



Weekly Economic News & Updates



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2018 ENDED WITH A HIRING SURGE-The latest Department of Labor jobs report suggests an economy with plenty of forward momentum. Employers added 312,000 net new jobs in December, the most in ten months. The main jobless rate rose 0.2% to 3.9% as more Americans entered the labor force; the U-6 rate, measuring underemployment, held at 7.6%. Last month, wages were improving at a rate of 3.2% per year, an increase of 0.1% from the prior report. November's job gain was revised up to 176,000 from the previously reported 155,000.

More good news from the Establishment Survey reveals a larger-than-expected rise of 0.4% in Average Hourly Earnings and that brings the year-over-year growth rate to 3.2%. That's up a-tenth from last month, and two-tenths better than what was expected. These wage gains are very likely more significantly positive for economic growth than the outsized job creation. Although wage gains have been coming, they've been coming slowly, and with a variety of factors already working to suppress inflation, this morning's compensation data should be much welcomed by policymakers. Not so much welcomed by credit markets. The same good news that is helping equity markets recover from yesterday's debacle, has also pushed the Ten-Year Treasury's yield up about 10 basis points to 2.65%. How quickly the worm turns.

MARKET NEWS!

Even before William Tell stood before an archer's arrow and had one shot off the top of his head, apples have played a big role in myth, legend, and folklore. An apple even helped Isaac Newton invent gravity. Daughters are the apples of their fathers' eyes and for sons, the apple doesn't fall far from the tree. God didn't make the little green ones, and thankfully, one bad one won't spoil the whole bunch.

Good thing, too, because yesterday's disclosure by Apple, Inc. that it's cutting its sales and revenue forecasts was a rotten apple that cast a pall over markets everywhere. Investors took the news as yet another precursor to global economic despair and more fuel for the trade war fire. Dallas Fed President Robert Kaplan even suggested that it might be a good time for the FOMC to take a pause in hiking interest rates.

WEEKLY QUOTE

"Defer **not** till tomorrow to be **wise**, tomorrow's sun to thee may never rise."

William Congreve

WEEKLY TIP

Some **business owners** put off buying insurance because they believe the coverage will be too costly. Having **some insurance is better than none**. A small business can insure itself with coverage at relatively low limits to start, and then, increase them as time passes.

WEEKLY RIDDLE

Bryn's mother and father have three kids. One is Kenzie; the second one is Carrie. Who is the third?

Last week's answer:

Sources: MarektingPro, Financial Strategies Group, The Baker Group, wsj.com, bigcharts.com, treasury.gov, Randy Baker and Chris Low and Rebecca Kooshak FTN Financial
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