Weekly — August 30, 2024

Weekly Economic & Financial Commentary

United States: **The Search for Clues Continues**

- Fed watchers are still on the lookout for clues on the size of the well-telegraphed September rate cut. This week's economic indicator lineup, which broadly beat expectations and reaffirmed a soft landing, provides limited insight. Next Friday's employment report will go a long way toward determining the actions taken by the FOMC at next month's meeting.
- Next week: ISM Manufacturing & Services (Tue. & Thu.), Employment (Fri.)

International: **Eyes On Global Monetary Policy Decisions Ahead as Summer Comes to a Close**

- It was a relatively light week for global economic data releases. Eurozone headline inflation slowed, while services price pressures remained persistent in August; we maintain our view for gradual European Central Bank rate cuts. A slight upside surprise in Australia inflation in July should keep RBA policymakers on hold until next year, in our view. Both Canada and Sweden released GDP reports that we view as consistent with a steady pace of rate cuts from the Bank of Canada and Riksbank through the end of 2024.
- Next week: China PMIs (Sat.), Bank of Canada Rate Decision (Wed.), Japan Labor Cash Earnings (Thu.)

Topic of the Week: **That Chill in the Air Means College Football Is Upon Us**

- Summer is winding down and fall is just around the corner. Before the leaves change color, temperatures dip and pumpkin spice finds its way into everything, what better way to mark the transition into autumn than to dive deep into the college football season and the regional economies the top teams call home?

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

Wells Fargo U.S. Economic Forecast

	Actual						Forecast		Actual		Forecast	
	2023				2024				2022	2023	2024	2025
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Real Gross Domestic Product [1]	2.2	2.1	4.9	3.4	1.4	3.0	2.1	1.3	1.9	2.5	2.6	1.9
Personal Consumption	3.8	0.8	3.1	3.3	1.5	2.9	2.3	1.0	2.5	2.2	2.2	1.7
Consumer Price Index [2]	5.7	4.0	3.6	3.2	3.2	3.2	2.7	2.5	8.0	4.1	2.9	2.3
"Core" Consumer Price Index [2]	5.5	5.2	4.4	4.0	3.8	3.4	3.2	3.0	6.2	4.8	3.3	2.5
Quarter-End Interest Rates [3]												
Federal Funds Target Rate[4]	5.00	5.25	5.50	5.50	5.50	5.50	5.00	4.25	2.02	5.23	5.06	3.56
Conventional Mortgage Rate	6.54	6.71	7.20	6.82	6.82	6.92	6.40	6.25	5.38	6.80	6.60	5.93
10 Year Note	3.48	3.81	4.59	3.88	4.20	4.36	3.80	3.70	2.95	3.96	4.02	3.63

Forecast as of: August 07, 2024 [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

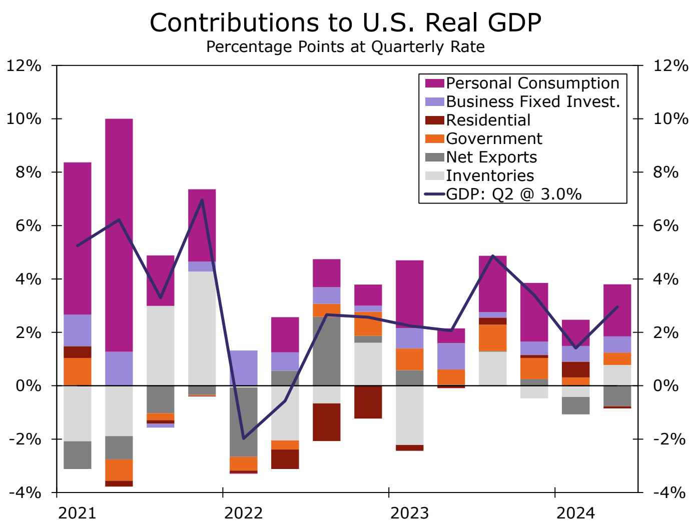
Please see our full U.S. Economic Forecast.

U.S. Review

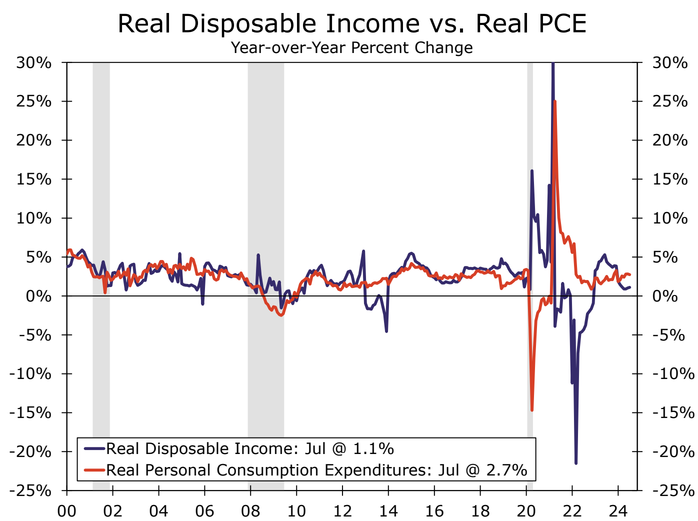
The Search for Clues Continues

While last week's high-octane schedule of Fed communications cemented expectations to the start of an easing cycle at next month's FOMC meeting, market participants and policy watchers are still on the lookout for clues and confidence as to the size of that well-telegraphed rate cut signal. Unfortunately, this week's economic indicator lineup, which broadly beat expectations and reaffirmed an economic soft landing, provides limited insight to that open question.

One of those indicator beats was the second look at Q2 GDP. Real GDP growth was revised up by two-tenths to a 3.0% annualized rate in the second quarter, reflecting a substantial upward revision to personal consumption expenditures (PCE) and partially offsetting downward revisions to business fixed investment, residential investment and government spending. Revisions to PCE were broad based across the goods and services components and make it less clear that the restrictive interest rate environment is poising a major impediment to household spending. In fact, the revised estimates point to ongoing resilience within the American consumer and sustained momentum for Q3 PCE.



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



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

To that point, today's personal income & spending report—the most pertinent indicator on the week to monetary policy revealed the third quarter is off to a compelling start. For July, personal income rose 0.3% on the month, reflecting a corresponding gain in wages & salaries. Personal spending increased 0.5% on a nominal basis, and real personal spending was up 0.4% on the month. On the inflation front, the broad narrative of continued disinflation remains unchanged. Both the headline and core PCE deflators matched expectations, rising 0.2% on the month and maintaining the year-over-year rates at 2.5% and 2.6%, respectively. The three-month annualized rates for the headline and core PCE deflators, at 0.9% and 1.7%, respectively, are now below their year-ago rates and suggest momentum continues to trend in an encouraging direction for the Fed.

Bottom line, July's performance sets up for continued solid spending growth in Q3 and furthers the narrative a soft landing may be achieved. That said, consumption growth is set to moderate over the remainder of the year and into 2025 amid a weakening labor market and slower wage growth. We continue to stress that household spending is heavily dependent on income growth, which is losing momentum. As we anticipate the labor market to moderate more significantly over the remainder of the year, we expect real disposable income growth to soften further, and bring with it a slower pace of consumer spending.

Elsewhere in the economy, advance durable goods orders surprise to the upside in July, as new orders surged 9.9% following a 6.9% contraction in June. The gain was primarily driven by civilian aircraft, as orders excluding transportation slipped 0.2% on the month. Softness was broad based and points to a sluggish environment for capital expenditures in the near term. Looking ahead, we suspect a rebound in capital expenditures is coming as policymakers embark on a rate-cutting cycle. However, it will take some time for the accommodation of lower interest rates to filter through to the real economy and underpin greater broad-based order demand.

Monetary Policy Focus Decisively Turns Toward the Labor Market

Unless there is an outsized move in activity or inflation, Fed officials are increasingly focusing on the labor market as they evaluate the appropriate level for monetary policy. Last week at the Jackson Hole gathering, Chair Powell firmly emphasized the Fed's tolerance for labor market cooling had reached its limit and any further weakness would be "unwelcomed." Therefore, any updates received on that front, including weekly initial jobless claims, employment components from business and consumer surveys, and the nonfarm employment report will be key measures to monitor for guidance in regard to the cadence and magnitude of anticipated rate cuts.

While this week's performance did little to change the monetary policy calculus, the coming week brings a top-tier set of data releases that may cement expectations for the Sept. 18 FOMC meeting (see our U.S. Outlook section). If realized, further labor market weakness resulting from softening monthly payroll figures and a rising unemployment rate would likely boost the roughly one-in-three chance the market is pricing in for a 50 bps cut next month. A payroll rebound and lower unemployment rate, however, would likely suggest the Fed does not have to act boldly, with expectations solidifying further on a more measured 25 bps cut. Either way, next Friday's employment report—along with the release of August CPI/PPI in the following week—will go a long way toward determining the actions taken and signals sent by the FOMC at next month's policy meeting.

(Return to Summary)

U.S. Outlook

Weekly Domestic Indicator Forecasts

Date	Indicator	Period	Consensus	Wells Fargo	Prior
3-Sep	ISM Manufacturing Index	Aug	47.5	48.0	46.8
3-Sep	Construction Spending (MoM)	Jul	0.1%	0.2%	-0.3%
4-Sep	Trade Balance	Jul	-$78.5B	-$79.1B	-$73.1B
4-Sep	Factory Orders	Jul	4.6%	4.1%	-3.3%
4-Sep	Total Vehicle Sales	Aug	15.4M	15.6M	15.8M
5-Sep	Nonfarm Productivity	Q2 F	2.4%	2.5%	2.3%
5-Sep	Unit Labor Costs	Q2 F	0.9%	0.8%	0.9%
5-Sep	ISM Services Index	Aug	50.9	51.0	51.4
6-Sep	Nonfarm Payrolls	Aug	163K	145K	114K
6-Sep	Unemployment Rate	Aug	4.2%	4.2%	4.3%
6-Sep	Average Hourly Earnings (MoM)	Aug	0.3%	0.3%	0.2%

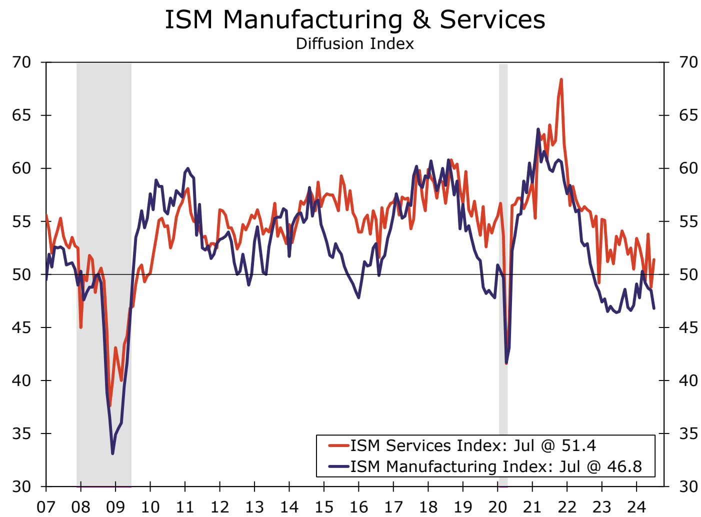
Forecast as of August 30, 2024

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

ISM Manufacturing & Services • Tuesday & Thursday

July's ISM manufacturing index painted a grim picture of the factory sector continuing to struggle under the weight of elevated borrowing costs and the uncertain economic and political backdrop ahead. The composite index sank further into contraction territory, and, at 46.8, landed in spitting distance to its lowest levels of the past three years. While the regional Fed manufacturing surveys' measures of hiring remained in the doldrums in August, firmer current production, a pickup in new orders and lengthening supplier delivery times point to the ISM manufacturing composite index rebounding modestly to 48.0.

In contrast to July's manufacturing reading, the ISM services survey indicated conditions outside the factory sector improved last month. The headline index moved back into expansion territory amid hefty increases in business activity, new orders and employment. Yet, a further gain in August looks like it will be more difficult to come by, as regional Fed surveys point to overall service sector activity continuing to move sideways and hiring slowing sharply. We look for the ISM services index to edge back to 51.0 in August.

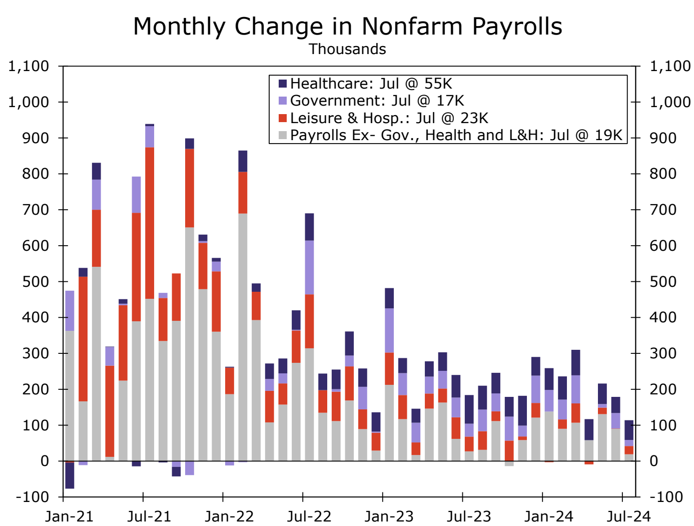


Source: Institute for Supply Management and Wells Fargo Economics

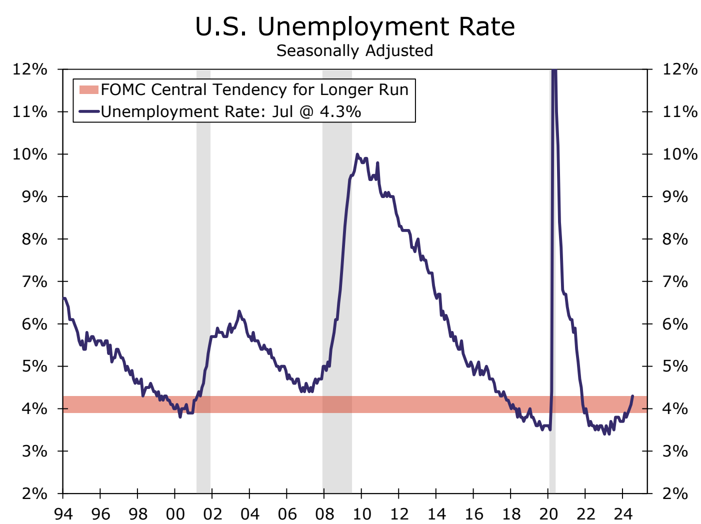
Employment • Friday

The July jobs report fired a warning shot that the widespread weakening in labor market indicators —to which payrolls until recently seemed immune—should not be ignored. July's 114K increase in nonfarm employment came in well short of expectations, with yet another narrowly driven increase and downward net revision to the prior two months' hiring figures. Even more eye-catching was the unemployment rate's rise to 4.3%, which pushed the increase in the jobless rate over the past year above the Sahm Rule threshold historically associated with a recession.

The Employment Situation for August will be imperative in determining if the rapid deterioration in employment conditions indicated by last month's report was merely noise—possibly amplified by the landfall of Hurricane Beryl during the survey week—or a signal that the jobs market is struggling to maintain traction. We expect it to lean toward the latter, with only a partial rebound in hiring and partial reversal of the unemployment rate's July increase.



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



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

We look for payroll employment to have expanded by 145K in August. If assuming the downward trend in the monthly revisions pauses, that would leave employment growth running below the prior three-month average of 170K as well as below the 12-month average of 178K through March implied by the preliminary benchmark estimate. While layoffs remain low, the decline in the gross hiring rate to more than a 10-year low shows businesses remain reluctant to add *new* workers. Flimsier demand for additional workers has been evident in the ongoing slide in temporary help employment, declining regional Fed employment PMIs and a downward trend in job openings.

The unemployment rate likely edged back to 4.2% in August after a pop in temporary layoffs last month that accounted for 15 bps of the 20 bps rise in the jobless rate. However, even if the unemployment rate falls back as far as 4.0% in August, it would still leave the Sahm Rule indicator at its recession threshold of 0.50, underscoring the worsening trend in labor conditions when looking beyond month-to-month changes. While average hourly earnings growth is likely to pick up slightly in August—advancing 0.3% over the month and 3.7% over the past year by our estimates—the loosening in labor market conditions is likely to keep the trend in earnings growth moderating ahead.

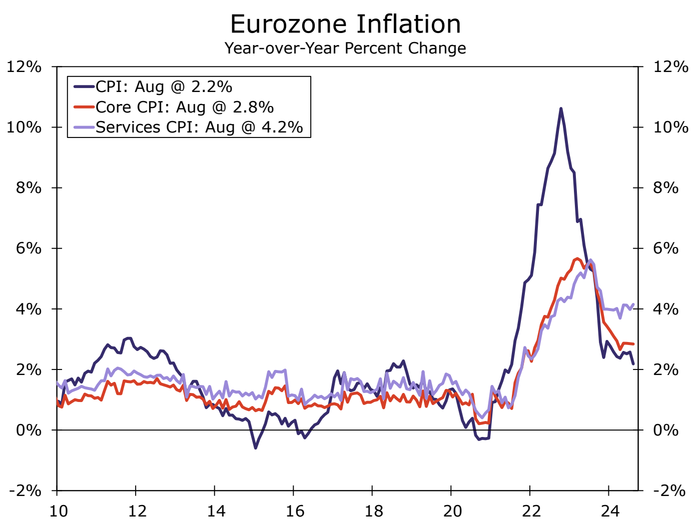
With Fed officials feeling more confident in inflation's path back to 2% and most gauges of the jobs market having already returned to their pre-pandemic levels, the August Employment Situation will be key in determining how much the FOMC may cut rates at its Sept. 18 meeting. Recent public comments indicate few Fed officials see the need for a 50 bps reduction at their next meeting amid decent consumer spending and stable layoffs. This suggests to us that the key metrics in Friday's jobs report—headline payrolls and the unemployment rate—will need to come in weaker than their July readings for the FOMC to commence its upcoming cutting cycle with a 50 bps move. (Return to Summary)

International Review

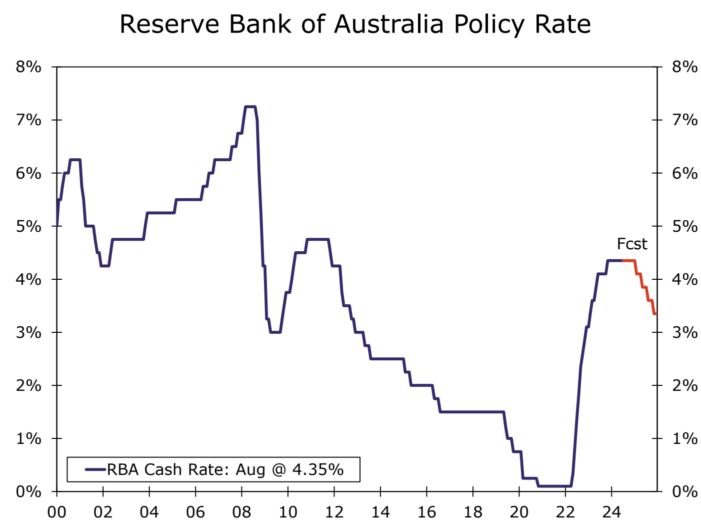
Eyes On Global Monetary Policy Decisions Ahead as Summer Comes to a Close

It was a somewhat light week for global economic data releases, and we are looking ahead to both fall and the evolution of global central bank monetary policy in the months ahead. In the meantime, this week saw the release of GDP growth and inflation data from several G10 economies. Starting with the Eurozone, we believe August inflation data will keep the European Central Bank (ECB) on track for a gradual pace of rate cuts in the coming months. Headline CPI inflation came in on consensus at 2.2% year-over-year, a slowing from 2.6% previously. Core inflation ticked down slightly to 2.8%. Looking into the details, services inflation—which has been an area of concern for ECB policymakers —ticked up to 4.2% over the year. Taken together, we believe the continued progress on headline and core inflation, when paired with lingering price pressures in the services sector, will lead ECB officials to feel comfortable lowering their policy rates further but remain cautious. To that end, we forecast the central bank to reduce its policy rate by 25 bps at its September and December meetings this year, for an end-2024 Deposit Rate of 3.25%. Beyond that, we see a 25 bps per quarter pace of rate cuts in 2025, which would see the Deposit Rate end next year at 2.25%.

Australia's July CPI inflation figures were also released this week. Headline CPI inflation was a slight upside surprise, slowing by less than expected to 3.5% year-over-year in July from 3.8% in June. Looking into the details, price pressures for food and recreation accelerated last month, while housing, transportation and rent costs moderated. A measure of underlying price pressures, trimmed mean inflation, slowed to 3.8% from 4.1% previously, a still somewhat elevated rate of price growth. In addition, services inflation has yet to come off the burner, having sped up to 4.4% year-over-year last month and showing an overall path of acceleration since the start of 2024. We view these data as consistent with Reserve Bank of Australia (RBA) policymakers remaining cautious as they contemplate the timing, and speed, of their monetary easing cycle. In our view, RBA officials will wait until February 2025 to lower the policy rate by 25 bps for the first time and will take a gradual 25 bps per quarter pace of rate cuts through the end of next year.



Source: Datastream and Wells Fargo Economics



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

This week also saw the release of economic growth data for major economies. In Canada, second quarter GDP growth surprised to the upside at 2.1% quarter-over-quarter annualized, also a slightly faster pace of expansion than the 1.8% seen in Q1. Looking into the details of the headline 2.1% figure, we see household consumption growth slowed, while business investment growth held steady. In addition, when looking at monthly GDP data, it looks as if growth momentum may have slowed at the end of the quarter, with June GDP growth coming in flat after a 0.1% monthly rise in May and 0.4% in April. A decent headline GDP growth reading paired with some less-than-impressive underlying details is consistent with our view for the Bank of Canada (BoC) to continue on a path of steady rate cuts through the end of this year. We see the BoC cutting its policy rate by 25 bps at its September, October and December meetings this year for an end-2024 policy rate of 3.75%.

We also got second quarter Sweden GDP data this week. While the headline figure was a mildly favorable surprise with a smaller-than-expected 0.3% contraction over the quarter, it still marks a partial reversal from the previous quarter's expansion, and the third GDP contraction in the past five quarters. Within the details of the report, household spending contracted mildly and business fixed investment fell. Other economic data from Sweden this week was somewhat mixed. July retail sales rose 0.5% month-over-month, following a 0.8% decline in June. The Economic Tendency Survey—which surveys both companies and households to gauge business and consumer sentiment—ticked down slightly to 94.7 in August. This reading is consistent with slower-than-average growth for Sweden's economy. Taken all together, we view this generally subdued economic data as in line with our forecast for a consistent pace of Riksbank rate cuts through the end of this year. We look for 25 bps rate cuts at the central bank's September, November and December meetings for an end-2024 policy rate of 2.75%.

(Return to Summary)

International Outlook

Weekly International Indicator Forecasts

Date	Indicator	Period	Consensus	Wells Fargo	Prior
31-Aug	China Manufacturing PMI	Aug	49.5	–	49.4
31-Aug	China Non-Manufacturing PMI	Aug	50.1	–	50.2
4-Sep	Bank of Canada Rate Decision	4-Sep	4.25%	4.25%	4.50%
5-Sep	Japan Labor Cash Earnings (YoY)	Jul	3.0%	–	4.5%

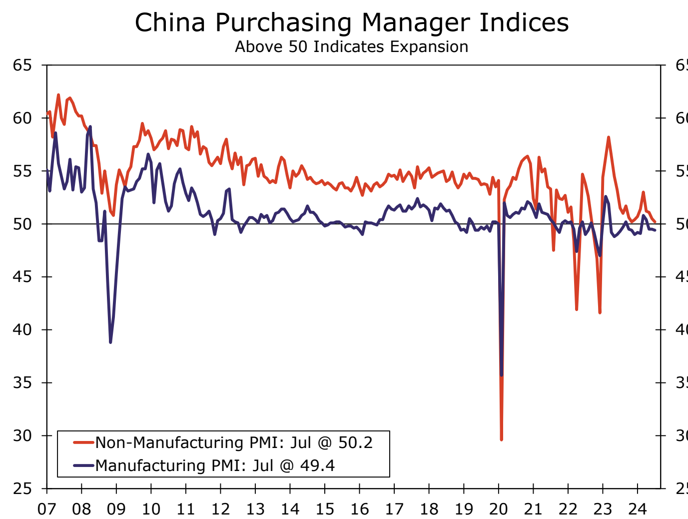
Forecast as of August 30, 2024

Source: Bloomberg Finance L.P and Wells Fargo Economics

China PMIs • Saturday

China's official August PMI figures coming out next week will provide timely insight into the state of the economy. Although GDP growth in China held up well in the first quarter of this year, it appears that that momentum may not have carried through, as second quarter GDP growth delivered a downside surprise. A variety of other economic data have also been somewhat underwhelming. Retail sales growth has remained subdued, and industrial production growth, in addition to slowing for the third straight month in July, is generally unimpressive by historical standards. In addition, the manufacturing and non-manufacturing PMIs surprised to the downside last month, with the former having now been below the 50 "breakeven" level for three months. In terms of the August PMI figures coming out next week, consensus economists expect the manufacturing and non-manufacturing indices to largely hold steady at 49.5 and 50.1, respectively.

If economic activity and sentiment data continue to be mildly subdued in China, this would be consistent with our view for the country's economy to slow down over the medium to longer term. While there has been discussion of further economic stimulus measures, we see several economic challenges—such as persistently low inflation or deflation, a struggling real estate sector and households' preference to save—as not conducive to domestic consumption. Geopolitical tensions can also limit the extent to which the Chinese economy can expand in the coming years. We see Chinese GDP growth of 4.8% this year, slightly undershooting the official "around 5%" target, and a further slowing to 4.5% growth in 2025.

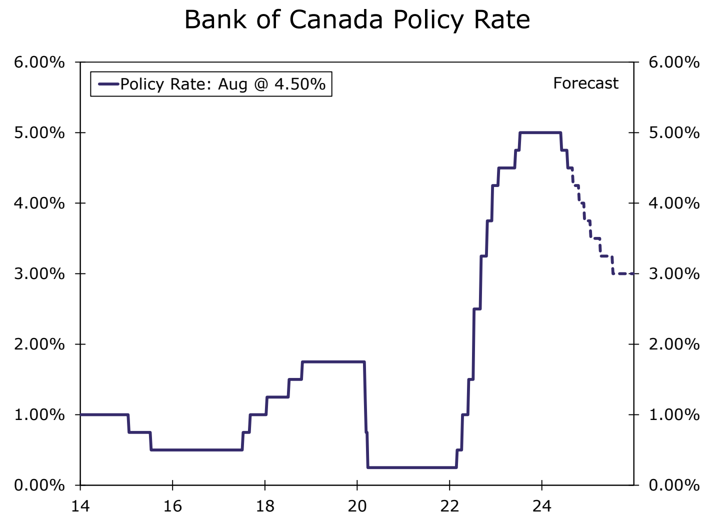


Source: Bloomberg Finance L.P. and Wells Fargo Economics

Bank of Canada Rate Decision • Wednesday

Next week, the Bank of Canada (BoC) will deliver its latest monetary policy decision. We—as well as consensus economists—expect to see a 25 bps policy rate cut to 4.25%.

There are several points of justification, in our view, for BoC policymakers to deliver their third consecutive quarter-point cut at next week's meeting. For one, the country's inflationary pressures have been quite well-behaved. Since the most recent BoC meeting at the end of July, the release of July CPI inflation figures reaffirmed inflation's slowing trend, in terms of both headline and underlying price pressures. Notably, the average of core inflation measures slowed by more than expected, to 2.6% year-over-year. Another reason for continued easing from the Bank of Canada, in our view, comes from the somewhat subdued pace of the Canadian GDP growth. And last, with our view for the Fed to embark on a somewhat aggressive easing cycle in September, we believe that, given the extensive economic linkages between the two economies, this will also help BoC policymakers feel comfortable delivering further rate cuts at a consistent pace through this year. In addition to our forecast for a 25 bps rate cut next week, we expect the BoC to deliver rate cuts of the same size at each of its subsequent meetings through the end of this year, for an end-2024 policy rate of 3.75%.

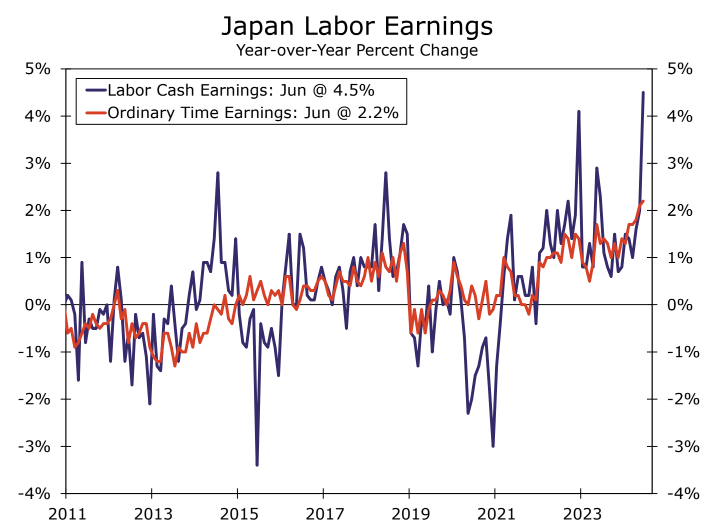


Source: Bloomberg Finance L.P. and Wells Fargo Economics

Japan Labor Cash Earnings • Thursday

Next week will see the release of Japan's monthly labor earning data for July. These data have taken on increased importance over the past year in the context of Bank of Japan (BoJ) monetary policy normalization, which has been in part justified by policymakers' expectations that a "virtuous" wage-price spiral can help the Japanese economy achieve sustainable on-target inflation. After Japan's labor unions secured a historically high average wage increase for fiscal year 2024 of 5.1% in this year's spring wage negotiations, attention has turned to how monthly wage figures are evolving following that milestone. June's earnings data delivered a notable upside surprise in headline, real and same-sample-base (which we believe is the BoJ's preferred measure) earnings. To be sure, some of the June increase appeared to be due to one-time payments, and some deceleration is likely in July. Even so, the consensus forecast for a 3.0% year-over-year increase in headline earnings would still be among the largest gains since the late 1990s. We suspect underlying earnings measures that exclude overtime and bonus pay could show a slight quickening as well.

In terms of BoJ monetary policy implications going forward, we wrote in our August International Economic Outlook that we believe the economic case for further BoJ policy normalization—namely, improving wage and economic growth dynamics and still-elevated inflation—is still in place, but market turmoil from earlier this month may encourage policymakers to take a gradual approach to raising interest rates. We look for the BoJ to raise the policy rate by 25 bps at its January and April 2025 meetings.



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

(Return to Summary)

Topic of the Week

That Chill in the Air Means College Football Is Upon Us

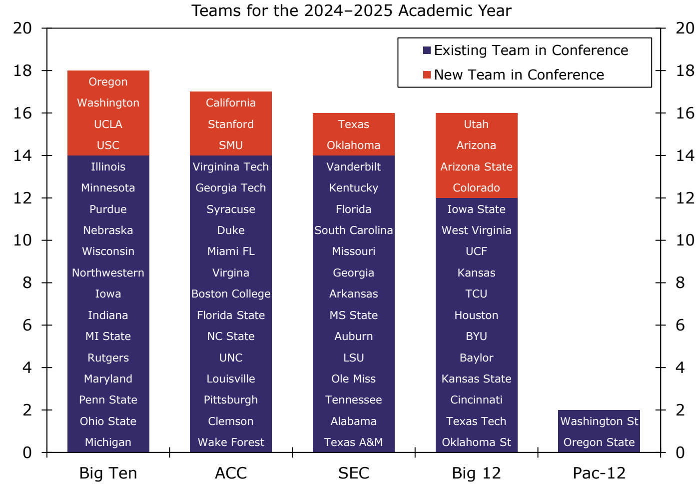
Summer is winding down and fall is just around the corner. Before the leaves change color, temperatures dip and pumpkin spice finds its way into everything, what better way to mark the transition into autumn than to dive deep into the college football season and the regional economies the top teams call home?

The 2024–2025 college football season kicked off in earnest on Thursday. No surprises with the first match-ups thus far; Missouri (ranked 11th in the AP Top 25) routed Murray State 51–0, Utah (12) overpowered Southern Utah 49–0, and Kansas (22) soundly defeated Lindenwood 48–3. The Carolina schools started out on the right foot, with N.C. State, Wake Forest and North Carolina pulling out wins, although UNC's victory over Minnesota was a nail-biter. The marquee games are set for Saturday, with Clemson (14) versus Georgia (1), New Mexico at Arizona (21), and Notre Dame (7) versus Texas A&M (20).

The sights and sounds of the games are a welcome familiarity; however, the conferences themselves look a little different. Oklahoma and Texas have left the Big 12 and joined the SEC, which is now 16 teams. Even with the loss of those two powerhouses, the Big 12 is still larger with the additions of Arizona, Arizona State, Colorado and Utah. Cal, SMU and Stanford now play under the ACC banner, and the Big Ten grows to 18 teams with the addition of Oregon, USC, UCLA and Washington. The Big Ten's growth comes largely at the expense of the Pac-12, which is now the “Pac-2” with just Oregon State and Washington State in the group.

The dwindling of the Pac-12 is mirrored by lackluster population growth on the Pacific Coast. In 2023, the populations of California and Oregon shrank, while Washington eked out a 0.4% gain. Despite the population outflow, Oregon's payroll growth has held firm this year. The Beaver State added 8.5K net payrolls in July, which was the strongest print since January 2023. Meanwhile, the labor force has expanded considerably, swelling 1.5% annually in July. Although labor force growth has pushed the state's unemployment rate to 4.1%, Oregon printed its first jobless rate below the national rate since June 2023.

Power Four and Pac-12 Conferences
Teams for the 2024–2025 Academic Year



Source: Wells Fargo Economics

Former residents of the Pacific Coast have flocked to the Mountain West and South Central regions of the country. Texas' economy, the powerhouse of the central United States, remains solid but has faced some recent challenges. Texas employers have shed payrolls in recent months, and July's outsized decline largely can be tied to Hurricane Beryl. Taking a step back, Texas has averaged 18.8K net new payrolls per month in 2024. Although employment mostly has been growing across the state, high interest rates have put a heavy burden on the technology sector. Growth in technology payrolls has slowed dramatically from the post-pandemic boom, dropping from 12.2% year-over-year in July 2022 to a much softer 1.2% growth rate in July 2024. The Austin tech sector has been hit even harder, reading in 1.6% year-over-year payroll declines.

Roughly 1,300 miles northeast of Austin along the I-70 East is Columbus, home to the Ohio State Buckeyes, who are currently ranked No. 2 in the AP Top 25. It's not just the football program that sits at the top of the rankings. As of 2022, Ohio State University and Medical Center employed over 35,600 employees, making it the fifth-largest employer in Ohio behind several large retailers and the Cleveland Clinic Foundation. The heavy concentration of education and healthcare jobs, which tend to be less sensitive to the business cycle, has provided the state economy with a bit of a cushion against weakening growth in the financial services, information and trade & transportation sectors.

The Buckeyes' rival, Michigan, is the defending national champ. Michigan took the crown from Georgia in a four-team playoff format that is set to be retired. This season, the playoffs will expand to 12 teams and afford more schools the opportunity to compete for the ultimate prize. For further analysis, please see *The Economics of College Football: 2024 Edition*. (Return to Summary)

Market Data • Mid-Day Friday

U.S. Interest Rates

	Friday 8/30/2024	1 Week Ago	1 Year Ago
SOFR	5.33	5.31	5.30
Effective Fed Funds Rate	5.33	5.33	5.33
3-Month T-Bill	5.11	5.13	5.45
1-Year Treasury	4.20	4.32	5.25
2-Year Treasury	3.90	3.92	4.89
5-Year Treasury	3.68	3.65	4.27
10-Year Treasury	3.87	3.80	4.11
30-Year Treasury	4.15	4.09	4.23
Bond Buyer Index	3.87	3.88	3.81

Foreign Exchange Rates

	Friday 8/30/2024	1 Week Ago	1 Year Ago
Euro ($/€)	1.107	1.119	1.092
British Pound ($/£)	1.314	1.321	1.272
British Pound (£/€)	0.842	0.847	0.859
Japanese Yen (¥/$)	145.620	144.370	146.240
Canadian Dollar (C$/$)	1.348	1.351	1.353
Swiss Franc (CHF/$)	0.849	0.848	0.879
Australian Dollar (US$/A$)	0.678	0.680	0.648
Mexican Peso (MXN/$)	19.652	19.111	16.740
Chinese Yuan (CNY/$)	7.090	7.121	7.287
Indian Rupee (INR/$)	83.871	83.900	82.730
Brazilian Real (BRL/$)	5.650	5.486	4.889
U.S. Dollar Index	101.463	100.718	103.157

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

Foreign Interest Rates

	Friday 8/30/2024	1 Week Ago	1 Year Ago
3-Month German Govt Bill Yield	3.19	3.22	3.60
3-Month U.K. Govt Bill Yield	4.98	4.98	3.92
3-Month Canadian Govt Bill Yield	4.17	4.22	5.13
3-Month Japanese Govt Bill Yield	0.11	0.11	-0.27
2-Year German Note Yield	2.39	2.37	3.07
2-Year U.K. Note Yield	4.10	3.68	5.24
2-Year Canadian Note Yield	3.32	3.23	4.65
2-Year Japanese Note Yield	0.37	0.38	0.03
10-Year German Bond Yield	2.28	2.23	2.55
10-Year U.K. Bond Yield	4.01	3.91	4.42
10-Year Canadian Bond Yield	3.13	3.03	3.58
10-Year Japanese Bond Yield	0.90	0.90	0.65

Commodity Prices

	Friday 8/30/2024	1 Week Ago	1 Year Ago
WTI Crude ($/Barrel)	73.86	74.83	81.63
Brent Crude ($/Barrel)	78.80	79.02	85.86
Gold ($/Ounce)	2508.42	2512.59	1942.32
Hot-Rolled Steel ($/S.Ton)	711.00	672.00	729.00
Copper (¢/Pound)	416.45	420.10	378.50
Soybeans ($/Bushel)	9.78	9.68	14.38
Natural Gas ($/MMBTU)	2.14	2.02	2.80
Nickel ($/Metric Ton)	16,776	16,666	20,486
CRB Spot Inds.	547.65	547.74	556.49

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 George	Economic Analyst	704-410-2911	Aubrey.B.George@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