

## Weekly Cash Commentary

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### Labor market on a tear

The seemingly endless amount of slack in the labor market continued to be seen in April. The domestic employment situation for last month displayed a strong addition of 263,000 nonfarm jobs, with the unemployment rate dropping 0.2% to 3.6%—its lowest level since 1969. But the labor participation rate slipped from 63% to 62.8%, indicating that companies still are having trouble finding candidates with the requisite skills.

Inflation continues to have Federal Reserve policymakers scratching their heads, and they decided to not alter rates in their Federal Open Market Committee meeting. Price inflation in April was flat, something the Fed would like to see rise before hiking rates.

Last week the 1-, 3- and 6-month London interbank offered rates (Libor) were essentially unchanged, ending at 2.47%, 2.56% and 2.62%, respectively.