

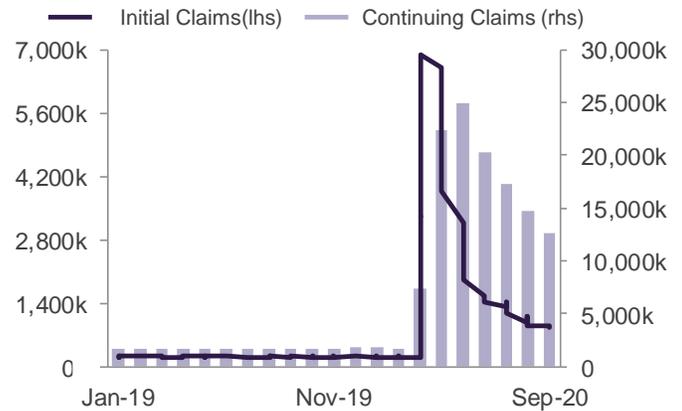
## Moves Across the Curve

Last week, the 10y treasury yield moved within a 5 bp range, as the Federal Reserve did not make any drastic changes related to monetary policy. Economic data was mixed but a new \$1.5T stimulus plan is in the works that potentially has bipartisan support

Interest Rates	2- year	5- year	10- year	30- year	2s10s	Current 1mL	Current 3mL	SOFR
This Week Open	0.14%	0.26%	0.66%	1.41%	53 bps	0.15188%	0.22325%	0.10%
Weekly Change	+1 bps	+1 bps	-0 bps	-1 bps	-1 bps	-	-1.4 bps	+1 bps
YoY Change	-154 bps	-133 bps	-105 bps	-76 bps	+48 bps	-189 bps	-189 bps	-186 bps

## Economic Data

Economic Calendar	Actual	Survey	Prior / Revised
Retail Sales Advance MoM	0.6%	1.0%	1.3%
Initial Jobless Claims	860K	850K	893K
Continuing Jobless Claims	12628K	13000K	13544K
U. of Michigan Sentiment	78.9	75.0	74.1
Leading Index	1.2%	1.3%	2.0%



## FOMC Meeting

Meeting Results	
Rate Decision	Rates Unchanged
Fed Funds Target Rate	0.00% - 0.25%
FOMC Vote	2 Dissensions

### Key Takeaways

- The FOMC formalized inflation targeting by stating that inflation has run below target for a while and that they are ready to accept moderately higher inflation to hit the average of 2% over the long run
- The new Dot Plot showed no rate hikes through 2023
- One important dissenter was Dallas President Robert Kaplan who wanted more policy flexibility. This could potentially come into play if inflation is a lot higher but the average inflation is still at the 2% level

## Noteworthy Headlines

- China reported growing consumer spending and increased industrial production as the world's second largest economy continues to rebound from COVID-19
- Pfizer's CEO stated that we will have a vaccine by the end of the year which could help reopen the economy and accelerate the return to normalcy
- The White House is open to a new \$1.5T stimulus plan after previously calling that amount too much. This could end months of gridlock that have starved Americans of much needed relief. With the passing of Supreme Court Justice Ruth Bader Ginsburg, stimulus talks could be derailed by talks of filling the vacancy

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## US 10 Year Treasury Yield: 9/14 – 9/18



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