
June 12, 2020

Commentary

Weekly Economic Perspectives

Contents

01 **The Economy**

The Fed highlights persistent economic uncertainty but makes no policy changes. Canadian housing starts rebound in May. Industrial production plunges in UK. Minor upward revision to eurozone Q1 GDP. Larger upward revision to Japanese Q1 GDP. Business conditions improve in Australia.

08 **The Market**

Big risk-off week on second wave and valuation worries. Bond yields narrow amid cautious sentiment. The dollar boosted amid volatility. Oil plunges, gold comes back into favor.

09 Week in Review

10 Week Preview

12 Economic Indicators

Spotlight on Next Week

UK unemployment rate is set to rise but no big policy announcements likely from the BoE. May retail sales and industrial production data should highlight the start of economic healing in the US.

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The Economy

A week of little macro data but a lot of market volatility. Worries over a second wave and a pessimistic take on the Fed's outlook caused financial markets to swoon.

US

The **Fed meeting** this week has partly blamed for the plunge in equity markets the following day but we do not believe that to be a fair charge. Chair Powell's cautious tone in describing the much better than expected May employment report, in conjunction with his quotable "we are not even thinking about thinking about raising interest rates" statement seem to have been misinterpreted as speaking to a particularly gloomy outlook or a pessimistic view of how the economy will evolve in coming months. But we came away with the feeling that the Chair was really only speaking to a highly uncertain outlook. He spoke about the difficulty of making "not just projections, but confident projections"; that difficulty was clearly evidenced by the huge forecast ranges in the summary of economic projections. Given that economic forecasts among FOMC participants are just as widely dispersed as those in the marketplace, it seems reasonable to not make any further policy decisions at this stage other than reiterating the Fed's commitment to ongoing support. And so, there were no policy changes, only the pledge that "over coming months the Federal Reserve will increase its holdings of Treasury securities and agency residential and commercial mortgage-backed securities at least at the current pace to sustain smooth market functioning, thereby fostering effective transmission of monetary policy to broader financial conditions. In addition, the Open Market Desk will continue to offer large-scale overnight and term repurchase agreement operations. The Committee will closely monitor developments and is prepared to adjust its plans as appropriate." We were satisfied with what we got, but investors apparently were not.

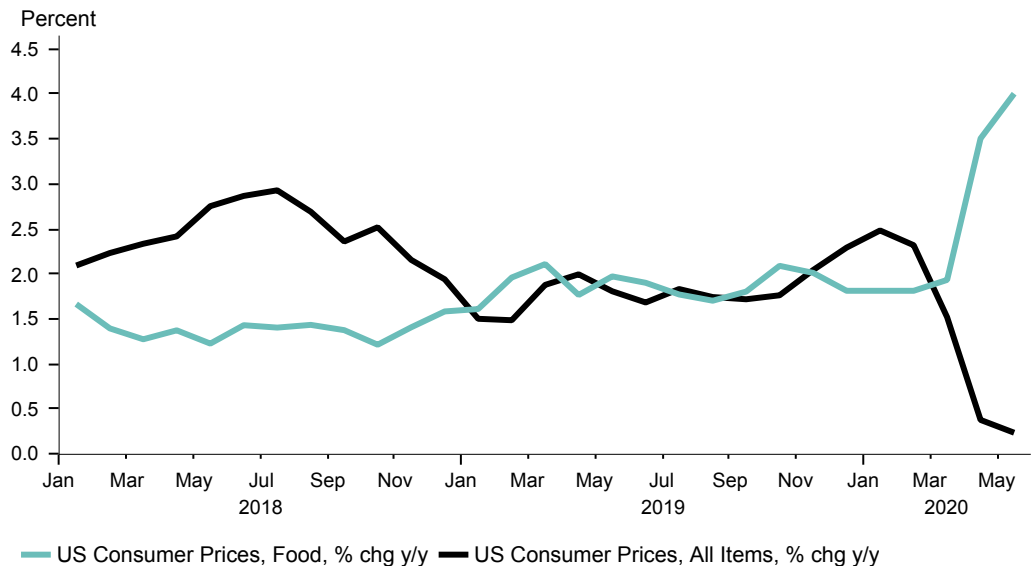
Small business sentiment improved a little in May although it remains about 10% lower than where it was in February. The 3.5-point gain was the first in the **NFIB small business optimism index** since the Covid-19 crisis struck; hopefully it will be just the first in a series of sequential improvements. Most of this reflects a more positive take on the outlook while improvements to the current situation were few and far between. For instance, current sales declined for a second consecutive month, down 8.0 points to the lowest level since March 2010. Future sales expectations improved 18.0 points, but they, too, remain extremely weak—weakest, in fact, since March 2009! A very similar, if less dramatic dynamic occurred with hiring and capex, as the current components declined by 4.0 and 1.0 point, respectively, while hiring plans increased by 7.0 points and capex plans rose 2.0. The profit metric declined another 6.0 points to the lowest level since February 2014, but at least credit conditions improved a little and a few more respondents said this is now a good time to expand. Level-wise, many of the components are a far below levels from 3 months ago, but improvements could be swift and substantial as reopening broadens.

Consumer sentiment is starting to heal. After a modest 0.5-point gain in May, the preliminary read on the June **Michigan consumer sentiment** showed a 6.6-point gain, split fairly evenly Between the current situation (+5.5) and expectations (+7.2). The current situation assessment has recouped about a third of its recent losses, while expectations have retraced about a quarter. Inflation expectations, which had surged last month, moderated a little but remain much higher than before the crisis.

The latest **unemployment claims** data were mixed, in the sense that while both initial and continuing claims declined—which is good—both remain very elevated. In particular, we had been hoping for more of an improvement in continuing claims, which only declined by 339,000 to 20.9 million in the week ending May 30th and thus not fully retracing the prior week’s increase. There were some confounding details in the state level data, including a massive surge in Oregon that seems completely out of line with the state’s data pattern. Initial claims declined by 355,000 but only to a still elevated 1.54 million which seems quite high given this stage of re-opening. And some of the big states, including California, Massachusetts and New York saw an increase in initial filings, which also seems odd.

Outside of food and a few other essentials, lockdowns have decimated pricing power in a wide range of industries, equating to a powerful short term deflationary shock. However, the intensity of that deflationary shock moderated notably in May. Both overall and core (excluding food and energy) **consumer prices** declined 0.1% during the month, far less than the 0.8% and 0.4% respective declines they had registered in April. Both the big decliners and the big gainers were largely the same as in April. Energy and transportation declined 1.8% each, while apparel prices fell another 2.3%. At the other end of the scale, food prices increased another 0.7%, reflecting big increases in meat and poultry prices. And there was some firming in medical care (+0.5%) and recreation (+0.9%). Headline inflation moderated two tenths to 0.1% y/y and core inflation decelerated two tenths to 1.2% y/y.

Figure 1: Higher Food Prices Drive Consumers' Inflation Expectations



Sources: U.S. Bureau of Labor Statistics (BLS)

With energy prices having recovered considerably, pipeline deflationary pressures are subsiding. After two consecutive declines, **import prices** rose 1.0% in May as petroleum prices jumped 21.7% and food prices rose 2.2%. Nonetheless, import prices remain 6.0% lower than a year ago; core prices are 0.7% lower.

Similarly, after three consecutive declines, **producer prices** rose 0.4% in May,

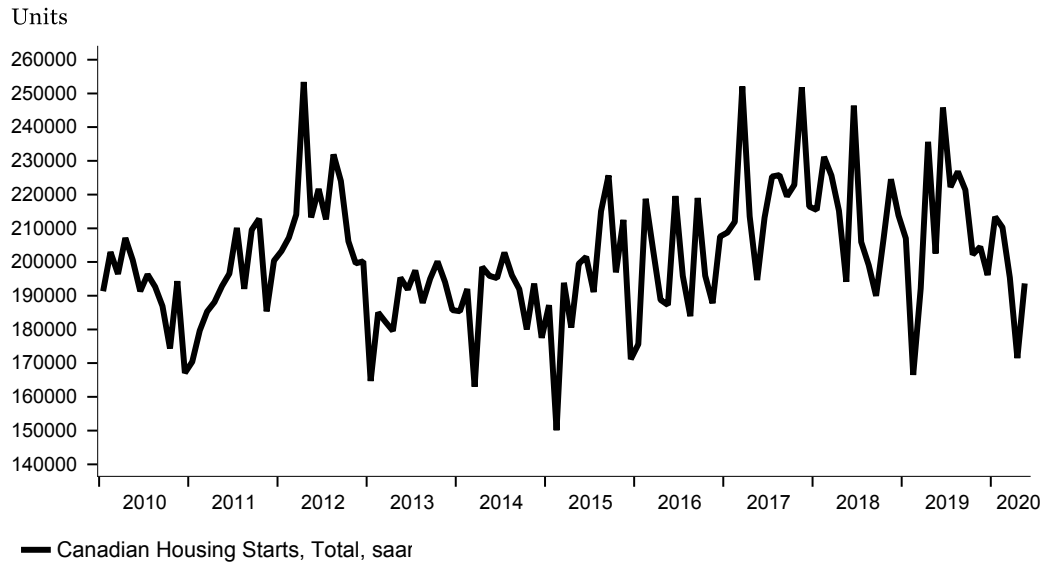
largely on account of a 6.0% increase in food prices and a 4.5% increase in energy prices. Excluding food and energy, prices were flat. Producer prices are down 0.8% on the year, with while core prices (excluding food and energy) rose 0.3% y/y.

The **federal budget deficit** has exploded due to the combination of lower receipts and higher stimulus spending amid the Covid-19 crisis. Admittedly, the deficit narrowed a little in May, but the \$398 billion shortfall can only be described in those terms relative to the utterly unprecedented \$738 billion deficit in April. April is typically a surplus month, but with the delay in the federal tax payment deadline from April 15 to July 15, there was nothing typical about April this year. Cumulatively since the start of the fiscal year in October, the deficit has reached \$1.88 trillion!

Canada

The **housing starts** release for May excluded the data for Quebec yet again, since it was one of the last provinces to lift restrictions. Number of starts rebounded 16.2% to 193,453 units in May, from a downwardly revised 166,477 units in April. This is a genuine recovery, as the level of starts is now just 1.3% below last year's. The sustainability of this recovery is however, another question, because it is unlikely that starts will continue to trend upward to above 220,000 post May as we saw last year. Overall urban starts increased by 13.8%—with multiple urban starts up by 12.3%, while single-detached urban starts increased 18.6%. The trend in housing starts was 196,750 units in May, down from 198,644 units in April.

Figure 2: Canadian Housing Starts Improved In May



Sources: Canada Mortgage & Housing Corporation (CMHC)

UK

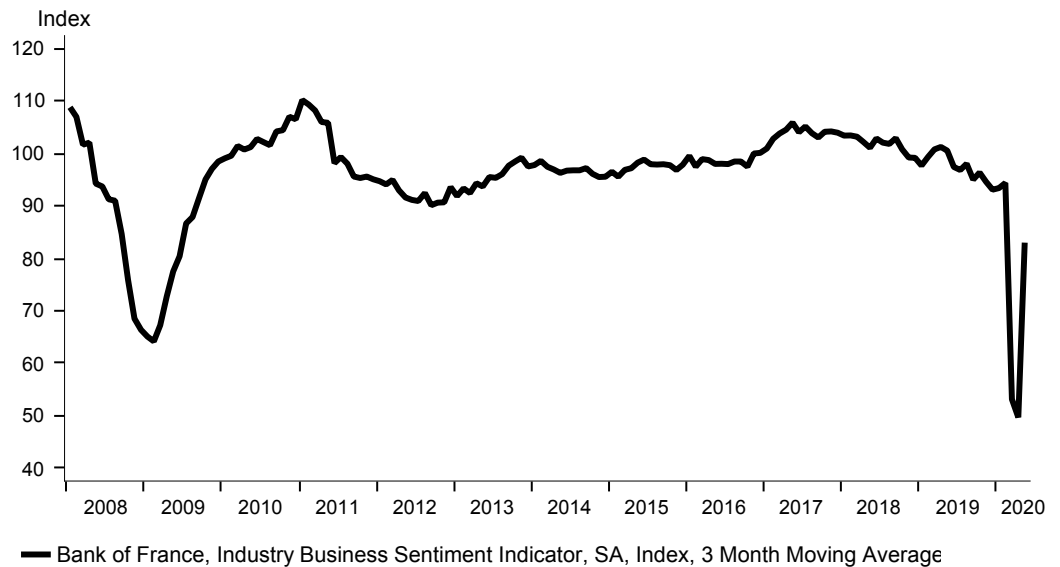
An unprecedented 24.3% collapse in manufacturing activity pulled UK's **industrial production** down 20.3% in April. The other categories also experienced heavy losses: mining was down 12.3%, with electricity and water utilities declined 9.5% and 5.3%, respectively. Overall output declined 24.4% y/y.

Eurozone

Unsurprisingly given lockdowns, eurozone industrial production collapsed 17.1% in April, considerably worse than the 11.9% decline in March. We suspect May will be the start of the recovery, arduous as it may be. There wasn't much of a performance differentiation across countries: German production declined 17.9%, French output was down 20.1%, and Italian output dropped 19.1%. A shutdown is a shutdown pretty much everywhere...Industrial production in the region was down 28.0% y/y in May.

French industrial sentiment is exhibiting as close to a V-shaped recovery as one might imagine. Having collapsed by 44 points during the prior two months, the Bank of France industrial sentiment surged 33 points in May. It remains about 12% below where it stood in February, but as both the French economy and the rest of the eurozone economy reopens, we would expect further progress to be made in coming months. So far, the sentiment rebound in the services sector has materially lagged the improvement seen in construction and industry sectors, which is not surprising given that services activity typically requires closer social interaction than construction or manufacturing. It should converge towards the latter in coming months, though.

Figure 3: French Industrial Sentiment Rebounds



Sources: Central Bank of France (Banque de France)

The final read on Q1 **eurozone GDP** was marginally better as the economy shrank 3.6% q/q vs. the initial 3.8% estimate. The big driver was a 4.7% plunge in household spending. Every area of the economy shrank: fixed investment was down 4.3%, exports down 4.2%, and imports down 3.6%. GDP declined 3.1% y/y.

Japan

The three-tenth upward revision to **Q1 GDP** growth was a positive surprise, with the economy contracting a smaller 0.6% q/q (2.2% annualized). This reflected a sharp upward revision in private non-residential investment from a 0.5% q/q contraction to a 1.9% gain. However, the figure likely overstates the strength of business investment,

because the corporate survey carried out by the Finance Ministry had a low response rate that might have skewed the results. Updated numbers will be released next month, which is likely to prompt a downward revision in the GDP data for the first quarter.

Wage pressures eased again in April. **Labor cash earnings** declined by 0.6% y/y, compared to expectations of a 1.0% fall. Base wage growth stalled, while special wages rose 10.6%, with three out of past four months showing solid increases. Overtime wages declined 12.2%, mainly due to a 3.7% decline in hours worked. In fact, much of the decline in wages can be attributed to fewer working hours, with overtime for part-time workers seeing a particularly steep decline. Real wages also fell, down 0.7% y/y, the steepest drop in four months.

Core machinery orders (private sector orders other than for ships and electricity generating equipment) and a leading indicator for capital expenditure plunged a larger than anticipated 12.0% in April. Manufacturing orders decline 2.6% (versus -8.2% in March) but services (excluding orders for ships and from electric power companies) slumped 20.2% as orders from the transportation & postal activities sector collapsed 61.0% following a big gain the month before. Foreign orders, a leading indicator for capital goods exports declined 21.6%; and government orders (which had a strong March) declined 7.2%.

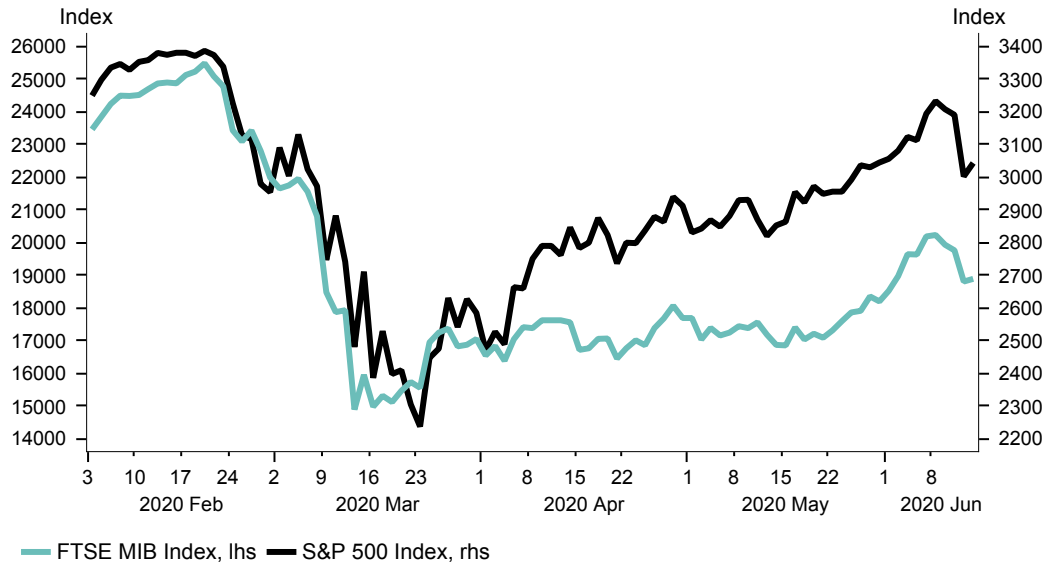
Australia

Business conditions improved in May, but that was expected given that the gradual re-opening of the economy. Conditions still remain deplorably low, but are now past their lowest during the GFC. The **NAB Business conditions index** improved by 10pts to -24. The increase was driven by improved profitability (+15 points to -19) and trading (+13 points to -18). Employment disappointed though, rising only 4 points to -31. Business confidence rose 26 points to -20. Capacity utilization increased by 2.6 percentage points to 74.5%, still below the GFC low (79.1%). Business conditions in recreation and personal services improved by 12 points—while wholesale trade, manufacturing, construction and retail were also positive.

The Market This Week

Stocks pulled back sharply this week as concerns over a reacceleration of covid infections as reopening broadens collided with high valuations and persistent economic uncertainty.

Figure 4: Stocks Pull Back After Impressive Ascent



Sources: Macrobond, Bloomberg

Equities: Big risk-off week as equities largely give back last week's gains.

Bonds: Bond yields narrow amid more cautious sentiment.

Currencies: The dollar is boosted amid volatility.

Commodities: Oil plunges, gold comes back into favor.

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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®	3041.31	-4.8%	-5.9%	0.71	-19	-121	97.135	0.2%	0.8%
Canada	TSE 300	15256.57	-3.8%	-10.6%	0.53	-20	-117	1.3595	1.3%	4.7%
UK	FTSE®	6105.18	-5.8%	-19.1%	0.21	-15	-61	1.2531	-1.1%	-5.5%
Germany	DAX	11949.28	-7.0%	-9.8%	-0.44	-16	-25			
France	CAC-40	4839.26	-6.9%	-19.0%	-0.04	-6	-16	1.1256	-0.3%	0.4%
Italy	FTSE®/MB	18888.16	-6.4%	-19.6%	1.45	4	4			
Japan	Nikkei 225	22305.48	-2.4%	-5.7%	0.01	-4	2	107.39	-2.0%	-1.1%
Australia	ASX200	5847.813	-2.5%	-12.5%	0.91	-18	-46	0.6862	-1.5%	-2.3%

Commodity Markets

Commodity	Unit	Source	Last Price	%Ch Week	%Ch YTD	%Ch Yr Ago
Oil (Brent)	US\$/Barrel	Bloomberg	38.55	-6.3%	-42.0%	-36.4%
Gold	US\$/troyoz	Bloomberg	1732.3	2.8%	14.2%	29.9%

Source: Bloomberg®

Week in Review (June 8–June 12)

Country	Release (Date, format)	Consensus	Actual	Last	Comments
Monday, June 8					
CA	Housing Starts (May, thous)	160	193.5	166.5(↓)	A blip.
GE	Industrial Production (Apr, m/m)	-16.5%	-17.9%	-8.9%(↑)	May should see activity expand.
JN	GDP (Q1, final, q/q)	-0.9%(p)	-0.6%	-1.9%	At risk of a downward revision.
Tuesday, June 9					
US	NFIB Small Business Optimism (May)	92.5	94.4	90.9	Small step in right direction.
US	JOLTS Job Openings (Apr, thous)	5750	5046	6011(↓)	Not really meaningful at the moment.
EC	GDP (Q1, final, q/q)	-3.8%(p)	-3.6%	0.1%	No change in storyline.
GE	Labor Costs (Q1, y/y)	na	4.3%	3.0%	Multi-year high.
JN	Labor Cash Earnings (Apr, y/y)	-1.0%	-0.6%	0.1%	Lower due to loss in working hours.
AU	NAB Business Confidence (May)	na	-20	-45(↑)	Broad based gains.
Wednesday, June 10					
US	FOMC Monetary Policy Decision	0.25%	0.25%	0.25%	Hard to make confident predictions.
US	CPI (May, y/y)	0.3%	0.1%	0.3%	Descent has slowed.
US	Monthly Budget Statement (May, \$ bil.)	-504.0	-398.8	-207.8	Budget deficit has exploded amid Covid.
FR	Industrial Production (Apr, m/m)	-20.9%	-20.1%	-16.2%	May data should show improvement.
JN	Core Machine Orders (Apr, m/m)	-7.0%	-12.0%	-0.4%	Dragged down by services.
Thursday, June 11					
US	Initial Jobless claims (Jun 6, thous)	1550	1542	1897(↑)	Still elevated, some big sates saw increases.
US	Continuing Claims (May 30, thous)	20000	20929	21268(↓)	Some oddities in state-level data.
IT	Industrial Production (Apr, m/m)	-24.0%	-19.1%	-28.4%	May should see activity expand.
Friday, June 12					
US	U of Mich Sentiment (Jun, prelim)	76.0	78.9	72.3	Reopening vs. social unrest...
US	Import Price Index (May, y/y)	-6.5%	-6.0%	-6.8%	Have they bottomed?
CA	Capacity Utilization (Q1)	na	79.8%	81.4%(↑)	Unsurprisingly depressed.
UK	Industrial Production (Apr, m/m)	-15.0%	-20.3%	-4.2%	May won't bring much improvement.
EC	Industrial Production (Apr, m/m)	-18.5%	-17.1%	--11.9%(↓)	May should see activity expand.
JN	Industrial Production (Apr, final, m/m)	-9.1%(p)	-9.8%	-3.7%	Revised downward slightly.

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

Week Preview (June 15–June 19)

Country	Release (Date, format)	Consensus	Last	Comments
Monday, June 15				
US	Empire Manufacturing (Jun, m/m)	-28.8	-48.5	
CA	Manufacturing Sales (Apr, m/m)	na	-9.2%	Expect a substantial drop due to loss of activity.
CA	Existing Home Sales (May, m/m)	na	-56.8%	
JN	Tertiary Industry Index (Apr, m/m)	-7.5%	-4.2%	The worst is likely to come in May.
Tuesday, June 16				
US	Retail Sales Advance (May, m/m)	7.4%	-16.4%	The start of healing.
US	Industrial Production (May, m/m)	3.0%	-11.2%	The start of healing.
US	Business Inventories (Apr, m/m)	-0.7%	-0.2%	
US	NAHB Housing Market Index (Jun)	43	37	
UK	ILO Unemployment Rate (Apr)	4.6%	3.9%	
UK	Average Weekly Earnings (Apr, 3m y/y)	1.6%	2.4%	
GE	ZEW Investor Expectations (Jun)	60.0	51.0	Could it surprise further to the upside?
JN	BoJ Monetary Policy Decision	-0.10%	-0.10%	Status quo.
AU	RBA Meeting Minutes			
AU	House Price Index (Q1, q/q)	2.5%	3.9%	Slightly lower due to policy actions.
Wednesday, June 17				
US	Building Permits (May, thous)	1260	1066(↓)	Important sector to watch.
US	Housing Starts (May, thous)	1100	891	
CA	Teranet/National Bank HPI (May, y/y)	na	5.3%	
CA	CPI (May, y/y)	na	-0.2%	Yet another month of slowing prices, will get better,
IT	Industrial Orders (Apr, m/m)	na	-26.5%	
JN	Trade Balance Adjusted (May, ¥ bil.)	na	-996.3	
US	Building Permits (May, thous)	1260	1066(↓)	
Thursday, June 18				
US	Initial Jobless claims (Jun 13, thous)	1290	1542	
US	Continuing Claims (Jun 6, thous)	19800	20929	
US	Philadelphia Fed Business Outlook (Jun)	-27.4	-43.1	We might see a bigger improvement.
US	Leading Index (May, m/m)	2.4%	-4.4%	
UK	BoE Monetary Policy Decision	0.1%	0.1%	No big announcements. Focus is on re-opening.
AU	Unemployment Rate (May)	7.0%	6.2%	Government support have limited rise in unemployment.
Friday, June 19				
CA	Retail Sales (Apr, m/m)	-15.0%	-10.0%	Discretionary sales the worst hit.
UK	Retail Sales (May, m/m)	6.4%	-18.1%	The start of healing.
JN	CPI (May, y/y)	0.2%	0.1%	Up slightly due to strengthening activity.

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	1.6	1.8	1.8	1.3	0.5
Canada	Target: CFI 2.0%/y/y, 1.0%-3.0% control range	2.2	2.4	2.2	0.9	-0.2
UK	Target: CFI 2.0%/y/y	1.3	1.8	1.7	1.5	0.8
Eurozone	Target: CFI below but close to 2.0%/y/y	1.3	1.4	1.2	0.7	0.3
Japan	Target: CFI 2.0%/y/y	0.8	0.7	0.4	0.4	0.1
Australia	Target Range: CFI 2.0%-3.0%/y/y	1.8	2.2	2.2	2.2	

Source: Macrobond

Key Interest Rates

	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	#####	Apr-20	#####
US (top of target range)	2.50	2.25	2.00	1.75	1.75	1.75	1.75	1.75	0.25	0.25	0.25
Canada (Overnight Rate)	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	0.25	0.25	0.25
UK (Bank Rate)	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	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)	-0.07	-0.06	-0.06	-0.03	-0.03	-0.07	-0.04	-0.03	-0.07	-0.06	-0.07
Australia (OCR)	1.02	1.00	1.00	0.76	0.75	0.75	0.75	0.75	0.43	0.25	0.25

Source: Macrobond

General Government Structural Balance as a % of Potential GDP

										Forecast	
	2011	2012	2013	2014	2015	2016	2017	2018	2019	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

	CFI Year/Year %Change						PPI Year/Year %Change				
	Jan	Feb	Mar	Apr	May		Jan	Feb	Mar	Apr	May
US	2.5	2.3	1.5	0.3	0.1		2.0	1.3	0.7	-1.2	-0.8
Canada	2.4	2.2	0.9	-0.2			0.6	-0.4	-3.0	-6.0	
UK	1.8	1.7	1.5	0.8			1.0	0.5	0.3	-0.7	
Eurozone	1.4	1.2	0.7	0.3			-0.6	-1.3	-2.8	-4.5	
Germany	1.7	1.7	1.4	0.9	0.6		0.2	-0.1	-0.8	-1.9	
France	1.5	1.4	0.7	0.3	0.4		0.2	-0.6	-2.0	-3.9	
Italy	0.5	0.3	0.1	0.0	-0.1		-2.3	-2.7	-3.7	-5.1	
Japan	0.7	0.4	0.4	0.1			1.5	0.8	-0.4	-2.4	-2.7
Australia	2.2	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	27	23	21	23	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	-0.2	0.5	0.0	-2.0	2.0	1.3	1.3	1.1	-1.6
Eurozone	0.5	0.1	0.3	0.1	-3.6	1.5	1.2	1.3	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				
	Dec	Jan	Feb	Mar	Apr	Dec	Jan	Feb	Mar	Apr
US	-0.4	-0.5	0.1	-4.5	-11.2	-0.8	-0.9	-0.3	-4.9	-15.0
Canada	0.2	0.1	0.1	-3.9		-0.9	-0.2	0.8	-4.9	
UK	-0.2	-0.1	-0.1	-4.2	-20.3	-2.2	-3.1	-3.4	-8.2	-24.4
Germany	-1.7	2.5	0.3	-8.9	-17.9	-5.0	-1.5	-1.8	-11.1	-25.3
France	-2.3	0.8	0.9	-16.2	-20.1	-3.0	-3.1	-1.6	-17.3	-34.2
Italy	-2.8	3.7	-1.0	-28.4	-19.1	-3.4	-0.6	-2.3	-29.4	-42.5
Japan	0.2	1.9	-0.3	-3.7	-9.8	-6.5	-2.4	-3.7	-6.8	-15.9

Source: Macrobond

Unemployment Rate (Seasonally Adjusted)

	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	#####	Apr-20	#####
US	3.7	3.7	3.5	3.6	3.5	3.5	3.6	3.5	4.4	14.7	13.3
Canada	5.7	5.7	5.5	5.6	5.9	5.6	5.5	5.6	7.8	13.0	13.7
UK	3.9	3.8	3.8	3.8	3.8	3.9	4.0	3.9			
Eurozone	7.6	7.5	7.5	7.4	7.4	7.3	7.3	7.2	7.1	7.3	
Germany	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.8	6.3
France	8.5	8.5	8.4	8.3	8.2	8.2	8.0	7.6	7.6	8.7	
Italy	9.9	9.6	9.7	9.5	9.5	9.5	9.4	9.1	8.0	6.3	
Japan	2.3	2.3	2.4	2.4	2.2	2.2	2.4	2.4	2.5	2.6	
Australia	5.3	5.3	5.2	5.3	5.2	5.1	5.3	5.1	5.2	6.2	

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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