October 29, 2021
Commentary

Weekly Economic Perspectives

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Spotlight on Next Week
The Fed seem poised to announce tapering. Consensus expects a BoE rate hike but we think it would be better to wait. The RBA to remain on hold, but tone could become less dovish.

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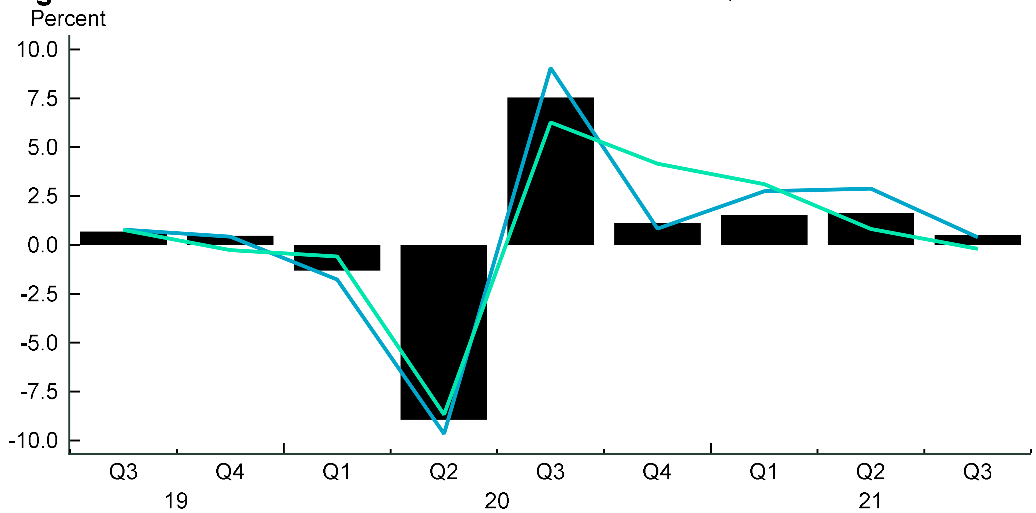
The Economy

A good week in macro data as growth persists despite supply chain challenges.

US

Economic growth slowed sharply in the third quarter, with **GDP growth** coming in below consensus estimates at 2.0% saar, compared with 6.7% in the second quarter. However, although the headline was disappointing, the details suggest a temporary slowdown driven mostly by supply constraints rather than genuine erosion in demand conditions. Nowhere was this more evident than in the composition of household consumption. Real spending on services came in exactly in line with our expectations at a healthy 7.9% saar. By contrast, spending on goods contracted 9.2% saar, driven by a 26.2% saar plunge in durable goods; within durables, spending on motor vehicles collapsed an astonishing 53.9% saar! There is no doubt in our mind that this is not a story of disappearing demand, but rather, one of vanishing inventories and lack of opportunities to buy. And there is also no doubt in our mind that those opportunities will improve in coming months, driving a reacceleration in growth as early as Q4, and continuing into 2022. The inventory data corroborate this narrative; following the extreme inventory drawdown in Q2, inventories contracted further still, although the arithmetic of GDP calculations made them a positive contributor to growth in Q3. We might have reached the worst of the supply chain bottlenecks and we would expect to see some modest inventory rebuilding start in Q4.

Figure 1: Broadbased Slowdown in US Growth In Q3



US Real Private Fixed Investment, SA, % chg q/q ■ US Real GDP, SA, % chg q/q
US, Real Household Consumption, SA, % chg q/q

Sources: Macrobond, SSGA Economics, BEA

Both fixed investment and net exports disappointed, although here, too, there appears to be good reasons to anticipate improvements down the line. One bring spot within the investment landscape remains intellectual property investment, which once again grew at a 12%+ saar. Elsewhere, though, the news was more downbeat. Residential fixed investment contracted again. This strikes us as an intentional management of the production pipeline on the part of builders rather than a response to deteriorating demand dynamics; the recent reacceleration in the NAHB index suggests as much. Somewhat surprisingly, non-residential structures and equipment investment both contracted. The latter was surprising but given that transportation equipment was the worst-faring subcomponent we are inclined to assume some supply chain disruptions here as well. Exports disappointed with a mild contraction; combined with another rise in imports, net trade detracted about 1.1 ppt from third-quarter growth, about a percentage more than in Q2. With borders reopening for foreign visitors on November 8, an improvement in the service balance should alleviate this drag in the closing months of the year.

All in all, today's release poses some downside risks to our full-year 2021 growth forecast of 5.8% (5.6% seems closer to the truth as things stand at the moment) but we remain quite comfortable with our recently upgraded 4.4% projection for 2022.

The reason we remain confident about a reacceleration in growth in the fourth quarter is that some important consumer and manufacturing indicators have once again started surprising positively. For instance, the **Conference Board consumer confidence index** rebounded a larger than expected 4.0 points in October. Most importantly—especially in light of the tepid August and September employment reports—the closely watched labor differential rose to a new cycle high of 45.0, the highest level since the record highs reached back in 2000. Buying intentions improved for both automobiles and homes.

The **Dallas, Richmond, and Kansas Fed manufacturing surveys** surprised positively in October, suggesting a broad pick-up in manufacturing activity during the month. The Kansas Fed index bucked expectations for a decline to instead gain 9.0 points to a six-month high of 31. The details were strong, with broad-based gains across most components but especially shipments and new orders. The Richmond Fed and the Dallas Fed indexes rose to three-month highs, albeit with mixed details.

As supplemental unemployment benefits end, **personal income** is taking a temporary hit. Indeed, nominal income declined a larger than expected 1.0% in September even though wage and salary income actually rose a healthy 0.8%. Government transfers declined 7.0%, with unemployment insurance payments collapsing 72.3%. The drag from this category will largely disappear next month and so future income performance should become closer aligned with employment income. Nominal **personal spending** increased 0.6%, with real spending up 0.3%. The savings rate retreated 1.7 percentage points to 7.5%, the lowest level since December 2019. Headline PCE (personal consumption expenditure) prices rose 0.3% and core PCE prices increased 0.2%. The two respective measures of inflation stood at 4.4% and 3.6% y/y, respectively. The latter has been unchanged since June but otherwise represents the highest reading since 1991.

Home prices appreciation may be starting to moderate from extreme levels. The Case-Shiller 20-City composite price index rose 1.2% in August, the smallest monthly gain since July of 2020. Prices rose 19.7% y/y, down slightly from July's record of 20.1%. This was the first deceleration in house price inflation in fifteen months. The FHFA metric seems to support the idea that house price inflation is peaking. According to the FHFA, existing single family home prices rose 1.0% in August—the least since an outright decline in May of 2020, and the corresponding house price inflation metric moderated seven tenths to 18.5% y/y.

Canada

The **Bank of Canada** (BoC) maintained its target overnight rate at 0.25% as well as forward guidance while announcing the end of QE and entering the reinvestment phase. This will include the bank purchases in both primary and secondary markets with target range of around C$4-5 billion per month. Growth forecasts were lowered and inflation forecasts raised. BoC forecasts Canada's economy will grow by 5.0% this year before moderating to 4.25% in 2022 and 3.75% in 2023, slightly below the July projections. The bank also expected a narrower output gap compared with the July forecast. BoC expects inflation will rise to close to 5% by end-2021, before coming back to around the 2% target by end-2022. The bank noted that forces pushing up prices appear to be stronger and more persistent than expected but said that it is committed to ensure that price increases don't become self-perpetuating.

Continued easing of public health restrictions and further reopening led to a 0.4% rise in **real GDP** in August. The gain was driven by increases in accommodation and food services (+7.0%), retail trade (+1.8%), and transportation (air transportation +24.2%, rail transportation +1.9%, pipeline transportation +0.9%). Overall, 15 of 20 industrial sectors were up as growth in services-producing industries (+0.6%) more than offset a decline in goods-producing industries (-0.1%). Hot and dry weather continued to affect agriculture, forestry, fishing and hunting as the sector contracted 5.7%, following July's 5.5% drop. Manufacturing rose 0.5% in August, following 1.6% contraction in July, with non-durable goods manufacturing (+1.0%) contributing the most. Finance and insurance increased 0.5% in August, on broad-based strength Mining, quarrying and oil and gas extraction was flat as growth in mining and quarrying (except oil and gas) (+1.7%) and support activities (+4.3%) was offset by lower oil and gas extraction (-1.6%). Other services increased by 1.8% in August.

UK

Approvals for house purchases eased to 72,600 in September but nonetheless beat market expectations. This is the lowest since July 2020 when the government cut stamp the duty land tax. The tax break was reduced in July 2021 and stopped in full at the end of September, leading to a moderation in activity. Approvals for remortgaging (which only capture remortgaging with a different lender) increased slightly to 41,500 in September, the highest since March 2020.

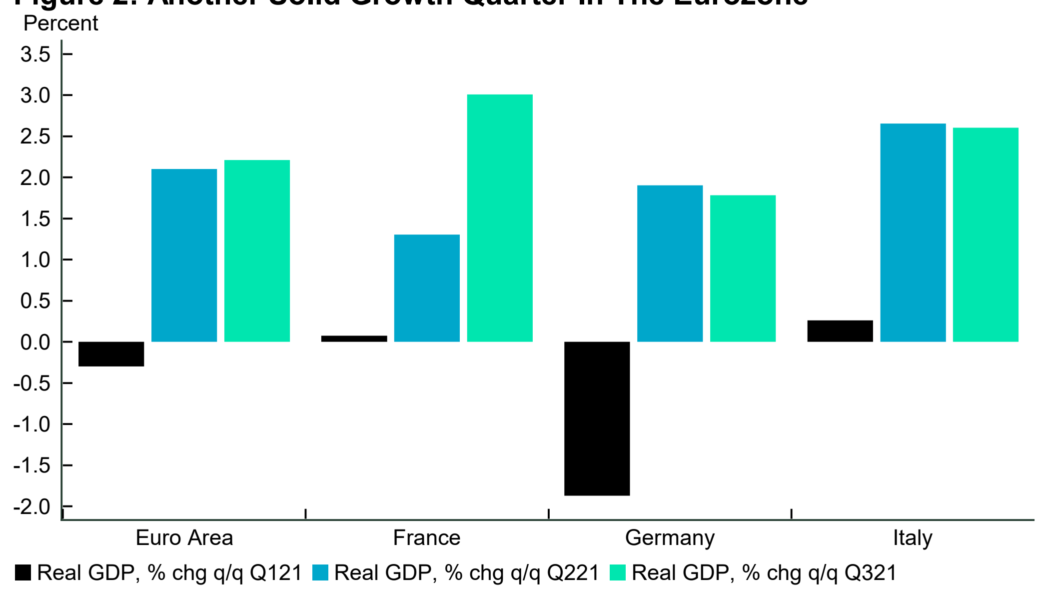
Net mortgage lending for transactions that completed in September surged to £9.5 billion from a revised £4.4 billion in August, well above expectations. This is also its highest level since June, driven by borrowing ahead of the end of the stamp duty holiday in October. The BoE said net borrowing in September was £2.9 billion above the 12-month average to June 2021, when the full stamp duty holiday was in effect.

Eurozone

Nothing changed in the **ECB** policy stance following the latest meeting—all eyes are now on the December meeting, when new staff forecasts will be published and will likely give a more tangible embodiment to the timeline for rates liftoff. However, during the press conference, President Lagarde strongly suggested that the PEPP program will come to an end in March of 2022, adding a slight hawkish tone to the otherwise neutral statement. At the same time, she reiterated the Governing Council's high conviction belief that the current inflation episode is transitory, driven primarily by energy, base effects (especially the German VAT changes), and supply bottlenecks. All these arguments are probably correct. Where we disagree somewhat is on the issue of wages. President Lagarde noted the lack of wage inflation so far and said the Council wasn't concerned about possible second round effect stemming from wage increases. But that may be too backward-looking a view. It is true that wage inflation is quite low in the eurozone at the moment, and far lower than rates seen in either US or the UK, but that likely reflects the lagged impact of previous wage negotiations. We would be quite surprised if upcoming rounds of wage negotiations in 2022 do not result in meaningful wage acceleration. So while it is indeed too soon for the ECB to discuss "second round" effects, the time for those discussions could arrive by the middle or latter part of 2022. For now, President Lagarde pushed back forcefully against market expectations of an ECB rate hike in late 2022.

For the second quarter in a row, the ***eurozone*** economy grew faster than the US, supporting our positive views on European outlook as we head into 2022. The regional economy grew 2.2% q/q, incrementally better than the (downwardly revised) 2.1% gain in the second quarter. This was the best performance in a year and left regional **GDP** 3.7% higher than a year earlier. No sectoral details are available with the advance estimates. The top-level country data was mixed, but not surprising, as higher frequency indicators had made it clear that the German economy is disproportionately impacted by supply chain constraints that have hit auto production particularly hard. Indeed, German GDP growth missed estimates with a 1.8% q/q advance, although the sting was largely offset by a three-tenth upgrade to Q2, now at 1.9%. By contrast, France delivered a major positive surprise, with growth shooting up well past expectations to 3.0% q/q, on top of an upward revision to Q2. Italian GDP also surprised positively with a 2.6% gain, leaving it 3.9% above year-earlier levels. These releases leave our regional growth forecasts unchanged for both 2021 and 2022, at 5.2% and 4.6%, respectively.

Figure 2: Another Solid Growth Quarter In The Eurozone



Sources: SGA Economics, INSEE, Istat, Eurostat, DESTATIS

Japan

The **Bank of Japan** left its policies unchanged, and revised down the quarterly forecasts for GDP and CPI. This was hardly a surprise. The median forecast for FY2021 GDP growth was revised down to 3.4% from 3.8% earlier due to various supply constraints—a semiconductor shortage and supply disruptions in SE Asia. Headline inflation was lowered by quite a margin to 0.0%, from 0.6% earlier, as the rebasing has impacted CPI quite negatively. The growth forecast for FY2022 was revised a tad higher (+0.2 percentage points to 2.9%), while the forecast for inflation was maintained at 0.9%.

In response to questions about Yen weakness and rising energy prices, Governor Kuroda insisted that the current level of the Yen is “certainly positive” to the overall economy. As to energy prices, he pointed out that Japanese companies are much more hesitant to pass higher energy prices onto consumers than their counterparts in the US or Europe due to the disinflationary mindsets in Japan. Having said that, he expects a limited pass-through onto consumers.

The labor market report for September was lackluster, reflecting the state of emergency. The **unemployment rate** was unchanged at 2.8%, while employment dropped by 280,000. The number of unemployed also dipped marginally (-20,000). Manufacturing accounted for the largest decline, by 180,000, reflecting the supply side constraints. Public employment (-100,000) as well as employment in recreational services (-50,000) fell as well. The participation rate edged down one tenth to 62.3%. The number of furloughed workers fell, but is still high at 2.1 million. The active job openings-to-applicants ratio came in at 1.16 in September, up 0.02 points from August (1.14). The new job openings-to-applicants ratio also increased, by 0.13 points from August, to 2.10. Hopefully this marks the trough, and the October reopening should help stabilize the labor market.

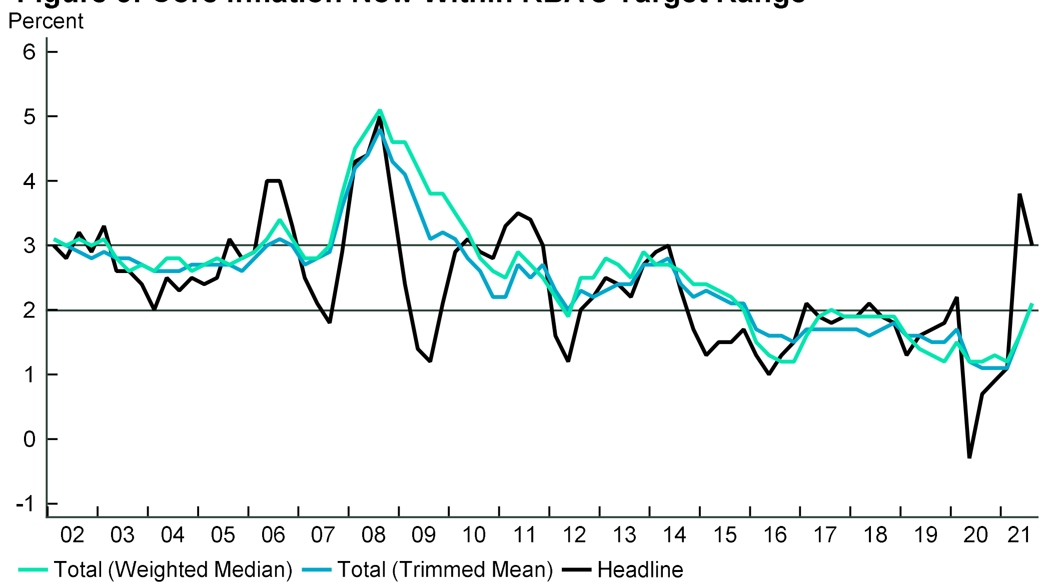
The ongoing supply disruptions are taking a heavy toll on manufacturing, with **industrial production** for September down sharply by 5.4%. This was the third monthly fall and a larger decline than anticipated. Shipments were down -6.2% and inventories up +3.4%. By sector, September production declined in 11 of 15 industries. Autos saw a particularly steep decline (-28.2%), dragging down overall output by 3.7 percentage points. Other sectors that saw large declines included plastic products (-7.0%), and general-purpose business-oriented machinery (-5.7%). The Ministry of Economy, Trade and Industry's (METI) production outlook calls for overall output to grow by +6.4% in October and by +5.7% in November, but we suspect these forecasts are unlikely to be fulfilled.

Australia

The headline **CPI** accelerated 0.8% q/q in the third quarter of 2021l, with automotive fuel prices rising by a further 7.1%. Housing prices increased 1.7%, led by purchases of new dwellings by owner-occupiers (3.3%). According to the Australian Bureau of Statistics, "construction input costs such as timber increased due to supply disruptions and shortages. Combined with high levels of building activity, this saw price increases passed through to consumers". Global supply disruptions also impacted prices of furniture (3.8%), motor vehicles (1.4%) and audio-visual equipment (1.8%).Tradable prices rose 0.8% driven by strong fuel prices, while non-tradable prices rose 0.9% in the quarter. The annual pace of inflation came in at 3.0%

y/y, down from 3.8% in the second quarter. Trimmed mean inflation, the underlying measure that the RBA focuses on, was above market expectations at 0.7% q/q. This saw annual trimmed mean inflation rise to 2.1%, the first time the annual rate has been back in the target band since 2015. The weighted median measure of core inflation recorded similar gains. A rise in inflation expectations and sticky core inflation are bound to make the RBA sit up and take notice, especially since the supply shortages keeping inflation high are expected to persist next year as well. In RBA's view, the key to sustained rise in inflation will be a rise in wages. But we think wage inflation will rise faster than the RBA's expectations, thus justify the start of normalization of rates in 2023.

Figure 3: Core Inflation Now Within RBA's Target Range



Sources: Macrobond, SSGA Economics, ABS

Week in Review (October 25–October 29)

Country	Release (Date, format)	Consensus	Actual	Last	Comments
Monday, October 25					
GE	IFO Business Climate (Oct)	98.0	97.7	98.9(↑)	Has moderated, but is it about to improve again?
JN	Leading Index (Aug, final)	101.8(p)	101.3	104.1	Somewhat disappointing.
Tuesday, October 26					
US	FHFA House Price Index (Aug, m/m)	1.5%	1.0%	1.4%	Moderating from torrid pace, but still very strong.
US	S&P CoreLogic CS 20-City Index (Aug, m/m)	1.5%	1.2%	1.5%	Moderating from torrid pace, but still very strong.
US	New Home Sales (Sep, thous)	756	800	702(↓)	Demand is clearly there.
US	Consumer Confidence (Oct)	108.0	113.8	109.8(↑)	Positive surprise. Labor differential at cycle high.
JN	PPI Services (Sep, y/y)	1.1%	0.9%	1.0%	Most components ex transportation slowed.
Wednesday, October 27					
US	Durable Goods Orders (Sep, prelim, m/m)	-1.0%	-0.4%	1.3%(↓)	Core orders rose 0.8%.
CA	BoC Monetary Policy Decision	0.25%	0.25%	0.25%	BoC concludes QE.
GE	GfK Consumer Confidence (Nov)	-0.5	0.9	0.4(↑)	Still modest, but better up than down.
AU	CPI (Q3, y/y)	3.1%	3.0%	3.8%	Underlying inflation remains high.
Thursday, October 28					
US	Initial Jobless claims (Oct 23, thous)	288	281	291(↑)	Steady improvement.
US	Continuing claims (Oct 16, thous)	2420	2243	2480(↓)	Big drop!
US	GDP (Q3, first, q/q)	2.5%	2.0%	6.7%	Clear supply chains impact.
US	Pending Home Sales (Sep, m/m)	1.0%	-2.3%	8.1%	Not much available to buy.
US	Kansas City Fed Manf. Activity (Oct)	20	31	22	Yet another regional Fed survey beats!
EC	ECB Monetary Policy Decision	0.00%	0.00%	0.00%	Mixed messages.
GE	Unemployment Rate (Oct)	5.4%	5.4%	5.5%	Gentle healing.
GE	CPI (Sep, m/m)	4.4%	4.5%	4.1%	Core measure at 2.9% y/y. Multi-decade highs.
IT	Consumer Confidence (Oct)	118.5	118.4	119.6	Elevated.
JN	BoJ Monetary Policy Decision	-0.10%	-0.10%	-0.10%	FY2021 GDP forecast downgraded.
JN	Retail Sales (Sep, m/m)	1.5%	2.7%	-4.0%(↑)	Welcome improvement.
Friday, October 29					
US	U of Mich Cons Sentiment (Oct, final)	71.4(p)	71.7	72.8	Not much different from initial estimate.
US	Personal Income (Sep, m/m)	-0.1%	-1.0%	0.2%	Big drop in government transfers but wages up.
US	Personal Spending (Sep, m/m)	0.5%	0.6%	1.0%(↑)	Real spending rose only 0.3%.
CA	GDP (Aug, m/m)	0.7%	0.4%	-0.1%	Not great, but Ok.
UK	Mortgage Approvals (Sep, thous)	71.0	72.6	74.2(↓)	Moderating after earlier tax changes.
EC	GDP (Q3, prelim, q/q)	2.2%	2.2%	2.1%	Good.
GE	GDP (Q3, prelim, q/q)	2.5%	1.6%	1.9%	Somewhat disappointing.
FR	GDP (Q3, prelim, q/q)	2.1%	3.0%	1.1%	Excellent.
IT	GDP (Q3, prelim, q/q)	2.2%	2.6%	2.7%	Very good!
JN	Unemployment Rate (Sep)	-2.6%	2.8%	-3.6%	Job openings-to-applicants ratio improves.
JN	Industrial Production (Sep, prelim, m/m)	-2.8%	-5.4%	-3.6%	Dragged down by auto.
JN	Consumer Confidence (Oct)	41.5	39.2	37.8	Steady improvement.
AU	Retail Sales (Sep, m/m)	0.2%	1.3%	-1.7%	Rebound after reopening.
AU	Private Sector Credit (Sep, m/m)	0.5%	0.6%	0.6%	Broadly unchanged.

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

Week Preview (November 1–November 5)

Country	Release (Date, format)	Consensus	Last	Comments
Monday, November 1				
US	ISM Manufacturing (Oct)	60.5	61.1	
UK	Manufacturing PMI (Oct, final)	57.7(p)	57.1	
EC	Manufacturing PMI (Oct, final)	58.5(p)	58.6	
GE	Manufacturing PMI (Oct, final)	58.2(p)	58.4	
FR	Manufacturing PMI (Oct, final)	53.5(p)	55.0	
IT	Manufacturing PMI (Oct)	59.6	59.7	
JN	Manufacturing PMI (Oct, final)	53.0(p)	51.5	
Tuesday, November 2				
US	Total Vehicle Sales (Oct, mil.)	12.5	12.2	
CA	Building Permits (Sep, m/m)	3.0%	-2.1%	
JN	Services PMI (Oct, final)	50.7(p)	47.8	
AU	RBA Monetary Policy Decision	0.10%	0.10%	Benign CPI report gives RBA room to breathe.
Wednesday, November 3				
US	FOMC Monetary Policy Decision	0.25%	0.25%	Taper announcement likely.
US	ISM Services (Oct)	62.0	61.9	Return to office helps.
US	Factory Orders (Sep, m/m)	0.0%	1.2%	
US	Durable Goods Orders (Sep, final, m/m)	-0.4%(p)	1.3%	
UK	Services PMI (Oct, final)	58.0(p)	55.4	
UK	Nationwide House Price (Oct, m/m)	0.3%	0.1%	
EC	Services PMI (Oct, final)	54.7(p)	56.4	
GE	Services PMI (Oct, final)	52.4(p)	56.2	
IT	Unemployment Rate (Sep)	9.3%	9.3%	
Thursday, November 4				
US	Initial Jobless claims (Oct 30, thous)	275	281	
US	Continuing claims (Oct 23, thous)	2136	2243	
US	Trade Balance (Sep, $ bil.)	-79.9	-73.3	
US	Nonfarm Productivity (Q3, prelim, q/q)	-1.2%	2.1%	
CA	Trade Balance (Sep, C$ bil.)	1.6	2.0	
UK	BoE Monetary Policy Decision	0.25%	0.10%	We think the BoE should wait.
GE	Factory Orders (Sep, m/m)	1.9%	-7.7%	
Friday, November 5				
US	Change in Nonfarm Payrolls (Oct, thous)	450	194	Could it be better?
US	Unemployment Rate (Oct)	4.7%	4.8%	
US	Consumer Credit (Sep, $ bil.)	16.6	14.4	
CA	Unemployment Rate (Oct)	6.8%	6.9%	Continues to improve.
GE	Industrial Production (Sep, m/m)	1.0%	-4.0%	
FR	Industrial Production (Sep, m/m)	0.0%	1.0%	
IT	Retail Sales (Sep, m/m)	0.2%	0.4%	
AU	RBA Statement on Monetary Policy			

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	4.0	4.0	4.2	4.2	4.4
Canada	Target: CPI 2.0% y/y, 1.0%-3.0% control range	3.6	3.1	3.7	4.1	4.4
UK	Target: CPI 2.0% y/y	2.1	2.5	2.0	3.2	3.1
Eurozone	Target: CPI below but close to 2.0% y/y	2.0	1.9	2.2	3.0	3.4
Japan	Target: CPI 2.0% y/y	-0.8	-0.5	-0.3	-0.4	0.2
Australia	Target Range: CPI 2.0%-3.0% y/y	3.8	3.8	3.0	3.0	3.0

Source: Macrobond

Key Interest Rates

	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21
US (top of target range)	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
Canada (Overnight Rate)	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	
UK (Bank Rate)	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
Eurozone (Refi)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Japan (OCR)	-0.03	-0.01	-0.02	-0.04	-0.02	-0.03	-0.05	-0.04	-0.04	-0.05	
Australia (OCR)	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	

Source: Macrobond

General Government Structural Balance as a % of Potential GDP

	2013	2014	2015	2016	2017	2018	2019	2020	Forecast 2021	Forecast 2022
US	-3.2	-2.7	-2.5	-3.5	-4.2	-5.2	-6.1	-10.7	-8.8	-8.3
Canada	-1.5	-0.6	0.0	0.1	-0.3	0.0	0.3	-8.1	-6.6	-2.7
UK	-4.2	-4.9	-4.4	-3.3	-2.5	-2.3	-2.3	1.4	-5.6	-4.9
Eurozone	-1.0	-0.7	-0.6	-0.5	-0.5	-0.3	-0.5	-4.6	-5.9	-3.1
Germany	0.6	1.2	1.2	1.2	1.1	1.6	1.3	-3.1	-5.7	-1.6
France	-2.8	-2.5	-2.1	-1.9	-1.9	-1.6	-2.1	-6.3	-7.5	-4.6
Italy	-0.5	-1.0	-0.6	-1.3	-1.6	-1.7	-0.9	-5.9	-7.1	-3.8
Japan	-7.4	-5.7	-4.4	-4.3	-3.5	-2.7	-2.6	-9.2	-8.0	-3.6
Australia	-2.7	-2.7	-2.6	-2.3	-1.6	-1.2	-4.1	-7.9	-8.1	-5.8

Source: International Monetary Fund, World Economic Outlook

Headline Consumer and Producer Price Inflation

	CPI Year/Year % Change						PPI Year/Year % Change				
	Jun	Jul	Aug	Sep	Oct		May	Jun	Jul	Aug	Sep
US	5.4	5.4	5.3	5.4			7.0	7.3	7.8	8.3	8.6
Canada	3.1	3.7	4.1	4.4			17.5	17.4	16.1	14.6	14.9
UK	2.5	2.0	3.2	3.1							
Eurozone	1.9	2.2	3.0	3.4			9.6	10.3	12.4	13.4	
Germany	2.3	3.8	3.9	4.1	4.5		7.2	8.5	10.4	12.0	14.2
France	1.5	1.2	1.9	2.2	2.6		6.7	7.4	8.5	9.5	10.8
Italy	1.3	1.9	2.0	2.5	2.9		8.1	9.1	11.2	11.6	13.3
Japan	-0.5	-0.3	-0.4	0.2			4.9	5.2	5.8	5.8	6.3
Australia	3.8	3.0	3.0	3.0			2.2	2.2	2.9	2.9	2.9

Source: Macrobond

Economic Indicators

Real GDP Growth (Q/Q Seasonally Adjusted)

	Quarter/Quarter % Change					Year/Year % Change				
	Q3-20	Q4-20	Q1-21	Q2-21	Q3-21	Q3-20	Q4-20	Q1-21	Q2-21	Q3-21
US	7.5	1.1	1.5	1.6	0.5	-2.9	-2.3	0.5	12.2	4.9
Canada	9.1	2.2	1.4	-0.3		-5.1	-3.1	0.3	12.7	
UK	17.4	1.1	-1.4	5.5		-8.1	-7.1	-5.8	23.6	
Eurozone	12.6	-0.4	-0.3	2.1	2.2	-4.0	-4.4	-1.2	14.2	3.7
Germany	9.0	0.7	-1.9	1.9	1.8	-3.7	-2.9	-3.0	9.9	2.5
France	18.5	-1.1	0.1	1.3	3.0	-3.6	-4.3	1.5	18.8	3.3
Italy	15.9	-1.7	0.2	2.7		-5.4	-6.6	-0.8	17.2	
Japan	5.4	2.8	-1.1	0.5		-5.4	-0.8	-1.3	7.7	
Australia	3.6	3.2	1.9	0.7		-3.6	-0.9	1.3	9.6	

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	0.7	0.5	1.0	-0.1	-1.3	16.4	10.2	6.9	5.7	4.6
Canada	-0.4	2.5	-0.8	0.2		12.3	9.9	5.7	6.7	
UK	0.9	-0.6	0.2	0.8		23.4	10.3	4.4	3.7	
Germany	-0.8	-1.0	1.3	-4.0		16.6	5.4	6.1	1.6	
France	-0.4	0.4	0.5	1.0		20.5	7.1	3.9	3.9	
Italy	-1.6	1.1	1.0	-0.2		21.2	13.8	7.2	-0.1	
Japan	-6.5	6.5	-1.5	-3.6	-5.4	21.1	23.0	13.3	7.1	-2.3

Source: Macrobond

Unemployment Rate (Seasonally Adjusted)

	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21
US	6.7	6.3	6.2	6.0	6.1	5.8	5.9	5.4	5.2	4.8	
Canada	8.8	9.4	8.2	7.5	8.1	8.2	7.8	7.5	7.1	6.9	
UK	5.1	5.0	4.9	4.8	4.8	4.7	4.6	4.5			
Eurozone	8.1	8.2	8.1	8.1	8.2	8.0	7.8	7.6	7.5		
Germany	6.1	6.0	6.0	6.0	6.0	5.9	5.8	5.6	5.5	5.5	5.4
France	7.8	7.9	8.1	8.2	8.4	8.3	8.0	8.0	8.0		
Italy	9.8	10.2	10.1	10.0	10.1	9.9	9.4	9.3	9.3		
Japan	3.0	2.9	2.9	2.6	2.8	3.0	2.9	2.8	2.8	2.8	
Australia	6.6	6.4	5.9	5.7	5.5	5.1	4.9	4.6	4.5	4.6	

Source: Macrobond

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

	Q4-18	Q1-19	Q2-19	Q3-19	Q4-19	Q1-20	Q2-20	Q3-20	Q4-20	Q1-21	Q2-21
US	-2.5	-2.4	-2.3	-2.2	-1.9	-2.1	-3.2	-3.3	-3.3	-3.4	-3.3
Canada	-2.8	-3.0	-1.7	-2.0	-1.6	-3.0	-1.6	-1.8	-0.9	0.3	0.6
UK	-4.1	-5.8	-2.9	-2.5	0.5	-2.6	-1.3	-1.7	-4.6	-1.6	-1.5
Eurozone	2.7	3.7	1.7	3.0	1.8	0.9	1.0	2.7	3.3	3.9	2.4
Germany	7.0	7.9	7.6	7.7	7.3	6.8	5.2	7.2	7.8	8.0	7.0
France	-0.8	0.2	-0.3	-0.6	-0.4	-1.3	-3.5	-2.1	-0.9	-1.0	-0.6
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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