



partnered with



Weekly Insight

December 12, 2018

November numbers for the ADP Employment Survey came in weaker than expected, showing signs of a strong, but potentially weakening job market. The survey showed a net addition of 178,900 jobs to nonfarm private employment. The expectation was for it to be at 195,000. Professional/business services saw the most growth with a net addition of 59,000. The only job sector to contract was the information services sector, with a decrease of 1,000 jobs. Overall, employment remains robust with unemployment staying low, at 3.7%. This is the third month the unemployment rate has remained this low, extending the 49-year record run.

Labor productivity, or output per hour, increased by 2.3% in the third quarter. These are the final revised numbers. Output increased by 4.1% and hours worked increased by 1.8%. The nonfinancial corporate saw one of the largest increases, with productivity at 5.5%.

A revision was made to the October U.S. trade balance number. The original reading of a deficit of \$54.6 billion was revised to a larger deficit of \$55.5 billion. This is compared to September's deficit of \$54 billion. The goods deficit increased by \$900 million and the services surplus decreased by \$100 million.

The final numbers were released for durable orders in October, which decreased by 4.3%. This is better than the expected and previous month's decrease of 4.4% and is the third decline in the past four months.

The S&P 500 traded down by 1.64% this week. We saw a bit of stability immediately after the meeting between President Trump and President Xi Jinping. There has been increased downward pressure after the detention of the Chinese company Huawei's CFO, as discussed in last week's *Weekly Insight*.

Oil prices stayed relatively flat this week with a decline of about 1% from last week. OPEC and other large oil producers agreed to cut production by 1.2 million barrels per day. This could help stabilize and cause an increase in pricing if the countries keep cheating on production cuts to a minimum.

Prime Minister Theresa May won a party leadership vote, ensuring she remains the leader of her party. It also pushes back another confidence vote for at least a year. Brexit still remains as complex as ever, with increasing uncertainty on May's ability to push her plan through.

Weekly Market Topics

- Economy
- Fixed Income Markets
- Equity Markets

All data is as of the above referenced date.

Interest Rates (%)	Current	12M Ago	3YR Ago
Fed Funds Rate (Upper bound)	2.25	1.50	0.25
3-Month T-Bill	2.42	1.30	0.22
10-Year Treasury	2.91	2.34	2.13
30-Year Treasury	3.15	2.73	2.87
10-Year Corporate AA	3.91	3.20	3.35
10-Year High Yield Corp.	6.72	5.30	6.27

Commodity Prices (\$)	Current	12M Ago	3YR Ago
Gold (\$/oz.)	1,245.66	1,255.50	1,074.77
Oil (WTI, \$/barrel)	51.15	54.06	52.78

Currencies	Current	12M Ago	3YR Ago
USD (Dollar Index Spot)	97.04	93.43	97.57
USD/EUR	0.88	0.85	0.91
USD/JPY	113.29	112.54	121.01

For more information, contact:

Amy DeGraff

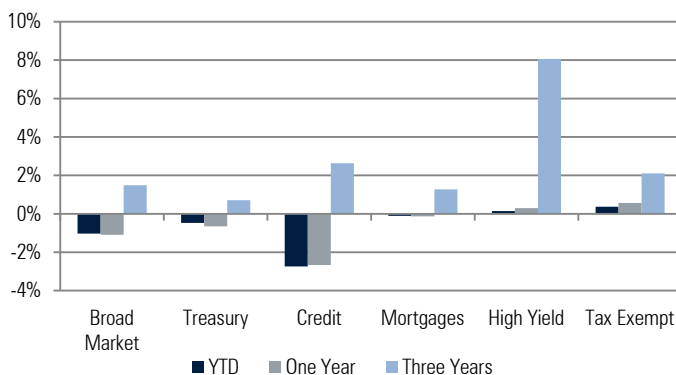
Vice President | Trust Officer
Wealth Management
amyd@thecnb.bank
(785) 275-5000

Kevin Ukens

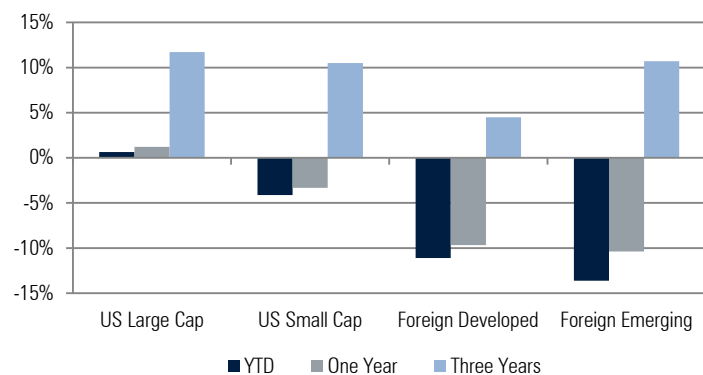
Wealth Management
kevinu@thecnb.bank
(785) 275-5000



Bond Market Total Returns



Equity Market Total Returns



Source: BTC Capital Management, Bloomberg LP, Ibbotson Associates.

The information provided has been obtained from sources deemed reliable, but BTC Capital Management and its affiliates cannot guarantee accuracy. Past performance is not a guarantee of future returns. Performance over periods exceeding 12 months has been annualized.

The information within this document is for informational purposes only and is not intended as an offer or solicitation with respect to the purchase or sale of any security. Statements in this report are based on the views of BTC Capital Management and on information available at the time this report was prepared. Rates are subject to change based on market and/or other conditions without notice. This commentary contains no investment recommendations and you should not interpret the statements in this report as investment, tax, legal, and/or financial planning advice. All investments involve risk, including the possible loss of principal. Investments are not FDIC insured and may lose value.