

GLOBAL WEEKLY ECONOMIC NEWS IN THE ADVANCED ECONOMIES

(11 October 2021 – 15 October 2021)

Countries	Highlights
<p>US</p> <p>Consumer prices rise more than expected as energy costs surge</p>	<p>Consumer prices increased slightly more than expected in September as food and energy price rises offset declines in used cars, the Labor Department reported. The consumer price index for all items rose 0.4% for the month, compared with the 0.3% Dow Jones estimate. On a year-over-year basis, prices increased 5.4% versus the estimate for 5.3% and the highest since January 1991. However, excluding volatile food and energy prices, the CPI increased 0.2% on the month and 4% year over year, against respective estimates for 0.3% and 4%. Gasoline prices rose another 1.2% for the month, bringing the annual increase to 42.1%. Fuel oil shot up 3.9%, for a 42.6% year over year surge.</p> <p><i>(Source: CNBC, 13 October 2021)</i></p>
<p>UK</p> <p>UK economy grows on camping and dining out</p>	<p>The UK economy grew by 0.4% in August as more people dined out, went on holiday and attended music festivals. The Office for National Statistics (ONS) said the services sector made the biggest contribution to economic growth in the first full month after all Covid restrictions were lifted in England. Arts, entertainment and recreation grew 9%, boosted by sports clubs, amusement parks and festivals. There was also more demand for hotels and campsites. The ONS said economic growth fell by 0.1% in July compared with initial estimates of 0.1% growth. Activity in accommodation and food services rose by 10.3% in August, within which hotels and campsites recorded 22.9% growth. In travel, air transport and rail both grew in August as Covid-related measures eased, however both industry are still trading far below pre-pandemic levels.</p> <p><i>(Source: BBC, 14 October 2021)</i></p>
<p>JAPAN</p> <p>Japan gov't keeps economic view in Oct. but exports downgraded</p>	<p>Japan's government retained its view that the pace of economic recovery from the coronavirus pandemic-caused shock has "weakened" in its monthly assessment for October while downgrading its assessment for exports amid supply shortages. The Japanese economy is "picking up, although the pace has weakened" due to the severe situation caused by the virus, the Cabinet Office said in its overall assessment, after revising it down the previous month for the first time in four months. The report downgraded its view on exports for the first time in seven months, saying that they are "increasing at a slower pace" after having continued to "increase moderately" in September.</p> <p><i>(Source: The Mainichi, 15 October 2021)</i></p>
<p>CHINA</p> <p>China trade surplus with the U.S. rises to monthly record in September</p>	<p>China reported disappointing growth in imports in September, while exports beat expectations, according to data released by the customs agency. Imports in U.S. dollar terms rose 17.6% last month from a year ago to \$240 billion. That's less than the 20% estimated by analysts polled by Reuters. China's sales of goods to other countries remained a bright spot for the economy. Exports in U.S. dollar terms surged 28.1% year-on-year in September to \$305.74 billion, beating the 21% growth figure expected by the Reuters poll. China's trade surplus with the U.S. rose to a monthly record of \$42 billion. Exports surged by about 30% from a year ago, while imports climbed by just under 17%. The U.S. remained China's largest trade partner on a single-country basis. The volume of Chinese imports of soybeans, of which the U.S. is the largest supplier, fell 30% in September from a year ago, although the value in U.S. dollar terms rose by about 10%.</p> <p><i>(Source: CNBC, 12 October 2021)</i></p>