

WEEKLY GLOBAL MACROECONOMIC UPDATE

WEEKLY SUMMARY

- US**
- The US Producer Price index (PPI) for final demand decreased by 0.2% in December over the previous month.
 - US retail sales in December increased by 2.2% year over year, but sales excluding motor vehicles and parts rose by only 1.2%.
 - US industrial production in December dropped 0.4% from November.
 - The four-week moving average of jobless claims for the week ending January 9 was 278,750, which was 3,000 more than the previous week.

- Europe**
- In the UK, total production output in November was 0.9% higher than in the same month in 2014.
 - In France, the consumer price index (CPI) increased by 0.2% in December over the same month in the preceding year.
 - In Germany, the wholesale price index in December decreased by 0.1% year over year.

- LatAm**
- In Mexico, industrial output increased by 0.1% in November versus the same period a year earlier
 - In Brazil, retail sales in November increased by 1.5% over October.

GDP

GDP Growth Rate: QoQ % Change

	1Q 2015	2Q 2015	3Q 2015	4Q 2015
US	0.2	1.0	0.5	N/A
UK	0.4	0.7	0.5	N/A
Germany	0.4	0.4	0.3	0.3
France	0.7	0.0	0.3	N/A
Mexico	0.4	0.5	0.8	N/A
Brazil	-0.8	-2.1	-1.7	N/A

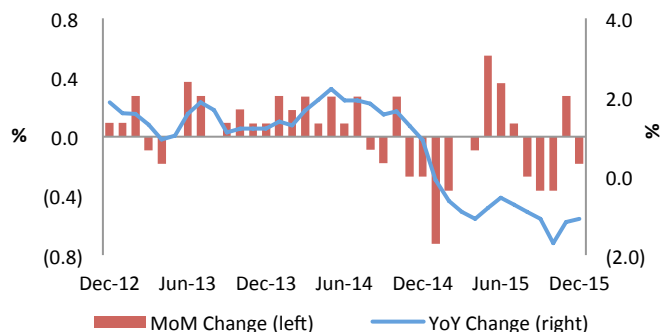
Source: OECD

MOVERS—US

- The US PPI for final demand decreased by 0.2% in December, reversing the upward movement that started in November.
- The PPI decreased by 1.1% on an annual basis, reflecting the general decrease in price levels over the past year.

Figure 1. US PPI for Final Demand (Seasonally Adjusted)

Dec. 2012–Dec. 2015

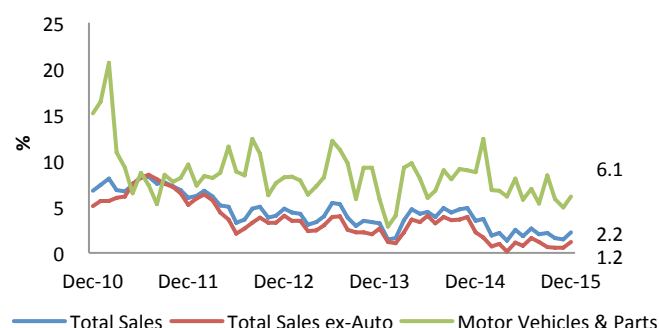


Source: US Bureau of Labor Statistics

- In December, total US sales rose by only 2.2%, the smallest gain since December 2009 and well below the 3.9% increase recorded for December 2014.
- Excluding motor vehicles and parts, sales rose by 1.2%, which shows slow growth and is bad news for US retailers.

Figure 2. US Retail Sales (Seasonally Adjusted)

Dec. 2010–Dec. 2015

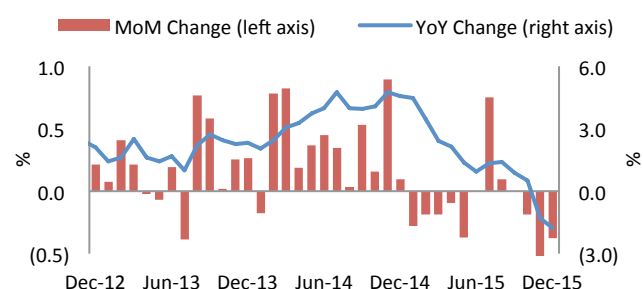


Source: US Census Bureau

- Industrial production declined by 0.4% month over month in December, primarily as a result of cutbacks in utilities and mining.
- Capacity utilization for the industrial sector decreased by 0.4% in December, to 76.5%, a rate that is 3.6% below its long-term average.

Figure 3. US Industrial Production (Seasonally Adjusted)

Dec. 2012–Dec. 2015

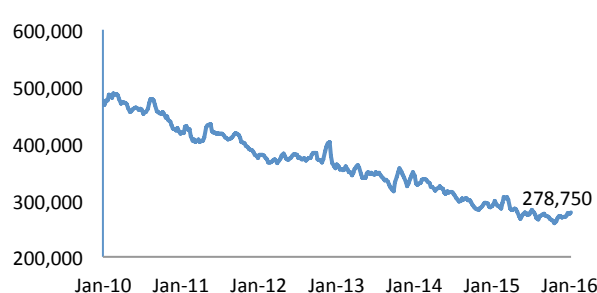


Source: US Federal Reserve

- In the week ending January 9, the advance figure for the seasonally adjusted four-week moving average of jobless claims was 278,750, an increase of 3,000 from the previous week's unrevised average of 275,750.

Figure 4. US Initial Jobless Claims: Four-Week Moving Average

Jan. 2010–Jan. 2016

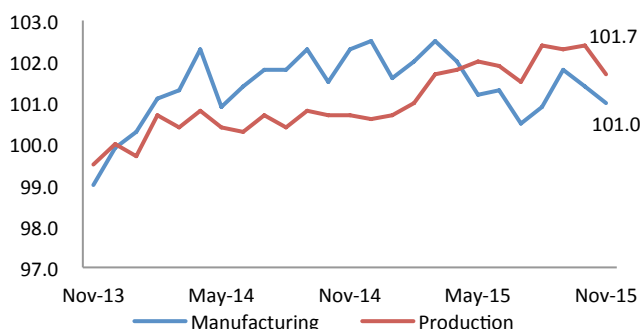


Source: US Department of Labor

MOVERS—UK, FRANCE AND GERMANY

- UK total production output is estimated to have increased by 0.9% in November compared with the same month a year earlier.
- Manufacturing output decreased by 1.2% in November compared with November 2014.

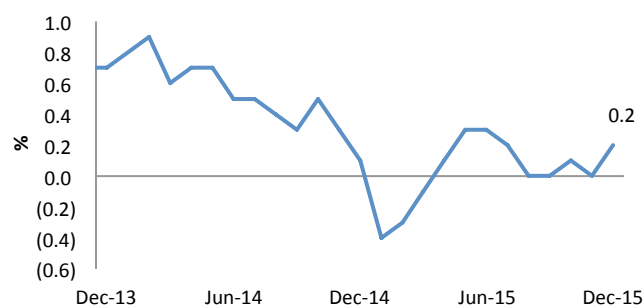
Figure 5. UK Manufacturing Production (2012 = 100)
Nov. 2013–Nov. 2015



Source: Office for National Statistics

- In December, the CPI in France recovered, increasing by 0.2% over the same month a year prior.
- The index had been unchanged in November.

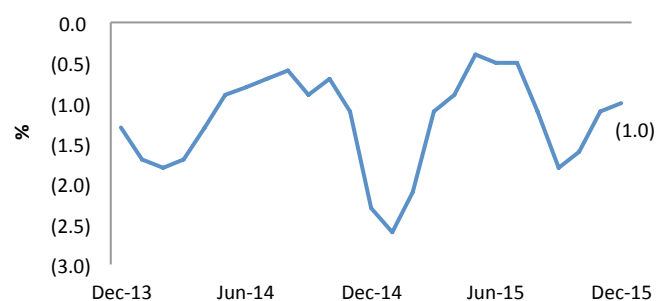
Figure 6. France CPI: YoY % Change
Dec. 2013–Dec. 2015



Source: INSEE

- In December, the wholesale price index in Germany decreased by 1.0% year over year.
- It had fallen by 1.1% in November over the same month in the preceding year.

Figure 7. Germany Wholesale Price Index: YoY % Change
Dec. 2013–Dec. 2015

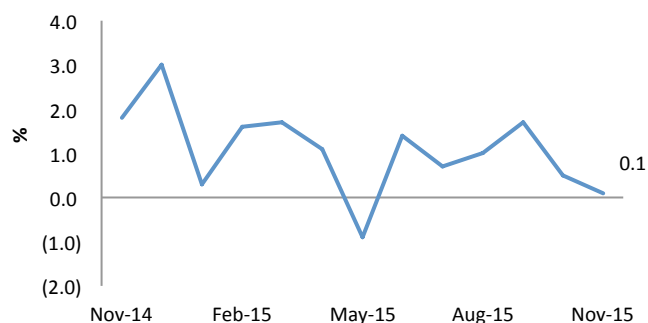


Source: Destatis

MOVERS—MEXICO AND BRAZIL

- In Mexico, industrial production in November stagnated.
- The index increased by only 0.1% over the same month in the previous year.

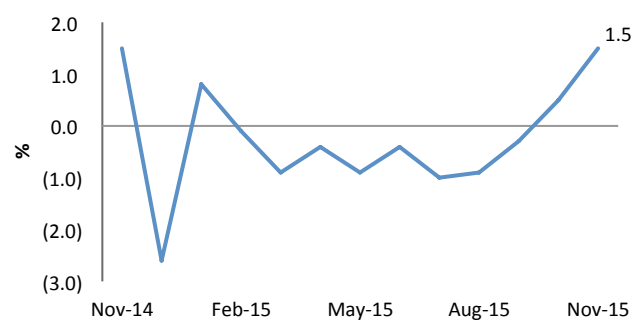
Figure 8. Mexico Industrial Output: YoY % Change
Nov. 2014–Nov. 2015



Source: Instituto Nacional de Estadística y Geografía

- In Brazil, retail sales in November increased by 1.5% over the preceding month. The October figure was revised downward to a 0.5% increase over September.

Figure 9. Brazil Retail Sales: MoM % Change
Nov. 2014–Nov. 2015



Source: Instituto Brasileiro de Geografia e Estatística

US MARKET DATA

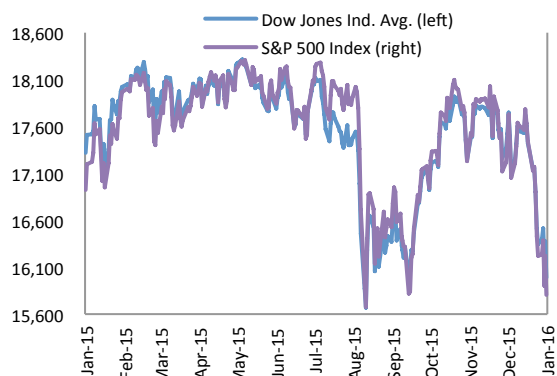
US Government Bond Yields (Percent)

	Friday 1/15/2016	1 Week Ago	1 Year Ago
2-Year Treasury	0.85	0.94	0.44
5-Year Treasury	1.46	1.57	1.22
10-Year Treasury	2.03	2.13	1.77

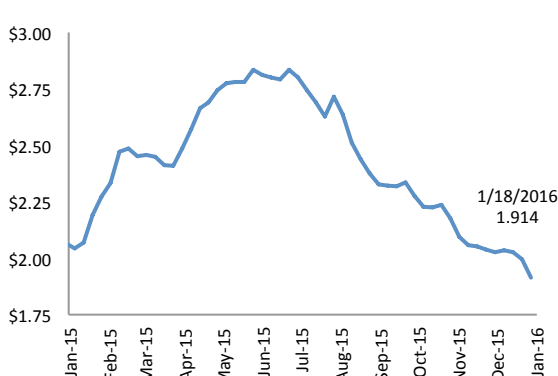
US Markets

	Friday 1/15/2016	1 Week Ago	1 Year Ago
Dow Jones	15,988.08	16,346.45	17,320.71
S&P 500	1,880.33	1,922.03	1,992.67

Dow Jones Industrial Average and S&P 500 Indexes



US Regular Gas Price (USD)



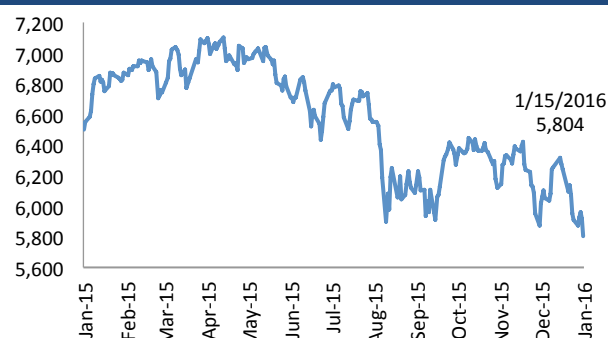
Source: Bloomberg/US Energy Information Administration

EUROPE MARKET DATA

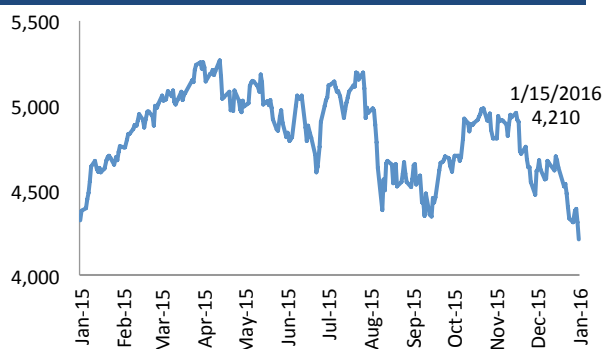
Government Bond Yields (Percent)

	Friday 1/15/2016	1 Year Ago
UK 2-Year	0.40	0.40
UK 5-Year	0.93	1.06
Germany 2-Year	-0.38	-0.12
Germany 5-Year	-0.13	-0.03
France 2-Year	-0.31	-0.07
France 5-Year	0.04	0.08

FTSE 100 Index



CAC 40 Index



DAX Index

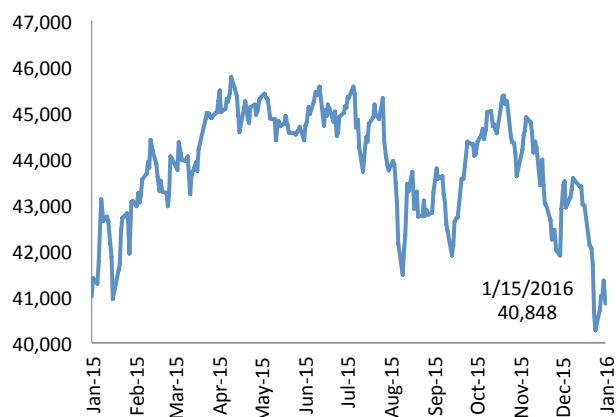


Source: Investing.com/S&P Capital IQ

LATIN AMERICA MARKET DATA

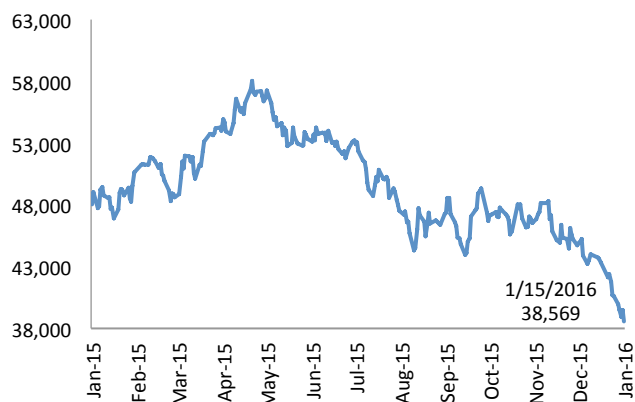
Government Bond Yields (Percent)			
	Friday 1/15/2016	1 Week Ago	1 Year Ago
Mexico 5-Year	5.47	5.48	4.77
Mexico 10-Year	6.22	6.18	5.48
Brazil 5-Year	16.44	16.24	12.28
Brazil 10-Year	16.35	16.19	12.16

Mexico: IPC Index



Markets			
	Friday 1/15/2016	1 Week Ago	1 Year Ago
IPC Mexico	40,847.70	40,265.37	40,998.77
Bovespa Brazil	38,569.13	40,612.21	48,026.31

Brazil: Bovespa Index



Source: Investing.com/S&P Capital IQ

Macro Calendar

Country/Region	Date	Release	Period Covered
France	January 21, 2016	Business Climate	January 2016
US	January 22, 2016	Markit Manufacturing PMI	January 2016
Germany	January 22, 2016	Markit PMI Composite	January 2016
France	January 22, 2016	Markit PMI Composite	January 2016
UK	January 22, 2016	Retail Sales	December 2015
UK	January 26, 2016	GfK Consumer Confidence	January 2016
US	January 26, 2016	S&P/Case-Shiller Home Price Indices	November 2015
US	January 26, 2016	Markit PMI Composite	January 2016
US	January 26, 2016	Consumer Confidence	January 2016

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