



Weekly Review—March 14, 2025

And I know it's gonna be a lovely day... (Bill Withers) Some days you just feel good. This is one of them. It feels like Spring. I want to have a cold drink, be in the sun, and drive around with the windows down blaring some happy (and slightly funky) music! Basically, I feel young and full of life. It is all I can do when faced with the drudge of negativity we face in the headlines and some economic indicators. My sentiment is around 100 while the University of Michigan Sentiment number came in at 57.9 this morning. Consumers appear fearful of the extended tariff talk and they seem to expect inflation to rise significantly given the surveyed University of Michigan 1 year Inflation expectation of 4.9% – up from 4.3% in February. I only have one thing to say to those consumers...

Ain't nothin' gonna break my stride... (Matthew Wilder) It even appears that Congress is working together, albeit reluctantly, to avoid a government shut down. Good. We do not need that added to the party. The S&P is down 5.18% YTD, the Dow Jones Industrial Average is down 3.15% YTD, and the NASDAQ is down 8.88% YTD. The US Aggregate Bond Index is up 2.3%. But today, the equity markets are feeling like the way I am. The 10-year US Treasury is trading just below 4.30%, down from the highs of early January, but in the range we've seen over the last few weeks. Even the FOMC is expected to tell us they "got to keep on movin'" next week at their meeting, yet by "movin'," they are going to keep walking on by without changing any overnight interest rates. Current Fed Funds futures point to Summer before we may see a Fed move. It is prom season and like my senior prom, the markets look like they are going to get dumped. I'm fine, really.

I feel good... (James Brown) I knew that I would because my feet were swinging back and forth like my ankles were swivels on the way to get my coffee this morning. I about pulled a back muscle jerking my body on the offbeat while this song played in my head. Why today? Maybe it was last night's lunar eclipse? Sleeping with fresh air gently flowing through windows? The birds singing from the trees? Maybe because February Retail Sales Advance MoM figures come out on St Patrick's Day? That's probably it. They are expected to revert to slightly positive from January's surprise negative releases. No matter the reason, I feel great. I hope you do to. Good enough to dance like no one is watching and if they are...just smile and give them a couple thumbs up as your body moves like one of those inflatable tube people blowing in the strong winds. Or, you could just say:

Have a great weekend!

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NEW ISSUE MUNICIPAL CALENDAR

Date	Amount (\$)	Description	Maturity
		There are no new issues scheduled for this week.	

Economic Release	Data Period	Date	Survey	Actual	Prior
JOLTS Job Openings	Jan	03/11/2025	7,600k	7,740k	7,508k (rev down)
JOLTS Layoffs Level	Jan	03/11/2025	1,806k	1,635k	1,669k (rev down)
MBA Mortgage Applications	Mar 7	03/12/2025	NA	11.2%	20.4%
CPI MoM	Feb	03/12/2025	0.3%	0.2%	0.5%
CPI YoY	Feb	03/12/2025	2.9%	2.8%	3.0%
PPI Final Demand MoM	Feb	03/13/2025	0.3%	0.0%	0.6% (rev up)
PPI Final Demand YoY	Feb	03/13/2025	3.3%	3.2%	3.7% (rev up)
Initial Jobless Claims	Mar 8	03/13/2025	225k	220k	222k (rev up)
Continuing Claims	Mar 1	03/13/2025	1,888k	1,870k	1,897k
U. of Mich. Sentiment	Mar (P)	03/14/2025	63.0	57.9	64.7

KEY INDICES				MUNI AA—BQ		CMO Spreads to Treasuries		
	Current	Last Month	One Year Ago				PAC	Vanilla
Prime Rate	7.50	7.50	8.50	3 Mo.	2.13	1-Year	N/A	+45
Discount Rate	4.50	4.50	5.50	6 Mo.	2.20	2-Year	55	65
Fed Funds Rate	4.33	4.33	5.33	1-Year	2.64	3-Year	75	85
Interest on Reserve Bal.	4.40	4.40	5.40	2-Year	2.65	5-Year	97	107
SOFR	4.30	4.33	5.31	3-Year	2.70	MBS Current Coupon Yields		
11th Dist COFI (ECOFC)	2.94	2.99	3.15	5-Year	2.84	GNMA 30 Yr.	5.47%	
1-Yr. CMT	4.09	4.27	5.01	7-Year	2.96	FNMA 30 Yr.	5.53%	
Dow	41,488.19	44,546.08	38,905.66	10-Year	3.23	FNMA 15 Yr.	4.78%	
NASDAQ	17,754.09	20,026.77	16,128.53	30-Year	4.44			
S&P 500	5,638.94	6,114.63	5,150.48					
Bond Buyer	4.29	4.25	3.52					

Treasuries & New Issue Agencies (Spread to Treasuries)										
	3 Mo.	6 Mo.	1-Yr.	2-Yr.	3-Yr.	5-Yr.	7-Yr	10-Yr	20-Yr	30-Yr
Treasuries	4.29	4.24	4.06	3.99	3.98	4.06	4.18	4.29	4.63	4.60
Bullets				3	3	3	14	21		
NC-6 Mo.				46	56	75	94	96		
NC-1 Year				25	40	57	66	76		
NC-2 Year					10	33	43	61		

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