

GLOBAL WEEKLY ECONOMIC NEWS IN THE ADVANCED ECONOMIES

(2 December 2019 – 6 December 2019)

Countries	Highlights
<p>US</p> <p>Strong US job growth showcases economy's resilience</p>	<p>US job growth increased by the most in 10 months in November as the healthcare industry boosted hiring and production workers at General Motors (GM) returned to work after a strike, the strongest sign yet the economy is in no danger of stalling. The unemployment rate ticked back down to its lowest level in nearly half a century and wage gains remained near their strongest in a decade. The numbers suggest consumers will keep the longest economic expansion in history, now in its 11th year, continuing into next year when Americans will decide whether to re-elect President Donald Trump. The report added to other fairly upbeat data on the trade deficit, housing and orders for big-ticket goods. Together, the improving data appear to validate the Federal Reserve's decision in October to signal no further interest rate cuts are needed for now. The US central bank cut rates three times in 2019, starting in July when it reduced borrowing costs for the first time since 2008.</p> <p><i>(Source: Reuters, 6 December 2019)</i></p>
<p>UK</p> <p>Irish consumer sentiment bounces as no-deal Brexit fears ease</p>	<p>Irish consumer sentiment recovered sharply from a seven-year low in November, posting its fastest monthly rise since 2015 as the risk of a damaging no-deal Brexit receded. Ireland has remained the European Union's fastest growing economy during three years of Brexit talks but consumer confidence was hit earlier this year when the prospect of Britain leaving without an agreement rose. The KBC Bank consumer sentiment index rose to 77.1 in November from 69.5 in October, helped by a fresh Brexit deal that Prime Minister Boris Johnson hopes to ratify after a Dec. 12 election.</p> <p><i>(Source: Reuters, 3 December 2019)</i></p>
<p>JAPAN</p> <p>Japan preparing USD120 billion stimulus package to bolster fragile economy</p>	<p>Japan is preparing an economic stimulus package worth USD120 billion to support fragile growth and complicating government efforts to fix public finances. The spending would be earmarked in a supplementary budget for this fiscal year to next March and an annual budget for the coming fiscal year from April. Both budgets will be compiled later this month. The package would come to around 13 trillion yen (USD120 billion), but that would rise to 25 trillion yen (USD230 billion) when private-sector and other spending are included. Japan's economic growth slumped to its weakest in a year in the third quarter as soft global demand and the China-US trade war hit exports, stoking fears of a recession. Some analysts also worry that a sales tax hike to 10% in October 2019 could cool private consumption which has helped cushion weak exports.</p> <p><i>(Source: Reuters, 3 December 2019)</i></p>
<p>CHINA</p> <p>China's November services sector activity rose to highest since April, private Caixin survey shows</p>	<p>Activity in China's services sector accelerated to a seven-month high in November, the latest in a series of data which hints at short-term stabilisation in the economy. The Caixin/Markit services purchasing managers' index (PMI) rose to 53.5 last month, the fastest growth since April, from 51.1 in October, which was its slowest expansion in eight months. The gauge for new business picked up from a recent low in October with a solid rebound in the measure for new export business, indicating domestic and foreign demand both improved.</p> <p><i>(Source: South China Morning Post, 4 December 2019)</i></p>