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Unemployment: Jobs data surprised markets this past week. Nonfarm Payrolls (Jan) well-surpassed expectations with 353k jobs added compared to forecasts of 187k. Unemployment remains low at 3.7%



Consumer Goods & Materials: The Core PCE Price Index (YoY)(Dec) increased by 2.9% which is the first time below 3% since April 2021. Progress towards the fight against inflation!



Durable Goods: Gross Domestic Product (GDP)(QoQ)(Q4) exceeded expectations, rising by 3.3% compared to forecasts of 2%. Growth trends favor arguments for an economic “soft landing”.



Housing and Building: New Home Sales (MoM) had impressive gains, rising 8%, after two consecutive months of declines. Building Permits (MoM) rose 1.8% in December.



Yield Curve: 2's & 10's remain inverted. 2-year yields rose to 4.36% from 4.34% and 10-year yields fell to 4.03% from 4.15%. Prices & rates move in opposite directions.



M2 Money Stock: The money supply, including time deposits, rose \$98B to \$20.865T (Dec). Money supply is running 74.6% of current GDP.



Manufacturing & Services: ISM Manufacturing PMI (Jan) rose to 49.1 from 47.1 (Dec) which has gained over the last 4 months. 50 marks contraction/expansion.



S&P 500: The S&P 500 moved into record territory. The index rose 67.64 points and closed at 4,958.61 (up 3.96% YTD). The CBOE Volatility Index (VIX) was stable at 13.9.



U. of Michigan Consumer Sentiment: Michigan Consumer Sentiment jumped to 79 (Jan) from 69.7 (Dec). This is the highest reading since July 2021.

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