STATE STREET GLOBAL ADVISORS

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Commentary

Weekly Economic Perspectives

Contents

Spotlight on Next Week
US industrial production and retail sales likely to improve further. Huge contraction in UK second-quarter GDP.

Contact

Simona Mocuta
Senior Economist
simona_mocuta@ssga.com
+1-617-664-1133

Kaushik Baidya
Economist
kaushik_baidya@ssga.com
+91-806-741-5048

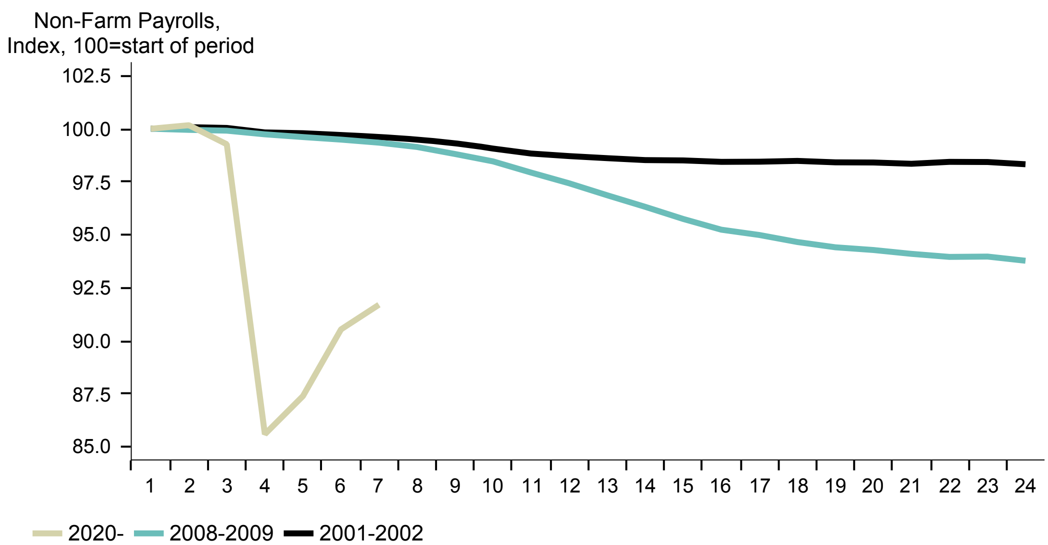
The Economy

Decent macro data supports equities and commodities, just as uncertainty and downside risks continue to cap bond yields.

US

Unlike the huge upside surprises in the May and June updates, the July employment report came in close to expectations. Admittedly, the outcome was still better than consensus, with 1.763 million jobs added, but the extent of that surprise was much reduced. Similarly, revisions to the prior two months were a much smaller +17k. The private sector added 1.462 million jobs, with the government adding 301k. Goods producing sectors added 39,000, with construction up 20,000 and manufacturing up 26,000. While these were much smaller gains than in the prior months, the hours data suggest a more intensive utilization of current employees and that bodes well for future employment gains. Private service producing industries added 1.423 million jobs, with almost 600k in leisure/hospitality, almost 300k in trade/transportation, and a little over 200k in health/education. Temporary help increased by 144k, matching the June performance. The household survey showed a similar 4.91.350 million increase in employment and a 1.412 million decline in unemployment, pushing the unemployment rate down from 11.1% to 10.2%. The participation rate retreated one tenth to 61.4%; it remains about two percentage points lower than before the crisis.

Figure 1: US Labor Market In Covid Crisis vs. Prior Recessions



Sources: Macrobond, U.S. Bureau of Labor Statistics (BLS)
Note: X axis indicates number of months

The **hours data** were mixed. Manufacturing labor utilization has spiked: the manufacturing workweek surged by 42 minutes, with overtime up 18 minutes. But the overall workweek declined by 6 minutes, suggesting that labor utilization in services declined. This show how the “summer surge” in Covid is impacting labor demand. Fortunately, the impact seems mild so far. Manufacturing aggregate hours increased by 2.0% while overall hours worked (a measure of work effort in the entire economy) increased by 1.0%. While modest, this is nonetheless positive for July labor income.

Compositional changes to the employed population have caused significant distortions in **wage data** since the Covid outbreak that their message should be taken with a healthy dose of skepticism. Total average hourly earnings increased 0.2% in July but earnings for production and non-supervisory employees declined 0.4%. The respective measures of wage inflation remain 4.8% and 4.6% higher, respectively, than in July 2019. These numbers still overstate underlying wage inflation.

This week's **unemployment claims** data were encouraging, especially since an increase the week before had raised concerns that the labor market healing had paused. Initial claims retreated by 249,000—the most since early June—to a post-pandemic low of 1.186 million. Nonetheless, this remains highly elevated compared with the low 200k levels that prevailed late last year. Continuing claims more than retraced the prior week's increase, and settled at a post-pandemic low of 16.1 million in the week ended July 24. Even so, continuing claims remain nearly ten times higher than their February level.

Manufacturing and service activity is picking up steam. The **ISM manufacturing index** bested expectations again, rising 1.6 points to a sixteen-month high of 54.2 in July. Having surged about 24 points each in June, production and new orders added about 5 extra points in July to 62.1 and 61.5, respectively, marking a 23-month high for each. Export orders rose 2.8 points to 50.4, the first expansion since February. The employment metric remains weak: it improved 2.2 points but only to 44.3. The price metrics rebounded, with both prices paid and prices received near 53.0. Inventories are declining, which suggests some rebuilding down the line, especially since respondents view customer inventories as being too low.

Despite resurgent Covid-19 cases, service activity continues to improve. The **ISM non-manufacturing index** bucked expectations for a decline to instead gain 1.0 point to a seventeen-month high of 58.1 in July. The business activity metric (the old headline) improved 1.2 points to 67.2 while new orders jumped 6.1 to 67.7. Backlogs jumped to the highest since March 2019 and supplier deliveries continued to lengthen, albeit at a slower rate. Export orders disappointed, however, slipping back under 50 after a strong showing in June. The weakest point was employment, which retreated 1.0 point to 42.1. We suspect the retreat in employment reflects three different dynamics: 1. some degree of pulling back on reopening (bars, indoor dining restrictions), 2. businesses that are open handling more volume with the same numbers of employees, and 3. business failures and/or layoffs as companies re-assess labor needs. At face value, this is a negative signal for the payrolls report, although it could be that the impact won't show up until the August report.

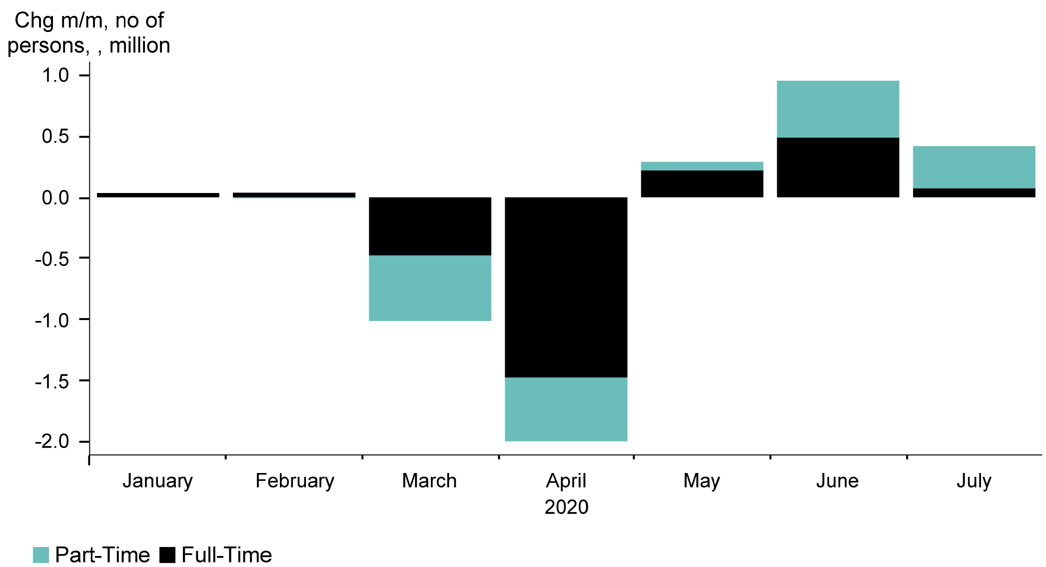
July **motor vehicle sales** exceeded expectations with an 11.3% increase to 14.52 million units (saar). Light trucks drove demand, accounting for 76% of sales. Car sales, meanwhile, have been hampered by the decline in fleet sales to car rental companies amid the Covid-19 pandemic. Overall motor vehicle sales are still down y/y, but by only 13.7%, which is not too bad given the circumstances. Sales during the first seven months of the year are down 21.0% y/y.

As the manufacturing reopening progresses, **factory orders** are now bouncing back. After gaining 7.7% in May, they improved another 6.2% in June as durable goods orders rose 7.6% and non-durables rose 5.0%. Within durables, transportation orders were up by over 20.0%. Core orders (non-defense capital goods excluding aircraft)—a leading indicator for business equipment investment (BEI) in the GDP accounts—increased 3.4%. Overall shipments jumped 9.8%, with core shipments up 3.3%. Overall inventories increased a modest 0.6%, allowing the inventory -to-shipments ratio to retreat sharply from 1.65 to 1.51, although it remains historically elevated.

Canada

The **labor market** continues to heal in Canada along with the re-opening of the economy. Employment rose by 419,000 in July, lower than the 953,000 gain in June. But employment is now at 93% of its February level, which we expect to be breached by the third quarter. Employees who are working less than their usual hours also dropped by 412,000 in July, bringing this metric near to February level as well. With the recovery ensuing, most of the gains over the past three months have been in part-time jobs—which increased by 345,000 in July, compared with a much smaller increase of 73,000 in full-time work.

Figure 2. Part-Time Jobs Rebounding Faster In Canada



Sources: Statistics Canada

Employment in services rebounded strongly, led by gains in wholesale and retail trade (+91,000) and in accommodation and food services (+101,000). Growth in the goods-producing sector was more modest. The unemployment rate declined by a further 1.4 percentage points to 10.9%, slightly below consensus. The number of unemployed people fell for the second month in July, down by 269,000. The unemployment rate will continue to remain elevated due to higher number of people searching for work, which increased 115,000. The recovery seems to be taking shape well, but we should be wary of a resurgence in number of cases like some other economies are seeing.

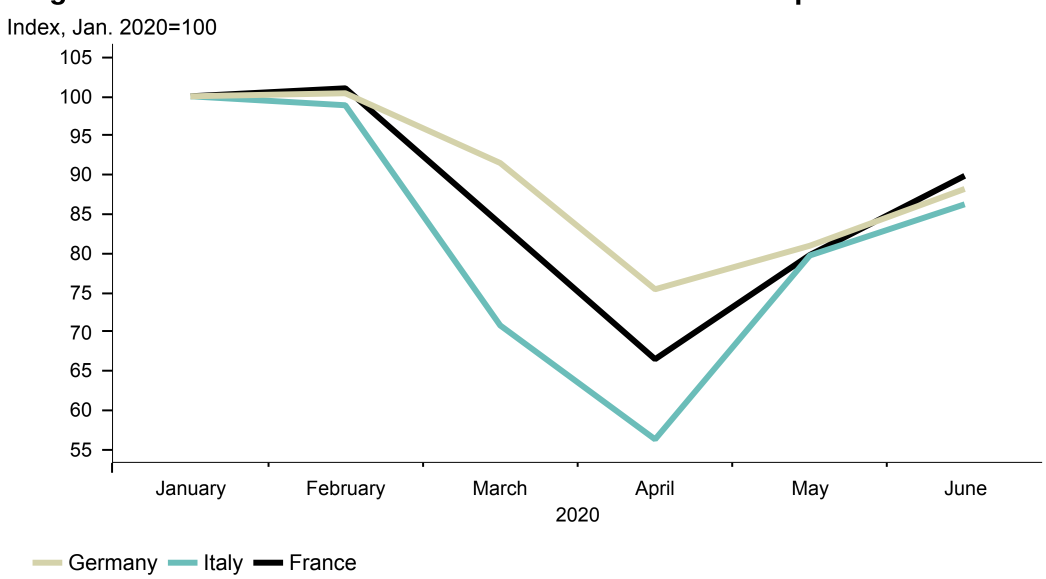
UK

As widely anticipated, the **Bank of England**'s Monetary Policy Committee (MPC) announced no new policy actions this week. The Bank Rate remained at 0.1% and the targeted stock of asset purchases at £645 billion. Unlike in May, when two members had favored an increase in asset purchases, this month the decision was unanimous. The reason likely has more to do with the extraordinary degree of uncertainty about the outlook rather than the MPC feeling that the economy is on solid footing. Indeed, the accompanying statement was surprisingly frank about the limitations to the Committee's insights into the economy's future evolution: "Although recent developments suggest a less weak starting point for the Committee's latest projections, it is unclear how informative they are about how the economy will perform further out." As such, the PMC decided to take a pass at this meeting and await further data evidence on the economy's path.

Eurozone

The rebound in eurozone industrial production continues, with June prints for Germany, France, and Italy all surprising positively. ***German* industrial production** (including construction) jumped another 8.9% following June's downwardly revised 7.4% gain. The details were even better in that manufacturing output surged 11.1% during the month; energy production rose 5.5% while construction improved 1.4%. Despite these gains, German manufacturing production remains 14.4% lower than in July 2019; total industrial production is down 11.5% y/y.

Figure 3: Industrial Production Rebounds Across Europe



Sources: INSEE, Istat, Statistisches Bundesamt

***French* industrial production** also bested expectations with a 12.7% advance in June, on top of May's upwardly revised 19.9% surge. Still output remains 11.7% lower than in June 2019, although we anticipate further improvements. ***Italian* industrial production** has experienced a similarly impressive rebound: after surging 41.6% in May, it jumped another 8.2%. Manufacturing rose 8.8%, reflecting, among others, a 27.6% surge in vehicle production and a 17.3% increase in textiles/clothing. Mining output jumped 11.0% while electricity/gas improved 1.5%. Despite these gains, industrial production remains 13.7% lower than in June 2019.

Further gains in regional industrial output seem likely if ***German* factory orders** are any indication (and they are). Orders soared 27.9% in June, lifted by a 45.7% surge in capital goods orders. Intermediate orders rose 10.6% while consumer goods orders—which had experienced a much smaller relative decline during lockdowns—rose a modest 1.1%. Automotive and parts orders surged 66.2% in June following May's 44.3% jump, with similar gains across domestic and foreign orders. This bodes very well for continued improvements in industrial production over the next few months.

Japan

Wage inflation arrested its decline somewhat in June, though wage growth is still negative, and the May figure was adjusted slightly downward. **Labor cash earnings** decelerated by 1.7% y/y, compared to expectations of a 3.0% fall. Overtime wage growth dropped by a further 24.6%, the third consecutive month of double digit fall. Employers continued to curtail working hours, with hours worked down by a further 4.1%. Overtime have been falling for the past nine months now, initially due to government policies curbing overwork, and then after the pandemic hit. Special wages also declined by 2.4%. On the positive, basic wages increased by 0.6% after staying flat in May. The drag from decline in wages for part-time workers eased slightly from last month (-0.5%), but wages for full-time employees fell by 0.1%. Real wages also decreased, down 1.9% y/y.

The **index of leading economic indicators** improved considerably in June, back to March level and signaling improvement ahead. The index increased 6.7 points to 79.3, close to consensus. The coincident index also increased 3.5 points to 76.4, following three consecutive declines. The lagging index rose marginally by 0.8 points to 93.3. We expect the worst is over, and sentiment should improve gradually hereon.

Australia

The **Reserve Bank of Australia's** latest monetary policy meeting was business as usual. The target for the cash rate as well as the yield on 3-year Australian Government bonds were kept unchanged. The RBA however, announced that it will step back into the bond market to buy ACGBs. The impetus for this move is that 3 year yields have "been a little higher than 25 basis points in recent weeks." We had earlier noted that the economy and labor market seem to be overperforming by some margin compared to the baseline scenario presented by the bank in the May Statement of Monetary Policy. But the renewed surge in cases and lockdowns imposed in Melbourne and Mitchell shire present downside risks. On a positive note, the RBA indirectly acknowledged the positive outlook in the event of getting a vaccine in the near future, in saying "a stronger recovery is possible if progress is made in containing the virus in the near future. This progress would support an improvement in confidence and a less cautious approach by households and businesses to their spending." We anticipate no further action until at least the end of 2020.

Retail sales rose 2.7% in June, building on May's 16.9% jump. Seasonally adjusted sales are now above February levels. Sectors which had been heavily impacted due to restrictions continued to recover, with restaurants and cafes up 27.9% and apparel up 20.5%. Food retailing increased by 0.9%, with the bulk of purchases coming from Victoria where people stockpiled on food ahead of the lockdown. “Other” retailing rose 0.3% in June, while household goods sales cooled a little (-3.2%). However, despite substantial gains in May-June, real sales fell 3.4% q/q in the second quarter, the biggest decline since the GST introduction in 2000. Restaurants (−29% q/q) and apparels (−22% q/q) were hit by lockdowns in April-May, while household goods (+14.6% q/q) gained from stay-at-home and work-from-home practices. Ongoing lockdowns in Victoria will likely cap additional short-term gains, however.

The Market This Week

In recent weeks we've highlighted the impressive surge in gold prices, with the precious metal hitting new highs this week. Silver has recently joined in, enjoying a massive surge of late.

Figure 4: Silver Gets A (Big) Bid

Sources: Macrobond, Bloomberg

Equities: A big week for equities with solid gains almost across the board.

Bonds: Bond yields are little changed.

Currencies: The dollar recoups some losses late in the week.

Commodities: Oil moves higher, gold touches record.

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Stock Markets					10 Year Bond Yields			Currencies		
Country	Exchange	Last	%Ch Week	%Ch YTD	Last	BP Ch Week	BP Ch YTD	Last	%Ch Week	%Ch YTD
US	S&P 500®	3340.19	2.1%	3.4%	0.56	3	-136	93.43	0.1%	-3.1%
Canada	TSE 300	16527.56	2.2%	-3.1%	0.48	1	-122	1.3379	-0.2%	3.0%
UK	FTSE®	6032.18	2.3%	-20.0%	0.14	4	-68	1.3054	-0.2%	-1.5%
Germany	DAX	12674.88	2.9%	-4.3%	-0.51	2	-32			
France	CAC-40	4889.52	2.2%	-18.2%	-0.21	-2	-33	1.1783	0.0%	5.1%
Italy	FTSE® MIB	19516.43	2.2%	-17.0%	0.93	-8	-48			
Japan	Nikkei 225	22329.94	-1.9%	-5.6%	0.01	-1	2	105.93	0.1%	-2.5%
Australia	ASX 200	6004.838	1.3%	-10.2%	0.83	1	-54	0.7152	0.1%	1.9%

Commodity Markets						
Commodity	Unit	Source	Last Price	%Ch Week	%Ch YTD	%Ch Yr Ago
Oil (Brent)	US $/Barrel	Bloomberg	43.93	2.6%	-33.9%	-23.0%
Gold	US $/troy oz	Bloomberg	2033.58	2.9%	34.0%	35.5%

Source: Bloomberg®

Week in Review (August 3–August 7)

Country	Release (Date, format)	Consensus	Actual	Last	Comments
Monday, August 3					
US	ISM Manufacturing (Jul)	53.6	54.2	52.6	Production and new orders strong.
UK	Manufacturing PMI (Jul, final)	53.6(p)	53.3	50.1	Encouraging, hopefully August is better still.
EC	Manufacturing PMI (Jul, final)	51.1(p)	51.8	47.4	August should be better still.
GE	Manufacturing PMI (Jul, final)	50.0(p)	51.0	45.2	August should be better still.
FR	Manufacturing PMI (Jul, final)	52.0(p)	52.4	52.3	August should be better still.
IT	Manufacturing PMI (Jul)	na	51.9	47.5	August should be better still.
JN	GDP (Q1, final, q/q)	-0.7%(p)	-0.6%	-0.6%	Revised upward further.
JN	Manufacturing PMI (Jul, final)	42.6(p)	45.2	40.1	Contraction in output and new orders softer.
Tuesday, August 4					
US	Total Vehicle Sales (Jul, mil.)	14.0	14.5	13.1	Good news for retail sales.
US	Factory Orders (Jun, m/m)	5.0%	6.2%	7.7%(↓)	Further gains ahead.
US	Durable Goods Orders (Jun, final, m/m)	7.3%(p)	7.6%	15.1%	Transportation orders up 20.2%.
AU	RBA Monetary Policy Decision	0.25%	0.25%	0.25%	RBA will but ACGBs again to bring yield down..
AU	Retail Sales (Jun, m/m)	2.4%	2.7%	16.9%	Above February level now; Q2 disappoints.
Wednesday, August 5					
US	ISM Non-Manufacturing Index (Jul)	55.0	58.1	57.1	But export orders and employment contracted.
CA	Merchandise Trade (Jun, C$ bil.)	-0.9	-3.2	-1.3(↓)	Both imports and exports rebounded sharply.
UK	Services PMI (Jul, final)	56.6(p)	56.5	47.1	Rebound on reopening.
EC	Services PMI (Jul, final)	55.1(p)	54.7	48.3	Rebound on reopening.
GE	Services PMI (Jul, final)	56.7(p)	55.6	47.3	Rebound on reopening.
JN	Services PMI (Jul, final)	45.2(p)	45.4	45.0	Fall in new orders slowest since February.
Thursday, August 6					
US	Initial Jobless claims (Aug 1, thous)	1400	1186	1435(↑)	Good news.
US	Continuing claims (Jul 25, thous)	16900	16107	16951(↓)	Good news, but much more progress needed.
UK	BOE Monetary Policy Decision	0.10%	0.10%	0.10%	As expected.
GE	Factory Orders (Jun, m/m)	10.1%	27.9%	10.4%	Good signal for July industrial production.
IT	Industrial Production (Jun, m/m)	5.0%	8.2%	41.6%(↓)	Further gains expected.
Friday, August 7					
US	Change in Nonfarm Payrolls (Jul, thous)	1480	1763	4791(↓)	No big surprises, manufacturing recovering.
US	Unemployment Rate (Jul)	10.5%	10.2%	11.1%	Flattered by lower participation rate.
CA	Unemployment Rate (Jul)	11.1%	10.9%	12.3%	The recovery seems to be going well.
CA	Ivey PMI (Jul)	na	68.5	58.2	At a two year high.
GE	Industrial Production (Jun, m/m)	8.1%	8.9%	7.4%(↓)	More gains likely ahead.
FR	Industrial Production (Jun, m/m)	8.7%	12.7%	19.9%↑)	More gains likely ahead.
JN	Labor Cash Earnings (Jun, y/y)	-3.0%	-1.7%	-2.3%(↓)	Marked deceleration in wage deflation.
JN	Leading Index (Jun, prelim)	84.9	85.0	78.3(↓)	A substantive improvement.

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

Week Preview (August 10–August 14)

Country	Release (Date, format)	Consensus	Last	Comments
Monday, August 10				
US	JOLTS Job Openings (Jun, thous)	na	5397	
CA	Housing Starts (Jul, thous)	200.6	211.7	We expect the recovery to continue.
FR	Bank of France Ind. Sentiment (Jul)	na	89	
Tuesday, August 11				
US	NFIB Small Business Optimism (Jul)	100.0	100.6	This is important to watch.
US	Mortgage Delinquencies (Q2)	na	4.4%	
UK	Average Weekly Earnings (Jun, 3m y/y)	-1.1%	-0.3%	
UK	ILO Unemployment Rate (Jun)	4.2%	3.9%	Flattered by government support.
GE	ZEW Survey Expectations (Aug)	60	59.3	
AU	NAB Business Confidence (Jul)	na	1	Lockdowns in Victoria to have a negative impact.
Wednesday, August 12				
US	CPI (Jul, y/y)	0.7%	0.6%	
US	Monthly Budget Statement (Jul, $ bil.)	na	-864.1	
UK	GDP (Q2, prelim, q/q)	-20.5	-2.2%	Painful. Now all eyes of recovery.
UK	Industrial Production (Jun, m/m)	na	6.0%	
EC	Industrial Production (Jun, m/m)	12.0%	12.4%	
AU	Wage Price Index (Q2, y/y)	2.0%	2.1%	Down on lower working hours.
Thursday, August 13				
US	Initial Jobless claims (Aug 8, thous)	1100	1186	
US	Continuing claims (Aug 1, thous)	15800	16107	
FR	ILO Unemployment Rate (Q2)	na	7.6%	
AU	Unemployment Rate (Jul)	7.5%	7.4%	Should reflect renewed loss of activity at some point.
Friday, August 14				
US	Retail Sales Advance (Jul, m/m)	2.7%	7.5%	
US	Industrial Production (Jul, m/m)	3.0%	5.4%	
US	Business Inventories (Jun, m/m)	-1.2%	-2.3%	
US	U of Mich Sentiment (Aug, prelim)	71.0	72.5	
US	Nonfarm Productivity (Q2, prelim)	3.1%	-0.9%	
CA	Manufacturing Sales (Jun, m/m)	6.0%	10.7%	Slower but trending up.
CA	Existing Home Sales (Jul, m/m)	na	63.0%	
EC	GDP (Q2, second, q/q)	-12.1%(p)	-3.6%	
JN	Tertiary Industry Index (Jun, m/m)	6.4%	-2.1%	Recovery in services to be broad based.

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

Economic Indicators

Central Bank Policy Targets

Region	Target	Year/Year %Change in Target				
		Feb	Mar	Apr	May	Jun
US	Target: PCE price index 2.0% y/y	1.8	1.3	0.5	0.5	0.8
Canada	Target: CPI 2.0% y/y, 1.0%-3.0% control range	2.2	0.9	-0.2	-0.4	0.7
UK	Target: CPI 2.0% y/y	1.7	1.5	0.8	0.5	0.6
Eurozone	Target: CPI below but close to 2.0% y/y	1.2	0.7	0.3	0.1	0.3
Japan	Target: CPI 2.0% y/y	0.4	0.4	0.1	0.1	0.1
Australia	Target Range: CPI 2.0%-3.0% y/y	2.2	2.2	-0.3	-0.3	-0.3

Source: Macrobond

Key Interest Rates

	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	#####	Jun-20	Jul-20
US (top of target range)	2.00	1.75	1.75	1.75	1.75	1.75	0.25	0.25	0.25	0.25	0.25
Canada (Overnight Rate)	1.75	1.75	1.75	1.75	1.75	1.75	0.25	0.25	0.25	0.25	0.25
UK (Bank Rate)	0.75	0.75	0.75	0.75	0.75	0.75	0.10	0.10	0.10	0.10	0.10
Eurozone (Refi)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Japan (OCR)	-0.06	-0.03	-0.03	-0.07	-0.04	-0.03	-0.07	-0.06	-0.07	-0.07	-0.02
Australia (OCR)	1.00	0.76	0.75	0.75	0.75	0.75	0.43	0.25	0.25	0.25	0.25

Source: Macrobond

General Government Structural Balance as a % of Potential GDP

	2012	2013	2014	2015	2016	2017	2018	2019	Forecast 2020	Forecast 2021
US	-6.4	-4.5	-3.8	-3.6	-4.4	-4.8	-6.0	-6.3	-6.3	-6.2
Canada	-2.1	-1.1	0.1	0.8	0.7	0.0	-0.2	-0.5	-0.8	-0.8
UK	-6.0	-4.0	-4.7	-4.1	-2.9	-2.0	-1.5	-1.3	-1.4	-1.5
Eurozone	-2.1	-1.2	-0.9	-0.8	-0.7	-0.7	-0.6	-0.7	-0.9	
Germany	0.0	0.6	1.2	1.2	1.3	1.1	1.4	0.9	1.0	0.7
France	-4.4	-3.4	-3.3	-3.0	-2.8	-2.6	-2.5	-2.4	-2.5	-2.4
Italy	-1.5	-0.6	-1.1	-0.7	-1.4	-1.7	-1.8	-1.5	-2.1	-2.3
Japan	-7.6	-7.5	-5.5	-4.3	-4.1	-3.4	-3.1	-2.9	-2.1	-1.9
Australia	-3.3	-2.6	-2.6	-2.4	-2.2	-1.5	-0.6	-0.4	-0.4	0.0

Source: International Monetary Fund, World Economic Outlook

Headline Consumer and Producer Price Inflation

	CPI Year/Year %Change						PPI Year/Year %Change				
	Mar	Apr	May	Jun	Jul		Feb	Mar	Apr	May	Jun
US	1.5	0.3	0.1	0.6			1.1	0.7	-1.2	-0.8	-0.8
Canada	0.9	-0.2	-0.4	0.7			-0.3	-3.0	-6.0	-4.9	-3.1
UK	1.5	0.8	0.5	0.6			0.5	0.3	-0.7	-1.2	-0.8
Eurozone	0.7	0.3	0.1	0.3			-1.3	-2.8	-4.5	-5.0	-3.7
Germany	1.4	0.9	0.6	0.9	-0.1		-0.1	-0.8	-1.9	-2.2	-1.8
France	0.7	0.3	0.4	0.2	0.8		-0.5	-1.9	-3.8	-3.4	-2.3
Italy	0.1	0.0	-0.2	-0.2	-0.3		-2.7	-3.7	-5.1	-5.3	-4.5
Japan	0.4	0.1	0.1	0.1			0.7	-0.5	-2.4	-2.8	-1.6
Australia	2.2	-0.3	-0.3	-0.3							

Source: Macrobond

Real GDP Growth (Q/Q Seasonally Adjusted)

	Quarter/Quarter %Change					Year/Year %Change				
	Q2-19	Q3-19	Q4-19	Q1-20	Q2-20	Q2-19	Q3-19	Q4-19	Q1-20	Q2-20
US	0.4	0.6	0.6	-1.3	-9.5	2.0	2.1	2.3	0.3	-9.5
Canada	0.8	0.3	0.1	-2.1		2.0	1.6	1.5	-0.9	
UK	-0.1	0.5	0.0	-2.2		1.4	1.3	1.1	-1.7	
Eurozone	0.2	0.3	0.0	-3.6	-12.1	1.3	1.4	1.0	-3.1	-15.0
Germany	-0.5	0.3	0.0	-2.0	-10.1	0.1	0.8	0.4	-2.2	-11.7
France	0.2	0.2	-0.2	-5.9	-13.8	1.8	1.6	0.8	-5.7	-19.0
Italy	0.1	0.0	-0.2	-5.4	-12.4	0.4	0.5	0.1	-5.5	-17.3
Japan	0.5	0.0	-1.9	-0.6		0.9	1.8	-0.7	-1.9	
Australia	0.6	0.6	0.5	-0.3		1.6	1.8	2.2	1.4	

Source: Macrobond

Industrial Production Index (M/M Seasonally Adjusted)

	Month/Month %Change					Year/Year %Change				
	Feb	Mar	Apr	May	Jun	Feb	Mar	Apr	May	Jun
US	0.1	-4.4	-12.7	1.4	5.4	-0.2	-4.8	-16.3	-15.4	-10.8
Canada	0.4	-5.2	-13.7	3.1		1.2	-5.4	-20.0	-17.5	
UK	0.3	-4.3	-20.3	6.0		-2.2	-7.4	-23.9	-20.1	
Germany	0.4	-8.8	-17.6	7.4	8.9	-1.6	-10.9	-24.8	-19.6	-11.5
France	1.0	-17.1	-20.6	19.9	12.7	-1.5	-17.8	-35.1	-23.4	-11.7
Italy	-1.1	-28.4	-20.5	41.6	8.2	-2.4	-29.4	-43.4	-20.6	-13.7
Japan	-0.3	-3.7	-9.8	-8.9	2.7	-3.7	-6.8	-15.9	-24.5	-20.4

Source: Macrobond

Unemployment Rate (Seasonally Adjusted)

	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	#####	Jun-20	Jul-20
US	3.5	3.6	3.5	3.5	3.6	3.5	4.4	14.7	13.3	11.1	10.2
Canada	5.5	5.6	5.9	5.6	5.5	5.6	7.8	13.0	13.7	12.3	10.9
UK	3.8	3.8	3.8	3.9	4.0	3.9	3.9	3.9			
Eurozone	7.5	7.4	7.4	7.4	7.4	7.2	7.2	7.5	7.7	7.8	
Germany	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.8	6.3	6.4	6.4
France	8.4	8.3	8.2	8.2	7.9	7.6	7.6	8.8	8.2	7.7	
Italy	9.7	9.5	9.5	9.5	9.5	9.2	8.4	6.8	8.3	8.8	
Japan	2.4	2.4	2.2	2.2	2.4	2.4	2.5	2.6	2.9	2.8	
Australia	5.2	5.3	5.1	5.1	5.3	5.1	5.2	6.4	7.1	7.4	

Source: Macrobond

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

	Q1-17	Q2-17	Q3-17	Q4-17	Q1-18	Q2-18	Q3-18	Q4-18	Q1-19	Q2-19	Q3-19
US	-2.2	-2.5	-2.0	-2.3	-2.3	-2.1	-2.4	-2.8	-2.6	-2.4	
Canada	-2.2	-2.7	-3.4	-3.0	-2.8	-2.6	-1.8	-2.8	-3.0	-1.2	-1.7
UK	-3.2	-4.0	-3.4	-3.3	-3.4	-4.4	-4.3	-5.1	-6.0	-4.6	
Eurozone	3.1	1.9	3.9	3.6	3.5	3.6	2.6	2.8	3.1	2.4	
Germany	8.3	7.0	8.6	8.6	8.5	7.6	6.5	7.4	7.8	7.6	8.1
France	-1.3	-0.7	-0.7	-0.3	-0.3	-1.4	-0.5	-0.5	-0.8	-0.8	-1.0
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

About State Street Global Advisors

For four decades, State Street Global Advisors has served the world's governments, institutions and financial advisors. With a rigorous, risk-aware approach built on research, analysis and market-tested experience, we build from a breadth of active and index strategies to create cost-effective solutions. As stewards, we help portfolio companies see that what is fair for people and sustainable for the planet can deliver long-term performance. And, as pioneers in index, ETF, and ESG investing, we are always inventing new ways to invest. As a result, we have become the world's third largest asset manager with nearly US $3.12 trillion* under our care.

*AUM reflects approximately $43.72 billion USD (as of December 31, 2019), with respect to which State Street Global Advisors Funds Distributors, LLC (SSGA FD) serves as marketing agent; SSGA FD and State Street Global Advisors are affiliated.