STATE STREET GLOBAL ADVISORS

February 5, 2021
Commentary

Weekly Economic Perspectives

Contents

01 **The Economy**
Another soft employment report in the US. Covid puts the breaks on Canada's labor market improvement. The BoE delivers a slightly hawkish hold. Eurozone GDP slightly better than expected. Manufacturing, services PMI weaker in Japan. The RBA extends QE by another A$100 billion beyond April.

07 **The Market**
Italy leads global equity gains and bucks the global trend toward higher yields. The dollar strengthens. Oil surges, gold retreats.

08 Week in Review

09 Week in Preview

10 Economic Indicators

Spotlight on Next Week
UK GDP may have eked out a small gain in Q4. Industrial production should improve in Germany, France, and Italy.

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The Economy

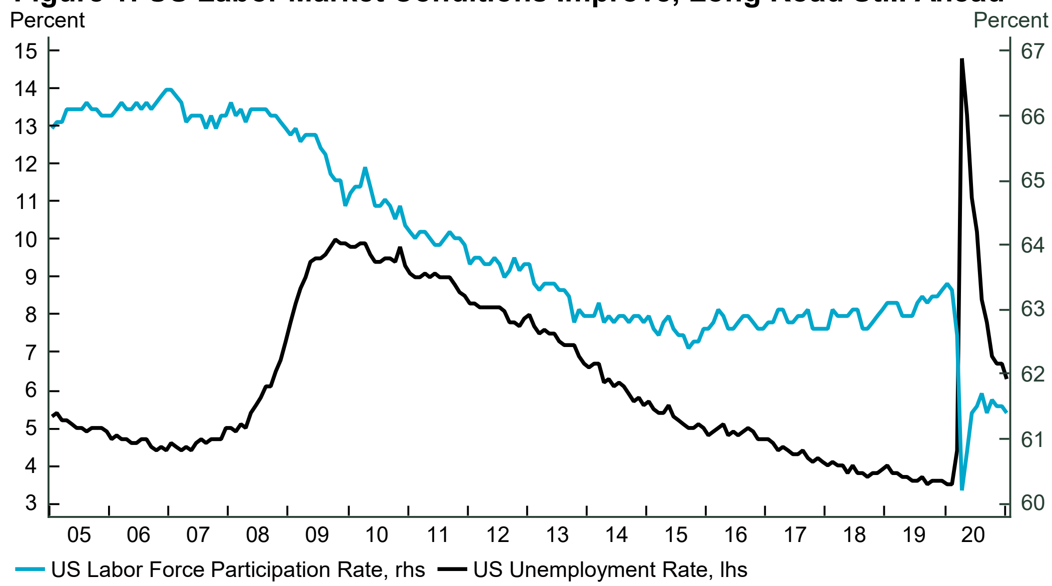
A heavy data week in macro and a return of risk-on appetite in markets.

US

The soft patch in the US labor market extended into January. Total **payrolls** rose by 49,000—about half the expected rate—but sizable downward revisions to prior months mean the report was actually even weaker. The private sector only added 6,000 jobs while the government sector added 43,000. Within the private sector, good producing industries lost 4,000 jobs (including a 10,000 manufacturing loss) while service industries added 10,000. Professional and business services did better than expected (+97,000), although we are not sure whether the 81,000 jump in temporary help within that category should be read as the sort of positive signal it usually is. In contrast, retail trade and transportation/warehousing lost 38,000 and 28,000 jobs, respectively, as holiday activities wound up. Health care employment declined by 30,000, with notable losses in nursing care facilities and home health care services.

This month, the household report incorporated annual population benchmark population revisions, which distorted the monthly changes. Excluding the impact of these revisions, the labor force declined by 206,000, employment rose by 381,000, and the number of unemployed fell by 586,000. The participation rate declined one tenth to 61.4%, and the unemployment rate retreated a steep 0.4 percentage points to 6.3%. These two figures were not impacted by the benchmark revisions.

Figure 1: US Labor Market Conditions Improve, Long Road Still Ahead



Sources: SSGA Economics, BLS

The hours data were very strong, implying a good print for wage and salary income in January and indicating that employers are making fuller use of existing employees. The manufacturing and the overall workweek rose by 18 minutes each. Total hours worked increased a solid 0.9%. Overall average hourly earnings increased 0.2% and those for production and non-supervisory employees rose a modest 0.1%. Both measures of wage inflation are now 5.4% higher than in January 2020, although these comparisons are misleading due to compositional changes in the employed population over the course of the year.

Depending on what the actual outturn for first quarter GDP will be, the surge in hours worked could imply deteriorating productivity. We saw this already in the fourth-quarter, when **nonfarm business productivity** declined at an 4.8% annualized rate. Output increased 5.3% but employee hours jumped 10.5% (both annualized). Unit labor costs subsequently jumped 6.8%; by contrast, non-labor unit costs declined 6.3% (all annualized). We do anticipate a decline in productivity in 2021 as a whole—simply by virtue of the recovery in services activity and the compositional shift in GDP; but the magnitude of that deterioration is very uncertain.

Both ISM surveys—the manufacturing and non-manufacturing indexes—continue to indicate robust levels of economic activity. Admittedly, the **manufacturing ISM** came in a little softer than expected, easing 1.8 points, but only to a high 58.7. Production and new orders took a step down, but both remained above 60, generally seen a “boom-y” territory. Backlogs increased further and it appears the firms are speeding up hiring to meet demand as the employment metric rose to the highest level since June 2019. The price metric, which had surged the month before, moved higher still; at 82.1, it now , stands at the highest level since 2011.

The **non-manufacturing ISM** surprised positively for the second month in a row, adding 1.0 point to 58.7, its highest level since February 2019. While the details were somewhat mixed, there was a sharp acceleration in employment, with the respective metric up 6.5 points to the highest level since February. New orders improved 3.2 points (to 61.8) but export orders plunged 10.3 and moved into contraction (at 47.0). Inventories contracted and remain too low. The price metric eased 0.2 point but only to an elevated 64.2. It was notable that while respondents noted many commodities were “up in price”, none were “down in price”.

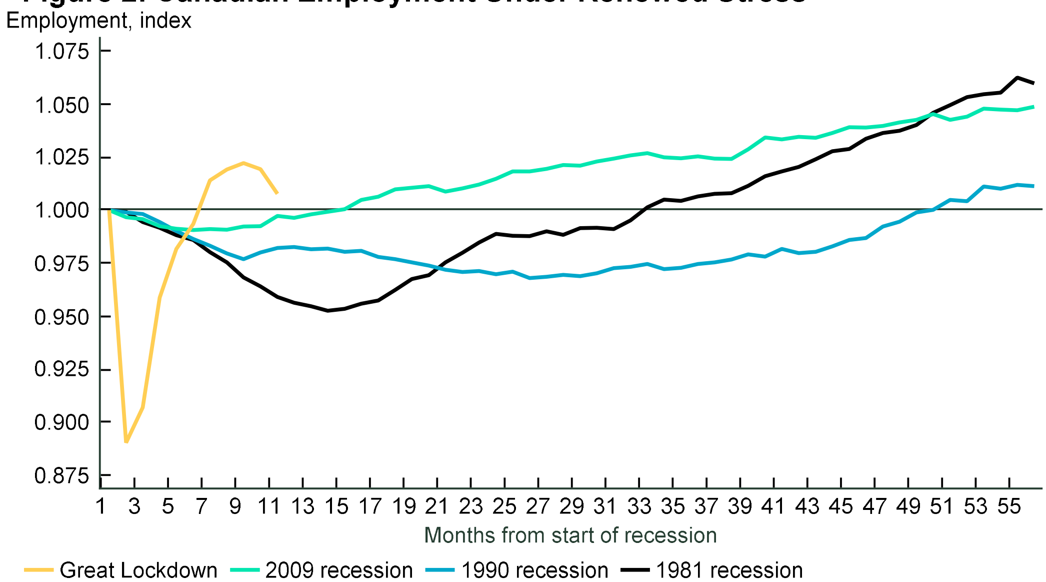
Motor vehicle sales continue to do well. They came in stronger than expected again in January, up 2.2% on the month to an annualized rate of 16.63 million units. Sales declined a modest 1.2% y/y—quite an extraordinary accomplishment, but not so shocking given the healthy state of aggregate household finances.

Factory orders continue to improve. They rose a better than expected 1.1% in December, a pleasant surprise further accentuated by an upward revision to the November data. Non-durable goods improved 1.7%--the most since July—with durable goods up 0.5% (initial read was 0.2%). Core orders (non-defense capital goods excluding aircraft)—a leading indicator for business equipment investment (BEI) in the GDP accounts—increased 0.7% and were 8.7% higher than in December 2019. Overall shipments rose 1.7% and core shipments rose 0.7%. A more modest increase in inventories lowered the inventory to shipments ratio to 1.39, the lowest since October 2019 and down from a peak of 1.65 in May.

Canada

The January labor force data showed the heavy impact of additional restrictions imposed in some parts of the country starting in late December. **Employment** fell by 213,000, to the lowest level since August. The losses were entirely in part-time work (-225,000), and particularly in Ontario (-153,000) and Quebec (-93,000). Significant lockdown measures were implemented in these two provinces at the end of December, leading to significant disruptions in services. As a result, industries which had been heavily impacted by March lockdowns came under renewed stress—especially accommodation and food services (-75,000), retail trade (-160,000), and information, culture and recreation (-17,000). On the flipside, jobs in construction rose 39,000. Contrary to employment, total hours worked increased by 0.9%, as losses in "other services" and wholesale and retail trade were offset by gains in construction, finance and public administration. The unemployment rate jumped 0.6 percentage points (ppts) to 9.4%, much above anticipated. The labor underutilization rate rose 1.2 ppts to 18.4% as well. The data for February is expected to be little better, albeit weak, as restrictions were eased selectively.

Figure 2: Canadian Employment Under Renewed Stress



Sources: SSGA Economics, StatCan, Macrobond

UK

As we anticipated, the **Bank of England**'s Monetary Policy Committee (MPC) held interest rates and asset purchase targets unchanged at its meeting this week, deeming the current policy stance as appropriate. The Bank Rate remained at 0.1%, the targeted stock of government bond asset purchases at £875 billion, and the targeted stock of investment grade non-financial corporate bonds at £20 billion. All decisions were unanimous.

There were, however, some changes to forecasts and the debate around negative interest rates. On the growth front, Q4 2020 performance likely was "materially stronger than expected in the November Report." By contrast, GDP is now seen contracting in Q1 2021, such that the full-year 2021 advance is softer than projected in the November Report. We see these new forecasts as a bit too conservative. In particular, "The MPC's forecasts assume that the restrictions in effect in the UK as of 27 January remain in place throughout 2021 Q1." This seems a bit conservative in the context of a vaccination program that has already delivered one vaccine dose to 15% of the UK population. We believe there will be a faster/broader reopening that will allow for a better Q1 and full-year 2021 outcome than implied in the MPC's new projections. This, we believe, will especially be the case with private consumption, where the Bank's new forecasts assume a drastically weaker path in 2021 compared with the November forecast, with the bulk of the recovery pushed back to 2022. We see considerable upside to that particular projection. Despite these changes to the growth profile, the MPC sees economic slack dissipating sooner by late 2021 as supply side capacity was hit, leading to inflation moving to target over the forecast horizon. From a policy standpoint, the implication of all this is slightly hawkish.

The discussion on negative interest rates was also hawkish. Based on engagement with regulated entities, the Prudential Regulatory Agency (PRA) informed the MPC "that implementation of a negative Bank Rate over a shorter timeframe than six months would attract increased operational risks". Following what appears to have been a lively debate, the MPC directed the PRA to "engage with PRA-regulated firms to ensure they commence preparations in order to be ready to implement a negative Bank Rate at any point after six months." But the MPC "was clear that it did not wish to send any signal that it intended to set a negative Bank Rate at some point in the future". Moreover, even those members who thought the PRA should begin preparations believe that a negative Bank Rate "was not warranted by the current conjuncture and the outlook described in the MPC's latest economic projections." Given that in six months' time the economic backdrop should be far more favorable, it seems that negative interest rates are being added to the Bank's toolkit for use in a future economic cycle, not in this one.

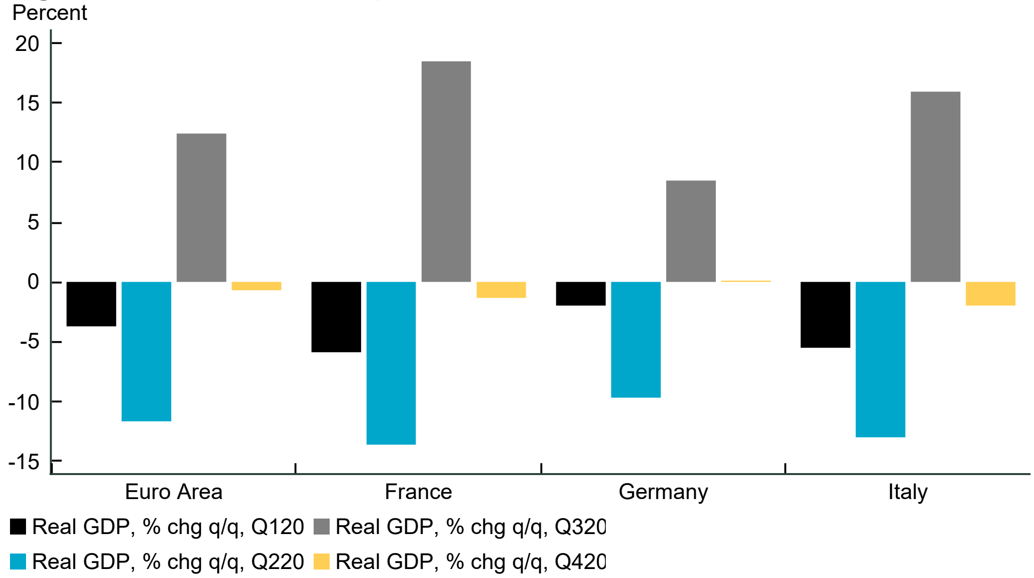
Mortgage **activity** maintained its torrid pace in December. The number of approved mortgages was little changed at 103,400, up 53.6% y/y and the second highest level since August 2007 (highest was November 2020) . Alongside US and Canada, the UK is experiencing a sharp housing sector rebound.

Purchasing managers indexes show a clear impact from new mobility restrictions, although the relative resilience of manufacturing continues. Indeed, while the manufacturing PMI lost 3.5 points in January, it remained in expansion territory at 54.1. In sharp contrast, the services index (the business activity measure) lost 10.0 points to 39.5, the lowest level since May. One silver lining is that both were a little stronger than the preliminary readings had indicated.

Eurozone

Eurozone GDP contracted by a bit less than expected during the fourth quarter. Following positive surprises last week from Germany, France, and Spain, this was hardly a shock (Figure 3, page 6). Still, we welcome any good news given how dire the 2020 economic situation has been. Regional GDP declined 0.7% q/q in Q4 (versus expectations of a 0.9% contraction), leaving output 5.1% lower than in Q4 2019. Eurozone GDP contracted 6.8% in 2020 as a whole. Italian GDP shrank 2.0% q/q in the fourth quarter—in line with expectations—leaving output 6.6% lower than a year earlier. Seasonally and workday adjusted Italian GDP contracted 8.9% in 2020.

Figure 3: Smaller Than Expected Q4 GDP Contraction In The Eurozone



Sources: SGA Economics, INSEE, Istat, Eurostat, DESTATIS

It is not fair to describe the ***German* retail sales** print for December as a disappointment…because it was far more disastrous than that! Sales collapsed 9.6%, far worse than even the 6.2% drop registered in April 2020, at the onset of the Covid crisis. Thanks to earlier gains, sales were only down 1.1% y/y in December, and managed a 3.6% annual gain in 2020 as a whole. The December data implies a very weak start to the 2021 first-quarter, even though a bounce-back is likely.

***Italian* retail sales** rose a better than expected 2.5% in December, but this barely retraced a third of November's losses and still left sales down 3.4% y/y. Overall retail sales declined 5.4% in 2020, having risen incrementally in 2019.

Japan

The index of **leading economic indicators** fell in December after six consecutive gains, down 1.2 points to 94.9. We are likely to see further dip in confidence as Japan continues to face the worst phase of Covid infections experienced so far.

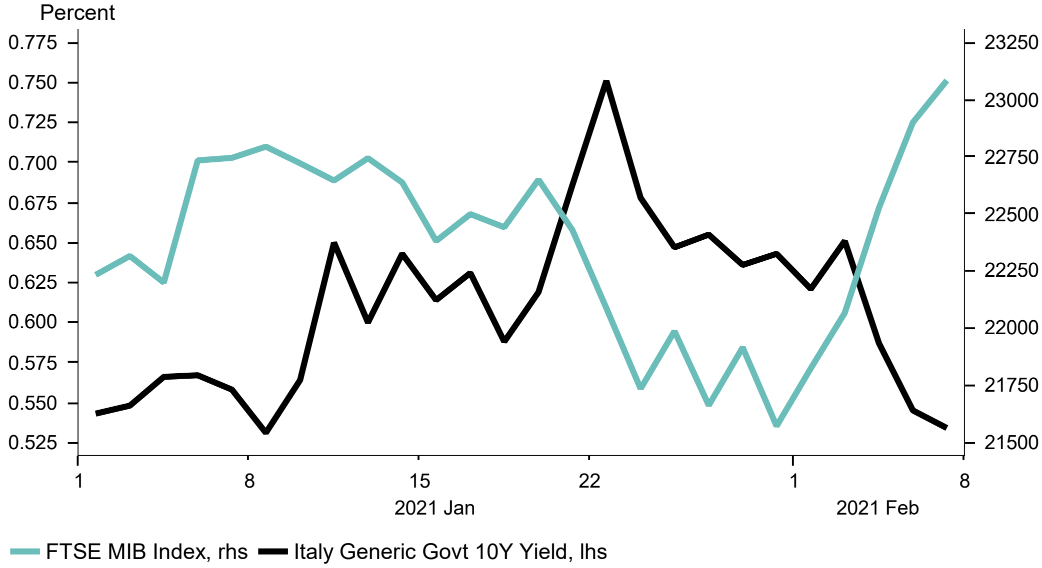
Australia

The **Reserve Bank of Australia (RBA)** expanded and extended its QE program by a further A$100 billion beyond April. But the cash rate remains at 0.1% and the target for the 3 year bond yield and the interest rate on the term funding facility (TFF) were left unchanged. The bank felt the need to reiterate its commitment to keeping a highly supportive monetary policy for the foreseeable future, given the positive outlook for the economy. According to the RBA, "the Board will not increase the cash rate until actual inflation is sustainably within the 2 to 3 per cent target range. For this to occur, wages growth will have to be materially higher than it is currently. This will require significant gains in employment and a return to a tight labor market. The Board does not expect these conditions to be met until 2024 at the earliest."

The Market This Week

Italian assets got a strong bid this week as news emerged that former ECB President Mario Draghi was asked to form a new government.

Figure 4: Italian Assets Get A "Mario" Bid



Sources: Bloomberg, Macrobond,

Equities: Italy leads global equity gains…

Bonds: …and bucks the global trend toward higher yields.

Currencies: The dollar strengthens.

Commodities: Oil surges, gold retreats.

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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®	3884.53	4.6%	3.4%	1.17	10	25	91.04	0.5%	1.2%
Canada	TSE 300	18124.32	4.5%	4.0%	1.00	11	32	1.2768	-0.1%	0.3%
UK	FTSE®	6489.33	1.3%	0.4%	0.48	16	29	1.373	0.2%	0.4%
Germany	DAX	14056.72	4.6%	2.5%	-0.45	7	12			
France	CAC-40	5659.26	4.8%	1.9%	-0.23	5	11	1.2042	-0.8%	-1.4%
Italy	FTSE® MIB	23083.42	7.0%	3.8%	0.53	-11	-1			
Japan	Nikkei 225	28779.19	4.0%	4.9%	0.06	1	4	105.42	0.7%	2.1%
Australia	ASX 200	6840.531	3.5%	3.8%	1.19	6	22	0.7666	0.3%	-0.4%

Commodity Markets						
Commodity	Unit	Source	Last Price	%Ch Week	%Ch YTD	%ChYr Ago
Oil (Brent)	US $/Barrel	Bloomberg	59.17	7.9%	15.6%	7.5%
Gold	US $/troy oz	Bloomberg	1811.34	-2.0%	-4.6%	16.4%

Source: Bloomberg®

Week in Review (February 1–February 5)

Country	Release (Date, format)	Consensus	Actual	Last	Comments
Monday, February 1					
US	ISM Manufacturing (Jan)	60.0	58.7	60.5(↓)	Lower, but robust.
UK	Mortgage Approvals (Dec, thous)	100.0	103.4	105.3(↑)	Housing is doing well.
UK	Manufacturing PMI (Jan, final)	52.9(p)	54.1	57.5	Good news!
EC	Manufacturing PMI (Jan, final)	54.7(p)	54.8	55.2	Good.
GE	Manufacturing PMI (Jan, final)	57.0(p)	57.1	58.3	Good.
GE	Retail Sales (Dec, m/m)	-2.0%	-9.6%	1.1%(↓)	Terrible!
FR	Manufacturing PMI (Jan, final)	51.5(p)	51.6	51.1	Modest, but improving.
IT	Unemployment Rate (Dec, prelim)	9.0%	9.0%	8.9%	Not much change.
IT	Manufacturing PMI (Jan)	52.4	55.1	52.8	Good!
JN	Manufacturing PMI (Jan, final)	49.7(p)	49.8	50.0	Fall in output volumes.
Tuesday, February 2					
US	Total Vehicle Sales (Jan, mil.)	16.1	16.6	16.3	Pretty impressive given the circumstances.
UK	Nationwide House PX (Jan, m/m)	0.3%	-0.3%	0.9%(↑)	Pull-back after recent gains?
EC	GDP (Q4, prelim, q/q)	-0.9%	-0.7%	12.4%(↓)	Not great, but it could have been worse…
IT	GDP (Q4, prelim, q/q)	-2.0%	-2.0%	16.0%(↑)	Not good, but it could have been worse…
AU	RBA Monetary Policy Decision	0.10%	0.10%	0.10%	Extends QE by additional A$100 billion.
Wednesday, February 3					
US	ISM Services (Jan)	56.8	58.7	57.7(↑)	Impressive; big gain in employment.
UK	Services PMI (Jan, final)	38.8(p)	39.5	49.4	Weak, but should improve soon.
EC	Services PMI (Jan, final)	45.0(p)	45.4	46.4	Weak, but should improve soon.
GE	Services PMI (Jan, final)	46.8(p)	46.7	47.0	Weak, but should improve soon.
JN	Services PMI (Jan, final)	45.7(p)	46.1	47.7	In a positive, employment levels broadly stable.
Thursday, February 4					
US	Initial Jobless claims (Jan 30, thous)	830	779	812(↓)	Notable improvement.
US	Continuing claims (Jan 23, thous)	4700	4592	4785(↑)	Good.
US	Factory Orders (Dec, m/m)	0.8%	1.1%	1.3%(↑)	Very good.
US	Durable Goods Orders (Dec, final, m/m)	0.2%(p)	0.5%	1.3%(↑)	Very good.
US	Nonfarm Productivity (Q4, prelim, q/q)	-3.0%	-4.8%	5.1%(↑)	Unusual volatility.
UK	BoE Monetary Policy Decision	0.10%	0.10%	0.10%	Unlikely to deploy negative rates this year.
Friday, February 5					
US	Change in Nonfarm Payrolls (Jan, thous)	105	49	-227(↓)	Another soft report; but strong hours data.
US	Unemployment Rate (Jan)	6.7%	6.3%	6.7%	Notable progress.
CA	Unemployment Rate (Jan)	8.9%	9.4%	8.8%(↑)	Covid related restrictions hurt services.
CA	Trade Balance (Dec, C$ bil.)	-3.0	1.7	-3.6(↓)	Strong energy product exports.
GE	Factory Orders (Dec, m/m)	-1.0%	-1.9%	2.7%(↑)	A soft patch.
IT	Retail Sales (Dec, m/m)	1.6%a	2.5%	-6.9%	Down 5.4% in 2020.
JN	Leading Index (Dec, prelim)	95.2	94.9	96.1(↓)	Official assessment: Halting to fall.
AU	Retail Sales (Dec, final, m/m)	-4.2%(p)	-4.1%	7.1%	Sales up a solid 2.5% in December quarter.

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

Week Preview (February 8–February 12)

Country	Release (Date, format)	Consensus	Last	Comments
Monday, February 8				
GE	Industrial Production (Dec, m/m)	0.3%	0.9%	
Tuesday, February 9				
US	NFIB Small Business Optimism (Jan)	96.5	95.9	Important signal.
US	JOLTS Job Openings (Dec, thous)	6450	6527	
US	Mortgage Delinquencies (Q4, q/q)	na	7.6%	
FR	Bank of France Ind. Sentiment (Jan)	na	97	
IT	Industrial Production (Dec, m/m)	0.3%	-1.4%	
JN	Labor Cash Earnings (Dec, y/y)	-4.0%	-1.8%(↑)	Major drag from overtime and bonus pay.
AU	NAB Business Confidence (Jan)	na	4	Expect to be better.
Wednesday, February 10				
US	Monthly Budget Statement (Jan, $ bil.)	na	-143.6	
US	CPI (Jan, y/y)	1.5%	1.4%	Inflation will take center stage in coming months.
FR	Industrial Production (Dec, m/m)	0.4%	-0.9%	
Thursday, February 11				
US	Initial Jobless claims (Feb 6, thous)	765	779	
US	Continuing claims (Jan 30, thous)	na	4592	
Friday, February 12				
US	U of Mich Sentiment (Feb, prelim)	80.5	79	
UK	GDP (Q4, prelim, q/q)	0.5%	16.0%	Important update!
UK	Industrial Production (Dec, m/m)	0.6%	-0.1%	
EC	Industrial Production (Dec, m/m)	0.0%	2.5%	

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

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	1.2	1.4	1.2	1.1	1.3
Canada	Target: CPI 2.0% y/y, 1.0%-3.0% control range	0.1	0.5	0.7	1.0	0.7
UK	Target: CPI 2.0% y/y	0.2	0.5	0.7	0.3	0.6
Eurozone	Target: CPI below but close to 2.0% y/y	-0.2	-0.3	-0.3	-0.3	-0.3
Japan	Target: CPI 2.0% y/y	0.2	0.0	-0.4	-0.9	-1.2
Australia	Target Range: CPI 2.0%-3.0% y/y	0.7	0.7	0.9	0.9	0.9

Source: Macrobond

Key Interest Rates

	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	#####	Dec-20	Jan-21
US (top of target range)	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
Canada (Overnight Rate)	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
UK (Bank Rate)	0.10	0.10	0.10	0.10	0.10	0.10	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)	-0.07	-0.06	-0.07	-0.07	-0.02	-0.06	-0.06	-0.03	-0.03	-0.03	-0.01
Australia (OCR)	0.43	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.11	0.10	0.10

Source: Macrobond

General Government Structural Balance as a % of Potential GDP

	2013	2014	2015	2016	2017	2018	2019	2020	Forecast 2021	Forecast 2022
US	-3.0	-2.6	-2.6	-3.7	-4.3	-5.7	-6.8	-15.0	-7.6	-6.1
Canada	-1.5	-0.6	0.0	0.0	-0.3	-0.7	-0.6	-16.5	-7.9	-5.2
UK	-4.3	-4.9	-4.3	-3.3	-2.6	-2.3	-2.2	-14.0	-6.4	-5.4
Eurozone	-1.1	-0.7	-0.6	-0.6	-0.6	-0.5	-0.6	-5.3	-3.1	
Germany	0.6	1.2	1.2	1.2	1.2	1.3	1.3	-5.8	-1.8	1.0
France	-2.9	-2.6	-2.2	-2.1	-2.1	-1.7	-2.0	-4.5	-4.0	-3.8
Italy	-0.5	-1.0	-0.6	-1.3	-1.8	-1.9	-1.3	-3.8	-3.4	-2.9
Japan	-7.5	-5.5	-4.3	-4.1	-3.3	-2.5	-3.0	-12.7	-5.6	-2.8
Australia	-2.7	-2.8	-2.6	-2.3	-1.6	-1.2	-3.7	-9.2	-9.8	-5.9

Source: International Monetary Fund, World Economic Outlook

Headline Consumer and Producer Price Inflation

	CPI Year/Year % Change						PPI Year/Year % Change				
	Sep	Oct	Nov	Dec	Jan		Aug	Sep	Oct	Nov	Dec
US	1.4	1.2	1.2	1.4			-0.3	0.4	0.5	0.8	0.8
Canada	0.5	0.7	1.0	0.7			0.3	1.1	1.1	0.5	1.8
UK	0.5	0.7	0.3	0.6			-0.9	-0.9			
Eurozone	-0.3	-0.3	-0.3	-0.3			-2.6	-2.3	-2.0	-1.9	-1.1
Germany	-0.2	-0.2	-0.3	-0.3	1.0		-1.2	-1.0	-0.7	-0.5	0.2
France	0.0	0.0	0.2	0.0	0.6		-2.2	-2.1	-2.0	-1.9	-1.3
Italy	-0.6	-0.3	-0.2	-0.2	0.2		-3.0	-3.1	-2.4	-2.3	-1.8
Japan	0.0	-0.4	-0.9	-1.2			-0.6	-0.8	-2.1	-2.3	-2.0
Australia	0.7	0.9	0.9	0.9			-0.4	-0.4	-0.1	-0.1	-0.1

Source: Macrobond

Real GDP Growth (Q/Q Seasonally Adjusted)

	Quarter/Quarter % Change					Year/Year % Change				
	Q4-19	Q1-20	Q2-20	Q3-20	Q4-20	Q4-19	Q1-20	Q2-20	Q3-20	Q4-20
US	0.6	-1.3	-9.0	7.5	1.0	2.3	0.3	-9.0	-2.8	-2.5
Canada	0.1	-1.9	-11.3	8.9		1.7	-0.3	-12.5	-5.2	
UK	0.0	-3.0	-18.8	16.0		1.2	-2.4	-20.8	-8.6	
Eurozone	0.1	-3.7	-11.7	12.4	-0.7	1.0	-3.2	-14.7	-4.3	-5.1
Germany	0.0	-2.0	-9.7	8.5	0.1	0.4	-2.2	-11.2	-4.0	-3.9
France	-0.2	-5.9	-13.7	18.5	-1.3	0.8	-5.7	-18.8	-3.9	-5.0
Italy	-0.4	-5.5	-13.0	16.0	-2.0	0.1	-5.6	-18.1	-5.1	-6.6
Japan	-1.9	-0.5	-8.3	5.3		-1.0	-2.1	-10.3	-5.7	
Australia	0.4	-0.3	-7.0	3.3		2.2	1.4	-6.4	-3.8	

Source: Macrobond

Industrial Production Index (M/M Seasonally Adjusted)

	Month/Month % Change					Year/Year % Change				
	Aug	Sep	Oct	Nov	Dec	Aug	Sep	Oct	Nov	Dec
US	0.7	-0.1	1.0	0.5	1.6	-6.6	-6.3	-5.0	-5.4	-3.6
Canada	-1.0	1.8	-0.4	2.4		-9.0	-7.1	-7.8	-5.2	
UK	0.2	0.3	1.1	-0.1		-6.0	-6.2	-5.8	-4.7	
Germany	0.5	2.3	3.4	0.9		-9.0	-6.6	-2.5	-2.6	
France	1.1	1.6	1.9	-0.9		-6.3	-5.8	-3.9	-4.6	
Italy	7.0	-5.0	1.4	-1.4		-0.1	-4.8	-2.3	-4.3	
Japan	1.0	3.9	4.0	-0.5	-1.6	-12.3	-10.6	-3.2	-3.1	-4.8

Source: Macrobond

Unemployment Rate (Seasonally Adjusted)

	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	#####	Dec-20	Jan-21
US	4.4	14.8	13.3	11.1	10.2	8.4	7.8	6.9	6.7	6.7	6.3
Canada	7.9	13.1	13.7	12.5	10.9	10.2	9.2	9.0	8.6	8.8	9.4
UK	4.0	4.1	4.1	4.3	4.5	4.8	4.9	5.0			
Eurozone	7.4	7.3	7.6	7.9	8.6	8.6	8.6	8.4	8.3	8.3	
Germany	5.0	5.8	6.3	6.4	6.4	6.3	6.3	6.2	6.1	6.0	6.0
France	8.0	7.3	7.2	6.9	9.4	9.0	8.8	8.6	8.8	8.9	
Italy	8.5	7.4	8.7	9.3	9.7	9.6	9.5	9.5	8.8	9.0	
Japan	2.5	2.6	2.9	2.8	2.9	3.0	3.0	3.1	2.9	2.9	
Australia	5.2	6.4	7.1	7.4	7.5	6.8	6.9	7.0	6.8	6.6	

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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