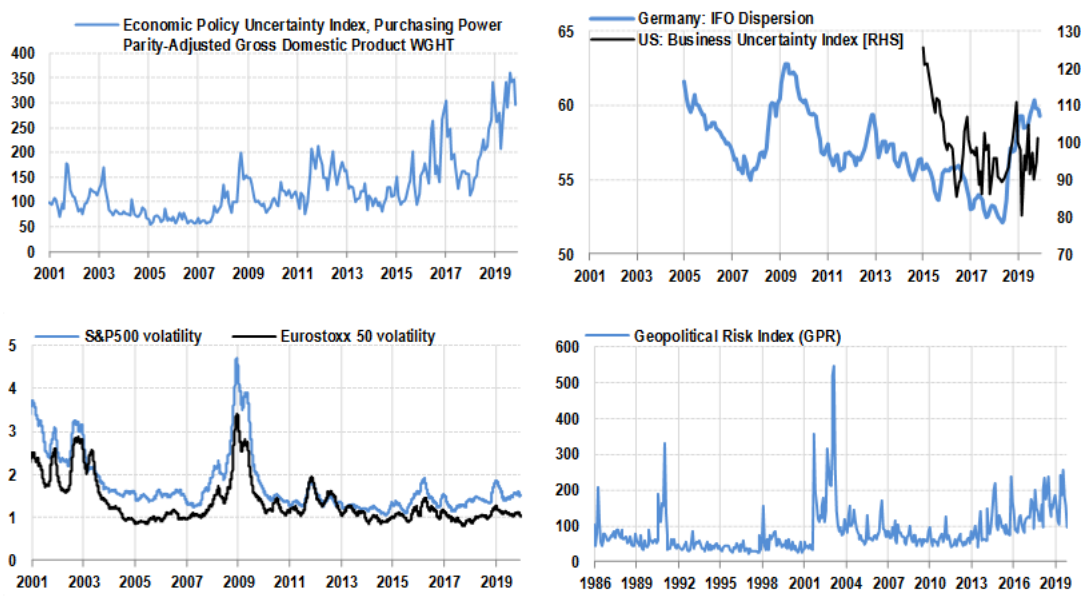


Pulse

Uncertainty indicators have eased

We monitor uncertainty by means of different metrics and several have eased as of late. Starting top left and moving clockwise, the economic policy uncertainty index, which is based on media coverage, has declined although it remains at a high level. This is probably related to the (still to be signed) phase 1 trade agreement between the US and China and to hope that following the UK elections, there will not be a hard Brexit. Uncertainty of companies in Germany has declined as well. This is obviously a very welcome development, given the difficult situation that the manufacturing sector is in. The geopolitical risk index, again based on media coverage, has declined as well. Uncertainty based on individual share price performance is on a rising trend in the US, although the level remains low. It has been declining in the eurozone since the start of the year.



volatility = 60-day moving average of the cross-sectional standard deviation of daily returns of the index constituents
Source: Economic Policy Uncertainty, Bloomberg, IFO, Atlanta Fed, BC, BNP Paribas

Indicators preview

The next two week will see the publication of regional activity indices in the US and, more importantly, the purchasing managers indices in several countries. In the US we will also have consumer confidence data as well as the minutes of the latest FOMC meeting. Also worth noting is the publication of the ECB montly bulletin.

Date	Country	Event	Period	Survey	Prior
12/23/2019	United States	Chicago Fed Nat Activity Index	Nov	--	-0.71
12/24/2019	United States	Durable Goods Orders	Nov	1.5%	0.5%
12/24/2019	United States	Richmond Fed Manuf. Index	Dec	--	-1
12/27/2019	Japan	Jobless Rate	Nov	--	2.4%
12/27/2019	Japan	Retail Sales MoM	Nov	--	-14.4%
12/27/2019	Japan	Industrial Production MoM	Nov	--	-4.5%
12/27/2019	Eurozone	ECB Publishes Economic Bulletin			
12/27/2019	Germany	Retail Sales MoM	Nov	--	-1.9%
12/30/2019	United States	Dallas Fed Manf. Activity	Dec	--	-1.3
12/31/2019	China	Composite PMI	Dec	--	53.7
12/31/2019	United States	Conf. Board Consumer Confidence	Dec	128.0	125.5
01/02/2020	China	Caixin China PMI Mfg	Dec	51.5	51.8
01/02/2020	France	Markit France Manufacturing PMI	Dec	--	50.3
01/02/2020	Germany	Markit/BME Germany Manufacturing PMI	Dec	--	43.4
01/02/2020	Eurozone	Markit Eurozone Manufacturing PMI	Dec	--	45.9
01/02/2020	United States	Markit US Manufacturing PMI	Dec	--	52.5
01/03/2020	France	CPI EU Harmonized MoM	Dec	--	0.1%
01/03/2020	Germany	CPI EU Harmonized YoY	Dec	--	1.2%
01/03/2020	United States	ISM Manufacturing	Dec	48.6	48.1
01/03/2020	United States	FOMC Meeting Minutes	Dec 11	--	--

Source: Bloomberg, BNP Paribas

