STATE STREET GLOBAL ADVISORS

October 23, 2020
Commentary

Weekly Economic Perspectives

Contents

Spotlight on Next Week
The ECB and BoJ should remain on hold. Third quarter GDP data will show big surges in US and eurozone.

Contact

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

Kaushik Baidya
Economist
kaushik_baidya@ssga.com
+91-806-741-5048

The Economy

Mixed data week with US indicators holding up well but signs of softening in Europe.

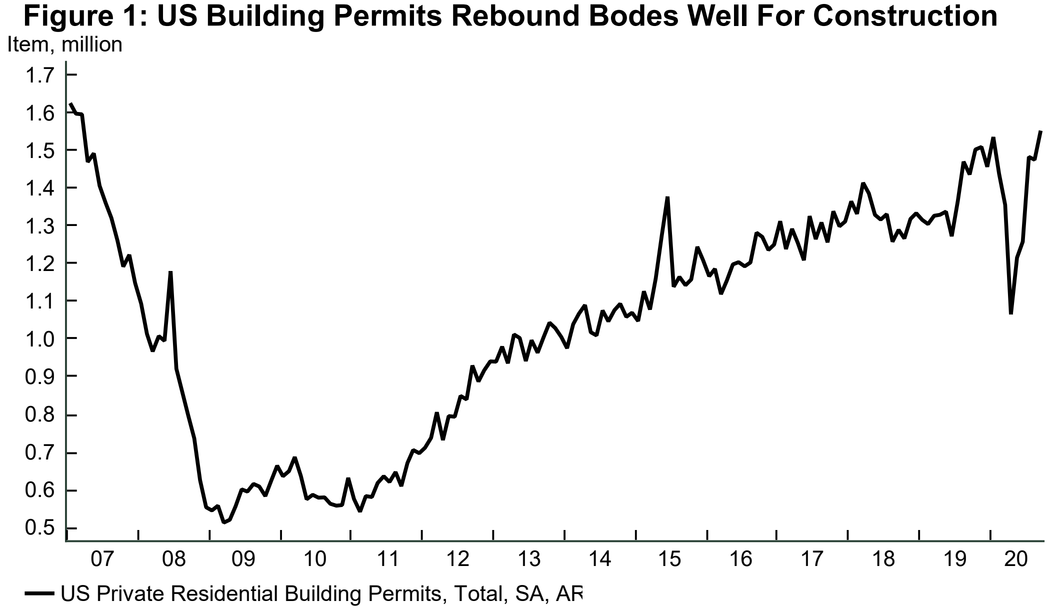
US

The housing sector continues to scale new highs, with strong demand boosting homebuilder sentiment. The **NAHB index** increased another 2.0 points to yet another record high of 85 points in October as present sales and future sales reached new historical records while buyer traffic was unchanged at the historical record reached last month. Low interest rates, a renewed appreciation for the value of home space in the era of Covid-19, and years of housing underinvestment, should support residential construction activity in coming months. Regionally, there were big improvements in activity in the West and Northeast and minor declines in the South and Midwest.

Builder enthusiasm seems warranted: **existing home sales** jumped 9.4% in September to a 6.54 million annualized pace, the most since May 2006. Sales were up 20.9% y/y! Thanks to a good start to the year and an incredibly swift rebound post-lockdowns, year to date sales are actually flat y/y, which is an astounding performance given the Covid shock. The market tightened noticeably, with inventory down to a record low of 2.7 months; houses were only on the market for 21 days, also a record low. The median price surged 14.8% y/y, the most since October 2005.

The September **housing starts** came in a bit softer than expected but were nonetheless solid at 1.415 million (saar). The headline obscures impressive strength in the single-family segment, where starts increased 8.5% to settle 22.3% higher than a year earlier. By contrast, multi-family starts declined 16.3% and are down 16.6% y/y. There is no doubt a limit to how much Covid will alter home buyer preferences in favor of single-family homes, but the phenomenon might have further to run. It's also worth remembering that multi-family starts are notoriously volatile so a good month down the line could also moderate the current relative underperformance.

Figure 1: US Building Permits Rebound Bodes Well For Construction



Sources:SSGA Economics, U.S. Census Bureau

The **permits** data were better than expected, boding well for future starts. Permits exhibit the same dual performance with single-family permits up 7.8% during the month and multi-family permits down 0.9%. Single family permits rose 24.3% y/y and are at the highest level since early 2007; multi-family permits declined 19.2% y/y.

After good signals from the Philly and Empire Fed manufacturing surveys last week, the **Kansas Fed survey** also offered an encouraging signal this week. Admittedly, the headline only beat by two points (gaining two versus flat expectations), but production improved 3.0 and shipments surged 13.0. While employment didn't rise much, the average workweek did, suggesting increased work effort, all of which bode well for October's industrial production print. Also notable was the increase in the raw materials price metric—now at the highest level since November 2018. We'll watch to see to what extent these building cost pressures will be passed on to customer.

The **index of leading economic indicators (LEI)** suggests that while momentum in the US economy is slowing, the direction of travel remains positive. It rose another 0.7% in September, the fifth consecutive gain after huge declines in March and April. The biggest positive contributions came from unemployment claims, building permits, and the ISM new orders. , following an upwardly revised 3.0% gain in June (from 2.0% originally reported). The LEI remains 3.9% lower than a year earlier, but that's quite an improvement compared with a peak decline of 13.2% y/y in April.

Initial **unemployment claims** are showing meaningful improvement, having declined by 55,000 in the week ending October 17. The prior two weeks were revised lower, such that we've now had two prints below 800,000. Continuing claims also dropped sharply, and prior data was revised lower. Part of it is an artificial improvement as benefits start expiring for some people, but part of it is genuine further labor market healing. And the improvement also has to do with some states starting to do a better job at combating fraudulent claims. California recently completed a review of its program and the latest numbers are substantially lower than previously estimated. All in all, continuing claims declined by just over a million to 8.3 million in the week ended October 10. They had peaked at just under 25 million in early May.

The latest **Fed Beige book**, referencing data through October 9, noted a slight or modest improvement in activity in most districts, with the caveat that "changes in activity varied greatly by sector." The Chicago and the Dallas districts provided the most upbeat assessments of activity. Manufacturing and housing are doing quite well nationally, but commercial real estate continues to deteriorate. Consumer spending remains robust, and labor market conditions continue to improve. It was interesting to note several references to businesses passing on higher input prices—this was mirrored in the Fed regional surveys and could be a leading indicator of higher inflation to come. But it remains to be seen how far this will actually play out. So far, "overall, consumer prices across Districts rose modestly, with the notable exceptions of food, automobiles, and appliances, which increased significantly."

Canada

Canada's headline **consumer price inflation** accelerated to 0.5% y/y in September, from 0.1% in August. Excluding gasoline, CPI rose 1.0% y/y. Gasoline declined 10.7% from a year earlier, the seventh consecutive contraction, but the magnitude of decline has been shrinking. The acceleration in the CPI was largely due to price changes in the food (+1.6%), shelter (+1.7%), and health and personal care (+1.6%) components. Measures of core inflation were unchanged—the weighted median and common component measures were unchanged at 1.9% and 1.5% respectively, while the trimmed mean increased one tenth to 1.8%. On a monthly basis, prices were higher by 0.1% m/m. Inflation should move back to near target levels by 2021, but the negative output gap and slack in labor market means that an inflation rate consistently overshooting target is unlikely.

Figure 2. Negative Output Gap To Subdue Canada's Inflation

Sources: SSGA Economics, BoC, StatCan

Retail sales rose 0.4% to C$53.2 billion in August—the fourth consecutive monthly increase since the record decline in April. But it was still less than the expected 1.1% increase. Core retail sales were up 0.4% in August after decreasing 0.8% in July. This was due to higher sales at building material and garden equipment and supplies dealers (+4.5%), which rose for the third time in four months. This is a trend which arose due to people spending more time at home, and increasing sales is consistent with a considerable proportion of the population still opting to work from home. Statistics Canada estimated that over a quarter of people who worked their usual hours chose to do so from home. Sales at gasoline stations (+1.2%) rose for the fourth consecutive month in August, while following three consecutive monthly increases, sales at motor vehicle and parts dealers edged down 0.1%.

The **11-City housing price index** published by Teranet and the Bank of Canada was up 1.1% in September, led by gains in Ottawa (+2.3%), Quebec City (+2.2%), Montreal (+1.9%) and Hamilton (+1.9%). As evidence of supply catching up to demand, the number of “sale pairs”—which measures the increase or decrease of the property value in the period between two sales in a linear fashion—rose for the first time since May, up 29% from a year earlier.

UK

Despite generally dismal consumer sentiment, UK consumers have actually been willing to spend in recent months. Real **retail sales** increased a better than expected 1.5% in September, leaving them 4.7% higher than a year earlier. All categories save online sales recorded improvements last month, although the latter remains the undisputed best performer on a year-over-year basis.

The question is whether this resilience will continue given renewed mobility restrictions amid the second Covid wave and the renewed plunge in confidence in October. Indeed, the **GFK consumer confidence index** lost 6 points to -31 in October, the first decline since April. One encouraging development, however, is the government's announcement of enhanced employment support measures, which should at least stem the hit to the labor market. Additionally, spending should fare better than at the height of the crisis given consumers' familiarity with the nature of the outbreak and businesses' improved ability to deploy alternative delivery methods.

For now, activity is proceeding at a decent pace. Admittedly, both the manufacturing and services PMIs retreated—the latter, notably—in preliminary October readings, but both remain above 50. The **manufacturing PMI** gave up 0.8 point to 53.3; the production metric declined 2.6 points but only to a robust 56.4. The more troubling (and confusing) aspect was the 2.1-point drop in the employment metric, now at 44.5.

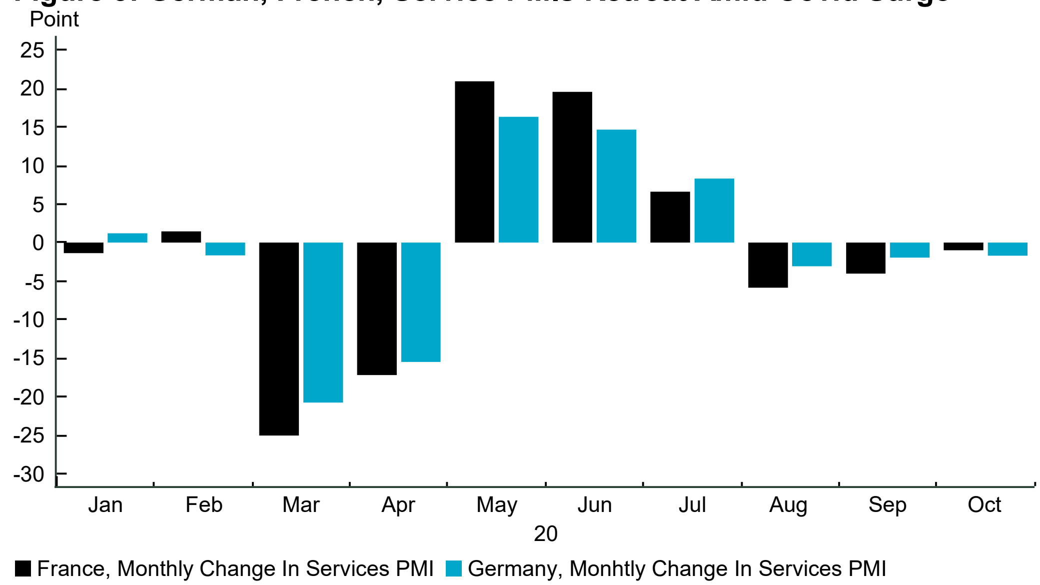
The news was less rosy on the service side as the **services PMI** dropped 3.8 points to 52.3. Incoming new orders plunged 6.6 to a four-month low of 47.8. And while employment improved 0.8 point, this was only to a dismal 42.8, indicating persistent labor shedding.

Inflation remains low…and likely to remain so for some time. Headline **consumer price inflation** accelerated three tenth to 0.5% y/y, while core inflation accelerated four to 1.3% y/y. There is a big discrepancy between goods and services inflation, with goods prices down 0.3% y/y but services prices rose 1.4% y/y.

Eurozone

The surge in Covid cases across Europe is taking a clear toll on service activity. **Purchasing managers' indexes for services** first softened in August, but at that point the retreat was a natural evolution following the post-lockdown bounce-back. Since September, however, the trend started to take a more troubling cast as indexes fell below the neutral 50 level that separates expansion from contraction. Unfortunately, the trend continued with the flash October readings. The eurozone index dropped 1.8 points to 46.2, driven by a sharp decline in incoming new business. The German index retreated 1.7 points to 48.9 and the French index retreated 1.0 to 46.5. Given recent measures to restrict mobility in order to bring the second Covid wave under control, it is quite likely that things get worse before they get better again.

Figure 3: German, French, Service PMIs Retreat Amid Covid Surge



Sources: SSGA Economics, IHS Markit

The news was much better on the manufacturing front, confirming our long-held view that the manufacturing/industrial sector is more resilient to the Covid outbreak due to its lesser dependency on face to face interaction and stronger ability to deploy social distancing protocols in the production process. Indeed, the flash **manufacturing PMI** for the eurozone actually improved 0.7 point to 54.4, with the German index surging well past expectations with a 1.6-point gain to a Covid era high of 58.0. The French index retreated a modest 0.2 point but remained in expansion territory at 51.0.

Japan

Consumer price inflation was flat relative to a year ago in September, as expected. Positive contributions were made by lodging charges. Despite declining sharply during the month—an unintended consequence of the "Go To Travel" campaign—they made a positive contribution y/y for technical reasons, including base-effect. The underlying measures were a tad higher—both the traditional core measure of CPI (excluding fresh food) and the new BoJ core CPI (excluding fresh food and energy) increased by 0.1 percentage points to -0.3% and 0.0% y/y respectively.

Despite improvements in industrial production and tertiary activity indices, both manufacturing and services PMIs continue to lag peers. The manufacturing PMI edged up 0.3 points to 48.0 in October, while the services PMI fell 0.3 points to 46.6. New orders and output sub-indices declined further. In the only positive, expectations about future output saw positive, especially services, which might be an impact of the "Go To Travel" campaign.

Australia

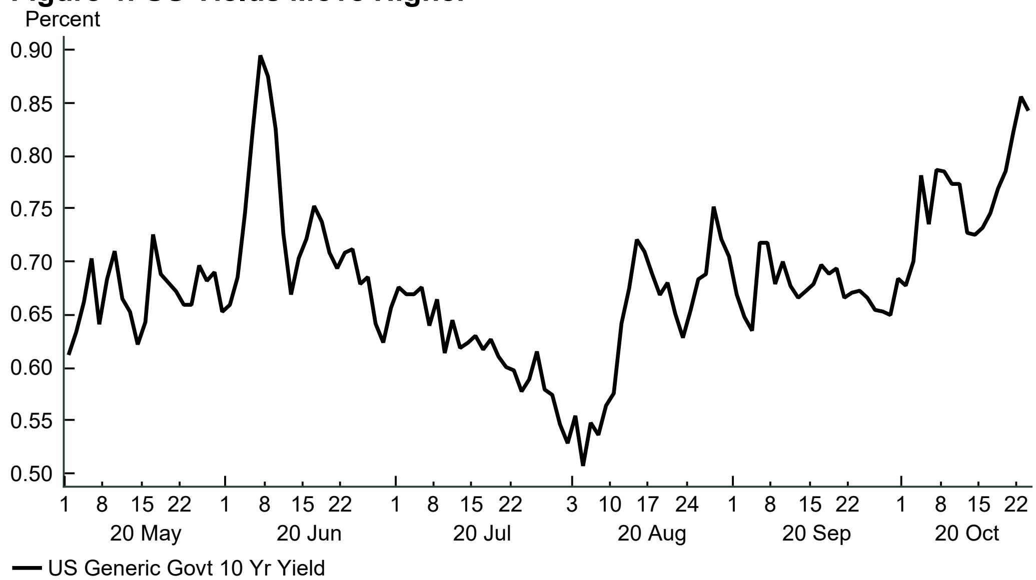
Much of contents in the **Reserve Bank of Australia**'s minutes to the meeting dated October 6th had already been covered in RBA Governor Lowe's speech last week. The minutes mentioned that the options under discussion included "reducing the targets for the cash rate and the 3-year yield towards zero, without going negative, and buying government bonds further along the yield curve." Lowe had stressed earlier that "as the economy opens up, though, it is reasonable to expect that further monetary easing would get more traction than was the case earlier." We feel that these are strong indications of a rate cut by the RBI in its November meeting. The agenda for the RBA also seems to have shifted more in line with other major central banks across the world—the emphasis is now on actual inflation rather than inflation expectations. The evolution of interest rates will be influenced more by the progress towards full employment, rather than inflation.

In our view, the cash rate will be reduced to 0.10% in the November meeting, but we still do not see the RBA moving towards negative interest rates. The economy has performed slightly better than expected, and the unemployment rate is expected to peak lower than anticipated earlier. The easing bias of the central bank is merely to complement the expansionary Budget for 2020-2021 and improve labor market conditions as soon as possible. In addition to introducing a bond purchase program targeting the longer end of the curve, the RBA can also extend the TFF and QE programs beyond the specified end-date, and introduce other targeted lending programs to stimulate the economy.

The Market This Week

US 10-year yields touched the highest level since June on a combination of strong incoming data and uncertainties ahead of upcoming elections.

Figure 4: US Yields Move Higher



Sources: SSGA Economics, Bloomberg

Equities: Japan is lone exception to down week in equities.

Bonds: Bond yields widen everywhere.

Currencies: The dollar retreats.

Commodities: Oil ends lower and gold is little changed.

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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®	3465.39	-0.5%	7.3%	0.84	10	-107	92.731	-1.0%	-3.8%
Canada	TSE 300	16304.08	-0.8%	-4.5%	0.64	6	-106	1.3125	-0.5%	1.0%
UK	FTSE®	5860.28	-1.0%	-22.3%	0.28	10	-54	1.304	1.0%	-1.6%
Germany	DAX	12645.75	-2.0%	-4.6%	-0.57	5	-39			
France	CAC-40	4909.64	-0.5%	-17.9%	-0.30	5	-42	1.186	1.2%	5.8%
Italy	FTSE® MIB	19285.41	-0.5%	-18.0%	0.76	11	-65			
Japan	Nikkei 225	23516.59	3.4%	-0.6%	0.04	2	5	104.71	-0.7%	-3.6%
Australia	ASX 200	6167.047	-0.2%	-7.7%	0.86	13	-51	0.7139	0.8%	1.7%

Commodity Markets						
Commodity	Unit	Source	Last Price	%Ch Week	%Ch YTD	%ChYr Ago
Oil (Brent)	US $/Barrel	Bloomberg	41.05	-1.5%	-38.2%	-32.2%
Gold	US $/troy oz	Bloomberg	1902.05	0.1%	25.4%	27.5%

Source: Bloomberg®

Week in Review (October 19–October 23)

Country	Release (Date, format)	Consensus	Actual	Last	Comments
Monday, October 19					
US	NAHB Housing Market Index (Oct)	83	85	83	New record high.
JN	Trade Balance Adjusted (Sep, ¥ bil.)	848.7	475.8	359.0(↑)	Exports getting stronger.
Tuesday, October 20					
US	Building Permits (Sep, thous)	1520	1553	1476(↑)	Solid pipeline.
US	Housing Starts (Sep, thous)	1465	1415	1388(↓)	Could inputs shortages impact starts?
CA	Teranet/National Bank HPI (Sep, y/y)	na	6.7%	5.7%	Picking up.
AU	RBA Meeting Minutes				Reiterated the arguments from Lowe's speech.
Wednesday, October 21					
US	Fed Beige Book Report				"Changes in activity varied greatly by sector."
CA	Retail Sales (Aug, m/m)	1.1%	0.4%	1.0%	Up, but less than expected.
CA	CPI (Sep, y/y)	0.5%	0.5%	0.1%	Still pretty high.
UK	CPI (Sep, y/y)	0.6%	0.5%	0.2%	Core at 1.3% y/y.
Thursday, October 22					
US	Initial Jobless claims (Oct 17, thous)	870	787	842(↓)	Big downward revision.
US	Continuing claims (Oct 10 thous)	9625	8373	9397(↓)	Big downward revision.
US	Leading Index (Sep, m/m)	0.6%	0.7%	1.2%	Further improvement signaled.
US	Existing Home Sales (Sep, m/m)	5.0%	9.4%	2.0%(↓)	Highest level since May 2006.
US	Kansas City Fed Manf. Activity (Oct)	11	13	11	Higher shipments, higher raw material prices.
GE	GfK Consumer Confidence (Nov)	-3.0	-3.1	-1.6	Slight deterioration.
FR	Business Confidence (Oct)	92	90	92	Slight deterioration.
Friday, October 23					
UK	GfK Consumer Confidence (Oct)	-28	-31	-25	First decline since April.
UK	Retail Sales (Sep, m/m)	0.4%	1.5%	0.9%	Good news…for now…
UK	Manufacturing PMI (Oct, prelim)	53.0	53.3	54.1	Reasonably good.
UK	Services PMI (Oct, prelim)	53.0	52.3	56.1	Clear slowdown. Next month likely a lot worse.
EC	Manufacturing PMI (Oct, prelim)	53.1	54.4	53.7	Good.
EC	Services PMI (Oct, prelim)	47.5	46.2	48.0	Second Covid wave impact.
GE	Manufacturing PMI (Oct, prelim)	54.0	58.0	56.4	Excellent!
GE	Services PMI (Oct, prelim)	49.4	48.9	50.6	Second Covid wave impact.
FR	Manufacturing PMI (Oct, prelim)	51.0	51.0	51.2	Not great, but OK.
JN	CPI (Sep, y/y)	0.0%	0.0%	0.2%	Still above zero.
JN	Manufacturing PMI (Oct, prelim)	na	48	47.7	All sub-indices were in decline.
JN	Services PMI (Oct, prelim)	na	46.6	46.9	Boost to tourism from "Go To Travel".

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

Week Preview (October 26–October 30)

Country	Release (Date, format)	Consensus	Last	Comments
Monday, October 26				
US	New Home Sales (Sep, thous)	1025	1011	
GE	IFO Business Climate (Oct)	93.0	93.4	
JN	Leading Index (Aug, final)	88.8(p)	86.7	
Tuesday, October 27				
US	Durable Goods Orders (Sep, prelim, m/m)	1.0%	0.5%	
US	FHFA House Price Index (Aug, m/m)	0.7%	1.0%	
US	S&P CoreLogic 20-City Index (Aug, m/m)	0.4%	0.5%	
US	Consumer Confidence (Oct)	101.9	101.8	
Wednesday, October 28				
CA	BoC Monetary Policy Decision	0.25%	0.25%	More clarification on Canada's FAIT?
FR	Consumer Confidence (Oct)	na	95	
GE	Retail Sales (Sep, m/m)	-0.8%	1.8%(↓)	
AU	CPI (Q3, y/y)	0.6%	-0.3%	Consensus expects a decent rebound.
Thursday, October 29				
US	Initial Jobless claims (Oct 24, thous)	na	787	
US	Continuing claims (Oct 17, thous)	na	8373	
US	GDP (Q3, first, q/q saar)	31.8%	-31.4%	Record surge following Q2 collapse.
US	Pending Home Sales (Sep, m/m)	3.5%	8.8%	
EC	ECB Monetary Policy Decision	0.00%	0.00%	On hold for now, buy eyeing Covid evolution.
UK	Nationwide House Prices (Oct, m/m)	na	0.9%	
UK	Mortgage Approvals (Sep, thous)	75.0	84.7	
GE	Unemployment Rate (Oct)	6.3%	6.3%	
IT	Consumer Confidence (Oct)	103	103.4	
JN	BoJ Monetary Policy Decision	-0.10%	-0.10%	No change expected.
JN	Retail Sales (Sep, m/m)	1.1%	4.6%	"Go To Travel" to have positive impact on sales.
JN	Consumer Confidence (Oct)	35.5	32.7	
Friday, October 30				
US	Personal Income (Sep, m/m)	0.3%	-2.7%	
US	Personal Spending (Sep, m/m)	1.0%	1.0%	
US	Employment Cost Index (Q3, q/q)	0.6%	0.5%	
US	Chicago MNI (Oct)	58.5	62.4	
US	U of Mich Cons Sentiment (Oct, final)	81.2(p)	80.4	
CA	GDP (Aug, m/m)	na	3.0%	StatCan expects an increase of 1.0%.
EC	GDP (Q3, prelim, q/q)	9.4%	-11.8%	Surge following collapse.
GE	GDP (Q3, prelim, q/q)	8.2%	-9.7%	Surge following collapse.
FR	GDP (Q3, prelim, q/q)	13.3%	-13.8%	Surge following collapse.
FR	Consumer Spending (Sep, m/m)	na	2.3%	
IT	GDP (Q3, prelim, q/q)	11.0%	-12.8%	Surge following collapse.
IT	Unemployment Rate (Sep, prelim)	na	9.7%	
JN	Unemployment Rate (Sep)	3.1%	3.0%	Workers on furlough now considerably less.
JN	Industrial Production (Sep, prelim, m/m)	3.0%	1.0%	Should pick up gradually.
AU	Private Sector Credit (Sep, m/m)	0.1%	0.0%	

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

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

Source: Macrobond

Key Interest Rates

	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20
US (top of target range)	1.75	1.75	1.75	1.75	0.25	0.25	0.25	0.25	0.25	0.25	0.25
Canada (Overnight Rate)	1.75	1.75	1.75	1.75	0.25	0.25	0.25	0.25	0.25	0.25	0.25
UK (Bank Rate)	0.75	0.75	0.75	0.75	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)	-0.03	-0.07	-0.04	-0.03	-0.07	-0.06	-0.07	-0.07	-0.02	-0.06	-0.06
Australia (OCR)	0.75	0.75	0.75	0.75	0.43	0.25	0.25	0.25	0.25	0.25	0.25

Source: Macrobond

General Government Structural Balance as a % of Potential GDP

	2012	2013	2014	2015	2016	2017	2018	2019	Forecast 2020	2021
US	-4.9	-3.0	-2.6	-2.6	-3.7	-4.3	-5.7	-6.8	-15.0	-7.6
Canada	-2.3	-1.5	-0.6	0.0	0.0	-0.3	-0.7	-0.6	-16.5	-7.9
UK	-6.1	-4.3	-4.9	-4.3	-3.3	-2.6	-2.3	-2.2	-14.0	-6.4
Eurozone	-2.0	-1.1	-0.7	-0.6	-0.6	-0.6	-0.5	-0.6	-5.3	-3.1
Germany	0.0	0.6	1.2	1.2	1.2	1.2	1.3	1.3	-5.8	-1.8
France	-4.0	-2.9	-2.6	-2.2	-2.1	-2.1	-1.7	-2.0	-4.5	-4.0
Italy	-1.6	-0.5	-1.0	-0.6	-1.3	-1.8	-1.9	-1.3	-3.8	-3.4
Japan	-7.6	-7.5	-5.5	-4.3	-4.1	-3.3	-2.5	-3.0	-12.7	-5.6
Australia	-3.5	-2.7	-2.8	-2.6	-2.3	-1.6	-1.2	-3.7	-9.2	-9.8

Source: International Monetary Fund, World Economic Outlook

Headline Consumer and Producer Price Inflation

	CPI Year/Year % Change						PPI Year/Year % Change				
	May	Jun	Jul	Aug	Sep		May	Jun	Jul	Aug	Sep
US	0.1	0.6	1.0	1.3	1.4		-1.1	-0.8	-0.4	-0.2	0.4
Canada	-0.4	0.7	0.1	0.1	0.5		-4.9	-3.4	-2.4	-2.3	
UK	0.5	0.6	1.0	0.2	0.5		-1.2	-0.9	-0.9	-0.9	-0.9
Eurozone	0.1	0.3	0.4	-0.2	-0.3		-5.0	-3.6	-3.1	-2.5	
Germany	0.6	0.9	-0.1	0.0	-0.2		-2.2	-1.8	-1.7	-1.2	-1.0
France	0.4	0.2	0.8	0.2	0.0		-3.3	-2.2	-2.1	-2.1	
Italy	-0.2	-0.2	-0.4	-0.5	-0.6		-5.3	-4.5	-3.5	-3.0	
Japan	0.1	0.1	0.3	0.2	0.0		-2.8	-1.6	-0.9	-0.6	-0.8
Australia	-0.3	-0.3									

Source: Macrobond

Real GDP Growth (Q/Q Seasonally Adjusted)

	Quarter/Quarter % Change					Year/Year % Change				
	Q2-19	Q3-19	Q4-19	Q1-20	Q2-20	Q2-19	Q3-19	Q4-19	Q1-20	Q2-20
US	0.4	0.6	0.6	-1.3	-9.0	2.0	2.1	2.3	0.3	-9.0
Canada	0.8	0.3	0.1	-2.1	-11.5	2.0	1.6	1.5	-0.9	-13.0
UK	0.0	0.3	0.1	-2.5	-19.8	1.3	1.0	1.0	-2.1	-21.5
Eurozone	0.1	0.3	0.0	-3.7	-11.8	1.3	1.4	1.0	-3.3	-14.8
Germany	-0.5	0.3	0.0	-2.0	-9.7	0.1	0.8	0.4	-2.2	-11.3
France	0.2	0.2	-0.2	-5.9	-13.8	1.8	1.6	0.8	-5.7	-18.9
Italy	0.1	0.0	-0.2	-5.5	-13.0	0.4	0.5	0.1	-5.6	-18.0
Japan	0.4	0.0	-1.8	-0.6	-7.9	0.9	1.7	-0.7	-1.9	-10.1
Australia	0.8	0.5	0.6	-0.3	-7.0	1.6	1.8	2.3	1.6	-6.3

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	0.7	6.2	4.2	0.4	-0.6	-15.8	-10.7	-6.8	-7.0	-7.3
Canada	3.6	6.1	3.8			-18.3	-13.1	-8.0		
UK	5.6	9.9	5.2	0.3		-20.3	-12.1	-7.4	-6.3	
Germany	7.4	9.3	1.4	-0.2		-19.6	-11.3	-9.8	-10.0	
France	20.0	12.7	3.8	1.3		-23.2	-11.4	-8.4	-6.2	
Italy	41.7	8.2	7.0	7.7		-20.5	-13.8	-7.8	-0.2	
Japan	-8.9	1.9	8.7	1.0		-24.5	-21.0	-14.7	-12.3	

Source: Macrobond

Unemployment Rate (Seasonally Adjusted)

	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20
US	3.5	3.5	3.6	3.5	4.4	14.7	13.3	11.1	10.2	8.4	7.9
Canada	5.9	5.6	5.5	5.6	7.8	13.0	13.7	12.3	10.9	10.2	9.0
UK	3.8	3.9	4.0	4.0	4.0	4.1	4.1	4.3	4.5		
Eurozone	7.4	7.4	7.4	7.3	7.2	7.4	7.6	7.8	8.0	8.1	
Germany	5.0	5.0	5.0	5.0	5.0	5.8	6.3	6.4	6.4	6.4	6.3
France	8.2	8.2	8.1	7.7	7.5	7.8	6.9	6.6	7.1	7.5	
Italy	9.5	9.5	9.5	9.3	8.5	7.4	8.7	9.4	9.8	9.7	
Japan	2.2	2.2	2.4	2.4	2.5	2.6	2.9	2.8	2.9	3.0	
Australia	5.1	5.1	5.3	5.1	5.2	6.4	7.1	7.4	7.5	6.8	6.9

Source: Macrobond

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

	Q1-17	Q2-17	Q3-17	Q4-17	Q1-18	Q2-18	Q3-18	Q4-18	Q1-19	Q2-19	Q3-19
US	-2.2	-2.5	-2.0	-2.3	-2.3	-2.1	-2.4	-2.8	-2.6	-2.4	
Canada	-2.2	-2.7	-3.4	-3.0	-2.8	-2.6	-1.8	-2.8	-3.0	-1.2	-1.7
UK	-3.2	-4.0	-3.4	-3.3	-3.4	-4.4	-4.3	-5.1	-6.0	-4.6	
Eurozone	3.1	1.9	3.9	3.6	3.5	3.6	2.6	2.8	3.1	2.4	
Germany	8.3	7.0	8.6	8.6	8.5	7.6	6.5	7.4	7.8	7.6	8.1
France	-1.3	-0.7	-0.7	-0.3	-0.3	-1.4	-0.5	-0.5	-0.8	-0.8	-1.0
Japan	4.3	3.7	4.6	4.2	3.6	4.0	3.4	3.1	3.4	3.5	3.5
Australia	-1.5	-2.5	-2.8	-3.5	-2.2	-2.7	-2.2	-1.4	-0.2	1.2	

Source: Macrobond

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