



# WEEKLY ECONOMIC DATA

Period 24th August 2020 - 28th August 2020

Date	Time	Country	Economic Data	Measures	Forecast	Previous
25-Aug	11:30am	EUR	German Final GDP q/q	Change in the inflation-adjusted value of all goods and services produced by the economy	-0.101	-0.101
25-Aug	1:30pm	EUR	German ifo Business Climate	It's a leading indicator of economic health - businesses react quickly to market conditions, and changes in their sentiment can be an early signal of future economic activity such as spending, hiring, and investment	92.5	90.5
25-Aug	6:30pm	EUR	Belgian NBB Business Climate	It's a leading indicator of economic health - businesses react quickly to market conditions, and changes in their sentiment can be an early signal of future economic activity such as spending, hiring, and investment		-13.9
25-Aug	6:30pm	USD	HPI m/m	It's a leading indicator of the housing industry's health because rising house prices attract investors and spur industry activity	0.003	-0.003
25-Aug	6:30pm	USD	S&P/CS Composite-20 HPI y/y	It's a leading indicator of the housing industry's health because rising house prices attract investors and spur industry activity	0.036	0.037
25-Aug	7:30pm	USD	CB Consumer Confidence	Financial confidence is a leading indicator of consumer spending, which accounts for a majority of overall economic activity	93.2	92.6
25-Aug	7:30pm	USD	New Home Sales	It's a leading indicator of economic health because the sale of a new home triggers a wide-reaching ripple effect. For example, furniture and appliances are purchased for the home, a mortgage is sold by the financing bank, and brokers are paid to execute the transaction	775K	776K

Date	Time	Country	Economic Data	Measures	Forecast	Previous
25-Aug	7:30pm	USD	Richmond Manufacturing Index	Level of a composite index based on surveyed manufacturers in Richmond	10	10
26-Aug	6:00pm	USD	Core Durable Goods Orders m/m	It's a leading indicator of production - rising purchase orders signal that manufacturers will increase activity as they work to fill the orders	0.017	0.036
26-Aug	6:00pm	USD	Durable Goods Orders m/m	It's a leading indicator of production - rising purchase orders signal that manufacturers will increase activity as they work to fill the orders	0.04	0.076
26-Aug	8:00pm	USD	Crude Oil Inventories	It's the primary gauge of supply and demand imbalances in the market, which can lead to changes in production levels and price volatility		-1.6M
27-Aug	1:30pm	EUR	M3 Money Supply y/y	It's positively correlated with interest rates - early in the economic cycle an increasing supply of money leads to additional spending and investment, and later in the cycle expanding money supply leads to inflation	0.095	0.092
27-Aug	1:30pm	EUR	Private Loans y/y	Borrowing and spending are positively correlated - consumers and businesses tend to seek credit when they are confident in their future financial position and feel comfortable spending money	0.03	0.03
27-Aug	6:00pm	USD	Prelim GDP q/q	It's the broadest measure of economic activity and the primary gauge of the economy's health	-0.325	-0.329
27-Aug	6:00pm	USD	Unemployment Claims	Although it's generally viewed as a lagging indicator, the number of unemployed people is an important signal of overall economic health because consumer spending is highly correlated with labor-market conditions.		1106K

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27-Aug	6:00pm	USD	Prelim GDP Price Index q/q	Annualized change in the price of all goods and services included in GDP	-0.018	-0.018
27-Aug	6:40pm	USD	Fed Chair Powell Speaks	As head of the central bank, which controls short term interest rates, he has more influence over the nation's currency value than any other person. Traders scrutinize his public engagements as they are often used to drop subtle clues regarding future monetary policy		
27-Aug	7:30pm	USD	Pending Home Sales m/m	It's a leading indicator of economic health because the sale of a home triggers a wide-reaching ripple effect. For example, renovations are done by the new owners, a mortgage is sold by the financing bank, and brokers are paid to execute the transaction	0.055	0.166
27-Aug	8:00pm	USD	Natural Gas Storage	Change in the number of cubic feet of natural gas held in underground storage during the past week		43B
27-Aug	Day 1	All	Jackson Hole Symposium	The Economic Policy Symposium, held in Jackson Hole, Wyoming, is attended by central bankers, finance ministers, academics, and financial market participants from around the world. The meetings are closed to the press but officials usually talk with reporters throughout the day.		
28-Aug	11:30am	EUR	German GfK Consumer Climate	Financial confidence is a leading indicator of consumer spending, which accounts for a majority of overall economic activity		-0.3
28-Aug	11:30am	EUR	German Import Prices m/m	It contributes to inflation for businesses and consumers, especially those who rely heavily on imported goods		0.006
28-Aug	12:15pm	EUR	French Consumer Spending m/m	It's the primary gauge of consumer spending, which accounts for the majority of overall economic activity		0.09

Date	Time	Country	Economic Data	Measures	Forecast	Previous
28-Aug	12:15pm	EUR	French Prelim CPI m/m	Change in the price of goods and services purchased by consumers		0.004
28-Aug	12:15pm	EUR	French Prelim GDP q/q	It's the broadest measure of economic activity and the primary gauge of the economy's health		-0.138
28-Aug	Tentative	EUR	Italian 10-y Bond Auction	Yields are set by bond market investors, and therefore they can be used to decipher investors' outlook on future interest rates. The bid-to-cover ratio represents bond market liquidity and demand, which can be used to gauge investor confidence		1.04 1.4
28-Aug	6:00pm	USD	Core PCE Price Index m/m	Change in the price of goods and services purchased by consumers, excluding food and energy	0.005	0.002
28-Aug	6:00pm	USD	Personal Spending m/m	Consumer spending accounts for a majority of overall economic activity. It's one of the most important gauges of economic health due to the vast ripple effect consumer buying creates in the economy	0.015	0.056
28-Aug	6:00pm	USD	Goods Trade Balance	Export demand and currency demand are directly linked because foreigners must buy the domestic currency to pay for the nation's exports. Export demand also impacts production and prices at domestic manufacturers	-72.3B	-70.6B
28-Aug	6:00pm	USD	Personal Income m/m	Income is correlated with spending - the more disposable income consumers have, the more likely they are to increase spending	-0.003	-0.011
28-Aug	6:00pm	USD	Prelim Wholesale Inventories m/m	It's a signal of future business spending because companies are more likely to purchase goods once they have depleted inventories	-0.01	-0.014



## KEY DEVELOPMENTS – INTERNATIONAL

European Central Bank policymakers discussed the flexibility and target of the bank's emergency bond purchases that were unveiled to support the euro area economy amid the disruption caused by the coronavirus, or Covid-19, pandemic, the minutes of the 15-16 policy meeting showed. In July, the ECB Governing Council left its key interest rates and the volume of its asset purchases unchanged as policymakers saw early signs of a gradual economic recovery from the slump induced by the coronavirus pandemic, but significant uncertainty regarding the outlook. The flexibility of the Pandemic Emergency Purchase Programme, or PEPP, was highlighted as the key element of its effectiveness and efficiency in policy transmission, the minutes, which the ECB calls "account", showed. The minutes showed that some policymakers wanted to fix the asset purchase target for the EUR 1,350 billion PEPP as its ceiling, citing better-than-expected data in recent weeks. "The argument was also made that the flexibility of the PEPP suggested that the net purchase envelope should be considered a ceiling rather than a target," the minutes said.

Eurozone's construction output growth sharply slowed in June, after a strong recovery in May following three months of steep declines, data from Eurostat showed. Construction output rose 4 percent from May, when it surged 29.4 percent, revised from 27.9 percent. June was a month marked by some relaxation of COVID-19 containment measures in many Member States, Eurostat said. Output started falling from February and logged double-digit declines in March and April when the economy was ravaged by the coronavirus, or Covid-19, pandemic. In June, building construction increased 4.5 percent and civil engineering grew 2.3 percent. Both had grown more than 28 percent each in May. Compared to the same month last year, Euro area construction output decreased for a fifth straight month. Output fell 5.9 percent after a 10.5 percent decline in May. In the EU, construction output increased 2.9 percent month-on-month after a 22.3 percent growth in the previous month. Building rose 3.2 percent and civil engineering grew 1.8 percent.

The slowdown in economic activity is likely to continue as states put more restrictions in place to control the virus, and the momentum to return to full employment could fade as consumers remain cautious, Boston Federal Reserve President Eric Rosengren said. Consumer spending is likely to stay low relative to the past as people avoid activities that require high levels of social interaction for health reasons, Rosengren said. "The forecast for the U.S. economy this fall is quite uncertain, but my view is that the recent slowdown in economic activity that we have seen in high frequency data is likely to continue," he said in remarks prepared for an online event organized by the South Shore Chamber of Commerce. The Fed official said the parts of the country that enacted longer shutdowns earlier on in the crisis are now benefiting from better health outcomes and more robust spending. States that lifted restrictions too quickly saw a short lived increase in economic activity, which became muted after a rise in infections, he said. "Limited or inconsistent efforts by states to control the virus based on public health guidance are not only placing citizens at unnecessary risk of severe illness and possible death – but are also likely to prolong the economic downturn," Rosengren said.

Rising inflation has complicated the task of India's monetary policy committee and could limit its ability to support growth, its August meeting minutes showed, while it also called on the government for more fiscal action. On Aug. 6, the MPC unanimously decided to hold interest rates steady while keeping its stance accommodative as long as necessary to revive growth and mitigate the impact of COVID-19 while ensuring inflation remains within target. Despite the dovish tone, the minutes suggest the bank sees little room for rate cuts in the current environment. "Inflation surprises of recent months are undermining the MPC's actions and stymieing its resolve to do what it takes to revive growth and mitigate the impact of COVID-19 on the economy," deputy governor Michael Patra wrote in the minutes. Almost all members highlighted the uncertainty on the inflation front and the need for more fiscal measures that would help the economic recovery as the MPC's hands are tied due to its inflation-targeting mandate.

Germany's producer prices declined for the sixth straight month in July, Destatis reported. Producer prices declined 1.7 percent year-on-year in July, slightly slower than the 1.8 percent decrease seen in June. Prices have been falling since February. On a monthly basis, producer prices gained 0.2 percent after remaining unchanged in June. The expected growth was 0.1 percent. Among components, energy prices declined the most in July, down 5.8 percent. Intermediate goods prices slid 2.3 percent. Meanwhile, durable consumer goods and non-durable consumer goods prices were up 1.6 percent and 0.5 percent, respectively. Capital goods prices advanced 1.1 percent. Another report from Destatis showed that retail turnover increased by real 0.8 percent in the first half of 2020 compared to the preceding period. In nominal terms, retail turnover grew 1.5 percent.

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