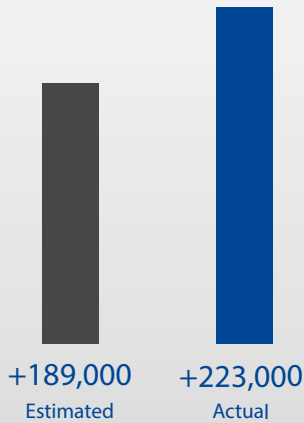


MAY 2018 EMPLOYMENT DATA



ADM Investor
Services, Inc.

www.admis.com



NONFARM PAYROLLS



UNEMPLOYMENT RATE

Source: U.S. Bureau of Labor Statistics

*Note that bars are not drawn to scale.

MARKET IMPLICATIONS AND PREDICTIONS

- The stronger than expected nonfarm payrolls report reinforces the belief that the Federal Open Market Committee is on track to raise its fed funds rate by 25 basis points at its June 13 policy meeting to a range of between 1.75% and 2.00%.
- The interest rate futures market declined when the report was released. Additional pressure on futures is likely longer term, as the Fed will probably continue on its tightening path this year and likely through 2019.
- It should be viewed as a sign of strength for stock index futures to advance to new highs for the day even though the robust employment report gave additional ammunition for the Fed to hike interest rates.

*These are the opinions of ADMIS.

