

## GLOBAL WEEKLY ECONOMIC NEWS IN THE ADVANCED ECONOMIES

(5 April 2021 – 9 April 2021)

Countries	Highlights
<p><b>US</b></p> <p><b>US producer inflation heats up in March as prices increase broadly</b></p>	<p>US producer prices increased more than expected in March, resulting in the largest annual gain in 9-1/2 years and likely marking the start of higher inflation as the economy reopens amid an improved public health environment and massive government aid. The report also showed solid gains in underlying producer prices last month. That aligned with business surveys showing rising cost pressures as strengthening domestic demand pushes against supply constraints. Federal Reserve Chair Jerome Powell reiterated that he believed the expected rise in inflation will be transitory and that supply chains will adapt and become more efficient. The PPI rose 0.5% in February. In the 12 months through March, the PPI surged 4.2%. That was the biggest year-on-year rise since September 2011 and followed a 2.8% advance in February.</p> <p>(Source: Reuters, 9 April 2021)</p>
<p><b>UK</b></p> <p><b>UK firms step up hiring as lockdown nears end</b></p>	<p>British companies sharply stepped up hiring and offered higher pay to new staff last month as they grew more confident about economic recovery and prepared for COVID restrictions to ease. The Recruitment and Employment Confederation said employers hired permanent staff at the fastest rate in six years and spending on temporary staff rose by the most since November 2017. Non-essential shops in England will reopen to the public next week for the first time since January and pubs and restaurants are due to restart outdoor service too. However, retail and hospitality remained the weakest performing sectors last month, along with secretarial and clerical jobs, with demand strongest for nurses, IT workers and some blue-collar and finance roles.</p> <p>(Source: Reuters, 8 April 2021)</p>
<p><b>JAPAN</b></p> <p><b>Japan households' confidence hits 8-year high, inflation expectations rise</b></p>	<p>Japanese households' inflation expectations rose in March from three months ago and their confidence on the economic outlook improved to an eight-year high, a central bank survey showed, a sign the initial pain from the coronavirus pandemic was healing. The outcome offers some relief to policymakers struggling to balance the need to prevent a resurgence of COVID-19 infections while sustaining a moderate economic recovery. The ratio of households which expect prices to rise a year from now stood at 62.4% in March, up from 60% in December, the Bank of Japan's survey showed. While the economy may have emerged from the pandemic's initial hit, a resurgence in infections and weak wage growth cloud the outlook for consumption. More households saw income shrink and expect to slash expenditure a year from now, the survey showed, underscoring the patchy nature of Japan's recovery.</p> <p>(Source: Reuters, 7 April 2021)</p>
<p><b>CHINA</b></p> <p><b>China's March factory prices grow at fastest pace since July 2018</b></p>	<p>China's factory gate prices rose at their fastest annual pace since July 2018 in March, as growth in the world's second-largest economy continued to gather momentum. China's producer price index (PPI) rose 4.4% in annual terms, the National Bureau of Statistics said. The inflation data is the latest indicator to point to robust economic growth in the January-March quarter. Data last week showed China's manufacturing activity expanded at the quickest pace in three months in March as factories ramped up production to keep up with improving global demand. China's GDP is widely expected to expand by more than 8% this year following 2.3% growth in 2020.</p> <p>(Source: CNBC, 8 April 2021)</p>