November 11, 2022
Commentary

Weekly Economic Perspectives

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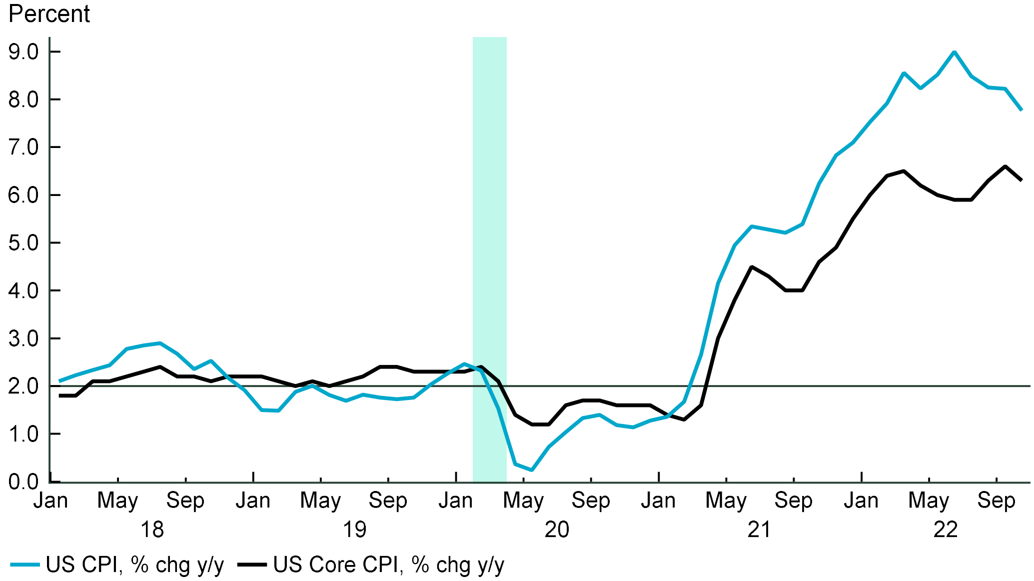
The Economy

Markets rally strongly on hints of disinflation.

US

The October **inflation** report brought a lot of relief to market participants, but if we learned anything from the experience of the past year, it is that we should not overstress the importance of any single data point. So while we welcome the sizable downside surprise, we also remind our readers—and ourselves, really—that we need to make a lot more progress before we are even in the neighborhood of what would be acceptable inflation levels.

Figure 1: Gentle US Inflation Rollover Is Welcome But More Needed



Sources: Macrobond, SSGA Economics, BLS

Be that as it may, it was good to see the pace of price gains slow to 0.4% m/m for headline and 0.3% m/m for core consumer prices, bringing the corresponding measures of inflation down 0.5 and 0.3 percentage point to 7.7% y/y and 6.3% y/y, respectively. It was even better to see that some of the data anomalies that we had been highlighting in recent months are starting to recede. For example, reported medical insurance prices—entirely the product of estimations based on out of date profit data—had been rising very rapidly over the past year. In October, when 2021 data started being incorporated, they plunged 4.0% m/m. Further declines of similar (though somewhat smaller magnitude) will now continue over the course of the next year until the next reset in October 2023. As such, while small as a share of the CPI basket, this component will now aid, rather than obstruct, the unfolding disinflationary episode. Similarly, used car prices declined 2.4% m/m, more than double the September drop and more in line with high frequency auction price data. In fact, they have room to decline further as the used car component in the CPI is still a little more than 2.0% y/y, whereas the Manheim auction price index is now down 10.6% y/y. Elsewhere, rising oil prices pushed the energy component up 1.8% m/m, while food prices increased 0.6% m/m. Shelter costs rose 0.8%, with a big spike in hotel prices, but owner equivalent rent rose a more modest 0.6%. Airline fares dropped more than implied by high frequency data, but that may simply compensate for disproportionately small declines in prior months. All in all, a report than should leave the Fed comfortable with downshifting the pace of hikes at the December meeting.

While the actual inflation print was reassuring, the preliminary **Michigan consumer confidence** survey suggests inflation expectations remain somewhat unsettled. The headline index dropped a larger than expected 5.2 points in November, leaving it as a four-month low of 54.7. The deterioration was more pronounced in current conditions, although expectations also deteriorated. Perhaps most importantly from the Fed's point of view, inflation expectations ticked higher across the boards. Short term (1 year) inflation expectations increased for the second consecutive month, up a tenth 5.1%. Long term (5-10 years) inflation expectations also moved up a tick to 3.0%.

After three consecutive small improvements, the **NFIB small business confidence** index retreated 0.8 point to 91.3. However, this was not what concerned us most. Rather, the detail that caught our attention is that compensation plans surged by 9 points to match the record highs last seen at the end of 2021. This is troubling as we had been hoping to see continued retreat in the share of firms planning to raise wages. It is possible that this sudden jump reflects end-of-year/start-of-year salary adjustments and could carry a one-off flavor. However, the move reverses all the improvement we'd seen since January and, as such, is disconcerting and bears close watching. Most other details were soft, with hiring and capex plans retreating, worsening sales expectations and worsening assessments about the outlook for general business conditions. One tends to wonder why would firms intent to raise wages in this environment…

Having bottomed at 166,000 in mid-March, initial unemployment claims moved steadily higher and reached 261,000 in mid-July. That uptrend was subsequently reversed, with claims back down to 190,000 by the latter part of September. Since then another leg higher has been unfolding, and we believe this will be longer lasting. Initial claims rose to 225,000 in the week ended November 5, while continuing claims rose slightly to 1.493 million in the week ended October 91. The four week moving average of continuing claims touched 1.450, the highest level since mid-April.

We have been expressing concerns around the consumer spending outlook in light of a dramatic decline in the personal saving rate this year (at 3.1% in the latest reading). That concern is further compounded by the steady rise in consumer credit in recent months, suggesting that even the consumption we've seen so far is financed not only by a drawdown in savings, but also by an increase in borrowing. The combination is troublesome and cannot persist indefinitely. Indeed, the first whispers of a possible plateau in consumer credit growth came in September. Consumer credit still rose by a healthy $25.0 billion but revolving credit grew by just $8.32 billion, the second smallest increase this year.

Canada

After last week's astonishing employment beat, Bank of Canada (BoC) Governor Tiff Macklem emphasized the need to rebalance the labor market to curtail excess demand and that the economy may not slip into a severe recession. Still, "a significant slowing of the economy" seems likely.

He said, "…*we need to rebalance the labor market. This will be a difficult adjustment.* We want to do this in the best way possible for Canadian workers and businesses." Furthermore, the governor stressed the lagged effects of previous outsized hikes as he noted, "Monetary policy has begun to have an impact, but *it will take time for the effects of higher interest rates to spread through the economy and reduce demand and inflation.*"

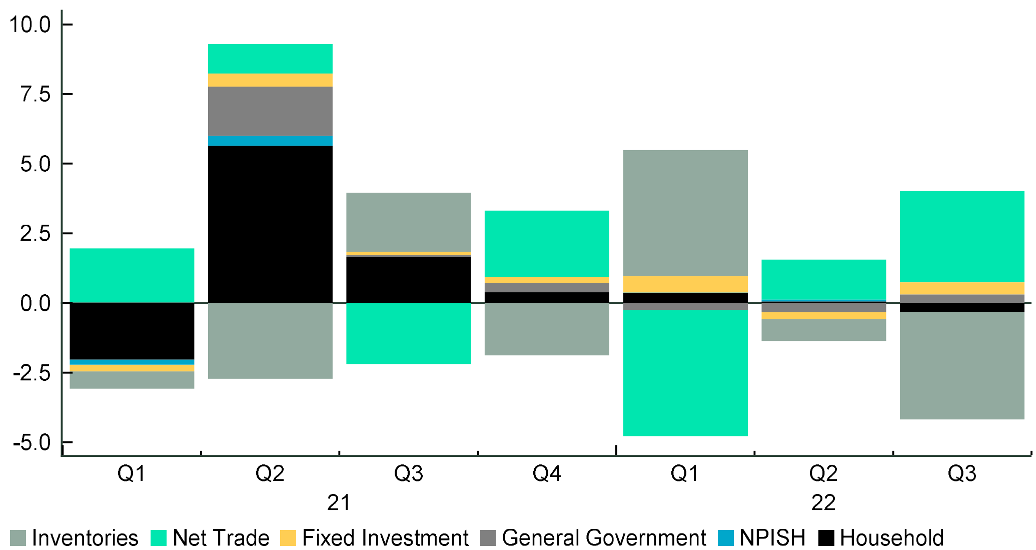
Next week, we will get a read of October CPI where we look for continued moderation in prices; especially, food and shelter components will be of interest. We will also get to know about credit conditions in Q3 in the BoC Senior Loan Officers Survey.

UK

The UK **economy** contracted 0.2% in the third quarter, likely marking the start of a moderate recession that could unfold through much of 2023. That said, performance was actually better than the 0.5% dip both consensus and the Bank of England (BoE) had anticipated. The main reason for this was a 3.3 percentage point (ppt) contribution from net trade, which roughly offset the 3.4 ppt drag from investment (almost all due to a slowdown in inventory accumulation). It seems unlikely that either sector would play such a disproportionate role in the fourth quarter as the energy-related import surge is now subsiding, temporarily at least. Private consumption detracted 0.3 ppt from growth in the third quarter as consumers cut back spending amidst double-digit inflation. Real GDP grew 2.4% y/y in the third quarter and 5.9% y/y during the first three quarters.

Figure 2: Big Swings In Trade, Inventories Drive Q3 UK GDP

Percentage point contribution to quarterly growth



Sources: SSGA Economics, ONS

Industrial activity continues to struggle. Admittedly, production ticked up 0.2% in September—the first gain in four months—thanks to modest gains in all components expect manufacturing, which was flat. Even so, production was down 3.1% y/y and has declined by an average 2.5% y/y during the first nine months of 2022.

Eurozone

There was very little in the way of macro data flow out of the region this week and whatever we received fit with the general message of a fitful deceleration. **Industrial production** surprised to the upside in ***Germany*** but this was essentially offset by downward revision to the prior month. ***Italian*** **industrial production** came in softer than expected but **retail sales** beat expectations. A lot of noise and revisions made the monthly updates somewhat less valuable than normal.

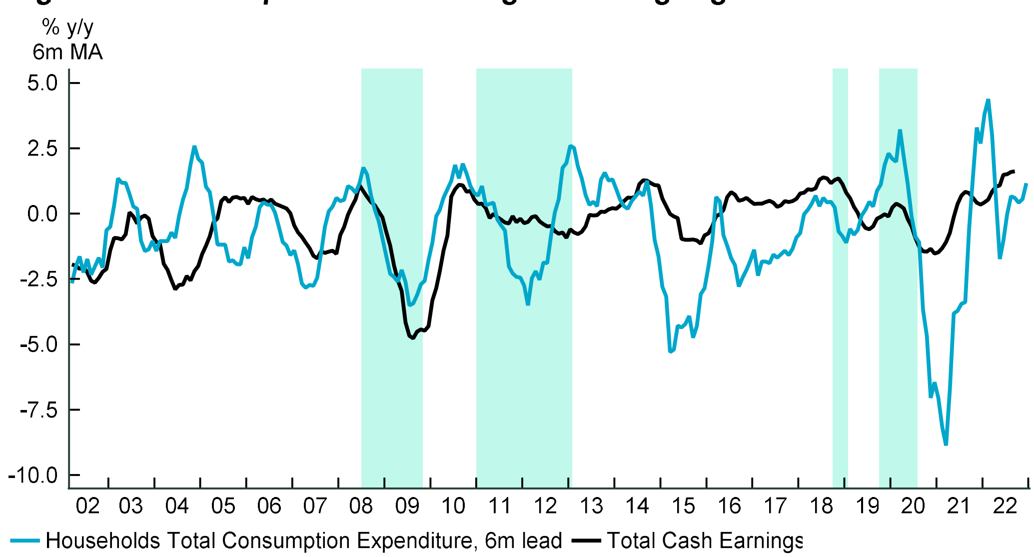
Japan

September's household spending and labor earnings data point to a gradual establishment of optimal conditions for policy normalization. **Real household spending** rose 2.3% y/y in September for a fourth consecutive gain. Although less than the 2.6% consensus, this is a healthy print. Spending on furniture and household utensils surged 14.3%, the most since January 2021. Expenditure on food also rose 1.2% as more people dined outside and stocked up alcohol before increased prices kick in from October for major manufacturers. Further, the spending on recreation remained strong at an astounding 12.6% behind increased hotel bookings and accommodation and tourist packages.

Wage growth is improving, with **total cash earnings** up 2.1% y/y in September. Although real earnings are depressed by high inflation, they are nominally on a faster pace, averaging 1.7% in Q3, three-tenths higher than in Q2. Over time pay, a proxy for corporate activity, rose a massive 6.7%, mainly behind longer hours worked.

Also, consumption is recovering with momentum; BoJ's seasonally adjusted Consumption Activity Index (CAI) rose 1.7% m/m in September, nearly offsetting the prior two monthly declines, thanks to the subsidence of the summer Covid wave and resumption of travel subsidies. Consumption in subsequent months will be supported by last week's economic package, which is now approved by the Cabinet.

Figure 3: Consumption And Earnings Trending Higher



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

We expect next week's preliminary Q3 GDP to have risen 1.8% q/q annualized, above consensus, because of two reasons: firm services-led consumption and robust business capex plans. This recovery is attributed to the removal of Covid restrictions earlier in the year and the resumption of the travel subsidies by the government.

Next week's October CPI will show an acceleration of price pressures, taking the headline near 3.5% y/y. This stronger growth story, coupled with further acceleration in CPI with strong possibilities of higher wage growth, the time is ripe for the Bank of Japan to normalize its policy.

Australia

The Reserve Bank of Australia (RBA) hosted economists at their annual dinner, where **deputy governor Michele Bullock** sent a clear message that rates will move higher with an inclination to smaller hikes. She stressed the importance of keeping the job gains during the pandemic while questioning the merits of raising rates at a faster clip. Specifically, in answer to NAB, the governor said, "*in many ways, the easy solution might best be have a 'scorched earth'. And yes, you could scorch the earth and get inflation back down very quickly. Is that the right thing to do?"* However, she warned, 'if we get some particularly bad news on inflation or wages…then don't doubt our resolve to increase interest rates quite quickly.'

This makes Q3 Wage Price Index (WPI) data next week and October CPI at the month's end very important. Consensus for the WPI is at 3.0% y/y. However, the RBA may stomach some upside surprise as the deputy governor said during the dinner, *"…But we still need wage rises of the order of 3½ percent to sustain inflation in the (target) band"* while responding to a question about wages from ANZ. Hence, we are fairly comfortable with our 3.6% terminal rate forecast.

Earlier in the week, **NAB business confidence** showed a modest easing in October. The headline business confidence index fell 5 points to 0, while the business conditions, which gauge economic activity, fell one point to 22, implying resilience to tighter monetary conditions. The employment index eased a touch, implying job gains may slow from now, consistent with other labor market indicators.

Week in Review (November 07 – November 11)

Country	Release (Date, format)	Consensus	Actual	Last	Comments
Monday, November 07					
US	Consumer Credit (Sep, $ bn)	30.000	24.976	30.185 (↓)	First hints of a plateau in growth.
GE	Industrial Production (Sep, m/m, sa)	0.1%	0.6%	-1.2% (↓)	Welcome, but volatile and prone to revisions.
JN	Labor Cash Earnings (Sep, y/y)	1.7%	2.1%	1.7%	Solid rise.
AU	Westpac Consumer Conf Index (Nov)	na	78.0	83.7	Low.
AU	NAB Business Confidence (Oct)	na	0	5	Moderating.
Tuesday, November 08					
US	NFIB Small Business Optimism (Oct)	91.4	91.3	92.1	More firms plan to raise wages.
IT	Retail Sales (Sep, m/m)	0.2%	0.5%	-0.3% (↑)	Welcome but volatile.
JN	Leading Index CI (Sep, prelim)	97.8	97.4	101.3	Lower.
JN	Household Spending (Sep, y/y)	2.7%	2.3%	5.1%	Broad-based rise.
Wednesday, November 09					
No major data releases					
Thursday, November 10					
US	CPI (Oct, y/y)	7.9%	7.7%	8.2%	Core eased three tenths to 6.3% y/y.
US	Initial Claims (Nov 05, thous)	220	225	218 (↑)	Gentle uptrend has resumed.
US	Continuing Claims (Oct 29, thous)	1,492	1,493	1,487 (↑)	Gentle uptrend has resumed.
US	Monthly Budget Statement (Oct, $ bn)	-90.0	-87.8	-165.0	First month of new fiscal year.
FR	Wages (Q3, q/q, prelim)	1.2%	0.9%	1.1%	Still elevated.
IT	Industrial Production (Sep, m/m)	-1.5%	-1.8%	2.3%	Down 0.5% y/y.
JN	PPI (Oct, y/y)	8.8%	9.1%	10.2% (↑)	Gently easing.
Friday, November 11					
US	U.of Mich. Sentiment (Nov, prelim)	59.5	54.7	59.9	Inflation expectations ticked higher.
UK	GDP (Q3, q/q, prelim)	-0.5%	-0.2%	0.2%	Not as bad as expected.
UK	Industrial Production (Sep, m/m)	-0.2%	0.2%	-1.4% (↑)	Still very weak.
GE	CPI (Oct, y/y, final)	10.4% (p)	10.4%	10.0%	As initially reported.

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

Week In Preview (November 14 – November 18)

Country	Release (Date, format)	Consensus	Last	Comments
Monday, November 14				
EC	Industrial Production (Sep, m/m, sa)	0.1%	1.5%	
JN	GDP (Q3, q/q, prelim, sa)	0.3%	0.9%	Upside surprise possible.
JN	Industrial Production (Sep, m/m, final)	-1.6% (p)	3.4%	
Tuesday, November 15				
US	Empire Manufacturing (Nov)	-5.5	-9.1	
US	PPI Final Demand (Oct, y/y)	8.4%	8.5%	
CA	Manufacturing Sales (Sep, m/m)	na	-2.0%	Could trend low.
CA	Existing Home Sales (Oct, m/m)	na	-3.9%	Could trend low.
UK	Average Weekly Earnings 3m (Sep, y/y)	5.9%	6.0%	
UK	ILO Unemployment Rate 3m (Sep)	3.5%	3.5%	
EC	GDP (Q3, q/q, prelim)	0.2% (p)	0.8%	
GE	ZEW Survey Expectations (Nov)	-54.0	-59.2	
FR	ILO Mainland Unemployment Rate (Q3)	na	7.2%	
JN	Core Machine Orders (Sep, m/m)	1.0%	-5.8%	Could moderate.
JN	Tertiary Industry Index (Sep, m/m)	na	0.7%	Could moderate.
AU	Wage Price Index (Q3, y/y)	3.0%	2.6%	Could be higher than consensus.
Wednesday, November 16				
US	Retail Sales Advance (Oct, m/m)	0.9%	0.0%	Motor vehicle sales helped.
US	Import Price Index (Oct, y/y)	4.0%	6.0%	Might not have eased quite as much.
US	Industrial Production (Oct, m/m)	0.2%	0.4%	
US	Business Inventories (Sep, m/m)	0.5%	0.8%	
US	NAHB Housing Market Index (Nov)	36	38	Very weak.
CA	Housing Starts (Oct, thous)	na	299.6	
CA	CPI (Oct, y/y)	na	6.9%	Moderation expected.
UK	CPI (Oct, y/y)	10.5%	10.1%	
AU	Unemployment Rate (Oct)	3.6%	3.5%	A notch up.
Thursday, November 17				
US	Initial Claims (Nov 12, thous)	222	225	
US	Housing Starts (Oct, thous)	1,412	1,439	
US	Building Permits (Oct, thous)	1,515	1,564	
US	Philly Fed Business Outlook (Nov)	-6.0	-8.7	
US	Kansas City Fed Manf. Activity (Nov)	na	-7	
UK	GfK Consumer Confidence (Nov)	na	-47	
EC	CPI (Oct, y/y, final)	10.7%	10.0%	
JN	CPI (Oct, y/y)	3.7%	3.0%	It won’t stop here.
Friday, November 18				
US	Existing Home Sales (Oct, m/m)	-7.3%	-1.5%	
US	Leading Index (Oct, m/m)	-0.4%	-0.4%	
CA	Teranet/National Bank HPI (Oct, y/y)	na	8.3%	Could be low.
CA	Industrial Product Price (Oct, m/m)	na	0.1%	Moderation expected.
UK	Retail Sales Inc Auto Fuel (Oct, m/m)	na	-1.4%	

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

STATE STREET GLOBAL ADVISORS

Economic Indicators

Central Bank Policy Targets

Region	Target	Year/Year % Change in Target May	Jun	Jul	Aug	Sep
US	Target: PCE price index 2.0% y/y	6.5	7.0	6.4	6.2	6.2
Canada	Target: CPI 2.0% y/y, 1.0%-3.0% control range	7.7	8.1	7.6	7.0	6.9
UK	Target: CPI 2.0% y/y	9.1	9.4	10.1	9.9	10.1
Eurozone	Target: CPI below but close to 2.0% y/y	8.1	8.6	8.9	9.1	9.9
Japan	Target: CPI 2.0% y/y	2.5	2.4	2.6	3.0	3.0
Australia	Target Range: CPI 2.0%-3.0% y/y	6.1	6.1	7.3	7.3	7.3

Source: Macrobond

Key Interest Rates

	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22
US (top of target range)	0.25	0.25	0.25	0.50	0.50	1.00	1.75	2.50	2.50	3.25	3.25
Canada (Overnight Rate)	0.25	0.25	0.25	0.50	1.00	1.00	1.50	2.50	2.50	3.25	3.75
UK (Bank Rate)	0.25	0.25	0.50	0.75	0.75	1.00	1.25	1.25	1.75	2.25	2.25
Eurozone (Refi)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.50	0.50	1.25	1.25
Japan (OCR)	-0.02	-0.02	-0.01	-0.02	-0.02	-0.03	-0.04	-0.01	-0.04	-0.07	-0.06
Australia (OCR)	0.10	0.10	0.10	0.10	0.10	0.33	0.73	1.28	1.81	2.25	2.58

Source: Macrobond

General Government Structural Balance as a % of Potential GDP

	2014	2015	2016	2017	2018	2019	2020	2021	Forecast 2022	2023
US	-2.7	-2.5	-3.6	-4.1	-5.1	-5.7	-10.8	-9.5	-4.0	-5.3
Canada	-0.6	0.0	0.1	-0.3	0.0	-0.2	-8.6	-4.0	-2.7	-1.2
UK	-3.9	-3.6	-2.8	-2.3	-2.4	-2.7	0.5	-3.2	-4.3	-1.7
Eurozone	-0.7	-0.5	-0.5	-0.5	-0.3	-0.5	-4.3	-3.8	-3.5	-2.9
Germany	1.2	1.2	1.2	1.1	1.6	1.3	-2.9	-3.0	-3.0	-1.8
France	-2.5	-2.1	-1.9	-1.9	-1.5	-2.1	-5.7	-5.1	-4.5	-4.8
Italy	-1.0	-0.6	-1.2	-1.5	-1.6	-0.9	-6.0	-5.1	-5.7	-3.6
Japan	-5.5	-4.2	-4.0	-3.4	-2.5	-2.6	-8.2	-6.3	-7.3	-3.2
Australia	-2.7	-2.6	-2.2	-1.6	-1.1	-4.0	-7.9	-6.2	-3.5	-3.1

Source: International Monetary Fund, World Economic Outlook

Headline Consumer and Producer Price Inflation

	CPI Year/Year % Change Jun	Jul	Aug	Sep	Oct		PPI Year/Year % Change Jun	Jul	Aug	Sep	Oct
US	9.1	8.5	8.3	8.2	7.7		11.3	9.8	8.7	8.5	
Canada	8.1	7.6	7.0	6.9			14.3	11.6	10.2	9.0	
UK	9.4	10.1	9.9	10.1			16.3	17.0	16.4	15.9	
Eurozone	8.6	8.9	9.1	9.9			36.1	38.1	43.4	41.9	
Germany	7.6	7.5	7.9	10.0	10.4		32.7	37.2	45.8	45.8	
France	5.8	6.1	5.9	5.6	6.2		25.3	26.1	27.8	25.8	
Italy	8.0	7.9	8.4	8.9	11.9		34.1	36.9	40.1	41.8	
Japan	2.4	2.6	3.0	3.0			9.6	9.3	9.6	10.2	9.1
Australia	6.1	7.3	7.3	7.3			5.6	6.4	6.4	6.4	

Source: Macrobond

Economic Indicators

Real GDP Growth (Q/Q Seasonally Adjusted)

	Quarter/Quarter % Change						Year/Year % Change				
	Q3-21	Q4-21	Q1-22	Q2-22	Q3-22		Q3-21	Q4-21	Q1-22	Q2-22	Q3-22
US	0.7	1.7	-0.4	-0.1	0.6		5.0	5.7	3.7	1.8	1.8
Canada	1.3	1.6	0.8	0.8			3.8	3.2	2.9	4.6	
UK	1.8	1.6	0.7	0.2	-0.2		8.5	8.9	10.9	4.4	2.4
Eurozone	2.3	0.5	0.6	0.8	0.2		3.9	4.8	5.5	4.3	2.1
Germany	0.8	0.0	0.8	0.1	0.3		1.9	1.2	3.5	1.7	1.1
France	3.3	0.6	-0.2	0.5	0.2		3.6	5.1	4.7	4.2	1.0
Italy	2.8	0.9	0.1	1.1	0.5		4.8	6.5	6.4	4.9	2.6
Japan	-0.4	1.0	0.1	0.9			1.2	0.5	0.9	1.4	
Australia	-1.8	3.9	0.7	0.9			4.1	4.5	3.3	3.6	

Source: Macrobond

Industrial Production Index (M/M Seasonally Adjusted)

	Month/Month % Change						Year/Year % Change				
	May	Jun	Jul	Aug	Sep		May	Jun	Jul	Aug	Sep
US	-0.1	-0.1	0.7	-0.1	0.4		4.4	3.9	3.9	3.9	5.3
Canada	-0.6	0.3	0.7	-0.6			6.5	4.5	5.0	4.2	
UK	0.4	-0.3	-0.7	-1.4	0.3		-3.4	-1.8	-2.7	-4.4	-3.1
Germany	0.3	0.9	0.0	-1.2	0.6		-1.7	0.1	-0.7	2.1	2.5
France	0.2	1.4	-1.6	2.7	-0.8		-0.4	1.2	-1.2	1.5	1.8
Italy	-1.0	-2.0	0.4	2.3	-1.8		3.4	-0.9	-1.2	2.6	-0.5
Japan	-7.5	9.2	0.8	3.4	-1.6		-4.7	-2.8	-1.2	4.2	9.7

Source: Macrobond

Unemployment Rate (Seasonally Adjusted)

	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22
US	3.9	4.0	3.8	3.6	3.6	3.6	3.6	3.5	3.7	3.5	3.7
Canada	6.0	6.5	5.5	5.3	5.2	5.1	4.9	4.9	5.4	5.2	5.2
UK	4.0	3.8	3.7	3.8	3.8	3.8	3.6	3.5			
Eurozone	7.0	6.9	6.8	6.8	6.7	6.7	6.7	6.7	6.7	6.6	
Germany	5.2	5.1	5.1	5.0	5.0	5.0	5.3	5.4	5.5	5.5	5.5
France	7.5	7.3	7.3	7.4	7.5	7.6	7.6	7.4	7.3	7.1	
Italy	8.8	8.7	8.5	8.3	8.2	8.1	8.0	8.0	7.9	7.9	
Japan	2.7	2.8	2.7	2.6	2.5	2.6	2.6	2.6	2.5	2.6	
Australia	4.2	4.2	4.0	3.9	3.9	3.9	3.5	3.4	3.5	3.5	

Source: Macrobond

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

	Q1-20	Q2-20	Q3-20	Q4-20	Q1-21	Q2-21	Q3-21	Q4-21	Q1-22	Q2-22	Q3-22
US	-2.0	-3.1	-3.2	-3.5	-3.4	-3.6	-3.8	-3.7	-4.6	-4.0	
Canada	-3.2	-1.1	-2.0	-0.8	0.1	-0.1	0.2	0.0	0.4	0.4	
UK	-2.2	-1.1	-2.6	-6.6	-2.3	-1.2	-4.0	-0.5	-7.2	-5.5	
Eurozone	0.4	1.2	2.1	3.2	3.5	3.1	2.3	1.2	0.4	-1.4	
Germany	6.9	5.3	7.0	8.1	9.1	8.1	6.7	5.9	5.6	3.4	2.2
France	-1.3	-3.6	-2.0	-0.4	0.6	0.8	0.3	-0.3	-0.3	-1.7	-2.8
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

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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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