



Time EST	Indicator	For		Actual*	Estimate**	Consensus***	Previous Period****
08:30 AM	Import Price Index MoM	Mar	↓	0.0	0.2%	0.1%	0.3% R ↓
08:30 AM	Import Price Index YoY	Mar	↓	3.6%	NA	3.8%	3.4% R ↓
08:30 AM	Initial Jobless Claims	07-Apr	↑	233k	230k	230k	242k
08:30 AM	Continuing Claims	31-Mar	↑	1871k	NA	1843k	1818k R ↑
08:30 AM	Export Price Index MoM	Mar	↑	0.3%	NA	0.1%	0.2%
08:30 AM	Export Price Index YoY	Mar		3.4%	NA	NA	3.2% R ↓

* ↑ indicates stronger than Consensus estimated, ↓ indicates weaker than Consensus estimated, = indicates in-line with Consensus Estimated

** Estimate from Bank of the West Economics

*** Consensus from Bloomberg

**** ↑ means prior reading revised up, ↓ means prior reading revised down

Easing U.S.-Syria Tensions Boost Markets, Import Price Inflation Eases and Initial Jobless Claims Decline

U.S. stocks rose and Treasuries slipped on Thursday after President Donald Trump clarified his position on a possible missile attack in Syria. In a tweet, President Trump hinted that military action might not be imminent. At the same time, Russia toned down its war rhetoric, appealing for common sense in a world growing more chaotic.

U.S. economic data today was largely mixed. U.S. import price inflation was flat relative to February and below the consensus and our estimate. A 1.3% decline in oil prices was a major reason for the moderation last month. On a year-over-year basis, import price inflation still accelerated to 3.6% from 3.4% in February. Rising import prices are adding to the existing inflationary pressures on producer and consumer goods. Export prices rose a firm 0.3% last month and are up 3.4% compared to a year ago, as food export prices jumped 3.4% last month.

Initial jobless claims dropped by 9k to 233k for the week ending April 7, slightly above consensus forecast. Initial claims are still not far off of their 45-year low of 217k hit in February, indicative of employers' reluctance to let go of staff in an increasingly tight labor market. The four-week average, a less volatile measure than the weekly figure, lifted to 230k from the prior week's 228.5k. The continued low level of initial claims suggests job growth should remain fairly robust this month.

Treasury yields are rising across the board this morning. The 10-Year Treasury yield is currently up 3.3 basis points to 2.814%. The 2-10 Treasury spread increased to 48.0, up 0.4 basis points from yesterday's expansion low. The futures market probability of another Fed funds rate hike in June is 87.6% unchanged from yesterday.

U.S. stock indexes are up sharply this morning. The Dow and S&P 500 are up 1.16% and 0.96%, respectively, while the NASDAQ is up 1.03%. Gains in the S&P 500 today are led by financials, information technology and industrial sectors all up more than 1.1% this morning.

The U.S. dollar is stronger against the major currencies today. The Bloomberg dollar spot index is up 0.17% from yesterday. The U.S. dollar is increasing the most against the Euro, the Japanese yen and Canadian dollar today.