US Economy and Credit Markets			
Yields and Weekly Changes:			
3 Mo. T-Bill:	0.365 (1.0 bps)	Bond Buyer 40 Yield:	3.80 (3 bps)
6 Mo. T-Bill:	0.779 (5.9 bps)	Crude Oil Futures:	104.70 (-4.63)
1 Yr. T-Bill:	1.176 (8.5 bps)	Gold Spot:	1,921.62 (-66.84)
2 Yr. T-Note:	1.936 (18.8 bps)	Merrill Lynch High Yield Indices:	
3 Yr. T-Note:	2.138 (21.9 bps)	U.S. High Yield:	6.21 (-7 bps)
5 Yr. T-Note:	2.143 (19.6 bps)	BB:	5.10 (-11 bps)
10 Yr. T-Note:	2.149 (15.8 bps)	B:	6.66 (-2 bps)
30 Yr. T-Bond:	2.420 (6.7 bps)		

The Fed raised rates last week by a quarter-percentage-point, as expected, for the first time since 2018 and signaled rate hikes at all six of its remaining meetings this year. Treasury yields, particularly those with shorter maturities, moved higher with the Fed being seen as more hawkish than expected. Inflation data released before the meeting showed the Producer Price Index increased 10% over the last year through February. Most of the increase came from an increase in energy prices. January's increase was also revised up to 10%, which is the highest increase on record back to 2010. Retail sales grew 0.3% in February over the prior month, slowing from January's strong increase of 4.9%. Excluding gas stations, however, retail sales fell 0.2% in February over the prior month. Nonetheless, retail sales are up 16% compared to last year, excluding gas stations, suggesting consumers are still on a strong footing. Oil prices declined for the second consecutive week, closing below $100 multiple times during the week, and are now about 15% below their highs this year. Major economic reports (related consensus forecasts, prior data) for the upcoming week include Wednesday: March 18 MBA Mortgage Applications (N/A, -1.2%), February New Home Sales (815k, 801k); Thursday: March 19 Initial Jobless Claims (211k, 214k), February Preliminary Durable Goods Orders (-0.5%, 1.6%), March Preliminary S&P Global US Manufacturing PMI (56.5, 57.3); Friday: March Final U. of Mich. Sentiment (59.7, 59.7).

US Equities			
Weekly Index Performance:		Market Indicators:	
DJIA:	34,754.93 (5.53%)	Strong Sectors:	Cons. Discretionary, Info Tech
S&P 500:	4,463.12 (6.19%)		Financials
S&P Midcap:	2,705.81 (5.32%)	Weak Sectors:	Real Estate, Utilities
S&P Smallcap:	1,338.72 (4.25%)		Energy
NASDAQ Comp:	13,893.84 (8.2%)	NYSE Advance/Decline:	902/2,411
Russell 2000:	2,086.14 (5.43%)	NYSE New Highs/New Lows:	58/338
		AAII Bulls/Bears:	22.5%/49.8%

The S&P 500 Index completed its best performing week since November 2020, returning over 6% after two straight weeks of declines. The market appetite for risky assets returned as the Goldman Sachs Non-Profitable Tech Index roared to an 18% return indicating that dip buyers believe that the market has sufficiently punished growth stocks. Investors shrugged off the widely-anticipated rate hike after the Wednesday FOMC meeting as the war in Ukraine remains challenging but risk of global financial contagion appears minimal. A survey of FOMC members shows that the median prediction for the end of 2022 target rate has risen 100bps since the 12/15/2021 meeting. This week's initial jobless claims of 214,000 show that United States maintains near full employment and inflation remains the larger problem for the Fed to tackle from its dual mandate. Many in the economic community believe that the U.S. economy has a strong enough foundation of fundamentals to withstand rising rates without spiraling into a recession. Equities now sit at a more comfortable valuation than a few months ago as the P/E ratio of the S&P 500 has retraced from 22.8x at the beginning of the year to 19.75x currently. On Thursday the Senate approved a $1.5T spending bill that included $14B in emergency aid to Ukraine and $782B to defense spending, a 5.6% bump from the previous year's defense budget which was applauded by defense contractors. Oil retreated from a high above $123 last week and closed below $100 on both Wednesday and Thursday this week. Consumer Discretionary and Information Technology were the best performing sectors in the S&P 500 while Energy lagged. Berkshire Hathaway Class A shares closed above a milestone $500,000 price on Wednesday as the sixth largest company in the S&P 500 has quietly outperformed the index by over 16% year to date. EPAM Systems (EPAM, +47.1%) was the best performing stock in the S&P 500 as the company which has significant operations in Russia was rewarded as fears of a Russian default abated. The four worst performers in the S&P 500 were all energy companies, led by Schlumberger Ltd. (SLB, -7.4%). With 4Q21 earnings season over, the U.S. equity market will most likely be preoccupied with inflation data, GDP growth, and continued developments in Eastern Europe for the next month.