July 9, 2021
Commentary

Weekly Economic Perspectives

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Spotlight on Next Week
Core inflation expected to increase further in the US. Bank of Canada should maintain hawkish tone. UK wage inflation to accelerate.

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The Economy

A week of mixed macro data and many market reversals.

US

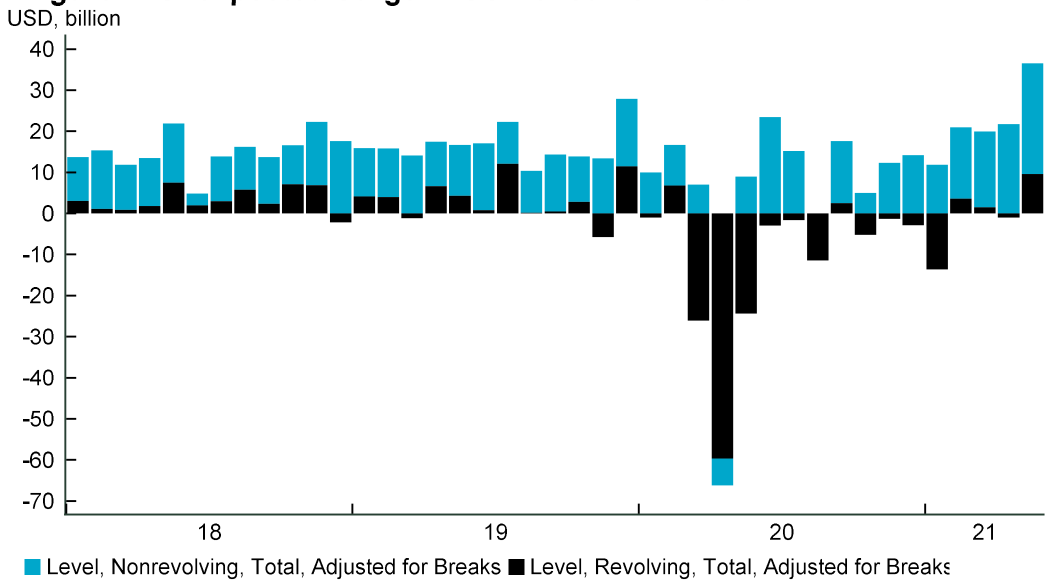
In our interpretation, “prudent planning” was the key concept in the June **FOMC minutes**. Everything in the discussion—and that discussion focused more intensely on tapering than Chair Powell let on during the press conference—centered around this idea. It is evident that some committee members are less confident than others on how quickly the labor market can retrace earlier losses, even as some committee members are more alert than others to the possibility that inflationary pressures may prove more persistent than previously thought. Despite this range of views, in the spirit of preparing for all eventualities, the committee moved to broach the taper topic and did so in more than just a superficial manner. We already suspected in the immediate aftermath of the meeting that a deep taper discussion would occur at the late July meeting; the minutes further support that expectation. It is important to emphasize that while a lot of attention focused on the June “dots” bringing forward rate hikes into 2023, the only aspect of policy that has near-term relevance is the tapering of asset purchases. Notably, some participants saw value in reducing MBS purchases either faster or sooner than treasuries; others preferred a synchronized approach for simplicity and to keep with the prior taper experience. But today’s housing market is far stronger than during the Fed’s earlier taper, so simply replicating the earlier approach for the sake of sticking with an existing prescription may not necessarily be the best approach.

The **non-manufacturing ISM index** looks to have peaked. This should hardly come as a shock given that the survey is a measure of breadth rather than intensity of economic activity. As the economic reopening progresses and as business picks up, it is natural to see this indicator peak. But a peak is not synonymous to the “end of growth”! Indeed, even as much of the commentary around the release focused on the miss relative to expectations—the headline dropped 3.9 points to a four-month low of 60.1—we couldn’t help but notice this was the first ever run of four consecutive readings above the 60 level in the entire history of the series. And while supply chain constraints did flatter the headline, it was also notable that new orders only moderated 1.8 points are remain extremely robust at 62.1. As for employment, which was a major drag given the 6.0-point drop to 49.3, it is difficult to read this too negatively. We already have data on June payrolls—which showed solid gains in services—and the JOLTS report (see below) continues to suggest that any pullback in hiring might have more to do with inability to find workers rather than weak labor demand. Admittedly, to the extent that lack of labor becomes a hard constraint on activity, this is something to watch. However, we still believe the signal from the non-manufacturing ISM was better than generally perceived. Finally, price pressures remain intense as the price metric barely eased off last month’s record high.

Job openings rose incrementally in May but a downward revision to the April data means that openings were actually lower in May then where we thought they were the month before. But we are splitting hairs here since, at 9.2 million, the absolute level of openings is extremely high…a record high, to be clear. However, just as we did last month, we wonder whether this might be “too much of a good thing”. Of course, it is great to have abundant job openings as they signal strong labor demand. However, openings today are boosted by acute labor supply constraints and today’s elevated readings speak more to the struggle of regaining pre-Covid employment levels rather than genuine new expansion of employment opportunities. Still, it is a good time to be looking for a job as there is one opening for every unemployed person, a far cry from May 2020, when there were 4.5 unemployed for each job opening. And while the number of quits declined sharply, it did so following an even larger April surge than what was initially reported. This is a compelling signal of worker confidence, one we are no weary of believing in since we see it corroborated in a number of other indicators, including the Conference Board labor differential.

Consumer credit surged unexpectedly in May, increasing by the most in over a decade. Unlike in recent months, there was a meaningful contribution from revolving credit, which increased by the most since December 2019. Even so, it remains well below pre-Covid levels. Meanwhile, non-revolving credit (mostly mortgages and auto loans) posted another big increase to touch yet another record high.

Figure 1: Unexpected Surge In US Consumer Credit



Sources: SSGA Economics, Fed

Canada

The **labor market** bounced back in June after restrictions were eased across Canada. The unemployment rate fell 0.4 percentage points (ppts) to 7.8%, as unemployment fell by 61,000. Employment rose by 231,000 as well, recouping majority of the losses over the previous two months. Employment growth was entirely in part-time work and concentrated among youth aged 15 to 24. This was commensurate with increases in hospitality and retail, which benefitted the most from re-opening. The labor underutilization rate declined as well, by 2.0 ppts to 15.6% in June. The pace of job gains are likely remain strong over the next few months before the momentum fades. But the labor market is strongly poised for a recovery across the rest of the year.

We don't always report on the **Ivey Purchasing Managers Index** since it is extremely volatile and does not appear to send reliable signals on the economy, except perhaps when registering outsized movements. We got such a move in June, with the index surging 7.2 points to 71.9, fastest in three months. Measures of both employment and prices were higher.

UK

The final read on the June **services PMI** was a little better than initially reported. There still was a slight moderation from May's record high, but given the level of the index, the magnitude of the pullback was insignificant. The headline settled at 62.4 (vs. 61.7 in the preliminary reading). Incoming new business stands at 61.5 and employment stands at a near-record 58.3—it is hard to find anything to complain about here…Both price metrics rose. In fact, the input price metric, which was reportedly within a hairbreadth of a record high in the preliminary reading, actually established a record in the final print. The output price metric was already at a record, but the final read was 0.5-point higher than the preliminary estimate.

Industrial production came in a bit softer than expected in May, although that was partly offset by an upward revision to the April data. Moreover, it appears as though supply chain challenges played a role here, as they appear to be doing in many other places; the upside being that they should gradually ease in coming months. Overall industrial production increased 0.8%, but manufacturing production declined 0.1%. Within manufacturing, transportation equipment plunged 16.5%. After a big drop in April, mining production recovered, but only slightly. Electricity production jumped and water utilities were flat. Production increased 20.6% y/y.

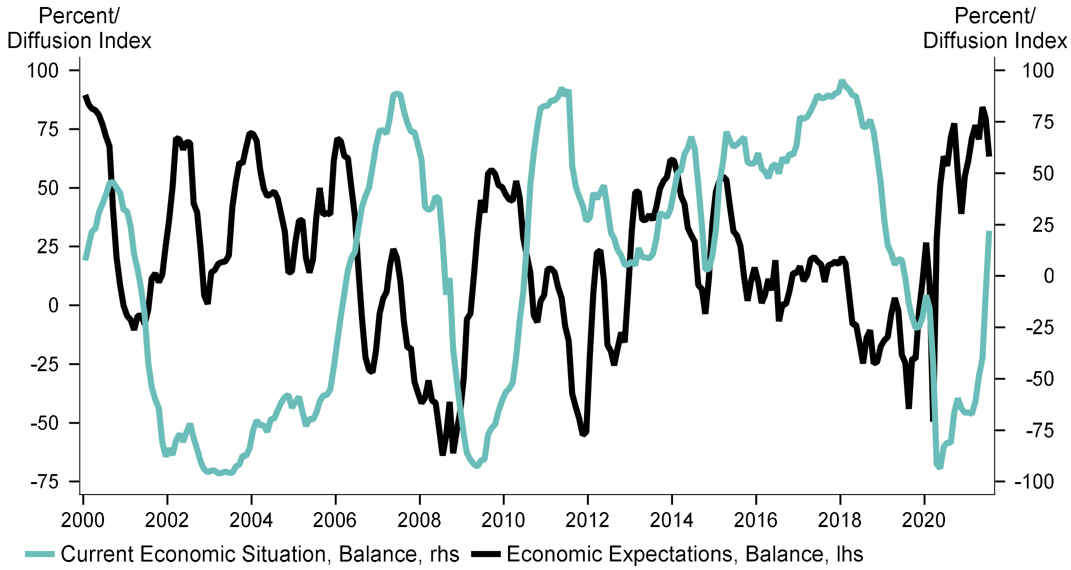
Eurozone

While service activity is rebounding strongly, **industrial production** is hitting some headwinds amid supply chain challenges. May industrial production dipped 0.3% in both ***Germany*** and ***France***, leaving output 17.2% and 20.5% higher, respectively, than a year earlier. ***Italian*** industrial production dropped 1.5% in May, the first decline in six months, but remained 21.1% higher than a year earlier.

Italian **retail sales** rose a modest 0.2% in May; they've actually made surprisingly little progress since February, but we expect that to change for the better in coming months. Sales rose 13.3% y/y.

The **ZEW *German* Investor Confidence index** moderated in July but remained at a historically elevated level of 63.3. The signal was actually even more positive in that this measure of expectations coincided with a sharply improved assessment of the current situation. Thus, even as current conditions already improved sharply, expectations of further gains remain quite robust.

Figure 2: German ZEW Index Shows Much Better Current Conditions

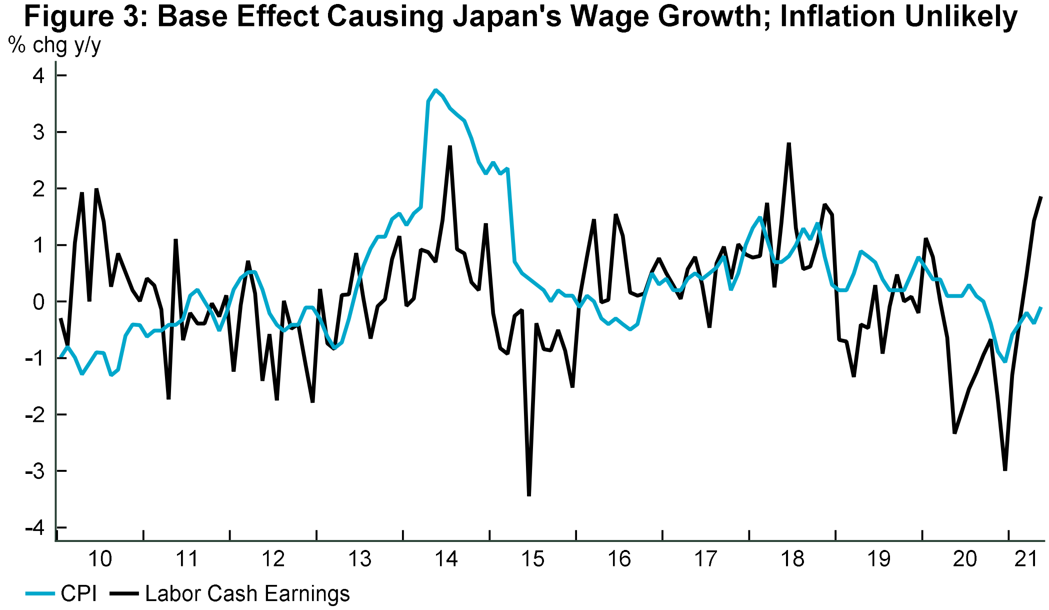


Sources: ZEW (Centre for European Economic Research)

Japan

Japan's **wage earnings** accelerated sharply in May, rising 1.9% y/y which follows a 1.4% increase in April. This was the sharpest rise since 1997. Overtime wages shot up by 20.7%, attributable to base effects, and contributed 1.1 percentage points to wage growth. Hours worked recorded a notable gain of 6.8%. Real wages also increased, by 2.0% y/y.

Figure 3: Base Effect Causing Japan's Wage Growth; Inflation Unlikely



Sources: SSGA Economics, Japanese Ministry of Health, Labour & Welfare, Japanese Statistics Bureau, Ministry of

The **index of leading economic indicators** dropped 1.2 points to 102.6 in May, still well above historical average. Despite persistent drag on activity due to Covid, it appears that economic performance should improve greatly in coming months. The coincident index also jumped 2.6 points to 92.7, with the Cabinet Office assessing conditions to be “improving”.

Australia

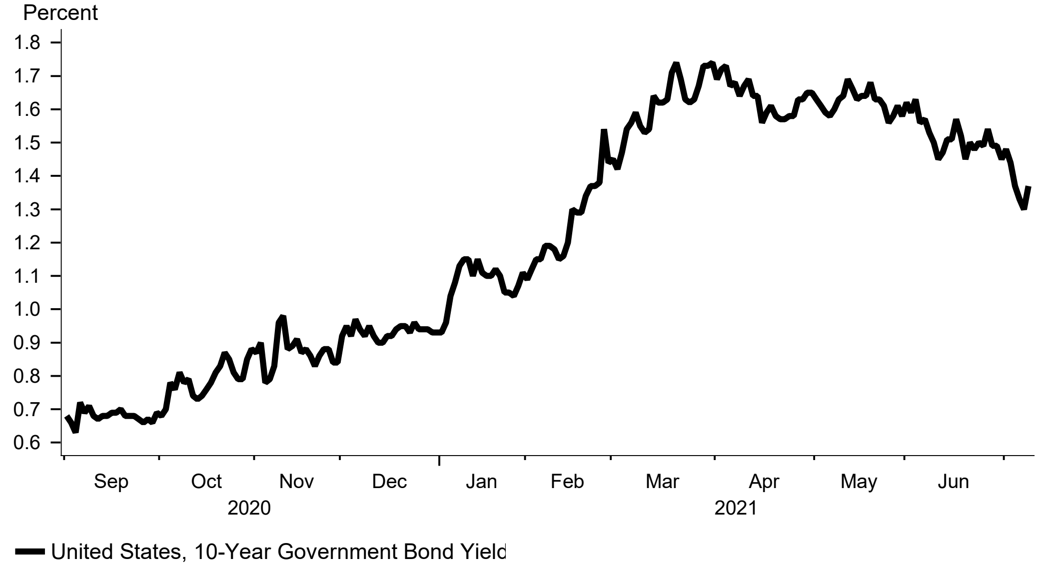
The **Reserve Bank of Australia** turned more hawkish at the latest board meeting. They maintained the cash rate at 0.1%, and fixed the end of the Yield Curve Control to the April 2024 bond instead of rolling it over to November 2024. This is consistent with the RBA’s earlier affirmation that conditions for a lift-off in rates will not be achieved until 2024. The RBA will continue the asset purchase program beyond its current expiry in September, albeit at a slower pace of A$4 billion per week from A$5 billion earlier. It will continue “until at least mid November” when the board will conduct a review of the program. The RBA also confirmed the Term Funding Facility (TFF) had closed to new lending at the end of June as planned. Outlook on the domestic economy was pretty upbeat despite the recent outbreaks of the Delta variant in some parts of the country, and it was noted that “once outbreaks are contained and restrictions are eased, the economy bounces back quickly”. The recovery in labor market has been faster than expected, but inflation and wage outcomes have remained subdued, with any improvement likely to be "only gradual and modest.” The RBA sounded a bit cautious about the housing market, “the Bank will be monitoring trends in housing borrowing carefully and it is important that lending standards are maintained”.

An interesting change was the removal of “at the earliest” from its forward guidance, which makes the statement little more hawkish than expected. However, Governor Lowe appeared much more dovish in the post-meeting press conference, stressing that the taper “does not represent a withdrawal of support by the RBA”, and the RBA is ‘certainly not hinting at rate increases in 2023’ and is willing to maintain stimulus longer than other central banks.

The Market This Week

The downtrend in global bond yields continued this week, with the US 10-year yield dipping to the lowest since February. A partial reversal on Friday was not enough to offset earlier moves.

Figure 4: Bond Yields Move Lover Again



Sources: Macrobond, U.S. Department of Treasury

Equities: Divergent equity market performance: Japan down, US at record highs.

Bonds: Big swings leave treasury yields lower again.

Currencies: Commodity currencies (CA, AU) weaken.

Commodities: Volatile week ends with oil little changed and gold a little higher.

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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®	4369.55	0.4%	16.3%	1.36	-7	44	92.105	-0.1%	2.4%
Canada	TSE 300	20257.95	0.2%	16.2%	1.33	-5	65	1.2453	1.1%	-2.1%
UK	FTSE®	7121.88	0.0%	10.2%	0.66	-5	46	1.3899	0.5%	1.7%
Germany	DAX	15687.93	0.2%	14.4%	-0.29	-6	28			
France	CAC-40	6529.42	-0.4%	17.6%	0.05	-4	39	1.188	0.1%	-2.8%
Italy	FTSE® MIB	25051.82	-0.9%	12.7%	0.76	-1	22			
Japan	Nikkei 225	27940.42	-2.9%	1.8%	0.03	-1	1	110.13	-0.8%	6.7%
Australia	ASX 200	7273.294	-0.5%	10.4%	1.36	-12	39	0.7493	-0.4%	-2.6%

Commodity Markets						
Commodity	**Unit**	**Source**	**Last Price**	**%Ch Week**	**%Ch YTD**	**%ChYr Ago**
Oil (Brent)	US $/Barrel	Bloomberg	76.24	-0.2%	49.0%	81.4%
Gold	US $/troy oz	Bloomberg	1808.63	1.2%	-4.7%	0.3%

Source: Bloomberg®

Week in Review (July 5–July 9)

Country	Release (Date, format)	Consensus	Actual	Last	Comments
Monday, July 5					
UK	Services PMI (Jun, final)	61.7(p)	62.4	62.9	Robust, nice to see.
EC	Services PMI (Jun, final)	58.0(p)	58.3	55.2	Excellent, should continue to show strength.
GE	Services PMI (Jun, final)	58.1(p)	57.5	52.8	Excellent, should continue to show strength.
FR	Industrial Production (May, m/m)	0.8%	-0.3%	0.1%(↑)	Up 20.5% y/y.
JN	Services PMI (Jun, final)	47.2(p)	48	46.5	Softer fall in business activity.
AU	Retail Sales (May, final, m/m)	0.1%(p)	0.4%	1.1%	Considerable upward revision in apparel sales.
Tuesday, July 6					
US	ISM Services Index (Jun)	63.5	60.1	64.0	Don't be too alarmed by the retreat.
GE	Factory Orders (May, m/m)	0.9%	-3.7%	1.2%(↑)	
GE	ZEW Investor Expectations (Jul)	75.2	63.3	79.8	Current situation metric much improved.
JN	Labor Cash Earnings (May, y/y)	2.1%	1.9%	1.4%(↓)	Massive increase in overtime wages.
AU	RBA Monetary Policy Decision	0.10%	0.10%	0.10%	Commences tapering.
Wednesday, July 7					
US	FOMC Minutes				"Prudent planning" involves taper planning.
US	JOLTS Job Openings (May, thous)	9325	9209	9193(↓)	Record high.
CA	Ivey PMI (Jun)	na	71.9	64.7	Highest in three months.
GE	Industrial Production (May, m/m)	0.5%	-0.3%	-0.3%(↑)	Up 17.2% y/y.
FR	Bank of France Ind. Sentiment (Jun)	108	107	107	Elevated.
IT	Retail Sales (May, m/m)	3.0%	0.2%	-0.1%(↑)	Not much improvement in last three months.
JN	Leading Index (May, prelim)	102.7	102.6	103.8	Improving.
Thursday, July 8					
US	Initial Jobless claims (Jul 3, thous)	350	373	371(↑)	Curiously sluggish.
US	Continuing claims (Jun 26, thous)	3350	3339	3484(↑)	Non-traditional claims make up the bulk now.
US	Consumer Credit (May, $ bil.)	18.0	35.2	20.0(↑)	Big, across-the-board, increase.
Friday, July 9					
CA	Unemployment Rate (Jun)	7.8%	7.8%	8.2%	Job gains driven by reopening.
UK	Industrial Production (May, m/m)	1.4%	0.8%	-1.0%(↑)	Supply constraints played a role.
IT	Industrial Production (May, m/m)	0.3%	-1.5%	1.3%(↓)	Up 21.1% y/y.

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

Week Preview (July 12–July 16)

Country	Release (Date, format)	Consensus	Last	Comments
Monday, July 12				
JN	Core Machine Orders (May, m/m)	2.5%	0.6%	Improving.
JN	PPI (Jun, y/y)	4.8%	4.9%	Low pass through to headline CPI.
Tuesday, July 13				
US	Monthly Budget Statement (Jun, $ bil.)	na	-132.0	
US	CPI (Jun, y/y)	4.9%	5.0%	Core expected to move higher.
US	NFIB Small Business Optimism (Jun)	100	99.6	
AU	NAB Business Confidence (Jun)	na	20	Likely to show little drag.
Wednesday, July 14				
US	Fed Beige Book			
US	PPI (Jun, y/y)	6.8%	6.6%	
CA	BoC Monetary Policy Decision	0.25%	0.25%	BoC to retain its hawkish bias.
CA	Manufacturing Sales (May, m/m)	na	-2.1%	
UK	CPI (Jun, y/y)	2.3%	2.1%	
EC	Industrial Production (May, m/m)	0.2%	0.8%	
JN	Industrial Production (May, final, m/m)	-5.9%(p)	2.9%	
Thursday, July 15				
US	Initial Jobless claims (Jul 10, thous)	na	373	
US	Continuing claims (Jul 3, thous)	na	3339	
US	Industrial Production (Jun, m/m)	0.6%	0.8%	
US	Empire Manufacturing (Jul)	18.7	17.4	
US	Philadelphia Fed Business Outlook (Jul)	28	30.7	
CA	Existing Home Sales (Jun, m/m)	na	-7.4%	
UK	ILO Unemployment Rate (May)	4.8%	4.7%	
UK	Average Weekly Earnings (May, 3m y/y)	7.1%	5.6%	Big jump!
JN	Tertiary Industry Index (May, m/m)	-0.9%	-0.7%	
AU	Unemployment Rate (Jun)	5.1%	5.1%	Good month before lockdown impact shows.
Friday, July				
US	Retail Sales (Jun, m/m)	-0.5%	-1.3%	Some downside risk here given weak motor vehicle sales.
US	Business Inventories (May, m/m)	0.4%	-0.2%	
US	U of Mich Cons Sentiment (Jul, prelim)	86.5	85.5	
CA	Housing Starts (Jun, thous)	na	275.9	
EC	CPI (Jun, final, y/y)	1.9%(p)	2.0%	
JN	BoJ Monetary Policy Decision	-0.10%	-0.10%	Status quo.

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

Economic Indicators

Central Bank Policy Targets

Region	Target	Year/Year % Change in Target				
		Jan	Feb	Mar	Apr	May
US	Target: PCE price index 2.0% y/y	1.4	1.6	2.4	3.6	3.9
Canada	Target: CPI 2.0% y/y, 1.0%-3.0% control range	1.0	1.1	2.2	3.4	3.6
UK	Target: CPI 2.0% y/y	0.7	0.4	0.7	1.5	2.1
Eurozone	Target: CPI below but close to 2.0% y/y	0.9	0.9	1.3	1.6	2.0
Japan	Target: CPI 2.0% y/y	-0.6	-0.4	-0.2	-0.4	-0.1
Australia	Target Range: CPI 2.0%-3.0% y/y	1.1	1.1	1.1		

Source: Macrobond

Key Interest Rates

	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-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)	-0.06	-0.06	-0.03	-0.03	-0.03	-0.01	-0.02	-0.04	-0.02	-0.03	-0.05
Australia (OCR)	0.25	0.25	0.25	0.11	0.10	0.10	0.10	0.10	0.10	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	-5.4	-6.1	-11.7	-12.9	-6.8
Canada	-1.5	-0.6	0.0	0.1	-0.3	0.0	0.3	-7.8	-6.7	-4.2
UK	-4.2	-4.9	-4.4	-3.3	-2.5	-2.3	-2.3	0.5	-5.0	-4.8
Eurozone	-1.1	-0.7	-0.6	-0.6	-0.5	-0.5	-0.5	-4.0	-4.6	-2.6
Germany	0.6	1.2	1.2	1.2	1.2	1.3	1.3	-2.6	-4.0	-0.3
France	-2.9	-2.7	-2.3	-2.1	-2.1	-1.8	-2.0	-3.6	-5.2	-4.0
Italy	-0.5	-1.0	-0.6	-1.3	-1.7	-1.9	-1.1	-5.1	-5.2	-4.1
Japan	-7.4	-5.7	-4.4	-4.3	-3.5	-2.7	-2.6	-11.3	-8.5	-3.6
Australia	-2.7	-2.7	-2.6	-2.3	-1.6	-1.2	-3.6	-9.1	-10.1	-6.9

Source: International Monetary Fund, World Economic Outlook

Headline Consumer and Producer Price Inflation

	CPI Year/Year % Change						PPI Year/Year % Change				
	Feb	Mar	Apr	May	Jun		Jan	Feb	Mar	Apr	May
US	1.7	2.6	4.2	5.0			1.6	2.8	4.2	6.2	6.6
Canada	1.1	2.2	3.4	3.6			4.3	7.2	10.2	14.4	16.4
UK	0.4	0.7	1.5	2.1							
Eurozone	0.9	1.3	1.6	2.0			0.4	1.5	4.4	7.6	9.6
Germany	1.3	1.7	2.0	2.5	2.3		0.9	1.9	3.7	5.2	7.2
France	0.6	1.1	1.2	1.4	1.5		0.2	1.7	4.1	6.0	6.6
Italy	0.6	0.8	1.1	1.3	1.3		-0.3	0.7	2.7	6.8	8.0
Japan	-0.4	-0.2	-0.4	-0.1			-1.5	-0.6	1.2	3.8	4.9
Australia	1.1	1.1					0.2	0.2	0.2		

Source: Macrobond

Real GDP Growth (Q/Q Seasonally Adjusted)

	Quarter/Quarter % Change						Year/Year % Change				
	Q1-20	Q2-20	Q3-20	Q4-20	Q1-21		Q1-20	Q2-20	Q3-20	Q4-20	Q1-21
US	-1.3	-9.0	7.5	1.1	1.6		0.3	-9.0	-2.8	-2.4	0.4
Canada	-2.0	-11.3	9.1	2.2	1.4		-0.4	-12.6	-5.1	-3.1	0.3
UK	-2.8	-19.5	16.9	1.3	-1.6		-2.2	-21.4	-8.5	-7.3	-6.1
Eurozone	-3.8	-11.5	12.6	-0.6	-0.3		-3.3	-14.6	-4.1	-4.7	-1.3
Germany	-2.0	-9.7	8.7	0.5	-1.8		-2.2	-11.2	-3.8	-3.3	-3.1
France	-5.9	-13.2	18.5	-1.5	-0.1		-5.5	-18.4	-3.5	-4.6	1.2
Italy	-5.7	-12.9	15.9	-1.8	0.1		-5.8	-18.1	-5.2	-6.5	-0.8
Japan	-0.5	-8.1	5.3	2.8	-1.0		-2.2	-10.2	-5.5	-1.0	-1.5
Australia	-0.3	-7.0	3.5	3.2	1.8		1.4	-6.2	-3.7	-1.0	1.1

Source: Macrobond

Industrial Production Index (M/M Seasonally Adjusted)

	Month/Month % Change						Year/Year % Change				
	Jan	Feb	Mar	Apr	May		Jan	Feb	Mar	Apr	May
US	1.1	-2.9	2.6	0.1	0.8		-1.7	-4.8	1.5	17.6	16.3
Canada	1.5	-1.5	1.2	-0.2			-1.7	-3.7	2.3	18.3	
UK	-1.6	0.5	1.5	-1.0	0.7		-4.1	-3.7	3.1	27.2	20.5
Germany	-2.0	-1.8	2.1	-0.3	-0.3		-3.7	-6.4	4.8	27.7	17.2
France	3.3	-4.6	1.0	0.1	-0.3		0.0	-6.4	14.3	44.2	20.5
Italy	1.3	0.1	0.2	1.5	-1.5		-2.3	-0.9	38.1	77.8	21.2
Japan	3.1	-1.3	1.7	2.9	-5.9		-2.2	-3.1	1.0	15.9	21.9

Source: Macrobond

Unemployment Rate (Seasonally Adjusted)

	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21
US	8.4	7.8	6.9	6.7	6.7	6.3	6.2	6.0	6.1	5.8	5.9
Canada	10.2	9.2	9.0	8.6	8.8	9.4	8.2	7.5	8.1	8.2	7.8
UK	4.8	4.9	5.0	5.1	5.0	4.9	4.8	4.7			
Eurozone	8.5	8.5	8.3	8.2	8.2	8.2	8.2	8.1	8.1	7.9	
Germany	6.3	6.3	6.2	6.2	6.1	6.0	6.0	6.0	6.0	5.9	5.9
France	8.9	8.9	8.3	8.0	7.8	7.9	8.1	8.2	7.8	7.5	
Italy	9.9	10.0	10.1	9.7	9.9	10.4	10.4	10.4	10.7	10.5	
Japan	3.0	3.0	3.1	3.0	3.0	2.9	2.9	2.6	2.8	3.0	
Australia	6.8	6.9	6.9	6.8	6.6	6.4	5.9	5.7	5.5	5.1	

Source: Macrobond

Current Account Balance as a % of GDP (Seasonally Adjusted)

	Q3-18	Q4-18	Q1-19	Q2-19	Q3-19	Q4-19	Q1-20	Q2-20	Q3-20	Q4-20	Q1-21
US	-2.3	-2.4	-2.4	-2.3	-2.2	-1.9	-2.1	-3.2	-3.3	-3.3	-3.5
Canada	-1.6	-2.8	-3.0	-1.7	-2.0	-1.6	-3.0	-1.6	-1.8	-0.9	0.2
UK	-3.3	-4.7	-6.3	-3.2	-3.2	0.3	-3.5	-3.0	-2.6	-4.8	-2.4
Eurozone	3.0	2.5	3.4	1.5	2.9	2.5	2.1	1.1	2.5	3.2	3.8
Germany	7.4	7.1	8.0	7.4	7.8	7.4	6.9	5.1	7.4	7.7	8.1
France	-0.7	-0.8	0.3	-0.3	-0.6	-0.4	-1.3	-3.5	-2.1	-0.9	-0.9
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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