Weekly Economic & Financial Commentary

United States: **FOMC in No Hurry**

- A hot reading on the CPI to start 2025 amplified worries that progress in getting inflation back to target has stalled out as new risks arrive from changing trade policy. Meanwhile, retail sales unexpectedly plunged in January, suggesting consumers tightened their belts to start the year.
- Next week: Housing Starts (Wed.), Existing Home Sales (Fri)

International: **Global Economic Activity and Price Data Are in the Air**

- This week saw the release of economic activity and price data across advanced and emerging economies. In the United Kingdom, fourth quarter GDP growth figures were somewhat underwhelming. In Norway, the economy slowed at the end of last year, and while inflation came in a touch higher than expected, we still look for Norges Bank to initiate its easing cycle in March. The Swiss CPI report was somewhat mixed, and although Brazil inflation eased a touch, it remains elevated, and we look for further Brazilian Central Bank tightening this year.
- Next week: Japan GDP (Mon.), Reserve Bank of Australia Policy Rate (Tue.), Eurozone PMIs (Fri.)

Interest Rate Watch: **Mortgage Rates Likely Will Remain Elevated**

- We did not make any meaningful changes to the interest rate forecasts we published this week. We believe the 30-year fixed rate mortgage will remain elevated for as far as the eye can see, which will continue to exert headwinds on the housing market.

Topic of the Week: **The Rising Tide of Employment Among Black Men**

- In commemoration of Black History Month 2025, we focus on recent labor market developments in the Black & African American community. We find that Black & African Americans have made meaningful economic progress over the past five years, resulting in higher labor force participation, employment and earnings.

Wells Fargo U.S. Economic Forecast

	Actual 2024				Forecast 2025				Actual		Forecast	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	2023	2024	2025	2026
Real Gross Domestic Product [1]	1.6	3.0	3.1	2.3	3.0	1.9	1.2	1.3	2.9	2.8	2.3	2.2
Personal Consumption	1.9	2.8	3.7	4.2	2.8	2.1	1.8	1.6	2.5	2.8	2.8	2.3
Consumer Price Index [2]	3.2	3.2	2.7	2.7	2.9	2.9	3.2	3.1	4.1	3.0	3.0	2.7
"Core" Consumer Price Index [2]	3.8	3.4	3.3	3.3	3.2	3.2	3.4	3.2	4.8	3.4	3.2	2.9
Quarter-End Interest Rates [3]												
Federal Funds Target Rate[4]	5.50	5.50	5.00	4.50	4.50	4.50	4.25	4.00	5.23	5.27	4.31	4.00
Conventional Mortgage Rate	6.82	6.92	6.18	6.72	7.10	6.90	6.65	6.50	6.80	6.72	6.79	6.50
10 Year Note	4.20	4.36	3.81	4.58	4.70	4.55	4.35	4.25	3.96	4.21	4.46	4.36

Forecast as of: February 13, 2025
[1] Compound Annual Growth Rate Quarter-over-Quarter
[2] Year-over-Year Percentage Change
[3] Quarterly Data - Period End; Annual Data - Annual Averages
[4] Upper Bound of the Federal Funds Target Range

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

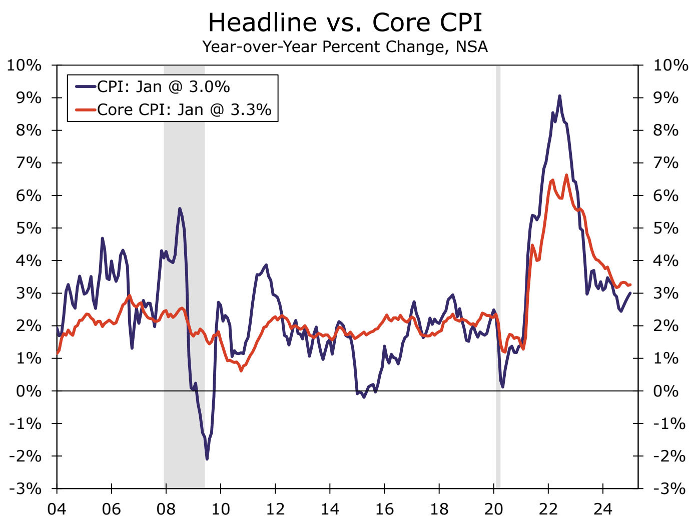
Submit a question to our "Ask Our Economists" podcast at askoureconomists@wellsfargo.com.

U.S. Review

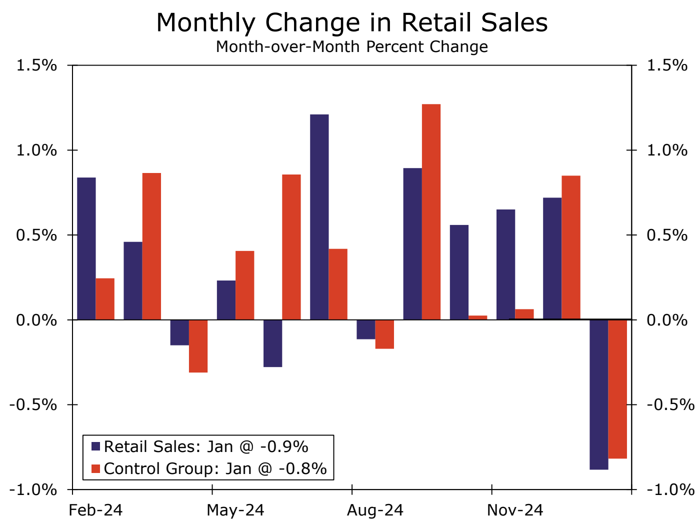
FOMC in No Hurry

Tariffs were again front and center in a week replete with economic data. The week began with news that the Trump administration will be imposing a 25% levy on imported steel and aluminum from all U.S. trading partners. Although financial markets were braced for news of additional tariffs, President Trump did not implement any new levies in the days that followed. However, he did direct federal agencies to investigate reciprocal tariffs, i.e., to study how to adjust tariff rates to match existing duties imposed by other nations.

In a press conference that followed the reciprocal tariff announcement, President Trump acknowledged that changes to trade policy could temporarily drive up prices. Upside inflation risks arrive amid concerns that the disinflationary process has come to an early end, with a hot reading on the Consumer Price Index (CPI) to start 2025 only amplifying worries. Both the headline and core CPI surprised to the high side during January, rising 0.5% and 0.4%, respectively. The warm print arrived with an important caveat. Warm inflation readings in the first month of the year have not been unusual since the pandemic, a trend likely owed to seasonal factors failing to capture early year price increases accurately after COVID distorted the typical pattern. That noted, the year-over-year change in January's headline CPI, which would theoretically account for lingering seasonal adjustment issues, posted the strongest rate since June 2024. Meanwhile, the core CPI, which excludes volatile food and energy prices, ticked up to 3.3%, keeping the index essentially unchanged since last summer.



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



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

A set of other inflation indicators released this week provided additional evidence that price pressures are still percolating. The headline and core Producer Price Index (PPI) rose 3.5% and 3.6%, respectively, on a year-over-year basis in January, both above consensus estimates. The increase in the PPI suggests that input prices for businesses are still climbing. What's more, the NFIB Small Business Optimism Index revealed that, even though businesses are more enthusiastic about the economy's prospects post-election, inflation is still a challenge. Although the components measuring current and future plans to raise prices fell slightly, both measures remain elevated above historical norms.

Elsewhere, several other indicators of economic activity wobbled to start 2025. Industrial production rose solidly in January; however, the gain was owed to a jump in utilities production, likely reflecting harsh winter weather during the month. The rise was enough to offset weakness in mining and manufacturing production, notably in motor vehicle production. Meantime, an unexpectedly sharp drop in retail sales suggests that consumers tightened their belts to start the year. Total retail sales declined 0.9% during January, a worse outcome than the small drop that was widely anticipated. We note that there were upward revisions to the rise in sales posted the previous month, which takes some sting out of January's plunge. That said, "control group" retail sales, which feeds into the personal consumption expenditures (PCE) line of GDP, registered an acute fall in January. The pullback in control group sales suggests consumer spending is starting the year off with slower momentum.

Chair Powell was on Capitol Hill this week presenting the Federal Reserve's Semiannual Monetary Policy Report to Congress. Although his testimony over the course of Tuesday and Wednesday covered a wide range of issues, the main takeaway was that the FOMC appears to be in no particular hurry to reduce the federal funds rate any further, given a still-strong pace of economic growth and stalled-out progress in returning inflation to the 2% target. As detailed in Interest Rate Watch, we remain of the belief that the Federal Reserve will stand pat over the next few months, but continue easing monetary policy in the second half of the year as changing economic policies weigh on overall growth

(Return to Summary)

U.S. Outlook

Weekly Indicator Forecasts

Domestic

Date	Indicator	Period	Consensus	Wells Fargo	Prior
19-Feb	Housing Starts	Jan	1394K	1400K	1499K
20-Feb	Leading Index	Jan	0.0%	-0.2%	-0.1%
21-Feb	Existing Home Sales	Jan	4.15M	4.13M	4.24M

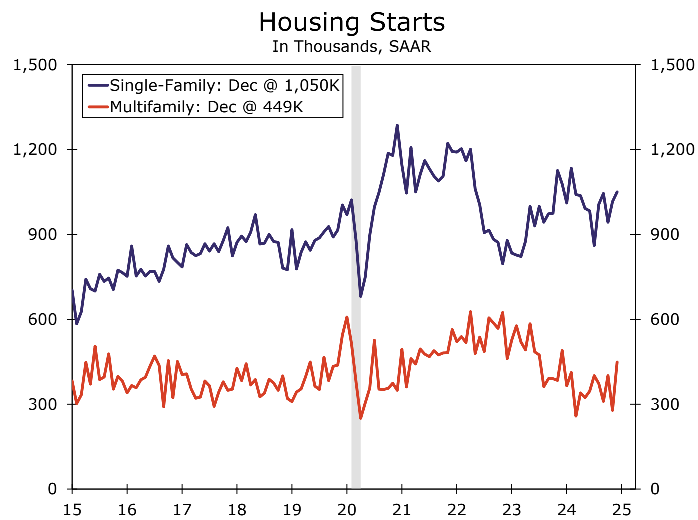
Forecast as of February 14, 2025

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

Housing Starts • Wednesday

Residential construction ended 2024 on a positive note, as total housing starts surged 15.8% in December. While single-family starts rose, the jump in overall starts was largely owed to a staggering 61.5% jump in multifamily starts. Multifamily starts are notably volatile on a monthly basis, and December's performance is a testament to that. Hurricane-rebuilding efforts added an extra layer of noise to multifamily construction, highlighted by activity in the South more than doubling from November to December, driving 75% of the overall national increase. Following trend improvement in permits in the second half of 2024, single-family starts rose for the second straight month, up 1.6%. Single-family permits climbed for the third consecutive month, though the increase was largely concentrated in the South, boosted from hurricane-rebuilding efforts. Home builders completed 1.628M units in 2024, up 12.4% from 2023 and the highest since 2006. Encouragingly, housing completions are adding to the housing stock, though not by enough to keep pace with demand.

For January, we look for partial retracement in activity with total housing starts decreasing 6.6% to a 1,400K annualized unit pace. The NAHB Housing Market Index has risen in four of the past five months as of January as builders remain reasonably optimistic about the outlook. This optimism can be owed to anticipation of reduced regulation and a continued solid labor market, and overall economic activity that would underpin future home sales and increased buyer traffic.

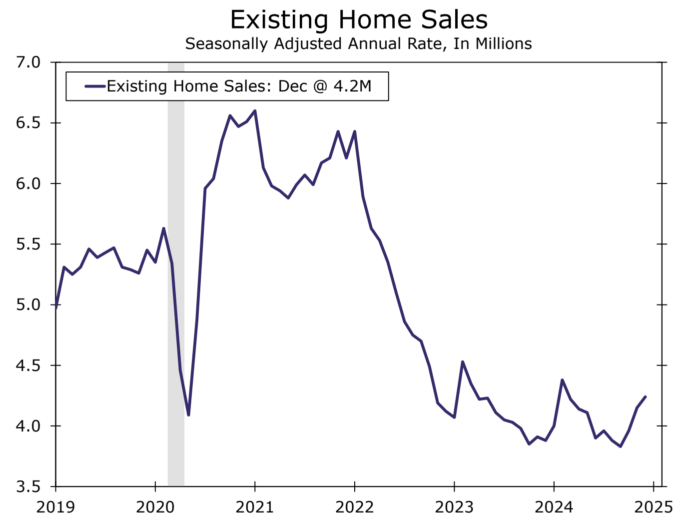


Source: U.S. Department of Commerce and Wells Fargo Economics

Existing Home Sales • Friday

Like housing starts, existing home sales ended 2024 on a positive note, with total resales rising 2.2% in December, marking the third consecutive gain. The last time resales rose three months in a row was in late 2021, before the Federal Reserve started raising the federal funds target rate. The recent upturn looks to be the result of slightly better affordability conditions in the second half of last year, namely lower mortgage rates. While encouraging, existing home sales in December remain 20% lower than the average pace set in 2019. The annual pace of existing homes for all of 2024 was 4.06 million units, marking its lowest level since 1995.

For January, we look for total existing home sales to decline 2.6% to a 4.13 million unit annualized rate. The forward-looking pending home sales index—which typically leads resales by about a month—fell by 5.5% in December, reflecting, in part, the roughly 75 bps rise in mortgage rates since September. We are cautiously optimistic that last year marked a low point for existing home sales and anticipate the recent momentum will extend into 2025. A constructive macroeconomic backdrop should remain a tailwind, with sturdy employment and income growth encouraging home buying and selling. That said, persistent affordability challenges, including elevated mortgage rates and home prices, will remain a tight constraint on activity.



Source: NAR and Wells Fargo Economics

(Return to Summary)

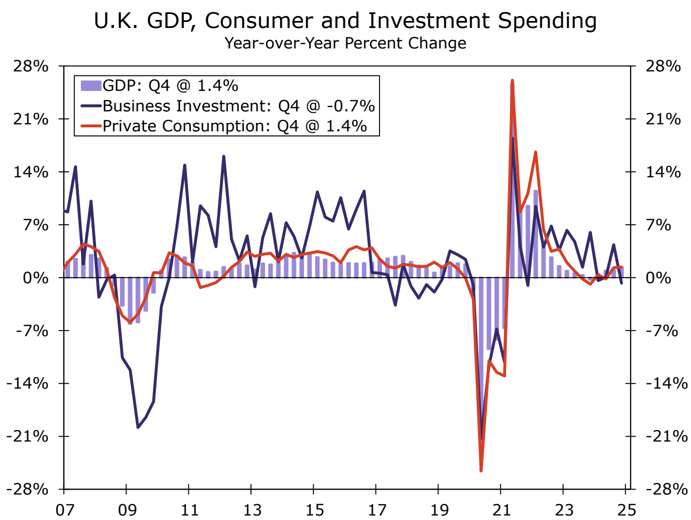
International Review

Global Economic Activity and Price Data Are in the Air

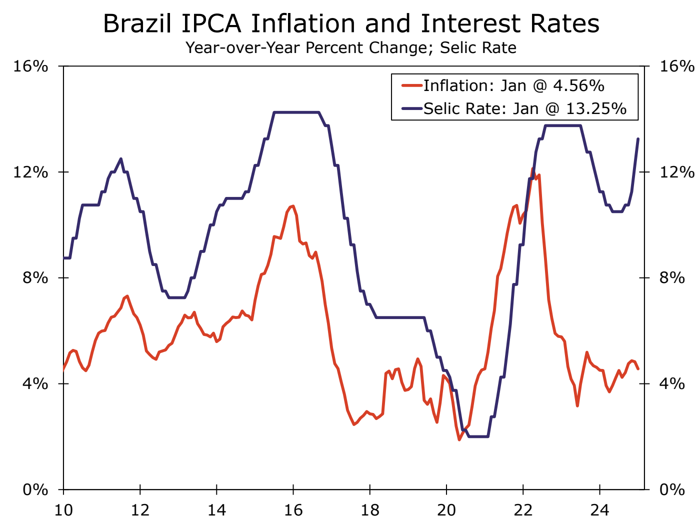
This week, we got economic activity and price data from a variety of advanced and emerging economies. To start off with the United Kingdom, fourth quarter GDP data confirmed that the economy was essentially at a standstill in the second half of last year. This latest GDP report showed the U.K. economy growing a meager 0.1% quarter-over-quarter, following a flat Q3 outcome. Looking into the details of the report, we also come away underwhelmed. Consumer spending was unchanged quarter-over-quarter and business investment fell 3.2%. Exports also fell 2.5%. The modest growth we did see was primarily driven by government spending. The monthly GDP report for December on the other hand offered a bit of a bright spot, with GDP growth of 0.4% month-over-month and gains in industrial production and services. Overall, we are somewhat downbeat on the prospects for the U.K. economy, and this plays into our monetary policy expectations for the Bank of England (BoE) rate decisions going forward. Given slower U.K. growth momentum and the potential for downside risks to growth from less supportive fiscal policy and global uncertainty, even with a mixed inflation picture, our view remains for the BoE to continue with a 25 bps per quarter rate cut pace. We expect 25 bps policy rate reductions in May, August, November and February, with the policy rate expected to reach a low of 3.50% by early 2026. For further reading, please see our recent report.

This week also saw the release of GDP data from Norway. The economy as a whole contracted 0.6% quarter-over-quarter, the second consecutive quarter of an activity downturn for the country's economy. Of more interest to market participants was the “mainland” GDP growth reading, which excludes petroleum activities and ocean transport. Mainland GDP also contracted, by 0.4% quarter-over-quarter, against expectations for a 0.3% gain. Unlike with the headline measure, this was the only contraction posted for 2024, suggesting a mild slowing in the Norwegian economy to close out last year. Within the details of the mainland figure, consumer spending was flat over the quarter and gross fixed capital formation fell 0.9%. In other economic news from Norway this week, we got the January CPI report. Headline inflation came in a touch hotter than expected at 0.2% month-over-month or 2.3% year-over-year. Underlying inflation told a similar story, rising 0.1% over the month against expectations for deflation of the same pace, and accelerating to 2.8% year-over-year against expectations for mild disinflation. With this being said, in our view these inflation figures are merely indicative of a bump in the road back to the Norges' Bank 2% target, rather than a serious sticking point. Inflation surprised to the downside in December, and inflation still generally appears to be continuing its journey back to target. All told, given overall progress on inflation and softening economic growth, we maintain our view for Norges Bank policymakers to initiate an easing cycle with a 25 bps rate cut at their March meeting, as they have signaled. As policymakers continue to monitor domestic inflation and growth and global trade developments, we suspect they will take a somewhat measured approach to easing and look for them to lower rates by 25 bps each quarter through mid-2026.

In Switzerland, the January CPI report showed headline inflation coming in on consensus at 0.4% year-over-year, while core inflation surprised to the upside at 0.9%. The Swiss National Bank's (SNB) inflation target is 0%-2%, so both readings still came in below the midpoint of this target range. Given a continued easing in headline inflation, paired with core inflation that has still continued to generally slow since 2023, we look for another 25 bps rate cut from SNB policymakers at their upcoming meeting in March. Such a move would take the policy rate to 0.25%.



Source: Datastream and Wells Fargo Economics



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

In the emerging economies, Brazil released inflation data for January. While price growth did slow a touch more than expected to 4.56% year-over-year, it still remains above the Brazilian Central Bank's (BCB) inflation target of 3% +/- 1.5%. This marks the fourth consecutive month that Brazil's inflation has come in above the upper bound of this target range. In terms of monetary policy implications, this inflation data is in our view consistent with our outlook for further monetary policy tightening from the BCB this year. We wrote in a recent report that we would characterize Brazil as having "no room" to ease monetary policy, and indeed in Brazil's case it has embarked on a pronounced tightening cycle. For Brazil, it comes down to a story of still-elevated inflation, unanchored inflation expectations, solid economic growth momentum and concerns surrounding a less disciplined outlook for fiscal policy. As such, we look for the BCB to raise its Selic Rate by another 200 bps this year, to 15.25% by mid-2025.

(Return to Summary)

International Outlook

Weekly International Indicator Forecasts					
Date	**Indicator**	**Period**	**Consensus**	**Wells Fargo**	**Prior**
17-Feb	Japan GDP (QoQ, Annualized)	Q4	1.1%	—	1.2%
18-Feb	Reserve Bank of Australia Rate Decision	18-Feb	4.10%	4.10%	4.35%
21-Feb	Eurozone Manufacturing PMI	Feb	47.0	—	46.6
21-Feb	Eurozone Services PMI	Feb	51.5	—	51.3

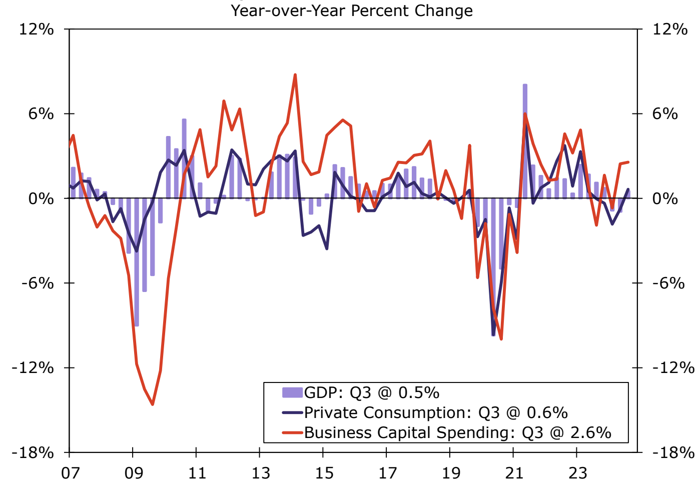
Forecast as of February 14, 2025

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

Japan GDP • Monday

Next week will see the release of Japan's fourth quarter GDP growth data, providing insight into how the country's economy fared at the end of last year. Consensus economists expect to see GDP growth of 1.1% quarter-over-quarter annualized, which, if realized, would generally match the pace of growth seen in the third quarter. In addition to the headline figure, we will also see how some underlying economic drivers such as consumer spending and business investment evolved; an improvement in consumer spending could bolster market participants' confidence in the sustainability of the Japanese economic recovery.

In terms of monetary policy implications, if next week's growth numbers show a continued and steady economic recovery, this would, in our view, boost the case for additional Bank of Japan (BoJ) policy rate hikes this year. Steady and improving economic growth, when paired with the outlook for underlying inflation to remain at or above the central bank's 2% target in the medium term—as policymakers published in their recently updated forecasts at their latest monetary policy announcement—provide a reasonable case for additional policy normalization, in our view. We see the BoJ lifting its policy rate by 25 bps at its April and July meetings, to reach a policy rate of 1.00%.

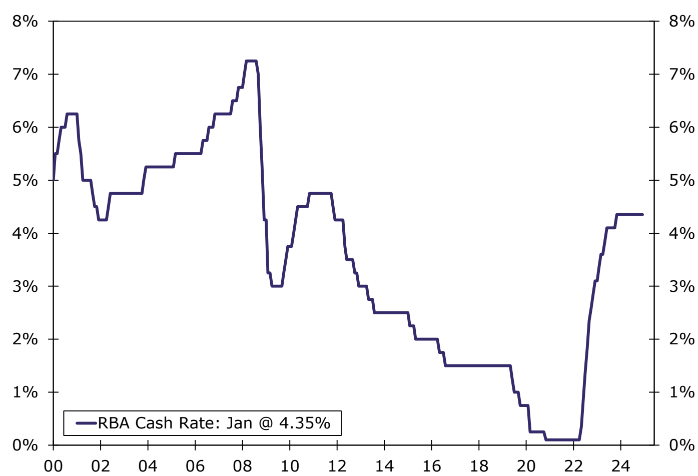


Source: Datastream and Wells Fargo Economics

Reserve Bank of Australia Policy Rate • Tuesday

When Reserve Bank of Australia (RBA) policymakers meet next week, we expect them to initiate an easing cycle with a 25 bps rate cut to 4.10%. Consensus economists also anticipate this move, which would mark the end of a rate pause that lasted more than a year.

While RBA policymakers have maintained a hawkish stance on the inflation outlook during much of this extended rate pause, recent inflation data, in our view, will give them reason to finally turn toward monetary easing. The December and fourth quarter CPI inflation data were noticeably benign. Trimmed mean inflation in December, a closely-watched measure of underlying price pressures, eased to 2.7% year-over-year from 3.2% previously. Looking at the fourth quarter figures, both headline and underlying inflation eased more than expected to close out 2024. Headline inflation slowed to 2.4% year-over-year in Q4, and while trimmed mean inflation was still slightly above the central bank's 2%-3% inflation target at 3.2% year-over-year, a look at how the quarter-over-quarter version of the measure has slowed noticeably suggests that underlying inflation may actually already be trending in line with target when assessed over a shorter timeframe. Overall, we think this inflation data will tip policymakers to initiate an easing cycle next week. We look for 25 bps rate cuts at the February, May, August and November meetings this year.



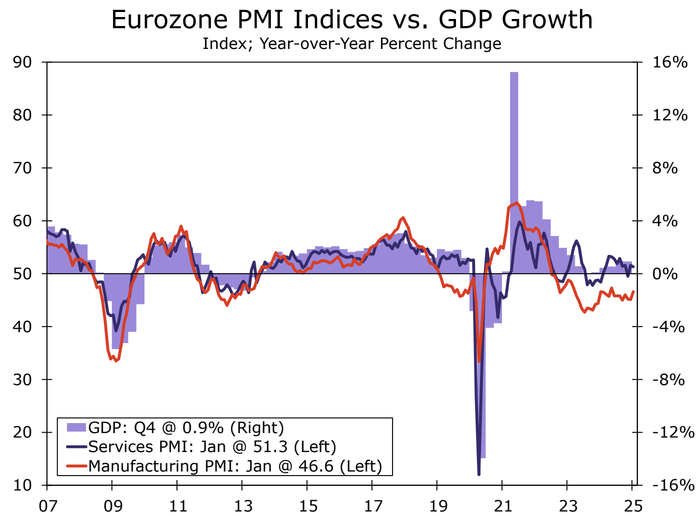
Source: Bloomberg Finance L.P. and Wells Fargo Economics

Eurozone PMIs • Friday

In the press conference following the European Central Bank's (ECB) monetary policy decision in late January, President Lagarde stated that the risks to economic growth in the Eurozone were tilted to the downside. We have already seen some growth data from recent months that was mildly disappointing, with the fourth quarter GDP growth figures showing only modest growth. The Eurozone economy rose just 0.1% on a quarter-over-quarter basis, with France and Germany posting mild contractions.

Signs of an economic softening have also been apparent in the region's PMI figures. The manufacturing PMI has been in contraction territory—below 50.0—since mid-2022, and although the services PMI has been above 50 for much of that time, it is still subdued by historical standards and has been coming down in recent months. Next week will see the release of the February PMIs. Consensus economists expect the manufacturing PMI to tick up to 47.0 and the services PMI to increase slightly to 51.5.

In terms of our views on the monetary policy outlook for the European Central Bank, given the still-subpar growth outlook and overall progress on inflation, we remain generally dovish-leaning and look for 100 bps of further easing this year. Specifically, we see the ECB lowering its policy rate by 25 bps at each of its March, April, June and September meetings, to a Deposit Rate of 1.75%. (Return to Summary)



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

Interest Rate Watch

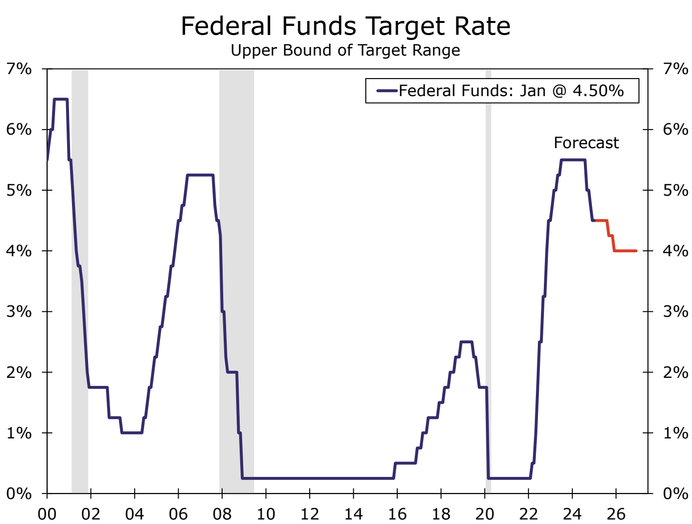
Mortgage Rates Likely Will Remain Elevated

Following our usual monthly cadence, we published our updated forecasts this week in our U.S. Economic Outlook. Notably, we did not make any changes to our outlook for U.S. monetary policy relative to the forecast we published in January. We continue to forecast the FOMC will keep its target range for the federal funds rate unchanged at its current level of 4.25%-4.50% at the next few policy meetings (chart). We look for the Committee to cut rates by 25 bps at its meeting on Sept. 17 and again on Dec. 10 before keeping policy unchanged throughout 2026. The policy easing that we project for later this year is conditional on our assumptions about U.S. trade policy. Although tariffs should impart a modest rise in inflation, they likely will weigh on economic growth as well. As the unemployment rate ticks higher, we think the Committee will begin to place more weight on the "full employment" side of its dual mandate and cut rates by 50 bps to guard against the downside risk of possible recession.

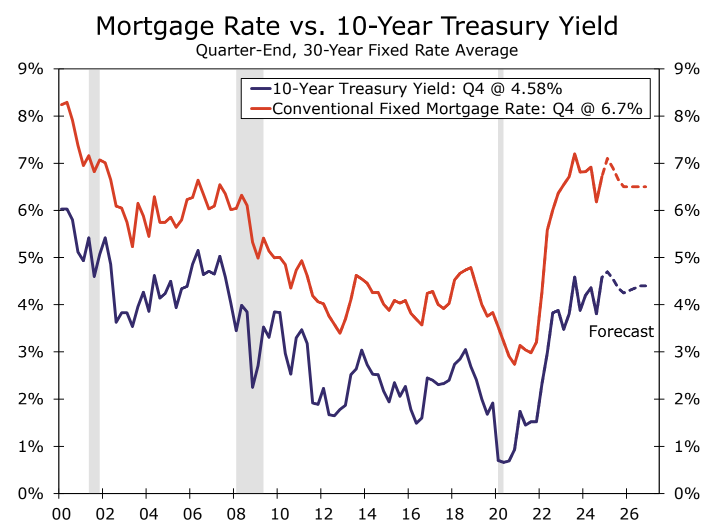
In addition, we did not make any changes to our forecast for the yield on the benchmark 10-year U.S. Treasury note. Although this rate applies only to the 10-year debt issuance of the U.S. Treasury Department, many other long-term interest rates, including the 30-year fixed rate mortgage, are generally set as some spread over this benchmark borrowing rate. As shown in the following chart, the 10-year Treasury rate and the 30-year fixed rate mortgage are highly correlated. During the past decade, the 30-year fixed rate mortgage generally fluctuated in a range of 100 bps to 200 bps above the 10-year Treasury rate, but that spread has consistently exceeded 200 bps over the past few years.

Looking forward, we forecast that the yield on the 10-year Treasury note will drift a bit lower from its current rate of roughly 4.50% to about 4.25% by the end of the year, and that the spread between the 30-year fixed rate mortgage and the 10-year Treasury security will compress by about 20 bps or so. Accordingly, we look for the 30-year fixed rate mortgage to recede from a bit under 7% at present to roughly 6.50% by the end of 2025 (chart). But in the context of the past two decades, this benchmark mortgage rate likely will remain elevated. As we have written elsewhere, we believe that elevated mortgage rates will continue to exert headwinds on the housing market. Indeed, we forecast that housing starts will total 1.35 million units in 2025, which is essentially flat relative to last year and down more than 15% from the recent high of 1.60 million units in 2021 when the 30-year fixed rate mortgage averaged about 3%.

(Return to Summary)



Source: Federal Reserve Board and Wells Fargo Economics



Source: U.S. Department of the Treasury, Freddie Mac and Wells Fargo Economics

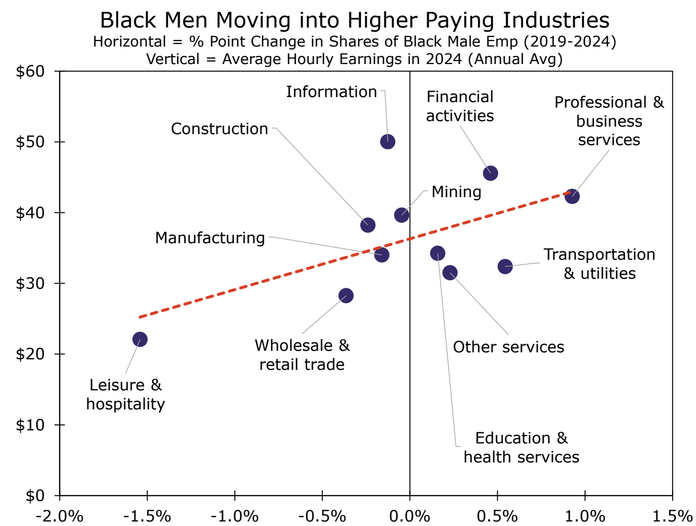
Topic of the Week

The Rising Tide of Employment Among Black Men

We took a fresh look at educational and labor market developments within the Black community in commemoration of Black History Month this February. Although racial gaps persist in employment, education and earnings, we find that Black & African Americans have made meaningful economic progress over the past five years.

Recent advancements stem from an uptick in labor force participation. At the end of 2024, the labor force participation rate of Black & African Americans stood around 50 bps above its pre-pandemic level on a 12-month moving average basis. Digging deeper, the Black male labor force participation rate is currently at a 16-year high of 66%. For the broader population, this metric fell by nearly a full percentage point during that same time.

Black men who have joined the labor force have been largely successful finding jobs. The number of employed Black men rose by 9% from February 2020 to December 2024, an increase of more than 800K. These employment gains have kept the Black unemployment rate at a near-historic low (6.1% in December) despite a substantial increase in the labor force. Black men also appear to be self-selecting into higher-paying industries. The share of Black men employed in professional & business services, transportation & utilities and financial activities rose from 2014 to 2019. Meanwhile, the proportion in lower-paying sectors like leisure & hospitality, wholesale & retail trade, construction and manufacturing fell. These industry shifts are correlated with improvements in both the high school and college graduation rates of Black students. The share of Black men with a bachelor's degree or higher rose from 21% in 2015 to 27% in 2024.



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

This progress deserves to be celebrated. But we would be remiss to ignore the challenges still facing Black & African Americans. Black & African American employment tends to fluctuate more heavily with the business cycle, leaving the community especially vulnerable in the case of a downturn. Recent employment diversification away from cyclically sensitive industries like leisure & hospitality may reduce these effects somewhat, but they are unlikely to go away entirely. In addition, a pay gap still exists for both Black men and women, whether data are examined at the individual or household level. Structural changes would likely be needed to fully and sustainably close these gaps. That said, stricter immigration policy and a slower pace of American population growth over the next few years will likely be supportive of additional gains in Black & African American employment.

(Return to Summary)

Market Data • Mid-Day Friday

U.S. Interest Rates

	Friday 2/14/2025	1 Week Ago	1 Year Ago
SOFR	4.33	4.36	5.31
Effective Fed Funds Rate	4.33	4.33	5.33
3-Month T-Bill	4.32	4.33	5.38
1-Year Treasury	4.28	4.20	4.94
2-Year Treasury	4.25	4.29	4.58
5-Year Treasury	4.32	4.35	4.24
10-Year Treasury	4.46	4.49	4.26
30-Year Treasury	4.68	4.69	4.43
Bond Buyer Index	4.25	4.06	3.54

Foreign Exchange Rates

	Friday 2/14/2025	1 Week Ago	1 Year Ago
Euro ($/€)	1.050	1.033	1.073
British Pound ($/₤)	1.261	1.240	1.257
British Pound (₤/€)	0.833	0.833	0.854
Japanese Yen (¥/$)	152.260	151.410	150.580
Canadian Dollar (C$/$)	1.416	1.429	1.354
Swiss Franc (CHF/$)	0.898	0.910	0.886
Australian Dollar (US$/A$)	0.636	0.627	0.649
Mexican Peso (MXN/$)	20.296	20.564	17.088
Chinese Yuan (CNY/$)	7.255	7.295	7.194
Indian Rupee (INR/$)	86.833	87.428	83.029
Brazilian Real (BRL/$)	5.718	5.809	4.974
U.S. Dollar Index	106.726	108.040	104.723

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

Foreign Interest Rates

	Friday 2/14/2025	1 Week Ago	1 Year Ago
3-Month German Govt Bill Yield	2.37	2.37	3.76
3-Month U.K. Govt Bill Yield	4.47	4.49	5.24
3-Month Canadian Govt Bill Yield	2.84	2.86	5.01
3-Month Japanese Govt Bill Yield	0.30	0.32	-0.12
2-Year German Note Yield	2.11	2.05	2.73
2-Year U.K. Note Yield	4.19	4.17	4.58
2-Year Canadian Note Yield	2.71	2.70	4.26
2-Year Japanese Note Yield	0.80	0.80	0.14
10-Year German Bond Yield	2.43	2.37	2.34
10-Year U.K. Bond Yield	4.50	4.48	4.04
10-Year Canadian Bond Yield	3.09	3.08	3.56
10-Year Japanese Bond Yield	1.36	1.30	0.75

Commodity Prices

	Friday 2/14/2025	1 Week Ago	1 Year Ago
WTI Crude ($/Barrel)	71.27	71.00	76.64
Brent Crude ($/Barrel)	75.21	74.66	81.60
Gold ($/Ounce)	2905.21	2861.07	1992.33
Hot-Rolled Steel ($/S.Ton)	775.00	755.00	926.00
Copper (¢/Pound)	467.85	458.90	370.00
Soybeans ($/Bushel)	10.20	10.40	11.94
Natural Gas ($/MMBTU)	3.75	3.31	1.61
Nickel ($/Metric Ton)	15,163	15,594	16,005
CRB Spot Inds.	564.42	553.63	542.88

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
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	Senior Economist	212-214-8984	Charles.Dougherty@wellsfargo.com
Michael Pugliese	Senior Economist	212-214-5058	Michael.D.Pugliese@wellsfargo.com
Brendan McKenna	International Economist	212-214-5637	Brendan.Mckenna@wellsfargo.com
Jackie Benson	Economist	704-410-4468	Jackie.Benson@wellsfargo.com
Shannon Grein	Economist	704-410-0369	Shannon.Grein@wellsfargo.com
Nicole Cervi	Economist	704-410-3059	Nicole.Cervi@wellsfargo.com
Jeremiah Kohl	Economic Analyst	212-214-1164	Jeremiah.J.Kohl@wellsfargo.com
Aubrey Woessner	Economic Analyst	704-410-2911	Aubrey.B.Woessner@wellsfargo.com
Delaney Conner	Economic Analyst	704-374-2150	Delaney.Conner@wellsfargo.com
Anna Stein	Economic Analyst	212-214-1063	Anna.H.Stein@wellsfargo.com
Ali Hajibeigi	Economic Analyst	212-214-8253	Ali.Hajibeigi@wellsfargo.com
Coren Miller	Administrative Assistant	704-410-6010	Coren.Miller@wellsfargo.com

Required Disclosures

This report is produced by the Economics Group of Wells Fargo Bank, N.A. (“WFBNA”). This report is not a product of Wells Fargo Global Research and the information contained in this report is not financial research. WFBNA distributes this report directly and through affiliates including, but not limited to, Wells Fargo Securities, LLC, Wells Fargo & Company, Wells Fargo Clearing Services, LLC, Wells Fargo Securities International Limited, Wells Fargo Securities Europe S.A., and Wells Fargo Securities Canada, Ltd. Wells Fargo Securities, LLC is registered with the Commodity Futures Trading Commission as a futures commission merchant and is a member in good standing of the National Futures Association. WFBNA is registered with the Commodity Futures Trading Commission as a swap dealer and is a member in good standing of the National Futures Association. Wells Fargo Securities, LLC and WFBNA are generally engaged in the trading of futures and derivative products, any of which may be discussed within this report. All reports published by the Economics Group are disseminated and available to all clients simultaneously through electronic publication to our public website. Clients may also receive our reports via third party vendors. We are not responsible for the redistribution of our reports by third-party aggregators. Any external website links included in this report are not maintained, controlled or operated by WFBNA. WFBNA does not provide the products and services on these websites and the views expressed on these websites do not necessarily represent those of WFBNA.

This publication has been prepared for informational purposes only and is not intended as a recommendation, offer or solicitation with respect to the purchase or sale of any security or other financial product, nor does it constitute professional advice. The information in this report has been obtained or derived from sources believed by WFBNA to be reliable, but has not been independently verified by WFBNA, may not be current, and WFBNA has no obligation to provide any updates or changes. All price references and market forecasts are as of the date of the report or such earlier date as may be indicated for a particular price or forecast. The views and opinions expressed in this report are those of its named author(s) or, where no author is indicated, the Economics Group; such views and opinions are not necessarily those of WFBNA and may differ from the views and opinions of other departments or divisions of WFBNA and its affiliates. WFBNA is not providing any financial, economic, legal, accounting, or tax advice or recommendations in this report. Neither WFBNA nor any of its affiliates makes any representation or warranty, express or implied, as to the accuracy or completeness of the statements or any information contained in this report, and any liability therefore (including in respect of direct, indirect or consequential loss or damage) is expressly disclaimed. WFBNA is a separate legal entity and distinct from affiliated banks, and is a wholly-owned subsidiary of Wells Fargo & Company.

Important Information for Non-U.S. Recipients
For recipients in the United Kingdom, this report is distributed by Wells Fargo Securities International Limited ("WFSIL"). WFSIL is a U.K. incorporated investment firm authorized and regulated by the Financial Conduct Authority (“FCA”). For the purposes of Section 21 of the UK Financial Services and Markets Act 2000 (the “Act”), the content of this report has been approved by WFSIL, an authorized person under the Act. WFSIL does not deal with retail clients as defined in the Directive 2014/65/EU (“MiFID2”). The FCA rules made under the Act for the protection of retail clients will therefore not apply, nor will the Financial Services Compensation Scheme be available. For recipients in the EFTA, this report is distributed by WFSIL. For recipients in the EU, it is distributed by Wells Fargo Securities Europe S.A. (“WFSE”). WFSE is a French incorporated investment firm authorized and regulated by the Autorité de contrôle prudentiel et de résolution and the Autorité des marchés financiers. WFSE does not deal with retail clients as defined in MiFID2. This report is not intended for, and should not be relied upon by, retail clients.

SECURITIES: NOT FDIC-INSURED - MAY LOSE VALUE - NO BANK GUARANTEE