

Macro Economic Data Dictionary

Education

Leveraged products involve a high level of risk and you can lose more than your original investment.

They are not suitable for everyone so please ensure you understand the risks involved and if necessary please obtain investment advice from a financial adviser before investing. This report is not a personal recommendation and does not take into account your personal circumstances or appetite for risk.

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ADP Employment Change - US

Estimates change in numbers of people employed in US (seasonally adjusted). With a rise in employment, generally speaking, there should be more wages being earned, which can fuel consumer spending. Generally this is good for well-being of economy, although higher spending can also spur inflation, which may force Fed to make attempt to counteract via rate increases. Often seen as precursor for the all-important **US Non-Farm Payrolls**.

Possible movers: USD currency, US Indices, US Equities

Advance Retail Sales - US

Sales of goods at retail outlets in nominal dollars excl. returns, taxes and finance charges. Also reported ex-automobile sales (high cost, big fluctuations, seasonal) and Gas which is impacted by the price of oil (volatile). Consumer spending = 66% of economic growth. Retail Sales = 33% of consumer spending so can be considered reasonable measure of consumer demand in advance of **GDP** report. Can move markets, particularly retail stocks as data released within two weeks of month end. Very positive figure can benefit markets, indicating solid economic growth, but too strong a figure can mean inflationary pressure leading central bank to alter rates.

Possible movers: USD currency, US Indices, US-exposed Retailers

Average Weekly Earnings - UK

Short-term indicator of how levels of pay are growing in UK. If earnings growing strongly, safe to assume consumer spending power also growing, which has inflationary implications. Very high figure is generally taken as bullish for GBP. Excluding bonuses also shown as can distort picture of overall earnings growth.

Possible movers: GBP currency, UK Indices, UK equities

Average Hourly Earnings – US

Change in average rates of pay; reported as percentage change from previous month and previous year. **Month-on-month** provides more useful glimpse of short-term changes in employees' spending potential. Provides information about how much disposable income workers have in US and therefore provides additional information about inflation. High figure indicates employees have money to spend - likely to suggest danger of rising inflation.

Possible movers: USD currency, US Indices, US Equities

Average Weekly Hours - US

Average number of hours worked in the non-farm sector. Indication of tightness of labour markets and labour cost inflation. When setting rates, this indicator bears an influence on Fed's rate decision. A high reading is desirable as this is bullish for the dollar.

Possible movers: USD currency, US Indices, US Equities

BBA Home Loans - UK

Number of home loans BBA have issued during previous quarter. Number of mortgage approvals generally considered leading indicator of housing market. Strong increases in mortgage approvals suggests burgeoning housing market, which can have trickle-on effect to wider economy

Possible movers: GBP currency, UK Indices, UK equities, UK-exposed House builders

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Beige Book – US

Actually entitled 'Summary of Commentary on Current Economic Conditions by Federal Reserve District', but more commonly known as Beige Book. Published two weeks in advance of every **FOMC** meeting and used to update members of committee with latest economic changes.

Made up of anecdotal information collected by each Federal Reserve Bank on economic conditions within 12 Federal Reserve districts. Each bank assembles facts for its district via Bank and branch directors and interviews with key business contacts, economists and market experts. Overall summary of 12 district reports organised by selected Federal Reserve Bank on rotating basis.

Report useful as shows what information FOMC members will be basing decision upon (and information unlikely to be more than two weeks old). Does not offer insight into FOMC members' thoughts on economy, however; simply states facts regarding economy in various regions of US. Information not quantitative. Anecdotal and descriptive only.

Published 8 times per year. Not considered big market mover, although has occasionally been known to sway markets if figures are large departure from analysts' expectations.

Possible movers: USD currency, US Indices, US Equities

Bloomberg Consumer Comfort Index – US

A weekly, random-sample survey tracking Americans' views on condition of US economy, their personal finances and the buying climate. Each release includes results among 1,000 randomly selected adults, with breakdowns available by age, race, sex, education, political affiliation and other groups. The Index has significant long-term correlations, including on a time-lagged basis, with a variety of key economic indicators.

Possible movers: USD currency, US Indices, US Equities

BoE Interest rate – UK

Bank of England (BoE) Monetary Policy Committee (MPC) meets every month for two days to establish short-term direction of monetary policy. Details of meeting only follow when minutes published two weeks later. BoE has stated **inflation** objective of 2%. MPC uses **Consumer Price Index (CPI)** in order to assess UK **inflation** and establish decision on rate. Rate agreed acts as basis for other UK rates and any change has knock-on effect on Bonds, FX, mortgage rates etc. If MPC decides on a change that is out of line with market expectations, can have substantial and extensive impact on UK currency and markets.

Possibly movers: GBP currency, UK Indices, UK equities, UK-exposed Financials, UK-exposed retailers, UK-exposed house builders

BoE Asset Purchases – UK

See **Quantitative easing (QE)**

Possible movers: GBP currency, UK Indices, UK equities

Building Permits – US/Canada

Number of authorised new building projects. Widely used as indicator for developments in housing market. Growth reflects growth in construction sector and suggests corporate and consumer optimism.

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As leading indicators for housing market respond quickly to changes in business cycle, Building Permits can act as a leading indicator for economy as a whole.

Possibly movers: USD/CAD currency, US/CA Indices, US/CA equities, US/CA-exposed house builders

Business Confidence

Measure of prevailing sentiment among business leaders. Based on survey querying expectations for new orders and impressions on general economic situation. Increasing Business Confidence numbers usually accompany increases in business investment that lead to higher levels of output. Headline figure is difference between positive and negative responses, as percentage of total number of answers, using 100 as centre-line for boom bust sentiment.

Possibly movers: Currency, Indices and equities of that country/region

Business Climate Indicator - Eurozone

Based on industrial sector surveys, aims to gauge current business conditions/sentiment in Eurozone. High or rising figures generally indicate healthy economy and business climate; low or declining figures signal unfavourable or worsening economy. As business and consumer confidence increases typically see similar increases in investments, production, and consumption and economic growth.

Possible movers: EUR currency, Eurozone Indices (such as DE, FR), Eurozone equities

Business Inventories - US

Dollar amount of inventories held by manufacturers, wholesalers, and retailers. Level relative to sales is important indicator of near-term direction of production activity. Data valuable in tracking state of economy. Rising inventories can indicate sales may grow in near future. If inventory growth lags sales, manufacturers will have to boost production. If sales fall, production cuts may be necessary while inventories are worked down.

Possible movers: USD currency, US Indices, US Equities

Business Investment - UK

Measure of how much capital being spent by UK private sector businesses. Headline figure is percentage change from previous quarter. Firms most likely to invest when confident about prospects for future growth, and therefore expect profitable return on investment. Companies most likely to be confident about future growth if seen upturn in consumer demand. Increased capital expenditure therefore may indicate future economic growth.

Possible movers: GBP currency, UK Indices, UK equities

Capacity Utilisation – Canada/US

Measures extent to which manufacturing companies make use of their productive capacity (factories and machinery). Headline figure is ratio of actual production vs potential production. Acts as indicator of overall demand in economy. High rates reflect resources being in high demand, which exerts inflationary pressures. High rates may also lead to new capital investments, such as new plants and equipment that promote growth in future.

Possibly movers: USD/CAD currency, US/CA Indices, US/CA equities, US/CA-exposed house builders

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CBI Reported Sales - UK

Survey includes measure of sales activity across distributive trades. Accurate early indicator of monthly retail sales. Balance calculated as difference between retailers seeing an increase and those seeing decrease.

Possibly movers: GBP currency, UK Indices, UK equities, UK-exposed retailers

CBI Industrial Trends – UK

Survey of senior manufacturing executives on trends in output, prices, exports, and costs. Concentrates purely on views of those surveyed rather than measuring quantitative data. Provides some interesting information regarding current business confidence, capacity utilisation and the investment intentions of manufacturing executives. Zero represents boom/bust centreline.

Possibly movers: GBP currency, UK Indices, UK equities, UK-exposed manufacturers

Challenger Job Cuts/Layoffs - US

Number of announced corporate layoffs. Tracks layoffs by industry and region. Used by investors to determine strength of labour market. While it could be used as leading indicator for new jobless claims, not all layoff announcements result in job losses in near term. Some companies announce layoffs that will take place further into future. In such a case people may quit voluntarily or the company's situation may change in order to keep their employees.

Possible movers: USD currency, US Indices, US Equities

Chicago Fed National Activity Index - US

Tracks economic activity around Chicago. Coincident indicator of broad economic activity - weighted average of 85 indicators based on economic data covering production and income, employment, personal consumption, housing, manufacturing, trade sales, inventories, and orders. Useful in tracking economic growth and identifying potential inflation. Value of 0 indicates economy growing at long-run potential; value over 0 indicates economy growing above potential. Negative value indicates economy is growing below potential. The data has a lag of about one month. It is a relatively new report that has not yet gained a following in the financial markets.

Possible movers: USD currency, US Indices, US Equities

Chicago PMI - US

Survey of Purchasing Managers that aims to measure business conditions. Covers such areas as new orders, inventory levels, production, supplies and employment. Answers used to compile 'diffusion index'. 50 used as benchmark; a figure greater indicates expansion, whereas contraction reflected by figure below 50. Gives an insight into how manufacturing sector faring, as well as general business trends.

Possible movers: USD currency, US Indices, US Equities, US-exposed manufacturers

Claimant Count Rate – UK

UK's most timely measure of unemployment. Measures number of people who claim unemployment benefits, but actively seeking work. Serves as barometer for health of UK labour market. Higher job growth accompanies economic expansion and could spark **inflationary** pressures.

Possibly movers: GBP currency, UK Indices, UK equities

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Construction Output

Increased construction suggests growing economy as expensive construction outlays reflect consumer and business optimism. Index commonly used as business cycle indicator, as housing market closely tied to changes in economic growth. Current month's figure adjusted for economic fluctuations that occur throughout year. Annualized figure includes full year's data.

Possibly movers: Currency, Indices and equities (incl. house builders) of that country/region

Construction Spending – US

Measures total amount of spending on US residential and non-residential construction activity. Construction industry bears significant impact on US GDP and state of economy. Builders more likely to spend more when they feel economy is healthy and demand likely to be strong. As it is affected by **interest rates**, it bears an influence on commodities, bonds and stocks.

Possible movers: USD currency, US Indices, US Equities, US-exposed house builders/construction

Consumer Confidence

Consumer Confidence measures is defined as degree of optimism on state of economy that consumers express through their activities of savings and spending. Country by country analysis indicates huge variance around the globe. In an interconnected global economy, tracking international consumer confidence is a lead indicator of economic trends. High confidence bodes well for economy, indicating consumers more likely to increase consumption spurring growth and potentially sparking inflation. Conversely, low consumer confidence levels suggest decreased spending.

Possibly movers: Currency, Indices and equities (incl. Retailers, House builders) of that country/region

CPI - Consumer Price Index

Change in price of fixed basket of consumer goods and services; positive CPI indicates price inflation. Higher values suggest rising prices and possibility of interest rate rises by Central bank which can strengthen the nation's currency. Lower values can mean lower interest rates and weakening currency. Core figure excludes food and energy prices - volatile components which can cause distortions that only represent short-term factors.

Possibly movers: Currency, Indices and equities (incl. Retailers, House builders) of that country/region

Current Account Balance

Value of flow of all goods, services, income and transfer payments to and from the country. With financial account and capital account, makes up balance of payments. Positive value indicates current account surplus; negative value indicates current account deficit.

Persistent current account deficits may lead to natural depreciation of currency, as trade, income and transfer payments usually reflect currency leaving country to make payments in foreign currency (just as underlying surpluses act as appreciating weight).

Current account important for forecasting long-term developments in FX rates and useful as depiction of how economy is interacting with rest of world.

Possibly movers: Currency, indices and equities of that country/region

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Dallas Fed Manufacturing Activity - US

Dallas Fed conducts Texas Manufacturing Outlook Survey monthly to obtain timely assessment of state's factory activity. Firms are asked whether output, employment, orders, prices and other indicators increased, decreased or remained unchanged over the previous month.

Survey responses used to calculate index for each indicator. Each index calculated by subtracting percentage of respondents reporting decrease from percentage reporting an increase. When share of firms reporting increase exceeds share reporting decrease, index will be greater than zero, suggesting indicator increased over prior month. If share of firms reporting decrease exceeds share reporting increase, index will be below zero, suggesting indicator decreased over prior month.

Possible movers: USD currency, US Indices, US Equities, US-exposed manufacturers

DCLG House Prices - UK

House Price Index for UK Department of Communities and Local Government. Uses mix-adjusted method, based on weighted averages. Data used is mortgage completion data supplied by a few large lenders.

Possibly movers: GBP currency, UK Indices, UK equities, UK-exposed Financials, UK-exposed retailers, UK-exposed house builders

Durable Goods Orders - US

Value of orders placed for relatively long lasting goods, which normally require large investment and usually reflect buyer optimism that expenditure is worthwhile. Orders have large sway over actual production, so figure serves as excellent forecast of US output to come. Durable Goods typically sensitive to economic changes. If consumers sceptical about economic conditions, sales of durable goods are one of the first to be cut as consumers can delay purchases of item such as cars and televisions, only spending money on necessities.

Also reported excluding Transport. Orders for items like civilian vehicles or aircrafts fairly expensive and fluctuate idiosyncratically, distorting Durable Goods Orders. Such goods excluded to provide a better measure of durable goods orders. Due to volatility, ex-Transport number is more closely watched.

Possible movers: USD currency, US Indices, US Equities, US-exposed industrials

ECB interest rates - EU

ECB establishes short-term direction of monetary policy. Rate used to control inflation in Euro region. Rate agreed acts as basis for every other EU rate and any change has knock-on effect on Bonds, FX, mortgage rates etc. If it decides on a change that is out of line with market expectations, can have substantial and extensive impact on markets.

Possible movers: EUR currency, Eurozone Indices (such as DE, FR), Eurozone equities

Economic Confidence - Eurozone

Gauges sentiment toward Eurozone economy. Composite of most of the sector specific surveys carried out by European Commission. High or rising figure indicates healthy levels of purchasing, business spending, and investment - a positive economic outlook conducive to strengthening of the economy and the EUR.

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Reported in the European Commission's Business and Consumer Surveys, economic confidence brings together 5 confidence indicators with different weights: Industrial Confidence (40%), Service Confidence (30%), Consumer Confidence (20%), Construction Confidence (5%), and Retail Trade Confidence Indicator (5%).

Possible movers: EUR currency, Eurozone Indices (such as DE, FR), Eurozone equities

EIA Weekly Oil Stocks - US

Provides insight into Oil consumption by US. Builds can mean less oil currently needed because economy not doing as well. Drawdowns can mean more oil required because economy doing better. Data can lead to moves in the price of West Texas Intermediate (WTI)/US Light Crude.

Measure of inventories of crude oil stored for future use. Figure relies on Energy Information Administration's (EIA's) Monthly Crude Oil Report which surveys companies that store >500 barrels of crude oil. Because companies with smaller stores excluded, figure systematically underestimates actual crude oil stores. Nonetheless, report significant as changes in crude oil inventories provide insight into oil demand and prices. Significant decrease in inventories suggests supply of oil possibly strained, which puts upward pressure on oil prices. Any increase in oil prices will act as an inflationary pressure as increased oil prices fed through economy. But because any effects of Oil Stocks would take some time to feed through the economy, report typically does not affect the market.

Possible movers: US Crude Oil, Brent Crude Oil, Oil explorers and refiners

Empire State Manufacturing - US

New York state manufacturing companies document direction of change of business indicators (general business activity, new orders, inventories and shipments) - increase, decrease or no change. Snapshot of manufacturing sector; how busy sector currently is and where sector likely heading. Manufacturing is important component of US economy and survey can exert strong effect on markets.

Possible movers: USD currency, US Indices, US Equities, US-exposed manufacturers

Employment (Net Change in) – all countries/regions

Net change in people employed. Increases generally accompanied by higher consumption and expenditure. Higher employment, consumption and expenditures may increase **inflation**, encouraging tightening of monetary policy. If central bank raises interest rates, nation's currency likely affected. In some countries, broken down into Full-time and Part-time.

Possibly movers: Currency, Indices and equities (incl. Retailers, House builders) of that country/region

M3 Money Supply – UK/EZ

Measure of all currency in circulation, large time deposits, institutional money-market funds, repurchase agreements, debt securities and larger liquid assets. Important inflationary indicator, as exchange rate affected by monetary expansion. Increase in M3 positive (bullish) for currency whereas decrease seen as negative (bearish).

Possible movers: EUR/GBP currency, Eurozone/UK Indices, Eurozone/UK equities

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Existing Home Sales – US

Sales of previously owned homes in US. Headline figure is total value of properties sold. Although home sales not recorded as part of GDP, they do play big part in economy: proceeds of sales may be ploughed into other areas of economy via consumer spending or investment. High value for home sales is sign of strength in economy, although may also contribute to **inflation**.

Possibly movers: US Currency, Indices and equities (incl. House builders)

Export Price Index – US

Tracks price changes of US exports. Figure used to determine whether change in Exports representative of increase of goods sold to foreign nations or just increase in price of exports. US exports account for around 10% of GDP.

Possibly movers: US Currency, Indices and equities

Factory Orders - Eurozone

Measures total change in orders placed at domestic manufacturers. Gives picture of strength of demand for German industrial products. Early indicator of overall level of spending in economy, and spending drives economic growth. Although higher German Factory Orders alone is not a strong enough factor to influence Euro in significant way, growth can put upward pressure on the currency if higher orders are due to greater demand abroad.

Possibly movers: Euro Currency, Indices and equities (incl Manufacturing sector)

Factory Orders - US

Measures value of new orders, shipments, unfilled orders and inventories reported by manufacturers. Provides in-depth picture of manufacturing sector and can be used to gauge recent supply and demand: high shipments may indicate high demand, whereas high inventories may tends to point toward an excess of supply over demand.

Possibly movers: US Currency, Indices and equities (incl Manufacturing sector)

FOMC – US

Federal Open Market committee - Decides interest rates in US. Like UK's BoE and Europe's ECB.

Possibly movers: US Currency, Indices and equities (incl Banking sector)

GDP – all Countries/Regions

Output of goods and services in country/region - Economic activity rising or falling? Lower than expected could mean less risk of inflation and interest rate rises, which may hit nation's currency. Higher than expected could mean more inflation and requirement for interest rate rises to tame rising prices and support currency.

Possibly movers: Currency, Indices and equities

GDP Price Index - US

Prices paid by US residents - paying more or less?

Possibly movers: US Currency, Indices and equities

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Halifax house Price index - UK

Index representing house prices and property price movements on like-for-like basis. House prices give simple, useful indication of strength of housing market, a linchpin of UK economy. House prices tends to have a knock-on effect on consumer prices generally and therefore plays a part in inflationary issues.

Possibly movers: UK Currency, Indices and equities (incl House Builders and Banking sectors)

Housing Equity Withdrawal - UK

How much UK homeowners taking out (remortgaging for more) of their home values. Negative figure implies individuals injecting (paying off) during the quarter.

Possibly movers: UK Currency, Indices and equities (incl House Builders and Banking sectors)

Housing Starts – US/Canada

Volume of new houses built in the month. Increase implies increased commitment to build new properties. Commitment involves large outlays, which usually requires positive sentiment. Can be seen to indicate investment and business optimism. Also sheds light on consumer activity: buying new home likely to involve high consumer spending on decorating costs, household appliances, etc.

Possibly movers: US Currency, Indices and equities (incl House Builders)

House Price Index – US

Broad measure of movement of single-family house prices. Measures average price changes in repeat sales or re-financings on same properties. Obtained by reviewing repeat mortgage transactions on single-family properties whose mortgages have been purchased or securitized by Fannie Mae or Freddie Mac since January 1975. Gives indication of strength of housing market, strength of which can reflect consumer confidence, and therefore health of wider economy.

Possibly movers: US Currency, Indices and equities (incl House Builders)

IFO - Germany

One of Germany's key business sentiment surveys. Conducted monthly, querying German firms on current German business climate as well as expectations for next six months. As largest economy in Euro-zone, Germany responsible for approximately 25% of total Euro-Zone GDP. Consequently, IFO significant economic health indicator for Euro-zone as a whole. Positive readings bode well for economy, suggesting increased consumer spending and economic growth. Conversely, low IFO readings may be indicative of economic slowdown. Index uses 100 as centerline between positive and negative outlooks; further above 100, stronger the sentiment. The survey presents two equally weighted sub-indices below.

Current Assessment measures current German business conditions, without considering future expectations.

Expectations based on firms' expectations for next six months, where firms rate future outlook as better, same, or worse.

Possibly movers: Euro Currency, Indices and equities

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ILO Unemployment Rate – All countries

International Labour Organisation (ILO) Unemployment is count of jobless people who want to work, are available to work, and are actively seeking employment. ILO definition used internationally, so comparisons between countries can be made. As it is not subject to changes that result from changes to benefit regimes, it allows for consistent comparisons over time. ILO unemployment is calculated using data from Labour Force Survey (LFS), as a result of which it is subject to sampling differences and may be unreliable at the local level.

Possibly movers: Currency, Indices and equities

Import Price Index - US

Measures change in prices paid for goods imported to US. Trade Balance is total imports minus total exports, so change in prices of imports can give insights into Trade Balance. It shows whether changes in value of imports caused by changes in price or changes in demand. US is net-importer (runs **trade deficit**); significant changes in price of imported goods can influence economy and **inflation**.

Possibly movers: US Currency, Indices and equities

Index of Services - UK

Measure of change in gross value added (GVA) for service industries (GVA is difference between value of service provided and value of goods and services used up in providing that service). Good indication of state of economy. Service industries account for ~74% of UK GDP.

Possibly movers: UK Currency, Indices and equities

Industrial Confidence - Eurozone

Measure of industry sentiment in Eurozone. Based on survey among industrial executives, asks for production expectations. Specifically asks about recent orders and buildup of inventories. Higher levels of industrial confidence indicate positive outlook for future business spending and capital investment. Despite manufacturing only accounting for about 25% of Eurozone business, industry accounts for most of **GDP's** volatility. Thus developments here have significant impact on overall growth in Europe.

Figure determined by difference between positive and negative answers. Headline above zero indicates positive industrial confidence; negative number shows negative confidence.

Possibly movers: Euro Currency, Indices and equities

Industrial Orders– All Countries/Regions

Value of new contracts for goods produced by manufacturing sector. Rising Orders forecasts increased production and rising GDP.

Possibly movers: Currency, Indices and equities

Industrial Production Price - Canada

Average productivity level of Canadian workers. Calculated by dividing GDP by number of hours worked, yielding output per hour - key measure of productivity growth. Availability of better technology and education among workforce are factors commonly attributed to increased productivity. Growth usually seen as sign of healthy economy because higher productivity allows higher output for fixed population. Rising Labour Productivity can also offset inflationary pressures associated with economic

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growth and spending. Economic expansion attributed to increased Labour Productivity will not result in inflation, meaning central banks will not need to increase interest rates during times of high growth. Headline figure is percentage change in output per hour

Possibly movers: CA Currency, Indices and equities

Industrial New Orders – Eurozone

Value of new contracts for goods produced by the industrial sector. Annualised change and month-on-month. Although manufacturing only contributes to around 25% of GDP in the euro area, the sector is largely responsible for volatility in the GDP. A high or rising figure indicates increased production in the industrial manufacturing sector, and therefore may point towards a rising GDP.

Possibly movers: Euro Currency, Indices and equities

Industrial Production – All Countries/Regions

Measures output of factories, mines and energy sector. Paints picture of strength of industrial activity - significant component of economy. High figures show high productivity, suggesting economic health, and generally considered bullish for nation's currency. However, uncontrolled levels of production and consumption can spark **inflation**, which may lead to central banks raising interest rates to control growth.

Possibly movers: Currency, Indices and equities

Initial/Continuing Jobless Claims - US

'Initial' is number signing on for unemployment insurance for first time. 'Continuing' measures number unemployed and currently receiving unemployment benefits. Rising figures indicate weakening labour market. Downward movement indicates stronger job market. Strong labour market should have positive influence on economy, implying increased household spending power (generated by income coming from increased number of jobs). Strong labour market can cause **inflation**, however, as tight labour market (employers face competition for new workers due to low number of people looking for work) can lead to increased labour costs. Wage **inflation** increases likelihood of interest rates being raised by Federal Reserve, which can, in turn, impact bonds, stocks and FX.

Possibly movers: US Currency, Global Indices and equities

IBD/TIPP Economic Optimism – US

Earliest take on US consumer confidence each month. Predicts with 80% reliability monthly changes in sentiment in well-known polls by Conference Board and **University of Michigan**. Index based on survey of 900-plus adults chosen at random nationwide.

Possibly movers: US Currency, Indices and equities

ICSC-UBS Weekly Chain Store Sales - US

Weekly economic figure published by International Council of Shopping Centers and UBS Bank, measuring comparable store sales at major retail chains. Measures portion of retail sales attributed to general merchandise. Because consumer spending accounts for about two-thirds of US GDP, patterns in consumer spending can have major influence of investment pricing. Published weekly, it is a useful indicator for viewing economic activity during major events and holidays.

Possibly movers: US Currency, Indices and equities (incl Retail Sector)

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ISM Manufacturing - US

Gauges condition of US manufacturing activity. It is considered to be the most important of all manufacturing indices. Liable to move markets, especially when periods of rapid economic growth approaching end of their cycle. Reputation related to how quickly data released: information presages other key data, such as Non-farm Payrolls and CPI. Variations in manufacturing tend to wield greatest influence on changes in GDP, despite manufacturing constituting only comparatively small proportion of GDP. Trends in direction of economy often foreshadowed by developments in manufacturing: upturn in activity after recession is strong indication of reversal upward in economy. Waning levels of manufacturing orders and production in phase of expansion may suggest slowing economy - or even herald beginning of recession.

Possibly movers: US Currency, Indices and equities (incl Manufacturing sector)

ISM Manufacturing Prices Paid - US

Represents business sentiment regarding future inflation, where a higher figure indicates stronger expectations of inflation.

Possibly movers: US Currency, Indices and equities (incl Manufacturing sector)

ISM Non-Manufacturing Composite – US

Gauges state of non-manufacturing sector by surveying purchasing and supply managers. Index compiled by taking responses and applying weighting according to how much relevant industry contributes to GDP. Index calculated using 50% as midpoint between negative and positive expectations. Report includes index for each of 10 areas. Of these, Business Activity considered most important. Non-manufacturing businesses contribute major portion of US GDP, but non-manufacturing data tends to be cyclical and more predictable than manufacturing data, so responsible for little volatility in GDP. Non-manufacturing industries do comprise significant part of CPI and as a consequence, non-manufacturing data can give insights into inflationary pressures.

Possibly movers: US Currency, Indices and equities (incl Manufacturing sector)

IVEY Purchasing Managers Index (PMI) – Canada

Monthly measure of change in purchases by corporate executives. Asked: "Are your purchases higher, the same, or lower than previous month" Headline value above 50 indicates increase. Value below 50 indicates a decrease. Can be used to measure business optimism and forecast economic growth. Business firms increase purchases and spending in response to growing demand for their goods and services. High PMI suggests overall expectation for an expanding economy. If businesses are optimistic of future economic conditions they will increase spending now in order to prepare for future demand in their goods and services.

Possibly movers: CA Currency, Indices and equities (incl Manufacturing sector)

Jobless Claims Change - UK

Number of people claiming unemployment benefit in UK whilst actively seeking work. Gauges condition of UK labour market. Rising figure indicates weakening job market. Falling figure indicates job growth, which goes hand in hand with an expanding economy. Strong job growth may lead to higher consumer spending and therefore may raise concerns regarding inflation.

Possibly movers: UK Currency, Indices and equities

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JOLTS Job Openings - US

Job Openings and Labor Turnover Survey. Less well known than unemployment report, provides useful information about state of US labour markets. Estimates a job openings rate. Includes information on hires, quits, layoffs and separations, and other discharges for month. Useful for understanding business cycles and nature of unemployment in economy.

Possibly movers: US Currency, Indices and equities

KOF Leading Indicator - Switzerland

A composite of surveys from various Swiss sectors (industry, retail, wholesale), combined to form a leading indicator. Aims to project GDP growth around 8 months in advance.

Possibly movers: CH Currency, Indices and equities (Incl Industrial and Retail sectors)

Land Registry house Price Index – UK

The most accurate independent UK house price index available. Uses data set of completed sales. The only index based on repeat sales. Includes figures at national, regional, county and London borough level.

Possibly movers: UK Currency, Indices and equities (incl Land and Building sectors)

Labour Costs - EU

Measures cost of total labour force across Eurozone. Rising labour costs points towards increasing inflation, which can influence ECB's monetary policy. High or rising labour costs should generally be beneficial for EUR, whereas low reading (which could lead to easing of monetary policy) is normally taken as bearish for EUR.

Possibly movers: Euro Currency, Indices and equities (incl Banks)

Labour Productivity - Canada

Growth in average productivity usually seen as good because higher productivity allows higher output for fixed population. Rising productivity can also offset inflationary pressures associated with economic growth and spending. Economic expansion attributed to higher productivity will not result in inflation, meaning central banks will not need to increase interest rates during times of high growth.

Possibly movers: CA Currency, Indices and equities (incl Banks)

Leading Indicators – US/Canada

Composite index, based on ten key indicators chosen on ability to act as predictors of economic activity. Individual indicators vary great deal in capacity to predict changes in economy, with some offering long-term predictive qualities, while others are only effective in short-term. Together, index combines indicators to provide overall picture. Historically accurately predicted peaks and troughs in GDP, with average lead time of around nine months.

Possibly movers: US/CA Currency, Indices and equities

Manufacturing Orders

Measures total change in orders placed at domestic manufacturers. Picture of strength of demand for industrial products. Can be early indicator of overall level of spending in economy. Growth can put upward pressure on nation's currency if higher orders due to greater demand abroad.

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Possibly movers: Currency, Indices and equities (incl Manufacturing Sector)

Manufacturing Payrolls

Measures job creation in manufacturing sector. Significant as indicator of health of manufacturing sector. High number can signal increased demand for manufactured goods and subsequent increase in production.

Possibly movers: Currency, Indices and equities (incl Manufacturing Sector)

Manufacturing Production - All Countries/Regions

Like [Industrial Production](#), but measures manufacturing output. Gives short-term indication of strength of manufacturing sector.

Possibly movers: Currency, Indices and equities (incl Manufacturing Sector)

Manufacturing Sales - Canada

Measures total change in manufacturing sales at domestic manufacturers. Picture of strength of demand for industrial products. Can be indicator of overall level of spending in economy. Growth can put upward pressure on nation's currency if higher orders due to greater demand abroad.

Possibly movers: CA Currency, Indices and equities (incl Manufacturing Sector)

Manufacturing Unit Wage Cost - UK

Labour cost of consistent unit of production. How much do employer's end up paying in wages per product made. Gives idea of level of worker productivity and prevailing labor costs for UK corporations. Inversely related to productivity because when workers become more productive the cost of each unit produced drops. Higher productivity helps to ease inflationary pressures. Headline value is annualized percentage change in unit wage costs from previous year's quarter.

Possibly movers: Currency, Indices and equities (incl Manufacturing Sector)

MBA Mortgage Applications – US

Mortgage Bankers Association conducts weekly survey of mortgage lenders. Headline figure is weekly % change in applications. Leading indicator for home sales. Can be used as guide of housing demand and thereby economic momentum. High reading seen as positive for economy as a whole, as implies increased household income and spending.

Possibly movers: US Currency, Indices and equities (incl Banking and House builder Sectors)

Month-on-Month / MoM

Used to express growth of one month versus the prior month. Implies monthly growth. Growth can also be reported [Week-on-Week](#), [Quarter-on-Quarter](#) and [Year-on-Year](#).

Possibly movers: Currency, Indices and equities

Mortgage Approvals - UK

Number of loans approved for home purchases over previous month. Generally considered to be leading indicator of housing market. Strong increases in mortgage approvals suggests a burgeoning housing market, which can have a trickle-on effect to the wider economy.

Possibly movers: UK Currency, Indices and equities (incl Banking and House builder Sectors)

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NAHB Housing Market Index - US

Based on small sample of homebuilders. Timely indicator of future US home sales. Not as comprehensive as New Home Sales or MBA Mortgage Applications, but good supplemental indicator. Still provides general insight on housing market. New home sales are 'big ticket' items requiring construction and investment. Housing often viewed as indicator of direction of economy. Growth in housing will spur subsequent spending, generating demand for goods and services and the employees who provide them.

Possibly movers: US Currency, Indices and equities (incl Banking and House builder Sectors)

NAPM Milwaukee - US

Measure of health of manufacturing sector, and more generally overall economy, calculated by surveying purchasing managers for data about new orders, production, employment, deliveries, and inventory, in descending order of importance. Based on survey of over 250 companies within 21 industries covering all 50 states, released on first business day of month at 10 am EST and reflects previous month's data. Over 50% indicates manufacturing growing, below 50% means shrinking. Also thought to be early indicator of inflationary pressures.

Possibly movers: US Currency, Indices and equities (incl Manufacturing Sector)

Net Consumer Credit - UK

Figure released by Bank of England showing amount of outstanding debt held by consumers. Level tends to follow direction of economy, rising during periods of economic expansion due to more consumer spending power and falling during a recession. However, in the long term, too much consumer debt can result in a slowdown in economic growth. Consumption decreases, and bankruptcy may result if consumers become overburdened and unable to meet repayments. The headline figure is outstanding debt held by consumers.

Possibly movers: UK Currency, Indices and equities

Net Lending on Secured Dwellings - UK

Index released monthly by the Bank of England which includes mortgages, re-mortgages and secured loans. Useful because makes it easier to determine M4 lending and help in setting the monetary policy. If lending excessive in markets might start seeing inflation which might push central bank to start raising interest rates, impacting FX.

Possibly movers: UK Currency, Indices and equities (incl Banking and House builder Sectors)

New Home Sales – US

Measures number of recently built residential homes with committed sale for the month. Headline figure expressed as percentage change from previous month. Has ripple effect throughout economy: provides guide to housing market trends and how well companies in building sector likely to be doing. Construction of new home generates more building jobs (creation of jobs implies increase in spending power and generally considered beneficial for economy), revenues for construction company and estate agent and consumption of household goods. Also affects mortgage rates. Directly influences stock, bond and commodity prices, by virtue of the wide-ranging boost to economy that new homes generate.

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Possibly movers: US Currency, Indices and equities (incl Banking and House builder Sectors)

New House Price Index - Canada

Component of **inflation** that measures changes in prices for new homes. Higher prices suggest stronger consumer demand and growth in housing market. Higher housing prices accompanying economic expansion often lead to inflationary pressures. Note: The Index takes into account quality and features of new homes sold. If selling prices for new homes are unchanged, but features and quality of housing have increased (e.g. added swimming pool and better construction materials), then the price for new homes is considered to have fallen.

Possibly movers: US Currency, Indices and equities (incl Banking and House builder Sectors)

NIESR GDP Estimate – UK

Unofficial estimate of UK **GDP**. Expanding GDP indicates a growing economy, generally beneficial for financial markets. Too rapid growth will promote inflationary worries, however, that may influence Bank of England to increase raise interest rates.

Possibly movers: UK Currency, Indices and equities (incl Banking Sector)

Non-Farm Payrolls - US

Monthly change in number of part-time or full-time workers in US excl. farming sector. Most closely watched indicator in Employment Situation - considered most comprehensive measure of job creation in US. Monthly change in number of paid part-time or full-time workers in US, excluding farming sector. Considered one of best gauges of US job creation. Labour extremely important to US economy, and accordingly may influence Fed. If number of jobs being created is high, can point to inflationary pressures (which Fed may need to counter with rate hike), whereas declines may indicate slowing or contracting economy, which increases chances of a rate cut. High reading desirable as shows healthy business sector which bears an influence on GDP.

Possibly movers: Global Currency, Indices and equities

Non-Farm Productivity - US

Shows labour output excluding farming sector, on hourly basis. High reading desirable as shows healthy business sector which has bearing on GDP.

Possibly movers: Global Currency, Indices and equities

NFIB Small Business Optimism – US

Compiled from survey conducted each month by National Federation of Independent Business (NFIB) of its members. Composite of ten seasonally adjusted components based on questions on: plans to increase employment, plans to make capital outlays, plans to increase inventories, expect economy to improve, expect real sales higher, current inventory, current job vacancies, expected credit conditions, now a good time to expand, and earnings trend. Small businesses responsible for majority of new job creation and NFIB focuses on this sector of the economy. Direction of health of small businesses can signal changes in stock market.

Possibly movers: US Currency, Indices and equities

NSA - Non-Seasonally Adjusted – NSA

Figure not adjusted for seasonal differences between periods.

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OECD Leading Indicators

OECD composite leading indicator (CLI) designed to provide early signals of turning points (peaks and troughs) between expansion and slowdown of economic activity. OECD compiles CLIs for 29 member countries, for 6 non-member economies and for 7 country groupings such as Eurozone.

Possibly movers: Currency, Indices and equities

Participation Rate – All countries

Measure of active portion of economy's labour force. Refers to number of people either employed or actively looking for work. During recession, many often get discouraged and stop looking for employment, thus decreasing the participation rate. Important metric to note when looking at unemployment data because unemployment figures reflect number of people looking for jobs but unable to secure employment. Number of people no longer actively searching not considered for unemployment statistics. Participation rate important in determining number of individuals willing to work, working or are actively looking for work. Those who have no interest in working are not included.

Possibly movers: Currency, Indices and equities

Pending Home Sales Index - US

Designed to be leading indicator of housing activity. Measures housing contract activity. Based on signed real estate contracts for existing single-family homes, condos and co-ops. A signed contract is not counted as a sale until transaction closes. Shows trend in US residential housing market. Historically, housing market strongly correlated to state of overall economy. Housing market suffers when disposable income low or consumer confidence weak. Drops in housing demand, therefore, typically tally up with slowdowns in economy, whilst rebounds may presage economic recovery.

Possibly movers: US Currency, Indices and equities (incl Banking and House builder Sectors)

Personal Consumption Expenditure (PCE) - US

Consumption of durable goods, consumer products and services - US buying more or less? Core version excludes volatile components, such as food and energy, to avoid having data skewed by short-term spikes in commodities

Possibly movers: US Currency, Indices and equities

Personal Consumption Expenditure (PCE) Deflator - US

Inflation based on average increase in personal spending, as opposed to measuring a fixed basket of goods (method for CPI). 'Core' figure excludes volatile components, such as food and energy. Key measure of inflation: changes in spending habits may not be captured by CPI, whereas such changes should be reflected by PCE Deflator. Fed closely watches this measure, meaning it may have a bearing on future monetary policy

Possibly movers: US Currency, Indices and equities

Personal Income - US

How much US employees are earning. Looks at pre-tax income households receive from employment, investments and transfer payments (e.g. welfare or social security payments). Can be used to gauge employment situation.

Possibly movers: US Currency, Indices and equities

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Personal Spending - US

Total expenditure by individuals including durable and nondurable goods. Gives investors a good idea of market sentiment and economic direction as two-thirds of economy reliant on consumer spending. Investors able to gauge where most expenditure is directed and consequently determine companies in which to invest.

Possibly movers: US Currency, Indices and equities

Philadelphia Fed - US

Survey of manufacturing conditions in Philadelphia. Questions asked on business activity, such as employment, working hours, orders, inventories and prices. Contraction below zero and expansion when above.

Widely seen to indicate direction manufacturing sector heading. Not considered particularly big market mover, but useful. Results released early compared to other indicators. Can be used as guide. Manufacturing widely accepted as forerunner of upcoming conditions in economy – in poor market conditions, upturn in manufacturing will usually lead to anticipation of economic recovery. Limited to only three states. So performance does not automatically translate to similar performance across rest of US.

Possibly movers: US Currency, Indices and equities

PMI Construction

Measure of activity in construction industry. Index compiled from opinions of executives in construction sector, asked to indicate views on future demand, current state of sector, including levels of purchasing. Index value 1-100, with higher values indicating increased purchasing and positive comments. Higher values indicate construction sector strong - important part of economy as a whole. Variations in figure therefore tend to match changes in business cycle and can reflect growth or decline in overall economy.

Possibly movers: Currency, Indices and equities (incl Construction sector)

PMI Composite

Composite index of five "sub-indicators", extracted through surveys to over 400 purchasing managers from around the country, chosen for geographic and industry diversification benefits. Five sub-indexes given a weighting, as follows: Production level (0.25), New orders (from customers) (0.30), Supplier deliveries - (coming faster or slower?) (0.15), Inventories (0.10), Employment level (0.20). Important sentiment reading, not only for manufacturing, but also economy as a whole. Results >50 indicate expected increase of business conditions and values <50 signal expected deterioration

Possibly movers: Currency, Indices and equities

PMI Manufacturing – All countries/regions

Purchasing Managers Index assesses business conditions in manufacturing sector. Because manufacturing sector. Significant and timely indicator of business conditions and general health of economy. Results >50 indicate expected increase of business conditions and values <50 signal expected deterioration.

Possibly movers: Currency, Indices and equities (incl Manufacturing sector)

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PMI Manufacturing – UK

Monthly gauge of manufacturing activity and future outlook. The CIPS PMI is comparable to US ISM survey, similarly based on opinions of executives in manufacturing companies. Purchasing managers tasked with gauging future demand, and adjusting orders for materials accordingly. PMI summarizes opinions to give picture of future of manufacturing sector. Higher PMI indicates materials purchases increasing and economic outlook positive. Lower PMI means orders down and future outlook less favourable. By nature, figure very sensitive to business cycle and tends to match growth or decline in economy as a whole.

Possibly movers: UK Currency, Indices and equities (incl Manufacturing sector)

PMI Manufacturing – EuroZone

Purchasing Managers Index assesses business conditions in manufacturing sector. Because manufacturing sector represents nearly 25% of total Euro-zone GDP, Euro-zone Manufacturing PMI is both significant and timely indicator of business conditions and general health of economy. Results quantified in index in which values >50 indicate expected increase of business conditions and values <50 signal expected deterioration

Possibly movers: Euro Currency, Indices and equities (incl Manufacturing sector)

PMI Services – European countries

Monthly survey of purchasing managers that measures their views on business outlook in services sector. Responses recorded by survey used to compile index (between 1 and 100), with growth above 50. Services industry represents significant portion of GDP and gives some clues as to health of economy. Higher PMI Services level indicates purchasing managers anticipate higher levels of purchasing and therefore greater spending by businesses and growth in economy. Impact of report limited by services sector tending to make consistent and predictable contributions to economy.

Possibly movers: Euro Currency, Indices and equities

Private Payrolls - US

Private sector employment includes personal sector (households) and corporate sector (companies), and responsible for allocating most of resources within economy. Excludes government payrolls.

Possibly movers: Global Currency, Indices and equities

Producer Price Index (PPI) - Europe

PPI is basket reflecting prices being paid by producers in all stages of processing (crude materials, intermediate materials, and finished goods). Headline number expressed as a month-on-month or annualised percentage change.

Possibly movers: Euro Currency, Indices and equities

Producer Price Index (PPI) - US

Basket of prices affecting US producers (~100,000 prices collected from ~30,000 production and manufacturing firms). Measure of inflation. Many investors pay close attention to PPI and regarded as high-quality gauge of inflation. PPI presents key data from earlier in production process – potentially offering opportunity to predict movement in CPI. If prices paid to manufacturers rising, businesses have to either charge higher prices or take drop in profits. Ability of businesses to pass on costs depends on strength of marketplace and how competitive it is. Decreasing or marginally increasing

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PPI suggests low inflation – and low interest rates – which should mean rallying bond and equity markets, and weaker USD. PPI greater than expected has inflationary implications and likely to adversely affect bond and equity markets, but support USD. Drawback to PPI data is index not taking into account prices of imported goods. Consequently, unlikely to accurately measure producer prices for businesses with international operations. Core data excludes volatile elements such as food and energy.

Possibly movers: US Currency, Indices and equities

Producer Price Index (PPI) Input - All countries/regions

Change in prices paid by manufacturers for materials and running costs. Higher costs likely to be passed on to consumers. Can be used as measure of inflation. May influence central banks' monetary policy to alter interest rates, which can affect nation's currency.

Possibly movers: Currency, Indices and equities

Producer Price Index (PPI) Output - All countries/regions

Change in prices of goods produced by manufacturers. Also known as 'Factory Gate Price'. Manufacturers charging higher prices for goods usually leads to higher prices being paid by consumers. May indicate increased demand. May influence central bank's monetary policy to alter interest rates, which can affect nation's currency. 'Core' version excludes volatile components, such as food and energy, to avoid having data skewed by short-term spikes in commodities.

Possibly movers: Currency, Indices and equities

Public Sector Net Borrowing (PSNB) – UK

Public Sector Net Borrowing. Expenditures less total receipts taken in by government. Measure of fiscal surpluses and deficits along with amount of new debt created. If positive, UK running fiscal deficit, while negative number represents fiscal surplus. Often used by currency traders to gauge health of economy.

Possibly movers: UK Currency, Indices and equities

Public Sector Net Cash Requirement (PSNCR) - UK

Public Sector Net Cash Requirement. Difference between Government expenditure and income. Government Revenues/Income mainly derived from taxes. Governments usually plan their budget expenditure based on a forecast of revenues from taxes.

Possibly movers: UK Currency, Indices and equities

Quantitative Easing (QE)

Unconventional monetary policy used by to stimulate economy. The central bank creates money which it uses to buy government bonds and other financial assets, in order to increase money supply and the excess reserves of banking system; also raises prices of financial assets bought.

Possibly movers: Currency, Indices and equities (incl Banking sector)

Quarter-on-Quarter / QoQ

Used to express growth of one quarter (a three month period ie Q1: Jan-Mar) versus the prior quarter month (Q1: Jan-Mar vs Q4: Oct-Dec). Implies quarterly growth. Growth can also be reported **Week-on-Week**, **Month-on-Month** and **Year-on-Year**.

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Raw Materials Price Index - Canada

Measures prices paid by Canadian manufacturers for key raw materials, including resources not produced in Canada. See Producer Price Index (PPI).

Possibly movers: CA Currency, Indices, Commodities and equities (incl Mining sector)

Real Earnings

Change in real (inflation-adjusted) average weekly earnings

Reserve Rate Requirement (RRR) – China

Otherwise known as cash reserve ratio. Central regulation that sets minimum reserves each commercial bank must hold (rather than lend out) of customer deposits and notes. Normally in the form of cash stored physically in a bank vault (vault cash) or deposits made with a central bank. Sometimes used as tool in monetary policy, influencing country's borrowing and interest rates by changing amount of loans available. Western central banks rarely alter reserve requirements because would cause immediate liquidity problems for banks with low excess reserves; they generally prefer to use open market operations (buying and selling government-issued bonds) to implement their monetary policy. The People's Bank of China uses changes in reserve requirements as an inflation-fighting tool.

Possibly movers: Global Currency, Indices, Commodities and equities (incl Mining and Banking sectors)

Retail Price Index (RPI) - UK

Measures changes in prices of goods and services bought for household consumption. Takes large sample of retail goods incl. food, tobacco, household goods and services, transport fares, motoring costs, clothing, and leisure goods and services. Increase means prices have increased on average (inflation) while decrease means prices on the whole have fallen (deflation).

Possibly movers: UK Currency, Indices and equities (incl Retail sector)

Retail Sales - Canada

Serves as direct gauge of consumption and consumer confidence. Retail Trade is an important leading indicator for Canada and part of the Index of Leading Indicators used to forecast economic development. An increasing number can signal **consumer confidence** and growth to come, but higher consumption can also lead to **inflationary** pressures.

Also exists excl. Autos as these can skew the overall number that they are big-ticket items and subject to seasonal fluctuations.

Possibly movers: CA Currency, Indices and equities (incl Retail sector)

Retail Sales - UK

Measure of how much sales volumes have changed at retailers throughout UK. Also reports numbers broken down for food stores and predominantly non-food stores. Headline figure is seasonally adjusted percentage change from previous month and previous year. Figure also adjusted for inflation. High volumes of Retail Sales indicative of high consumer demand. Generally points towards greater returns for retail stores, which represents healthy economy. Also exists excl. autos fuel which is impacted by the price of oil (volatile).

Possibly movers: UK Currency, Indices and equities (incl Retail sector)

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Retail Trade – EuroZone

A measure of the combined value of all goods and services sold in the month at retail venues throughout EZ. Gives clues of both consumer confidence and consumer spending. If sales are high, spending also high, and consumer confidence likely high as well. Higher consumption should spur economic expansion, but may also fuel price rises. An overheating economy runs the risk of high inflation.

Possibly movers: Euro Currency, Indices and equities (incl Retail sector)

Retail Trade – All countries/Regions

Monitors purchase of goods primarily to be resold to consumers or end-users. Tracks value of turnover in retail trade by calculating sum of invoice totals in reporting month. Acts as gauge of consumption and consumer confidence. Growth in trade signals consumer confidence and economic growth, which helps economy. However, higher consumption can also lead to **inflationary** pressures, which can result in economic instability and rate rises by central banks to cool economy. Headline figure expressed in percentage change in retail sales versus previous month (MoM) and versus same month in prior year (YoY).

Possibly movers: Currency, Indices and equities (incl Retail sector)

Richmond Fed Manufacturing Index – US

Survey examining conditions in manufacturing industry. Richmond region is the Fifth Federal Reserve District, which includes Washington DC, Maryland, North Carolina, South Carolina, Virginia, and most of West Virginia. Index's changes in shipments is indicator of current conditions. Change in prices of raw or finished goods gives indication of pricing trends. Expected shipments, backlogs and new orders are indicators of future conditions. Because report published short time after data collected, very useful for getting a quick snapshot of economic conditions. Index values greater than zero suggest expansion; values below zero indicate contraction.

Possibly movers: US Currency, Indices and equities (incl Manufacturing sector)

Seasonally Adjusted - SA

Figure adjusted for seasonal differences between periods.

Sentix Investor Confidence - Eurozone

Measures investors' confidence in the Eurozone economy. A rising trend can have a positive effect on the EUR, as it suggests funds are more likely to invest in European securities. Calculation = (number of bulls - number of bears) / (total number of votes).

Possibly movers: Euro Currency, Indices and equities

Services Confidence - Eurozone

Gauges business sentiment in services sector. Figure derived from survey asking firms in sector about current and expected demand. Service sector accounts for roughly two thirds of total Eurozone **GDP**, Services Confidence provides important confirmation of health for the overall economy. High levels of Confidence suggest future upward trends for production and employment.

Figure determined by difference between positive and negative answers. Headline above zero indicates positive sector confidence; negative number shows negative confidence.

Possibly movers: Euro Currency, Indices and equities (incl Service sector)

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SVME PMI - CH

Tracks trends in Swiss Manufacturing sector. PMI attracts market attention as leading indicator for Swiss output. Very sensitive to business cycle and tends to match growth or decline in economy as a whole. Each month surveys hundreds of executives on procurement expectations for following month. Because amount of materials ordered by purchasing managers parallels level of manufacturing production, PMI is gauge of production growth. Results indexed with centerline of 50; above 50 indicates expectations of expansion and below 50 indicates expectations of contraction for manufacturing sector.

Possibly movers: CH Currency, Indices and equities (incl Manufacturing sector)

S&P/Case-Shiller - US

Change in value of US residential real estate market which covers 20 metropolitan regions across the US. Good indicator of health of US housing market with high reading seen as bullish for USD while low reading considered bearish.

Possibly movers: US Currency, Indices and equities (incl Banks and House builders)

TIC Flows - US

Positive figures indicate more capital entering US than leaving - sales of US securities to foreigners exceed US purchases of foreign securities. Suggests US security markets competitive. Foreign security purchases especially important in case of trade deficit, as positive figures can offset depreciating effect of trade shortfall. A negative or declining TIC figure reflects declining capital flow picture. Outflows indicative of weaker demand for US assets which puts downward pressure on USD.

Possibly movers: US Currency, Indices and equities

Trade Balance – All countries/regions

Difference in monetary value between a nation's exports and imports. Positive balance = trade surplus (exporting more than importing). Negative balance = trade deficit/gap (importing more than exporting). Bigger deficit means more reliance on outside world and can weaken country's currency (having to spend own currency elsewhere). A weaker currency can, however, make exports cheaper which would help reduce a deficit.

Possibly movers: Currency, Indices and equities

Unemployment Change – All countries/regions

Number of people claiming unemployment benefit whilst actively seeking work. Gauges condition of labour market. Rising figure indicates weakening job market. Falling figure indicates job growth, which goes hand in hand with an expanding economy. Strong job growth may lead to higher consumer spending and therefore may raise concerns regarding inflation.

Possibly movers: Currency, Indices and equities

Unemployment Rate – All countries/regions

Percentage of total labour force without jobs but willing to work and actively seeking employment. Lower % bodes well for economy - more income-earning workers and greater consumption. Increased expenditure accelerates economic growth, but can also increase **inflation**.

Possibly movers: Currency, Indices and equities

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Uni of Michigan Confidence - US

Assesses consumer confidence on personal finances, business conditions and purchasing power. Considered one of the foremost indicators of US consumer sentiment. A low or falling value is considered early indicator of economic downturn. Headline figure calculated by subtracting % of unfavourable replies from % of favourable replies. Preliminary figure encompasses roughly 60% of data used in final figure, and not officially meant to be released to wide audience. Prelim figures regularly leaked to press, however, and therefore accessible to financial industry.

Possibly movers: US Currency, Indices and equities

Unit Labor Costs - US

Total cost of employing labour force. Also gives indication of trends in inflation, share prices, and cost of production. If labour costs rise, consumers tend to bear brunt through rising inflation.

Possibly movers: US Currency, Indices and equities

Unit Wage Costs

Labour cost of consistent unit of production. A good way to think about this figure is how much do employer's end up paying in wages per product made. Gives an idea of level of worker productivity and prevailing labour costs. Unit wage costs inversely related to productivity because when workers become more productive the cost of each unit produced by that worker drops. Higher productivity helps to ease inflationary pressures.

Possibly movers: Currency, Indices and equities

Visible Trade balance

Differs from **Trade Balance** (or Total Trade Balance) as only records physical goods and consequently does not include intangibles, such as services. As with Total Trade Balance, positive Visible Trade Balance (surplus) indicates exports outweigh imports, while negative Trade Balance (deficit) indicates exports exceeded by imports.

Trade plays large part in economy, and Visible Trade Balance data therefore offers insights into economic developments that will influence financial markets, particularly FX. Surplus indicates flow of money into country in exchange for exported goods; this flow may often result in FX appreciating in value. Trade deficits, signal opposite and are sign that FX is seeping out of country, which may have a negative impact on the value of FX.

Possibly movers: Currency, Indices and equities

Week-on-Week / WoW

Used to express growth of one week versus the prior week. Implies weekly growth. Growth can also be reported **Month-on-Month**, **Quarter-on-Quarter** and **Year-on-Year**.

Wholesale Sales/Inventories – US

Value of sales made and inventories held by merchant wholesalers, adjusted for seasonal variations. Offers insight into economy and can offer foretaste of future consumer trends and comparing changes in Inventories/Sales Ratio can provide useful indications of changes in the economy. Falling Inventories/Sales ratio caused by unexpectedly high sales, suggests manufacturers will have to increase production levels if product shortages to be avoided. Increasing ratio points toward requirement for slowdown in production to help ship out unplanned build-ups of inventory.

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Possibly movers: US Currency, Indices and equities

Working Day Adjusted - WDA

Figure adjusted for differences in working days between periods.

Year-on-Year / YoY

Used to express growth of one period versus the same period last year. Implies annual growth. Could be for a week, a month, a quarter. Growth can also be reported [Week-on-Week](#), [Month-on-Month](#) and [Quarter-on-Quarter](#).

ZEW Indicator of Economic Sentiment – Germany

Experts asked for qualitative assessment of direction of inflation, interest rates, exchange rates and stock market in next six months. Provides medium-term forecast for German economy. Expert opinions on whether current situation is improved, worsened, or unchanged summarized as number of positive responses minus number of negative responses. Higher headline figure indicates better sentiment.

Possibly movers: Euro Currency, Indices and equities

ZEW Current Situation (Economic Situation) – Germany

Unlike Economic Sentiment (forward looking), Current Situation focuses on results of survey relating to current health of German economy. Expert opinions on whether current situation is improved, worsened, or unchanged summarized as number of positive responses minus number of negative responses. Higher headline figure indicates stronger economy and better business climate.

Possibly movers: Euro Currency, Indices and equities

ZEW Indicator of Economic Sentiment – Eurozone

Assesses future economic expectations for whole Eurozone. Results summarized as number of positive responses minus number of negative responses. Higher headline figure indicates positive expectation for Eurozone economy.

Possibly movers: Euro Currency, Indices and equities

ZEW Credit Suisse Survey - Switzerland

Queries financial experts in order to make a medium-term forecast about Swiss economic situation. Asked to evaluate current situation and to predict future direction of economy. Responses restricted to positive, negative, or unchanged.

Possibly movers: CH Currency, Indices and equities