STATE STREET GLOBAL ADVISORS

September 2, 2022
Commentary

Weekly Economic Perspectives

Contents

Spotlight on Next Week
The ECB (75 bp), BoC (75 bp), and RBA (50 bp) are all expected to deliver outsized rate hikes. Decent Q2 growth seen in Australia.

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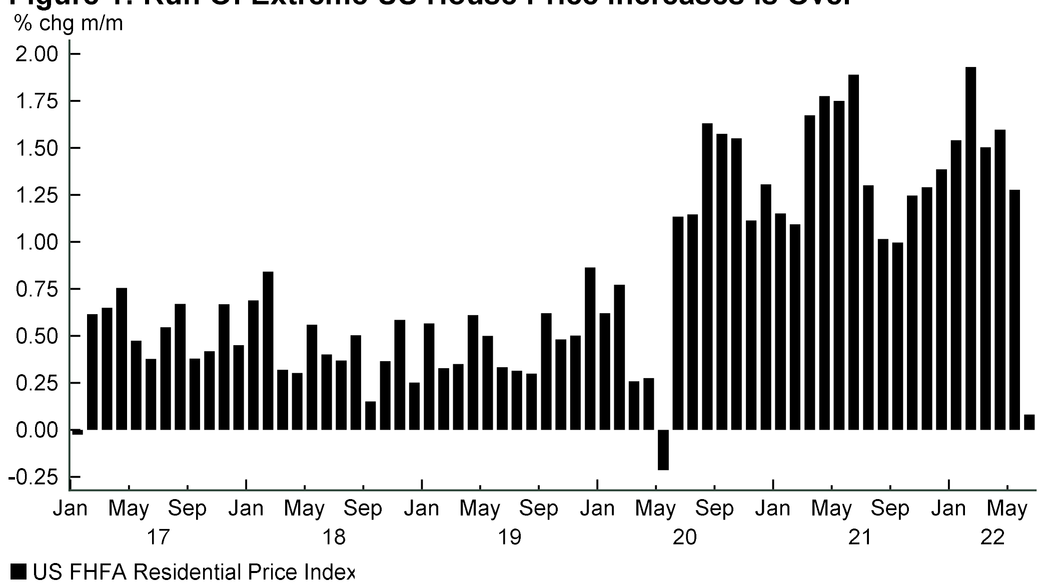
The Economy

A mixed data week dominated by Fed Chair Powell's Jackson Hole speech.

US

It took a while, mostly because the data is released with such a long lag, but it is now clear that home price appreciation is dramatically slowing. In fact, the extent of the pullback in June was surprisingly acute even for those of us looking for such a downshift to occur. The seasonally-adjusted **Case-Shiller 20-City composite price index** rose 0.4% in June, down from a downwardly revised gain in May and the smallest increase since June of 2020. Extreme gains in prior months still kept the y/y advance highly elevated at 18.7%, but this was nonetheless the smallest increase since December. Meanwhile, the FHFA single family house price index rose just 0.1% in June, the smallest (rounded) increase since September 2018 save for an outright decline in May of 2020. This measure of house price inflation retreated 2.1 percentage points to 16.2% y/y, the slowest since April 2021.

Figure 1: Run Of Extreme US House Price Increases Is Over



Sources: Macrobond, SSGA Economics, FHFA

Although the **Conference Board consumer confidence** measure is less sensitive to inflation dynamics than the University of Michigan survey, the material pullback in gasoline prices looks to have been the main impetus behind the better than expected August read. The overall index surged 7.9 points, erasing the prior three months of declines to match May's 103.2 print. The improvement was disproportionately led by expectations, which rose to a four-month high; the present situation measure did not even fully unwind July's deterioration. The closely watched labor differential—which measures the difference between those who think jobs are abundant and those who think jobs are scarce—worsened incrementally, though it remains at highly elevated levels historically.

We admit to being rather perplexed by the July job **openings** data. Job openings had been trending lower since March and previously a rather sharp decline was reported for the month of June. The July update reduced that decline to less than half the initially reported and then nearly unwound that further with a 199,000 increase in openings in July. Somewhat oddly, though, both hires and quits declined by 74,000 in July, leaving them at their lowest levels since August and October 2021, respectively. The quits rate touched 2.7%, the lowest level since May 2021. The signals from the different components of the JOLTS data set seem so contradictory at the moment that we'll just have to wait for more data to try to parse out the right interpretation. On one hand, the increase in openings speaks to resilient labor demand, but the decline in quits suggests the workers themselves are becoming a little less confident about job prospects. That message seem to be in line with the steady retreat in the Conference Board labor differential.

After a massive upside surprise in July, the **August employment report** was largely in line with expectations, with some quirks. The economy added a robust 315,000 jobs, although the 107,000 downward revision to the prior two months (centered exclusively in June) took same shine off the headline. After all, one can't exclude the possibility that the July number (still at 526,000) won't be revised lower next month. The private sector added 308,000 jobs in August, the least since April 2021. The unemployment rate increased two tenths to 3.7%, but the majority of this reflected a three-tenth pick-up in the participation rate to 62.4%. We'll take the combination!

There were no outliers in the sector distribution, with gains solid and broad-based. If anything stood out, it was perhaps the modest 31,000 gain in leisure and hospitality, the smallest increase since an outright decline in December 2020. The other notable detail was the 44,000 increase in retail employment, the highest since February and somewhat at odds with other indications that employment levels in the industry might have grown a little bloated.

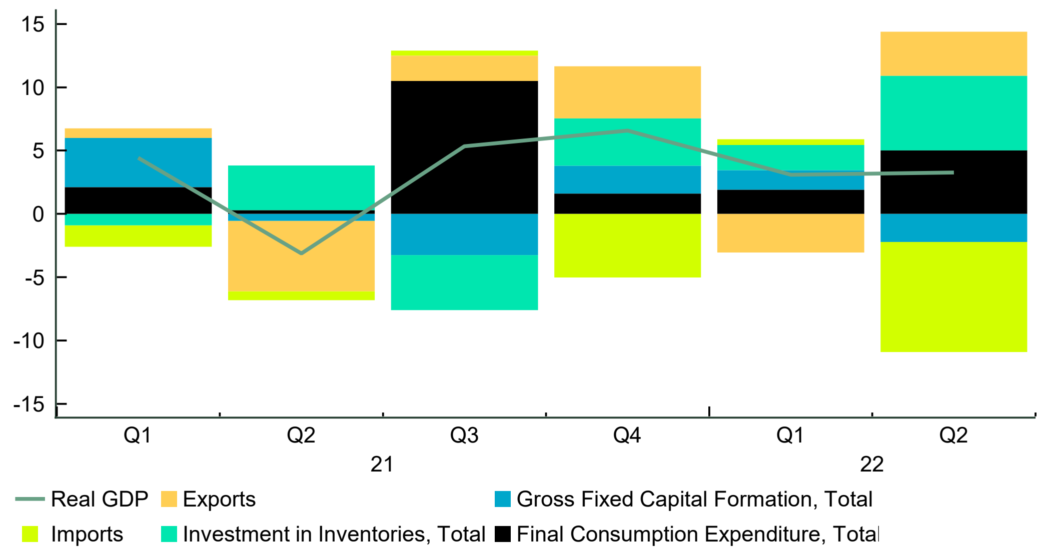
The hours and wage data were both a little softer than expected, though far from soft in an absolute sense. The average workweek shrunk by 10 minutes in both manufacturing and the overall economy. Total manufacturing hours worked were unchanged, whereas total aggregate hours (a measure of aggregate work effort in the economy) declined 0.1%. This was the first retreat since January, although it follows a robust gain in July. Total **average hourly earnings** (AHE) rose 0.3% while AHE for production and non-supervisory employees rose 0.4%. The two corresponding measures of wage inflation stood at 5.2% y/y and 6.1% y/y, respectively. The former was unchanged, the latter moderated one tenth from July.

Factory orders declined 1.0% in July, bucking expectations for a small gain. This marks the first retreat since last September, and the largest among the only three monthly contractions since the Covid recovery began. Durable goods orders declined 0.1%, a tenth weaker than initially reported, while core orders (non-defense capital goods excluding aircraft)—a leading indicator for business equipment investment (BEI) in the GDP accounts—rose 0.3%. Total factory orders were 12.5% higher than a year ago, durable goods orders were 10.7% higher, and core orders 7.2% higher.

Canada

Real GDP grew at an annualized rate of 3.3% in Q2, well below market expectations of a 4.4% gain and BoC's own 4.0% forecast. Performance was weighed by sharp contractions in residential investment and household spending on durable goods, as well as net trade. In fact, residential investment collapsed 27.6% (saar) and subtracted 3.0 percentage points (ppts) from growth as rising interest rates undermine housing demand. Trade was a detractor as export growth (10.9%) was outpaced by much faster imports growth (30.5%). Meanwhile, inventories were the largest contributor to growth, adding 5.9 ppts. Importantly, although final domestic demand grew at a slower pace of 2.9%, it remained robust and added 2.8 percentage points to the overall growth. The strength was mainly supported by household consumption which rose sharply at 9.7% as government expenditure was flat during the period. In particular, the opening of the economy boosted household spending on services (16.3%) and semi-durable goods (24.4%). Although GDP growth was a bit short of expectations, the BoC will continue on the tightening path. Given the current inflation is far above the bank's 2% target, we expect that the BoC will deliver 75-basis-point hike next week.

Figure 2: Inventories Boost Canadian Q2 Growth
(percentage points contribution to saar growth)



Sources: SSGA Economics, StatCan

Building permits plunged 6.6% in July, driven mainly by the decline in residential sector (-8.6%). The non-residential sector also moderated by 2.1%. Overall, residential sector were down in 6 provinces led by Ontario while non-residential sector performance was dragged down by losses in industrial component.

UK

The manufacturing sector suffered the worst month in more than two years in August. The final read on the **manufacturing PMI** came in at a 27-month low of 47.3, above earlier flash estimate, but down from 52.1 in previous month. This is the first sub-50.0 PMI reading since May 2020, with production, new orders and new export orders all in steep declines. The deep downturn also affected employment as the job growth virtually stalled, being the lowest pace during the last 20 months. The good news is that inflationary pressure continued to moderate, with input costs rising at the softest rate since November 2020. Selling price inflation also continued to ease and supply chain pressures showed further signs of alleviation. However, as global economic outlook uncertainty and the prospects of further rate hikes contributing to weaker demands, business optimism remained relatively subdued, falling to 28-month low.

Housing prices increased more than expected in August after a soft July. The **Nationwide house prices** rose 0.8%, well above market expectations of 0.1% gain, and up from an upwardly revised increase of 0.2% increase in July. In annual terms, prices were 10% higher than in August 2021, a slowdown from growth of 11.0% in July but stronger than expected. Deteriorating affordability, elevated inflation and rate hikes will continue to create challenges for the housing market in coming months.

Eurozone

The painful ascent in regional **inflation** continues. Preliminary August CPI releases for ***Italy*** and ***Germany*** showed a 0.5 and 0.4 percentage point (ppt) acceleration, respectively, to 8.4% y/y and 7.9% y/y. The ***French*** measure surprisingly moderated three tenths to 5.8% y/y, but neither of these are likely to mark the cycle peak. In this context, it is not surprising that market expectations have now shifted in favor of a 75 basis point rate hike by the ECB next week. We see the outcome as a closer call between a 50 and a 75 bp hike.

The ***German*** **retail sales** data have been both soft and volatile for some time. Real retail sales bested expectations in July, however, rising 1.9% m/m on broad-based gains. They remain lower than a year earlier but the magnitude of the decline moderated from 8.5% y/y in June to 2.6% in July. Meanwhile, the ***German*** labor market is clearly softening. The number of unemployed increased for the third consecutive month in August, vacancies declined for the second consecutive month, and the **unemployment rate** touched a year-high of 5.5%. The seasonally unadjusted unemployment rate, which garners more attention domestically, rose to 5.6%, seven tenths above May's low.

Japan

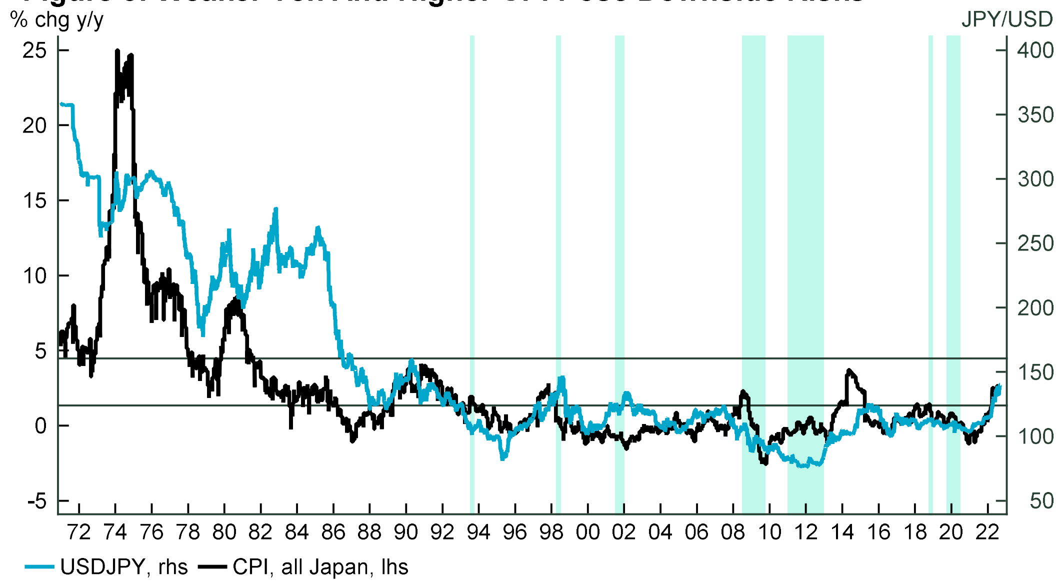
The week brought some upside data surprises. **Job-to-applicant ratio** for July came in at 1.29 against consensus expectations of 1.27 due to higher job openings while **unemployment rate** remained at 2.6% underscoring the labor market strength.

According to preliminary estimates, i**ndustrial production** rose 1.0% m/m in July, bucking consensus expectations of a decline and building on June's outsized 9.2% jump. It appears that the recovery in automotive sector is intensifying, possibly reflecting fewer supply bottlenecks. In fact, autos led the rise in headline with a 12.0% monthly gain. Solid backlog support further output gains. This is echoed in the August **manufacturing PMI** which, while still down from July, was revised up by 0.5 point to 51.5 in the final print.

Retail sales rose 0.8% m/m in July, more than twice the expected rate, once again led by autos (+4.4%). However, the sharp decline in machinery & equipment (-9.6%) is more concerning.

The Ministry of Finance's corporate survey for Q2 showed a big increase in **nominal capex** at 8.6% saar from Q1 which means an upward revision of Q2 GDP is in order. We expect next week's GDP final print to show a sharp upward revision behind better capital expenditure and also possibly better inventory contribution.

Figure 3: Weaker Yen And Higher CPI Pose Downside Risks



Sources: SSGA Economics, Japanese Statistics Bureau, Ministry of Internal Affairs & Communications, Macrobond

Despite the positive data flow, the yen weakened further and touched 140.80 against the US dollar, closely tracking the US-Japan yield differential. This increases chances that national CPI might touch the critical 3% level. It is noteworthy to mention that USDJPY at 146 caused a currency intervention in 1998 as a joint action with the US.

Australia

The RBA's aggressive monetary tightening is perhaps beginning to show its effects on the housing sector now with both building approvals in July and construction work done in Q2 both having disappointed. **Building approvals** fell a staggering -17.2% m/m in July, whereas expectations had been for a 3.0% decline. And **construction work done** declined 3.8% in Q2 against consensus expectations of an 0.8% rise.

Nonetheless, we do not think the time is right for the RBA to fall back on smaller rate hikes yet; hence, we expect the RBA to hike another 50 bps next Tuesday, taking the **cash rate target** to 2.35%. We will observe the tone of the statement and also a speech Governor Lowe will make on next Thursday. There can be some softness but we do not rule out any hawkish development either, especially after Fed Chair Powell's speech at Jackson Hole conference. We continue to maintain the terminal rate forecast of 3.0% by December 2022.

Elsewhere, **retail sales** in July rose 1.3% from June, stronger than the 0.3% consensus in a broad based rise. Furthermore, **private capital expenditure** for Q2, a component of GDP fell 0.3% against consensus of 1.0% rise; this could add a headwind to the Q2 GDP that is due to release next week. We expect **Q2 GDP** to have grown at 1.2% from Q1, a tenth above consensus driven largely by net exports and consumption.

Week in Review (August 29– September 2)

Country	Release (Date, format)	Consensus	Actual	Last	Comments
Monday, August 29					
JN	Jobless Rate (Jul)	2.6%	2.6%	2.6%	Steady.
JN	Job-To-Applicant Ratio (Jul)	1.27	1.29	1.27	Strong.
AU	Retail Sales (Jul, m/m)	0.3%	1.3%	0.2%	Strong.
Tuesday, August 30					
US	FHFA House Price Index (Jun, m/m)	0.8%	0.1%	1.3% (↓)	Major deceleration, Outright declines coming.
US	S&P CoreLogic CS 20-city (Jun, m/m)	0.9%	0.4%	1.3%	Major deceleration. More to come.
US	Conf. Board Cons. Confidence (Aug)	97.7	103.2	95.3 (↓)	Notable rebound but labor differential weakened.
US	JOLTS Job Openings (Jul, thous)	10,475	11,239	11,040 (↑)	Odd increase. Quits and hiring both declined.
UK	Mortgage Approvals (Jul, thous)	62.0	63.8	63.2 (↓)	Weakening.
GE	CPI (Aug, y/y, prelim)	7.8%	7.9%	7.5%	Energy pain.
IT	Industrial Sales (Jun, m/m)	n/a	-0.2%	1.2% (↓)	Soft.
Wednesday, August 31					
CA	GDP (Q2, saar)	4.4%	3.3%	3.1%	Final domestic demand remains robust.
GE	Unemployment Claims Rates (Aug)	5.5%	5.5%	5.4%	In range.
FR	CPI (Aug, y/y, prelim)	6.2%	5.8%	6.1%	Energy pain.
FR	GDP (Q2, q/q, final)	0.5% (p)	0.5%	-0.2%	Already known.
IT	CPI NIC incl. tobacco (Aug, y/y, prelim)	8.1%	8.4%	7.9%	Energy pain.
JN	Consumer Confidence Index (Aug)	29.3	32.5	30.2	Strong.
JN	Industrial Production (Jul, m/m, prelim)	-0.5%	1.0%	9.2%	Strong recovery led by autos.
JN	Retail Sales (Jul, m/m)	0.3%	0.8%	-1.4%	Positive surprise.
AU	Private Sector Credit (Jul, m/m)	0.7%	0.7%	0.9%	Increasing.
Thursday, September 1					
US	Initial Jobless Claims (27 Aug, thous)	250	232	237 (↓)	Steady but off the lows.
US	Continuing Claims (20 Aug, thous)	1,450	1,438	1,412 (↓)	Steady but have bottomed.
US	ISM Manufacturing (Aug)	52.0	52.8	52.8	Details more mixed.
US	Motor Vehicle Sales (Aug, saar, mn)	13.3	13.2	13.4	Soft.
CA	Building Permits (Jul, m/m)	n/a	-6.6%	-0.6% (↑)	Weakening.
UK	Manufacturing PMI (Aug, final)	46.0	47.3	52.1	Weak.
UK	Nationwide House Price (Aug, m/m)	0.1%	0.8%	0.2% (↑)	Positive surprise.
EC	Manufacturing PMI (Aug, final)	49.7	49.6	49.8	Energy pain.
GE	Manufacturing PMI (Aug, final)	49.8	49.1	49.3	Energy pain.
GE	Retail Sales (Jul, m/m)	-0.1%	1.9%	-1.5% (↑)	Welcome surprise; very volatile.
IT	Manufacturing PMI (Aug)	48.1	48.0	48.5	Energy pain.
IT	Unemployment Rate (Jul)	8.1%	7.9%	8.0% (↓)	In range.
IT	GDP WDA (Q2, q/q, final)	1.0% (p)	1.1%	0.1%	Even better than we thought, but won't last…
JN	Manufacturing PMI (Aug, final)	51.0 (p)	51.5	52.1	Revised higher.
Friday, September 2					
US	Change in Nonfarm Payrolls (Aug, thous)	300	315	526 (↓)	Fewer quits would lift this number.
US	Unemployment Rate (Aug)	3.5%	3.7%	3.5%	Rise in participation.
US	Factory Orders (Jul, m/m)	0.2%	-1.0%	1.8% (↓)	Early days, but is demand cooling?

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

Week In Preview (September 5– September 9)

Country	Release (Date, format)	Consensus	Last	Comments
Monday, September 5				
UK	Services PMI (Aug, final)	52.5	52.6	Weakening.
EC	Services PMI (Aug, final)	50.2	51.2	
GE	Services PMI (Aug, final)	48.2	49.7	
JN	Labor Cash Earnings (Jul, y/y)	1.8%	2.2%	Will be steady.
Tuesday, September 6				
US	ISM Services Index (Aug)	55.2	56.7	Employment and prices most important.
GE	Factory Orders (Jul, m/m)	-0.5%	-0.4%	
AU	GDP (Q2, q/q, sa)	1.1%	0.8%	Could surprise.
AU	RBA Cash Rate Target	2.35%	1.85%	50 bps hike likely.
Wednesday, September 7				
US	Trade Balance (Jul, $bn)	-70.1	-79.6	
CA	Bank of Canada Rate Decision	3.25%	2.50%	75bp hike expected.
EC	GDP (Q2, q/q, sa, final)	0.6%	0.5%	
GE	Industrial Production (Jul, m/m sa)	-0.5%	0.4%	
IT	Retail Sales (Jul, m/m)	n/a	-1.1%	
JN	GDP (Q2, q/q sa, final)	0.7%	0.0%	Could be revised higher.
JN	Leading Index CI	100.2	100.9	Could remain steady.
Thursday, September 8				
US	Initial Jobless Claims (3 Sep, thous)	240	232	
US	Continuing Claims (27 Aug, thous)	1,438	1,438	
US	Consumer Credit (Jul, $bn)	32.5	40.2	
EC	ECB Main Refinancing Rate	1.25%	0.50%	A bold step. Maybe too bold?
Friday, September 9				
CA	Unemployment Rate (Aug)	n/a	4.9%	Likely to remain low.
FR	Industrial Production (Jul, m/m)	-0.8%	1.4%	

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

Economic Indicators

Central Bank Policy Targets

Region	Target	Year/Year % Change in Target				
		Mar	Apr	May	Jun	Jul
US	Target: PCE price index 2.0% y/y	6.6	6.3	6.3	6.8	6.3
Canada	Target: CPI 2.0% y/y, 1.0%-3.0% control range	6.7	6.8	7.7	8.1	7.6
UK	Target: CPI 2.0% y/y	7.0	9.0	9.1	9.4	10.1
Eurozone	Target: CPI below but close to 2.0% y/y	7.4	7.4	8.1	8.6	8.9
Japan	Target: CPI 2.0% y/y	1.2	2.5	2.5	2.4	2.6
Australia	Target Range: CPI 2.0%-3.0% y/y	5.1	6.1	6.1	6.1	

Source: Macrobond

Key Interest Rates

	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22
US (top of target range)	0.25	0.25	0.25	0.25	0.25	0.50	0.50	1.00	1.75	2.50	2.50
Canada (Overnight Rate)	0.25	0.25	0.25	0.25	0.25	0.50	1.00	1.00	1.50	2.50	2.50
UK (Bank Rate)	0.10	0.10	0.25	0.25	0.50	0.75	0.75	1.00	1.25	1.25	1.75
Eurozone (Refi)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.50	0.50
Japan (OCR)	-0.03	-0.05	-0.02	-0.02	-0.01	-0.02	-0.02	-0.03	-0.04	-0.01	-0.04
Australia (OCR)	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.33	0.73	1.28	1.81

Source: Macrobond

General Government Structural Balance as a % of Potential GDP

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

Source: International Monetary Fund, World Economic Outlook

Headline Consumer and Producer Price Inflation

	CPI Year/Year % Change						PPI Year/Year % Change				
	Apr	May	Jun	Jul	Aug		Mar	Apr	May	Jun	Jul
US	8.3	8.6	9.1	8.5			11.7	11.2	11.1	11.3	9.8
Canada	6.8	7.7	8.1	7.6			18.1	17.0	15.5	14.3	11.9
UK	9.0	9.1	9.4	10.1			12.0	14.7	15.6	16.4	17.1
Eurozone	7.4	8.1	8.6	8.9			36.9	37.2	36.2	36.0	37.9
Germany	7.4	7.9	7.6	7.5	7.9		30.9	33.5	33.6	32.7	37.2
France	4.8	5.2	5.8	6.1	5.8		24.8	25.2	25.0	25.2	25.9
Italy	6.0	6.8	8.0	7.9	8.4		36.9	35.3	34.6	34.1	36.9
Japan	2.5	2.5	2.4	2.6			9.3	10.0	9.3	9.4	8.6
Australia	6.1	6.1	6.1				4.9	5.6	5.6	5.6	

Source: Macrobond

Economic Indicators

Real GDP Growth (Q/Q Seasonally Adjusted)

	Quarter/Quarter % Change					Year/Year % Change				
	Q2-21	Q3-21	Q4-21	Q1-22	Q2-22	Q2-21	Q3-21	Q4-21	Q1-22	Q2-22
US	1.6	0.6	1.7	-0.4	-0.1	12.2	4.9	5.5	3.5	1.7
Canada	-0.8	1.3	1.6	0.8	0.8	11.7	3.8	3.2	2.9	4.6
UK	5.6	0.9	1.3	0.8	-0.1	24.5	6.9	6.6	8.7	2.9
Eurozone	2.1	2.3	0.4	0.5	0.6	14.6	3.9	4.8	5.4	3.9
Germany	1.9	0.8	0.0	0.8	0.1	10.2	1.8	1.2	3.5	1.7
France	1.0	3.4	0.5	-0.2	0.5	18.6	3.6	5.0	4.7	4.2
Italy	2.6	2.7	0.7	0.1	1.1	17.5	4.0	6.4	6.3	4.7
Japan	0.5	-0.5	1.0	0.0	0.5	7.3	1.2	0.5	0.9	1.0
Australia	0.8	-1.8	3.6	0.8		9.7	4.1	4.4	3.3	

Source: Macrobond

Industrial Production Index (M/M Seasonally Adjusted)

	Month/Month % Change					Year/Year % Change				
	Mar	Apr	May	Jun	Jul	Mar	Apr	May	Jun	Jul
US	0.7	0.7	-0.1	0.0	0.6	4.8	5.3	4.4	4.0	3.9
Canada	1.2	1.4	-0.7	0.3		4.0	7.1	6.4	4.4	
UK	0.3	-0.1	1.3	-0.9		1.0	1.6	1.9	2.3	
Germany	-4.2	1.3	-0.1	0.4		-4.5	-2.5	-1.7	-0.4	
France	-0.4	-0.3	0.2	1.4		-0.1	-0.6	-0.3	1.4	
Italy	0.1	1.3	-1.1	-2.1		3.1	3.4	3.4	-1.0	
Japan	0.3	-1.5	-7.5	9.2	1.0	-0.8	-3.4	-4.7	-2.8	-1.0

Source: Macrobond

Unemployment Rate (Seasonally Adjusted)

	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22
US	4.6	4.2	3.9	4.0	3.8	3.6	3.6	3.6	3.6	3.5	3.7
Canada	6.8	6.1	6.0	6.5	5.5	5.3	5.2	5.1	4.9	4.9	
UK	4.1	4.0	4.0	3.8	3.7	3.8	3.8	3.8			
Eurozone	7.3	7.1	7.0	6.9	6.8	6.8	6.7	6.7	6.7	6.6	
Germany	5.3	5.3	5.2	5.1	5.1	5.0	5.0	5.0	5.3	5.4	5.5
France	7.5	7.4	7.4	7.3	7.3	7.4	7.5	7.6	7.6	7.5	
Italy	9.2	9.0	8.8	8.7	8.5	8.3	8.2	8.0	8.0	7.9	
Japan	2.7	2.8	2.7	2.8	2.7	2.6	2.5	2.6	2.6	2.6	
Australia	5.2	4.6	4.2	4.2	4.0	3.9	3.9	3.9	3.5	3.4	

Source: Macrobond

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

	Q4-19	Q1-20	Q2-20	Q3-20	Q4-20	Q1-21	Q2-21	Q3-21	Q4-21	Q1-22	Q2-22
US	-1.9	-2.0	-3.1	-3.2	-3.5	-3.4	-3.6	-3.9	-3.7	-4.8	
Canada	-1.6	-3.2	-1.1	-2.0	-0.8	0.1	-0.1	0.2	0.0	0.4	0.4
UK	0.5	-2.2	-1.4	-1.4	-4.8	-2.2	-2.0	-4.9	-1.2	-8.3	
Eurozone	1.5	0.6	1.3	2.5	3.4	4.0	3.3	2.5	0.9	0.8	-0.2
Germany	7.4	6.7	5.2	7.3	8.2	8.8	7.8	7.0	6.4	5.0	3.3
France	0.5	-1.3	-3.7	-2.0	-0.4	0.7	0.7	0.4	-0.3	-0.2	-1.3
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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* 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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