

Signs of a More Hawkish Fed and Labor Market Improvement Push Yields Higher

Earlier this week, the December ISM manufacturing survey indicated factory improvement despite a decline in the headline composite, which fell from 61.1 to a still solid 58.7. In this diffusion index, any reading above 50 indicates expansion, while the 60 mark is considered very strong. Although the current production index (61.5 to 59.2) and new orders index (61.5 to 59.2) both slipped a notch, factory managers signaled significant improvement in delivery times and reduced inflationary pressure.

Scott McIntyre

[Read the full article](#)

[Read more Economic Commentary](#)