

US Economics: The Week Ahead

Next Week's Highlights

Focus next week will be on the August employment report, ISM manufacturing, Conference Board consumer confidence, and on scheduled remarks from several FOMC voting members.

We expect job gains to slow to 300k in August after a surprising pickup in last month's report. Labor data continue to outperform other measures of growth, but lead indicators point to a modest slowdown towards a more sustainable pace of job gains. The unemployment rate is likely to remain sideways at its cycle-low of 3.5%.

We expect headline ISM manufacturing to slip into negative territory for August to 49.5.

We expect consumer confidence to continue declining, falling slightly to 95.0 from 95.7. Although gasoline prices have dropped sharply, the labor market has softened on the margin with job openings peaking and layoffs rising.

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Key Data and Events

	Credit Suisse estimates	Market estimates	Prior results
Tuesday, August 30			
10:00 AM Conf. Board Consumer Confid. (Aug)	94.0	97.5	95.7
11:00 AM Fed's Williams speaks on US economic outlook			
Wednesday, August 31			
8:00 AM Fed's Mester Discusses Economic Outlook			
Thursday, September 1			
10:00 AM ISM Manufacturing (Aug)	49.5	52.2	52.8
Friday, September 2			
8:30 AM Change in Nonfarm Payrolls (Aug)	300k	295k	528k
Change in Private Payrolls (Aug)	325k	280k	471k
Unemployment Rate (Aug)	3.5%	3.5%	3.5%
Average Hourly Earnings MoM (Aug)	0.3%	0.4%	0.5%
Average Hourly Earnings YoY (Aug)	5.2%	5.2%	5.2%

Source: Credit Suisse, the BLOOMBERG PROFESSIONAL™ service

Important Information

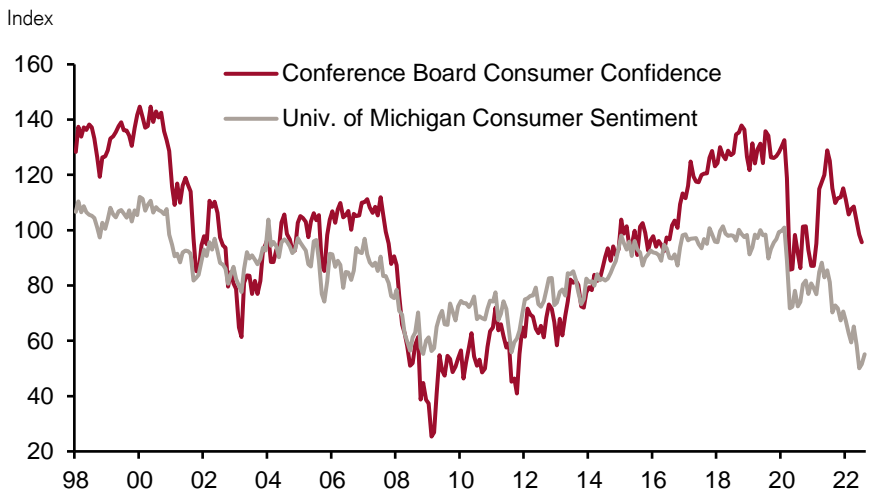
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Tuesday, August 30
10:00 AM

Conf. Board Consumer Confidence (Aug) Forecast: 94.0

We expect consumer confidence to continue declining, falling slightly to 95.0 from 95.7. Although gasoline prices have dropped sharply, the labor market has softened on the margin with job openings peaking and layoffs rising. The labor market differential is likely to decline as well. This would be the third consecutive month of decline for consumer confidence, but unlike UMich sentiment which has plummeted owing to elevated inflation, consumer confidence remains above recessionary levels.

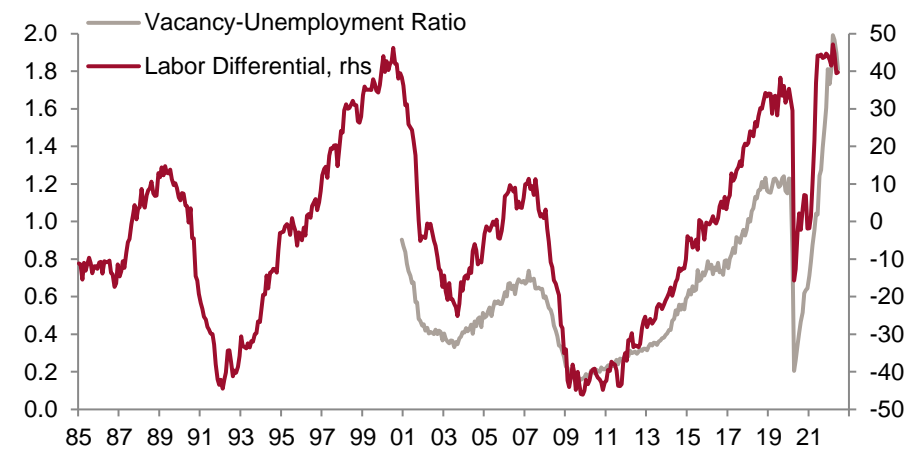
Figure 1: Unlike UMich sentiment, which has plummeted owing to elevated inflation, consumer confidence remains above recessionary levels



Source: Credit Suisse, Conference Board, U. of Mich.

Figure 2: The labor market has softened on the margin with job openings peaking and layoffs rising

The labor market differential is % of respondents who think jobs are plentiful – jobs hard to find



Source: Credit Suisse, Conference Board, Bureau of Labor Statistics

ISM Manufacturing (Aug) Forecast: 49.5

We expect headline ISM manufacturing to slip into negative territory for August. Regional manufacturing surveys have been volatile, but the broader trend has continued to move lower. The Markit Manufacturing PMI also ticked down for a fifth consecutive month. Headline ISM has been held up by the supplier deliveries subindex (indicating supply chain constraints), but recent surveys point to a rapid improvement which will paradoxically push ISM lower.

Industrial production has risen this year, but in our view, this was a short restocking phase ahead of a prolonged slump. Goods demand has deteriorated and should remain under pressure with tighter financial conditions and worsening sentiment. A strong dollar and global growth weakness will put additional pressure on export demand, adding to the downside risk for US manufacturing.

Figure 3: We expect headline ISM manufacturing to slip into negative territory for August

Source: Credit Suisse, ISM

Change in Nonfarm Payrolls (Aug) Forecast: 300k**Change in Private Payrolls: 325k****Unemployment Rate: 3.5%****Average Hourly Earnings: 0.3% MoM / 5.2% YoY**

We expect job gains to slow to 300k in August after a surprising pickup in last month's report. Labor data continue to outperform other measures of growth, but lead indicators point to a modest slowdown towards a more sustainable pace of job gains.

The unemployment rate is likely to remain sideways at its cycle-low of 3.5%. Layoffs have picked up modestly after falling to extreme lows last year, but hiring demand appears to remain strong, helping workers to find new jobs quickly. Job vacancies are still elevated and the Conference Board 'labor differential' indicates that workers believe it is relatively easy to find jobs.

Wage data have been noisy, but the underlying trend points to a plateau after a sharp acceleration in 2021. We expect average hourly earnings to come in at a modest 0.3% MoM, but thanks to an easy base effect, this would keep the YoY reading elevated at 5.2%.

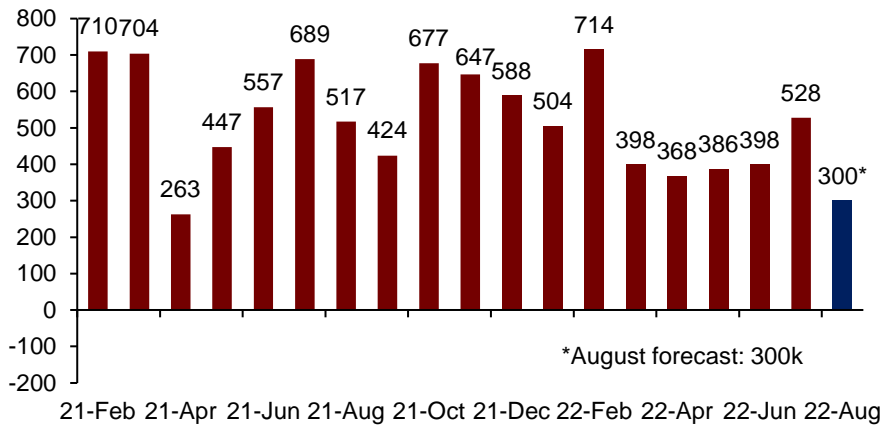
Thursday, September 1
10:00 AM

Friday, September 2
8:30 AM

This will be the last employment report ahead of the September FOMC meeting. After the surprising strength in the July employment report, the Fed is likely to be sensitive to overheating risks in the labor market. A moderating pace of job gains and stabilization in the unemployment rate should allow the Fed to slow its pace of hiking to 50bps, but the risks are skewed to a more-hawkish response if data surprise on the upside.

Figure 4: We expect job gains to slow to 300k in August after a surprising pickup in last month's report

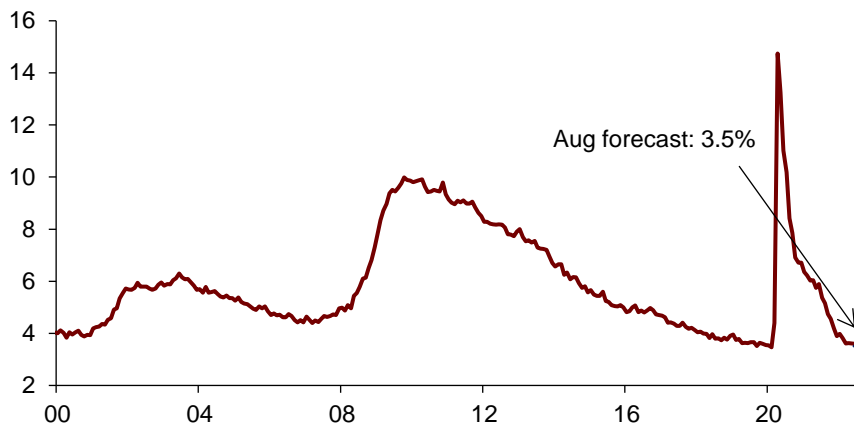
Change in nonfarm payrolls, thous.



Source: Credit Suisse, Bureau of Labor Statistics

Figure 5: The unemployment rate is likely to remain sideways at its cycle-low of 3.5%

U3 unemployment rate, %



Source: Credit Suisse, Bureau of Labor Statistics

Calendar of Key Data and Events

		Credit Suisse Forecasts	Market Estimates	Prior Results
Monday, August 29				
10:30 AM	Dallas Fed Manf. Activity (Aug)	NA	-12.2	-22.6
Tuesday, August 30				
9:00 AM	FHFA House Price Index MoM (Jun)	NA	0.8%	1.4%
	House Price Purchase Index QoQ (2Q)	NA	NA	4.6%
	S&P CoreLogic CS 20-City MoM SA (Jun)	NA	0.8%	1.3%
	S&P CoreLogic CS 20-City YoY NSA (Jun)	NA	NA	20.5%
	S&P CoreLogic CS US HPI YoY NSA (Jun)	NA	NA	19.8%
10:00 AM	Conf. Board Consumer Confidence (Aug)		97.5	95.7
	JOLTS Job Openings (Jul)	NA	10300k	10698k
11:00 AM	Fed's Williams speaks on US economic outlook			
Wednesday, August 31				
8:00 AM	Fed's Mester Discusses Economic Outlook			
8:15 AM	ADP Employment Change (Aug)	NA		
Thursday, September 1				
8:30 AM	Initial Jobless Claims (wk end 27-Aug)	NA	NA	243k
	Continuing Claims (wk end 20-Aug)	NA	NA	1415k
10:00 AM	Construction Spending MoM (Jul)	NA	-0.1%	-1.1%
	ISM Manufacturing (Aug)	49.5	52.2	52.8
	ISM Prices Paid (Aug)	NA	NA	60
	ISM New Orders (Aug)	NA	NA	48
	ISM Employment (Aug)	NA	NA	49.9
PM	Wards Total Vehicle Sales (Aug)	NA	13.65m	13.35m
Friday, September 2				
8:30 AM	Change in Nonfarm Payrolls (Aug)	300k	295k	528k
	Change in Private Payrolls (Aug)	325k	280k	471k
	Unemployment Rate (Aug)	3.5%	3.5%	3.5%
	Average Hourly Earnings MoM (Aug)	0.3%	0.4%	0.5%
	Average Hourly Earnings YoY (Aug)	5.2%	5.2%	5.2%
	Underemployment Rate (Aug)	NA	NA	6.7%
10:00 AM	Factory Orders (Jul)	NA	0.2%	2.0%
	Factory Orders Ex Trans (Jul)	NA	NA	1.4%
	Durable Goods Orders (Jul F)	NA	NA	0.0%
	Durables Ex Transportation (Jul F)	NA	NA	0.3%
	Cap Goods Orders Nondef Ex Air (Jul F)	NA	NA	0.4%
	Cap Goods Ship Nondef Ex Air (Jul F)	NA	NA	0.7%

Source: the BLOOMBERG PROFESSIONAL™ service, Credit Suisse

US Monthly CPI Forecast

	CPI NSA Index	CPI SA, MoM%	Core CPI SA, MoM%	CPI YoY%	Core CPI YoY%	Purchasing power of a 1982-84 consumer dollar
Jul-22 (Actual)	296.276	0.0	0.3	8.5	5.9	0.338
Aug-22	296.065	0.1	0.4	8.2	6.1	0.338
Sep-22	297.023	0.5	0.4	8.3	6.3	0.337
Oct-22	298.062	0.4	0.3	7.8	6.0	0.336
Nov-22	298.471	0.3	0.3	7.4	5.8	0.335
Dec-22	298.679	0.3	0.3	7.1	5.5	0.335

2022 FOMC Meetings	2022 FOMC Voting Members	2022 FOMC Minutes
January 25-26	Jerome Powell, Board of Governors, Chair	January 5
March 15-16*	Lael Brainard, Board of Governors, Vice Chair	February 16
May 3-4	John Williams, New York Fed Pres., FOMC Vice Chair	April 6
June 14-15*	Christopher Waller, Board of Governors	May 25
July 26-27	Michelle Bowman, Board of Governors	July 6
September 20-21*	Lisa Cook, Board of Governors	August 17
November 1-2	Philip Jefferson, Board of Governors	October 12
December 13-14*	Michael Barr, Board of Governors	November 22
	Loretta J. Mester, Cleveland Fed President	January 4
	Patrick Harker, Philadelphia Fed President	
	James Bullard, St. Louis Fed President	
	Esther L. George, Kansas City Fed President	

Source: Federal Reserve, Credit Suisse. * includes updated FOMC projections

US Forecasts Detail

Quarter-to-Quarter % Changes at annual rates	2022				2023E				Q4/Q4				Annual Average			
	Q1	Q2	Q3E	Q4E	Q1	Q2	Q3	Q4	20	21	22E	23E	20	21	22E	23E
Real GDP	-1.6	-0.6	0.75	1.4	0.9	0.9	0.6	0.7	-2.3	5.5	0.0	0.8	-3.4	5.7	1.6	0.8
Consumer Spending	1.8	1.5	1.0	1.8	1.5	1.5	1.5	1.5	-2.4	6.9	1.5	1.5	-3.8	7.9	2.4	1.5
Residential Investment	0.5	-16.2	-10.0	-2.0	-3.0	-3.0	-4.0	-4.0	15.7	-1.5	-7.2	-3.5	6.8	9.2	-5.8	-4.8
Business Investment	10.0	0.0	2.8	1.6	0.4	0.4	-1.2	-1.2	-3.8	6.6	3.5	-0.4	-5.3	7.4	4.2	0.6
Equipment	14.1	-2.7	2.0	-1.0	-1.0	-1.0	-2.0	-2.0	-0.3	6.5	2.9	-1.5	-8.3	13.1	4.0	-0.9
Intellectual Property	11.2	10.0	4.0	4.0	2.0	2.0	0.0	0.0	2.5	11.5	7.3	1.0	2.8	10.0	9.0	2.7
Non-Res Structures	-0.9	-13.2	2.0	2.0	0.0	0.0	-2.0	-2.0	-20.0	-2.6	-2.7	-1.0	-12.5	-8.0	-4.7	-0.7
Total Government	-2.9	-1.8	-0.2	-0.2	0.1	0.1	0.0	0.0	1.2	0.1	-1.3	0.1	2.5	0.5	-1.6	-0.1
Federal	-6.8	-3.9	-1.0	-1.0	0.0	0.0	0.0	0.0	3.1	-1.1	-3.2	0.0	5.0	0.6	-4.4	-0.6
State and Local	-0.5	-0.6	0.3	0.3	0.2	0.2	0.0	0.0	0.0	0.8	-0.1	0.1	0.9	0.4	0.1	0.1
Net Exports (contr. to GDP, %)	-3.2	1.4	0.2	0.1	0.0	0.0	0.0	0.0	-0.9	-0.8	-0.4	0.0	-0.2	-1.6	-0.9	0.1
Real Exports	-4.8	17.6	2.0	0.0	-1.0	-1.0	-1.0	-1.0	-10.7	4.9	3.4	-1.0	-13.6	4.5	5.8	0.6
Real Imports	18.9	2.8	0.0	-0.5	-0.5	-0.5	-0.5	-0.5	0.3	9.6	5.0	-0.5	-8.9	14.0	9.3	-0.2
Inventories (contr. To GDP, %)	-0.4	-1.8	0.0	0.0	0.0	0.0	0.0	0.0	0.9	0.9	-0.6	0.0	-0.5	0.0	0.6	-0.1
Nominal GDP	6.6	8.4	5.7	4.9	4.0	4.0	3.6	3.5	-1.0	11.8	6.4	3.8	-2.2	10.1	8.8	4.5
CPI (y/y%)	8.0	8.6	8.3	7.4	6.0	4.1	3.4	2.9	1.2	6.7	7.4	2.9	1.2	4.7	8.1	4.1
Core CPI (y/y%)	6.3	6.0	6.1	5.7	4.9	4.1	3.5	3.2	1.6	5.0	5.7	3.2	1.7	3.6	6.0	3.9
Core PCE (y/y%)	5.2	4.8	4.6	4.2	3.7	3.3	3.1	3.1	1.4	4.6	4.2	3.1	1.4	3.3	4.7	3.3
Industrial Production	4.5	5.4	0.8	-2.2	--	--	--	--	-4.5	4.5	2.1	--	-7.0	5.0	3.8	--
Unemployment Rate (qtr. Avg., %)	3.8	3.6	3.5	3.5	3.6	3.6	3.7	3.7	6.8	4.2	3.5	3.7	8.1	5.4	3.6	3.7
Fed Funds Rate (end of pd., %)	0.25-	1.50-	2.75-	3.50-	3.75-	3.75-	3.75-	3.75-	0-0.25	0-0.25	3.75	4.00	-	-	-	-

Source: BEA, CBO, Credit Suisse, Federal Reserve, Haver Analytics®

Selected Economic Indicators

	2022												2021
	JUL	JUN	MAY	APR	MAR	FEB	JAN	DEC	NOV	OCT	SEP	AUG	JUL
Labor													
Non-Farm Payrolls (Chg. in thousands)	528	398	386	368	398	714	504	588	647	677	424	517	689
Private Payrolls (Chg. in thousands)	471	404	331	368	385	704	492	561	627	694	409	497	638
Unemployment Rate (%)	3.5	3.6	3.6	3.6	3.6	3.8	4.0	3.9	4.2	4.6	4.7	5.2	5.4
Average Hourly Earnings (\$/Hour, SA)	32.27	32.12	31.98	31.86	31.75	31.60	31.56	31.38	31.23	31.11	30.92	30.76	30.67
Average Hourly Earnings (YoY%)	5.2	5.2	5.3	5.5	5.6	5.2	5.4	4.9	5.3	5.4	4.8	4.3	4.3
Aggregate Hours Worked (MoM%)	0.4	0.3	0.3	0.3	0.0	0.9	-0.2	0.5	0.5	0.5	0.6	0.1	0.6
Aggregate Weekly Payrolls (MoM%)	0.9	0.8	0.6	0.6	0.5	1.0	0.4	0.9	0.9	1.2	1.1	0.4	1.0
Output													
ISM Manufacturing Index (level)	52.8	53.0	56.1	55.4	57.1	58.6	57.6	58.8	60.6	60.8	60.5	59.7	59.9
ISM Manufacturing New Orders (level)	48.0	49.2	55.1	53.5	53.8	61.7	57.9	61.0	61.4	60.6	64.4	65.5	65.0
ISM Non-Manufacturing Index (level)	56.7	55.3	55.9	57.1	58.3	56.5	59.9	62.3	68.4	66.7	62.6	62.2	64.1
Industrial Production (MoM%)	0.6	0.0	-0.1	0.7	0.7	0.7	0.4	-0.2	0.6	1.5	-1.0	0.0	0.7
Capacity Utilization (%)	80.3	79.9	80.1	80.3	79.9	79.4	78.9	78.7	79.0	78.6	77.4	78.2	78.2
Trade Balance-Goods and Services (\$bn)		-79.6	-84.9	-86.7	-107.7	-88.1	-88.0	-78.9	-78.0	-68.2	-78.3	-71.4	-69.4
Real GDP (QoQ%, AR)		-0.6			-1.6			6.9			2.3		
Nominal GDP (QoQ%, AR)		8.4			6.6			14.5			8.4		
Consumption													
Retail Sales (MoM%)	0.0	0.8	0.4	0.7	1.2	1.7	2.7	-1.6	0.6	1.6	1.0	0.9	-1.5
Retail Sales (YoY%)	10.3	8.5	8.7	7.8	7.1	17.7	13.7	16.8	18.6	16.5	14.3	15.7	15.5
Retail Sales Ex. Auto (MoM%)	0.4	0.9	1.3	0.5	2.0	1.7	1.6	-1.4	0.5	1.5	1.0	1.8	-1.0
Retail Sales Ex. Auto (YoY%)	12.3	10.7	12.0	10.5	9.5	17.7	14.0	18.9	19.8	17.9	15.8	16.8	15.5
Vehicle Sales, domestic+import (mn, SAAR)	13.3	13.0	12.8	14.5	13.4	14.0	15.0	12.5	13.0	13.0	12.3	13.1	14.7
Personal Consumption (MoM%)		1.1	0.3	0.5	1.2	0.6	1.9	-0.9	0.5	1.4	0.6	1.1	0.1
Disposable Personal Income (MoM%)		0.7	0.6	0.4	0.6	0.6	-1.3	0.3	0.6	0.7	-1.3	0.3	1.2
Personal Saving Rate (%)		5.1	5.5	5.2	5.3	5.8	5.8	8.7	7.6	7.5	8.1	9.8	10.5
U of Mich Consumer Sentiment (level)	51.5	50.0	58.4	65.2	59.4	62.8	67.2	70.6	67.4	71.7	72.8	70.3	81.2
Inflation													
PCE Price Index (MoM%)		1.0	0.6	0.2	0.9	0.5	0.5	0.5	0.6	0.6	0.3	0.4	0.4
PCE Price Index (YoY%)		6.8	6.3	6.3	6.6	6.3	6.0	5.8	5.6	5.1	4.4	4.2	4.2
Core PCE Price Index (MoM%)		0.6	0.3	0.3	0.3	0.3	0.5	0.5	0.5	0.5	0.2	0.3	0.3
Core PCE Price Index (YoY%)		4.8	4.7	4.9	5.2	5.3	5.1	4.9	4.7	4.2	3.7	3.6	3.6
CPI (MoM%)	0.0	1.3	1.0	0.3	1.2	0.8	0.6	0.6	0.7	0.9	0.4	0.3	0.5
CPI (YoY%)	8.5	9.1	8.6	8.3	8.5	7.9	7.5	7.0	6.8	6.2	5.4	5.3	5.4
Core CPI (MoM%)	0.3	0.7	0.6	0.6	0.3	0.5	0.6	0.6	0.5	0.6	0.3	0.2	0.3
Core CPI (YoY%)	5.9	5.9	6.0	6.2	6.5	6.4	6.0	5.5	4.9	4.6	4.0	4.0	4.3
PPI (MoM%)	-0.5	1.0	0.8	0.5	1.7	1.1	1.2	0.6	1.0	0.7	0.5	0.9	0.9
PPI (YoY%)	9.8	11.3	11.1	11.2	11.7	10.4	10.1	10.0	9.9	8.9	8.8	8.7	8.0
Housing													
Housing Starts (thous, AR)	1446	1599	1562	1805	1716	1777	1666	1768	1706	1563	1559	1576	1573
New Home Sales (thous, AR)	511	585	630	619	707	790	831	839	756	671	732	686	726
Existing Home Sales (thous, AR)	4810	5110	5410	5600	5750	5930	6490	6090	6330	6190	6180	5990	6030
Existing Home Sales-Median Price (YoY%)	10.8	12.8	15.0	14.3	14.6	15.6	15.3	16.0	15.3	13.6	14.0	16.5	19.3
Profits, Productivity and Costs													
Corp. Profits w/IVA and CCadj (YoY%)		8.1			12.6			21.0			19.7		
Non-Farm Productivity (YoY%)		-2.5			-0.6			1.9			-0.4		
Unit Labor Costs (YoY%)		9.5			8.2			4.3			6.7		
Fiscal/Monetary Conditions													
Monthly Budget Surplus/Deficit (\$bn)	-211	-89	-66	308	-193	-217	119	-21	-191	-165	-65	-171	-302
Budget, 12m sum (\$bn, Sep is FY total)	-962	-1053	-807	-794	-1294	-1119	-901	-1076	-1177	-880	-843	-873	-632
Federal Reserve Bank Credit (\$bn)	8854	8877	8878	8902	8899	8890	8822	8719	8644	8517	8408	8294	8182
FRBKC Financial Stress Index (Monthly Avg)	0.1	0.1	0.0	-0.3	-0.1	-0.3	-0.4	-0.5	-0.7	-0.6	-0.6	-0.7	-0.6

Source: BEA, Census, BLS, NAR, Federal Reserve, US Treasury, Univ. of Michigan, Credit Suisse

Credit Suisse House View

MSCI Regional Equity Indices

	Market on Aug 24, 2022	Expected absolute market direction	Relative view against benchmark	3M Forecast	12M Forecast
MSCI World	9626	↗	Benchmark	9925	10410
MSCI USA	18113	↗↗	Outperform	18900	19900
MSCI EMU	493	→	Underperform	508	525
MSCI Switzerland	5325	↗	Marketperform	5490	5750
MSCI UK	18472	↗	Marketperform	18700	19600
MSCI Japan	2897	↗	Marketperform	2890	3030
MSCI Emerging Markets	147923	↗	Marketperform	151500	159000

Arrows refer to expected absolute market direction, double arrow indicates stronger upside. Relative views are against benchmark index MSCI World. All indices are total return in local currency.

MSCI Regional Equity Indices (Emerging Markets)

	Market on Aug 24, 2022	Expected absolute market direction	Relative view against benchmark	3M Forecast	12M Forecast
MSCI Emerging Markets	147923	↗	Benchmark	151500	159000
MSCI EEMEA	1059	↗	Marketperform	1080	1135
MSCI Latin America	29526	↗	Marketperform	29500	31000
MSCI AC APAC	319	↗	Marketperform	325	340
MSCI AC Asia ex Japan	1968	↗↗	Outperform	2030	2130
MSCI Turkey	11564560	↗	Marketperform	10670000	11210000
MSCI Brazil	127622	↗	Marketperform	126000	132500
MSCI Mexico	88985	↗	Marketperform	91000	95500
MSCI China	130	↗↗	Outperform	136	142

Relative views are against benchmark index MSCI EM. All indices are total return in local currency.

Local Equity Indices

	Market on Aug 24, 2022	Expected absolute market direction	Relative view against benchmark	3M Forecast	12M Forecast
S&P 500	4141	↗↗	Outperform	4280	4450
EuroStoxx50	3667	→	Underperform	3750	3810
SMI	11013	↗	Marketperform	11240	11570
FTSE 100	7472	↗	Marketperform	7540	7690
TOPIX	1967	↗	Marketperform	1950	2015
S&P ASX 200	6998	↗	Marketperform	7030	7215

Relative views are against benchmark index MSCI AC World.

Credit Suisse House View

MSCI Global Sectors (GICS)

	Market on Aug 24, 2022	Expected absolute market direction	Relative view against benchmark	3M Forecast	12M Forecast
MSCI World Energy	504	↗	Marketperform	492	517
MSCI World Materials	555	→	Underperform	555	575
MSCI World Industrials	489	↗	Marketperform	527	553
MSCI World Cons Disc.	509	↗	Marketperform	531	557
MSCI World Cons Staples	505	→	Underperform	520	540
MSCI World Healthcare	529	↗↗	Outperform	552	590
MSCI World Financials	256	↗	Marketperform	274	287
MSCI World IT	576	↗↗	Outperform	600	635
MSCI World Comm Services	178	↗	Marketperform	201	211
MSCI World Utilities	403	↗	Marketperform	430	450
MSCI World Real Estate	1328	↗	Marketperform	1450	1520

Relative views are against benchmark index MSCI World. All indices are total return in local currency.

10Y Government Bond Yields

	Market on Aug 24, 2022	Expected absolute direction	Relative view against global 7-10 bonds	3M Forecast	12M Forecast
USA	3.01%	→	Neutral Duration	3.00%	3.30%
Germany	1.37%	→	Neutral Duration	1.10%	1.60%
UK	2.70%	→	Neutral Duration	2.20%	2.60%
Japan	0.22%	→	Neutral Duration	0.25%	0.35%
Australia	3.59%	→	Neutral Duration	3.70%	3.60%
Switzerland	0.84%	→	Neutral Duration	0.70%	1.10%

Relative views are the preferred positioning against the 1-10 year LC Index of the respective country.

Fixed Income Total Return Indices

	Expected absolute direction	Relative view against benchmark	3M exp. Return	12M exp. Return
Barclays Global Aggregate	→	Benchmark	0.00%	0.10%
Barclays Global IG Corp	→	Marketperform	0.33%	1.32%
Barclays Global HY Corp	→	Marketperform	-0.07%	-0.27%
JPM EMBI Global Diversified HC	↗	Outperform		
JPM GBI-EM Global Divers. LC	→	Marketperform		

Relative views are against benchmark index Barclays Global Aggregate. All indices are total return hedged in USD.

FX & Commodities

	Market on Aug 24, 2022	Expected absolute direction	3M Forecast	12M Forecast
EUR/USD	0.99	→	1.00	1.04
USD/JPY	137	→	138	135
GBP/USD	1.18	↘	1.16	1.18
USD/CHF	0.97	→	0.96	0.95
AUD/USD	0.69	→	0.71	0.71
USD/CAD	1.30	↘	1.23	1.22
Gold (USD / oz)	1745	→	1750	1750
WTI oil (USD / bbl)	95.37	→	100	90

Sources: Credit Suisse, the BLOOMBERG PROFESSIONAL™ service