STATE STREET GLOBAL ADVISORS

August 28, 2020
Commentary

Weekly Economic Perspectives

Contents

Spotlight on Next Week
US payroll employment should continue to expand. German retail sales may inch higher, but Japanese sales might decline. The RBA likely on hold.

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The Economy

A decent data week dominated by the Fed's official announcement that it has adopted average inflation targeting as it new policy framework.

US

The Fed has officially adopted average inflation targeting. It has been nearly a decade since the Fed formalized its 2% inflation target, and over a year since it began its policy framework review. As such, it was widely expected that the conclusions of that review would be made public soon. The Jackson Hole symposium offered that opportunity. The key change is that, going forward, the Fed will aim for inflation that averages 2% over time, intentionally seeking a higher level of inflation after a period of undershooting. Conceptually this is a big deal, but it is hardly big news. The Fed had been stressing the symmetric nature of the 2% inflation goal for quite some time and pre-Covid, it has cut rates even as the labor market was believed to be above full employment.

Even so, there are important implications here. First and foremost, we believe this turns the labor market into the de facto primary indicator of the Fed's policy stance. Chair Powell himself said that a strong labor market as a key national goal; moreover, that strength will be broadly and inclusively defined. As a result, the Committee will focus not on any deviations from maximum employment as it has done in the past, but rather specifically on shortfalls from it. The language change may be subtle, but the implications are glaring: in any period when the labor market is below full employment, the Fed will fade the inflation signal even when it exceeds the 2% level. When the labor market is above full employment, the Fed is unlikely to act pre-emptively to stem assumed inflationary pressures and will instead wait to see in the actual data that those pressures indeed exist. This is undeniably a dovish shift. The Fed is no longer afraid of staring into the whites of the eyes of inflation. In fact, it would relish the opportunity to do so!

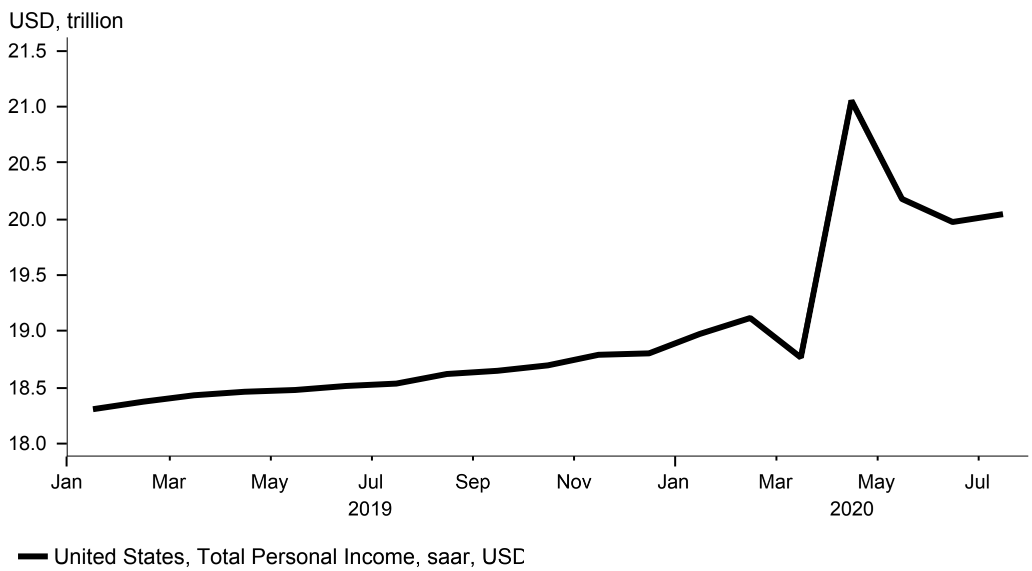
The resurgence of Covid cases over the summer months has clearly dented consumer sentiment. The **Conference Board consumer confidence index** bucked expectations for a modest improvement to instead lose 6.9 points. It has now given back all of its May-June gains to touch the lowest level since May 2014. In addition to the virus situation, we suspect that the expiration of supplemental unemployment insurance benefits at the end of July was another big contributing factor. The timing of the survey—in the earlier part of the month—likely skewed responses negatively on both fronts. But even though we anticipate an improvement next month, the recent June high may remain out of reach. Unsurprisingly given the magnitude of the decline, the details were weak. The present situation metric declined 3.7 points, expectations plunged 11.7, and the closely watched labor differential—which measures the difference between those who think jobs are abundant and those who think jobs are scarce—retreated 5.9 to a three-month low. There are two critical questions at the moment. Will this decline in confidence persist given that the Covid situation has actually improved over the last two weeks while executive orders allow for the continuation (in reduced form) of supplemental unemployment benefits? And to what extent will the pullback in confidence impact overall consumer spending?

So far, these questions can be answered favorably. An encouraging hint came from the **Michigan consumer sentiment index**, whose final reading for August came in

1.3 points better than the preliminary estimate and 1.6 points better than July. We suspect that amid evidence that Covid cases were peaking, consumer sentiment stabilized and then improved over the course of August such that later readings were more positive. That was also suggested by the relative behavior of the current situation (up only 0.1 point) versus expectations (which improved 2.6 points). Inflation expectations ticked a tenth higher both in the short term (1-year, to 3.1%) and long term (5-10 years, at 2.7%). Short term inflation expectations are a full percentage point higher than before the Covid crisis, whereas the move in longer term expectations has been much more muted, namely 0.2-0.3 percentage points.

Additionally, both **personal income and personal spending** data surprised positively in July. Personal income bucked expectations for a decline to instead increase 0.4% on a 1.4% gain in wage and salary income. This is, indeed, the most unusual feature of the 2020 recession: the fact that personal income has actually been higher over the last several months than where it stood pre-Covid thanks to fiscal stimulus and generous supplemental unemployment benefits. As we long said, consumer confidence is important for spending, but having the money in the bank to actually spend is even more important! So far, consumers have been spending: personal spending increased 1.9% in nominal terms and 1.6% in real terms, with June data revised incrementally higher. The savings rate declined from 19.2% to 17.8%, but this is still an unfathomably high level that offers some reassurance that consumers have enough of a financial cushion to prevent a sizable near-term retrenchment in spending. Some modest pullback may well happen in August since there will be a bit of a gap following the expiration of the $600 per week supplemental unemployment benefits and when the flow of fund through the $300 per week funding approved via executive orders will reach consumers. Nonetheless, the overall impact should be fairly modest.

Figure 1: The Most Unusual Recession!



Sources: U.S. Bureau of Economic Analysis (BEA)

The **PCE (personal consumption expenditures) deflator** data was mixed. Both headline and core PCE prices increased a little less than expected during the month of July, but upward revisions to June meant both met (and the core even exceeded) y/y expectations. Headline PCE inflation accelerated a tenth to 1.0% y/y while the core measure accelerated two tenths to 1.3% y/y.

Unemployment claims continue to indicate labor market healing. Initial claims declined by about 100,000 to just over 1.0 million in the week ended August 22, whereas continuing claims declined by 223,000 to 14.54 million in the week ended August 15. Claims data offer an encouraging signal for the August payroll report to be released next week.

The housing market continues to impress. **New home sales** surged well past expectations in July, up 13.9% to 901,000 units (annualized)—the highest level since December 2006. The number of homes sold but not yet started is now at the highest levels since November 2006, implying a solid pipeline for residential construction in coming months. The number of homes available for sale declined by 5,000; in conjunction with higher sales, this caused the market to tighten sharply. Inventory was down to just 4.0 months' worth of sales, the lowest level since January 2013. More competition among buyers, combined with lower interest rates that allow buyers to digest higher purchase prices drove the median price up 7.2% y/y. Impressively given all that that has happened with this year, July sales were up 36.3% y/y, leaving average sales during the first seven months of 2020 up 8.9% y/y.

Pending home sales rose a stronger than expected 5.9% in July—the third consecutive increase—leaving them 15.4% higher than a year earlier. The implication is that despite a genuine surge in home sales over the last couple of months, there is additional momentum in the pipeline to support further gains.

Following the emergence from lockdowns, **durable goods orders** have been swinging higher. They surged 11.2% in July—more than double the expected gain—on strength in transportation and defense. Transportation orders jumped 35.6%, with motor vehicles and parts up 21.9%. Defense orders surged 30.0%. Core orders (non-defense capital goods excluding aircraft)—a leading indicator for business equipment investment (BEI) in the GDP accounts—advanced 1.9%. They are now flat compared to a year ago. Core shipments rose 2.4% and overall shipments jumped 7.3%. Inventories declined 0.5%, lowering the inventory to shipments ratio to 1.73 months, essentially back to pre-Covid levels.

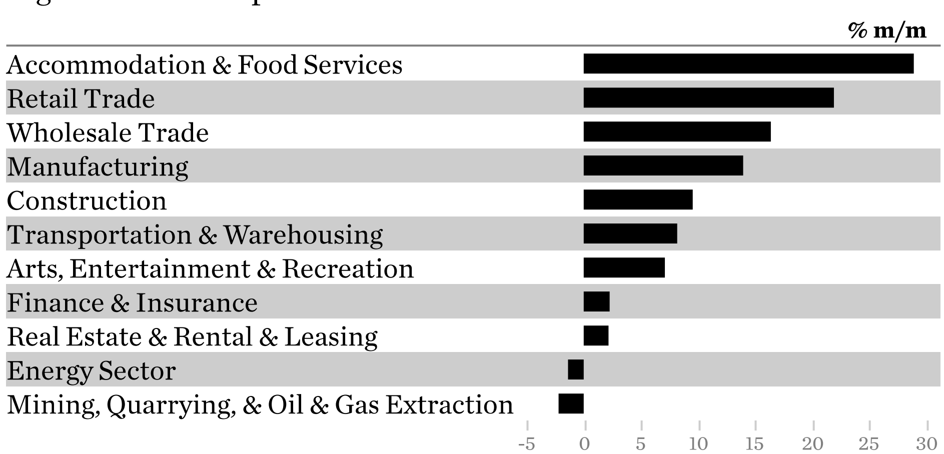
Unlike the Philly and Empire Fed manufacturing surveys last week, the **Kansas Fed manufacturing survey** put forth a much better than expected performance in August. The headline index surged 11 points (expectations had been for a 2-point gain) on broad based gains led by especially big improvements in production, shipments (both at the highest since November 2018) and new orders (highest since May 2018). This supports our view that the manufacturing sector is likely to continue to perform well as global supply chains normalize and firms work to meet not just current demand but also rebuild depleted inventories.

Canada

The second quarter **GDP** for Canada contracted by 38.7% on a seasonally adjusted annual (saar) basis in the second quarter, the sharpest on record, and comparable to the 31.7% decline experienced in the US earlier. On a quarterly basis, GDP fell 11.5% q/q, following a 2.1% decline in the first quarter. The usual suspects were to blame—consumer spending dropped 13.1% over the quarter; as closing of restaurants and shops during the lockdown hardly provided any opportunities to spend. Business investment was lower by 16.2%, reflecting limited construction activities, plant closures, low oil prices and heightened uncertainty. Imports (-22.6%) contracted more than exports (18.4%), because of lower domestic demand as well as disruption in global trade.

The quarterly GDP data is quite backdated so it hardly carries much significance at present. Therefore, of much more interest was the release of the monthly GDP figure which showed output to have expanded 6.5% m/m in June, following a 4.8% increase in May. This was the largest increase on record, and no doubt a result of the economy opening up gradually. GDP is now just 9% below its February level. Both goods-producing (+7.5%) and services (+6.1%) industries showed improvements, with production in 19 out of 20 industrial sectors increasing. Output across several industrial sectors, including manufacturing (+14.6%), retail (+22.3%) and wholesale (+15.8%) trade, construction (+9.4%), transportation (+8.0%), and accommodation and food services (+28.5%) increased. Statistics Canada's estimates point to a 3% expansion in July. We are, however, a bit wary of extrapolating this recovery, given the uncertainties pertaining to global growth and a potential "second wave".

Figure 2. Most Impacted Canadian Industries Bounced Back in June



UK

There were no significant data releases for the UK this week.

Eurozone

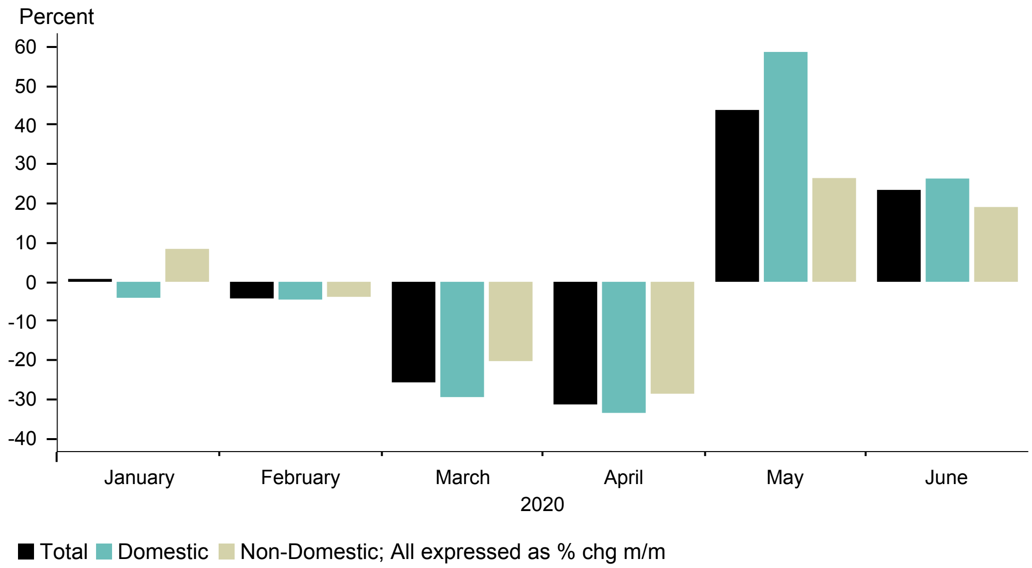
New details are now available regarding ***Germany*'s Q2 GDP** performance. It was modestly better than initially estimated, but the decline was still massive: 9.7% q/q versus the 10.1% drop initially reported. The main takeaway is that consumer spending fared a bit worse than initially thought, while business investment fared a little better. It's a little hard to tell whether this makes for a better or worse dynamic going into Q3—and besides, the sequential improvement after such a big drop may wash out some nuances—but to us it is encouraging that firms did not go cut back as drastically as feared on capex.

***German* business sentiment** continues to improve. The IFO business climate indicator rose a larger than xpected 2.2 points in August to reach its highest level since February. Gains were concentrated in the current situation metric, which improved 3.4 points to the best reading since March. Expectations were little changed, but they were already fairly elevated.

By contrast, it appears that rising Covid-19 cases is tempering German **consumer sentiment**. Indeed, the GfK index of consumer sentiment declined for the first time in four months in the latest update. Although the decline was just 1.6 points, it is worth watching as a potential harbinger of further deterioration.

It is good to see Italy industrial sector on the rebound. Industrial production surged in May and improved further in June. If industrial orders data are any indication—and they are—July should bring about another solid improvement. Indeed, industrial orders jumped 23.4% in June, with industrial sales up 13.4%. Give the May surge, this left both indicators up y/y, and by a lot: orders surged 22.3% y/y (the most since 2016) and sales rose 9.5% y/y.

Figure 3: Italian New Industrial Orders, Excluding Construction



Sources: Italian National Institute of Statistics (Istat)

Japan

The **all industry activity index**—a reliable cyclical indicator—rebounded by 6.1% in June, a tad below expectations. Services finally bounced back after four sequential declines, increasing 7.9%; but stays well below pre-pandemic level. Industrial production saw a turnaround as well, albeit much weaker, rising 1.9%. Construction activity however, had performed well during the peak months, but continued to decline, registering a second monthly fall of 2.2%. Activity was down 11.4% y/y, as all sub components were down significantly.

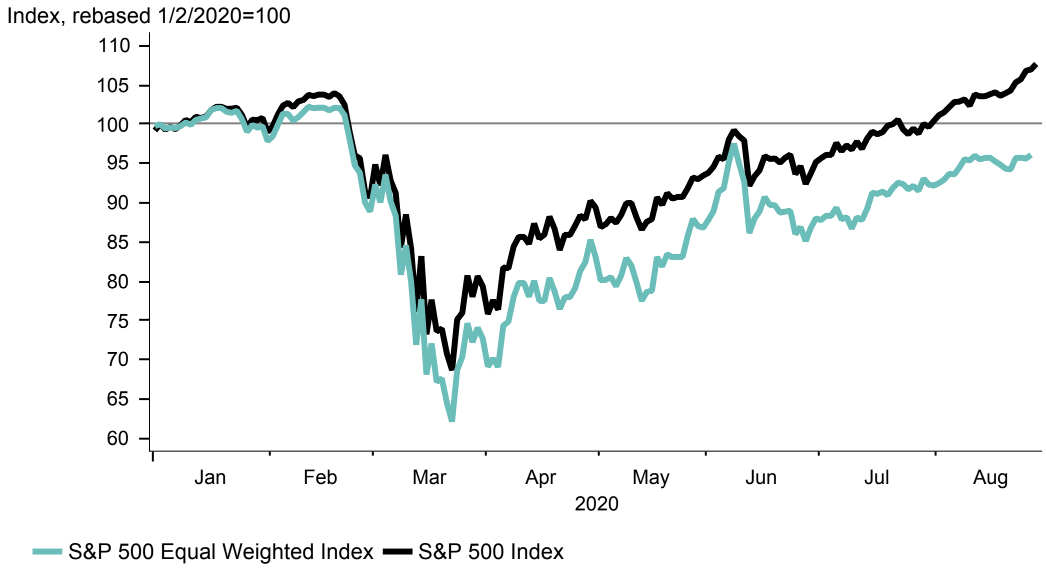
Australia

Capital spending contracted in the second quarter as well, as expected but the magnitude of decline was less than previously thought. The drop of 5.9% q/q was the largest quarterly fall since 2016. Mining capex fell by only 1.2%, and appears to have help up pretty well during the crisis months. Unfortunately the same cannot be said of manufacturing and “other” selected industries—which declined 4.5% and 8.4% respectively. The fall in “other” industries was actually the sixth quarterly fall, reflecting the weak sentiment over services industries. Machinery and equipment capex (−7.6% q/q) recorded a larger fall than buildings and structures (−4.4%). Firms upgraded their estimate for investment in 2020-21 to A$99 billion from A$91 billion, but this was a smaller upgrade than usual. A gradual trajectory for the domestic and global economic recovery hampered by instances of localized surge in cases, the risks of new outbreaks and restrictions, and general uncertainty appear to be discouraging large investments.

The Market This Week

Good macro data and a dovish Fed ignited another good week for stock markets. The S&P500 index touched new highs, but gains have been narrowly based.

Figure 4: S&P500 Gains Are Impressive, But Not Evenly Distributed



Sources: Macrobond, Bloomberg

Equities: Good week for stocks overall, with outsized gains in the US.

Bonds: Bond yields move higher as the Fed renews inflation goal.

Currencies: The dollar retreats on dovish Fed.

Commodities: Oil and gold gain.

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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®	3507.25	3.2%	8.6%	0.73	11	-118	92.364	-0.9%	-4.2%
Canada	TSE 300	16725.66	1.3%	-2.0%	0.64	10	-106	1.309	-0.7%	0.8%
UK	FTSE®	5963.57	-0.6%	-20.9%	0.31	11	-51	1.3348	2.0%	0.7%
Germany	DAX	13033.2	2.1%	-1.6%	-0.41	10	-22			
France	CAC-40	5002.94	2.2%	-16.3%	-0.11	9	-23	1.1897	0.8%	6.1%
Italy	FTSE® MIB	19841.01	0.7%	-15.6%	1.04	10	-37			
Japan	Nikkei 225	22882.65	0.6%	-3.3%	0.06	3	7	105.39	-0.4%	-3.0%
Australia	ASX 200	6073.813	-0.6%	-9.1%	1.02	14	-35	0.7359	2.8%	4.8%

Commodity Markets						
Commodity	Unit	Source	Last Price	%Ch Week	%Ch YTD	%Ch Yr Ago
Oil (Brent)	US $/Barrel	Bloomberg	44.69	2.7%	-32.7%	-25.5%
Gold	US $/troy oz	Bloomberg	1965.53	1.3%	29.5%	27.7%

Source: Bloomberg®

Week in Review (August 24–August 28)

Country	Release (Date, format)	Consensus	Actual	Last	Comments
Monday, August 24					
	No Major Releases				
Tuesday, August 25					
US	FHFA House Price Index (Jun, m/m)	0.3%	0.9%	-0.2%(↑)	Responding to surge in demand.
US	S&P CoreLogic 20-City Index (Jun, m/m)	0.1%	0.0%	0.0%	Big cities are lagging broader market.
US	Consumer Confidence (Aug)	93.0	84.8	91.7(↓)	Unexpectedly big decline.
US	New Home Sales (Jul, thous)	790	901	791(↑)	Impressive!
GE	GDP (Q2, final, q/q)	-10.1%(p)	-9.7%	-2.0%	Still terrible…
GE	IFO Business Climate (Aug)	92.1	92.6	90.4(↓)	Encouraging.
Wednesday, August 26					
US	Durable Goods Orders (Jul, prelim, m/m)	4.8%	11.2%	7.7%(↑)	Very good!
FR	Consumer Confidence (Aug)	94	94	94	Holding up for now, but rising cases a threat.
Thursday, August 27					
US	Initial Jobless claims (Aug 22, thous)	1000	1006	1104(↓)	Good!
US	Continuing claims (Aug 15, thous)	14400	14535	14758(↓)	Positive signal for August payroll report.
US	GDP (Q2, second, q/q saar)	-32.9%(p)	-31.7%	-5.0%	Still terrible…
US	Pending Home Sales (Jul, m/m)	2.0%	5.9%	15.8%(↓)	Impressive!
US	Kansas City Fed Manf. Activity (Aug)	5.0	14	3.0	Pleasant surprise.
FR	Business Confidence (Aug)	88	91	84(↓)	Pleasant surprise.
IT	Industrial Orders (Jun, m/m)	na	23.4%	43.8%(↑)	Impressive!
JN	All Industry Activity Index (Jun, m/m)	6.3%	6.1%	-4.1%(↓)	A rebound in Services.
AU	Private Capital Expenditure (Q2, q/q)	-8.2%	-5.9%	-2.1%(↓)	Future capex intentions face downside risk.
Friday, August 28					
US	Personal Income (Jul, m/m)	-0.2%	0.4%	-1.1%	Good!
US	Personal Spending (Jul, m/m)	1.5%	1.9%	5.6%	Also good!
US	U of Mich Cons Sentiment (Aug, final)	72.8(p)	74.1	72.5	Encouraging improvement.
CA	GDP (Jun, m/m)	5.2%	6.5%	4.5%	The exuberance will die down.
GE	GfK Consumer Confidence (Sep)	1.0	-1.8	-0.2(↑)	Likely due to rising Covid cases.
FR	GDP (Q2, final, q/q)	-13.8%(p)	-13.8%	-5.8%	Sort of old news by now.
FR	Consumer Spending (Jul, m/m)	1.2%	0.5%	10.3%(↑)	Slowing, but growing.
IT	Consumer Confidence (Aug)	101.0	100.8	100.1(↑)	Holding up.

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

Week Preview (August 31–September 4)

Country	Release (Date, format)	Consensus	Last	Comments
Monday, August 31				
IT	GDP (Q2, final, q/q)	-12.4%(p)	-5.3%	
JN	Industrial Production (Jul, prelim, m/m)	1.9%(p)	-8.9%	Marginal improvement post reopening.
JN	Retail Sales (Jul, m/m)	-2.5%	13.1%	Sales expected to slow after release of pent up demand.
JN	Consumer Confidence (Aug)	28.5	29.5	Steady reading defies underlying weakness.
AU	Private Sector Credit (Jul, m/m)	-0.1%	-0.2%	
Tuesday, September 1				
US	ISM Manufacturing (Aug)	54.4	54.2	PMI signal was positive, Fed surveys mixed.
UK	Mortgage Approvals (Jul, thous)	55.0	40.0	
UK	Manufacturing PMI (Aug, final)	55.3	53.3	
EC	Manufacturing PMI (Aug, final)	51.7(p)	51.8	
GE	Unemployment Rate (Jul)	6.4%	6.4%	
GE	Manufacturing PMI (Aug, final)	53.0(p)	51.0	
GE	Retail Sales (Jul, m/m)	0.5%	-2.0%(↓)	August could be more challenged.
FR	Manufacturing PMI (Aug, final)	49(p)	52.4	
IT	Unemployment Rate (Jul, prelim)	na	8.8%	
IT	Manufacturing PMI (Aug)	na	51.9	
JN	Unemployment Rate (Jul)	3.0%	2.8%	Not the whole story.
JN	Manufacturing PMI (Aug, final)	46.6(p)	45.2	Lagging its peers.
AU	RBA Monetary Policy Decision	0.25%	0.25%	Prepared to wait and watch.
Wednesday, September 2				
US	Fed Beige Book		0.2%	
US	Vehicle Sales (Aug, mil.)	14.8	14.5	Gains slowing after recent bounce.
US	Factory Orders (Jul, m/m)	3.5%	6.2%	Could they come in a little higher?
CA	Labor Productivity (Q2, q/q)	na	3.4%	
UK	Nationwide House Prices (Aug, m/m)	0.5%	1.7%	
AU	GDP (Q2, q/q)	-6.0%	-0.3%	GDP partials suggest a slightly better than expected result.
Thursday, September 3				
US	Initial Jobless claims (Aug 29, thous)	950	1006	
US	Continuing claims (Aug 22, thous)	14000	14535	
US	Nonfarm Productivity (Q2, final, q/q)	7.3%(p)	-0.3%	
US	ISM Services (Aug)	57.2	58.1	
CA	Trade Balance (Jul, C$ bil.)	na	-3.2	
UK	Services PMI (Aug, final)	60.1(p)	56.5	
EC	Services PMI (Aug, final)	50.1(p)	54.7	
GE	Services PMI (Aug, final)	50.8(p)	55.6	
JN	Services PMI (Aug, final)	45.0(p)	45.4	
Friday, September 4				
US	Nonfarm Payrolls (Aug, thous)	1375	1763	Reasonable ballpark for expectations but it could be better.
US	Unemployment Rate (Aug)	9.8%	10.2%	Unacceptably high!
CA	Unemployment Rate (Aug)	na	10.9%	Doing well!
CA	Ivey PMI (Aug)	na	68.5	
GE	Factory Orders (Jul, m/m)	5.0%	27.9%	They might turn out better.
AU	Retail Sales (Jul, m/m)	3.3%	2.7%	Lower sales in Victoria to impact headline.

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

STATE STREET GLOBAL ADVISORS

Economic Indicators

Central Bank Policy Targets

Region	Target	Year/Year %Change in Target				
		Mar	Apr	May	Jun	Jul
US	Target: PCE price index 2.0% y/y	1.3	0.5	0.5	0.9	1.0
Canada	Target: CPI 2.0% y/y, 1.0%-3.0% control range	0.9	-0.2	-0.4	0.7	0.1
UK	Target: CPI 2.0% y/y	1.5	0.8	0.5	0.6	1.0
Eurozone	Target: CPI below but close to 2.0% y/y	0.7	0.3	0.1	0.3	0.4
Japan	Target: CPI 2.0% y/y	0.4	0.1	0.1	0.1	0.3
Australia	Target Range: CPI 2.0%-3.0% y/y	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				
	Apr	May	Jun	Jul	Aug		Mar	Apr	May	Jun	Jul
US	0.3	0.1	0.6	1.0			0.3	-1.2	-0.8	-0.8	-0.4
Canada	-0.2	-0.4	0.7	0.1			-3.0	-6.0	-4.9	-3.1	
UK	0.8	0.5	0.6	1.0			0.3	-0.7	-1.2	-0.9	-0.9
Eurozone	0.3	0.1	0.3	0.4			-2.8	-4.5	-5.0	-3.7	
Germany	0.9	0.6	0.9	-0.1			-0.8	-1.9	-2.2	-1.8	-1.7
France	0.3	0.4	0.2	0.8	0.2		-1.9	-3.7	-3.3	-2.2	-2.1
Italy	0.0	-0.2	-0.2	-0.4			-3.7	-5.1	-5.3	-4.5	-4.2
Japan	0.1	0.1	0.1	0.3			-0.5	-2.4	-2.8	-1.6	-0.9
Australia	-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	-9.1		2.0	2.1	2.3	0.3	-9.1
Canada	0.8	0.3	0.1	-2.1	-11.5		2.0	1.6	1.5	-0.9	-13.0
UK	-0.1	0.5	0.0	-2.2	-20.4		1.4	1.3	1.1	-1.7	-21.7
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	-9.7		0.1	0.8	0.4	-2.2	-11.3
France	0.2	0.2	-0.2	-5.9	-13.8		1.8	1.6	0.8	-5.7	-18.9
Italy	0.1	0.0	-0.2	-5.4	-12.4		0.4	0.5	0.1	-5.5	-17.3
Japan	0.4	0.0	-1.8	-0.6	-7.8		0.9	1.7	-0.7	-2.0	-10.0
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				
	Mar	Apr	May	Jun	Jul		Mar	Apr	May	Jun	Jul
US	-4.3	-12.8	0.9	5.7	3.0		-4.6	-16.3	-15.8	-11.0	-8.2
Canada	-5.3	-14.6	3.6	5.8			-5.8	-21.1	-18.4	-13.5	
UK	-4.3	-20.4	6.2	9.4			-7.4	-24.0	-20.1	-12.5	
Germany	-8.8	-17.6	7.4	8.9			-10.9	-24.8	-19.6	-11.5	
France	-17.1	-20.6	19.9	12.7			-17.8	-35.1	-23.4	-11.7	
Italy	-28.4	-20.5	41.6	8.2			-29.4	-43.4	-20.6	-13.7	
Japan	-3.7	-9.8	-8.9	1.9			-6.8	-15.9	-24.5	-21.0	

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	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	7.5

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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Exp. Date: 08/31/2021