STATE STREET GLOBAL ADVISORS

June 3, 2022
Commentary

Weekly Economic Perspectives

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Spotlight on Next Week
US core inflation to moderate slightly. The ECB to hold the line for now but signal imminent hike. The RBA is poised to deliver a larger rate hike.

Contact

Simona Mocuta
Senior Economist
simona_mocuta@ssga.com
+1-617-664-1133

Krishna Bhimavarapu
Economist
VenkataVamseaKrishna_Bhimavarapu@ssga.com
+91-806-741-5000

Amy Le
Macro-Investment Strategist
amy_le@ssga.com
+44-203-395-6590

The Economy

A lot of movement in both macro data and markets.

US

Employment growth is slowing, but, for the time being, remains robust. **Payrolls** increased by 390k in May, ahead of expectations. The private sector accounted for only 333k of those, however, while the government added the rest. For the second consecutive month, there was a downward revision to the prior two months (-22k).

The private goods-producing sector added 59k jobs, 10k less than in April. Unlike then, construction accounted for the majority with 36k, while manufacturing added just 18k. The private service-producing sector added 274k jobs, the least since April 2021. Perhaps the most notable detail was the 61k decline in retail trade employment—a data point corroborated by the services ISM (see below). Following a larger gain last month, financial services employment slowed in May; by contrast, temporary help employment jumped. Government employment almost doubled, driven almost entirely by state and local government employment.

According to the household survey, employment rose by 321k and the labor force grew by 330k. The one tenth increase in the labor force participation rate kept the **unemployment rate** unchanged at 3.6%, where it has been since March. The underemployment rate ticked up another tenth to 7.1%, the highest since February.

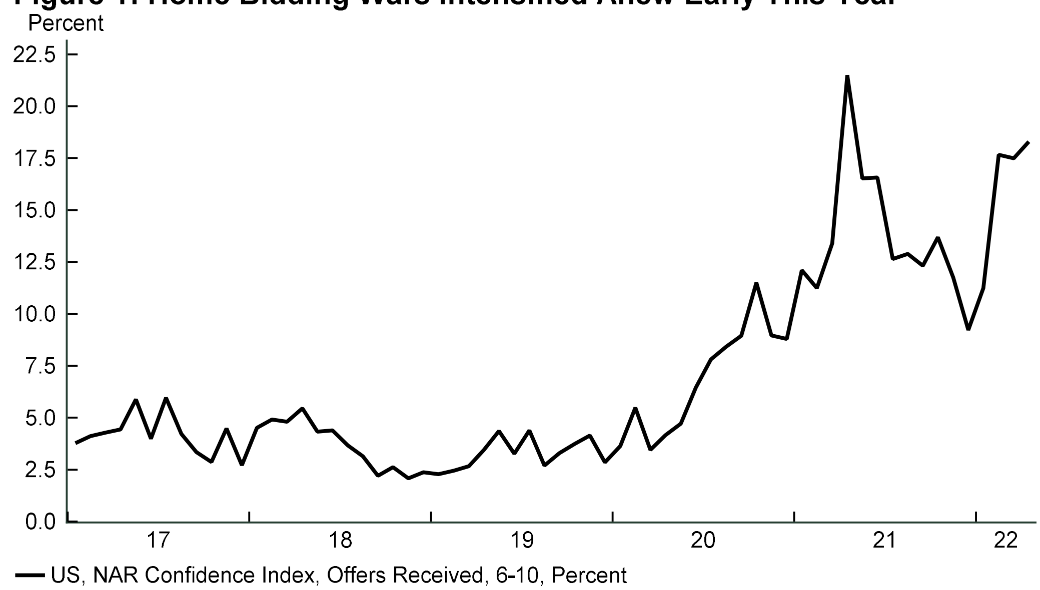
Wages came in a little softer than expected, but far from soft. While total average hourly earnings (AHE) rose 0.3% (vs 0.4% expected), AHE for production and non-supervisory employees rose a hefty 0.6%. The two corresponding measures of wage inflation decelerated three tenths to 5.2% y/y and one tenth to 6.5% y/y, respectively. The overall average workweek was unchanged but the manufacturing workweek declined by six minutes, as did manufacturing overtime. Total **aggregate hours** increased 0.3%, which, in conjunction with nominal wage gains, suggest another decent rise in wage and salary income in May.

Both manufacturing and services sectors continue to expand. The **manufacturing ISM index** surprised with a 0.7-point improvement to 56.1, on better output and new orders. Employment dipped below the neutral 50 mark but the press release noted that respondent comments described an improvement in the ability to hire during the month of May. Covid restrictions in China caused imports decline for the first time since October and for only the second time since mid-2020. The inventory situation remains mixed, with firms reporting faster inventory accumulation yet more saying that customer inventories are too low. Supply chain problems remain acute, according to respondent comments. Price pressures remain acute but eased incrementally.

The **services ISM index** retreated a larger-than-expected 1.2 points to 55.9. While still well in expansion territory, this marked the twin lowest level for the index since February 2021. The business activity metric (the old headline) retreated to the lowest level since May of 2020, and backlogs grew only modestly. Employment expanded, but only barely (50.2). On the other hand, both new orders and new export orders were strong (57.6 and 60.9, respectively). Inventories rose for the fourth consecutive month, but at a slower pace. Price pressures remained intense, though eased incrementally. Fourteen industries reported expansion and three reported contraction, with retail sales being one of them.

Last month, we described the February surge in home prices as “shockingly large”. Well, we were shocked again by the March data! The seasonally-adjusted **Case-Shiller 20-City composite price index** matched the prior month’s record 2.4% increase, leaving prices up a record 21.2% higher than a year earlier. Meanwhile, the **FHFA purchase-only single family house price** index increased 1.6%, putting that measure of house price inflation at 19.0% y/y, very close to record highs. The surge in prices seems puzzling in the context of rising interest rates. We suspect this reflects acute competition among homebuyers who locked in lower mortgage rates at the turn of the year, and bid fiercely for properties in subsequent months. Data from the National Association of Realtors (NAR) indeed shows that bidding wars re-emerged with a vengeance during the first quarter (Figure 1). We believe this to be a short-lived phenomenon that could come to an end imminently since buyers typically can only lock in rates for about two-three months. Should this thesis prove correct, we should start seeing smaller price gains very soon. An alternative explanation for the recent price strength may reflect a shift in the composition of purchases towards higher end properties whose affluent buyers are less dependent on financing. NAR data does indeed show that cash-only purchases accounted for close to 27% of sales in recent months, a multi-year high.

Figure 1: Home Bidding Wars Intensified Anew Early This Year



Sources: SSGA Economics, NAR

The strong labor market goes a long way to explain the resilience in the **Conference Board consumer confidence index**, especially when contrasted with the far softer, more inflation-sensitive, Michigan survey. While the Conference Board index did retreat to a three-month low in May and is well off 2021 highs, it remains well above pre-Covid levels. That said, the closely watched labor differential—which measures the difference between those who think jobs are abundant and those who think jobs are scarce—plunged 5.4 points in May, the largest decline since December 2020 and the lowest level in a year. This should not be taken as a sign that the labor market is in trouble, however, since this measure still remains close to historical records. Rather, it appears that the extreme buoyancy of the last year is now fading.

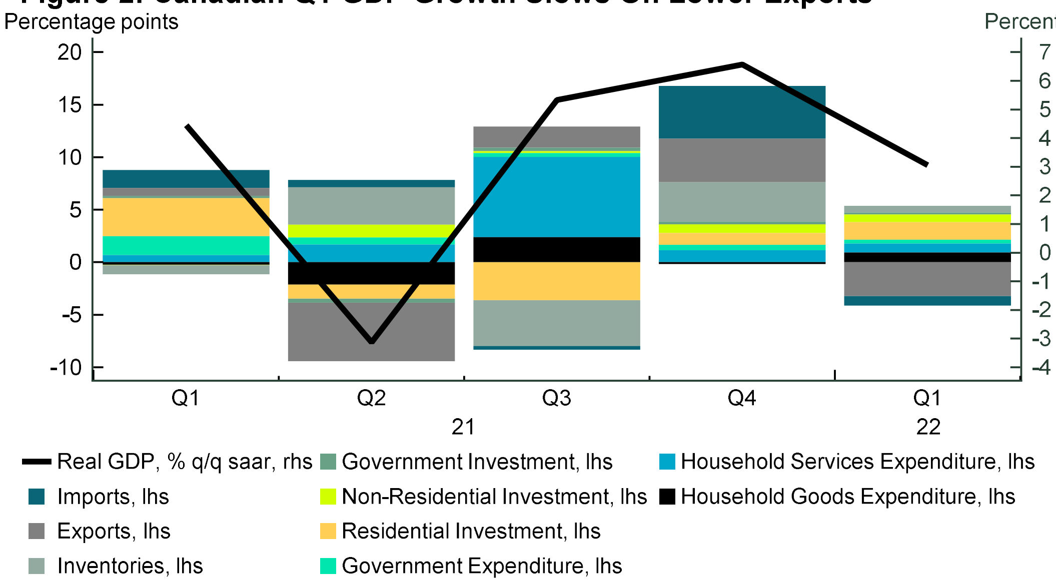
Motor vehicle sales slid to a five-month low of 12.7 million (seasonally adjusted, annual rate) in May, 25.4% lower than a year earlier. Low inventories are the main culprit, although rising interest rates may have played a marginal role as well. Through the first five months of 2022 motor vehicle sales declined 18.6% compared with the same period a year ago.

Canada

As widely expected, the **Bank of Canada (BoC)** raised its policy rate by another 50 basis points, to 1.5%. It also opened the door to a more aggressive tightening pace to curb inflation. Indeed, CPI inflation rose to 6.8% y/y in April, well above the Bank's forecast, and surging gas prices could push the May print higher still. Meanwhile, domestic demand and the labor market remain robust. Quantitative tightening continues, as a complementary policy tool. The BoC said that the pace of further increases in the policy rate will be guided by its ongoing assessment of the economy and inflation, and that it is "prepared to act more forcefully if needed" to meet its commitment to achieve the 2% inflation target.

The Canadian economy was not quite as robust as expected at the start of the year, but showed some momentum heading into Q2. Real GDP grew at an annualized rate of 3.1% in the first quarter, well below market expectations of a 5.2% advance but almost in line with Bank of Canada's own 3.0% forecast. Performance was weighed down by lower export volumes. Consumption increased by 2.9% with household spending remaining robust and rising by 3.4%. Government spending grew 1.8%. Business investment in gross fixed capital formation increased by 12.4%. Exports contracted 9.4% while imports declined by 2.8%. Monthly data for GDP by industry showed a robust 0.7% m/m gain in March, with goods-producing industry output up 0.9% m/m and services up 0.6% m/m. Statistics Canada estimates a 0.2% increase in GDP in April.

Figure 2: Canadian Q1 GDP Growth Slows On Lower Exports



Sources: SSGA Economics, StatCan

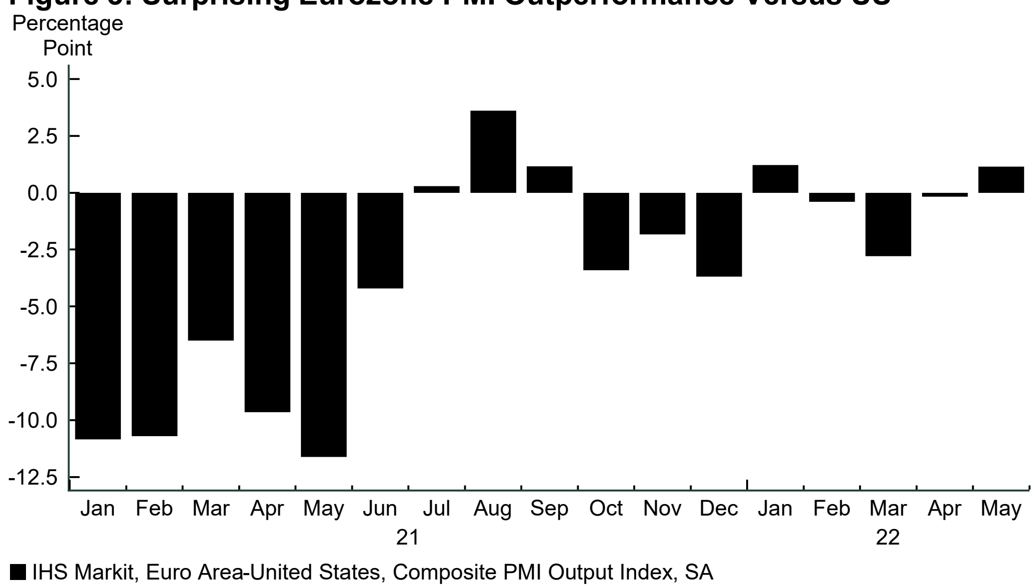
UK

The UK housing market is showing signs of slowing demand, yet only tentative signs of price deceleration. For instance, while April **mortgage approvals** slid to the lowest level since June 2020, house price gains remained robust. The **Nationwide index of house prices** posted a better than expected 0.9% increase in May, more than double April's rate and leaving this measure of house price inflation up 11.2% y/y. This is off about three percentage points from the recent March peak, but still almost two percentage points above the 2021 average.

Eurozone

The final readings on the eurozone purchasing managers' indexes for May came in fairly close to initial estimates. The regional manufacturing index was 0.2 point better than initially reported, coming in at 54.6. By contrast, the regional services index was 0.2 point softer, driven by a 1.3-point downward revision to the German index. The composite eurozone PMI stood at 54.8, a tenth softer than the initial estimate. To us, however, the bigger story here is the resilience shown by the eurozone PMIs since the war in Ukraine started. Given the region's geographical proximity and exposure to Russian energy imports (among others), it is notable that the eurozone held a slight edge over the US composite PMI measure in May (Figure 3).

Figure 3: Surprising Eurozone PMI Outperformance Versus US



Sources: SSGA Economics, IHS Markit

The region's economic performance is, evidently, more nuanced than any single indicator may convey. **Inflation** continues to skyrocket, with preliminary May readings up to 7.9% y/y in ***Germany***, 6.9% y/y in ***Italy*** and 5.2% y/y in ***France***. This is squeezing household budgets, undermining consumers' purchasing power and, in turn, GDP growth. Indeed, ***French*** **GDP** contracted 0.2% q/q in the first quarter, with household consumption detracting eight tenths of a percentage point from performance. Meanwhile, ***Italian*** **GDP** managed a 0.1% q/q gain during the period, but only thanks to a big contribution from investment. For its part, household consumption detracted over eight tenths of a percentage point from growth.

Consumer spending softness remains a critical risk to economic performance through the remainder of the year, although excess savings and more forceful fiscal actions offer some countervailing support. Still the 5.4% plunge in ***German*** **real retail sales** in April is a warning sign for what may be yet to come.

Japan

This week's data flow for Japan pointed to challenging external demand conditions and improving domestic demand. **Industrial production** contracted 1.3% in March, far worse than expected. However, this is probably because of the impact of weakness in China as we learnt that the top three automakers Honda, Toyota and Nissan saw their April output in China fall 81%, 24% and 51%, respectively. This underscores both the hit to external demand but also acute supply chain complications that are hindering domestic production.

On the positive side, **retail sales** increased 0.8% in April and stood 2.9% above year-earlier levels. The improvement reflected a 12.8% surge in apparel sales, likely in reaction to the lifting off of emergency measures. Nevertheless, this rebound must be put into context. During the first four months of 2022 overall retail sales only rose 1.0% y/y on average while apparel sales only rose 0.7% y/y, on average.

The labor market remains strong. The **unemployment rate** declined a tenth to 2.5% amid strong services demand. We noted a 50% y/y surge in hotels & restaurants jobs. **Private capex** spending rose by 3% y/y in Q1 2022 against 3.6% consensus and **vehicle sales** contracted 15% y/y, a little better than expected. We anticipate that the slowdown in China will be a drag on Q2 GDP but that pent up consumer demand and business investment will provide support.

Australia

Real GDP growth slowed markedly during the first quarter as household consumption moderated and net trade became a major detractor. The economy expanded 0.8% q/q in the first quarter, down from 3.6% in the fourth. As the post-reopening spending spree subsided, household consumption growth moderated from 6.4% q/q in Q4 to "just" 1.5% q/q in Q1. By contrast, government consumption growth accelerated. Private fixed investment grew modestly on the back of non-residential investment. For its part, residential investment contracted for the second consecutive quarter and is now down y/y for the first time since mid-2020. The biggest moves—and surprises—came from trade and inventories, however. Real net exports utterly collapsed under the dual weight of a 0.9% decline in exports and an 8.1% surge in imports. Indeed, real net trade reached the lowest level since mid-2014. Much of the import surge seems to have gone straight into inventory accumulation, with hit a record high. We expect these dynamics to partially unwind in Q2; it was reassuring to see the improvement in the April trade balance and the 27% monthly jump in travel-related exports during the month. First quarter real GDP was 3.3% higher than a year earlier.

Private sector credit jumped 0.8% in April, underscoring a positive domestic demand led by business credit at a solid 1.4% m/m. However, **building approvals** contracted 2.4% in April, implying continued softness in residential investment.

Week in Review (May 30 – June 3)

Country	Release (Date, format)	Consensus	Actual	Last	Comments
Monday, May 30					
GE	CPI (May, y/y, prelim)	7.6%	7.9%	7.4%	
JN	Jobless Rate (Apr)	2.6%	2.5%	2.6%	Driven by robust demand for services jobs.
JN	Retail Sales (Apr, m/m)	0.9%	0.8%	2.0%	Steady due to lifting of Covid curbs.
JN	Industrial Production (Apr, m/m, prelim)	-0.2%	-1.3%	0.3%	Big drop due to a weak external demand.
AU	Private Sector Credit (Apr, m/m)	0.5%	0.8%	0.4%	Solid rise driven by business credit.
Tuesday, May 31					
US	FHFA House Price Index (Mar, m/m)	2.0%	1.5%	1.9% (↓)	Still very strong. Last gasp or resilience?
US	S&P CoreLogic CS 20-City (Mar, m/m)	1.9%	2.4%	2.4%	Surprisingly strong. Last gasp or resilience?
US	Conf. Board Consumer Confidence (May)	104.0	106.4	108.6 (↑)	Labor differential softened.
CA	GDP (Q1, saar)	5.2%	3.1%	6.6% (↓)	Showed some momentum into Q2
UK	Mortgage Approvals (Apr, thous)	71.0	66.0	69.5 (↓)	Weakening.
GE	Unemployment Claims Rate (May)	n/a	5.0%	5.0%	Labor market still strong.
FR	CPI (May, y/y, prelim)	5.2%	5.2%	4.8%	High, but could we worse.
FR	GDP (Q1, q/q, final)	n/a	-0.2%	0.7%	Could have been worse.
IT	GDP (Q1, q/q, final)	n/a	0.1%	0.6%	Could have been worse.
JN	Consumer Confidence Index (May)	33.8	34.1	33.0	Holding steady.
JN	Jibun Bank Japan PMI Mfg (May, final)	n/a	53.3	53.5	Staying expansive amid weak external demand.
AU	Building Approvals (Apr, m/m)	2.0%	-2.4%	-18.5%	Concerns of slowing housing.
AU	GDP (Q1, q/q)	0.7%	0.8%	3.4%	Solid consumer & government spending.
Wednesday, June 1					
US	ISM Manufacturing (May)	55.4	56.1	55.4	Doing OK.
US	JOLTS Job Openings (Apr, thous)	n/a	11,400	11,855 (↑)	Can we trust this number?
US	Wards Total Vehicle Sales (May, mil)	14.5	12.7	14.3	Down by over a quarter from a year earlier.
CA	Bank of Canada Rate Decision	1.50%	1.5%	1.00%	Opening door for further future tightening
UK	Manufacturing PMI (May, final)	54.6	54.6	55.8	Slowed down
UK	Nationwide House PX (May, m/m)	n/a	0.9%	0.4% (↑)	Remained strong
EC	Manufacturing PMI (May, final)	54.4	54.6	55.5	No new news here.
GE	Manufacturing PMI (May, final)	54.7	54.8	54.6	No new news here.
GE	Retail Sales (Apr, m/m)	-0.5%	-5.4%	0.9%(↑)	This is painful!
IT	Manufacturing PMI (May)	n/a	51.9	54.5	Precipitous decline.
IT	Unemployment Rate (Apr)	8.3%	8.4%	8.3%	Blip or turning higher?
Thursday, June 2					
US	Initial Jobless Claims (28 May, thous)	n/a	200	210	Very low.
US	Factory Orders (Apr)	0.7%	0.3%	1.8%(↓)	Core orders rose 0.4%.
Friday, June 3					
US	Change in Nonfarm Payrolls (May, thous)	353	390	436(↑)	Good enough to support another 50-bp hike.
US	Unemployment Rate (May)	3.5%	3.6%	3.6%	Slight uptick in participation.
US	ISM Services Index (May)	57.0	55.9	57.1	Growing, but definitely slowing.
EC	Services PMI (May, final)	56.3	56.1	57.7	No new news here.
GE	Services PMI (May, final)	56.3	55.0	57.6	Noticeably softer
FR	Industrial Production (Apr, m/m)	0.2%	-0.1%	-0.4%(↑)	OK, given the circumstances.

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

Economic Indicators

Central Bank Policy Targets

Region	Target	Year/Year % Change in Target				
		Dec	Jan	Feb	Mar	Apr
US	Target: PCE price index 2.0% y/y	5.8	6.0	6.3	6.6	6.3
Canada	Target: CPI 2.0% y/y, 1.0%-3.0% control range	4.8	5.1	5.7	6.7	6.8
UK	Target: CPI 2.0% y/y	5.4	5.5	6.2	7.0	9.0
Eurozone	Target: CPI below but close to 2.0% y/y	5.0	5.1	5.9	7.4	7.4
Japan	Target: CPI 2.0% y/y	0.8	0.5	0.9	1.2	2.5
Australia	Target Range: CPI 2.0%-3.0% y/y	3.5	5.1	5.1	5.1	

Source: Macrobond

Key Interest Rates

	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22
US (top of target range)	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.50	0.50	1.00
Canada (Overnight Rate)	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.50	1.00	1.00
UK (Bank Rate)	0.10	0.10	0.10	0.10	0.10	0.25	0.25	0.50	0.75	0.75	1.00
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)	-0.04	-0.04	-0.05	-0.03	-0.05	-0.02	-0.02	-0.01	-0.02	-0.02	-0.03
Australia (OCR)	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.33

Source: Macrobond

General Government Structural Balance as a % of Potential GDP

	2014	2015	2016	2017	2018	2019	2020	2021	Forecast 2022	Forecast 2023
US	-2.7	-2.5	-3.5	-4.2	-5.2	-6.1	-10.4	-8.0	-5.3	-4.6
Canada	-0.6	0.0	0.1	-0.3	0.0	-0.2	-8.6	-3.6	-2.3	-1.3
UK	-3.9	-3.6	-2.8	-2.3	-2.4	-2.7	0.5	-3.2	-4.4	-2.0
Eurozone	-0.7	-0.6	-0.5	-0.5	-0.3	-0.5	-4.5	-4.0	-3.5	-2.3
Germany	1.2	1.2	1.2	1.1	1.6	1.3	-3.1	-2.6	-2.0	-0.5
France	-2.5	-2.1	-2.0	-1.9	-1.5	-2.1	-5.9	-5.9	-5.3	-3.4
Italy	-1.0	-0.6	-1.3	-1.6	-1.7	-1.0	-6.0	-4.6	-5.2	-3.7
Japan	-5.4	-4.2	-4.1	-3.3	-2.5	-2.5	-8.1	-6.9	-7.3	-3.3
Australia	-2.8	-2.6	-2.3	-1.6	-1.2	-4.1	-7.8	-7.7	-5.4	-3.6

Source: International Monetary Fund, World Economic Outlook

Headline Consumer and Producer Price Inflation

	CPI Year/Year % Change						PPI Year/Year % Change				
	Jan	Feb	Mar	Apr	May		Dec	Jan	Feb	Mar	Apr
US	7.5	7.9	8.5	8.3			10.0	10.1	10.4	11.5	11.0
Canada	5.1	5.7	6.7	6.8			15.7	16.2	16.0	17.9	16.4
UK	5.5	6.2	7.0	9.0			9.4	10.0	10.2	11.9	14.0
Eurozone	5.1	5.9	7.4	7.4			26.4	30.8	31.5	36.9	37.2
Germany	4.9	5.1	7.3	7.4	7.9		24.2	25.0	25.9	30.9	33.5
France	2.9	3.6	4.5	4.8	5.2		17.3	20.5	20.2	24.6	25.0
Italy	4.8	5.7	6.5	6.0	6.9		22.8	32.9	32.7	36.9	35.3
Japan	0.5	0.9	1.2	2.5			8.6	9.0	9.4	9.3	9.5
Australia	5.1	5.1	5.1				3.7	4.9	4.9	4.9	

Source: Macrobond

Economic Indicators

Real GDP Growth (Q/Q Seasonally Adjusted)

	Quarter/Quarter % Change						Year/Year % Change				
	Q1-21	Q2-21	Q3-21	Q4-21	Q1-22		Q1-21	Q2-21	Q3-21	Q4-21	Q1-22
US	1.5	1.6	0.6	1.7	-0.4		0.5	12.2	4.9	5.5	3.5
Canada	1.1	-0.8	1.3	1.6	0.8		0.2	11.7	3.8	3.2	2.9
UK	-1.2	5.6	0.9	1.3	0.8		-5.0	24.5	6.9	6.6	8.7
Eurozone	-0.1	2.2	2.2	0.3	0.3		-0.9	14.6	4.1	4.7	5.1
Germany	-1.7	2.2	1.7	-0.3	0.2		-2.8	10.4	2.9	1.8	3.8
France	0.2	1.0	3.2	0.4	-0.2		1.8	19.2	3.0	4.9	4.5
Italy	0.2	2.7	2.6	0.7	0.1		0.0	17.5	4.0	6.4	6.2
Japan	-0.3	0.5	-0.7	0.9	-0.2		-1.7	7.4	1.2	0.4	0.5
Australia	1.8	0.8	-1.8	3.6	0.8		1.4	9.7	4.1	4.4	3.3

Source: Macrobond

Industrial Production Index (M/M Seasonally Adjusted)

	Month/Month % Change						Year/Year % Change				
	Dec	Jan	Feb	Mar	Apr		Dec	Jan	Feb	Mar	Apr
US	-0.3	0.8	1.0	0.9	1.1		3.5	3.2	7.5	5.4	6.4
Canada	0.4	-0.7	0.7	0.9			2.2	1.0	3.4	3.3	
UK	0.3	0.9	-0.3	-0.2			0.9	3.3	2.1	0.7	
Germany	1.0	1.4	0.1	-3.9			-2.8	0.7	2.8	-3.3	
France	-0.1	1.8	-1.1	-0.4	-0.1		-0.1	-1.3	2.1	0.1	-0.3
Italy	-1.0	-3.3	4.0	0.0			4.9	-2.1	3.3	2.9	
Japan	0.2	-2.4	2.0	0.3	-1.3		2.8	-1.6	0.5	-0.8	-3.3

Source: Macrobond

Unemployment Rate (Seasonally Adjusted)

	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22
US	5.4	5.2	4.7	4.6	4.2	3.9	4.0	3.8	3.6	3.6	3.6
Canada	7.4	7.1	7.0	6.8	6.1	6.0	6.5	5.5	5.3	5.2	
UK	4.5	4.3	4.2	4.1	4.1	3.9	3.8	3.7			
Eurozone	7.7	7.5	7.4	7.3	7.1	7.0	6.9	6.8	6.8	6.8	
Germany	5.6	5.5	5.4	5.4	5.3	5.2	5.1	5.1	5.0	5.0	5.0
France	7.9	7.8	7.6	7.5	7.4	7.4	7.3	7.3	7.3	7.2	
Italy	9.1	9.1	9.1	9.2	9.1	8.9	8.7	8.6	8.4	8.4	
Japan	2.8	2.8	2.8	2.7	2.8	2.7	2.8	2.7	2.6	2.5	
Australia	4.6	4.5	4.7	5.2	4.6	4.2	4.2	4.0	3.9	3.9	

Source: Macrobond

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

	Q3-19	Q4-19	Q1-20	Q2-20	Q3-20	Q4-20	Q1-21	Q2-21	Q3-21	Q4-21	Q1-22
US	-2.2	-1.9	-2.1	-3.2	-3.3	-3.3	-3.4	-3.5	-3.8	-3.6	
Canada	-2.2	-1.6	-3.2	-1.1	-2.0	-0.8	0.1	-0.1	0.2	0.0	0.7
UK	-2.5	0.5	-2.2	-1.4	-1.4	-4.8	-2.2	-2.0	-4.9	-1.2	
Eurozone	3.1	1.6	0.7	1.4	2.7	3.1	3.7	3.2	2.6	0.8	1.2
Germany	7.8	7.4	6.8	5.2	7.3	8.3	9.0	7.8	7.1	6.5	5.2
France	-0.6	-0.4	-1.3	-3.5	-2.1	-0.9	-0.8	-0.3	-0.7	-1.4	-0.8
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

About State Street Global Advisors

For four decades, State Street Global Advisors has served the world's governments, institutions and financial advisors. With a rigorous, risk-aware approach built on research, analysis and market-tested experience, we build from a breadth of active and index strategies to create cost- effective solutions. As stewards, we help portfolio companies see that what is fair for people and sustainable for the planet can deliver long-term performance. And, as pioneers in index, ETF, and ESG investing, we are always inventing new ways to invest. As a result, we have become the world's fourth-largest asset manager* with US $4.14 trillion† under our care.

* Pensions & Investments Research Center, as of December 31, 2020.

† This figure is presented as of December 31, 2021 and includes approximately $61.43 billion of assets with respect to SPDR products for which State Street Global Advisors Funds Distributors, LLC (SSGA FD) acts solely as the marketing agent. SSGA FD and State Street Global Advisors are affiliated.

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