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May 26, 2023

Commentary

## Weekly Economic Perspectives

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US GDP grows but GDI does not. Canadian payrolls employment seems to soften. UK core inflation accelerates. Germany tips into recession. Japanese machinery orders disappoint. Flat retail sales in Australia.

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### Spotlight on Next Week

Employment growth to moderate slightly in the US. Robust GDP growth in Canada. Japanese consumer confidence to improve further.

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### Contact

**Simona Mocuta**

Chief Economist

[simona\\_mocuta@ssga.com](mailto:simona_mocuta@ssga.com)

+1-617-664-1133

**Krishna Bhimavarapu**

Economist

[VenkataVamseaKrishna\\_Bhimavarapu@ssga.com](mailto:VenkataVamseaKrishna_Bhimavarapu@ssga.com)

+91-806-741-5000

**Amy Le**

Macro-Investment Strategist

[amy\\_le@ssga.com](mailto:amy_le@ssga.com)

+44-203-395-6590

**The Economy**

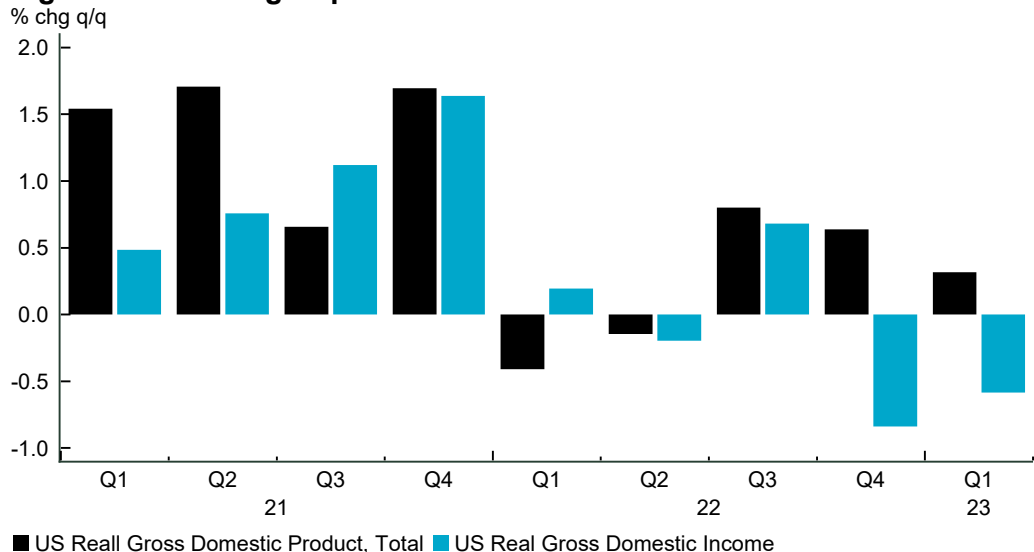
Hot inflation data fuel bets for more hikes while US debt ceiling deadline approaches.

**US**

The key message from the May 2-3 **FOMC meeting minutes** is that Committee members want to retain policy flexibility. “Participants generally agreed that in light of the lagged effects of cumulative tightening in monetary policy and the potential effects on the economy of a further tightening in credit conditions, the extent to which additional increases in the target range may be appropriate after this meeting had become less certain. Participants agreed that it would be important to closely monitor incoming information and assess the implications for monetary policy.” This all seems eminently reasonable. Our only concern is that the FOMC may prioritize backward-looking indicators such as the unemployment and inflation rate, which, indeed, continue to suggest an economy operating with no slack. We focus more on indicators of loan demand, hiring and capex intentions, etc., which paint a far less robust picture. As such, we worry that even if the Committee seemed inclined to skip a June hike, a tendency remains to hike again later on.

Lately, it seems that not a week goes by without stumbling upon yet another data contradiction. And so it was this week with the revised **first quarter real gross domestic product** (GDP) data. At face value, the modest upgrade (from 1.1% q/q annualized) to 1.3% seemed to imply a little more resilience and momentum. This stood in such stark contrast to downward revisions to the gross domestic income (GDI) growth rate that we are left rather mindful of the gap, so to say. Indeed, real GDI contracted 2.3% saar in Q1, following a 3.3% contraction in the fourth quarter. It is quite common for the two measures to exhibit considerable difference in growth rate (and even move in different directions) in any given quarter, but to diverge directionally for two consecutive quarters, and by as much as they did over the last two quarters, is highly unusual. The second consecutive decline in US gross domestic income signals less resilience than GDP data suggest.

**Figure 1: Troubling Gap Between US GDP And GDI Estimates**



Sources: SSGA Economics, BEA  
Updated as of 5/26/2023

There were plenty of mixed data signals and revisions throughout the week. **New home sales** bested expectations with a 4.1% monthly gain to 683K (annualized) in April. The caveat was that the March data was revised down significantly such that the new higher April level of sales was really exactly where we had through we were back in March. An example of running to stand still, if there ever was one! Meanwhile, **pending home sales** were unchanged in April and down 22.6% y/y.

For the second month in a row, **durable goods orders** rose more than expected but the news was less upbeat than the headline implies. Total orders rose 1.1% in April, following a 3.3% bounce in March. If last month performance was driven by non-defense aircraft (which nearly doubled m/m), this month orders were boosted by defense orders, which jumped 36.1% m/m. Excluding defense, orders actually declined 0.6% m/m. Core orders (non-defense capital goods excluding aircraft) fared better in April, increased 1.4% m/m after two consecutive declines, but this still only left them 1.1% higher than a year earlier. The capex signals remain mixed at best.

Consumer sentiment is outright depressed, although that's not preventing consumers from spending money, it seems. Admittedly, the final read on the May **Michigan consumer sentiment survey** brought some relief on all fronts. The headline, which was initially reported to have plunged nearly six points, retreated a somewhat smaller 4.3 point, although that still left the index at its lowest level since November. More encouragingly, inflation expectations were tamer. Short term inflation expectations eased four tenths to 4.2% (vs the one tenth retreat initially reported). Longer term expectations ticked up, but by only one tenth rather than the two initially reported. In doing so, they revisited their Covid cycle high but did not make a new one. Evidently, this is only providing limited reassurance, and probably rather little to an FOMC that remains frustrated by the slow progress on inflation. In respect to expectations, however, we suspect the uptick in the last couple of months reflects higher gas prices and should reverse, especially given moderation in food inflation. But this remains to be proven by future data.

Current inflation data remains frustratingly elevated, indeed, particularly on core measures. We got updates Friday on personal income and spending and **PCE deflators**. Both headline and core PCE prices rose 0.4% m/m, each one tenth faster than anticipated, pushing the two respective inflation measures up two and one tenth higher to 4.4% y/y and 4.7% y/y, respectively.

**Personal income** rose 0.4% m/m, in line with expectations, although real disposable income was flat. **Personal spending**, on the other hand, blew past expectations with a 0.8% monthly gain (augmented by a one-tenth upgrade to March). The result was a relapse in the **personal savings rate** to a three-month low of 4.1%.

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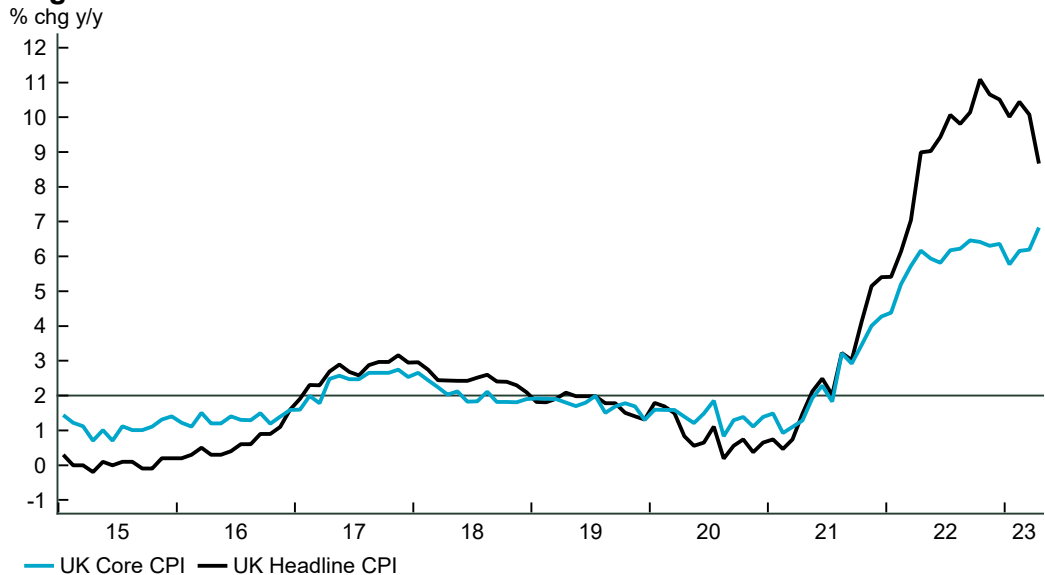
## Canada

While hot incoming data is once again pushing investors to price in additional Fed tightening, the BoC seems to be having a bit more breathing room. The BoC likely welcomed new data from a Statistics Canada survey showing a mild 9.9K decline in **payroll employment** in March, which broke a string of solid gains. The same source showed **weekly earnings** growing just 1.4% y/y, the least since mid-2021.

UK

Consumer price inflation came in noticeably hotter than expected in April, putting the Bank of England (BoE) in a bit of a bind as markets have responded by pricing in some additional 100 basis points worth of additional hikes ahead. Recall that the last two hikes were split decision, with two members voting in favor of leaving the Bank Rate unchanged...To be sure, the April inflation data was pretty ugly, with the “miss” fairly broad-based. Prices rose 1.2% m/m but communications was by far the outlier category with an 8.0% m/m jump that likely represents a one-off tariff adjustment for certain services. Alcohol and tobacco prices jumped 3.7% m/m, transportation up 1.8% m/m, recreation up 1.4% m/m, and housing up 0.9%. For all these categories, these were the highest readings in several months...which, perhaps in a contrarian way, makes us wonder whether May might not bring about a reversal. Headline inflation retreated 1.4 percentage points (ppt) to 8.7% y/y but core inflation accelerated six tenths of a percentage point to 6.8% y/y, a new cycle high!

**Figure 2: BoE Pushed Towards More Hikes As Core Inflation Rises**



Sources: SSGA Economics, ONS

In light of the inflation data, perhaps one wishes the services sector didn't show quite so much resilience. But, it does appear to be enjoying good momentum, according to the latest purchasing managers indexes. Indeed, while the **manufacturing PMI** weakened almost a full point to dip further into contraction at 46.9, the **services PMI** eased less and only to a robust 55.1 points. Indeed, both the input and output price metrics ticked up marginally and remain very elevated at 70.5 and 61.9, respectively.

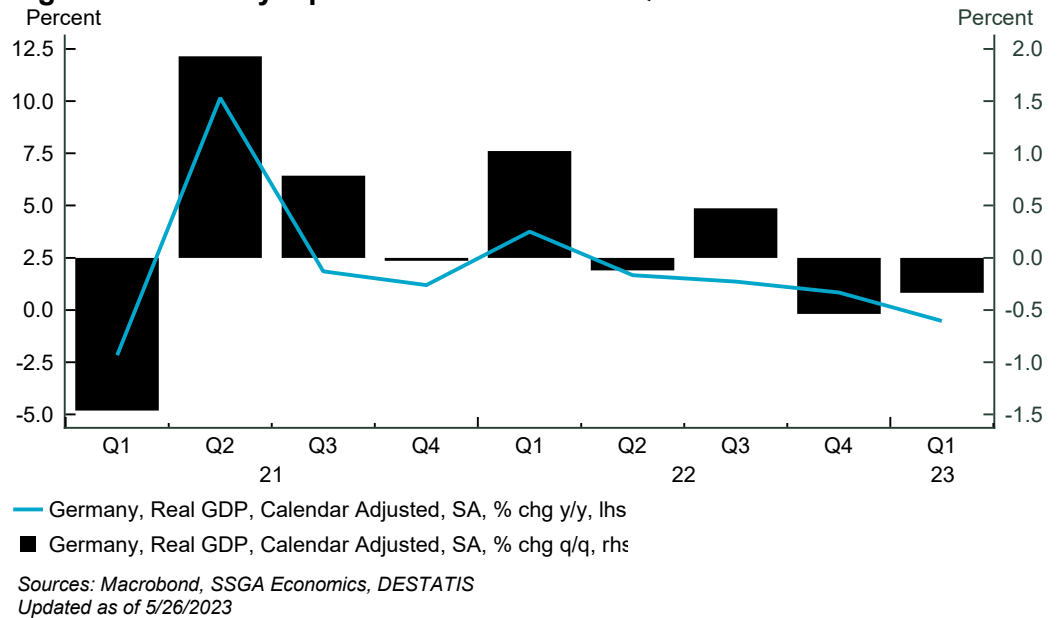
There is at least one segment of the economy where inflation has moderated significantly, and that is house prices. The **house price index** (which is a representative measure for all homes) rose 4.1% y/y in March, down from 5.8% y/y in February and as high as 11.0% y/y in October. Prices in London only rose 1.5% y/y.

Eurozone

The double whammy of weak retail sales and industrial production data for March had clearly opened up the possibility that first quarter **German GDP** growth would be revised lower from the initially reported flat estimate. Indeed, it was. The economy is

now reported to have contracted 0.3% q/q, leaving Germany in (at least technical) recession since GDP also shrank 0.5% in Q4. Consumption was the main culprit, and not just private consumption. Admittedly, the larger household consumption declined 1.2% q/q, but government consumption plunged a rather extreme 4.9% q/q. This was too much to overcome despite a rebound in fixed investment and good trade performance. However, the spending trends in Q1 seem excessively weak so although Germany is now in recession, we anticipate a return to positive growth in the second quarter. Real GDP was down 0.5% y/y, the first decline since early 2021.

**Figure 3: Germany Tips Into Recession But Q2 Should Look Better**



Japan

The current Japanese government has been working to address the deteriorating demographics problem. The plans laid out in March were quite unprecedented as the government abolished the maximum income limit that qualifies families for the government’s childcare allowance (15,000 yen per child until the age of 3 and 10,000 until the child graduates from junior high school). Admittedly, this is a massive expense and Prime Minister Fumio Kishida vowed in February to boost spending to nearly 4% of GDP. Understandably, these plans raised expectations of a subsequent tax hike to fund the program. This week the Prime Minister announced that he has no plans to introduce new tax measures, including sales tax but new plans may be revealed by June. Given plans to double military spending, this will further constrain Japan’s public finances and further increase public debt.

**Machinery orders** declined for a second month in March by 3.9% m/m against expectations of an increase. Orders in Q1 are slightly up by 2.6% from Q4 on a big rise in January. External machinery orders declined rather sharply by 10.5% m/m taking the total quarterly loss to 21.4% q/q as demand for capital goods has been declining globally. Compositionally, declines in Q1 were registered especially in manufacturing led by food (-12.2%), iron and steel (-11.9%), electrical machinery (-10.8%). Non-manufacturing orders too dropped by 4.5% m/m in March but they

gained in Q1 led by construction (29.2%) and telecommunications (28.9%). Looking ahead, the Cabinet Office forecasted a rise of 4.6% q/q in Q2 largely on nonmanufacturing jumping 9.2% while manufacturing may decline again by 0.6%. External orders however may tick up by 8.7%, which is hard for us to believe. Hence, we are more skeptical about the persistence of capex contribution to GDP, which is most essential for the economy to remain resilient in the rest of 2023.

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**Australia**

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Consumer spending is slowing. **Nominal retail sales** were flat in April, disappointing consensus expectations of a 0.3% gain. The housing sector slowdown likely has a lot to do with this since sales of household goods declined 1.0% m/m and have retreated in four of the past five months. Indeed, they are the only category to show meaningful y/y declines (down 4.9% compared with April 2022). By contrast, total retail sales are still up 4.2% y/y.

**Week in Review (May 22 – May 26)**

Country	Release (Date, format)	Consensus	Actual	Last	Comments
<b>Monday, May 22</b>					
JN	Core Machine Orders (Mar, m/m)	0.4%	-3.9%	-4.5%	Not good for exports.
JN	Manufacturing PMI (May, prelim)	na	50.8	49.5	Back in expansion, modest as it may be.
<b>Tuesday, May 23</b>					
US	New Home Sales (Apr, thous)	663.0	683	656.0 (↓)	Big revision cancels out April beat.
CA	Industrial Product Price (Apr, m/m)	0.1%	-0.2%	0.1%	Softening consumption a headwind.
CA	Raw Materials Price Index (Apr, m/m)	0.7%	2.9%	-1.7%	May moderate.
UK	Manufacturing PMI (May, prelim)	47.9	46.9	47.8	Under pressure.
UK	Services PMI (May, prelim)	55.7	55.1	55.9	Resilient.
EC	Manufacturing PMI (May, prelim)	45.8	44.6	45.8	Weighed down by Germany.
EC	Services PMI (May, prelim)	55.5	57.8	56.2	Very good for Q2 GDP.
GE	Manufacturing PMI (May, prelim)	45.0	42.9	44.5	Very weak.
GE	Services PMI (May, prelim)	55.3	55.9	56.0	Resilient.
FR	Manufacturing PMI (May, prelim)	46.0	46.1	45.6	Soft.
<b>Wednesday, May 24</b>					
UK	CPI (Apr, y/y)	8.2%	8.7%	10.1%	But core inflation accelerated!
GE	IFO Business Climate (May)	93.0	91.7	93.4 (↓)	Relapsing again?
<b>Thursday, May 25</b>					
US	Initial Jobless Claims (May 20, thous)	248	229	225(↓)	Revisions due to fraudulent claims,.
US	Continuing Claims (May 13, thous)	1,800	1794	1,799	But no revisions here?
US	GDP (Q1, q/q saar, second estimate)	1.1% (p)	1.3%	2.6%	Slightly stronger consumption.
US	Pending Home Sales (Apr, m/m)	1.0%	0.0%	-5.2%	Down 22.6% y/y.
GE	GDP (Q1, q/q, final, sa)	0.0% (p)	-0.3%	-0.5%	In recession as consumption slumps.
GE	GfK Consumer Confidence (Jun)	-23.5	-24.2	-25.8 (↓)	Little relief.
FR	Business Confidence (May)	101.0	100.0	102.0	Eroding, but still elevated.
JN	PPI Services (Apr, y/y)	1.4%	1.6%	1.7% (↑)	Has peaked, but yet to meaningfully ease.
AU	Retail Sales (Apr, m/m)	0.3%	0.0%	0.4%	Cooling.
<b>Friday, May 26</b>					
US	Personal Income (Apr, m/m)	0.4%	0.4%	0.3%	Real disposable income was flat.
US	Personal Spending (Apr, m/m)	0.4%	0.8%	0.1% (↑)	Savings rate back down to 4.1%.
US	Durable Goods Orders (Apr, m/m, prelim)	-1.0%	1.1%	3.3% (↑)	Boosted by defense and aircraft.
US	U. of Mich. Sentiment (May, final)	57.7 (p)	59.2	63.5	Inflation expectations eased a little, but still high.
UK	Retail Sales Inc Auto Fuel (Apr, m/m)	0.2%	0.5%	-1.2% (↓)	Bottoming out.
FR	Consumer Confidence (May)	84.0	83.0	83.0	Very weak.
IT	Consumer Confidence Index (May)	105.0	105.1	105.5	OK, but nothing great.
IT	Manufacturing Confidence (May)	102.0	101.4	102.8 (↓)	OK, but nothing great.

Source: for data, Bloomberg®; for commentary, SSGA Economics.

**Week In Preview (May 29 – June 02)**

Country	Release (Date, format)	Consensus	Last	Comments
<b>Monday, May 29</b>				
GE	Retail Sales (Apr, m/m)		-2.4%	
JN	Leading Index CI (Mar, final)	97.5 (p)	98.2	
JN	Jobless Rate (Apr)	2.7%	2.8%	
JN	Job-To-Applicant Ratio (Apr)	1.32	1.32	
<b>Tuesday, May 30</b>				
US	FHFA House Price Index (Mar, m/m)	0.2%	0.5%	
US	S&P CoreLogic CS 20-City (Mar, m/m)	0.00%	0.06%	
US	Conf. Board Consumer Confidence (May)	100.0	101.3	
JN	Retail Sales (Apr, m/m)	0.6%	0.3% (↓)	
JN	Industrial Production (Apr, m/m, prelim)	1.4%	1.1%	
AU	Private Sector Credit (Apr, m/m)	0.3%	0.3%	
<b>Wednesday, May 31</b>				
US	JOLTS Job Openings (Apr, thous)	9,439	9,590	
CA	GDP Annualized (Q1, q/q)	2.5%	0.0%	Good start to new year.
CA	GDP (Mar, m/m)	-0.1%	0.1%	
UK	Mortgage Approvals (Apr, thous)	54.0	52.0	
GE	Unemployment Claims Rate (May, sa)		5.6%	
GE	CPI (May, y/y, prelim)		7.2%	
FR	CPI (May, y/y, prelim)		5.9%	
FR	GDP (Q1, q/q, final)	0.2% (p)	0.0%	
IT	GDP WDA (Q1, q/q, final)	0.5% (p)	-0.1%	
IT	CPI NIC incl. tobacco (May, y/y, prelim)		8.3%	
JN	Annualized Housing Starts (Apr, mn)	0.868	0.877	
JN	Consumer Confidence Index (May)	36.0	35.4	Improving.
JN	Manufacturing PMI (May, final)	50.8 (p)	49.5	
<b>Thursday, Jun 01</b>				
US	Nonfarm Productivity (Q1, q/q, final)	-2.7% (p)	1.6%	
US	Initial Jobless Claims (May 27, thous)	235	229	
US	Continuing Claims (May 20, thous)	1,803	1,794	
US	ISM Manufacturing (May)	47.0	47.1	
US	Wards Total Vehicle Sales (May)	15.30	15.91	Might be a little lower.
EC	Manufacturing PMI (May, Final)	44.6	45.8	
GE	Retail Sales (Apr, m/m)	1.0%	-2.2% (↑)	
IT	Manufacturing PMI (May)	45.8	46.8	
IT	Unemployment Rate (Apr)	7.8	7.8%	Little movement.
<b>Friday, Jun 02</b>				
US	Change In Nonfarm Payrolls (May, thous)	190	253	Still resilient.
US	Unemployment Rate (May)	3.5%	3.4%	
FR	Industrial Production (Apr)	0.3%	-1.1%	

Source: for data, Bloomberg®; for commentary, SSGA Economics.



## Economic Indicators

### Central Bank Policy Targets

Region	Target	Year/Year % Change in Target				
		Dec	Jan	Feb	Mar	Apr
US	Target: PCE price index 2.0% y/y	5.3	5.4	5.1	4.2	4.4
Canada	Target: CPI 2.0% y/y, 1.0%-3.0% control range	6.3	5.9	5.2	4.3	4.4
UK	Target: CPI 2.0% y/y	10.5	10.1	10.4	10.1	8.7
Eurozone	Target: CPI below but close to 2.0% y/y	9.2	8.6	8.5	6.9	7.0
Japan	Target: CPI 2.0% y/y	4.0	4.3	3.3	3.2	3.5
Australia	Target Range: CPI 2.0%-3.0% y/y	7.8	7.0	7.0	7.0	

Source: Macrobond

### Key Interest Rates

	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23
US (top of target range)	1.75	2.50	2.50	3.25	3.25	4.00	4.50	4.50	4.75	5.00	5.00
Canada (Overnight Rate)	1.50	2.50	2.50	3.25	3.75	3.75	4.25	4.50	4.50	4.50	4.50
UK (Bank Rate)	1.25	1.25	1.75	2.25	2.25	3.00	3.50	3.50	4.00	4.25	4.25
Eurozone (Refi)	0.00	0.50	0.50	1.25	1.25	2.00	2.50	2.50	3.00	3.50	3.50
Japan (OCR)	-0.04	-0.01	-0.04	-0.07	-0.06	-0.08	-0.02	-0.01	-0.01	-0.03	-0.07
Australia (OCR)	0.73	1.28	1.81	2.25	2.58	2.84	3.05	3.10	3.29	3.54	3.60

Source: Macrobond

### General Government Structural Balance as a % of Potential GDP

									Forecast	
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
US	-2.5	-3.6	-4.3	-5.1	-6.0	-10.7	-10.7	-5.9	-6.6	-6.7
Canada	0.0	0.0	-0.3	0.0	-0.2	-8.1	-3.3	-1.2	-0.5	-0.1
UK	-2.5	-1.6	-1.3	-1.4	-1.6	0.8	-3.6	-4.5	-4.3	-2.8
Eurozone	-0.5	-0.5	-0.4	-0.3	-0.5	-4.0	-3.8	-2.8	-3.1	-2.5
Germany	1.2	1.2	1.1	1.6	1.3	-2.9	-3.0	-2.6	-3.2	-1.4
France	-2.1	-1.9	-1.9	-1.5	-2.1	-5.8	-5.2	-4.4	-4.6	-4.1
Italy	-0.4	-1.0	-1.5	-1.6	-0.9	-6.1	-6.7	-2.4	-2.0	-3.0
Japan	-4.5	-4.5	-3.7	-3.0	-3.3	-8.1	-6.2	-7.8	-6.4	-4.1
Australia	-2.5	-2.2	-1.5	-1.1	-4.0	-7.9	-6.1	-3.5	-3.3	-2.9

Source: International Monetary Fund, World Economic Outlook

### Headline Consumer and Producer Price Inflation

	CPI Year/Year % Change						PPI Year/Year % Change				
	Dec	Jan	Feb	Mar	Apr		Dec	Jan	Feb	Mar	Apr
US	6.5	6.4	6.0	5.0	4.9		6.4	5.7	4.8	2.7	2.3
Canada	6.3	5.9	5.2	4.3	4.4		7.5	4.8	1.4	-2.2	-3.5
UK	10.5	10.1	10.4	10.1	8.7		14.5	13.4	11.9	8.5	5.4
Eurozone	9.2	8.6	8.5	6.9	7.0		24.6	15.1	13.4	5.9	
Germany	8.1	8.7	8.7	7.4	7.2		21.6	16.6	13.5	6.7	4.1
France	5.9	6.0	6.3	5.7	5.9		17.5	14.9	13.3	9.5	
Italy	11.6	10.0	9.1	7.6	8.2		31.7	11.1	9.6	3.8	
Japan	4.0	4.3	3.3	3.2	3.5		10.6	9.6	8.3	7.4	5.8
Australia	7.8	7.0	7.0	7.0			5.8	5.2	5.2	5.2	

Source: Macrobond

## Economic Indicators

**Real GDP Growth (Q/Q Seasonally Adjusted)**

	Quarter/Quarter % Change					Year/Year % Change				
	Q1-22	Q2-22	Q3-22	Q4-22	Q1-23	Q1-22	Q2-22	Q3-22	Q4-22	Q1-23
US	-0.4	-0.1	0.8	0.6	0.3	3.7	1.8	1.9	0.9	1.6
Canada	0.6	0.9	0.6	0.0		3.1	4.7	3.8	2.1	
UK	0.5	0.1	-0.1	0.1	0.1	10.6	3.8	2.0	0.6	0.2
Eurozone	0.6	0.9	0.4	-0.1	0.1	5.5	4.4	2.5	1.8	1.3
Germany	1.0	-0.1	0.5	-0.5	-0.3	3.8	1.7	1.4	0.8	-0.5
France	-0.2	0.5	0.1	0.0	0.2	4.7	4.2	1.0	0.4	0.8
Italy	0.1	1.1	0.4	-0.1	0.5	6.5	5.1	2.5	1.4	1.8
Japan	-0.5	1.1	-0.2	0.0	0.4	0.7	1.5	1.6	0.4	1.3
Australia	0.6	0.9	0.7	0.5		3.0	3.1	5.9	2.7	

Source: Macrobond

**Industrial Production Index (M/M Seasonally Adjusted)**

	Month/Month % Change					Year/Year % Change				
	Dec	Jan	Feb	Mar	Apr	Dec	Jan	Feb	Mar	Apr
US	-1.5	1.0	0.0	0.0	0.5	0.6	1.5	0.8	0.1	0.2
Canada	-1.2	0.7	0.2			1.3	2.0	1.7		
UK	0.2	-0.3	-0.1	0.8		-2.7	-3.0	-2.8	-2.0	
Germany	-2.3	3.7	2.1	-3.4		-3.7	-1.0	0.8	1.6	
France	1.4	-2.0	1.4	-1.1		1.7	-2.3	0.9	-0.1	
Italy	1.1	-0.5	-0.2	-0.6		-0.9	1.9	-2.3	-3.2	
Japan	0.3	-5.3	4.6	1.1		-0.8	-3.8	-1.4	-0.6	

Source: Macrobond

**Unemployment Rate (Seasonally Adjusted)**

	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23
US	3.6	3.5	3.7	3.5	3.7	3.6	3.5	3.4	3.6	3.5	3.4
Canada	4.9	4.9	5.3	5.2	5.2	5.1	5.0	5.0	5.0	5.0	5.0
UK	3.6	3.5	3.6	3.7	3.7	3.7	3.7	3.8	3.9		
Eurozone	6.7	6.7	6.7	6.7	6.7	6.7	6.7	6.6	6.6	6.5	
Germany	5.3	5.4	5.5	5.5	5.5	5.5	5.5	5.5	5.5	5.6	5.6
France	7.5	7.4	7.2	7.1	7.2	7.1	7.1	7.1	7.0	6.9	
Italy	8.0	8.0	8.1	8.0	7.9	7.9	7.9	8.0	7.9	7.8	
Japan	2.6	2.6	2.5	2.6	2.6	2.5	2.5	2.4	2.6	2.8	
Australia	3.6	3.5	3.5	3.6	3.4	3.5	3.5	3.7	3.6	3.5	3.7

Source: Macrobond

**Current Account Balance as a % of GDP (Seasonally Adjusted)**

	Q3-20	Q4-20	Q1-21	Q2-21	Q3-21	Q4-21	Q1-22	Q2-22	Q3-22	Q4-22	Q1-23
US	-3.2	-3.5	-3.4	-3.6	-3.8	-3.7	-4.5	-3.8	-3.4	-3.2	
Canada	-2.4	-1.4	0.0	-0.4	-0.6	0.0	0.4	0.8	-1.2	-1.5	
UK	-2.6	-6.6	-1.9	-0.4	-3.3	-0.4	-8.3	-4.6	-2.0	-0.4	
Eurozone	2.1	3.2	3.5	3.1	2.3	1.2	0.4	-1.3	-3.6	1.0	
Germany	7.2	8.3	9.0	8.4	7.4	6.5	5.7	4.1	2.4	4.9	6.2
France	-2.0	-0.3	0.5	0.7	0.4	-0.1	-0.2	-1.8	-3.6	-3.0	-0.4
Japan	4.3	3.7	4.6	4.2	3.6	4.0	3.4	3.1	3.4	3.5	3.5
Australia	-1.5	-2.5	-2.8	-3.5	-2.2	-2.7	-2.2	-1.4	-0.2	1.2	

Source: Macrobond

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