

US Economy and Credit Markets			
Yields and Weekly Changes:			
3 Mo. T-Bill:	1.22 (+05 bps)	GNMA (30 Yr) 6% Coupon:	112-10/32 (2.22%)
6 Mo. T-Bill:	1.36 (+07 bps)	Duration:	4.00 years
1 Yr. T-Bill:	1.53 (+07 bps)	Bond Buyer 40 Yield:	3.91 (-05 bps)
2 Yr. T-Note:	1.65 (+04 bps)	Crude Oil Futures:	56.74 (+1.10)
3 Yr. T-Note:	1.79 (+06 bps)	Gold Spot:	1,275.07 (+5.16)
5 Yr. T-Note:	2.05 (+06 bps)	Merrill Lynch High Yield Indices:	
10 Yr. T-Note:	2.40 (+07 bps)	U.S. High Yield:	6.21 (+18 bps)
30 Yr. T-Bond:	2.88 (+07 bps)	BB:	4.69 (+14 bps)
		B:	6.29 (+21 bps)

Yields rose last week as investors focused on tax reform, despite the differences between a proposal released by Senate Republicans on Thursday and an earlier proposal by House Republicans that could delay reform. The House Republican plan could cut taxes by \$1.5 trillion over a decade, causing yields to rise on concerns that an expanded budget would lead to the government issuing more debt, which could weigh on existing prices. The proposed tax plan could also boost economic growth. Both could spur higher inflation, which erodes the value of fixed-dollar investments, causing yields to rise. Meanwhile, the Labor Department reported on Tuesday that the number of job openings in the U.S. remained near record high levels, with 6.1 million job openings on the last business day of September. Going forward, President Trump's nominee for Federal Reserve Chairman, Jerome Powell, will have a confirmation hearing on November 28th. Major economic reports (related consensus forecasts; prior data) for the upcoming week include Tuesday: October PPI Final Demand (0.1%, 0.4% MoM); Wednesday: October Consumer Price Index (0.1%, 0.5% MoM), October Retail Sales Advance (0.0%, 1.6% MoM), Nov 10 MBA Mortgage Applications (0.0% prior), November Empire Manufacturing (25.0, 30.2); Thursday: Nov 11 Initial Jobless Claims (235k, 239k), October Industrial Production (0.5%, 0.3% MoM), November Philadelphia Fed Business Outlook (24.1, 27.9); Friday: October Housing Starts (1,190k, 1,127k).

US Equities			
Weekly Index Performance:		Market Indicators:	
DJIA:	23,422.21 (-0.35%)	Strong Sectors:	Real Estate, Energy, Consumer Staples
S&P 500:	2,582.30 (-0.14%)	Weak Sectors:	Financials, Materials, Telecom Services
S&P Midcap:	1,825.75 (-0.52%)	NYSE Advance/Decline:	1,275 / 1,786
S&P Smallcap:	893.77 (-0.77%)	NYSE New Highs/New Lows:	356 / 205
NASDAQ Comp:	6,750.94 (-0.14%)	AAII Bulls/Bears:	45.1% / 23.1%
Russell 2000:	1,475.28 (-1.29%)		

The S&P 500 Index posted a new closing high of 2,594.38 last Wednesday. However, a negative showing for the financials sector created a drag on the S&P 500 Index as it lost 14 bps for the week recording its first loss since the beginning of September. Equities increased on Monday as the energy sector displayed strength. Political tensions in Saudi Arabia helped crude oil prices jump over 3% to close at \$57.35 per barrel, the highest closing price since the end of June 2015. In economic news, the University of Michigan Consumer Sentiment Index came in at 97.8, lower than expected and the previous week. US initial jobless claims of 239K were higher than the consensus estimate of 232K and the previous week's 229K. **The Macerich Company** and **GGP Inc.**, both real estate investment trusts that manage shopping centers and strip malls, showed the best two performances for the week in the S&P 500 Index. **The Macerich Company** returned 19.75% last week as the stock jumped on Tuesday on takeover speculations and again on Thursday after it was reported that activist investor Third Point had taken a stake in the company. **GGP Inc.** climbed 16.78% on Tuesday after news of a possible acquisition by **Brookfield Asset Management Inc.** The real estate sector was the best performing sector for the week. **Twenty-First Century Fox, Inc.**, a producer and distributor of movies and television programming, leaped 9.93% on Monday after news of preliminary talks with **The Walt Disney Company** possibly buying some of their assets. **Michael Kors Holdings Limited**, a global luxury lifestyle brand, returned 14.70% on Monday after their positive earnings announcement. **Mattel Inc.**, a manufacturer and marketer of children's toys worldwide, has performed poorly throughout the year, but climbed 11.43% last week as investors have taken renewed interest and reports of a takeover offer by **Hasbro Inc.** Next week's earnings news comes from **Wal-Mart Stores Inc.**, **The Home Depot Inc.**, **Cisco Systems Inc.**, **Target Corp.**, **Best Buy Company Inc.** and many others.

The information presented is not intended to constitute an investment recommendation for, or advice to, any specific person. By providing this information, First Trust is not undertaking to give advice in any fiduciary capacity within the meaning of ERISA and the Internal Revenue Code. First Trust has no knowledge of and has not been provided any information regarding any investor. Financial advisors must determine whether particular investments are appropriate for their clients. First Trust believes the financial advisor is a fiduciary, is capable of evaluating investment risks independently and is responsible for exercising independent judgment with respect to its retirement plan clients.