

# GLOBAL WEEKLY ECONOMIC NEWS IN THE ADVANCED ECONOMIES

(29 March 2021 – 2 April 2021)

Countries	Highlights
<p><b>US</b></p> <p><b>U.S. March payrolls surpass expectations, joblessness rate drops</b></p>	<p>US employers hired more workers than expected in March, spurred by increased vaccinations and more pandemic relief money from the government, cementing expectations that an economic boom was underway. Nonfarm payrolls surged by 916,000 jobs last month, the Labor Department said. That was be the biggest gain since last August. Data for February was revised higher to show 468,000 jobs created instead of the previously reported 379,000. Economists polled by Reuters had forecast payrolls increasing by 647,000 jobs in March. The unemployment rate fell to 6.0% last month from 6.2% in February.</p> <p><i>(Source: Reuters, 2 April 2021)</i></p>
<p><b>UK</b></p> <p><b>UK GDP growth higher than thought in final quarter of miserable 2020</b></p>	<p>Britain's coronavirus-hammered economy grew more quickly than previously thought in the final three months of last year but still shrank by the most in more than three centuries in 2020 as a whole. GDP increased by 1.3% between October and December from the previous three-month period. In 2020, GDP fell by 9.8% from 2019, only slightly less sharp than an initial estimate of a 9.9% slump. Britain's economy suffered the biggest drop of all countries in the OECD except for Argentina and Spain last year. It remained 7.3% smaller than before the pandemic, in inflation-adjusted terms, the second biggest drop among eight major economies listed by the ONS.</p> <p><i>(Source: Reuters, 31 March 2021)</i></p>
<p><b>JAPAN</b></p> <p><b>Japan's cash balance surges by a fifth to record in March</b></p>	<p>The amount of money circulating in Japan soared by a fifth to hit a record in March as central bank pumped out cash to cushion blows to the economy from the COVID-19 pandemic. The average balance of monetary base, or the amount of cash in circulation and deposits at the BOJ, rose 20.8% in March from a year earlier to 613.4 trillion yen (USD5.5 trillion), marking the fastest annual gain since February 2017. The increase was driven largely by a surge in the BOJ's purchases of short-term securities and demand for its loan scheme aimed at channelling funds to COVID-hit firms. Financial institutions' deposits parked at the BOJ also soared, climbing 25.1% to a record 492.5 trillion yen. Japan's economy is gradually recovering from pandemic-induced pain thanks to robust exports, though a slow vaccine rollout and climbing coronavirus infections, particularly in the city of Osaka, cloud the outlook.</p> <p><i>(Source: Reuters, 2 April 2021)</i></p>
<p><b>CHINA</b></p> <p><b>China's March factory activity growth slowest in almost a year, private survey finds</b></p>	<p>China's factory activity in March expanded at the slowest pace in almost a year on softer overall domestic demand, but underlying economic conditions remained positive even as input and output inflationary pressures intensified for manufacturers. The Caixin/Markit Manufacturing Purchasing Managers' Index (PMI) dropped to 50.6 last month, the lowest level since April 2020 from February's 50.9. The findings contrast with those in an official survey which showed manufacturing activity grew at a stronger pace as large firms ramped up production after a brief lull during the Lunar New Year holidays. Although supply chain disruption related to previous COVID-19 outbreaks eased, the private survey showed factories reported a sharp increase in input costs, which surged at their fastest clip in 40 months. The Caixin survey focuses on small, private and export-oriented firms while the official survey typically polls large and state-owned manufacturers.</p> <p><i>(Source: Reuters, 31 March 2021)</i></p>