Economics

Weekly — April 29, 2022

Weekly Economic & Financial Commentary

United States: **GDP Head Fake Obscures Otherwise Intact Fundamentals**

- In a jampacked week of economic data, Thursday's negative GDP growth print took center stage. The U.S. economy *contracted* at a 1.4% annualized rate in Q1-2022. The weak headline figure raises concern at first glance, but the details of the report suggest underlying demand remained intact.
- Next week: ISM Surveys (Mon & Wed), Trade Balance (Wed), Nonfarm Payrolls (Fri)

International: **Bank of Japan Doubles Down on Easy Monetary Policy**

- The Bank of Japan held its monetary policy stance steady at this week's announcement but, in a significant development, reinforced its pledge to cap any rise in Japanese bond yields. The central bank said it was prepared to buy government bonds in unlimited quantities to prevent a rise in yields. In other central bank activity, Sweden's central bank raised its policy rate by 25 bps and signaled multiple further rate hikes in the quarters ahead.
- Next week: China PMIs (Sat.), Brazil Selic Rate (Wed.), Bank of England Policy Rate (Thu.)

Interest Rate Watch: **How Much Will the Fed Tighten Next Week?**

- Despite the 1.4% annualized rate of contraction in Q1 real GDP, we look for the Federal Open Market Committee to raise its target range for the federal funds rate by 50 bps at next week's meeting. A 50 bps rate hike is completely priced into markets.
- We also look for the Committee to announce the commencement of balance sheet reduction, which would also act as a form of monetary tightening.

Topic of the Week: **The Rise of Single-Family Rental Homes**

- Housing affordability has been an increasing concern for potential homebuyers as scorching home price appreciation and rapidly rising mortgage rates have already pushed many buyers onto the sidelines. While homes are becoming increasingly difficult to afford for traditional homebuyers, a growing share of investor buyers have encroached on the market by purchasing and renting out single-family homes.

Wells Fargo U.S. Economic Forecast

	Actual 2021				Forecast 2022				Actual		Forecast	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	2020	2021	2022	2023
Real Gross Domestic Product [1]	6.3	6.7	2.3	6.9	-1.4	1.2	2.3	2.2	-3.4	5.7	2.8	2.1
Personal Consumption	11.4	12.0	2.0	2.5	2.7	0.1	1.9	1.7	-3.8	7.9	2.5	1.6
Consumer Price Index [2]	1.9	4.8	5.3	6.7	8.0	7.9	7.3	6.3	1.2	4.7	7.4	2.9
"Core" Consumer Price Index [2]	1.4	3.7	4.1	5.0	6.3	5.7	5.7	5.2	1.7	3.6	5.7	3.2
Quarter-End Interest Rates [3]												
Federal Funds Target Rate	0.25	0.25	0.25	0.25	0.50	1.50	2.00	2.50	0.50	0.25	1.63	3.19
Conventional Mortgage Rate	3.17	3.02	2.88	3.11	4.42	4.65	4.70	4.70	3.12	2.95	4.62	4.54
10 Year Note	1.74	1.45	1.52	1.52	2.32	2.60	2.70	2.75	0.89	1.45	2.59	2.70

Forecast as of: April 07, 2022
[1] Compound Annual Growth Rate Quarter-over-Quarter [2] Year-over-Year Percentage Change [3] Annual Numbers Represent Average

Source: U.S. Dept. of Commerce, U.S. Dept. of Labor, Federal Reserve Board and Wells Fargo Economics

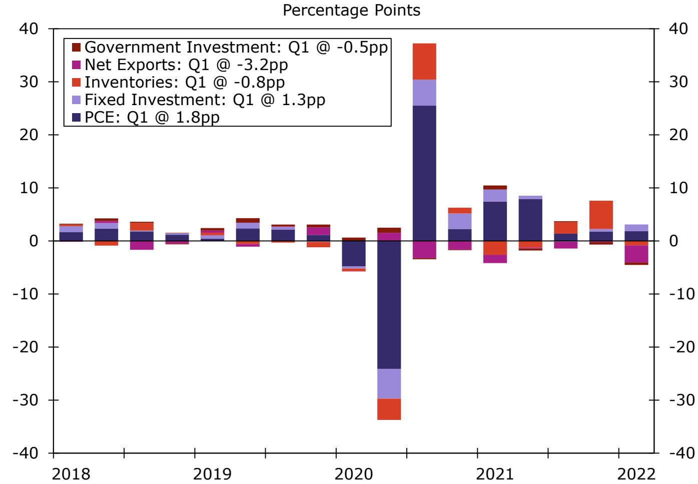
Please see our full U.S. Economic Forecast and our updated Consumer Dashboard and Pressure Gauge.

U.S. Review

GDP Head Fake Obscures Otherwise Intact Fundamentals

In a jampacked week of economic data, Thursday's negative GDP growth print took center stage. The U.S. economy *contracted* at a 1.4% annualized rate in Q1-2022, on the heels of a 6.9% gain at the end of 2021. The weak headline figure raises concern at first glance, but the details of the report suggest underlying demand remained intact. As shown in the following chart, net exports and inventories, two volatile components of the GDP account, together sliced four percentage points from real GDP growth. On the flip side, personal consumption expenditures (PCE) and fixed investment were positive contributors.

PCE expanded at a 2.7% annualized rate in Q1, a slight pickup from the previous quarter's 2.5% pace. Higher prices have forced tougher spending decisions for households, but we suspect accumulated savings provided a buffer to consumer outlays during the first three months of the year, more on that below. In the business sector, equipment investment jumped to a 15.3% annualized rate, up from 2.8% in Q4. Against the backdrop of limited labor availability and strong wage growth, businesses are likely investing in automation and other labor-saving equipment to keep production running.



Source: U.S. Department of Commerce and Wells Fargo Economics

Tuesday's durable goods orders report gave us a good indication that capital expenditures remained solid at the end of the first quarter. Core capital goods orders, which excludes defense and aircraft, rose 1.0% in March. Every category of core capital spending expanded over the month, with notable rises in electrical equipment (3.9%), computer and electronics (2.6%) and primary metal manufacturing (1.5%). While the orders are rolling in, continued difficulty securing inputs and labor has weighed on fulfillment. Unfilled orders climbed 0.4% in March, marking the 14th consecutive monthly increase.

Growing backlogs are a recurring theme in new residential construction as well. New home sales fell a greater-than-expected 8.6% to a 763,000-unit pace in March. Sales of homes where construction has not yet started surged 26% over the month, while sales of completed homes fell 14%. Similar to the manufacturing sector, project timelines have been stretched by shortages of critical inputs and labor for much of the past two years.

The ongoing race for workers has sent labor costs higher. Today's Employment Cost Index (ECI) report shows total compensation costs rose a blistering 1.4% in Q1-2022, bringing the year-over-year rate to 4.5%—a record high. The overall strength in the labor market was evident with a 1.3% rise in private industry wage & salary costs, with the heat still turned up across a range of industries, such as accommodation & food services (1.9%), retail (1.6%), healthcare (1.5%) and manufacturing (1.5%).

Elevated wage growth and ample job vacancies have buoyed consumer confidence, which slipped an ever-so-slight 0.3 points to 107.3 in April. The share of consumers reporting jobs were "plentiful" stayed near its record high over the month, but momentum appears to be dissipating. Expectations for fewer job opportunities in the next six months climbed nearly a full percentage point to 18.9%. With growth in consumer prices generally outpacing income for much of the past year, weakening optimism about the jobs market may be a headwind to confidence in the coming months.

Overall personal income rose 0.5% in March, but once adjusting for prices, real disposable income slid 0.4% from February. At the same time, real personal spending rose a stronger-than-expected 0.2% in March, and the personal saving rate fell to 6.2%, down from 6.8% the previous month. Taken together, these dynamics support our expectation that consumers are dipping into excess savings built up during the pandemic or are saving less of their income to sustain purchases. As savings dwindle amid persistently higher prices, we suspect consumer spending will pull back in the coming quarters. (Return to Summary)

U.S. Outlook

Weekly Domestic Indicator Forecasts					
Date	**Indicator**	**Period**	**Consensus**	**Wells Fargo**	**Prior**
2-May	ISM Manufacturing Index	Apr	57.8	57.4	57.1
2-May	Construction Spending (MoM)	Mar	0.8%	0.8%	0.5%
4-May	Trade Balance	Mar	-$97.0B	-$107.9B	-$89.2B
4-May	ISM Services Index	Apr	58.7	58.3	58.3
5-May	Nonfarm Productivity (QoQ)	Q1	-2.8%	-2.1%	6.6%
6-May	Nonfarm Payrolls	Apr	390K	400K	431K
6-May	Unemployment Rate	Apr	3.6%	3.5%	3.6%
6-May	Average Hourly Earnings (MoM)	Apr	0.4%	0.4%	0.4%

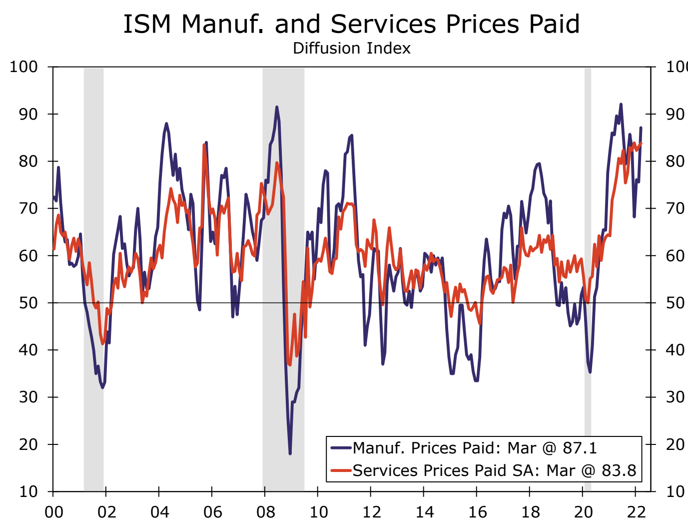
Forecast as of April 29, 2022

Source: Bloomberg Finance L.P. and Wells Fargo Economics

ISM Manufacturing & Services • Monday & Wednesday

The ISM surveys diverged in March as the manufacturing index slowed to 57.1 and the services index rose to 58.3. Both reports continued to emphasize strained supply is weighing on activity, and we expect to see much of the same in April.

We forecast a modest improvement in the overall ISM manufacturing index to 57.4, while the services index will likely hold constant at 58.3. While supply constraints have shown some initial signs of abating in recent months, we expect the supplier deliveries and production components will still demonstrate difficulty procuring inputs for production. Manufacturers and service-providers continue to struggle to find qualified labor, but we expect to see some improvement in the April hiring components, particularly for services, which will foreshadow the April payroll report released Friday (see below). Frustrations with supply and elevated input costs will likely be sprinkled in the comments from respondents as raging inflationary pressure will likely keep the prices paid component of both surveys elevated.



Source: Institute for Supply Management and Wells Fargo Economics

Trade Balance • Wednesday

After more or less holding steady at a record deficit in February, we suspect the U.S. trade balance widened considerably in March based on the advanced goods trade data. Goods exports surged 7.1%, but that gain paled in comparison to the 11.5% gain in imports and caused the overall goods trade balance to widen to a record $125.3 billion, according to the advanced estimate. Based on these data for goods and a modest uptick in the services trade balance, we expect to see the trade balance widened to a record deficit of $107.9 billion in March.

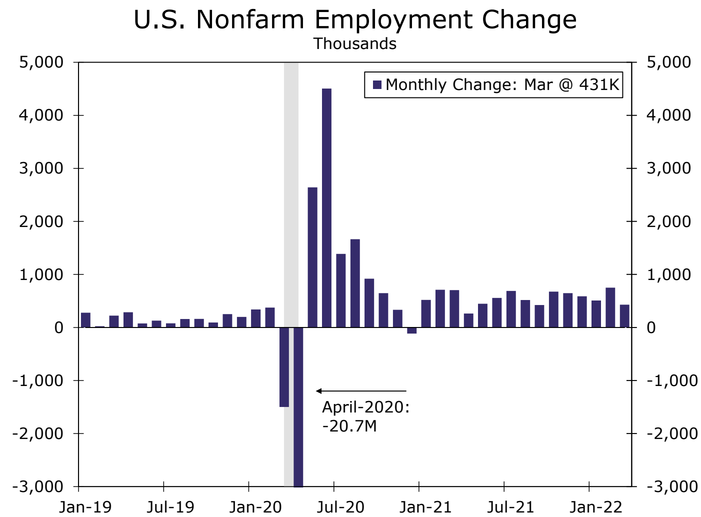
The Q1 GDP report showed net exports subtracted 3.2 percentage points from headline growth during the quarter. Trade flows have been particularly volatile from month-to-month amid resilient demand and supply snarls, but the underlying trend has been clear; strong U.S. demand has propelled rapid import growth. The result has been a consistent negative force on GDP growth with Q1 marking the seventh consecutive quarter that net exports were a drag on headline growth. But as U.S. consumers continue to spend more on services, this implies that this era of wildly expanding trade deficits will eventually transition to one of modest narrowing. In short, the drag from trade will begin to dissipate and perhaps even become a positive for GDP growth if the trade gap narrows.

Source: U.S. Department of Commerce and Wells Fargo Economics

Nonfarm Payrolls • Friday

Employers added 431K net new jobs in March, and we suspect the solid trend in hiring continued in April with 400K additional jobs having been added. If realized, this would be a modest step down from the average 562K jobs added per month in the first quarter but still consistent with a robust pace of hiring. We expect to see hiring was rather broad-based across industries with a large lift coming from the leisure & hospitality sector, where demand is rising and labor remains short. After leisure & hospitality, the sectors where job losses remain the highest are other services, education & health services and government.

While labor shortages remain a widespread challenge, we have seen some considerable easing in supply more recently, with the labor force participation rate rising to a fresh cycle high of 62.4% in March. Participation should continue to improve as the availability of jobs continues to pull more workers into the labor market and less favorable household finances also provide a push. Demand, after all, shows little signs of abating with the number of unemployed workers per job opening continuing to slide to record lows and the share of small businesses reporting jobs are hard to fill remains elevated. These demand and supply dynamics suggest wage growth showed little signs of abating in April, and we look for average hourly earnings growth to post another 0.4% monthly gain. Overall, we expect continued tightness in the labor market to push the unemployment rate to a fresh cycle low of 3.5% in April. (Return to Summary)



Source: U.S. Department of Labor and Wells Fargo Economics

International Review

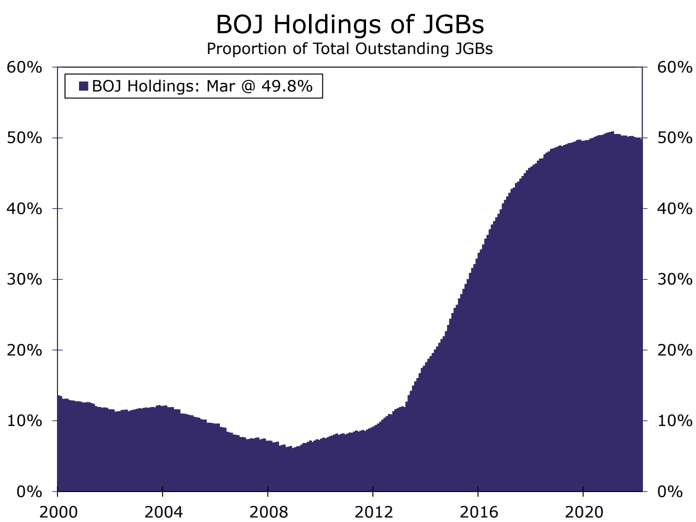
Bank of Japan Doubles Down on Easy Monetary Policy

The Bank of Japan (BoJ) held its monetary policy stance steady at this week's announcement but, in a significant development, reinforced its pledge to cap any rise in Japanese bond yields. In terms of the particulars of the announcement, the Bank of Japan:

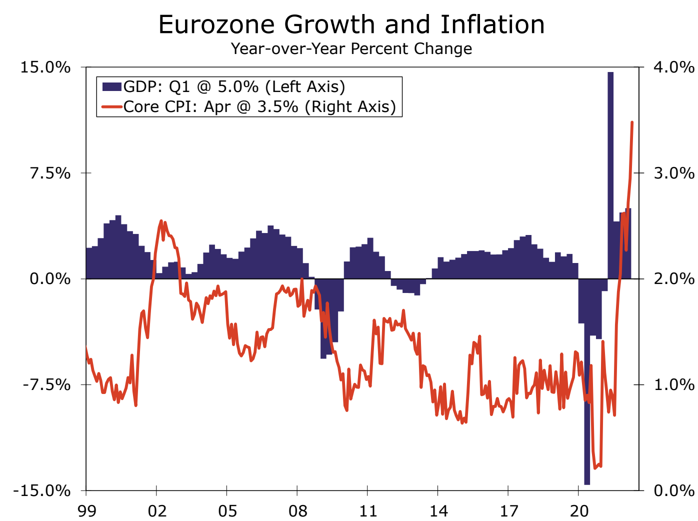
- Maintained its policy rate at -0.10%.
- Kept its target for 10-year Japanese government bond (JGB) yields at 0.00%.
- **Most significantly, BoJ policymakers said the central bank would purchase a necessary amount of government bonds, without setting an upper limit, so that 10-year JGB yields would remain near that target. In particular, the BoJ said it will offer to purchase 10-year JGBs at 0.25% every business day through fixed-rate purchase operations.**

Given subdued growth and moderate inflation, the Bank of Japan is clearly comfortable with its accommodative monetary policy stance. We believe the only factors that would prompt the Bank of Japan to even consider adjusting policy would be operational or implementation issues. However, we doubt the Bank of Japan will need to buy JGBs in large quantities to keep yields capped, which means it should be able to limit any increase to its holdings of bonds. In addition, we do not expect meaningful FX intervention from Japanese authorities in support of the yen until the USD/JPY exchange rate reaches JPY140.00 or higher. Overall, we do not anticipate any change in the central bank's zero percent 10-year JGB yield target, with a tolerance range of +/-25 bps, for the foreseeable future.

There was also some monetary policy action this week from the Riksbank, Sweden's central bank. The Riksbank surprised market participants, delivering an initial 25 bps rate hike, which lifted the policy rate to 0.25%, citing broadening and quickening inflation as a reason behind the increase. In addition, the central bank said interest rates would be raised a further two to three times this year, while the projected rate path sees the policy rate rising to 1.8% by mid-2025. Finally, policymakers also said they would reduce the pace of asset purchases from the second half of this year.



Source: Datastream and Wells Fargo Economics



Source: Datastream and Wells Fargo Economics

Subdued Eurozone Growth, Rapid Eurozone Inflation

This week also saw the first comprehensive read on the state of the Eurozone economy in early 2022. Eurozone Q1 GDP rose 0.2% quarter-over-quarter, matching the consensus forecast but slightly slower than the pace of growth in Q4-2021. For the first quarter, German GDP edged up 0.2%, French GDP was unchanged, Italian GDP dipped 0.2% and Spain's GDP rose 0.3%. The Eurozone April CPI was also released, showing inflation accelerating slightly to a record 7.5% year-over-year. Beneath the headline, some underlying measures of inflation quickened further, as the core CPI rose 3.5% and the services CPI rose 3.3%. Overall, we believe the rapid pace of headline inflation, along with firming core inflation, leaves the European Central Bank on track to begin raising interest rates this September.

Finally, Australia's Q1 consumer prices surprised to the upside. The headline CPI rose 5.1% year-over-year, while, with respect to the underlying inflation measures, the trimmed mean CPI rose 3.7% and the weighted median CPI rose 3.2%. The elevated CPI print has again seen expectations for the timing of Reserve Bank of Australia (RBA) rate hikes brought forward by market participants. Indeed, the consensus economist forecast is for the RBA to lift its policy rate by 15 bps to 0.25% at its monetary policy meeting next week. (Return to Summary)

International Outlook

Weekly International Indicator Forecasts

Date	Indicator	Period	Consensus	Wells Fargo	Prior
30-Apr	China Manufacturing PMI	Apr	47.3	--	49.5
30-Apr	China Services PMI	Apr	46.0	--	48.4
4-May	Brazil Selic Rate	4-May	12.75%	12.75%	11.75%
5-May	Bank of England Policy Rate	5-May	1.00%	1.00%	0.75%

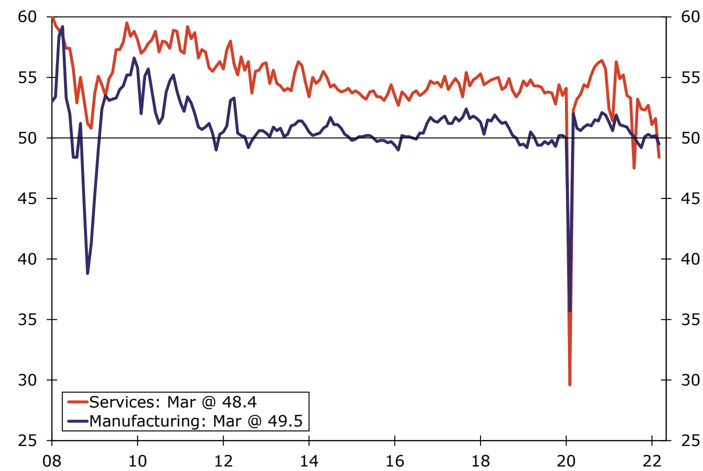
Forecast as of April 29, 2022

China PMIs • Saturday

China's PMIs for April, due for release over the coming days, are likely to show that widespread COVID-related lockdowns across many regions in the country are having an ongoing, and intensifying, negative impact on Chinese growth. Although Q1 GDP was more resilient than expected, we believe it did not fully reflect the effects of the latest lockdown. Moreover, retail sales and services output both slowed sharply in March, recording outright declines in terms of year-over-year growth.

For April, the consensus forecast is for an even further softening in Chinese growth. Regarding the official PMIs, the April services PMI is expected to fall to 46.0, while the manufacturing PMI is expected to drop to 47.3. The message from the April Caixin PMIs is expected to be similar, with the services PMI seen falling to 41.0 and the manufacturing PMI seen falling to 47.0. With more persistent and widespread restrictions leading to at least temporary interruptions, we have lowered our outlook for China's 2022 GDP growth. We now forecast GDP growth of 4.5% for this year, down from a forecast of 4.9% previously.

Chinese PMI Surveys



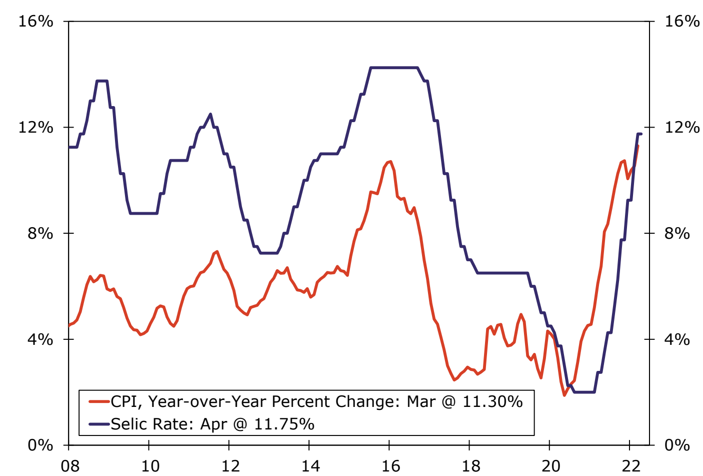
Source: Datastream and Wells Fargo Economics

Brazil Selic Rate • Wednesday

Brazil's Central Bank (BCB) announces its monetary policy decision next week, and while a rate increase is widely expected, market participants will be closely watching for signals as to whether rate hikes are at an end, or further tightening could still be forthcoming. In March, the BCB raised its Selic rate 100 bps to 11.75%, bringing cumulative tightening during the current cycle to 975 bps. Considering that extended period of tightening, less-than-stellar economic growth and some stability in the currency over the past several weeks, the BCB president said rate hikes beyond May were "not the most probable outlook."

For the May meeting, we do expect the BCB to hike its Selic rate another 100 bps to 12.75%. However, given the central bank's prior guidance, we believe that will represent the end of the tightening cycle. That said, the outlook is not completely clear-cut. March CPI inflation surprised to the upside, rising 11.3% year-over-year, and the real has been somewhat weaker in recent weeks. Thus, we, along with other market participants, will be watching for whether the BCB confirms the end of the rate hike cycle or leaves the door open for possible further tightening.

Brazil IPCA Inflation and Interest Rates

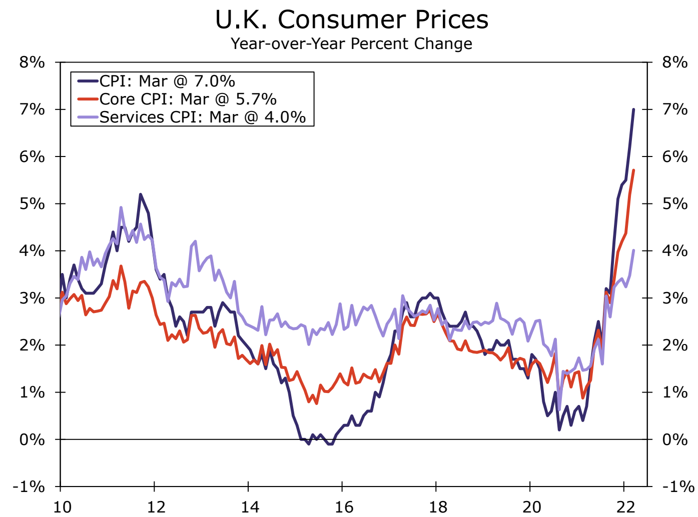


Source: Bloomberg Finance L.P. and Wells Fargo Economics

Bank of England Policy Rate • Thursday

The Bank of England (BoE) also announces its monetary policy decision next week, at which time we and the consensus expect the central bank to deliver another rate increase. Since late last year, the BoE has delivered a cumulative 65 bps of rate increases, with its policy rate currently standing at 0.75%. For May, the consensus forecast (and Wells Fargo forecast) is for the BoE to deliver another 25 bps hike, which would take the policy rate to 1.00%.

The Bank's of England's tightening has come amid a sharp spike in inflation (the headline CPI is currently running at 7.0% year-over-year) and as economic activity remained resilient in the early months of 2022. However, the economic outlook is getting more mixed, especially with increasing signs that high energy prices are starting to weigh more heavily on economic growth. To that point, we expect the BoE's economic projection to include an upward revision to its CPI inflation forecast and a downward revision to its GDP growth forecast. For market participants, the focus will be on how much emphasis the central bank puts on slower growth versus faster growth, and whether it softens its prior guidance that "some further modest tightening in monetary policy may be appropriate in the coming months." That could offer insight into whether the BoE continues to hike rates at a 25 bps per meeting pace or shifts to an even slower pace of tightening. (Return to Summary)



Source: Datastream and Wells Fargo Economics

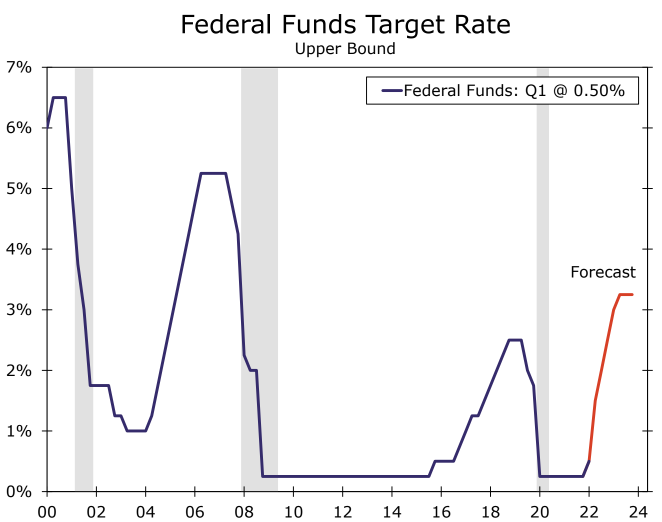
Interest Rate Watch

How Much Will the Fed Tighten Next Week?

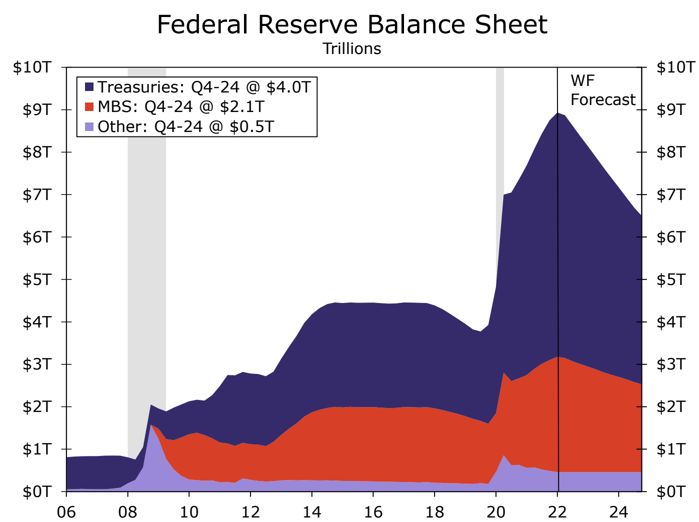
The Federal Open Market Committee (FOMC) will hold a regularly scheduled meeting on May 3-4, and it is universally expected that the Committee will raise its target for the fed funds rate by 50 bps. A chorus of Fed officials have publicly indicated that they support a 50 bps hike, and financial markets are completely priced for an increase of that magnitude. We do not believe this week's news that real GDP in Q1 contracted at an annualized rate of 1.4% will derail the FOMC from hiking rates by 50 bps on May 4. As we discuss in more detail in the U.S. Review section, growth in the underlying components of consumer spending and fixed investment spending remained solid in the first quarter.

Could the FOMC surprise markets with a more aggressive 75 bps hike? Perhaps, but it is not likely, in our view. St. Louis Fed President James Bullard, who is one of the most hawkish members of the FOMC, said recently that he is open to the possibility of a 75 bps hike, but it is not his base case. Even if it were, we doubt that Bullard could convince a super majority of his fellow Committee members to support a 75 bps increase, at least not at this meeting. Looking forward, we forecast that the FOMC will hike by another 50 bps at the June 14-15 meeting with 25 bps more at each of the four remaining meetings this year (see chart below).

But a rate hike is not the only form of tightening that we expect the FOMC to announce next week. As we discussed in a recent report, we also look for the Committee to announce the commencement of balance sheet reduction. Specifically, we expect that the Fed will allow up to $40 billion worth of Treasuries securities to roll off its balance sheet in June with an initial cap of $25 billion for mortgage-backed securities (MBS). We look for these monthly caps to increase to $60 billion for Treasuries and $35 billion for MBS in coming months. As shown in the chart below, we forecast that the size of the Fed's balance sheet will shrink from roughly $9.0 trillion at present to slightly over $6.5 trillion by the end of 2024. Everything else equal, balance sheet reduction at the Federal Reserve should exert some upward pressure on longer-term interest rates. (Return to Summary)



Source: Federal Reserve Board and Wells Fargo Economics



Source: Federal Reserve Board and Wells Fargo Economics

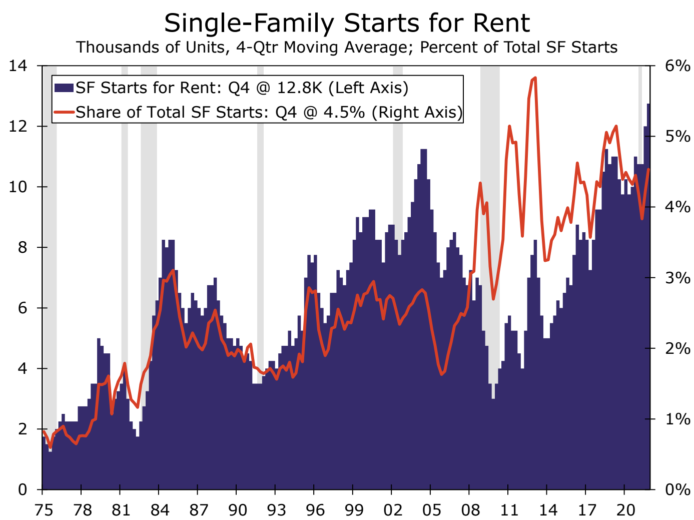
Topic of the Week

The Rise of Single-Family Rental Homes

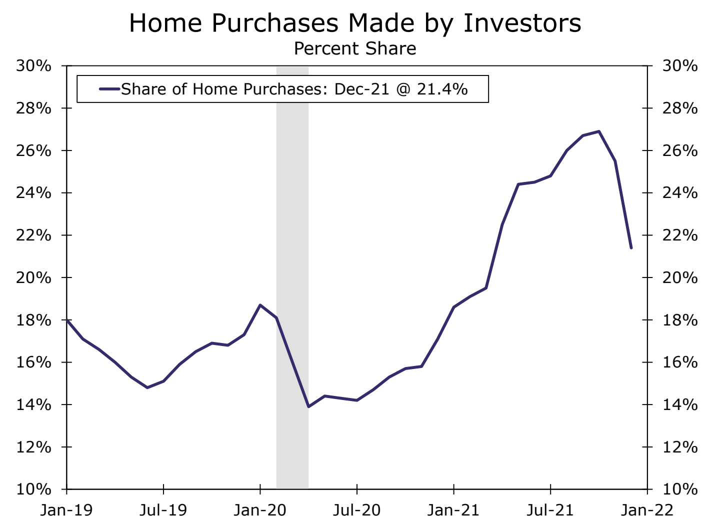
Housing affordability has been an increasing concern for potential homebuyers as scorching home price appreciation and rapidly rising mortgage rates have already pushed many buyers onto the sidelines. New home sales data released this week revealed the median price of a new home rose to $436,700 in March, 21.4% higher than a year ago. The median price for an existing single-family home grew at a slower, but nonetheless elevated, 15.2% pace reaching $382,000 in March. While homes are becoming increasingly difficult to afford for traditional homebuyers, a growing share of investor buyers have encroached on the market.

As of December 2021, investors made up 21.4% of all home purchases. Although this is down from the all-time high of 26.9% hit in October of last year, investor activity historically declines during the winter months when there are fewer owner-occupied housing transactions. CoreLogic data indicate that much of this activity is motivated by revenue streams rather than flipping properties. Only 13.8% of homes purchased by investors in June 2021 were resold six months later in December, a share that is 0.8 percentage points lower than in 2020 and 1.3 points lower than in 2019. For large institutional investors, rents provide an effective inflation hedge they have risen much faster than core measures of inflation.

Single-family rental homes have become an attractive investment as rents for homes, particularly in the suburbs, rapidly appreciated in 2021. Rents for single-family homes grew 12.6% year-over-year in January 2022, a pace more than four times faster than the pre-pandemic rate of just under 3% annual growth. This marks the 10th consecutive month of record-high single-family rent growth. Investment ventures are not limited to just existing homes as a growing number of build-to-rent communities are being developed across the country. More homes than ever are being built specifically for renting, with construction starting on 12,800 build-to-rent units in Q4-2021. This makes up 4.5% of all housing starts for that quarter, although this is short of the all-time high of 5.8% in Q1-2013.



Source: U.S. Department of Commerce and Wells Fargo Economics



Source: S&P CoreLogic and Wells Fargo Economics

Investor presence has been highest in the booming Sun Belt metros. In Q4-2021, investors accounted for 32.7% of new home sales in Atlanta and 32.1% in Charlotte. Rounding out the top five are Jacksonville (29.8%), Las Vegas (29.2%) and Phoenix (28.4%), each posting all-time highs. The South is the fastest growing region for new construction, accounting for 59% of all new home sales in 2021. The South has seen an influx of domestic migration, particularly over the past two years, as homebuyers seeking relative affordability compared to more established coastal metros have flocked to the region. These same opportunities have attracted investors who seek to convert existing homes into rental units or purpose build new housing for rent. The resulting competition for housing and space has caused prices to skyrocket as bidding wars between traditional homebuyers and investors have resulted in homes often selling well above asking price in these markets.

An effect of this is traditional buyers often being outbid by investor buyers as investors are able to raise capital from a variety of sources and their funding costs are considerably less than households. First-time homebuyers are particularly sensitive to price changes as they generally do not have access to the wealth built from owning a home. The National Association of Realtors estimates that 2.5 million first-time homebuyers will be shut out of the market in 2022, representing 15% of all first-time homebuyers. In an increasingly daunting housing market, homebuyers will be challenged to navigate a number of growing obstacles, including rising mortgage rates, historically tight inventories and escalating competition with investor buyers. (Return to Summary)

Market Data • Mid-Day Friday

U.S. Interest Rates

	Friday 4/29/2022	1 Week Ago	1 Year Ago
SOFR	0.28	0.26	0.01
3-Month LIBOR	1.29	1.18	0.19
3-Month T-Bill	0.82	0.77	0.00
1-Year Treasury	2.00	1.76	0.02
2-Year Treasury	2.71	2.67	0.16
5-Year Treasury	2.91	2.93	0.86
10-Year Treasury	2.89	2.90	1.63
30-Year Treasury	2.95	2.94	2.30
Bond Buyer Index	3.21	3.19	2.27

Foreign Exchange Rates

	Friday 4/29/2022	1 Week Ago	1 Year Ago
Euro ($/€)	1.055	1.079	1.212
British Pound ($/£)	1.257	1.284	1.394
British Pound (£/€)	0.839	0.841	0.869
Japanese Yen (¥/$)	129.700	128.500	108.930
Canadian Dollar (C$/$)	1.279	1.271	1.228
Swiss Franc (CHF/$)	0.972	0.958	0.909
Australian Dollar (US$/A$)	0.710	0.724	0.777
Mexican Peso (MXN/$)	20.396	20.231	20.049
Chinese Yuan (CNY/$)	6.608	6.501	6.472
Indian Rupee (INR/$)	76.433	76.485	74.036
Brazilian Real (BRL/$)	4.952	4.796	5.340
U.S. Dollar Index	103.098	101.220	90.614

Source: Bloomberg Finance L.P. and Wells Fargo Economics

Foreign Interest Rates

	Friday 4/29/2022	1 Week Ago	1 Year Ago
3-Month Euro LIBOR	-0.58	-0.59	-0.57
3-Month Sterling LIBOR	1.21	1.17	0.09
3-Month Canada Banker's Acceptance	1.78	1.63	0.44
3-Month Yen LIBOR	-0.02	-0.02	-0.07
2-Year German	0.27	0.28	-0.68
2-Year U.K.	1.58	1.71	0.08
2-Year Canadian	2.62	2.64	0.31
2-Year Japanese	-0.05	-0.05	-0.13
10-Year German	0.93	0.97	-0.19
10-Year U.K.	1.89	1.96	0.84
10-Year Canadian	2.85	2.87	1.56
10-Year Japanese	0.23	0.25	0.10

Commodity Prices

	Friday 4/29/2022	1 Week Ago	1 Year Ago
WTI Crude ($/Barrel)	107.50	102.07	65.01
Brent Crude ($/Barrel)	110.30	106.65	68.56
Gold ($/Ounce)	1909.16	1931.60	1772.18
Hot-Rolled Steel ($/S.Ton)	1410.00	1430.00	1500.00
Copper (¢/Pound)	441.15	458.15	449.30
Soybeans ($/Bushel)	17.04	17.14	15.68
Natural Gas ($/MMBTU)	7.06	6.53	2.91
Nickel ($/Metric Ton)	32,933	33,875	17,410
CRB Spot Inds.	679.87	684.55	581.20

Subscription Information

To subscribe please visit: www.wellsfargo.com/economicsemail

Via The Bloomberg Professional Services at WFRE

Economics Group

Jay H. Bryson, Ph.D.	Chief Economist	704-410-3274	Jay.Bryson@wellsfargo.com
Mark Vitner	Senior Economist	704-410-3277	Mark.Vitner@wellsfargo.com
Sam Bullard	Senior Economist	704-410-3280	Sam.Bullard@wellsfargo.com
Nick Bennenbroek	International Economist	212-214-5636	Nicholas.Bennenbroek@wellsfargo.com
Tim Quinlan	Senior Economist	704-410-3283	Tim.Quinlan@wellsfargo.com
Sarah House	Senior Economist	704-410-3282	Sarah.House@wellsfargo.com
Azhar Iqbal	Econometrician	212-214-2029	Azhar.Iqbal@wellsfargo.com
Charlie Dougherty	Economist	212-214-8984	Charles.Dougherty@wellsfargo.com
Michael Pugliese	Economist	212-214-5058	Michael.D.Pugliese@wellsfargo.com
Brendan McKenna	International Economist	212-214-5637	Brendan.Mckenna@wellsfargo.com
Shannon Seery	Economist	332-204-0693	Shannon.Seery@wellsfargo.com
Nicole Cervi	Economic Analyst	704-410-3059	Nicole.Cervi@wellsfargo.com
Sara Cotsakis	Economic Analyst	704-410-1437	Sara.Cotsakis@wellsfargo.com
Jessica Guo	Economic Analyst	704-410-4405	Jessica.Guo@wellsfargo.com
Karl Vesely	Economic Analyst	704-410-2911	Karl.Vesely@wellsfargo.com
Patrick Barley	Economic Analyst	704-410-1232	Patrick.Barley@wellsfargo.com
Coren Burton	Administrative Assistant	704-410-6010	Coren.Burton@wellsfargo.com

Required Disclosures