The Economy

A calmer week and some encouraging inflation updates lift risk assets.

US

Unlike the February update, when the headline disappointed but the details were strong, the opposite was true of the **Conference Board consumer confidence index** in March. The headline bucked expectations of a decline to instead rise 0.9 points, driven by improving expectations. By contrast, views on the present situation deteriorated 1.9 points to exactly reverse the prior month's improvement and the closely watched labor differential—which measures the difference between those who think jobs are abundant and those who think jobs are scarce—posted its first decline in four months. So far, there is no evidence of a hit to confidence from the banking sector turmoil. We suspect the next few months will witness a tug of war between the helpful effects of diminishing inflation and the unhelpful ones stemming from tighter credit conditions and less buoyant labor demand.

The **Michigan survey** offered a less upbeat signal, with the final read on the March data slightly weaker than initially reported and down 5.0 points from February. Declines were pretty evenly distributed between the current situation and expectation component. The (big) silver lining is that inflation expectations continue to retreat. We had long argued that there was little sign of de-anchoring of consumers' inflation expectations; with inflation now turning materially lower, risks thereof should diminish further. In the March update, long term inflation expectations were unchanged at 2.9% while short term (1 year) expectations declined half a percentage point to 3.6%, the lowest since April 2021. Much of this reflects lower gas prices (there is a very strong historical correlation there) but it is noteworthy that the most recent decline occurred despite a slight uptick in gasoline prices. Some easing in food price inflation is the likely explanation.

Figure 1: Gas Prices Big Reason For Easing Inflation Expectations In US

Sources: SSGA Economics, EIA, University of Michigan

Meanwhile, consumer finances are deteriorating. Overall **nominal personal income** grew 0.3% m/m in February, a tenth less than expected but otherwise the twin lowest since April 2022. Slowing wage and salary growth accounted for the moderation, as growth in this component downshifted from 0.9% in January to 0.3% in February. Real disposable income grew an even slower 0.2%. Nominal spending also grew 0.2% while real spending contracted 0.1%. The **personal savings rate** increased two tenths to 4.6% but revisions mean this is actually a tenth lower than where it had originally been reported in January. With fiscal transfers poised to moderate further, future income growth will be increasingly dependent on labor income so any material weakening in the labor market from here on is likely to have a pretty direct and immediate impact on future consumption. Even the loss of some expiring benefit payments in March would intensify pressures on spending near term. The one silver lining is that diminishing inflation will put a floor under real wages going forward.

On that front, the updates to **PCE deflator** were encouraging. First of all, there was a one tenth downward revision to the January data (0.5% m/m versus the 0.6% initially reported) and a slight undershoot relative to expectations in February. Core PCE prices increased 0.3% m/m in February, allowing core PCE inflation to ease one tenth to 4.6% y/y, the twin-lowest since October 2021. Overall PCE prices also increased 0.3% and the headline PCE inflation eased three tenths to 5.0% y/y, the lowest level since September 2021.

We had long argued that the housing market is in a structural undersupply situation and that it is finding itself currently in recession but not in crisis. The sector's recession itself had been triggered by the major deterioration in affordability metric following large price increases since early 2020 and, more recently, surging mortgage rates. That said, there appears to be a robust pipeline of potential demand that is awaiting an improvement in affordability to materialize. This is exactly the dynamic which the recent improvement in pending home sales highlight. **Pending home sales** (sales of existing homes for which the buyer and seller had agreed on a contract) ticked up 0.8% in February, building on January's 8.1% surge. We look to easing mortgage rates to explain the bulk of this rebound, although warm weather may also have played a role. Fixed 30-year mortgage rates had gotten as high as 7% in late October and early November before retreating a full percentage point by late January. They subsequently turned higher again amid a bout of Fed hawkishness in February/early March, only to retreat once again following the banking turmoil.

Home prices are the mirror image of mortgage rates and a key channel through which the market is reestablishing equilibrium. The **S&P CoreLogic/Case-Shiller** composite 20-city home price index retreated another 0.4% in January, the seventh consecutive decline. This lowered this measure of house price inflation to 2.6% y/y, the least since November 2019. The **FHFA house price** measure has held up better and it actually rose 0.2% m/m; that measure of house price inflation moderated to 5.3% y/y, the least since May 2020.

Canada

The **budget** the government of Canada presented on March 27 showed a higher fiscal deficit for the next five years than in the Fall Economic Statement 2022 (FES 22). For 2023, the deficit is two-tenths higher at 1.5% of GDP. For 2027-28, the budget shortfall is expected at C$14 billion, nearly C$10 billion more than previously projected. After noting the consensus of a shallow recession in 2023, the budget has a modest revenue forecast for this year. Further, revenue projections are lower by an average of C$5.7 billion per year from the FES 22.

While ensuring investments in the critical green transition, the budget still projects public debt charges near historic low levels until 2026. Federal debt as a share of GDP will climb to 43.5% in the current fiscal year before falling to 39.9% by the end of the forecast horizon. Measures intended to soothe inflation will total C$5.2 billion. Spending on healthcare and expanded dental care sum to C31.3 billion over the next six years, and clean energy incentives will cost C$20.9 billion.

The budget also presented a higher alternative minimum tax on high-income earners of 20.5% compared with the current 15.0%. However, the income level at which this will apply is quadrupled to at least C$300,000. Overall, we think the budget makes responsible investments in the supply side as the C$43 billion deficit for the current year is lower than the C$52.8 billion projected in the 2022 budget.

Bank of Canada (BoC) deputy governor **Toni Gravelle** said that the bank's quantitative tightening (QT) may end in late 2024 or the first half of 2025. Earlier, we wrote about how Canada's QT is far ahead of global peers. He indicated that the settlement balances need to reach C$20-60 billion from the current C$200 billion. This level indicates the BoC's balance sheet may be 1-2% of Canada's GDP, which compares with the recently estimated 10-13% of GDP needed by the US Fed. Given how cloudy the global economic outlook is in the wake of recent banking stresses, we doubt whether QT can run for that long. Still, the objective deserves appreciation in that it allows the policy rate to do the heavy lifting for the BoC. He further said that the bar for the BoC to use quantitative easing is "very high" in the future and that policymakers will resort to extraordinary measures only in extreme situations.

Real GDP rose by 0.5% m/m in January, a touch higher than consensus and following a small 0.1% contraction in December. Gains were broad-based in both goods & services industries which grew by 0.4% and 0.6% respectively. The rise was led by the industries which underperformed in December; wholesale trade (1.8% m/m), transportation and warehousing (1.9%) rebounded to more than offset the prior month's declines. Overall, 17/20 industrial sectors rose in January. Statistics Canada's advance estimate showed that real GDP may have risen 0.3% in February.

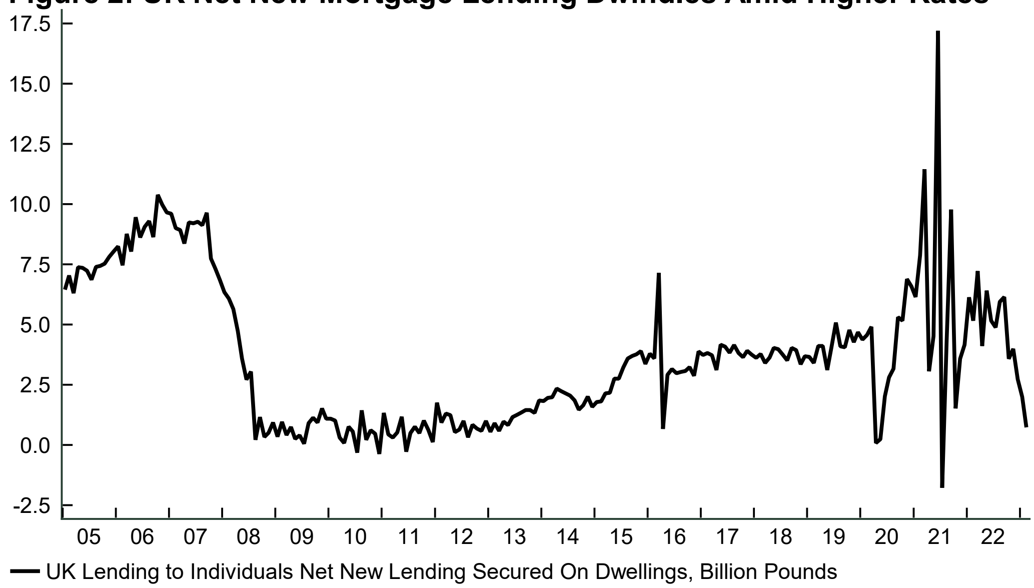
Looking ahead, we expect next week's labor market and building permits data to show some much-needed cooling, while BoC Business Outlook Survey may shed some light on where the Canadian economy is headed in the medium term.

UK

Almost two months after the initial estimates, the final read on **fourth-quarter GDP** brought about a minor upgrade to show the economy eking out a 0.1% q/q advance. The factors driving that favorable upgrade were mixed: slightly better consumer spending, weaker investment, and weaker imports combined to deliver it. The outcome once again testifies to an impressive degree of resilience amid the economic and political tumults of the past year. Full year 2022 growth was unchanged by the revision; it remained at 4.1%.

Meanwhile, the correction in the housing sector continues. The number of approved mortgages improved a little to 43,500 in February but the amount of net new lending secured by dwellings plummeted to £0.7 billion. Save for a policy change related decline in July of 2021 this marked the lowest level since early Covid days. Meanwhile, a seventh consecutive monthly decline has left the Nationwide house price index 3.1% lower than in March of 2022. Admittedly, this is barely starting to make a dent in the double-digit increases recorded from mid-2021 to mid-2022.

Figure 2: UK Net New Mortgage Lending Dwindles Amid Higher Rates



Sources: Bloomberg, SSGA Economics

Eurozone

After a painful surge, consumer price inflation is now beginning to descent more visibly, with further notable progress to be made in coming months. ***German* consumer price inflation** moderated 1.3 percentage points (ppt) to 7.4% y/y, ***Italian*** inflation slowed 1.4 ppt to 7.7% y/y, and ***French*** inflation eased 0.7 ppt to 5.6% y/y.

This is aiding a revival in consumer sentiment across the region. ***German* consumer sentiment** is now the highest since July (though still extremely weak by historical standards) and ***Italian* consumer confidence** is strongest since February 2022. ***France*** is the outlier as, despite a relatively better inflation picture, plans to raise the retirement age have soured sentiment. Sentiment continues to hover near cycle lows, and remains materially worse than during the early days of Covid.

Japan

Policy normalization now depends more on global financial stability than domestic fundamentals as confidence is rising that they are in place.

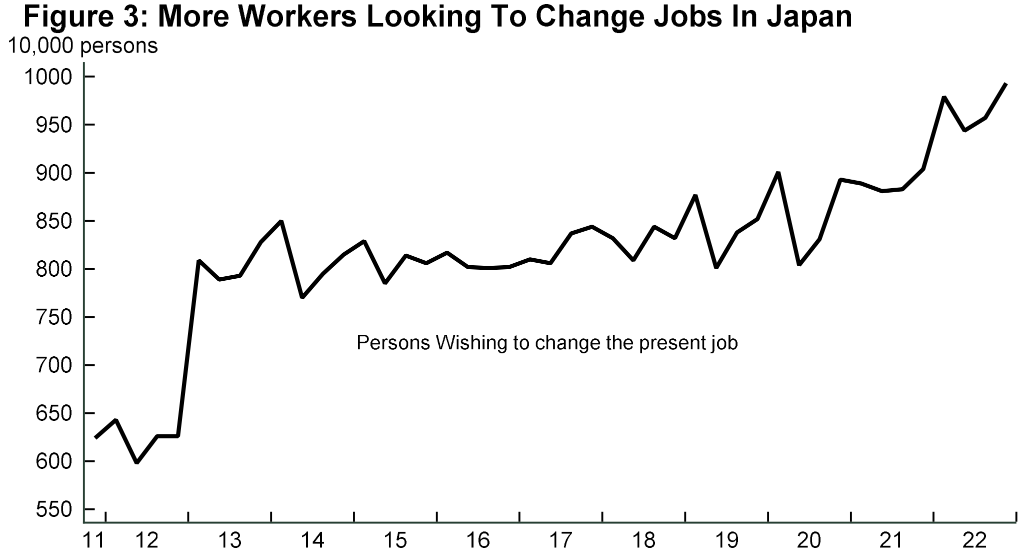
Tokyo CPI data for March showed that underlying inflation was still strong in light of subsides lowering the headline. Price pressures remained firm as the BoJ core CPI prices (excluding fresh food and energy) rose 0.4% m/m, translating into a 3.4% y/y increase. Even the global core CPI (excluding all food and energy) rose 0.3% m/m and hit the target of 2.0% y/y with broad-based gains in goods and services. As we have been writing, services CPI is also picking up; it rose 0.3% m/m or 1.5% y/y on improved domestic demand. Finally, the official core CPI (excluding fresh food) moderated to 3.3% y/y on energy subsidies; however, it can be pretty volatile this year as electricity prices are scheduled to rise rather strongly in April and June.

Retail sales rose 1.4% m/m in February after 0.8% in January, complementing firm inflation. Although this rise may reflect higher prices, volumes may also have improved as this is the third monthly rise. Motor vehicle sales (up eye-popping 5.4% m/m) and clothing sales (up 1.5%) were big contributors.

Industrial production rebounded 4.5% m/m in February after a 5.3% fall last month, much better than the 2.7% consensus. However, concerns about a global demand slowdown are getting acute and could affect Japan's manufacturing sector. However, the survey also showed companies have upbeat plans for the next couple of months – a 2.3% rise in March and 4.4% in April, both of which we believe are on the higher side of possibility. Separately, Japan firmed up export controls on 23 types of leading-edge chipmaking technology after months of lobbying by the US to have Japan onboard to limit technology exports in semiconductors to China. This move may affect production and exports to China, which have just begun recovering.

The **unemployment rate** ticked up 0.2 ppts to 2.6% in February. Much of this reflected a 4.3% m/m decline in employment in the wholesale and retail sector. Employment in other services is trending higher, particularly in hospitals, while manufacturing is stable. Despite the jump, the unemployment rate is near historic lows and supports sustained wage increases catalyzed by *shunto* wage negotiations. The labor market remains extremely tight and wages may indeed need to rise as more people are reporting an interest in changing jobs (Figure 3).

Figure 3: More Workers Looking To Change Jobs In Japan



Sources: SSGA Economics, Ministry of Internal Affairs and Communications, Macrobond

All these solid domestic data support further normalization of monetary policy, and the Bank of Japan (BoJ) is indeed, slowly moving in that direction. The bank reduced the minimum size of its planned JGB purchases of longer-term maturities for the next quarter by 100 billion yen. The 10y JGB has been trading below the 0.50% cap since the collapse of Silicon Valley Bank jolted markets. We had written earlier about a better time for a further YCC tweak which seems to be coming in the next few months. We continue to expect the tweak to come in June but could be surprised as the deputy governor Shinichi Uchida suggested this week.

Looking ahead, we expect some moderation in wage increases next week in the third round of *shunto* wage negotiations. Also, the next week's Tankan data may show a moderating outlook for the manufacturing sector and improvement for non-manufacturing. Finally, household spending and overall cash earnings may pick up in February.

Australia

Important data this week were softer than expected, reinforcing our dovish bias to consensus on rates. We hence expect the RBA to pause next week and retain an elementary hawkish bias. We retain our 3.85% terminal forecast and would not be surprised if the dovishness persists. However, it will be a surprise if they raise interest rates and announce an end to hiking. This is because the global central banking narrative is still considerably hawkish, and the more reliable quarterly CPI data is yet to confirm that inflation has peaked, but the data is only due later in April.

Indeed, monthly **CPI** in February slowed to 6.8% y/y, a massive four-tenths below consensus as we expected last week. Higher mortgage payments seem to pull down discretionary spending – recreation CPI's fall accelerated to -6.0% m/m from -3.1% in January, which took the annual rate to 4.6% from the peak of 14.4% in December.

Otherwise, price pressures rose for alcoholic beverages (to 1.2% m/m from 0.3% m/m last month), clothing (1.5% from -3.6%), and furniture (0.7% from -1.6%). Food prices were also strong due to an outsized rise in fruits and vegetable prices. There is a level of uncertainty due to the construct of the monthly indicator, but after this week's data, we are confident that inflation peaked in Q4 2022, and inflation is indeed easing.

Furthermore, seasonally adjusted **retail sales** rose 0.2% m/m in February in a broad-based pull-back, a tenth above consensus. Department store sales rose 1.0% (but slowed from last month's 8.6%), clothing rose 0.6% (slowed from 6.7%) and cafes & restaurants rose 0.5% (slowed from 1.2%). Despite the recent volatility, sales have been flat in the past six months and nearly a third higher than their pre-covid levels. So we can say confidently that retail sales are also cooling.

Finally, **private sector credit** grew by 0.3% m/m in February, a touch slower than consensus. Housing credit, which is two-thirds of total private sector credit, also rose at the same pace, almost not reflecting the fall in new home lending in recent months or the correcting home prices. This reflects the smaller proportion of principal being reduced due to higher interest payments (as we highlighted last week) and should not be misread as the housing sector's resilience. In fact, Roy Morgan data indicate that a quarter of overall mortgages are 'at risk'. However, credit conditions have already tightened significantly and the cycle has also turned. We expect credit growth to slow further in the next quarter, which will then have implications on economic momentum with risks skewed to the downside, should credit conditions deteriorate globally.

Other than the RBA decision next week, we look for further softening housing finance and building approvals. We also look forward to hearing Governor Philip Lowe's thoughts on policy on April 5th.

Week in Review (March 27 – March 31)

Country	Release (Date, format)	Consensus	Actual	Last	Comments
Monday, March 27					
GE	IFO Business Climate (Mar)	91.9	93.3	91.1	Highest since February 2022.
JN	Leading Index CI (Jan, final)	96.5 (p)	96.6	96.9	Good.
JN	PPI Services (Feb, y/y)	1.7%	1.8%	1.6%	Regime shift in services inflation is coming.
AU	Retail Sales (Feb, m/m)	0.2%	0.2%	1.8% (↓)	Cooling.
Tuesday, March 28					
US	FHFA House Price Index (Jan, m/m)	-0.3%	0.2%	-0.1%	Easing mortgage rates supported prices.
US	CoreLogic CS 20-City (Jan, m/m, sa)	-0.50%	-0.43%	-0.53% (↓)	Continuing to correct lower.
US	Conf. Board Consumer Confidence (Mar)	101.0	104.2	103.4 (↑)	But details were softer.
FR	Business Confidence (Mar)	103	103	104.0 (↑)	Steady.
IT	Consumer Confidence Index (Mar)	104.0	105.1	104.0	Highest since February 2022.
IT	Manufacturing Confidence (Mar)	103.0	104.2	103.0 (↑)	Still weak.
Wednesday, March 29					
US	Pending Home Sales (Feb, m/m)	-3.0%	0.8%	8.1%	Easing mortgage rates helped.
UK	Mortgage Approvals (Feb, thous)	41.3	43.5	39.6	But value of new loans barely rose.
GE	GfK Consumer Confidence (Apr)	-30.0	-29.5	-30.6 (↓)	Best since July but still very weak.
FR	Consumer Confidence (Mar)	81.0	81.0	82.0	Very weak.
Thursday, March 30					
US	Initial Jobless Claims (Mar 25)	196	198	191	Still extremely low.
US	Continuing Claims (Mar 18)	1,700	1,689	1,685 (↓)	Still very low.
US	GDP (Q4, third, q/q, saar)	2.7%	2.6%	3.2%	Weaker consumer spending.
GE	CPI (Mar, y/y, prelim)	7.3%	7.4%	8.7%	Lower from here,.
IT	Unemployment Claims Rate (Mar, sa)	7.9%	8.0%	8.0% (↑)	Very stable around this level for almost a year.
IT	PPI (Feb, y/y)	na	10.0%	11.6%	Easing.
JN	Job-To-Applicant Ratio (Feb)	1.36	1.34	1.35	Very tight labor market.
JN	Jobless Rate (Feb)	2.4%	2.6%	2.4%	Still near record lows.
JN	Retail Sales (Feb, m/m)	0.3%	1.4%	1.9%	Strong and robust.
JN	Industrial Production (Feb, m/m, prelim)	2.7%	4.5%	-5.3%	Could it continue?
AU	Private Sector Credit (Feb, m/m)	0.4%	0.3%	0.4%	Cycle has turned.
Friday, March 31					
US	Personal Income (Feb, m/m)	0.2%	0.3%	0.6%	Slowing labor income.
US	Personal Consumption (Feb, m/m)	0.3%	0.2%	2.0% (↑)	Savings rate at 4.6%.
US	U.of Mich. Sentiment (Mar, final)	63.4 (p)	62.0	67.0	Inflation expectations eased again.
CA	GDP (Jan, m/m)	0.4%	0.5%	-0.1%	Broad-based rebound.
UK	GDP (Q4, q/q, final)	0.0% (p)	0.1%	-0.2%	GDP may have stalled.
UK	Nationwide House PX (Mar, m/m)	-0.3%	-0.8%	-0.5%	Lower prices needed to clear the market.
GE	Unemployment Claims Rate (Mar, sa)	5.5%	5.6%	5.5%	Broadly stable.
GE	Retail Sales (Feb, m/m)	0.5%	-1.3%	0.1% (↑)	Very volatile, weak overall.
FR	CPI (Mar, y/y, prelim)	5.5%	5.6%	6.3%	Welcome.
FR	Consumer Spending (Feb, m/m)	-0.1%	-0.8%	1.7% (↑)	Under pressure.
FR	PPI (Feb, y/y)	na	15.7%	17.6% (↑)	Easing.
IT	Industrial Sales (Jan, m/m)	na	-1.1%	0.7%	Still weak.
IT	CPI NIC incl. tobacco (Mar, prelim, y/y)	8.2%	7.7%	9.2%	Welcome.
JN	Annualized Housing Starts (Feb)	0.861	0.859	0.893	Slight tick down.

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

Week In Preview (April 03 – April 07)

Country	Release (Date, format)	Consensus	Last	Comments
Monday, April 03				
US	ISM Manufacturing (Mar)	47.5	47.7	
US	Wards Total Vehicle Sales (mar, mn)	14.85	14.89	
UK	Manufacturing PMI (Mar, final)	48.0 (p)	49.3	
EC	Manufacturing PMI (Mar, final)	47.1 (p)	48.5	
GE	Manufacturing PMI (Mar, final)	44.4 (p)	46.3	
FR	Manufacturing PMI (Mar, final)	47.7 (p)	47.4	
IT	Manufacturing PMI (Mar)	51.5	52.0	
JN	Tankan Large Mfg Index (Q1)	3.0	7.0	Cooling but should be harmless.
JN	Manufacturing PMI (Mar, final)	48.6 (p)	47.7	Expecting a slight tick up.
Tuesday, April 04				
US	Factory Orders (Feb, m/m)	-0.5%	-1.6%	
US	JOLTS Job Openings (Feb, thous)	10,500	10,824	Might turn out lower than expected.
US	Durable Goods Orders (Feb, m/m, final)	-1.0%(p)	-5.0%	
CA	Building Permits (Feb, m/m)	na	-4.0%	The ongoing correction should continue.
AU	RBA Cash Rate Target (Apr 04)	3.60%	3.60%	Expecting retention of elementary hawkishness.
Wednesday, April 05				
US	ISM Services Index (Mar)	54.6	55.1	Should show some softening.
CA	Int'l Merchandise Trade (Feb, C$, bn)	1.70	1.92	May cool further.
UK	Services PMI (Mar, final)	52.8 (p)	53.5	
EC	Composite PMI (Mar, final)	54.1 (p)	52.0	
EC	Services PMI (Mar, final)	55.6 (p)	52.7	
GE	Factory Orders (Feb, m/m)	0.5%	1.0%	
GE	Services PMI (Mar, final)	53.9 (p)	50.9	
FR	Industrial Production (Feb, m/m)	na	-1.9%	
IT	Retail Sales (Feb, m/m)	na	1.7%	
Thursday, April 06				
US	Initial Jobless Claims (Apr 01, thous)	na	198	
US	Continuing Claims (Mar 25, thous)	na	1,689	
CA	Unemployment Rate (Mar)	na	5.0%	May tick up slightly.
CA	Net Change In Employment (Mar, thous)	na	21.8	Expecting a smaller pull-back.
CA	Ivey PMI (Mar, sa)	na	51.6	May remain above 50.
GE	Industrial Production (Feb, m/m, sa)	-0.3%	3.5%	Quite volatile.
JN	Labor Cash Earnings (Feb, y/y)	1.3%	0.8%	Should be ticking up going forward.
Friday, April 07				
US	Change in Nonfarm Payrolls (Mar, thous)	240.0	311.0	Will the string of upside surprises be broken?
US	Unemployment Rate (Mar)	3.6%	3.6%	
JN	Leading Index CI (Feb, prelim)	97.5	96.6	Resilient in light of this week's robust macro data.

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

Economic Indicators

Central Bank Policy Targets

Region	Target	Year/Year % Change in Target				
		Oct	Nov	Dec	Jan	Feb
US	Target: PCE price index 2.0% y/y	6.1	5.7	5.3	5.3	5.0
Canada	Target: CPI 2.0% y/y, 1.0%-3.0% control range	6.9	6.8	6.3	5.9	5.2
UK	Target: CPI 2.0% y/y	11.1	10.7	10.5	10.1	10.4
Eurozone	Target: CPI below but close to 2.0% y/y	10.6	10.1	9.2	8.6	8.5
Japan	Target: CPI 2.0% y/y	3.7	3.8	4.0	4.3	3.3
Australia	Target Range: CPI 2.0%-3.0% y/y	7.8	7.8	7.8		

Source: Macrobond

Key Interest Rates

	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23
US (top of target range)	1.00	1.75	2.50	2.50	3.25	3.25	4.00	4.50	4.50	4.75	5.00
Canada (Overnight Rate)	1.00	1.50	2.50	2.50	3.25	3.75	3.75	4.25	4.50	4.50	
UK (Bank Rate)	1.00	1.25	1.25	1.75	2.25	2.25	3.00	3.50	3.50	4.00	4.25
Eurozone (Refi)	0.00	0.00	0.50	0.50	1.25	1.25	2.00	2.50	2.50	3.00	
Japan (OCR)	-0.03	-0.04	-0.01	-0.04	-0.07	-0.06	-0.08	-0.02	-0.01	-0.01	
Australia (OCR)	0.33	0.73	1.28	1.81	2.25	2.58	2.84	3.05	3.10	3.29	

Source: Macrobond

General Government Structural Balance as a % of Potential GDP

									Forecast	
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
US	-2.5	-3.6	-4.1	-5.1	-5.7	-10.8	-9.5	-4.0	-5.3	-6.0
Canada	0.0	0.1	-0.3	0.0	-0.2	-8.6	-4.0	-2.7	-1.2	-0.6
UK	-3.6	-2.8	-2.3	-2.4	-2.7	0.5	-3.2	-4.3	-1.7	-0.4
Eurozone	-0.5	-0.5	-0.5	-0.3	-0.5	-4.3	-3.8	-3.5	-2.9	
Germany	1.2	1.2	1.1	1.6	1.3	-2.9	-3.0	-3.0	-1.8	-1.1
France	-2.1	-1.9	-1.9	-1.5	-2.1	-5.7	-5.1	-4.5	-4.8	-4.3
Italy	-0.6	-1.2	-1.5	-1.6	-0.9	-6.0	-5.1	-5.7	-3.6	-3.6
Japan	-4.2	-4.0	-3.4	-2.5	-2.6	-8.2	-6.3	-7.3	-3.2	-2.3
Australia	-2.6	-2.2	-1.6	-1.1	-4.0	-7.9	-6.2	-3.5	-3.1	-2.6

Source: International Monetary Fund, World Economic Outlook

Headline Consumer and Producer Price Inflation

	CPI Year/Year % Change					PPI Year/Year % Change				
	Nov	Dec	Jan	Feb	Mar	Oct	Nov	Dec	Jan	Feb
US	7.1	6.5	6.4	6.0		8.2	7.3	6.5	5.7	4.6
Canada	6.8	6.3	5.9	5.2		9.9	9.0	7.4	5.0	1.4
UK	10.7	10.5	10.1	10.4		17.4	16.0	14.5	13.5	12.1
Eurozone	10.1	9.2	8.6	8.5		30.5	27.0	24.6	15.0	
Germany	8.8	8.1	8.7	8.7	7.4	34.5	28.2	21.6	17.6	15.8
France	6.2	5.9	6.0	6.3	5.6	21.3	18.0	17.4	14.5	13.0
Italy	11.8	11.6	10.0	9.1	7.7	27.7	29.4	31.7	11.1	9.6
Japan	3.8	4.0	4.3	3.3		9.7	9.9	10.5	9.5	8.2
Australia	7.8	7.8				5.8	5.8	5.8		

Source: Macrobond

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Marketing Communication

Important Risk Discussion

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