

WEEKLY ECONOMIC DATA

Period 14th September 2020 - 20th September 2020

Date	Time	Country	Economic Data	Measures	Forecast	Previous
14-Sep	14:30	EUR	Industrial Production m/m	It's a leading indicator of economic health - production reacts quickly to ups and downs in the business cycle and is correlated with consumer conditions such as employment levels and earnings;	2.80%	9.10%
15-Sep	11:30	GBP	Claimant Count Change	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.		94.4K
15-Sep	11:30	GBP	Average Earnings Index 3m/y	It's a leading indicator of consumer inflation - when businesses pay more for labor the higher costs are usually passed on to the consumer;	-1.30%	-1.20%
15-Sep	11:30	GBP	Unemployment Rate	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.	4.10%	3.90%
15-Sep	12:15	EUR	French Final CPI m/m	Change in the price of goods and services purchased by consumers;	-0.10%	-0.10%
15-Sep	14:30	EUR	ZEW Economic Sentiment	It's a leading indicator of economic health - investors and analysts are highly informed by virtue of their job, and changes in their sentiment can be an early signal of future economic activity;	63	64
15-Sep	11:30	EUR	German ZEW Economic Sentiment	It's a leading indicator of economic health - investors and analysts are highly informed by virtue of their job, and changes in their sentiment can be an early signal of future economic activity;	70	71.5

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15-Sep	18:00	USD	Empire State Manufacturing Index	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;	6.2	3.7
15-Sep	11:30	USD	Import Prices m/m	It contributes to inflation for businesses and consumers, especially those who rely heavily on imported goods and services;	0.50%	0.70%
15-Sep	18:45	USD	Capacity Utilization Rate	It's a leading indicator of consumer inflation - when producers are nearing full capacity they respond by raising prices, and the higher costs are usually passed on to the consumer;	71.70%	70.60%
15-Sep	18:45	USD	Industrial Production m/m	It's a leading indicator of economic health - production reacts quickly to ups and downs in the business cycle and is correlated with consumer conditions such as employment levels and earnings;	1.20%	3.00%
16-Sep	11:30	GBP	CPI y/y	Consumer prices account for a majority of overall inflation. Inflation is important to currency valuation because rising prices lead the central bank to raise interest rates out of respect for their inflation containment mandate;	0.10%	1.00%
16-Sep	11:30	GBP	Core CPI y/y	Change in the price of goods and services purchased by consumers, excluding the volatile food, energy, alcohol, and tobacco items;	0.70%	1.80%
16-Sep	11:30	GBP	PPI Input m/m	It's a leading indicator of consumer inflation - when manufacturers pay more for goods the higher costs are usually passed on to the consumer;	0.10%	1.80%
16-Sep	11:30	GBP	PPI Output m/m	Change in the price of goods sold by manufacturers;	0.20%	0.30%

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16-Sep	11:30	GBP	RPI y/y	Change in the price of goods and services purchased by consumers for the purpose of consumption;	0.60%	1.60%
16-Sep	14:00	GBP	HPI y/y	Change in the selling price of homes;	3.20%	2.90%
16-Sep	14:30	EUR	Trade Balance	Difference in value between imported and exported goods and services during the reported month;	17.3B	17.1B
16-Sep	Tentative	EUR	German 30-y Bond Auction	Yields are set by bond market investors, and therefore they can be used to decipher investors' outlook on future interest rates.		-0.05 2.9
16-Sep	18:00	USD	Core Retail Sales m/m	Change in the total value of sales at the retail level, excluding automobiles;	1.00%	1.90%
16-Sep	18:00	USD	Retail Sales m/m	It's the primary gauge of consumer spending, which accounts for the majority of overall economic activity;	1.10%	1.20%
16-Sep	19:30	USD	Business Inventories m/m	It's a signal of future business spending because companies are more likely to purchase goods once they have depleted inventories;	0.20%	-1.10%
16-Sep	19:30	USD	NAHB Housing Market Index	Level of a diffusion index based on surveyed home builders;	78	78

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16-Sep	20:00	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;		2.0M
16-Sep	23:30	USD	FOMC Economic Projections	It's the primary tool the Fed uses to communicate their economic and monetary projections to investors;		
16-Sep	23:30	USD	FOMC Statement	It's the primary tool the FOMC uses to communicate with investors about monetary policy. It contains the outcome of their vote on interest rates and other policy measures		
16-Sep	23:30	USD	Federal Funds Rate	Short term interest rates are the paramount factor in currency valuation - traders look at most other indicators merely to predict how rates will change in the future;	<0.25%	<0.25%
17-Sep		USD	FOMC Press Conference	It's among the primary methods the Fed uses to communicate with investors regarding monetary policy. It covers in detail the factors that affected the most recent interest rate and other policy decisions		
17-Sep	1:30	USD	TIC Long-Term Purchases	Demand for domestic securities and currency demand are directly linked because foreigners must buy the domestic currency to purchase the nation's securities;		113.0B
17-Sep	13:30	EUR	Italian Trade Balance	Difference in value between imported and exported goods during the reported month;	5.20B	6.23B
17-Sep	14:30	EUR	Final CPI y/y	Consumer prices account for a majority of overall inflation. Inflation is important to currency valuation because rising prices lead the central bank to raise interest rates out of respect for their inflation containment mandate;	-0.20%	-0.20%

Date	Time	Country	Economic Data	Measures	Forecast	Previous
17-Sep	14:30	EUR	Final Core CPI y/y	Change in the price of goods and services purchased by consumers, excluding food, energy, alcohol, and tobacco;	0.40%	0.40%
17-Sep	16:30	GBP	MPC Official Bank Rate Votes	The BOE's MPC meeting minutes contain the interest rate vote for each MPC member during the most recent meeting.	0-0-9	0-0-9
17-Sep	16:30	GBP	Monetary Policy Summary	It's among the primary tools the MPC uses to communicate with investors about monetary policy. It contains the outcome of their vote on interest rates and other policy measures		
17-Sep	16:30	GBP	Official Bank Rate	Short term interest rates are the paramount factor in currency valuation - traders look at most other indicators merely to predict how rates will change in the future;	0.10%	0.10%
17-Sep	16:30	GBP	MPC Asset Purchase Facility Votes	The BOE's MPC meeting minutes contain the asset purchase vote for each MPC member during the most recent meeting.	0-0-9	0-0-9
17-Sep	16:30	GBP	Asset Purchase Facility	It increases demand for bonds which usually leads to lower long-term interest rates;	745B	745B
17-Sep	18:00	USD	Philly Fed Manufacturing Index	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;	15	17.2
17-Sep	18:00	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.	825K	884K
17-Sep	18:00	USD	Building Permits	It's an excellent gauge of future construction activity because obtaining a permit is among the first steps in constructing a new building;	1.51M	1.50M

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17-Sep	18:00	USD	Housing Starts	It's a leading indicator of economic health because building construction produces a wide-reaching ripple effect. For example, jobs are created for the construction workers, subcontractors and inspectors are hired	1.47M	1.50M
17-Sep	20:00	USD	Natural Gas Storage	Change in the number of cubic feet of natural gas held in underground storage during the past week;		70B
18-Sep	11:30	EUR	German PPI m/m	It's a leading indicator of consumer inflation - when manufacturers charge more for goods the higher costs are usually passed on to the consumer;		0.20%
18-Sep	11:30	GBP	Retail Sales m/m	It's the primary gauge of consumer spending, which accounts for the majority of overall economic activity;	0.80%	3.60%
18-Sep	13:30	EUR	Current Account	It's directly linked to currency demand - a rising surplus indicates that foreigners are buying more of the domestic currency to execute transactions in the region;		20.7B
18-Sep	18:00	USD	Current Account	It's directly linked to currency demand - a rising surplus indicates that foreigners are buying more of the domestic currency to execute transactions in the country;	-158B	-104B
18-Sep	19:30	USD	CB Leading Index m/m	Change in the level of a composite index based on 10 economic indicators;	1.30%	1.40%
18-Sep	19:30	USD	Prelim UoM Consumer Sentiment	Financial confidence is a leading indicator of consumer spending, which accounts for a majority of overall economic activity;	75	74.1
18-Sep	19:30	USD	Prelim UoM Inflation Expectations	Expectations of future inflation can manifest into real inflation, primarily because workers tend to push for higher wages when they believe prices will rise;		3.10%

KEY DEVELOPMENTS – INTERNATIONAL

European Central Bank President Christine Lagarde said that policymakers are watching the appreciation in the euro closely for any impact on prices, and reiterated that the bank stands ready to adjust all its tools when needed to support the fragile economic recovery in the euro area. The Governing Council extensively discussed the implications of a strong euro in the latest policy meeting, Lagarde said in the post-decision press conference. "We have to monitor carefully such a matter," she said. However, policymakers did not see an immediate need to act on it, she added. The ECB does not target the exchange rate, Lagarde reiterated. Earlier on Thursday, the central bank left its key interest rates and its pandemic emergency purchase programme unchanged and reaffirmed its forward guidance. "The incoming data since our last monetary policy meeting in July suggest a strong rebound in activity broadly in line with previous expectations, although the level of activity remains well below the levels prevailing before the coronavirus (COVID-19) pandemic," Lagarde said.

The UK economy expanded for the third straight month in July as lockdown measures continued to ease though it has still only recovered just over half of the lost output caused by the coronavirus. Gross domestic product expanded 6.6 percent in July from June, when it gained 8.7 percent, data published by the Office for National Statistics showed. GDP was forecast to climb 6.7 percent. GDP was 11.7 percent lower than the pre-pandemic levels seen in February 2020. In three months to July, GDP fell 7.6 percent from the previous three months. On top of that, talk of tax rises at the next Budget, a further deterioration in the Brexit negotiations and a worrying rise in the number of virus cases and tighter social distancing restrictions will all conspire to slow the recovery even further, the economist added.

A report released by the Labor Department showed consumer prices in the U.S. increased by slightly more than anticipated in the month of August. The Labor Department said its consumer price index climbed by 0.4 percent in August after advancing by 0.6 percent for two straight months. Economists had expected consumer prices to rise by 0.3 percent. Energy prices saw continued growth, increasing by 0.9 percent in August after surging up by 2.5 percent in July. Gasoline prices led the way higher, jumping by 2.0 percent. The report said food prices also inched up by 0.1 percent in August after falling by 0.4 in July, as an increase in the food away from home index more than offset a slight decline in the food at home index. Excluding food and energy prices, core consumer prices still rose by 0.4 percent in August following a 0.6 percent increase in July. Core consumer prices were expected to edge up by 0.2 percent. The Labor Department said a 5.4 percent spike in prices for used cars and trucks accounted for over 40 percent of the increase in core prices.

China's bank lending increased in August as the economy started to recover from the coronavirus driven downturn, data from the People's Bank of China revealed. Banks offered CNY 1.28 trillion loans in August. This was bigger than the expected level of CNY 1.22 trillion and CNY 992.7 billion loans provided in July. Total social financing, a broad measure of credit and liquidity in the economy, surged to CNY 3.58 trillion from CNY 1.69 trillion in July. The broad money supply M2 climbed 10.4 percent on year, slower than the 10.7 percent growth logged in July. The stimulus measures are in progress, which includes traditional infrastructure stimulus and 5G infrastructure. These projects will continue to support GDP growth in the third quarter and the fourth quarter.

The total value of core machine orders in Japan gained a seasonally adjusted 6.3 percent on month in July, the Cabinet Office said - coming in at 751.3 billion yen. That beat expectations for an increase of 1.9 percent following the 7.6 percent decline in June. On a yearly basis, core machine orders dropped 16.2 percent - also beating forecasts for a fall of 18.3 percent after tumbling 22.5 percent in the previous month. Government orders plummeted 30.4 percent on month and 18.5 percent on year in July, while orders from overseas gained 13.8 percent on month and sank 25.3 percent on year. Orders from agencies rose 2.3 percent on month and dropped 15.0 percent on year. For the third quarter of 2020, core machine orders are forecast to have fallen 1.9 percent on quarter and 15.5 percent on year. The total value of machinery orders received by 280 manufacturers operating in Japan - including volatile ones for ships and those from electric power companies - increased by 7.0 percent in July from the previous month and fell 19.4 percent on year.

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