

AIM Daily Economic Brief

Tuesday, March 12, 2024



Stocks



Dow	38,835	↑	0.17%	38,770	36,578
S&P	5,126	↑	0.16%	5,118	4,644
Nasdaq	16,074	↑	0.34%	16,019	14,533

Economic News

		Period	Surv	Act	Prev
Tu	Monthly Budget Statement	Feb	-298	-	-21.9
	CPI YoY	Feb	3.1	3.2	3.1
	CPI MoM	Feb	0.4	0.4	0.3
W	MBA Mortgage Applications	Mar 8	-	-	9.7
Th	Continuing Jobless Claims	Mar 2	1905	-	1906
	Initial Jobless Claims	Mar 9	218.0	-	217.0
	Advance Retail Sales	Feb	0.8	-	-0.8
	Retail Sales Less Autos	Feb	0.5	-	-0.6
	PPI MoM	Feb	0.3	-	0.3
F	U of Michigan Confidence	Mar P	77.3	-	76.9
	Import Price Index MoM	Feb	0.3	-	0.8
	Industrial Production	Feb	0.0	-	-0.1
	Empire Manufacturing	Mar	-7	-	-2.4

Today's Headlines

Bonds & Stocks

Stocks fluctuated as inflation data did little to alter bets the Federal Reserve will be able to cut interest rates this year — even if it keeps its cautious stance for now. Equities struggled to find direction after a report showed inflation marginally topped forecasts. Bonds fell ahead of this week's remaining auctions — a 10-year note at 1 p.m. New York time and a 30-year bond on Wednesday — and a growing slate of new corporate bonds. The S&P 500 hovered near 5,120. Treasury two-year yields rose three basis points to around 4.55%. The dollar was little changed.

Economy

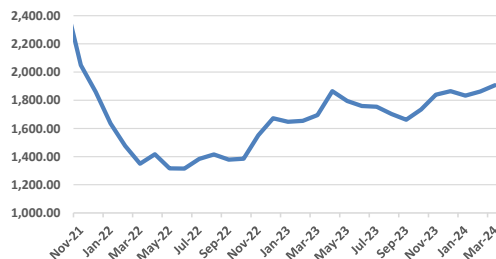
Underlying US inflation topped forecasts for a second month in February as prices jumped for used cars, air travel and clothes, reinforcing the Federal Reserve's cautious approach to cutting interest rates. The so-called core consumer price index, which excludes food and energy costs, increased 0.4% from January, according to government data out Tuesday. From a year ago, it advanced 3.8%. Economists see the core gauge as a better indicator of underlying inflation than the overall CPI. That measure climbed 0.4% from January and 3.2% from a year ago, boosted by gasoline prices, Bureau of Labor Statistics figures showed.

World

The European Central Bank is leaning against any immediate change in the amount of money lenders need to park with it interest-free, removing for now the threat of a hit to bank profitability. Ahead of a crucial meeting on Wednesday on a revamp of the ECB's framework for implementing monetary policy, a push by some hawkish officials to increase the so-called Minimum Reserve Requirements, or MRR, from the current 1% has struggled to gain momentum, according to people with knowledge of the matter.

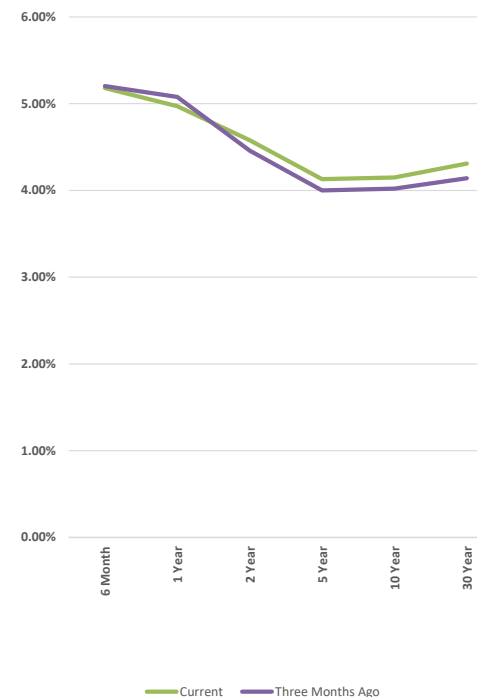
Continuing Jobless Claims

This concept tracks the total number of people who have filed jobless claims with the appropriate government labor office; typically, in order to receive unemployment benefits. This is also sometimes referred to as registered unemployment.



Visit www.aimcusionsolutions.org for rates.

Yield Curve



	Current	Three Months Ago
6 Month	5.18%	0.02%
1 Year	4.97%	0.05%
2 Year	4.58%	0.07%
5 Year	4.13%	0.05%
10 Year	4.15%	0.05%
30 Year	4.31%	0.05%

Key Rates

	Current	1m	6m	12m
Fed Funds Eff	5.330%	5.31%	5.31%	4.56%
Fed Funds Trgt	5.500%	5.50%	5.50%	4.75%
Prime	8.500%	8.50%	8.50%	7.75%
Federal COFI	3.855%	3.86%	3.70%	3.14%
1 Month Libor	5.433%	5.435%	5.45%	4.80%
3 Month Libor	5.582%	5.568%	5.67%	5.14%
SOFR	5.310%	5.310%	5.310%	4.800%
SONIA	5.188%	5.188%	5.185%	4.177%
Gold Future	2,161	2,020	1,914	1,868
Oil Future	77.770	76.82	84.01	72.81
Unemployment	3.900%	3.70%	3.80%	3.60%
GDP	1.600%	1.60%	3.30%	3.90%
CPI	3.200%	3.40%	3.70%	6.00%

Next FOMC March 20, 2024

Information Provided By: **Bloomberg**