

High-Frequency Dashboard: Tracking the Second Wave Impact (January 19, 2021)

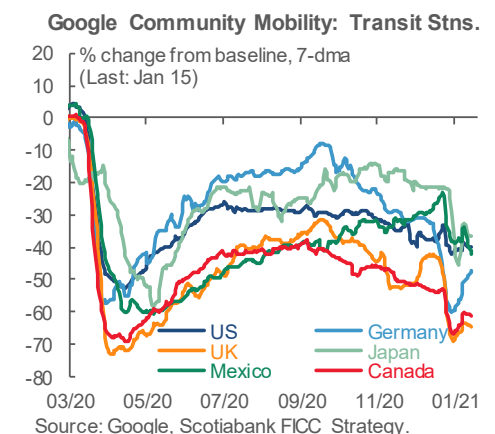
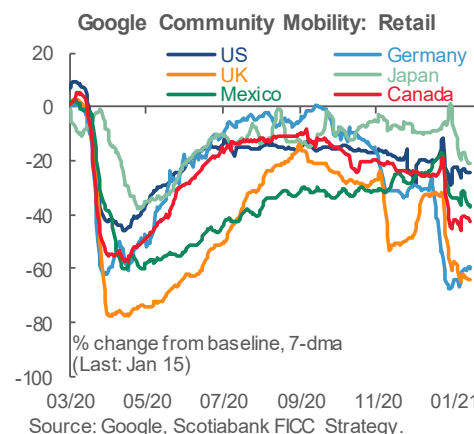
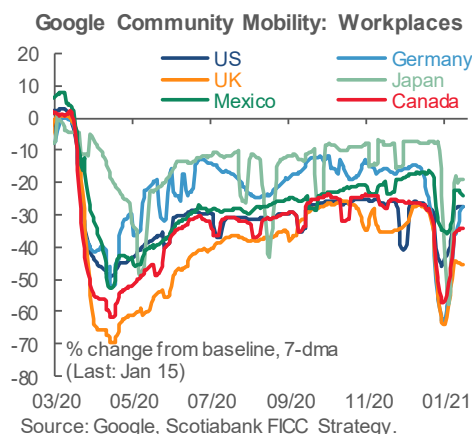
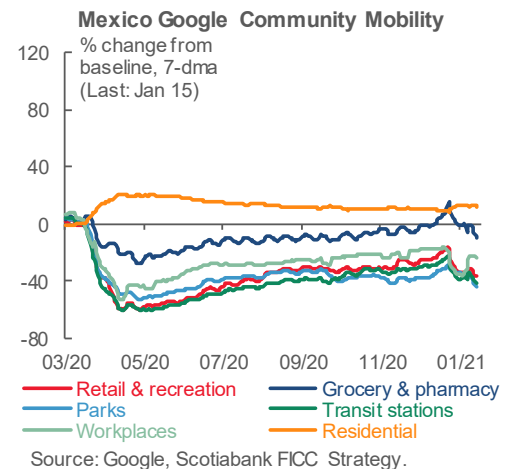
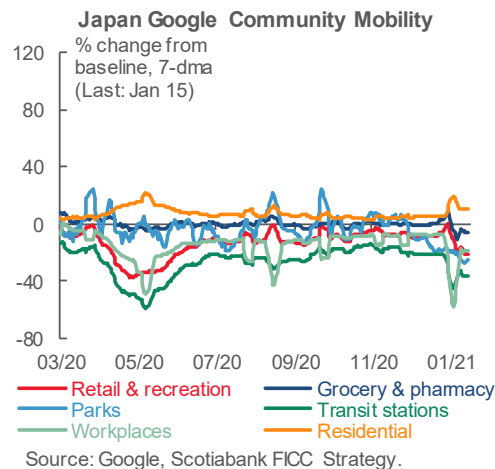
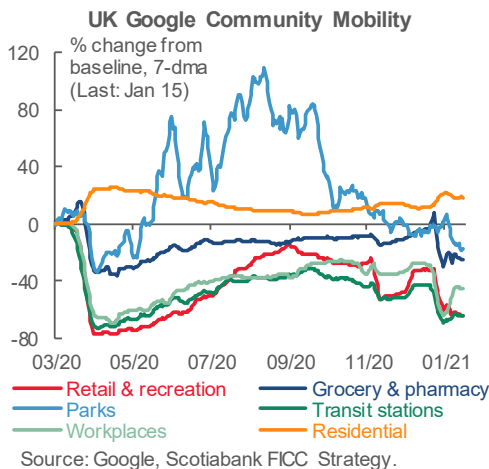
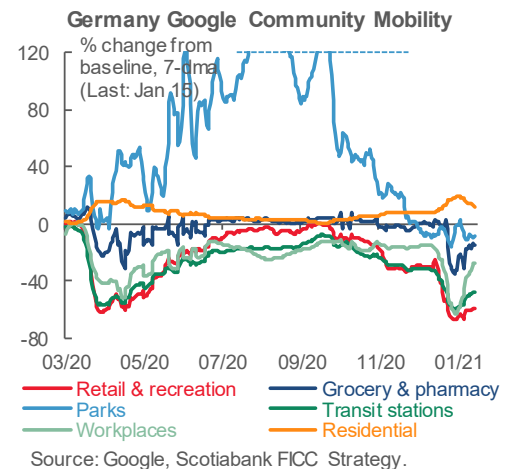
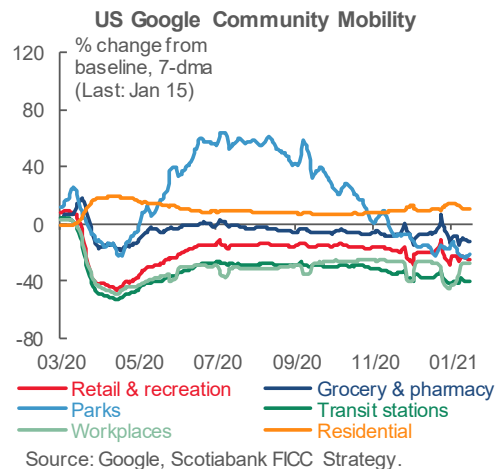
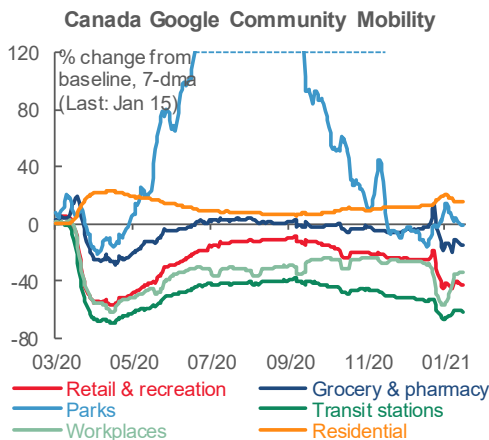
Shaun Osborne
Chief FX Strategist
461.945.4538
shaun.osborne@scotiabank.com

Juan Manuel Herrera
FX Strategist
416.866.6781
juanmanuel.herrera@scotiabank.com

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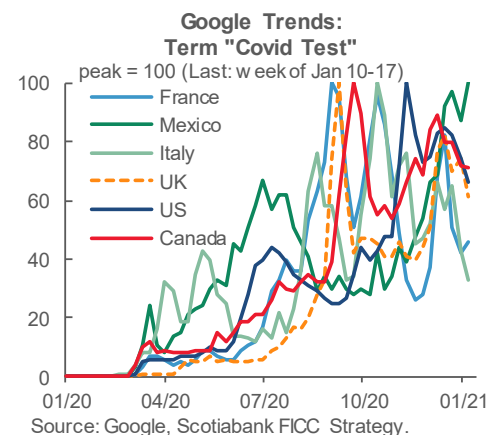
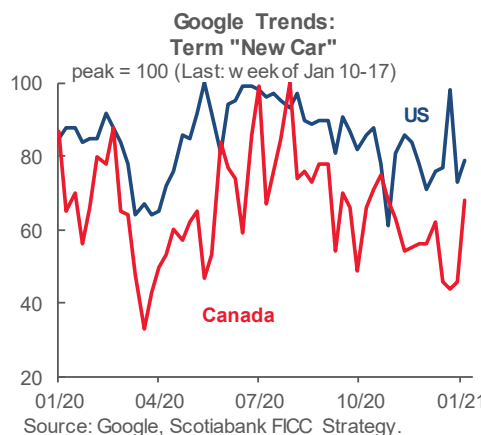
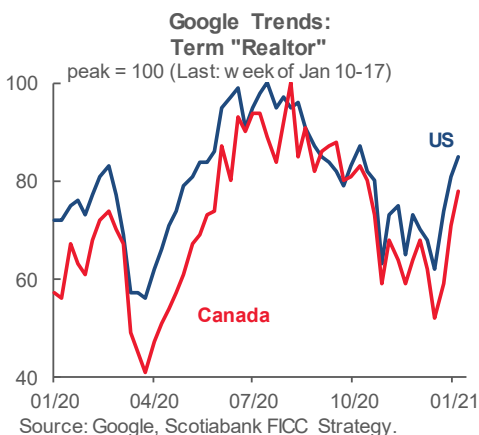
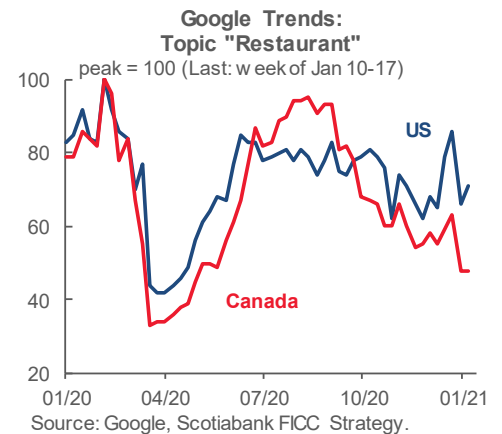
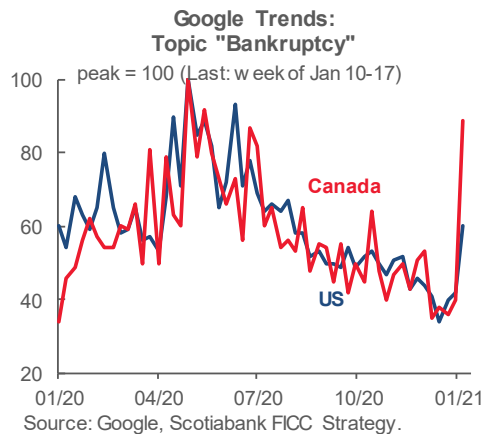
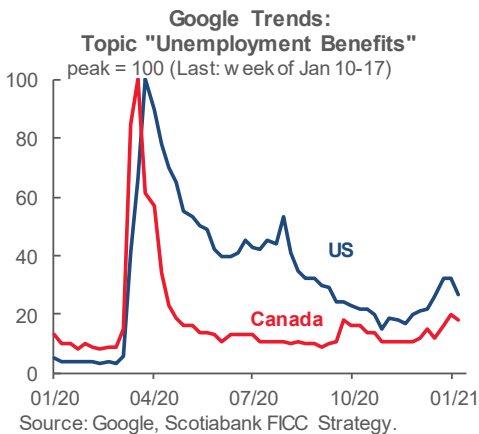
Google Community Mobility

- Daily Google data tracking movement trends points to a broad-based decline in economic activity in the major economies that we track with the year-end holidays temporarily worsening the drop in activity. The post-holidays rebound is nevertheless muted so far, however, as 2021 kicks off with more stringent virus restrictions in most major economies. As contagions related to holiday gatherings lead to increased pressure on health systems, countries will likely ramp up and/or extend lockdown measures, with some considering the closure or partial restrictions on manufacturing and construction activity. The first quarter of the year is on track to record a contraction in output, which in places like Germany would result in a double-dip recession after the downturn in the first half of 2020.



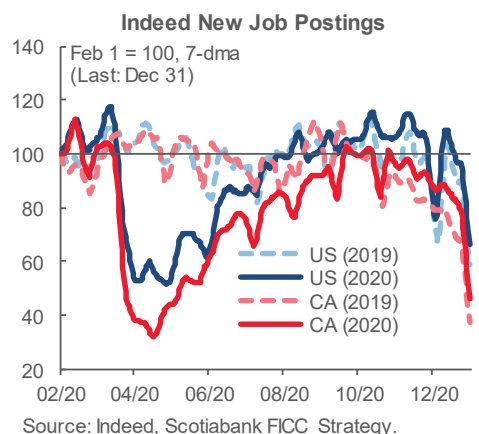
Google Search Trends

- Google Trends data show an uptick in searches for unemployment benefits in the US as lockdowns seem to impact the labour market; searches may also have increased ahead of the late-Dec end of pandemic unemployment benefits (now extended). Searches for "Covid test" in the US and Canada remain near record highs. Search interest in Mexico has surged of late as casualties mount. "Bankruptcy" searches in Canada have jumped to their highest since May, but it remains to be seen whether the rise is sustained.



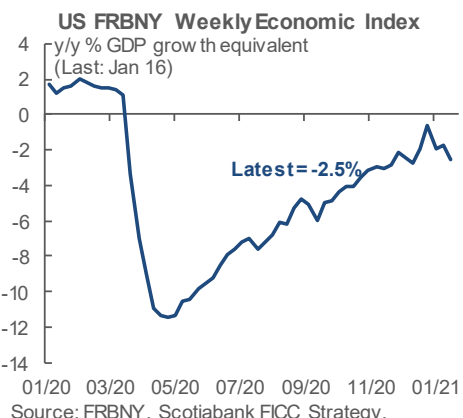
Indeed New Job Postings

- Online daily job postings on Indeed ended 2020 slightly above 2019 levels; notwithstanding a large seasonal decline. Postings have been above 2019 levels since October in Canada and the US.



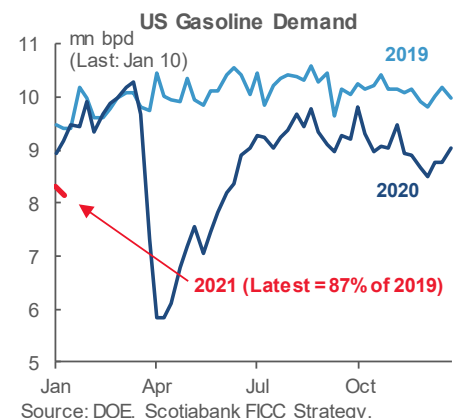
New York Fed Economic Index

- The NY Fed's economic index which aggregates ten daily and weekly indices points to a year-on-year decline in GDP of around -2.5% in early-Jan which would be equivalent to an 11.9% q/q annualised contraction in Q1 (on very limited data) following an estimated 12% Q4 expansion.



US Gasoline Demand

- Weekly US gasoline demand currently sits at around 10-15% below 2019's levels with mobility still significantly subdued amid contagion concerns and restrictions. Gasoline demand averaged 87% of 2019's levels through 2020.



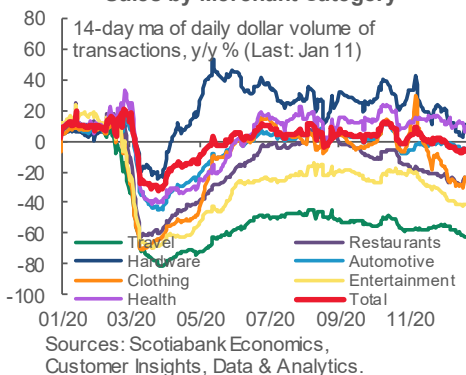
Scotiabank Canadian Merchant Data

- Scotiabank debit and credit card payments data compiled by our Economics, Customer Insights, and Data & Analytics teams show that total credit and debit retail transactions now stand around unchanged or below their year-ago levels.
- The increase in contagions and related restrictions in some provinces has led to renewed steep declines in restaurant and entertainment transactions while total transactions are supported by increased hardware, health, and groceries spending. For more details see [here](#). For questions contact Nikita Perevalov (nikita.perevalov@scotiabank.com).

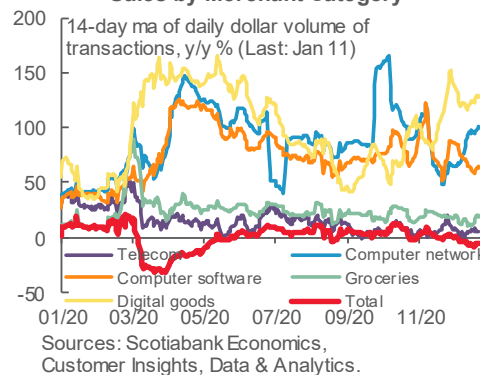
Scotia FX Risk Appetite Index

- Our daily risk appetite index—a factor of financial risk variables such as CDS spreads and market volatility—is trading just below its 40-day MA as markets have failed to make much ground of late amid new lockdowns and unclear reopening plans.

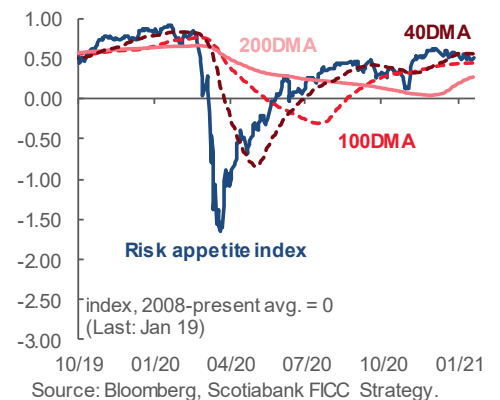
Scotiabank Canadian Transactions Data: Sales by Merchant Category



Scotiabank Canadian Transactions Data: Sales by Merchant Category



Scotiabank FX Strategy Risk Appetite Index

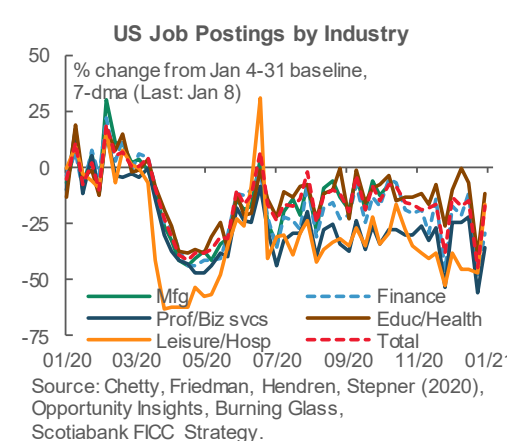
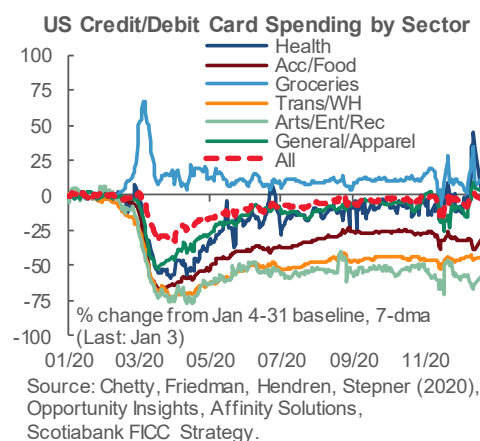
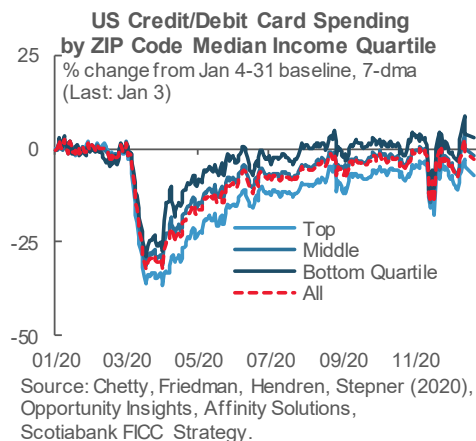


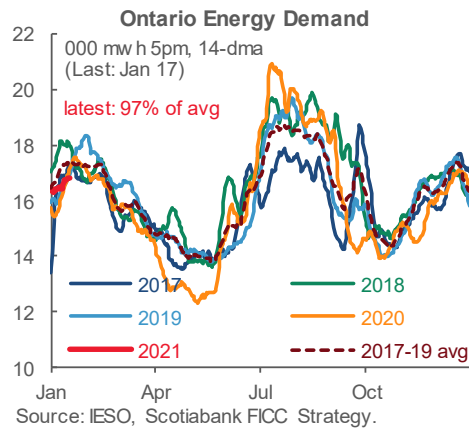
Affinity Solutions US Card Spending Data

- Affinity Solutions debit and credit card payments data show that retail sales in the US remain slightly below their baseline in early-2021 with grocery purchases remaining elevated as individuals spend more time at home while spending on recreation and transportation remains quite depressed at ~60% lower than baseline, while accommodation and food spending is about 30% lower. Spending on general merch. & apparel has rebounded to around baseline owing to year-end holiday purchases and may remain initially supported by one-time direct payments of \$600 to qualifying persons (possibly rising to \$2,000).

Burning Glass US Jobs Postings

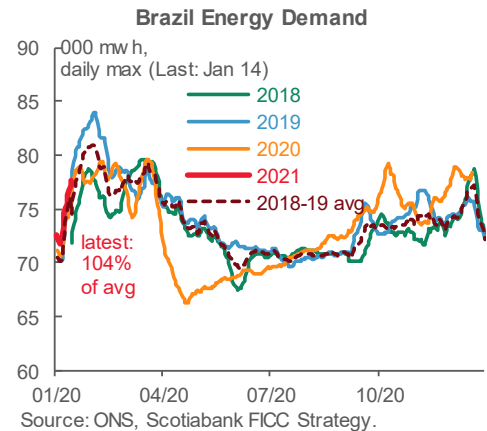
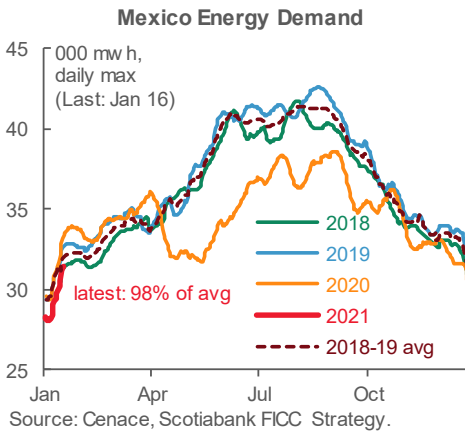
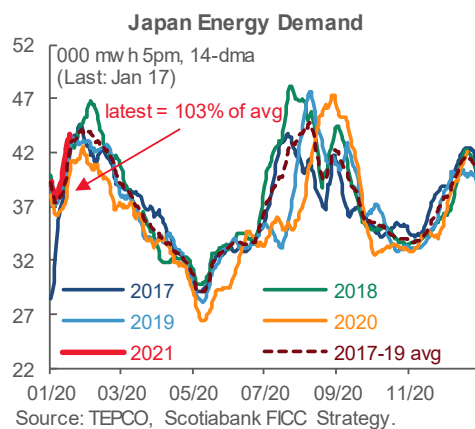
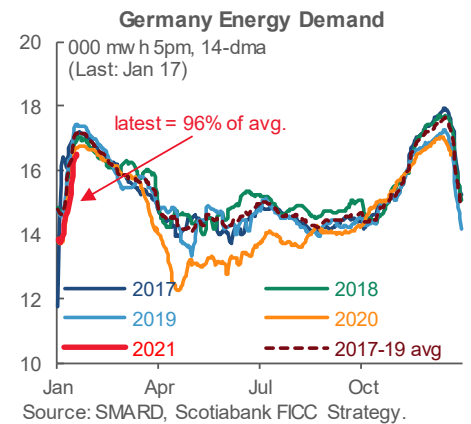
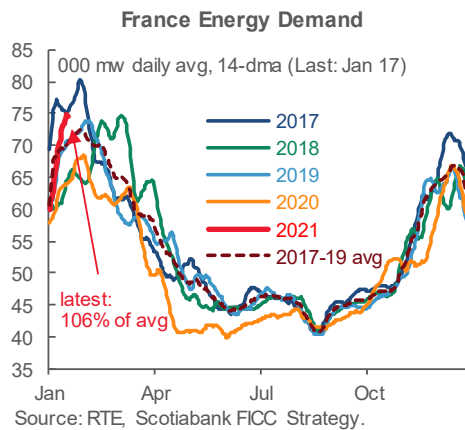
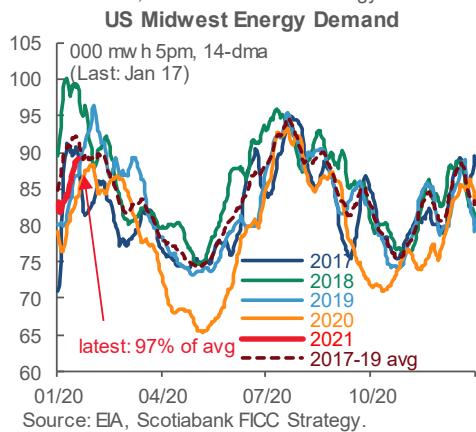
- Weekly Burning Glass data show that US job postings were down ~15% y/y in early-Jan where they have sat for the better part of the last 7/8 months.





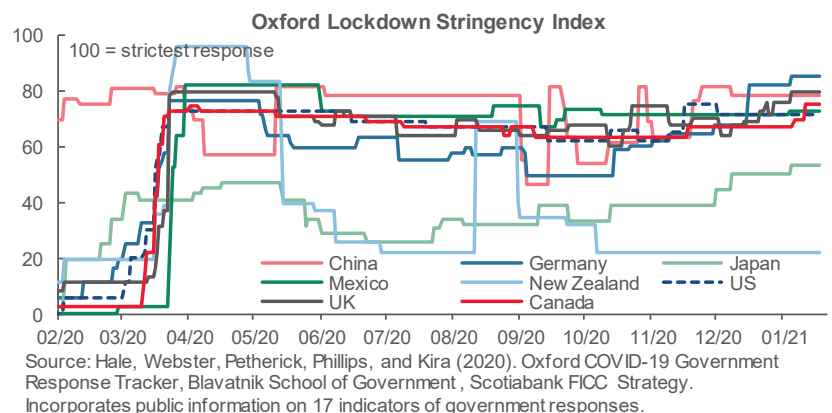
Energy Demand

- Hourly energy demand data sits roughly within 5% from its pre-pandemic average around this time of the year in all the countries that we track. Note that the latest lockdowns do not restrict industrial activity (for the most part, yet) and thus energy demand should remain relatively unaffected when compared to the spring lockdowns.



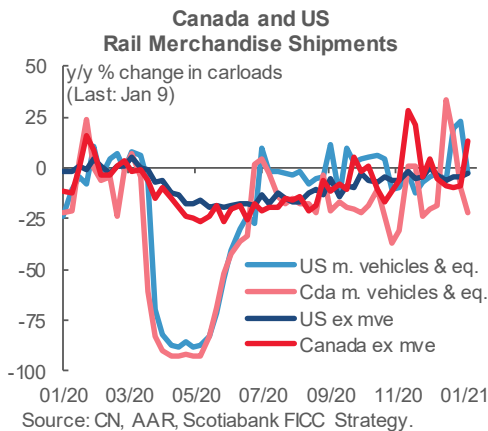
Lockdown Stringency Index

- Oxford University's lockdown stringency index—a useful guideline to track containment measures around the globe—shows a tightening of restrictions at the country-level with the index for a handful of countries at their highest since the beginning of the pandemic (note that sub-national changes are not reflected in Oxford's index).



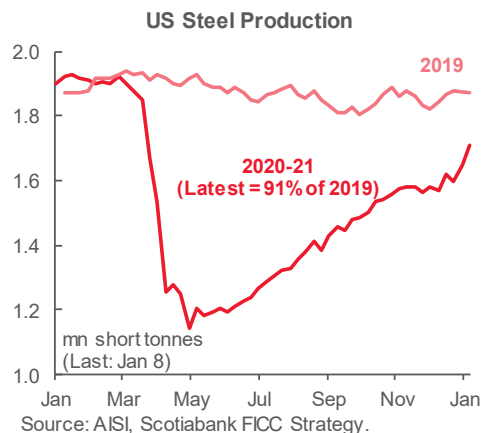
Rail Shipments

- Weekly rail shipments data shows that shipments ex. motor vehicles and equipment in the US and Canada remain below year-ago levels while Canadian and US automotive shipments remain choppy in year-on-year terms.



US Steel Production

- Weekly US steel production data suggests that industrial activity has not yet significantly improved for steel mills to notably ramp up production, which stands at about 90% of 2019 output compared to 60% in early May. The trend is nevertheless encouraging as 2020-21 levels continue to rise toward normal production. Total 2020 production amounted to 81% of that of 2019.



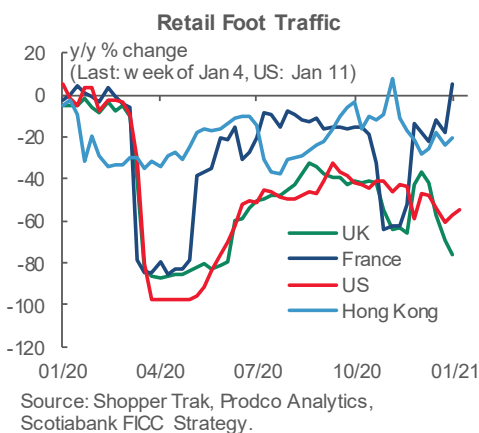
Shanghai Steel Inventories

- Chinese industrial output appears to have recovered quickly as steel inventory levels in the country are depleted from record-highs to now sit around 2019 levels as reflected by weekly Shanghai storage data for both traders and steel mills.



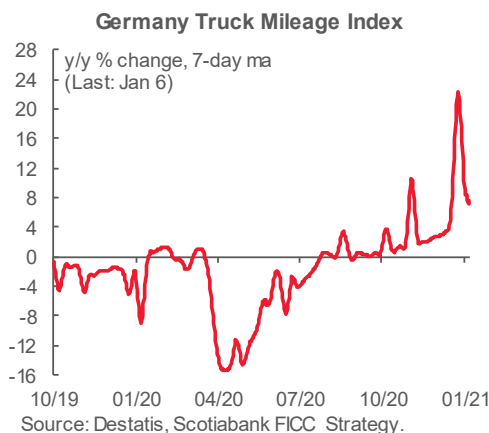
Retail Traffic

- ShopperTrak and Prodcio retail foot traffic data show that retail activity has notably recovered in France following the reopening of non-essential businesses in late-November causing a jump in sales. Traffic in the UK is now contracting at around the same pace as in the depths of the spring lockdowns. Retail traffic in the US has also gradually slowed amid restrictions in parts of the country and fears of contagion.



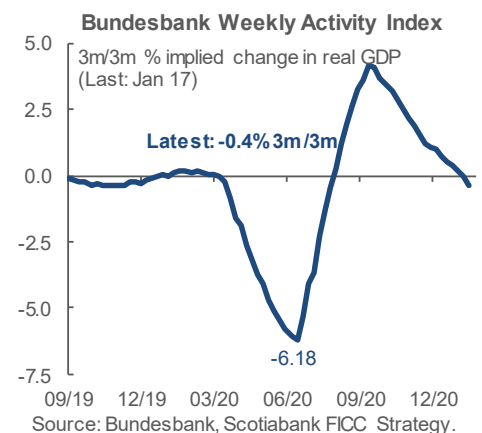
Germany Truck Mileage Index

- Daily truck mileage data for Germany—a close indicator of industrial production—maintains an upward trend (do ignore volatility in the series).



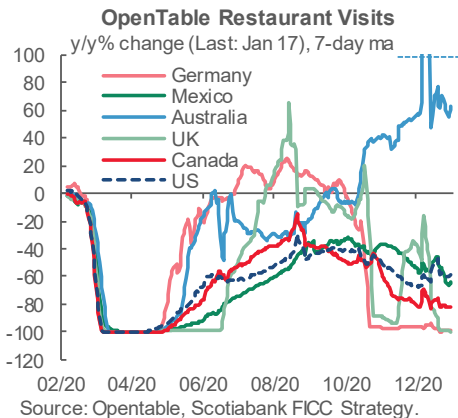
Bundesbank Activity Index

- The Bundesbank's high-frequency economic activity index estimates that the German economy is contracting by 0.4% on a 3m/3m basis, as of Jan 10, up from -6.2% roughly six months ago. The most recent data show that the German economy is contracting on a 3m/3m basis for the first time since late July reflecting an impact from the recent lockdown that may now be extended until late-March. The German economy is now on track to contract or post practically no growth in Q4 and Q1.



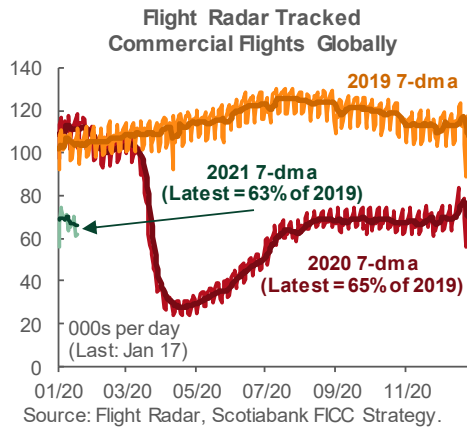
OpenTable Restaurant Visits

- Daily OpenTable restaurant foot traffic data points to Australian being the only ones out the major countries that we track that are allowed to go to restaurants with the virus under control in the country. Visits have plummeted in Germany and the UK as restaurants are ordered closed—after a temporary reprieve in Britain. Restaurant visits in Canada show a material impact from the closing of indoor dining in some provinces. US restaurant activity has also slowed with regional restrictions.



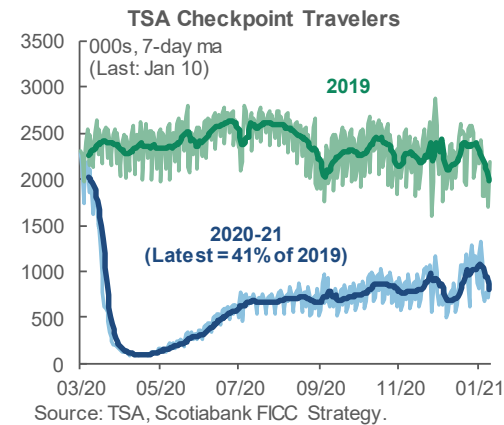
Flight Radar Commercial Flights

- Daily flights data from Flight Radar continues to show about a 40% decline in air travel amid travel restrictions and fears of contagion. New travel bans in response to a set of new, more contagious, COVID-19 strains will likely lead to a more pronounced drop in air travel.



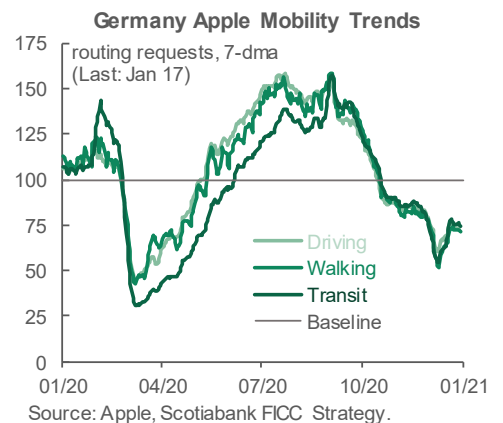
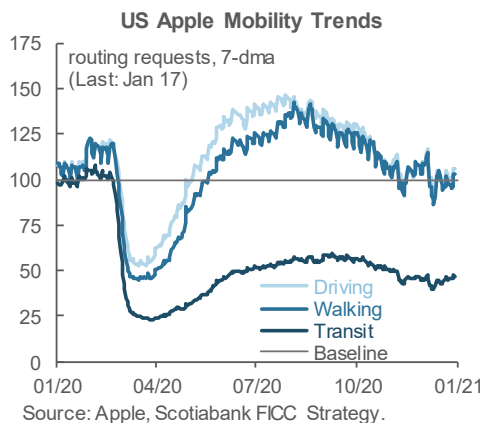
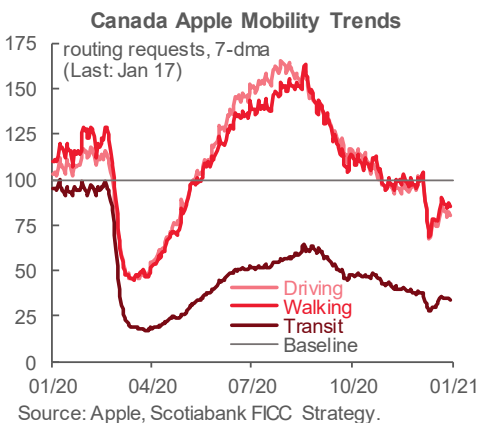
TSA Checkpoint Throughput

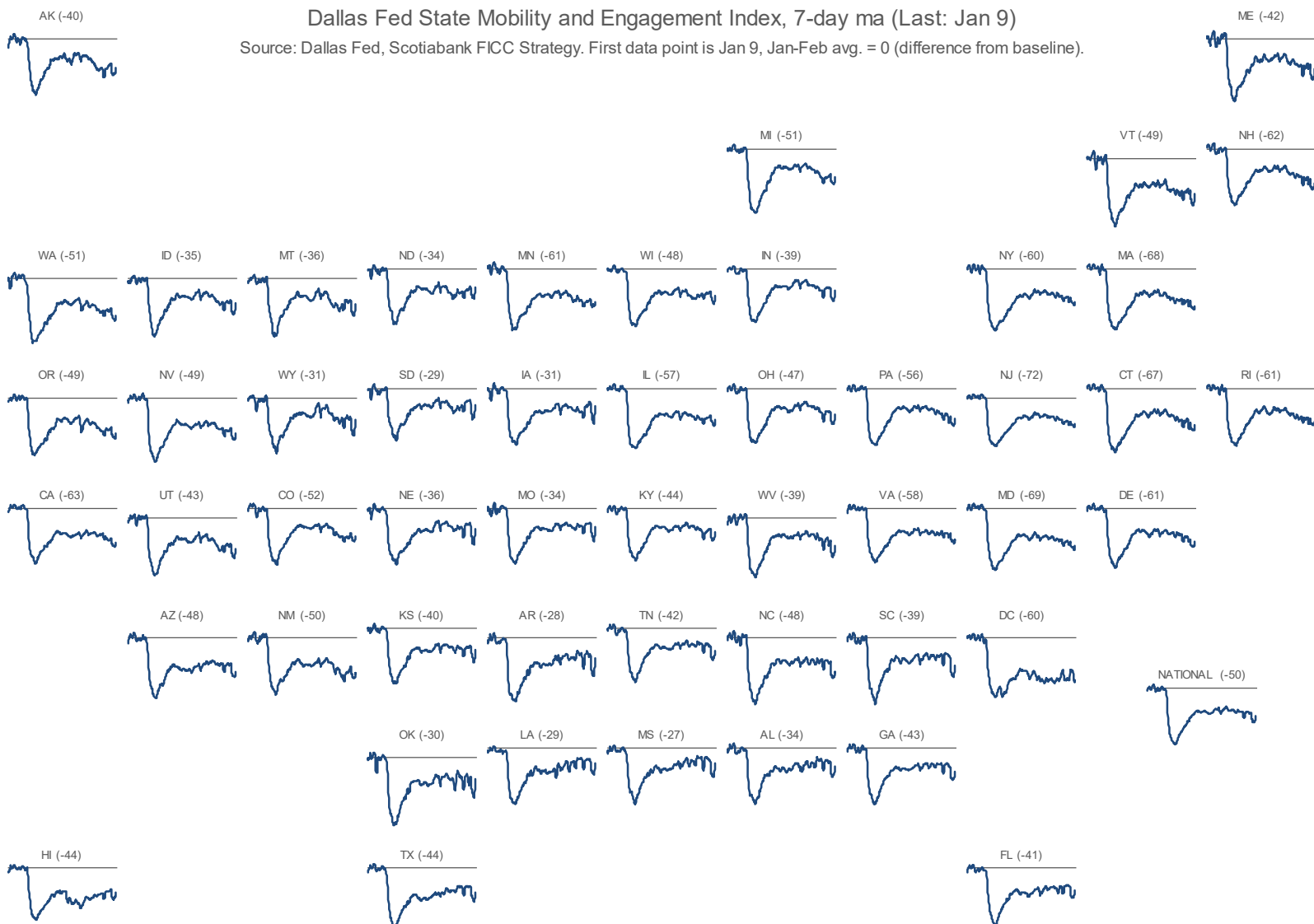
- Daily US TSA shows that traffic through US airports remains heavily subdued at about 40% when compared to 2019, having plateaued since July aside from the latest jump around the Holidays season which took the number of passengers to about half of 2019's level. The US will lift its travel ban on Europe in the coming days, requiring travelers to present a negative COVID-19 test result.



Apple Mobility Trends

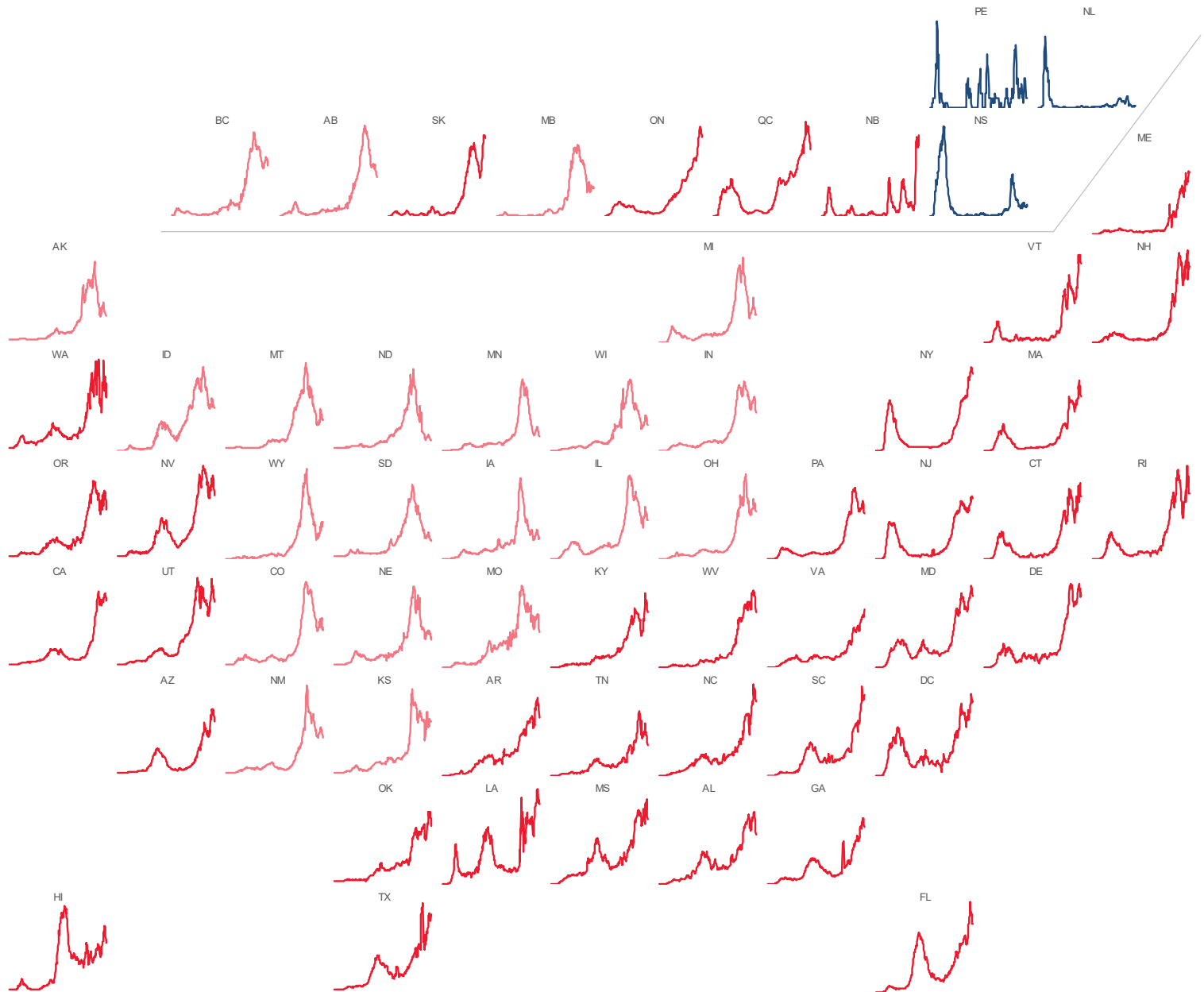
- Daily Apple data tracking Apple Maps routing requests shows that driving and walking mobility in Canada and Germany sits below their respective baseline levels of mid-January 2020 (though note holidays impact) while US driving mobility is around baseline.





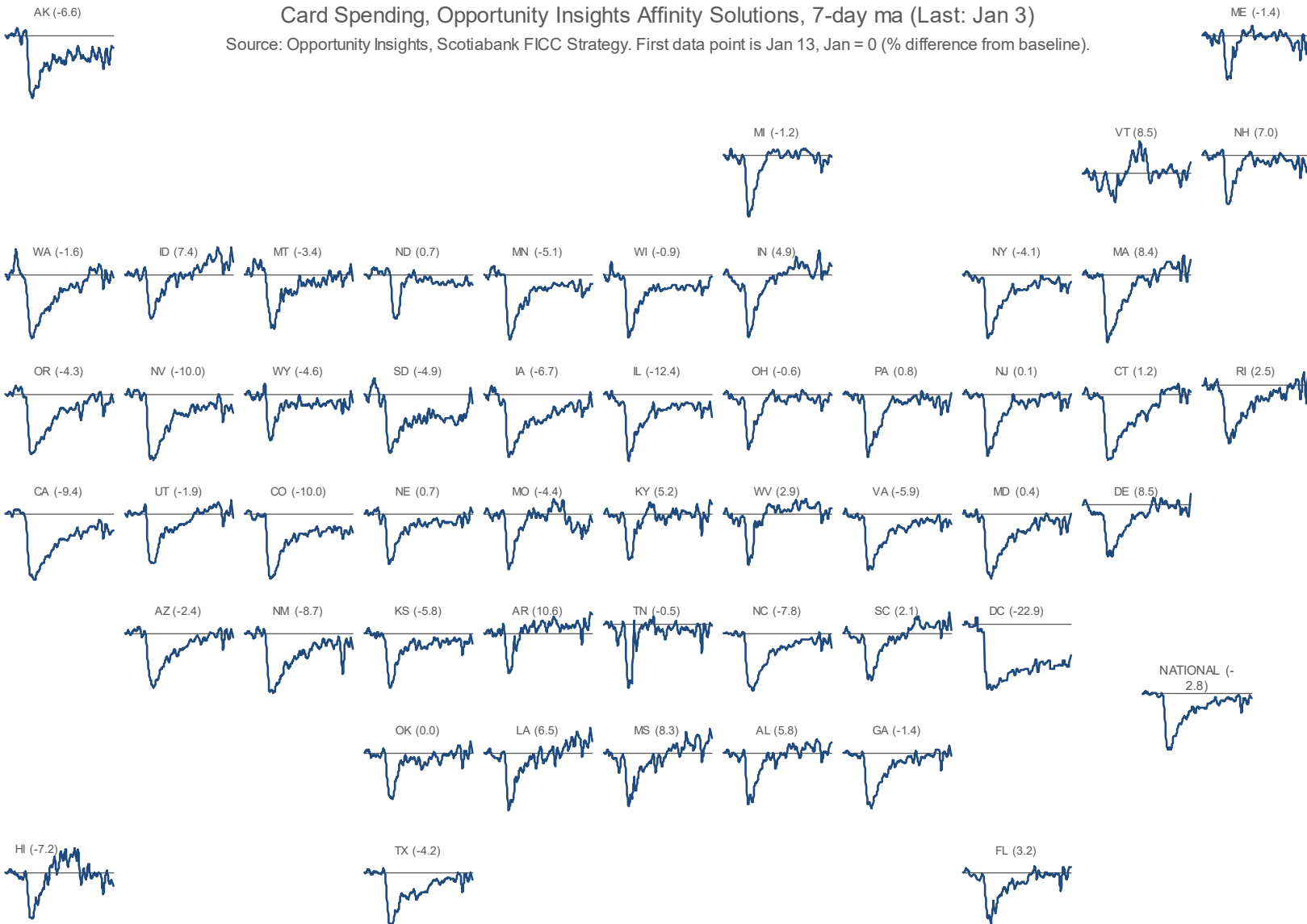
New Confirmed COVID-19 Cases by US State and Canadian Province, 7-day ma (Last: Jan 17)

Source: Bloomberg, Scotiabank FICC Strategy. First data point is March 3.



Card Spending, Opportunity Insights Affinity Solutions, 7-day ma (Last: Jan 3)

Source: Opportunity Insights, Scotiabank FICC Strategy. First data point is Jan 13, Jan = 0 (% difference from baseline).



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