

GLOBAL WEEKLY ECONOMIC NEWS IN THE ADVANCED ECONOMIES

(12 April 2021 – 16 April 2021)

Countries	Highlights
<p>US</p> <p>US economy gaining momentum as consumers ditch the winter blues, Fed says</p>	<p>The US economy picked up speed going into the spring on the back of growing confidence among consumers, the Federal Reserve said. Economic activity between late February and early April was buoyed by increased COVID-19 vaccinations and strong fiscal support, and the labour market also improved as more people returned to work. The pace of hiring rose the most in the manufacturing, construction, and leisure and hospitality sectors. Overall, outlooks were more optimistic since the last report in March, the Fed said. Among the most notable areas of improvement was tourism, with several districts pointing to signs that the sector hit hardest by the onset of the coronavirus pandemic last year was getting back on its feet.</p> <p><i>(Source: Reuters, 16 April 2021)</i></p>
<p>UK</p> <p>UK productivity rose in 2020 as lockdown hit lower-paid jobs</p>	<p>British workers' average hourly output rose by 0.4% last year, despite a fall of nearly 10% in total production due to COVID-19 as lower-paid jobs bore the brunt of COVID lockdown measures. Britain's Office for National Statistics (ONS) said the productivity impact of last year's economic collapse the biggest in more than 300 years differed from the 2008-09 financial crisis due to the types of jobs affected. Many workers in relatively low-paid retail and hospitality roles lost their jobs or were furloughed last year, while employees able to work from home were typically in higher-paid sectors which boost the productivity numbers. During the 2008-09 recession, there was a greater loss of high-paid financial services jobs, exacerbating a longer-term slide in productivity growth which began before the crisis and persisted for years afterwards. Online retail employs fewer staff compared with traditional stores, and those shops which did stay open such as supermarkets tended to be larger than average, both factors which boost measured productivity.</p> <p><i>(Source: Reuters, 14 April 2021)</i></p>
<p>JAPAN</p> <p>BOJ Kuroda offers cautiously optimistic view on economy</p>	<p>Bank of Japan Governor Haruhiko Kuroda offered a cautiously optimistic view of the economy, saying it would continue to improve as robust global demand lifts business sentiment. But he warned that renewed curbs on economic activity to deal with a resurgence in COVID-19 infections were among risks to the economic outlook. While a recovery in external demand and the effect of huge fiscal stimulus will underpin Japan's recovery, risks were skewed to the downside. The remarks suggest the BOJ will maintain or offer a slightly more upbeat view on the economy than three months ago when it releases fresh quarterly projections on April 27.</p> <p><i>(Source: Reuters, 14 April 2021)</i></p>
<p>CHINA</p> <p>China's economy grows at record pace in first quarter</p>	<p>China's economic recovery quickened sharply in the first quarter from last year's deep coronavirus slump, propelled by stronger demand at home and abroad and continued government support for smaller firms. But the brisk expansion, heavily skewed by the plunge in activity a year earlier, is expected to moderate later this year as the government turns its attention to reining in financial risks in overheating parts of the economy. GDP jumped 18.3% in the first quarter from a year earlier. China's rebound has been led by exports as factories raced to fill overseas orders and more recently a steady pickup in consumption as shoppers returned to restaurants, malls and car dealerships.</p> <p><i>(Source: The Financial Express, 16 April 2021)</i></p>