July 24, 2020
Commentary

Weekly Economic Perspectives

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Spotlight on Next Week
A “quiet” Fed meeting expected next week. Q2 GDP reports in US and eurozone will showcase Covid-19 economic damage.

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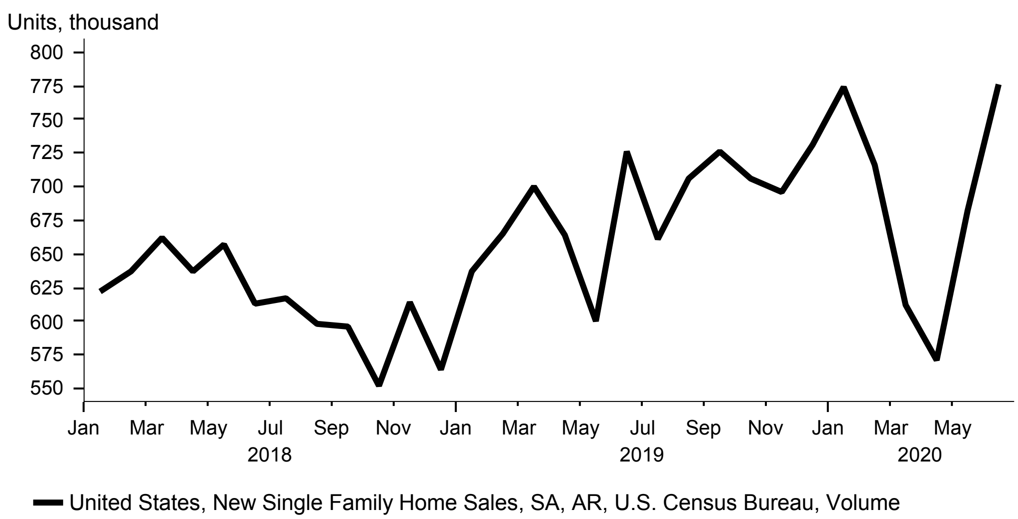
The Economy

Positive macro data and policy signals are drowned out by geopolitical tensions and Covid worries as the week progresses, causing equity markets to give up early gains.

US

Last week we highlighted the spike in home buyer foot traffic evident in the National Association of Homebuilders survey. The latest data on **new home sales** makes it abundantly clear that those people are not just looking, but actually buying. New home sales surged 13.8% in June to 776,000 units (annualized), the highest level since July 2007. The number of homes sold but not yet started continued to rise and is now at the highest levels since December 2007, implying a solid pipeline for residential construction in coming months. The number of homes available for sale declined slightly; in conjunction with higher sales, this caused the market to tighten sharply, with inventory down to 4.7 months' worth of sales from 6.8 in April. More competition among buyers, combined with lower interest rates that allow buyers to digest higher purchase prices drove the median price up 5.6% y/y. Impressively given all that that has happened with Covid and the economy this year, June sales were up 6.9% y/y, leaving first half sales up 3.9% y/y.

Figure 1: US New Home Sales Hit Post-GFC High



Sources: U.S. Census Bureau

Existing home sales also posted a handsome 20.7% monthly gain in June to 4.7 million pace (saar). This is still down 11.3% compared with year-earlier levels as the existing home market has been slower to come off the bottom. Nevertheless, we do anticipate further gains as momentum build in the peak selling season. The market tightened noticeably, with inventory at 4.0 months' worth of sales compared with 4.8 in May, but it is still not as tight as it had been at the start of 2020. The median price rose 3.9% y/y, which actually marks a clear moderation from just 3 months ago. However, it is up from 1.9% in May, suggesting that sellers were more willing to make price concessions in order to get a sale at the height of the pandemic but may now be starting to enjoy better pricing power again.

It is clear that the Covid-19 crisis put a break on what had been a reacceleration in home price inflation in the early months of the years. The FHFA existing single family home prices posted an unusually large 0.3% decline in May, leaving this measure of home price inflation to moderate six tenths to 4.9% y/y. The question is how long will this continue given clear evidence of solid demand.

As rising Covid-19 cases forced some states to delay or even take a step back in the process of economic reopening, initial **unemployment claims** ticked higher in the week ending July 18, the first such increase since late March. Initial claims increased by 109,000 to 14 million. Continuing claims declined by 1.1 million to 16.2 million during the week ended July 11. Next week update on continuing claims will be a particularly important gauge for next month's payrolls report since it contains the relevant reporting period.

The **index of leading economic indicators (LEI)** rose 2.0% in June, following May's 3.2% gain. The composition was nearly identical to the prior months. The diffusion index was unchanged at a high 70% and the biggest contributions came from the average workweek, unemployment claims, and stock prices. One improvement from last month was that the ISM new orders component contributed positively; by contrast, the contribution from building permits, while still positive, moderated. Despite these recent gains, the LEI is still down 8.6% y/y.

Canada

Canada's headline **consumer price inflation** finally turned positive in June after two sequential declines, as life inched towards normalcy across the country. Inflation picked up 0.7% y/y, following a 0.4% decline in May, and even more impressive +1.2% y/y excluding gasoline prices. Prices for services (+1.3%) saw a similar rise as in May, and goods prices (-0.2%) declined at a slower pace than previous month. Gasoline prices declined 15.7% on lower demand, which was still a deceleration from the 29.8% fall in May. Food prices were up 2.7%, and has been persistently above the target for headline since October 2018. Measures of core inflation were strong as well—the weighted median measure was unchanged at 1.9%, while the common component gained one tenth to 1.5%, and the trimmed mean was up two tenths to 1.8%. On a monthly basis, prices increased 1.0% m/m, as higher demand translated into higher prices for apparels (+2.3%), transportation services (+1.5%) and recreational activities (+1.4%).

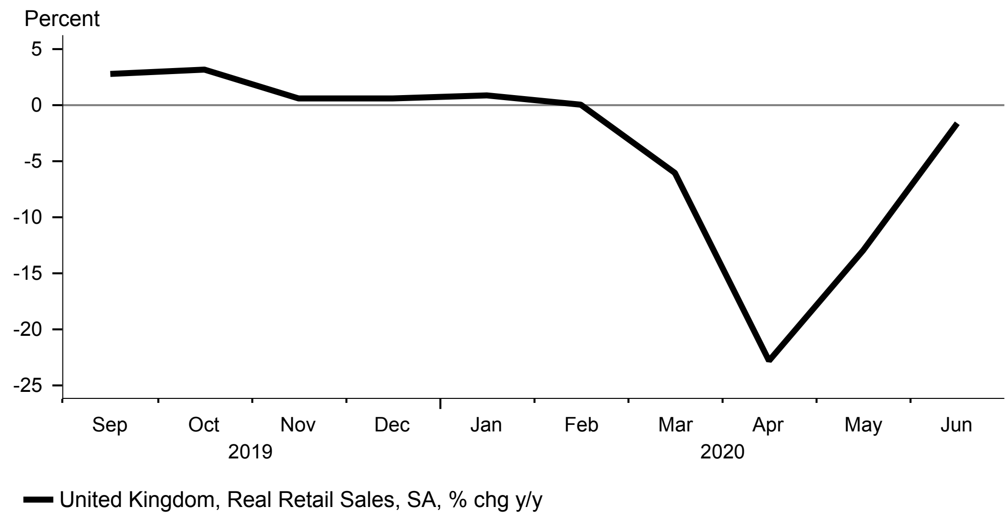
Retail sales rose 18.7% in May and have now recouped around 80% of their recent losses. A majority of stores re-opened in May, with the average loss in business days due to lockdown estimated to be five days. Real sales rose 17.8%, following a record decline of 24.0% in April. Ten out of the 11 subsectors reported higher sales, led by motor vehicle and parts (+64.7%), general merchandise stores (+19.4%), as well as clothing and clothing accessories stores (+95.7%). The only sector which showed negative sales was food and beverage stores (-2.0%), which actually saw a surge in sales during the lockdown. Unsurprisingly, retail e-commerce sales (non-seasonally adjusted) were 112.7% higher than May last year, accounting for 8.0% of total retail trade. It is important to note that despite the increases, levels in most subsectors are still 20-30% below February levels; but this gap might be bridged soon, as Statistics Canada's estimates suggest that retail sales increased by a further 24.5% in June.

The **11-City housing report** published by Teranet and the Bank of Canada painted a slightly different picture from the very strong home sales data released earlier. House prices increased by just 0.7% in June, with the seasonally adjusted index falling 0.1% for the first time in 11 months. Prices rose in a majority of the metropolitan areas, led by Halifax (+2.7%), Winnipeg (+1.8%), and Hamilton (+1.7%). The index was still up 5.9% y/y, a slight deceleration after ten months of acceleration.

UK

In a pattern repeated across many economies, following precipitous declines in March and April, UK **real retail sales** have since rebounded strongly. They increased 12.3% in May and another 13.9% in June, leaving them just 1.6% lower than a year ago. Non-food sales surged 45.4% during the month of May, with clothing up 70.0% from very depressed levels. Online sales and food sales—the two areas of strength previously—underperformed in June, with a 0.1% decline and a modest 1.1% monthly gain, respectively.

Figure 2: UK Retail Sales Rebound



Sources: U.K. Office for National Statistics (ONS)

Manufacturing and service activity is now reviving, with preliminary **purchasing managers' indexes** for July advancing well above the neutral 50 level. The services index surged 9.5 points to 56.6 on broad gains that, oddly, however, did not include employment. Indeed, the employment component actually retreated 1.2 points to 38.1, which seems counter-intuitive given the broader reopening of the economy. The manufacturing index increased 3.5 points to 53.6 on surging production (+9.1 to 59.8) and new orders (+7.9 to 56.1). Employment was once again the weak link, improving only 1.9 points and only to 43.3…but at least it moved the right direction. The latest update is encouraging but we must stress that today's mid-50 reading does not have quite the same meaning as under normal circumstances, since it is more a reflection of improvement from unprecedentedly low levels of activity rather that indicating an economy humming along at high levels of capacity utilization. Still, the PMIs data portend much improved activity levels as we advance into Q3..

Eurozone

It has taken several months after the April bottom but we are finally at a point where ***eurozone*** **purchasing managers' indexes** are now indicating genuine expansion. The preliminary July manufacturing index increased 3.7 points to 51.1 on solid gains in output (+5.1 to 54.0) and new orders (+9.0 to 55.5). The employment metric improved a modest 1.3 points, and only to 42.7, which means companies are still reducing payrolls. The German index rose 4.8 points to an even 50.0, while the French index retreated 0.2 point to 52.

The improvement on the service side was more pronounced, but this is probably more a reflection of weaker starting point rather than genuine strength. Still, we welcome the much better than expected 6.8-point jump in the eurozone services PMI to a solid 55.1 as the incoming new business indicator crossed into expansion at 51.6. The employment metric improved a decent 3.9 points, but only to 47.8. The German index jumped 9.4 points to 56.7 and the French index gained 7.1 to 57.8.

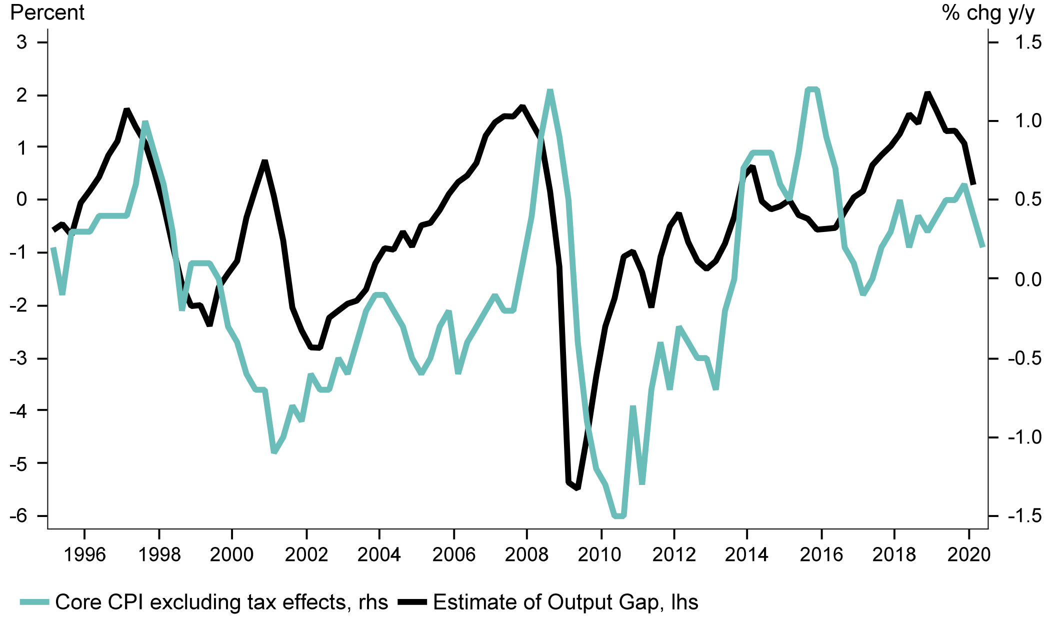
Unsurprisingly given economic reopening, the improvement in ***German*** consumer sentiment is gathering steam. The **GfK index of consumer sentiment** rose 9.1 points in the latest update, having now recouped about 70% of the Covid-related losses. Consumer's more upbeat views of economic prospects and their improved willingness to make purchases have already translated into a bit rebound in retail sales. Let's hope they keep it up!

Japan

Unlike in the eurozone, Japanese manufacturing and services activity is not yet in expansion mode. The Jibun Bank's **purchasing managers' index for manufacturing** recovered 1.5 points to 42.6 in July, while the **services index** rose 0.2 point to 45.2. Both remain below their respective February levels. New orders and output sub-indices are very weak, albeit above June levels. While the recovery in services was faster post the re-opening, the tables seem to have turned, as services saw stronger declines in new export orders and employment in July. The future outlook also has a "stronger negative outlook" for services compared to a "weaker positive outlook" for manufacturing.

Headline **inflation** has decelerated from 0.7% y/y at the start of the year to 0.1% y/y in June, where it has stayed over the past three months. The loss of economic activity has probably bottomed out, and it is somewhat of a relief that inflation has been able to stay in the positive, however small. The core measure of CPI (excluding fresh food) too slipped out of the negative territory to be flat over June. The new BoJ core CPI (excluding fresh food and energy) was stronger as well, rising by 0.4% y/y. Food inflation decelerated to 1.5%, as fresh food prices slowed to 3.2%. Prices for household durable goods rebounded 2.5% following two successive declines. Most other broad categories saw a pronounced deceleration while still in the negative—including energy (-5.3%) and travel and communication (-0.5%). Inflation is likely to stay near current levels for a while now, barring any notable developments in the labor market or in the value of Yen. Even with a rebound in some sectors of the economy, the depressed level of activity is unlikely to catch up to pre-COVID level any time soon, shrinking the output gap, and thus suppressing Inflation.

Figure 3. Output Gap Dynamics Negative For Japan's Inflation Prospects



Sources: Bank of Japan (BOJ), Japanese Statistics Bureau, Ministry of Internal Affairs & Communications

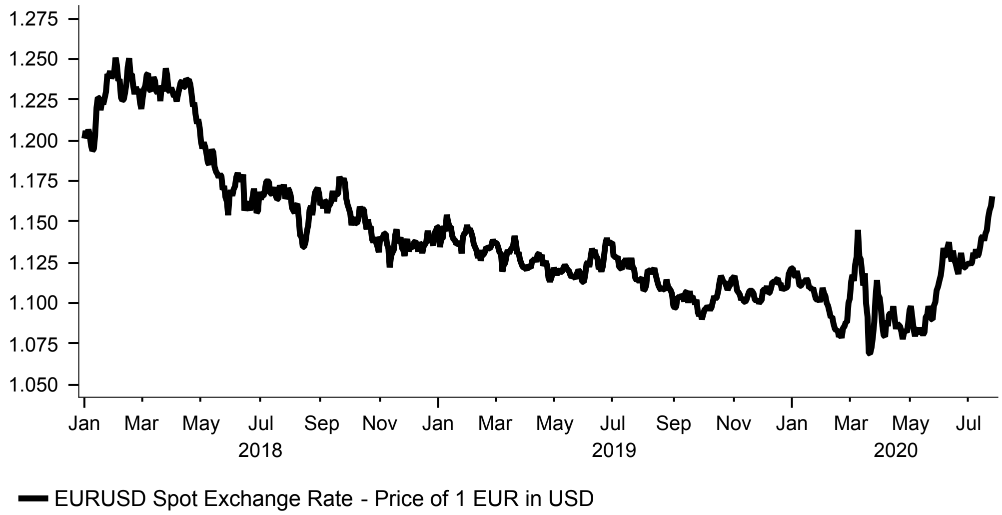
Australia

A speech by the **Reserve Bank of Australia** Governor Lowe this week reiterated the key messages borne in the minutes to the meeting convened on July 7th. The RBA's stance is still strongly against using its balance sheet for direct deficit financing and alternative policy tools like negative interest rates and FX intervention. Instead, the focus is on fiscal support at the moment, though the Bank will not hesitate to pursue further easing—such as lowering the cash rate to a lower but positive level and altering the Term Funding Facility program if needed. Lowe noted that while the labor market has fared better than expected, "restructuring and the uncertainty about future demand is likely to weigh on the labor market" in many other sectors. The unemployment rate is also expected to rise further, mainly due to increased participation. Lowe's comments follow the announcement of an extension of fiscal support programs.

The Market This Week

Agreement on a substantial fiscal package in the EU was positively perceived by investors cheering not just the near-term fiscal support but also the positive medium-term implications of a better macro policy mix. The euro broke higher.

Figure 4: The Euro Breaks Higher



Sources: Macrobond, Bloomberg

Equities: Equities give up early gains amid geopolitical tensions and virus risks.

Bonds: Italian yields narrow sharply on EU fiscal package.

Currencies: The euro breaks higher.

Commodities: Gold breaks higher, oil is little changed.

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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®	3215.63	-0.3%	-0.5%	0.59	-4	-133	94.354	-1.7%	-2.1%
Canada	TSE 300	15997.06	-0.8%	-6.2%	0.50	-3	-120	1.3415	-1.2%	3.3%
UK	FTSE®	6123.82	-2.6%	-18.8%	0.14	-2	-68	1.2794	1.8%	-3.5%
Germany	DAX	12838.06	-0.6%	-3.1%	-0.45	0	-26			
France	CAC-40	4956.43	-2.2%	-17.1%	-0.15	-1	-27	1.1656	2.0%	4.0%
Italy	FTSE® MIB	20075.27	-1.7%	-14.6%	1.00	-17	-42			
Japan	Nikkei 225	22751.61	0.2%	-3.8%	0.02	-1	3	106.14	-0.8%	-2.3%
Australia	ASX 200	6023.998	-0.2%	-9.9%	0.87	0	-50	0.7105	1.6%	1.2%

Commodity Markets						
Commodity	Unit	Source	Last Price	%Ch Week	%Ch YTD	%Ch Yr Ago
Oil (Brent)	US $/Barrel	Bloomberg	42.91	-0.5%	-35.4%	-31.4%
Gold	US $/troy oz	Bloomberg	1902.02	5.1%	25.4%	33.4%

Source: Bloomberg®

Week in Review (July 20–July 24)

Country	Release (Date, format)	Consensus	Actual	Last	Comments
Monday, July 20					
CA	Teranet/National Bank HPI (Jun, y/y)	na	5.9%	6.0%	Price gains rather muted.
JN	Trade Balance Adjusted (Jun, ¥ bil.)	-331.1	-423.9	-585.7(↑)	Import volume improves.
Tuesday, July 21					
CA	Retail Sales (May, m/m)	20.0%	18.7%	-25.0%(↑)	Outlook very positive.
JN	CPI (Jun, y/y)	0.1%	0.1%	0.1%	A recovery post the re-opening.
AU	RBA Meeting Minutes				No to negative rates; but will act if needed.
Wednesday, July 22					
US	FHFA House Price Index (May, m/m)	0.3%	-0.3%	0.1%(↓)	Market required lower price to clear amid crisis.
US	Existing Home Sales (Jun, m/m)	21.4%	20.7%	-9.7%	Demand rebounding.
CA	CPI (Jun, y/y)	0.2%	0.7%	-0.4%	A well-rounded gain.
JN	Manufacturing PMI (Jul, prelim)	na	42.6	40.1	Production and new orders continue to fall.
JN	Services PMI (Jul, prelim)	na	45.2	45	Employment fell for a fifth month.
Thursday, July 23					
US	Initial Jobless claims (Jul 18, thous)	1300	1416	1307(↑)	First increase since March,
US	Continuing claims (Jul 11, thous)	17100	16197	17304(↓)	Still far too high!
US	Kansas City Fed Manf. Activity (Jul)	5.0	3.0	1.0	Modest improvement.
US	Leading Index (Jun, m/m)	2.1%	2.0%	3.2%(↑)	Long way to full recovery.
GE	GfK Consumer Confidence (Aug)	-4.5	-0.3	-9.4(↑)	Good!
FR	Business Confidence (Jul)	86	85	78	Moving in right direction.
Friday, July 24					
US	New Home Sales (Jun, thous)	700	776	676	New post-GFC high!
UK	GfK Consumer Confidence (Jul, prelim)	-24	-27	-30(↓)	Healing this will take time…and a vaccine.
UK	Retail Sales (Jun, m/m)	8.3%	13.9%	12.3%(↑)	Only down 1,6% compared with June 2019.
UK	Manufacturing PMI (Jul, prelim)	52.0	53.6	50.1	Welcome improvement.
UK	Services PMI (Jul, prelim)	51.5	56.6	47.1	Welcome improvement.
EC	Manufacturing PMI (Jul, prelim)	50.0	51.1	47.4	Welcome improvement.
EC	Services PMI (Jul, prelim)	51.0	55.1	48.3	Welcome improvement.
GE	Manufacturing PMI (Jul, prelim)	48.0	50.0	45.2	Welcome improvement.
GE	Services PMI (Jul, prelim)	50.5	56.7	47.3	Welcome improvement.
FR	Manufacturing PMI (Jul, prelim)	53.0	52.0	52.3	Welcome improvement.
IT	Consumer Confidence (Jul)	103.3	100.0	100.7	Not an easy road back…

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

Week Preview (July 27–July 31)

Country	Release (Date, format)	Consensus	Last	Comments
Monday, July 27				
US	Durable Goods Orders (Jun, prelim, m/m)	7.0%	15.7%	
GE	IFO Business Climate (Jul)	89.3	86.2	
JN	All Industry Activity Index (May, m/m)	-3.5%	-6.4%	Bottomed out, unlikely to be a V though.
JN	Leading Index (May, final)	79.3(p)	77.7	
Tuesday, July 28				
US	S&P CoreLogic 20-City Index (May, m/m)	0.3%	0.3%	
US	Consumer Confidence (Jul)	94.8	98.1	
GE	Retail Sales (Jun, m/m)	-3.0%	12.7%(↓)	
Wednesday, July 29				
US	FOMC Monetary Policy Decision	0.25%	0.25%	No policy changes, Main Street Facility update.
US	Pending Home Sales (Jun, m/m)	15.6%	44.3%	
UK	Mortgage Approvals (Jun, thous)	30.0	9.3	
UK	Nationwide House Index (Jul, m/m)	na	-1.4%	
FR	Consumer Confidence (Jul)	98	97	
IT	Hourly Wages (Jun, y/y)	na	0.7%	
AU	CPI (Q2, y/y)	-0.5%	2.2%	No real surprise.
Thursday, July 30				
US	Initial Jobless claims (Jul 25, thous)	na	1416	
US	Continuing claims (Jul 18, thous)	na	16197	
US	GDP (Q2, first, q/q saar)	-35.0%	-5.0%	We see upside potential but inventories a risk.
GE	GDP (Q2, prelim, q/q)	-9.0%	-2.2%	A shutdown, not a slowdown.
GE	Unemployment Rate (Jul)	6.5%	6.4%	
IT	Unemployment Rate (Jun, prelim)	na	7.8%	
JN	Retail Sales (Jun, m/m)	8.0%	1.9%(↓)	Apparels, auto expected to recover.
Friday, July 31				
US	Personal Income (Jun, m/m)	-0.6%	-4.2%	Some downside risks here.
US	Personal Spending (Jun, m/m)	5.5%	8.2%	
US	Chicago PMI (Jul)	43.5	36.6	
US	U of Mich Cons Sentiment (Jul, final)	73.2(p)	78.1	
CA	GDP (May, m/m)	na	-11.6%	Expect a rebound.
UK	GfK Consumer Confidence (Jul, final)	na	-27	
EC	GDP (Q2, prelim, q/q)	-11.0%	-3.6%	A shutdown, not a slowdown.
FR	GDP (Q2, prelim, q/q)	-15.4%	-5.3%	A shutdown, not a slowdown.
FR	Consumer Spending (Jun, m/m)	na	36.6%	
IT	GDP (Q2, prelim, q/q)	-13.5%	-5.3%	A shutdown, not a slowdown.
IT	Retail Sales (Jun, m/m)	na	24.3%	
JN	Unemployment Rate (Jun)	3.0%	2.9%	Unemployment rate will creep up further.
JN	Industrial Production (Jun, prelim, m/m)	0.9%	-8.9%	A much needed lift.
AU	Private Sector Credit (Jun, m/m)	-0.1%	-0.1%	Credit growth to remain slow in near future.

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	0.6	0.5	
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			

Source: Macrobond

Key Interest Rates

	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	######	#####	May-20	Jun-20
US (top of target range)	2.25	2.00	1.75	1.75	1.75	1.75	1.75	0.25	0.25	0.25	0.25
Canada (Overnight Rate)	1.75	1.75	1.75	1.75	1.75	1.75	1.75	0.25	0.25	0.25	0.25
UK (Bank Rate)	0.75	0.75	0.75	0.75	0.75	0.75	0.75	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	-0.06	-0.03	-0.03	-0.07	-0.04	-0.03	-0.07	-0.06	-0.07	-0.07
Australia (OCR)	1.00	1.00	0.76	0.75	0.75	0.75	0.75	0.43	0.25	0.25	0.25

Source: Macrobond

General Government Structural Balance as a % of Potential GDP

	2011	2012	2013	2014	2015	2016	2017	2018	Forecast 2019	Forecast 2020
US	-8.2	-6.4	-4.5	-3.8	-3.6	-4.4	-4.8	-6.0	-6.3	-6.3
Canada	-3.1	-2.1	-1.1	0.1	0.8	0.7	0.0	-0.2	-0.5	-0.8
UK	-5.9	-6.0	-4.0	-4.7	-4.1	-2.9	-2.0	-1.5	-1.3	-1.4
Eurozone	-3.9	-2.1	-1.2	-0.9	-0.8	-0.7	-0.7	-0.6	-0.7	-0.9
Germany	-1.4	0.0	0.6	1.2	1.2	1.3	1.1	1.4	0.9	1.0
France	-5.0	-4.4	-3.4	-3.3	-3.0	-2.8	-2.6	-2.5	-2.4	-2.5
Italy	-4.1	-1.5	-0.6	-1.1	-0.7	-1.4	-1.7	-1.8	-1.5	-2.1
Japan	-8.0	-7.6	-7.5	-5.5	-4.3	-4.1	-3.4	-3.1	-2.9	-2.1
Australia	-4.3	-3.3	-2.6	-2.6	-2.4	-2.2	-1.5	-0.6	-0.4	-0.4

Source: International Monetary Fund, World Economic Outlook

Headline Consumer and Producer Price Inflation

	CPI Year/Year %Change						PPI Year/Year %Change				
	Feb	Mar	Apr	May	Jun		Feb	Mar	Apr	May	Jun
US	2.3	1.5	0.3	0.1	0.6		1.1	0.7	-1.2	-0.8	-0.8
Canada	2.2	0.9	-0.2	-0.4	0.7		-0.4	-3.0	-6.0	-4.9	
UK	1.7	1.5	0.8	0.5	0.6		0.5	0.3	-0.7	-1.2	-0.8
Eurozone	1.2	0.7	0.3	0.1	0.3		-1.3	-2.8	-4.5	-5.0	
Germany	1.7	1.4	0.9	0.6	0.9		-0.1	-0.8	-1.9	-2.2	-1.8
France	1.4	0.7	0.3	0.4	0.2		-0.5	-1.9	-3.8	-3.5	
Italy	0.3	0.1	0.0	-0.2	-0.2		-2.7	-3.7	-5.1	-5.3	
Japan	0.4	0.4	0.1	0.1	0.1		0.7	-0.5	-2.4	-2.8	-1.6
Australia	2.2	2.2									

Source: Macrobond

Real GDP Growth (Q/Q Seasonally Adjusted)											
	Quarter/Quarter %Change						Year/Year %Change				
	Q1-19	Q2-19	Q3-19	Q4-19	Q1-20		Q1-19	Q2-19	Q3-19	Q4-19	Q1-20
US	0.8	0.5	0.5	0.5	-1.3		2.7	2.3	2.1	2.3	0.3
Canada	0.3	0.8	0.3	0.1	-2.1		1.5	2.0	1.6	1.5	-0.9
UK	0.7	-0.1	0.5	0.0	-2.2		2.0	1.4	1.3	1.1	-1.7
Eurozone	0.5	0.2	0.3	0.0	-3.6		1.4	1.3	1.4	1.0	-3.1
Germany	0.5	-0.2	0.3	-0.1	-2.2		1.0	0.3	0.7	0.4	-2.3
France	0.5	0.3	0.2	-0.1	-5.3		1.7	1.8	1.6	0.9	-5.0
Italy	0.2	0.1	0.0	-0.2	-5.3		0.3	0.4	0.5	0.1	-5.4
Japan	0.6	0.5	0.0	-1.9	-0.6		0.8	0.9	1.8	-0.7	-1.9
Australia	0.5	0.6	0.6	0.5	-0.3		1.7	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	0.3	-5.1	-13.5				1.2	-5.6	-19.6		
UK	0.3	-4.3	-20.3	6.0			-2.2	-7.4	-23.9	-20.1	
Germany	0.3	-8.9	-17.5	7.8			-1.8	-11.1	-24.9	-19.4	
France	1.0	-17.0	-20.6	19.6			-1.5	-17.8	-35.0	-23.4	
Italy	-1.0	-28.4	-20.5	42.1			-2.3	-29.4	-43.4	-20.3	
Japan	-0.3	-3.7	-9.8	-8.9			-3.7	-6.8	-15.9	-24.5	

Source: Macrobond

Unemployment Rate (Seasonally Adjusted)											
	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	######	#####	May-20	Jun-20
US	3.7	3.5	3.6	3.5	3.5	3.6	3.5	4.4	14.7	13.3	11.1
Canada	5.7	5.5	5.6	5.9	5.6	5.5	5.6	7.8	13.0	13.7	12.3
UK	3.8	3.8	3.8	3.8	3.9	4.0	3.9	3.9	3.9		
Eurozone	7.5	7.5	7.4	7.4	7.3	7.4	7.2	7.1	7.3	7.4	
Germany	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.8	6.3	6.4
France	8.5	8.4	8.3	8.2	8.2	8.0	7.6	7.6	8.7	8.1	
Italy	9.6	9.7	9.5	9.4	9.4	9.4	9.0	8.2	6.6	7.8	
Japan	2.3	2.4	2.4	2.2	2.2	2.4	2.4	2.5	2.6	2.9	
Australia	5.2	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

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