Ex Auto and Gas	Dec	0.4%	--	0.2%	--
30)	01/13	07:30			Retail Sales Control Group	Dec	0.4%	--	0.1%	--
31)	01/13	09:00			Business Inventories	Nov	0.5%	--	-0.2%	--
32)	01/13	09:00			U. of Mich. Sentiment	Jan P	98.5	--	98.2	--
33)	01/13	09:00			U. of Mich. Current Conditions	Jan P	--	--	111.9	--
34)	01/13	09:00			U. of Mich. Expectations	Jan P	--	--	89.5	--
35)	01/13	09:00			U. of Mich. 5-10 Yr Inflation	Jan P	--	--	2.3%	--
36)	01/13	09:00			U. of Mich. 1 Yr Inflation	Jan P	--	--	2.2%	--
37)	01/13	13:00			Monthly Budget Statement	Dec	-\$25.0b	--	-\$136.7b	--

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 Japan 81 3 3201 8900 Singapore 65 6212 1000 U.S. 1 212 318 2000 Copyright 2017 Bloomberg Finance L.P.
 SN 356180 CST GMT-6:00 H706-3689-2 06-Jan-2017 15:10:25

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Previous Next Send Actions News: News Story
 01/03/2017 12:16:06 [BN] Translate to...

	Next Offer Announcement	Next Auction	Date Settles	CUSIP Numbers	\$ R Bil	Prior Auction	Prior \$ Bln
-----Bill Auctions-----							
Cash mgmt	TBA	TBA	TBA	TBA	TBA	08/17/2016	\$.025
4-week	01/09/2017	01/10/2017	01/12/2017	TBA	TBA	01/03/2017	\$45
3-month	01/05/2017	01/09/2017	01/12/2017	912796KS7	TBA	01/03/2017	\$34
6-month	01/05/2017	01/09/2017	01/12/2017	912796LK3	TBA	01/03/2017	\$28
1-year	01/26/2017	01/31/2017	02/02/2017	TBA	TBA	01/03/2017	\$20
-----Note Auctions-----							
2-year	01/19/2017	01/24/2017	01/03/2017	TBA	TBA	12/27/2016	\$26
3-year	01/05/2017	01/10/2017	01/17/2017	912828V31	TBA	12/12/2016	\$24
5-year	01/19/2017	01/25/2017	01/31/2017	TBA	TBA	12/28/2016	\$34
7-year	01/19/2017	01/26/2017	01/31/2017	TBA	TBA	12/29/2016	\$28
10-year	01/05/2017	01/11/2017	01/17/2017	912828U24	R TBA	12/12/2016	\$20
-----Bond Auctions-----							
30-year	01/05/2017	01/12/2017	01/17/2017	912810RU4	R TBA	12/13/2016	\$12
-----TIPS Auctions-----							
5-yr TIPS	04/13/2017	04/20/2017	04/28/2017	TBA	TBA	12/22/2016	\$14
10-yr TIPS	01/12/2017	01/19/2017	01/31/2017	TBA	TBA	11/17/2016	\$11

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 Japan 81 3 3201 8900 Singapore 65 6212 1000 U.S. 1 212 318 2000 Copyright 2017 Bloomberg Finance L.P.
 SN 356180 CST GMT-6:00 H192-764-1 04-Jan-2017 05:56:18

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Fed Speak Calendar
(All times are CST)

1) Calendars ▾		2) Alerts		3) Export ▾		4) Settings ▾		Economic Calendars		
	United States	Browse		05:55:25		01/06/17		- 01/13/17		
Central Banks		All Central Banks				View		Agenda ● Weekly		
	Date	Time	A	M	R	Event				
21)	01/06	10:15				Fed's Evans Speaks on Economy and Policy in Chicago				
22)	01/06	14:30				Fed's Kaplan Speaks in Chicago				
23)	01/07	10:15				Fed's Kashkari Speaks on Too Big to Fail in Chicago				
24)	01/07	10:15				Fed's Powell Speaks in Chicago				
25)	01/09	08:00				Fed's Roesengren Speaks in Hartford, Connecticut				
26)	01/09	11:45				Fed's Lockhart Speaks to the Rotary Club of Atlanta				
27)	01/12	07:30				Fed's Harker Speaks in Malvern, Pennsylvania				
28)	01/12	07:30				Fed's Evans and Lockhart Take Part in Panel in Naples, Florida				
29)	01/12	11:30				Fed's Lockhart Speaks to Naples, Florida Chamber of Commerce				
30)	01/12	12:15				Fed's Bullard Speaks in New York on U.S. Outlook				
31)	01/12	18:00				Yellen to Address Town Hall with Educators				
32)	01/13	08:30				Fed's Harker Speaks on Economic Mobility in Philadelphia				

THEY SAID IT

“It is no wonder that consumer confidence is booming, as almost 1 million people left unemployment in the euro zone in the past year,” said Bert Colijn, senior euro-area economist at ING Bank NV in Amsterdam. **“As businesses are indicating that hiring will remain strong in the coming months, it seems likely that job growth will continue to provide tailwinds for the economic recovery.”**

<https://www.bloomberg.com/news/articles/2017-01-09/euro-area-unemployment-holds-at-7-year-low-as-growth-strengthens>

Euro-area joblessness held at 9.8 percent in November, the European Union’s statistics office in Luxembourg said on Monday. That’s in line with economists’ estimates in a Bloomberg survey. The lowest unemployment rate in the region -- 4.1 percent -- was recorded in Germany, while joblessness in Spain was 19.2 percent. In Greece, 23.1 percent were out of work in September, the latest month for which data are available.

“Germany is doing well -- the economy is growing fast enough to bolster employment and slow enough to avoid inflationary tensions,” said Andreas Scheuerle, an economist at Dekabank in Frankfurt. **“If it wasn’t for the rest of the world, it would be in an optimal position.”**

<https://www.bloomberg.com/news/articles/2017-01-09/german-industrial-production-rises-in->

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[sign-of-economic-recovery](#)

Output, adjusted for seasonal swings, gained 0.4 percent from October, when it advanced a revised 0.5 percent, the Economy Ministry in Berlin said on Monday. The reading, which is typically volatile, compares with a median estimate for a 0.6 percent increase in a Bloomberg survey. A separate report from the Federal Statistics Office showed exports increased 3.9 percent in November, with imports up 3.5 percent.

"Often people talk in terms as if we are leaving the EU but we still want to keep bits of membership of the EU. We're leaving, we're coming out," May stated.

<http://www.cnbc.com/2017/01/09/sterling-sinks-to-two-month-low-on-warning-that-uk-will-leave-eus-single-market.html>

The prime minister also reconfirmed her earlier commitment to trigger the "Article 50" clause which will set in motion the two-year timeline (extendable if agreed by both sides) for the country's exit from the regional trading bloc.

According to Hatzius, the U.S. investment bank even sees a 35 percent "subjective possibility" of a rate increase being announced by the Fed as early as this March, saying the cycle, "will be characterized as relatively gradual but there are definitely risks in both directions.

<http://www.cnbc.com/2017/01/09/dollar-to-hit-parity-with-euro-during-2017-says-goldman-sachs-chief-economist.html>

Goldman Sachs' base case estimate that the Fed will follow through with rate rises in June, September and December this year is more hawkish than current market consensus which is pricing in two hikes for 2017.

President-elect Donald Trump accepts the U.S. intelligence community's conclusion that Russia engaged in cyber-attacks during the U.S. presidential election and may take action in response, his incoming chief of staff said on Sunday.

<http://www.cnbc.com/2017/01/09/trump-acknowledges-russia-role-in-us-election-hacking-aide.html>

Reince Priebus said Trump believed Russia was behind the intrusions into the Democratic Party organizations, although Priebus did not clarify whether the president-elect agreed that the hacks were directed by Russian President Vladimir Putin.

"He accepts the fact that this particular case was entities in Russia, so that's not the issue," Priebus said on "Fox News Sunday."

Allegations that Russia tried to influence the U.S. presidential election are reminiscent of a witch-hunt, Kremlin spokesman Dmitry Peskov said on Monday.

<http://www.cnbc.com/2017/01/09/kremlin-says-us-hacking-allegations-are-reminiscent-of-a-witch-hunt.html>

Peskov, speaking on a conference call with reporters, also said that the published version of a U.S. intelligence report detailing the alleged Russian operation targeting the election was unprofessional and contained nothing of substance.

"We are observing a serious fatigue with these accusations," said Peskov. "It truly is reminiscent of a witch-hunt."

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The U.S. Senate will take its first steps toward repealing President Barack Obama's signature healthcare reform act by the end of the week, Republican Senate Majority Leader Mitch McConnell said on Sunday.

Speaking on CBS's "Face the Nation," McConnell said: "There ought not to be a great gap" between repealing the act and replacing it and that Republicans would be "replacing it rapidly after repealing it."

<http://www.reuters.com/article/us-usa-obamacare-mcconnell-idUSKBN14S0UT>

McConnell did not define what he meant by "rapidly." Another top Republican, House Majority Whip Steve Scalise, told Fox News that it could take two years to fully replace the Affordable Care Act, popularly known as Obamacare.

"I think everybody recognizes that there will be a transition period," Scalise said. "President-elect Trump and our leaders have said nobody is going to get the rug pulled out from underneath them."

"The higher oil price level means that drilling for shale oil is being stepped up again in the U.S.," analysts at Commerzbank AG led by Eugen Weinberg in Frankfurt said in a report. "This is likely to lead to rising U.S. oil production.

<https://www.bloomberg.com/news/articles/2017-01-08/oil-halts-below-54-as-rising-u-s-drilling-damps-saudi-cuts>

U.S. drillers boosted the rig count by four to 529 last week, according to data Friday from Baker Hughes. It's the highest level since the week ended Jan. 1, 2016. Companies have added more than 100 rigs since the end of September.

A U.S. Navy destroyer fired three warning shots at four of Iran's Islamic Revolutionary Guard Corps vessels on Sunday after they closed in at a high rate of speed in the Strait of Hormuz, two U.S. defense officials told Reuters on Monday.

<http://www.reuters.com/article/us-usa-iran-defense-idUSKBN14T1AX?il=0>

The officials, speaking on the condition of anonymity, said the USS Mahan established radio communication with the boats but they did not respond to requests to slow down. The Navy destroyer fired warning flares and a U.S. Navy helicopter also dropped a smoke float. The Iranian vessels came within 900 yards (800 meters) of the Mahan, which was escorting two other U.S. ships, they said.

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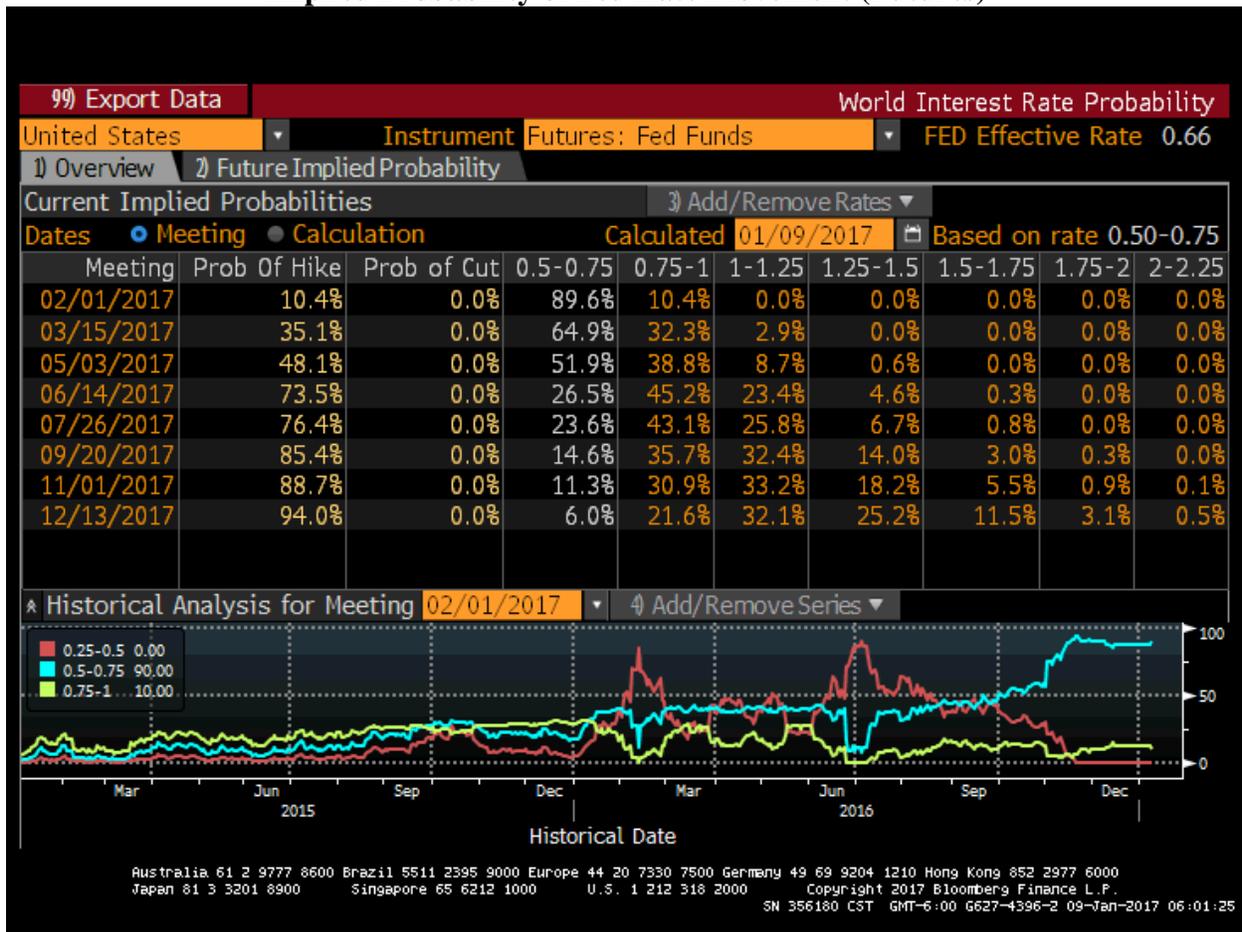
1-Month Libor Set	0.76333	+.00000	(99.23667)
3-Month Libor Set	1.01483	+.00472	(98.98517)
6-Month Libor Set	1.33156	+.00723	(98.66844)
1-Year Libor Set	1.70067	+.01611	(98.29933)

Federal Reserve Target Fed Fund Rate Projections (Median)				
Year Ending	2016	2017	2018	Longer
Rate	0.60	1.40	2.10	3.00

Federal Reserve Projections

<http://www.federalreserve.gov/monetarypolicy/files/fomcprojtabl20161214.pdf>

Implied Probability of Fed Rate Movement (Futures)



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EQUITIES

The S&P is **-2** and the NASDAQ is **-1**.

Particulars for companies to make money (**low interest rates, positive growth and some wage inflation**) remain in place. I am dollar cost averaging into a Large Cap fund.

Currently I am 50% Equities, 30% Bonds and 20% Money Markets.

Earnings:

www.moneycentral.msn.com/investor/market/earncalendar

On Bloomberg type in ACDR <GO>

UK/EUROPE

In the UK the FTSE is +0.07%.

In the UK, yields are lower with the yield curve flatter.

BOE Rate +0.23%.

Next meeting 02/02/17

On the European Continent

The CAC Index is -0.74%.

The DAX Index is -0.53%.

On the Continent, yields are lower with the yield curve flatter.

ECB Main Refinancing Operations Rate +0.00%

Deposit Facility Rate -.40%

Next meeting 01/19/17

ASIA

Japan:

The TOPIX is closed for a public holiday.

The NIKKEI is closed for a public holiday.

In Japan yields are mixed with the yield curve slightly flatter.

BOJ Policy Rate -0.10%

BOJ Basic Loan rate 0.30%

Next meeting 01/31/17

China:

The Hang Seng closed +0.25%.

The Shanghai Composite Index closed +0.54%.

PBOC

Deposit Rate: 1.50%

Lending Rate: 4.35%

Reserve Requirement Ratio: 17.00%

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THE TREND

EDH7: 98-94.0 is the pivot. Below the pivot you should be short, above long.
Support is at 98-94.0* and 98-91.5**.

Resistance is at 98-96.0*.

*Pivot Point is a simple 20-day moving average.

** 2-STD Deviations from the pivot point.

Current trend would have you long from 98.950 (12/29/16)



YTD 0 futures ticks (\$25 per tick) or \$0 per 1 contract traded.

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10yr/TYH7: 123-23.5 is the pivot point. Above you should be long, below short.

Support is at 123-23.5, 122-19.5**

Resistance is at 124-27.0**

*Pivot Point is a simple 20-day moving average.

** 2-STD Deviations from the pivot point

Current trend has you long from 123-26 (01/03/17).



YTD (2017) -12 futures ticks (\$31.25 per tick) or **-\$375.00** per 1 contract traded.

YTD (2016) +377.5 futures ticks (\$31.25 per tick) or **+\$11,796.88** per 1 contract traded.

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US-SWAPS IRSB <GO>

United States		90 Export		99 Settings		Interest Rate Swap Rates						
Date Range:		12/09/2016		- 01/09/2017		1 Month						
40 Semi Swaps		41 Sprs to Gov.		42 Ann Swaps		43 Ann Sprs		44 OIS Swaps		49 CHE/LCH Sprs		
USD SemiAnnual 30/360 Swap Rates												
Tenor	Bid	Ask	Mid	Change	Today	#SD	Δ/da	Low	Range	High	Avg +/-BPS	#SD
1) 1 YR	1,214 / 1,214	1,214	1,214	-0.001		0.0	1,118	1,243	1,197	1.8	0.7	
2) 2 YR	1,478 / 1,479	1,479	1,479	-0.005		-0.1	1,328	1,577	1,473	0.6	0.1	
3) 3 YR	1,684 / 1,685	1,684	1,684	-0.010		-0.2	1,534	1,803	1,701	-1.6	-0.3	
4) 4 YR	1,828 / 1,833	1,831	1,831	-0.014		-0.2	1,642	1,993	1,873	-3.9	-0.6	
5) 5 YR	1,937 / 1,942	1,940	1,940	-0.018		-0.2	1,833	2,144	2,005	-6.3	-0.9	
6) 6 YR	2,028 / 2,033	2,030	2,030	-0.021		-0.3	1,951	2,257	2,113	-8.1	-1.1	
7) 7 YR	2,103 / 2,106	2,104	2,104	-0.025		-0.3	2,022	2,369	2,200	-9.4	-1.2	
8) 8 YR	2,163 / 2,168	2,166	2,166	-0.026		-0.3	2,098	2,467	2,274	-10.6	-1.4	
9) 9 YR	2,215 / 2,219	2,217	2,217	-0.029		-0.4	2,150	2,490	2,333	-11.4	-1.4	
10) 10 YR	2,261 / 2,263	2,262	2,262	-0.030		-0.4	2,192	2,542	2,383	-12.0	-1.5	
11) 15 YR	2,403 / 2,407	2,405	2,405	-0.036		-0.4	2,343	2,698	2,541	-13.4	-1.7	
12) 20 YR	2,463 / 2,465	2,464	2,464	-0.036		-0.4	2,409	2,761	2,607	-14.2	-1.8	
13) 25 YR	2,479 / 2,481	2,479	2,479	-0.039		-0.5	2,427	2,779	2,627	-14.6	-1.8	
14) 30 YR	2,480 / 2,483	2,481	2,481	-0.039		-0.5	2,437	2,783	2,632	-15.0	-1.8	

Executable quotes for Fixed Income Electronic Trading are in white tenors.

Australia 61 2 9777 8600 Brazil 5511 2395 9000 Europe 44 20 7330 7500 Germany 49 69 9204 1210 Hong Kong 852 2977 6000
 Japan 81 3 3201 8900 Singapore 65 6212 1000 U.S. 1 212 318 2000 Copyright 2017 Bloomberg Finance L.P.
 SN 356180 CST GMT-6:00 G627-4396-2 09-Jan-2017 06:04:47

The Option Lab

Nothing on

Option Book 2017 YTD realized: +\$0 per 1 contract.

Option Book 2016 YTD realized: +\$43.75 per 1 contract.

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Handy Links

Association of American Railroads Rail Traffic Report.

"Last year was challenging for freight railroads," said AAR Senior Vice President of Policy and Economics John T. Gray. "Rail carloads were down for the second consecutive year, due mainly to a weak manufacturing economy and turmoil in energy markets, while intermodal failed to set its fourth straight annual record. That said, there are signs that the economy may be gradually returning to a period of growth."

Total U.S. carload traffic for 2016 was 13,096,860 carloads, down 8.2 percent or 1,169,152 carloads, while intermodal containers and trailers were 13,490,491 units, down 1.6 percent or 220,171 containers and trailers when compared to 2015. In 2016, total rail traffic volume in the United States was 26,587,351 carloads and intermodal units, down 5 percent or 1,389,323 carloads and intermodal units from the same point last year.

<https://www.aar.org/newsandevents/Press-Releases/Pages/2016-01-04-railtraffic.aspx>

Weekly Rail Traffic Report and Charts

Carload traffic in December totaled 973,642 carloads, up 2.8 percent or 26,147 carloads from December 2015. U.S. railroads also originated 1,011,870 containers and trailers in December 2016, up 11.2 percent or 102,215 units from the same month last year. For December 2016, combined U.S. carload and intermodal originations were 1,985,512, up 6.9 percent or 128,362 carloads and intermodal units from December 2015.

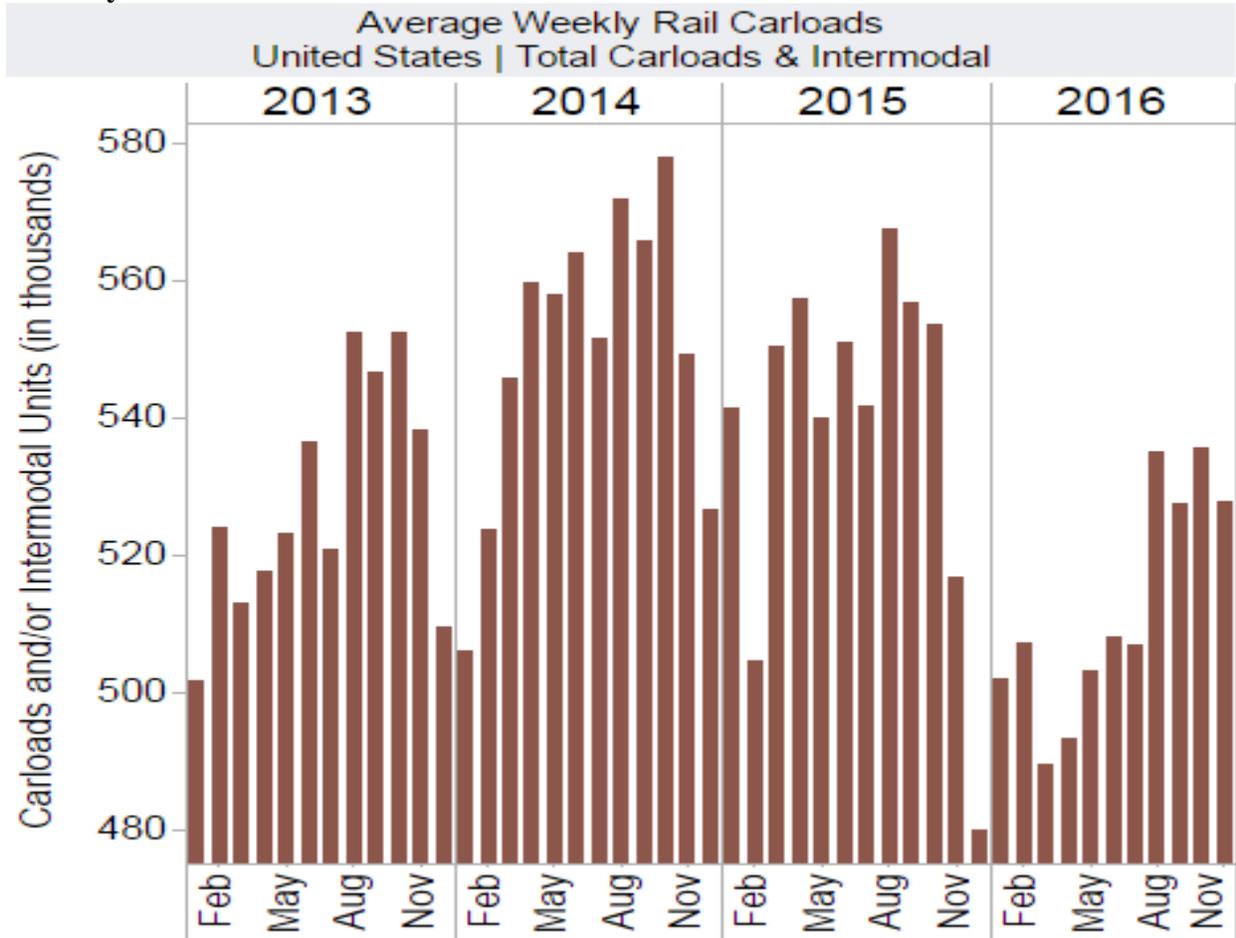
In December 2016, 13 of the 20 carload commodity categories tracked by the AAR each month saw carload gains compared with December 2015. These included: coal, up 4.2 percent or 13,360 carloads; grain, up 10.5 percent or 8,663 carloads; and chemicals, up 3.9 percent or 4,599 carloads. Commodities that saw declines in December 2016 from December 2015 included: petroleum and petroleum products, down 17.4 percent or 8,568 carloads; crushed stone, gravel and sand, down 4.1 percent or 2,889 carloads; and miscellaneous carloads, down 5.9 percent or 1,265 carloads.

Excluding coal, carloads were up 2 percent or 12,787 carloads in December 2016 from December 2015.

<https://www.aar.org/newsandevents/Freight-Rail-Traffic/Documents/2016-01-04-railtraffic.pdf>

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Monthly Rail Traffic Charts



<https://www.aar.org/Pages/Freight-Rail-Traffic-Data.aspx>

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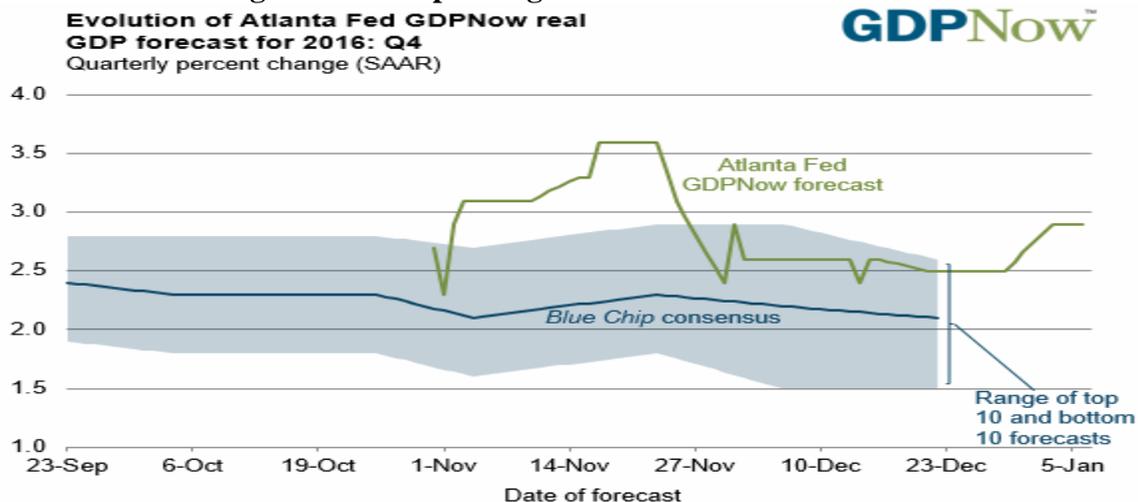
Baker Hughes Summary Rig Count 1/6/2017

Area	Last Count	Count	Change from Prior Count	Date of Prior Count	Change from Last Year	Date of Last Year's Count
U.S.	6 January 2017	665	+7	30 December 2016	+1	8 January 2016
Canada	6 January 2017	205	+48	30 December 2016	+39	8 January 2016
International	November 2016	925	+5	October 2016	-184	November 2015

<http://phx.corporate-ir.net/phoenix.zhtml?c=79687&p=irol-rigcountsoverview>

ATLANTA FED GDPNow January 6, 2017

The GDPNow model forecast for real GDP growth (seasonally adjusted annual rate) in the fourth quarter of 2016 is 2.9 percent on January 6, unchanged from January 3. The forecasts of fourth-quarter real net exports and real inventory investment increased slightly after this morning's economic releases. These increases were offset by slight declines in the forecasted real growth rates of consumer spending, private fixed investment, and state and local government spending after the same releases.



<https://www.frbatlanta.org/cqer/research/gdpnow.aspx?panel=1>

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January 6, 2017: Highlights

The FRBNY Staff Nowcast stands at 1.9% for both 2016:Q4 and 2017:Q1.

The 2016:Q4 nowcast moved up 0.1 percentage point; this increase was largely due to parameter revisions.

The 2017:Q1 nowcast moved up 0.2 percentage point; this increase was mainly due to parameter revisions and positive surprises from ISM survey data.

<https://www.newyorkfed.org/research/policy/nowcast>

Full report

https://www.newyorkfed.org/medialibrary/media/research/policy/nowcast/nowcast_2017_0117.pdf?la=en

Bureau of Labor and Statistics

<http://www.bls.gov/news.release/>

CPI, ECI, Employment, PPI, CPI, Real Earnings and US import/exports

St. Louis Fed Labor Market Conditions Index

November 2016: 1.5 Index Points from 1.4 in October.



<https://research.stlouisfed.org/fred2/series/FRBLMCI>

Labor Department (Weekly Unemployment Claims)

http://www.doleta.gov/ETA_News_Releases/

US Census Bureau (Manufacturers' Shipments, Inventories and Orders).

<http://www.census.gov/manufacturing/m3/>

U.S. Energy Information Administration

<http://www.eia.gov/>

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Institute for Supply Management
THE LAST 12 MONTHS

Month	PMI®	Month	PMI®
Dec 2016	54.7	Jun 2016	53.2
Nov 2016	53.2	May 2016	51.3
Oct 2016	51.9	Apr 2016	50.8
Sep 2016	51.5	Mar 2016	51.8
Aug 2016	49.4	Feb 2016	49.5
Jul 2016	52.6	Jan 2016	48.2
Average for 12 months – 51.5 High – 54.7 Low – 48.2			

<https://www.instituteforsupplymanagement.org/ismreport/mfgrob.cfm>

U.S. Department of Commerce, Bureau of economic analysis

<http://www.bea.gov/newsreleases/national/gdp/gdpnewsrelease.htm>

GDP, Personal Income and Outlays, Consumer Spending, Corporate Profits and Fixed Assets

CBOT Non-Commercial Net Total – Futures Only

<http://www.cmegroup.com/trading/interest-rates/cftc-tff/main.html>

St. Louis Fed Agriculture Finance Monitor 3RD quarter

According to the latest survey of agricultural bankers in the Eighth Federal Reserve District, a solid majority reported that farm income declined in the third quarter of 2016 relative to a year ago. Consistent with previous surveys, proportionately more bankers continue to report that falling farm income is pressuring farmers to trim their household expenditures and farming- and ranching-related capital outlays. Given the difficulties in the farm sector, it is perhaps surprising that our survey results showed that quality farmland values were unchanged and ranch or pastureland values were up slightly from a year earlier in the third quarter. Nonetheless, cash rents for both quality farmland and ranch or pastureland declined modestly in the third quarter. Our survey results also revealed that demand for loans in the third quarter was a bit stronger than what was expected three months earlier, while the availability of funds mostly met expectations. Loan repayment rates were slower in the third quarter, but consistent with bankers' expectations from three months earlier. Our two special questions focused on those farmers who are experiencing loan repayment issues. According to our lender survey, the largest increase in repayment problems is for operating lines of credit. A majority of bankers believe that, in response, unpaid portions of operating lines of credit will require additional collateral to roll over this debt.

<https://research.stlouisfed.org/publications/ag-finance/2016-11-10/2016-third-quarter.pdf>

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The Fixed Income Group at R.J. O'Brien

John Coleman
312-373-5190
800-367-3349
© 312-515-3067

johncoleman@bloomberg.net

Rob Powell
312-373-5197
800-367-3349
© 312-560-7112

robpowell@bloomberg.net

Jeff Bauman
312-286-0491

jeffbau@bloomberg.net

Rich Goldblatt
312-373-5450
800-367-3650
© 312-515-6019

futuristic@bloomberg.net

Rocco Chierici
312-373-5439
800-367-3650
© 312-515-3069

rocco1@bloomberg.net

Brian Rachwalski
312-373-5191
800-367-3349
© 312-515-3066

brachwalski@bloomberg.net

Dan Sobolewski
312-373-5191
800-367-3349
© 312-505-6364

dsobolewski@bloomberg.net

Evan Vollman
312-373-5452
800-367-3650

evollman@bloomberg.net

Corrine Abele
312-373-4847
800-367-3349

cabele@rjobrien.com

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