

WEEKLY MARKET UPDATES  
COMMENTARY FROM THE DENVER DESK...

The Federal Reserve Open Market Committee opted to hold rates at their May levels of 500-525 basis points last week. The strategy was pursued so that a greater amount of data could be released and digested prior to the July meeting where another quarter-point increase is now widely expected. Powell's tone for the second half of the year also shifted noticeably this month with a new plan for a handful (read: one to two) of additional hikes in the cards, as needed, should sticky inflation readings rear their heads. Formerly the assumption was for rate cuts in the second half, however this will likely only be the case now should a major economic contraction occur.

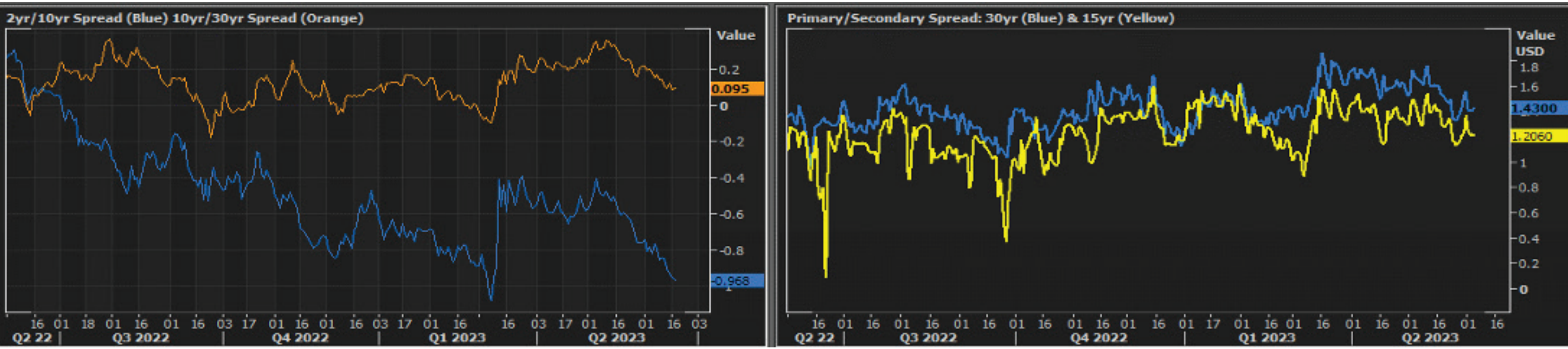
Abroad, China cut rates by 10 basis-points last week. A rare outlier of credit loosening when many governments around the world are continuing to tighten their credit conditions. The European Central Bank hiked rates by 25 basis-points; a move some are already calling too timid in the face of a worsening inflation picture throughout the Eurozone and adjacent countries. As with the Great Recession, Europe's recovery and hiking schedule appears to be lagging the rest of the world - an issue inherent in an economy as varied as that of the EU.

MARKET INDICATORS

BENCHMARK	FN30 CURRENT CPN	FN30 5.5	FN15 5.0	GNI130 5.5	OBMMI 30-YR RATE
ONE WEEK AGO	5.462	100 9/32	100	100 11/32	6.689
CURRENT	5.439	100 6/32	99 28/32	100 5/32	6.672
DELTA	-0.023	-0.094	-0.125	-0.188	-0.017



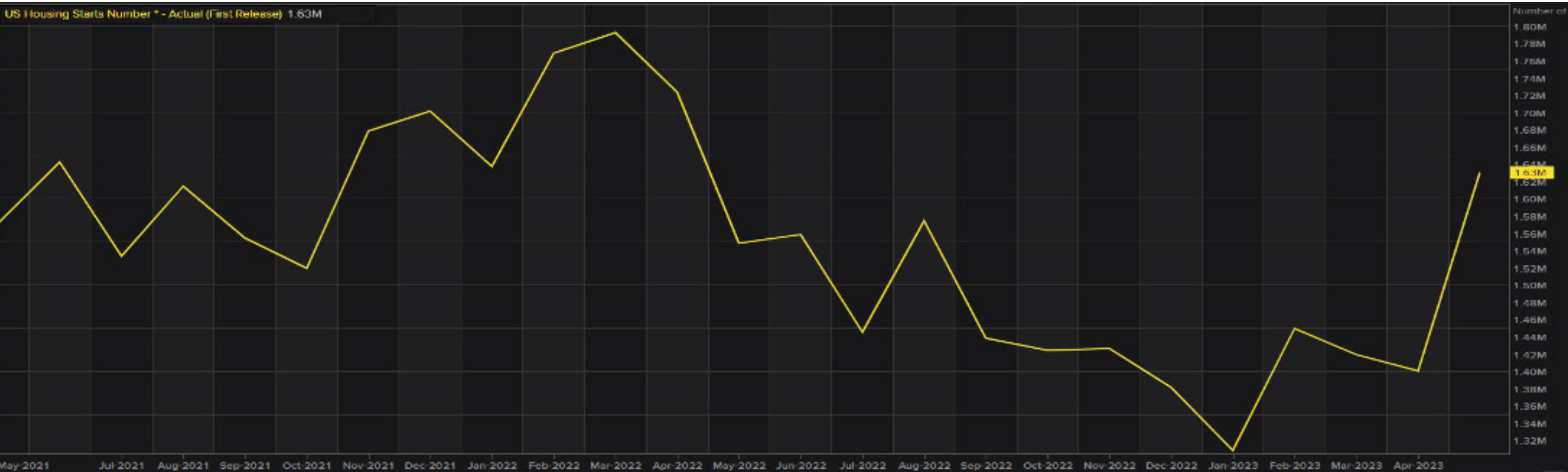
BENCHMARK	SOFR	UST 2-YR. YIELD	UST 10-YR. YIELD	UST 30-YR. YIELD	10-YR./30-YR. SPREAD
ONE WEEK AGO	5.050	4.529	3.716	3.879	0.163
CURRENT	5.050	4.680	3.715	3.811	0.096
DELTA	0.000	0.151	-0.001	-0.068	-0.067



- Prices/yields are current as of 10:45am EST on June 20, 2023 -

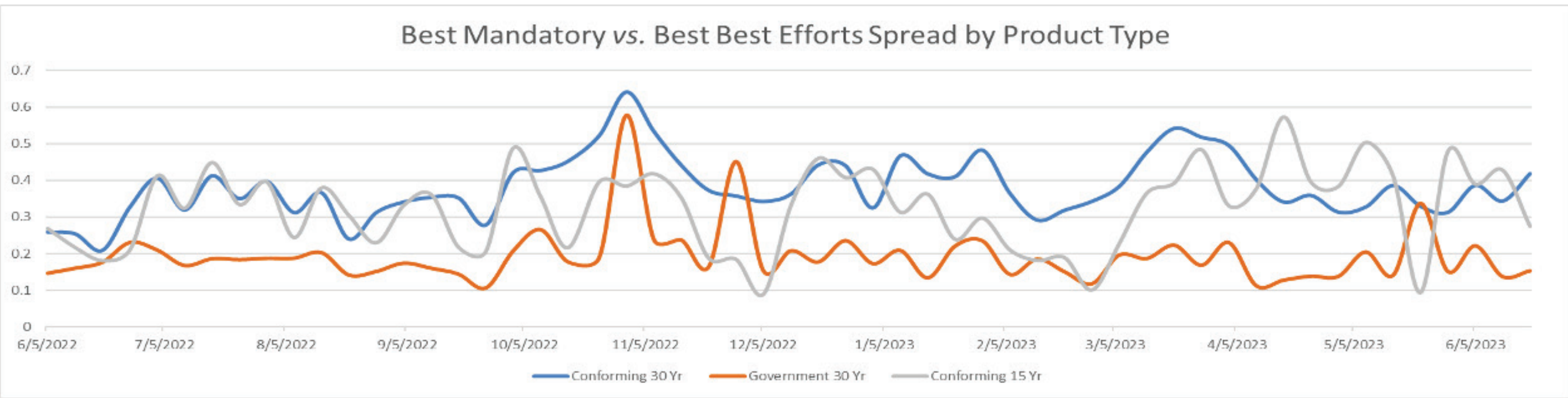
ECONOMIC DATA

Housing Starts	May	April	March	3-MO Moving Average	1-YR Moving Average
ACTUAL	1,631,000	1,401,000	1,420,000	1,484,000	1,455,250
EXPECTED	1,400,000	1,400,000	1,400,000		
CHANGE	230,000	(19,000)	(19,000)		



BEST EFFORTS – MANDATORY SPREAD INDEX

	Conforming 30-Year	Government 30-Year	Conforming 15-Year
Weekly	0.418	0.154	0.274
30 days	0.365	0.166	0.393
90 days	0.380	0.174	0.394
1 year	0.392	0.195	0.330



LIGHT READING

[CNBC: The World's Central Banks Just Made Very Different Decisions](#)

ECONOMIC CALENDAR: DATA and EVENTS

TIME (ET)	REPORT	PERIOD	ACTUAL	MEDIAN FORECAST	PREVIOUS
<b>WEDNESDAY, JUNE 21</b>					
10:00 AM	Fed Chair Powell testifies to House panel				
10:00 AM	Senate nomination hearing for Fed Govs. Jefferson and Cook and nominee Kugler				
12:25 PM	Chicago Fed President Austan Goolsbee speaks				
<b>THURSDAY, JUNE 22</b>					
8:30 AM	Initial jobless claims			266,000	262,000
8:30 AM	U.S. current account	Q1		\$218 billion	-\$206.8 billion
10:00 AM	Existing home sales	May		4.24 million	4.28 million
10:00 AM	Fed Chair Powell testifies to Senate panel				
10:00 AM	U.S. leading economic indicators	May		-0.80%	-0.60%
10:00 AM	Cleveland Fed President Loretta Mester speaks				
4:30 PM	Richmond Fed President Tom Barkin speaks				
<b>FRIDAY, JUNE 23</b>					
5:15 AM	St. Louis Fed President James Bullard speaks				
8:30 AM	S&P flash U.S. services PMI	June		53	55
8:30 AM	S&P flash U.S. manufacturing PMI	June		49	48
1:40 PM	Cleveland Fed President Loretta Mester speaks				
<b>MONDAY, JUNE 26</b>					
	None scheduled				
<b>TUESDAY, JUNE 27</b>					
8:30 AM	Durable-goods orders	May			1.10%
8:30 AM	Durable-goods minus transportation	May			
9:00 AM	S&P Case-Shiller home price index (20 cities)	April			
10:00 AM	New home sales	May			68300000.00%
10:00 AM	Consumer confidence	June			10230.00%