NewLeaf Wholesale
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Market Update

Market Update: *Reported Thursday, September 21, 2017 / 10:26 AM PST*

NewLeaf Commentary:

The Fed left rates unchanged yesterday but surprised investors by indicating one more rate hike before year end (see chart below). Yesterday was the beginning of the end for Quantitative Easing, as the Fed announced it will begin unwinding its portfolio of bonds and MBS in October. Meanwhile initial claims for jobless benefits came in lower than expected this morning for the latest week, falling by 23,000 to 259,000, short of the 300,000 consensus estimate. The low claims print indicates that the impact from hurricanes Harney and Irma is less than feared. Separately, the Philadelphia Fed manufacturing index surged upward to a 3-month high of 23.8, blowing through the 17.2 forecast. The prices paid sub-index rose by 13.3 to +34.4, an 8-month high. The U.S. 10-year currently is yielding 2.26%, unchanged from yesterday's close.

Additional Resources: