STATE STREET GLOBAL ADVISORS

October 16, 2020
Commentary

Weekly Economic Perspectives

Contents

Spotlight on Next Week
US housing indicators should remain robust. Consumer sentiment may soften in UK, Germany. Japanese manufacturing, service activity likely still soft.

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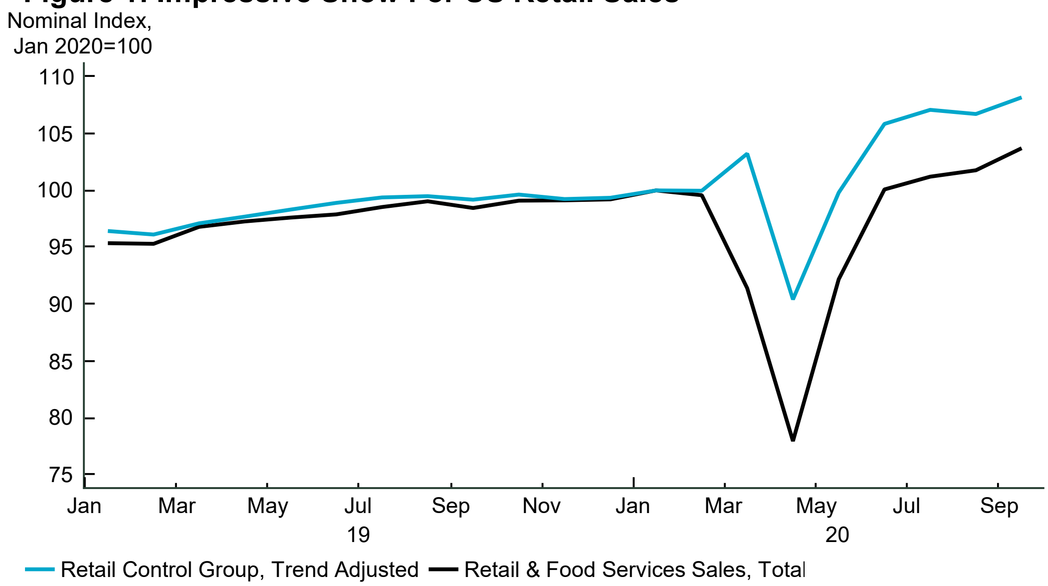
The Economy

A mixed data week highlighting both progress and persistent challenges on the road to economy recovery.

US

US **retail sales** continue to impress. Nominal retail sales rose a much larger than expected 1.9% in September, with control sales (which exclude food services, building materials, autos dealers and gas stations) up a robust 1.4%--the most since June. Performance varied across categories but no huge surprises. Clothing led gains with an 11.0% increase—likely a reflection of the delayed start to the school year. Motor vehicle sales rose 3.6% but electronics sales dropped 1.6% for the first decline since April. Encouragingly, restaurant/bar receipts increased 2.1%, suggesting that at the national level, this sector's reopening continued despite pullbacks in individual states. We'll be closely watching to see whether this resilience will continue as cases rise anew and colder weather reduces opportunities for outdoor dining in certain parts of the country. Seasonally adjusted total retail sales rose 5.4% y/y in September, with control sales up 9.1% y/y.

Figure 1: Impressive Show For US Retail Sales



Sources: SSGA Economics, U.S. Census Bureau

Consumer sentiment continues to improve. The preliminary **Michigan consumer sentiment index** for October improved a modest 0.8 points, leaving it at the highest level since March. The details were less encouraging, however, as the entirety of the gain came on the back of expectations, whereas the current situation assessment deteriorated. Meanwhile, inflation expectations seem to be normalizing following the surge earlier this year. Short term (1-year) inflation expectations increased a tenth to 2.7%, but this follows a half a percentage point decline in September. Longer term expectations (5-10 years) eased three tenths to 2.4%, the lowest since March.

Small business sentiment is improving…hopefully this progress will continue despite signs that Covid cases are increasing again. The **NFIB small business optimism index** jumped 3.8 points to 104.0 in September, marking the highest level since February. The details were encouraging. The outlook for general business conditions improved 8.0 points, current profits improved 13.0, and current hiring improved 6.0. Inventories are seen as too low and more respondents said they plan to boost inventories than at any time since 2004. Pricing power seems to be slowly returning, as a net 13% of respondents said they've raised prices. More business owners said they struggle to find qualified labor and more said they either did or plan to raise labor compensation.

Industrial production disappointed in September, although better news may lie ahead according to regional Fed surveys. Output unexpectedly declined 0.6% as utilities plunged 5.6% and even manufacturing contracted 0.3%. A 1.7% increase in mining production was not enough to offset these losses. Within manufacturing, motor vehicle production declined 4.0%; excluding motor vehicles, manufacturing production was flat. Overall capacity utilization was modestly lower, but this obscured considerable variation across components. Mining capacity utilization actually improved, whereas in the utilities sector capacity utilization dropped by 4.3 percentage points.

Regional Fed manufacturing surveys bode well for the October manufacturing production print. The **Philly Fed index** blew past expectations, surging 17.2 points to an eight-month high of 32.3. New orders and shipments spiked, the former to the highest since the 1973 and the latter to the highest on record in data going back to 1969! Backlogs rose and delivery times lengthened, suggesting growing pressure on supply chains. The number of employees moderated but a big increase in the average workweek suggests higher labor utilization. The headline **Empire manufacturing index** disappointed but the details fully made up for it. New orders and shipments rose to the highest levels since July, employment rose to the highest since January and the employee workweek surged to the highest since May 2011.

After declining for six straight months through June, **business inventories** are now slowly being rebuild. Inventories increased 0.3% in August as retail and wholesale inventories each increased 0.4% and manufacturing inventories were flat. The overall inventory to sales ratio is currently the lowest since late 2014, suggesting additional inventory rebuilding needs.

Initial **unemployment claims** remain perplexingly high in light of improvements in hiring and signals from various business surveys that labor demand has picked up. Initial claims actually increased by 53,000 (to 898,000) in the week ending October 10. Admittedly, continuing claims plunged by nearly 1.2 million (to 10.018 million) in the week ended October 3. But the expiration of benefits may be starting to artificially flatter the continuing claims series, so we are reluctant to fully celebrate the improvement.

Various Inflation metrics remain below where they stood prior to the Covid crisis, but they are clearly starting to normalize, aided by rebounding energy prices and the recovery in demand. Headline **consumer price inflation** accelerated another tenth to 1.4% y/y in September (in line with expectations), with core inflation unchanged at 1.7% y/y. Both headline and core prices increased by 0.2% during the month, with energy up 0.8% and food flat Service prices increased a modest 0.1%, with housing up 0.2% and medical care costs unchanged.

Import prices were 1.1% lower in September that they were a year before, but this compares favorably with declines as large as 6.8% y/y back in April. Moreover, core import price inflation (excluding food and fuels) stood at a much stronger 1.4% y/y.

Similarly, **producer price inflation** quickened six tenths in September to 0.4% y/y, the first positive reading since March. The traditional core measure (excluding food and energy) accelerated six tenths to 1.2% y/y while the alternative core (which also excludes volatile trade services) improved four tenths to 0.7% y/y.

Canada

Existing home sales rose 0.9% in September to a fresh monthly high. The number of transactions is now above even pre GFC levels, with actual sales (not seasonally adjusted) up 45.6% y/y. The Canadian Real Estate Association had an interesting observation: "Along with historic supply shortages in a number of regions, fierce competition among buyers has been putting upward pressure on home prices. Much of that was pent-up demand from the spring that came forward as our economies opened back up over the summer." Indeed, the evidence of pent-up demand is clear in the numbers, but demand has been concentrated in the most lucrative markets. Increase in sales was limited to 60% of the local markets, with increases in Ottawa, Greater Vancouver, Calgary and Hamilton-Burlington offset by declines in the Greater Toronto Area and Montreal. It is possible that higher income households whose employment status has been relatively unaffected have taken advantage of deflated markets and favorable interest rate environment to snap up properties in prime locations. The number of newly listed properties fell 10.2% in September, causing the national sales-to-new listings ratio to tighten to 77.2%. Prices have faced upward pressure as a result, with the Aggregate Composite MLS Home Price index rising 1.3% m/m. This massive uptrend is unlikely to be sustainable in the medium term, and risks of a “second wave” further dampen the immediate outlook for sales.

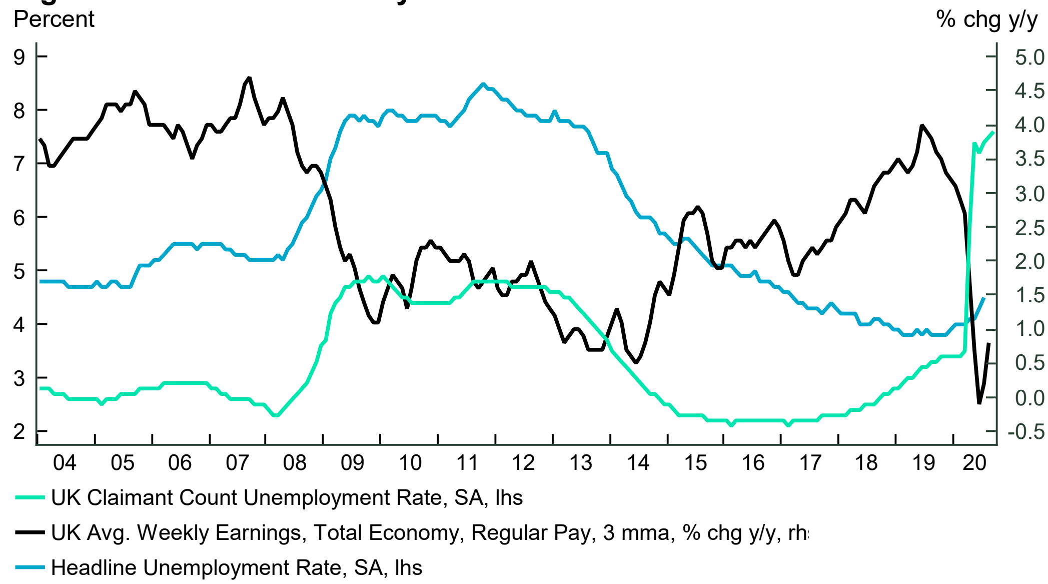
Following three solid improvements, **manufacturing sales** fell 2.0% in August. Motor vehicle assembly (-12.5%) and motor vehicle parts (-16.8%) dragged the headline down, as sales excluding transportation equipment rose 1.1%. Lower domestic demand was aggravated by weak external demand, with exports of motor vehicles and parts falling 6.8% in August. The big picture was not as negative, with the capacity utilization rate (not seasonally adjusted) for the total manufacturing sector rising from 74.0% in July to 75.8% in August due to higher manufacturing production.

UK

The UK labor market is still deteriorating. Employment declines reaccelerated in the three months to August, reaching 153,000 compared with the 12,000 decline in the three months to July. The official **unemployment rate** jumped two tenths to 4.5%, the highest level since early 2017. The claimant count unemployment rate ticked up another tenth to 7.6% (it peaked at 4.9% during the Great Recession!). In an interesting development—that might not last long, unfortunately, given renewed lockdowns—vacancies actually increased by 52,000 for a third consecutive gain.

Wages accelerated notably in August, lifting wage inflation in the three months to August by a full percentage point, though only to 0.0% y/y.

Figure 2: Weak UK Labor Dynamics Persist



Sources: SSGA Economics, ONS

Eurozone

The spike in Covid case in Europe is starting to dent business sentiment. The **ZEW *German* investor confidence index** had been surging for months, but collapsed 21.3 points in October, entirely driven by deteriorating expectations.

Italy's industrial sector momentum remained strong in August, as **industrial orders** jumped a much larger than expected 15.1%. The improvement left orders 6.1% higher than in August 2019, the first positive yearly comparison since December. The question is whether the recent surge on Covid across Europe will soon choke off the upward momentum...

Japan

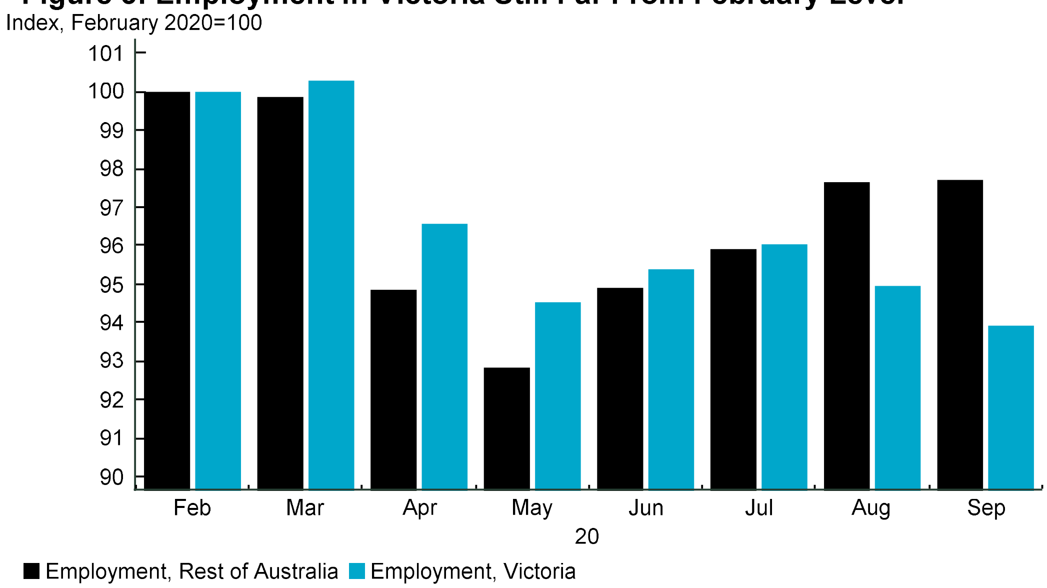
Core machinery orders (private sector orders other than for ships and electricity generating equipment) edged up 0.2% in August, contrary to expectations. This was considerably slower than the 6.3% rise recorded in July, and about 14% y/y lower annually. Manufacturing orders contracted 0.6% after two solid gains—led by chemicals (-35.3%) and iron and steel (-32.8%). Non-manufacturing (excluding orders for ships and from electric power companies) also dropped 6.9%, pulled back by mining (--46.6%) and financial services (-38.1%). Encouragingly, foreign orders jumped 49.6%.

Services activity edged up in August, after the July value was revised upward to a positive 0.1%. The **index of tertiary activities** rose 0.8%, though below consensus. Some of the components which should reap the benefits of the "Go To Travel" campaign performed worse than expected—rail, road and air transport services showed declines after strong gains in July, while living and amusement related services also fell by 1.3%. Retail trade however increased 3.9%. Other components to gain were utilities (+12.3%), real estate (+3.7%) and healthcare (+1.4%) services.

Australia

The recovery in Australia's **labor market** stalled in September, hopefully briefly. The unemployment rate edged up 0.1 percentage points (ppts) to 6.9%, though better than an expected 0.2 ppts rise. Having risen a cumulative 0.5 million over the past three months to 97% of pre-pandemic levels, employment retreated by 29,500—with losses in both full-time (-20,100) and part-time jobs (-9,400). The participation rate decreased by 0.1 ppts to 64.8%, due to large 1.0 ppts drop in participation in Victoria. Victoria also saw the heaviest job losses (-35,500), but the unemployment rate actually fell to 6.7% in September (from 7.1% earlier) due to the sharp drop in participation. On a positive note, hours worked increased 0.5% after a marginal drop in August.

Figure 3: Employment In Victoria Still Far From February Level



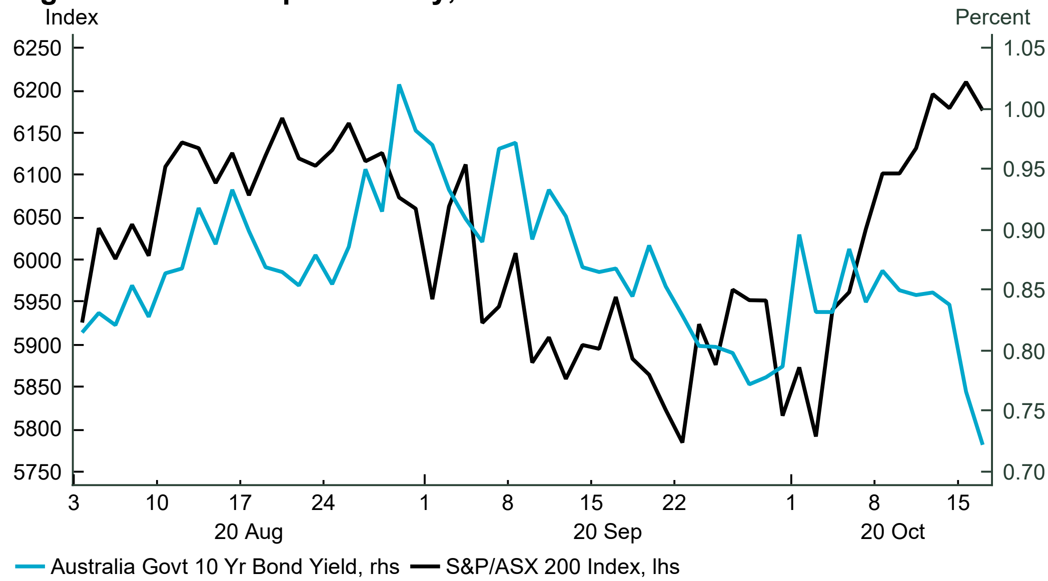
Sources: Macrobond, SSGA Economics, ABS

The government expects employment growth to slow over the coming months, mainly due to the restrictions imposed in Victoria to counter the "second wave". But the timely extension of fiscal support programs will definitely help Australia avoid the worst in terms of dip in employment. The Budget for 2020-21 presented last week had several measures to boost the job market. Some of the steps like infrastructure spending to create additional jobs, manufacturing support and wage subsidies including A$1.2 billion to help underwrite the employment of 100,000 apprentices will support employment.

The Market This Week

An expansionary budget and a dovish speech by RBA Governor Lowe combined to push Aussie equities higher and Bond yield notably lower recently.

Figure 4: Aussie Equities Rally, Bond Yield Decline



Sources: Macrobond, SSGA Economics, Bloomberg

Equities: A mixed week for global equities, with Japan and Australia gaining most.

Bonds: Australia lead global retreat in yield on dovish speech by RBA's Lowe.

Currencies: The Aussie plunges on dovish forward guidance from RBA.

Commodities: Mixed week for commodities, with gold lower but oil up slightly.

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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®	3501.66	0.7%	8.4%	0.74	-4	-118	93.698	0.7%	-2.8%
Canada	TSE 300	16480.88	-0.5%	-3.4%	0.57	-6	-113	1.3185	0.5%	1.5%
UK	FTSE®	5919.58	-1.6%	-21.5%	0.18	-10	-64	1.2912	-1.0%	-2.6%
Germany	DAX	12908.99	-1.1%	-2.6%	-0.62	-10	-44			
France	CAC-40	4935.86	-0.2%	-17.4%	-0.35	-8	-46	1.1717	-0.9%	4.5%
Italy	FTSE® MIB	19389.68	-1.0%	-17.5%	0.65	-7	-76			
Japan	Nikkei 225	23410.63	2.9%	-1.0%	0.02	-1	3	105.41	-0.2%	-2.9%
Australia	ASX 200	6176.792	1.2%	-7.6%	0.72	-13	-65	0.7084	-2.2%	0.9%

Commodity Markets						
Commodity	Unit	Source	Last Price	%Ch Week	%Ch YTD	%ChYr Ago
Oil (Brent)	US $/Barrel	Bloomberg	41.86	0.8%	-37.0%	-28.5%
Gold	US $/troy oz	Bloomberg	1901.7	-1.5%	25.3%	27.6%

Source: Bloomberg®

Week in Review (October 12–October 16)

Country	Release (Date, format)	Consensus	Actual	Last	Comments
Monday, October 12					
JN	Core Machine Orders (Aug, m/m)	-1.0%	0.2%	6.3%	Jump in foreign orders.
Tuesday, October 13					
US	NFIB Small Business Optimism (Sep)	100.9	104.0	100.2	Excellent!
US	CPI (Sep, y/y)	1.4%	1.4%	1.3%	Normalizing after Covid shock.
UK	ILO Unemployment Rate (Aug)	4.3%	4.5%	4.1%	Employment declines reaccelerating.
UK	Average Weekly Earnings (Aug, 3m y/y)	-0.6%	0.0%	-1.0%	Improvement nonetheless.
GE	ZEW Investor Expectations (Oct)	72	56.1	77.4	Covid resurgence impacting expectations.
Wednesday, October 14					
EC	Industrial Production (Aug, m/m)	0.8%	0.7%	5.0%(↑)	Not a surprise.
JN	Industrial Production (Aug, final, m/m)	1.7%(p)	1.0%	8.7%	Disappointing.
Thursday, October 15					
US	Initial Jobless claims (Oct 10, thous)	825	898	845(↑)	Somewhat perplexing.
US	Continuing claims (Oct 3, thous)	10400	10018	11183(↑)	Encouraging.
US	Empire Manufacturing (Oct)	14.0	10.5	17	Details were better than headline.
US	Philadelphia Fed Business Outlook (Oct)	14.8	32.3	15	Excellent. Great details!
CA	Existing Home Sales (Sep, m/m)	na	0.9%	6.2%	Transactions are now above pre-GFC levels.
IT	Industrial Orders (Aug, m/m)	na	15.1%	3.4%(↓)	Good, but can be sustained?
JN	Tertiary Industry Index (Aug, m/m)	1.5%	0.8%	0.1%(↑)	Travel-related services were tad weaker.
AU	Unemployment Rate (Sep)	7.0%	6.9%	6.8%	Victoria worst off among states.
Friday, October 16					
US	Retail Sales (Sep, m/m)	0.8%	1.9%	0.6%	Impressive!
US	Industrial Production (Sep, m/m)	0.6%	-0.5%	0.4%	Big drop in utilities but manufacturing also down.
US	Business Inventories (Aug, m/m)	0.4%	0.3%	0.1%	More inventory rebuilding needed.
US	U of M Sentiment (Oct, prelim)	80.5	81.2	80.4	Expectations up, current situation lower.
CA	Manufacturing Sales (Aug, m/m)	na	-2.0%	7.0%	Motor vehicles and parts sales were down.

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

Week Preview (October 19–October 23)

Country	Release (Date, format)	Consensus	Last	Comments
Monday, October 19				
US	NAHB Housing Market Index (Oct)	83	83	Incredibly elevated.
JN	Trade Balance Adjusted (Sep, ¥ bil.)	854.3	350.6	
Tuesday, October 20				
US	Building Permits (Sep, thous)	1500	1476(↑)	Lots of resilience in housing.
US	Housing Starts (Sep, thous)	1457	1416	
CA	Teranet/National Bank HPI (Sep, y/y)	na	5.7%	
AU	RBA Meeting Minutes			Case for November cut getting stronger.
Wednesday, October 21				
US	Fed Beige Book Report			
CA	Retail Sales (Aug, m/m)	na	0.6%	Good employment situation implies strong spending.
CA	CPI (Sep, y/y)	na	0.1%	Subdued oil prices a drag on inflation.
UK	CPI (Sep, y/y)	na	0.2%	
Thursday, October 22				
US	Initial Jobless claims (Oct 17, thous)	860	898	Still very high…
US	Continuing claims (Oct 10 thous)	na	10018	
US	Leading Index (Sep, m/m)	0.8%	1.2%	
US	Existing Home Sales (Sep, m/m)	4.2%	2.4%	
US	Kansas City Fed Manf. Activity (Oct)	na	11	
GE	GfK Consumer Confidence (Nov)	-3.0	-1.6	At risk from Covid resurgence.
FR	Business Confidence (Oct)	92	92	
Friday, October 23				
UK	GfK Consumer Confidence (Oct)	-28	-25	No respite between Covid and Brexit…
UK	Retail Sales (Sep, m/m)	0.4%	0.8%	Chance of upside surprise?
UK	Manufacturing PMI (Oct, prelim)	53.0	54.1	
UK	Services PMI (Oct, prelim)	53.0	56.1	
EC	Manufacturing PMI (Oct, prelim)	53.1	53.7	
EC	Services PMI (Oct, prelim)	47.5	48.0	
GE	Manufacturing PMI (Oct, prelim)	54.0	56.4	
GE	Services PMI (Oct, prelim)	49.4	50.6	Troublesome softness.
FR	Manufacturing PMI (Oct, prelim)	51.0	51.2	
JN	CPI (Sep, y/y)	0.0%	0.2%	We don't see any upsides here.
JN	Manufacturing PMI (Oct, prelim)	na	47.7	Inching painfully up.
JN	Services PMI (Oct, prelim)	na	46.9	"Go To Travel" is a positive for services.

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	
UK	Target: CPI 2.0% y/y	0.5	0.6	1.0	0.2	
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	
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	Forecast 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			-4.9	-3.4	-2.4	-2.3	
UK	0.5	0.6	1.0	0.2			-1.2	-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	
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			-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	0.1	-3.7	-11.8		1.2	1.4	1.0	-3.2	-14.7
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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