

## L'économie US mise à jour par Rafic Vartan

Market update for the week ending September 15 2018



CRUDE OIL 68.98    GOLD 1.1198.30    SILVER 14.03    EUR/USD 1.16

**Stock markets end the week near record highs** - Stock markets surged this week to near record levels rebounding from a 1% drop the prior week. Investors feel that the longest bull market in history will last well into 2019 based on strong fundamentals in the economy. Those include: unemployment at a 40 year low, rising wages, the strongest consumer confidence level in 18 years, lower tax rates for corporations, a higher GDP, and less regulations. The only drag is the back and forth on trade and tariffs, which investors feel are mostly threats for negotiations, and higher interest rates. With the last core inflation rate at just 2.2% investors feel that rates won't get much higher. They do expect another increase by the Fed at the end of this month, and are waiting to see if higher wages in August causes upcoming inflation rates to rise. The Dow Jones Industrial Average closed the week at 26,151.67, up from 25,916.53 last week. It is up 5.8% year to date. The S&P 500 closed the week at 2,904.98, up from 2,861.78 last week. It's up 8.7% year to date. The NASDAQ closed the week at 8,010.04, up from 7,992.54 last week. It's up 16% year to date.

**Treasury Bond Yields higher** - The 10 year treasury bond closed the week yielding 2.99%, up from 2.94% last week. The 30 year Treasury bond yield ended the week at 3.13%, up slightly from 3.11% last week. We watch Treasury bond yields because mortgage rates follow bond yields.

**Mortgage rates higher this week** - The September 13, 2018 Freddie Mac Primary Mortgage Survey reported that the 30 year fixed mortgage rate average was 4.60%, up from 4.54% last week. The 15 year fixed was 4.06%, up from 3.99% last week. The 5 year ARM was 3.93%, unchanged from 3.93% last week.

**High Efficiency washer and dryer. How much will you save?** - Having a high efficiency washer and dryer is widely lauded as a way to save money and the planet in one fell swoop. But do you know exactly how much cash these appliances can save you, and how? Before you lug your old school laundry apparatus out to the curb, here's what you need to know about these energy saving appliances in plain old dollars and cents .