

April 22, 2019

Economic update

Economy



- The Census Bureau reported that the trade deficit narrowed in February.
- Retail sales jumped 1.6% in March, according to an advance report from the Census Bureau.
- The Conference Board Leading Economic Index increased in March.
- Wholesale sales increased 0.3% in February, the Census Bureau stated.

Employment



- Initial jobless claims fell by 5,000 to 192,000 in the week ended April 13, 2019, according to the Labor Department.

Profits



- As of April 11, 2019, of the 30 S&P 500 Index companies reporting first-quarter earnings, 25 beat analysts' estimates, according to S&P Dow Jones Indices.

Emotion



- The ZEW Indicator of Economic Sentiment for Germany increased in April.

Europe



- Euro area annual inflation fell to 1.4% in March from 1.5% in February, Eurostat noted.
- Eurostat reported that the euro area posted a trade surplus in February.
- Factory orders slipped 0.7% in February, according to Germany's Federal Statistical Office.
- The Markit Flash Germany PMI Composite Output Index rose to 52.1 in April from 51.4 in March.

Rates



- The yield on the 10-year U.S. Treasury note traded in a narrow range.

Risks



- No resolution to China trade war, or opening a new front with Europe on autos, risks more equity market turmoil.
- Brexit, Italian debt dynamics, and the re-emergence of populism risk tipping Europe back into recession.
- Weak stimulus in China thus far is showing little sign of slowing the pace of deceleration.

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