# Mission Chronicle Newsletter Dec 5th 2022

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**Platforms**: Browser, mobile-responsive
**Ideal for**: Leasing agents and tenants

Mortgage rates managed to decline slightly last week as hopes grew for a smaller rate increase of 50
basis points from the Fed at its next meeting. PCE Prices, which are the Fed's preferred measure for
inflation, revealed a core increase of only 0.2%. Consumer Confidence also slid lower, and the ISM Manufacturing Index fell to 49.0%, indicating that US manufacturing is beginning to contract. A speech by Fed Chair Powell also seemed to hint that the Fed might increase by a smaller amount. While all these data points may indicate that the Fed could temper its fight against inflation, the annualized core PCE reading stands at 5.0%, far above the Fed's target of 2.0%. The addition of another 263,000 jobs last month with the unemployment rate remaining steady adds to the pressure for
the Fed to continue with another 75 basis point increase at its meeting next week.

This week is likely to start with rates holding level. If the ISM Services Index drops more than expected, rates may start moving downward, but until next week rates won't move all that much.