February 14, 2020
Commentary

Weekly Economic Perspectives

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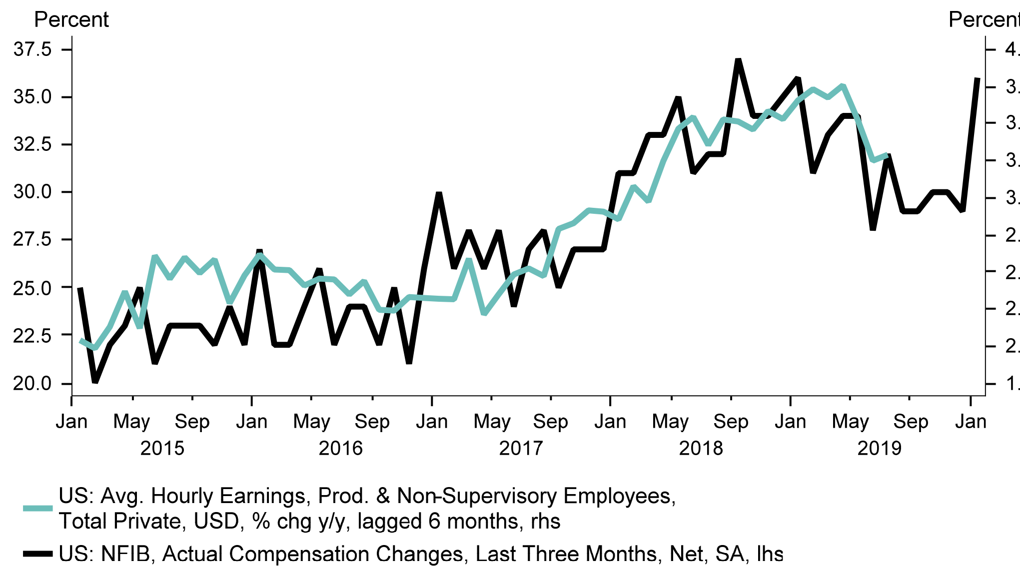
The Economy

This was a fairly light data week that for the most part did not bring significant surprises. Weakness in UK and German GDP was well anticipated, while the mixed US data remains consistent with our resilience theme. None of these statistics reflect the impact of the Covid-19 outbreak yet, so brace for future data volatility.

US

Small business sentiment has come off the 2018 record highs but remains historically elevated. The headline index rose 1.6 points to 104.3 in January, with generally positive details that included an increase is the share of those saying now is a good time to expand, a rebound in profits, as well as more positive views on general business conditions and sales expectations. More respondents also said job openings are getting hard to fill and a net 36% said they've raised compensation in the last three months. Given this, it probably remains premature to conclude that US wage inflation has peaked (Figure 1). Still, we are watching this closely and we'll want to see sustained improvement in coming months. Speaking of the coming months…expect another bout of volatility in macro data as the coronavirus impact feeds through. Within that more volatile backdrop, we'd argue that small business activity should be relatively less impacted given higher reliance on domestic demand.

Figure 1: May Be Premature To Say That US Wage Inflation Has Peaked



Sources: National Federation of Independent Business, U.S. Bureau of Labor Statistics (BLS)

Consumer sentiment improved again in February, according to preliminary data from the University of Michigan. The headline sentiment index advanced 1.1 points for a sixth consecutive gain, leaving it at 100.9, within earshot of the cycle high of 101.4 reached in March 2018. The details were a bit softer than the headline however, as the current conditions metric eased 0.6 point while expectations rose 2.1. The latter's gain is under (temporary) threat from the coronavirus. While only 7% of respondents mentioned the virus in this particular survey, we suspect that share will rise and the impact to be negative. On the positive side, however, "net gains in household income and wealth were reported more frequently in early February than at any prior time since 1960”. This matters because, as we like to say: confidence is important, but actually having the money to spend is even more important. Thus, as long as the income situation is good, consumer spending should remain resilient despite occasional bumps along the road. Short term (1 year) inflation expectations were unchanged at 2.5% while long term (5-10 years) drifted down two tenths to 2.3%. The latter has fluctuated in a narrow 2.2-2.6% range for nearly four years.

The overall message from **retail sales** data remains one of resilience underpinned by solid consumer finances. However, there was some loss of momentum in the fourth quarter that extended into January. Nominal sales rose 0.3% in January, as expected, but there was an incremental downgrade to the December print, now showing a smaller 0.2% gain. The component data continue to exhibit oddities that to us suggest some problems with seasonal adjustment. For instance, sales at non-store retailers (online shopping) reportedly increased 0.3% in January, but that followed four back to back declines. That those declines would occur at the height of the holiday shopping season seems counterintuitive and we wonder whether structural shifts in retail aren’t skewing seasonal adjustment factors in this particular segment. The most disappointing part of the release was that control sales (which exclude food services, building materials, autos dealers and gas stations) came in flat, against expectations of a 0.3% gain. Moreover, the December increase was revised sharply lower, from 0.5% to just 0.2%. But here, too, it is a bit hard to make sense of the data given that the restaurant category—perhaps the posterchild for discretionary spending—had two very strong months. Thus, the headline figure may be telling us more about the consumer mindset at this point in time. Another category that has exhibited notable strength lately (and is excluded from control sales) is building materials. Given what we are seeing in the housing sector, we’d argue that this has more room to run. Non-seasonally adjusted sales increased 4.6% y/y; control sales increased 3.1% y/y.

The **JOLTS (Job Openings and Labor Market Survey)** is one of the most lagging among the labor market indicators, which are themselves lagging compared to other macro data sets. And because the November-December period was fraught with considerable uncertainty about the direction of the trade war (which has since greatly improved) we would argue that the huge 938,000 cumulative decline in openings during those two months should be taken with a grain of salt. At face value, it provides the clearest signal yet of late cycle conditions in the labor market as without abundant open positions, the number of future hires will have to slow. Also, a marked decline in openings may be a precursor to future layoffs and a subsequent rise in the unemployment rate. The puzzling thing is that the severity of the headline retreat seems disconnected from other details. For instance, hires rose modestly both in November and in December, while the number of quits remains elevated and the number of layoffs benign. Therefore, it seems premature to get too concerned about the evident peak in openings. If openings were to continue to drop precipitously, that would indeed be very troublesome, but stabilization near current levels should not be. The Covid-19 outbreak may well drive a further decline in openings in the near term—particularly in areas like transportation, leisure and hospitality—so making sense of the data over the next several months will be especially challenging.

For their part, **unemployment claims** data remain encouraging. Claims trended uniformly lower through end-2018 but have since been trending more volatilely sideways. Put differently, they hover near cycle lows but are no longer making new lows. Initial claims—a measure of job shedding—rose a minimal 2,000 to 205,000 in the week ending February 8, not far off from the cycle low of 193,000 reached in March 2019. Continuing claims—a measure of unemployment—retreated 61,000 in the week ending February 1, having experienced sizable moves in recent weeks. At 1,698,000, they are above 50,000 above the cycle lows, but still low historically.

Industrial production has softened notably amid sluggish global demand and trade uncertainties, compounded by the GM strike, Boeing's production shutdowns, as well as warm weather that weighed on utilities. After a downwardly revised 0.4% December drop, industrial production shrank another 0.3% in January. Utilities plunged 4.0%, manufacturing retreated 0.1% and mining rose 1.2%. Within manufacturing, the "aerospace and other" posted a massive 7.4% decline in January, which a 2.4% increase in motor vehicle production only partly offset. Given the outsized impact of the aerospace industry, we would venture to describe the rest of the manufacturing performance in January as decent. Industrial production was down 0.8% y/y, with manufacturing also down 0.8%, utilities down 6.2%, and mining up 3.1%. Capacity utilization eased three tenths to 76.8% while manufacturing capacity utilization eased a tenth to 75.1%.

Business inventories rose a modest 0.1% in January, in line with expectations. All the increase came from manufacturing inventories, which rose 0.5%. Retail inventories were flat while wholesale inventories declined 0.7%. Sales declined 0.1%, leaving the inventory-to-sales ratio at 1.40 months. This level has been reached several times in recent months but is otherwise the highest since late 2016.

After months of soft prints in 2019, headline **consumer price inflation** has been turning higher lately, just as we expected it to. It quickened another two tenths to 2.5% y/y in January, the highest level since October 2018. The core inflation rate (excluding food and energy) was unchanged at 2.3% y/y. Both outcomes were a tenth stronger than consensus expectations and we would argue that both exhibited more strength than the headlines suggested. Admittedly, overall prices rose only a modest 0.1% m/m but that was in spite of a 0.7% plunge in energy prices and a 0.6% decline in transportation costs. Apparel prices rose 0.7% and recreation was up 0.3%, suggesting some pricing power in these consumer discretionary areas. Still, we wouldn't get too excited about this just yet as we suspect the Covid-19 outbreak will trigger deep—if temporary—discounts in some travel and hotel categories in coming months. What really caught our eye was the 0.4% jump in services prices and the fact that this occurred despite a modest 0.2% gain in medical care costs. Indeed, core services inflation now stands at 3.1% y/y, the highest since July 2018 and only a tenth below the cycle high reached in early 2016. This print reinforces our belief that inflation is not dead, simply manageable.

Canada

Housing starts rebounded to a four-month high in January. Starts rose 8.8% m/m from December to 213,224 units, and this coincided with a surge in permits data as well. Urban starts increased 9.8% to 202,407 units—with multiple urban starts rising by 13.6% to 155,140 units, while single-detached starts down 0.9% to 47,267 units.

Building permits also had a very positive end to 2019, rising 7.4% to C$8.7 billion, the highest since August. Residential permits rose 6.8% to C$5.0 billion, due to a

15.9% rise in multi-family dwellings. Non-residential permits also increased by 8.3%, led by a 19.7% gain in commercial permits.

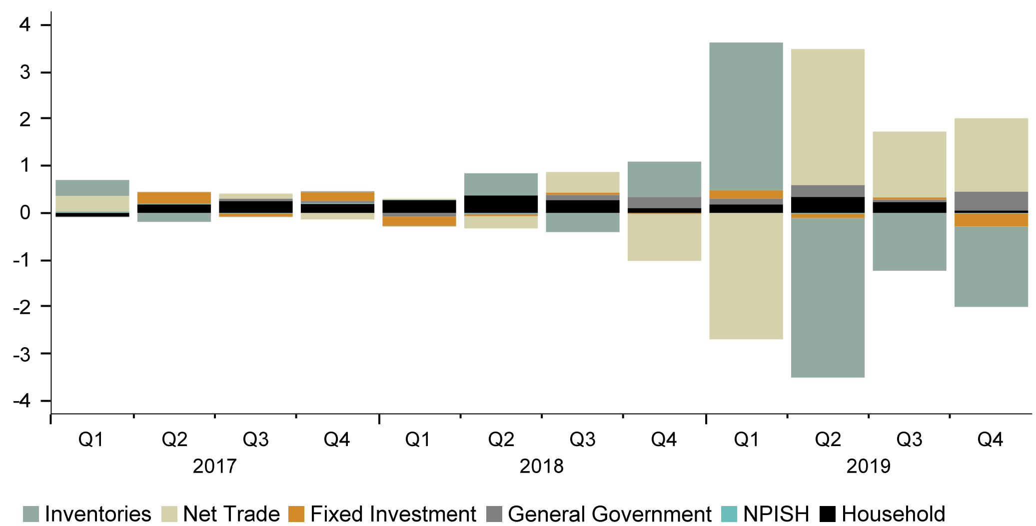
Existing home sales declined for the second consecutive month in January, though they remain well above the historical average. Sales fell by 2.9%, after the December fall was revised upwards to 0.4%. New homes listed for sale edged up slightly by 0.2%, still reeling at a near decade low after a series of declines. This caused the sales-to-new listings ratio (a measure of market tightness) to lose 2.1 percentage points to 65.1%. The months of inventory stayed unchanged at 4.2 months, lowest since 2007, indicating demand is outstripping supply at this point. This is leading to upward pressure on prices, with the Aggregate Composite MLS Home Price index rising 0.8% in January, the eighth consecutive gain, and up 4.7% y/y.

UK

The UK economy was buffeted by powerful Brexit-related forces for more than three years now. This has caused a clear softening in economic performance and considerable volatility in quarterly **GDP** data. 2019 was a case in point as solid performances in the first and third quarter were accompanied by an incremental contraction in the second and a flat performance in the fourth. Tremendous Brexit-related distortions were evident in extreme inventory and foreign trade swings.

Figure 2: Brexit Distortions Evident In UK GDP Data

Percentage point contribution to quarterly growth



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

Still, the fact that the country managed to grow 1.4% for the year as a whole (in line with our forecast) speaks to a degree of resilience that we feel remains largely underappreciated. Consumer spending grew just 1.4%, two tenths less than in 2018 and the least since 2011. But favorable trends in employment and wages suggest to us that there is latent strength here and we look for at least a repeat of this performance in 2020. Non-profit consumption contracted and we see this sector facing persistent headwinds given reduced funding following the UK's departure from the eurozone. But this should be more than offset by rising government spending amid a more supporting fiscal stance. Indeed, government consumption already jumped 3.6% last year, the most since 2005. Many readers may be surprised to learn that fixed investment actually rose marginally in 2019, having contracted slightly the year before. We look for another small gain in 2020 to support our considerably higher than consensus forecast of a 1.6% GDP advance in 2020.

There was not much good one could say about the December **industrial production** print other than it was much better than the November one. But since November was so utterly dismal (-1.1%), nearly anything would have been better…So, we are left to report an uninspiring 0.1% advance in overall industrial production, lifted by a 0.3% gain in manufacturing and a 1.0% increase in water utilities. But mining contracted 2.6% and electricity/gas contracted 1.2%. All this left overall industrial production 1.8% lower than in December 2018. Output was down 1.3% in 2019 as a whole.

Eurozone

It had been already clear from high frequency data that ***German*** economic performance was weak as we closed 2019. Preliminary **fourth-quarter GDP** data confirmed those suspicions as GDP was altogether flat in Q4. If there was a silver lining is that third-quarter growth was revised up by a tenth, although only to an unimpressive 0.2%. The economy expanded 0.6% in 2019 as a whole, in line with our most recent December forecasts but otherwise the least since 2013.

The slow healing of the ***French*** labor market continues. The mainland **unemployment rate** retreated three tenths to a cycle low of 7.9% in the fourth quarter on noticeable improvements in both the male and especially the female unemployment rates. The former retreated three tenths to 8.0% and the latter retreated five tenths to 7.7%.

After soaring in 2017, ***French*** **industrial sentiment** has since moved noticeably lower. For most of 2019 it hovered at 2014-16 levels. There are some indications it is trying to bottom but it is too soon to be sure given protests and new risks posed by the coronavirus outbreak. The Bank of France business sentiment was unchanged at 96 in January, though we noted an encouraging improvement in new orders.

Italian **industrial production** ended 2019 on a dismally weak footing. It contracted 2.7% in December and—to add insult to injury—the November data was revised down to show zero growth. Performance was weak across the board, with mining down 3.1%, manufacturing down 2.4% and utilities down 2.7%. Workday adjusted production fell 4.2% y/y in December and contracted 1.4% in 2019 as a whole.

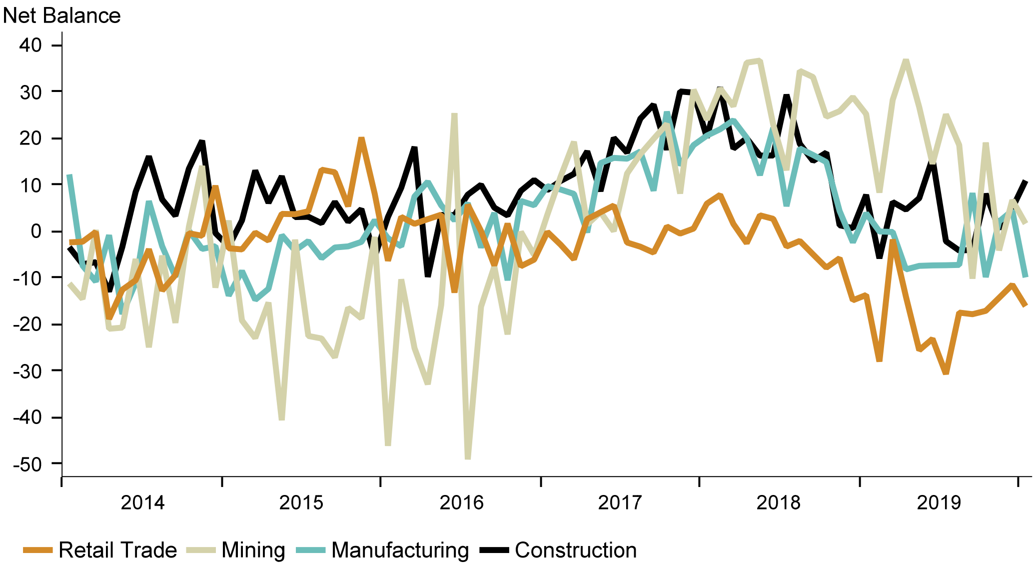
Japan

Services contracted slightly in December, only the second time over the past six months. The **tertiary industry activity index** fell 0.2%, which translates to a 0.8% y/y fall in annual terms. The decline was led by transport and postal services which decreased by 2.0%, due to slowing freight (-2.0%) and passenger (-1.2%) transports. Wholesale trade lost -1.2%, with apparels (-4.0%) leading the way.

Australia

The **NAB Business confidence index** gained 1.7 points to -0.8 in January, but the broad downtrend visible in the data very much persists. Business conditions came in at 2.6, similar to December figure—and the details were also broadly unchanged. Trading lost 1 point to +5, while profitability gained 1 point to +2. Employment was the only sub-index with noticeable movement, and fell 3 points to 1, lowest since July of last year. Forward orders and exports were unchanged at -1. Conditions were weaker in Victoria, New South Wales and Western Australia over the month, most likely an impact of the bushfires. Given that the survey period was at the heights of the coronavirus infections (21 January – 3 February 2020), it is likely that these results also reflect some of the panic. But even temporary shocks aside, the forward-looking indicators seem to suggest little/no growth.

Figure 3. No Signs Of Pickup In Australian Business Sentiment

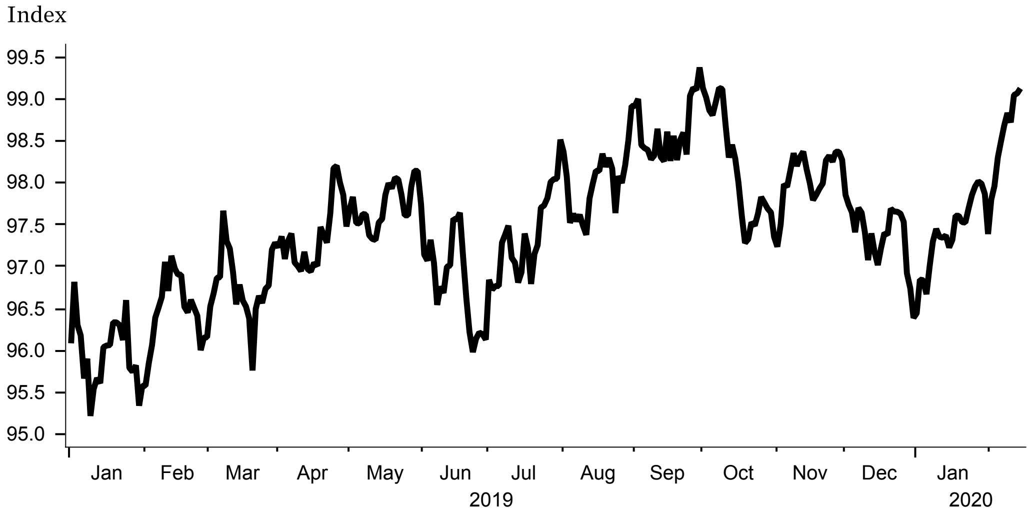


Sources: National Australia Bank

The Market This Week

Progress towards the Phase 1 deal sparked expectations of improving global growth, pushing the dollar index lower in late 2019. The Covid-19 outbreak has caused investors to reassess those assumptions so the dollar index is revisiting recent highs.

Figure 4: Dollar Index Revisits Recent Highs



Sources: Bloomberg

Equities: Equities continue to make broad—but not universal—gains.

Bonds: Bond yields are mixed.

Currencies: The dollar revisits recent highs.

Commodities: Oil is the week's big winner, but still has a lot to make up for.

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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®	3372.69	1.4%	4.4%	1.59	0	-33	99.126	0.4%	2.8%
Canada	TSE 300	17821.1	0.9%	4.4%	1.37	4	-34	1.3252	-0.4%	2.0%
UK	FTSE®	7409.13	-0.8%	-1.8%	0.63	6	-19	1.3034	1.1%	-1.7%
Germany	DAX	13744.21	1.7%	3.7%	-0.40	-2	-22			
France	CAC-40	6069.35	0.7%	1.5%	-0.16	-2	-27	1.0839	-1.0%	-3.3%
Italy	FTSE® MIB	24867.01	1.6%	5.8%	0.92	-2	-49			
Japan	Nikkei 225	23687.59	-0.6%	0.1%	-0.03	1	-2	109.77	0.0%	1.1%
Australia	ASX 200	7130.205	1.5%	6.7%	1.05	0	-32	0.6712	0.6%	-4.4%

Commodity Markets						
Commodity	**Unit**	**Source**	**Last Price**	**%Ch Week**	**%Ch YTD**	**%ChYr Ago**
Oil (Brent)	US $/Barrel	Bloomberg	57.29	6.4%	-13.7%	-10.8%
Gold	US $/troy oz	Bloomberg	1582.55	0.8%	4.3%	20.6%

Source: Bloomberg®

Week in Review (February 10–February 14)

Country	Release (Date, format)	Consensus	Actual	Last	Comments
Monday, February 10					
CA	Housing Starts (Jan, thous)	205.0	213.2	195.9(↓r)	Highest in four months.
CA	Building Permits (Dec, m/m)	2.8%	7.4%	-3.5%(↓r)	Higher than expected rebound.
FR	Bank of France Ind. Sentiment (Jan)	97	96	96(↓r)	Back to 2014-16 levels,
IT	Industrial Production (Dec, m/m)	-0.6%	-2.7%	0.0%(↓r)	Dismal.
Tuesday, February 11					
US	NFIB Small Business Optimism (Jan)	103.5	104.3	102.7	Pretty good details.
US	JOLTS Job Openings (Dec, thous)	6850	6423	6787(↓r)	Material declines recently.
UK	GDP (Q4, prelim, q/q)	0.0%	0.0%	0.5%	GDP grew 1.4% y/y.
UK	Industrial Production (Dec, m/m)	0.3%	0.1%	-1.1%(↑r)	Still painfully weak.
AU	NAB Business Confidence (Jan)		-1	-2	Survey suggests little/no growth.
Wednesday, February 12					
US	Monthly Budget Statement (Jan, $ bil.)	-10.0	-32.6	8.7	Steadily deteriorating.
EC	Industrial Production (Dec, m/m)	-2.0%	-2.1%	0.0%(↓r)	We already knew it was going to be bad.
Thursday, February 13					
US	Initial Jobless claims (Feb 8, thous)	210	205	203(↑r)	Continuing claims declined by 61,000.
US	CPI (Jan, y/y)	2.4%	2.5%	2.3%	Core unchanged at 2.3% y/y.
GE	CPI (Jan, final, y/y)	1.7%(p)	1.7%	1.5%	Turning gently higher.
FR	Unemployment Rate (Q4)	8.2%	7.9%	8.2%(↓r)	New cycle low.
Friday, February 14					
US	Retail Sales (Jan, m/m)	0.3%	0.3%	0.2%(↓r)	Control sales were flat.
US	Industrial Production (Jan, m/m)	-0.2%	-0.3%	-0.4%(↓r)	Hurt by utilities and Boeing.
US	U of Mich Sentiment (Feb, prelim)	99.5	100.9	99.8	Not yet reflecting virus concerns.
US	Business Inventories (Dec, m/m)	0.1%	0.1%	-0.2%	Nothing really new here.
US	Import Price Index (Jan, y/y)	0.2%	0.3%	0.5%	Still modest, but stirring.
CA	Existing Home Sales (Jan, m/m)	-0.1%	-2.9%	-0.4%(↑r)	Still above historical average.
EC	GDP (Q4, prelim, q/q)	0.1%(a)	0.1%	0.2%	Weak, but we already knew this.
GE	GDP (Q4, prelim, q/q)	0.1%	0.0%	0.2%(↑r)	Very weak still.
JN	Tertiary Industry Index (Dec, m/m)	0.1%	-0.2%	1.4%(↑r)	Second decline in six months.

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

Week Preview (February 17–February 21)

Country	Release (Date, format)	Consensus	Last	Comments
Monday, February 17				
JN	GDP (Q4, prelim, q/q)	-1.0%	0.4%	Consumption pullback.
JN	Industrial Production (Dec, final, m/m)	1.3%(p)	-1.0%	Positive on an inventory build-up.
Tuesday, February 18				
US	NAHB Housing Market Index (Feb)	75	75	Weather and demand remain supportive.
US	Empire Manufacturing (Feb)	5	4.8	
CA	Manufacturing Sales (Dec, m/m)	0.8%	-0.6%	Positive.
UK	ILO Unemployment Rate (Dec)	3.8%	3.8%	Labor market remains strong.
UK	Average Weekly Earnings (Dec, 3m y/y)		3.2%	
GE	ZEW Investor Expectations (Feb)	20.0	26.7	Will coronavirus show up yet?
Wednesday, February 19				
US	FOMC Meeting Minutes			Probably no new revelations.
US	Building Permits (Jan, thous)	1450	1420(↑r)	
US	Housing Starts (Jan, thous)	1415	1608	Pullback after incredible surge.
US	PPI Final Demand (Jan, y/y)	1.6%	1.3%	
CA	CPI (Jan, y/y)	2.4%	2.2%	At target.
UK	CPI (Jan, y/y)	1.5%	1.3%	Soft.
JN	Core Machine Orders (Dec, m/m)	-8.9%	18.0%	
JN	Trade Balance Adjusted (Jan, ¥ bil.)		-102.5	
AU	Wage Price Index (Q4, y/y)	2.2%	2.2%	Underemployment still a hindrance to rapid wage growth.
Thursday, February 20				
US	Initial Jobless claims (Feb 15, thous)		205	As long as these stay low, things are good.
US	Leading Index (Jan, m/m)	0.4%	-0.3%	
US	Philadelphia Fed Business Outlook (Feb)	12	17	
CA	Teranet/National Bank HPI (Jan, y/y)		1.9%	Positive.
UK	Retail Sales (Jan, m/m)	0.7%	-0.6%	Better start to the year.
GE	GfK Consumer Confidence (Mar)	9.8	9.9	
FR	CPI (Jan, final, y/y)		1.5%	
AU	Unemployment Rate (Jan)	5.2%	5.1%	Momentum unlikely to be sustained.
Friday, February 21				
US	Existing Home Sales (Jan, m/m)	-1.2%	3.6%	
CA	Retail Sales (Dec, m/m)	0.2%	0.9%	Expect a positive result.
UK	Manufacturing PMI (Feb, prelim)	49.7	50.0	
UK	Services PMI (Feb, prelim)	53.4	53.9	
EC	Manufacturing PMI (Feb, prelim)	47.3	47.9	
EC	Services PMI (Feb, prelim)	52.3	52.5	
GE	Manufacturing PMI (Feb, prelim)	44.8	45.3	
GE	Services PMI (Feb, prelim)	54.2	54.2	
FR	Manufacturing PMI (Feb, prelim)		51.1	
IT	Industrial Orders (Dec, m/m)		-0.3%	
JN	CPI (Jan, y/y)	0.7%	0.8%	
JN	Manufacturing PMI (Feb, prelim)		48.8	Slowing production in China should get reflected.
JN	Services PMI (Feb, prelim)		51.0	Resilient.

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

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Economic Indicators

Central Bank Policy Targets

Region	Target	Year/Year % Change in Target				
		Aug	Sep	Oct	Nov	Dec
US	Target: PCE price index 2.0% y/y	1.4	1.3	1.4	1.4	1.6
Canada	Target: CPI 2.0% y/y, 1.0%-3.0% control range	1.9	1.9	1.9	2.2	2.2
UK	Target: CPI 2.0% y/y	1.7	1.7	1.5	1.5	1.3
Eurozone	Target: CPI below but close to 2.0% y/y	1.0	0.8	0.7	1.0	1.3
Japan	Target: CPI 2.0% y/y	0.3	0.2	0.2	0.5	0.8
Australia	Target Range: CPI 2.0%-3.0% y/y	1.7	1.7	1.8	1.8	1.8

Source: Macrobond

Key Interest Rates

	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	#####	Dec-19	Jan-20
US (top of target range)	2.50	2.50	2.50	2.50	2.50	2.25	2.00	1.75	1.75	1.75	1.75
Canada (Overnight Rate)	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75	1.75
UK (Bank Rate)	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75
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	-0.07	-0.06	-0.08	-0.07	-0.06	-0.06	-0.03	-0.03	-0.07	-0.04
Australia (OCR)	1.50	1.50	1.50	1.28	1.02	1.00	1.00	0.76	0.75	0.75	0.75

Source: Macrobond

General Government Structural Balance as a % of Potential GDP

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
									Forecasts	
US	-3.1	-2.1	-1.1	0.1	0.8	0.7	0.0	-0.2	-0.5	-0.8
Canada	-5.9	-6.0	-4.0	-4.7	-4.1	-2.9	-2.0	-1.5	-1.3	-1.4
UK	-3.9	-2.1	-1.2	-0.9	-0.8	-0.7	-0.7	-0.6	-0.7	-0.9
Eurozone	-1.4	0.0	0.6	1.2	1.2	1.3	1.1	1.4	0.9	1.0
Germany	-5.0	-4.4	-3.4	-3.3	-3.0	-2.8	-2.6	-2.5	-2.4	-2.5
France	-4.1	-1.5	-0.6	-1.1	-0.7	-1.4	-1.7	-1.8	-1.5	-2.1
Italy	-4.1	-1.5	-0.6	-1.1	-0.7	-1.4	-1.7	-1.8	-1.5	-2.1
Japan	-4.3	-3.3	-2.6	-2.6	-2.4	-2.2	-1.5	-0.6	-0.4	-0.4
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				
	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Sep-19	Oct-19	#####	Dec-19	Jan-20
US	1.7	1.8	2.1	2.3	2.5	1.5	1.1	1.1	1.3	
Canada	1.9	1.9	2.2	2.2		-1.3	-1.4	-0.6	0.3	
UK	1.7	1.5	1.5	1.3		1.2	0.8	0.5	0.9	
Eurozone	0.8	0.7	1.0	1.3		-1.1	-1.8	-1.4	-0.7	
Germany	1.2	1.1	1.1	1.5	1.7	-0.1	-0.6	-0.7	-0.2	
France	0.9	0.8	1.0	1.5	1.5	-0.6	-1.1	-0.5	0.4	
Italy	0.3	0.2	0.2	0.5	0.6	-1.6	-2.9	-2.6	-2.1	
Japan	0.2	0.2	0.5	0.8		-1.1	-0.4	0.1	0.9	1.7
Australia	1.7	1.8	1.8	1.8		1.6	1.4	1.4	1.4	

Source: Macrobond

Real GDP Growth (Q/Q Seasonally Adjusted)

	Quarter/Quarter % Change					Year/Year % Change				
	Q4-18	Q1-19	Q2-19	Q3-19	Q4-19	Q4-18	Q1-19	Q2-19	Q3-19	Q4-19
US	0.3	0.8	0.5	0.5	0.5	2.5	2.7	2.3	2.1	2.3
Canada	0.2	0.2	0.9	0.3		1.8	1.5	1.9	1.7	
UK	0.2	0.6	-0.1	0.5	0.0	1.4	2.0	1.3	1.2	1.1
Eurozone	0.3	0.4	0.2	0.3	0.1	1.2	1.4	1.2	1.2	0.9
Germany	0.2	0.5	-0.2	0.2	0.0	0.6	1.0	0.3	0.6	0.5
France	0.5	0.3	0.4	0.3	-0.1	1.2	1.3	1.5	1.4	0.8
Italy	0.1	0.2	0.1	0.1	-0.3	-0.1	0.1	0.2	0.5	0.0
Japan	0.3	0.6	0.5	0.4		-0.3	0.8	0.8	1.9	
Australia	0.2	0.5	0.6	0.4		2.1	1.7	1.6	1.7	

Source: Macrobond

Industrial Production Index (M/M Seasonally Adjusted)

	Month/Month % Change					Year/Year % Change				
	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Sep-19	Oct-19	#####	Dec-19	Jan-20
US	-0.3	-0.4	0.9	-0.4	-0.3	-0.2	-0.8	-0.5	-0.9	-0.8
Canada	-0.4	-0.4	-0.3			-2.0	-2.4	-1.6		
UK	0.2	0.1	-1.2	0.1		-1.8	-1.6	-2.5	-1.9	
Germany	-0.8	-1.2	1.2	-3.5		-4.3	-4.7	-2.5	-6.7	
France	0.3	0.4	0.0	-2.8		0.4	-0.2	0.9	-3.0	
Italy	-0.4	-0.4	0.0	-2.7		-2.3	-2.5	-0.8	-3.8	
Japan	1.7	-4.5	-1.0	1.3		-0.3	-6.6	-6.7	-5.5	

Source: Macrobond

Unemployment Rate (Seasonally Adjusted)

	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	#####	Dec-19	Jan-20
US	3.8	3.6	3.6	3.7	3.7	3.7	3.5	3.6	3.5	3.5	3.6
Canada	5.7	5.7	5.4	5.6	5.7	5.7	5.5	5.6	5.9	5.6	5.5
UK	3.8	3.8	3.9	3.8	3.9	3.8	3.8	3.8			
Eurozone	7.7	7.6	7.6	7.5	7.6	7.5	7.5	7.5	7.5	7.4	
Germany	4.9	4.9	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
France	8.6	8.5	8.5	8.5	8.5	8.6	8.5	8.5	8.4	8.4	
Italy	10.1	10.1	10.0	9.8	9.9	9.6	9.9	9.7	9.8	9.8	
Japan	2.5	2.4	2.4	2.3	2.2	2.2	2.4	2.4	2.2	2.2	
Australia	5.1	5.2	5.2	5.3	5.2	5.3	5.2	5.3	5.2	5.1	

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: 02/28/2021