WELLS FARGO

Weekly — September 9, 2022

Weekly Economic & Financial Commentary

United States: **Quiet Data Week Ahead of Critical CPI Report**

- It was a light data week following the U.S. Labor Day holiday. The ISM services index came in stronger than expected, and the underlying details pointed to service sector resilience with business activity and new orders notching their highest reading this year.
- Next week: CPI (Tuesday), Retail Sales (Thursday), Industrial Production (Thursday)

International: **European Central Bank Delivers Record Rate Hike**

- Against a backdrop of persistent and elevated inflation, the European Central Bank (ECB) delivered a record rate hike at this week's monetary policy announcement, raising its Deposit Rate by 75 bps to 0.75%. The ECB also said it expects to raise interest rates further, revised up its CPI inflation projections, and said that inflation remains far too high. Against this backdrop, we now forecast the European Central Bank will raise its Deposit Rate another 50 bps in late October and also 50 bps in December, lifting the Deposit Rate to 1.75% by the end of this year. We expect a final 25 bp rate increase to 2.00% in early 2023.
- Next week: U.K. CPI (Wed.), Australia Employment (Thu.), China Retail Sales & Industrial Output (Fri.)

Credit Market Insights: **Mortgage Rates on a Tear**

- Mortgage rates darted higher this past month as the average 30-year fixed-rate mortgage rose for the third straight week to 5.89%, up from 5.66% the previous week and 4.99% a month ago. The 90 bps rise since early August has pushed mortgage rates to their highest since 2008 and topped an earlier high of 5.81% set in June.

Topic of the Week: **The Beige Book Offers Some Clues**

- The Fed's Beige Book, released eight times per year, offers timely insight on regional economic activity. Overall economic activity was little changed from the prior report, while the outlook over the next six to 12 months weakened.

Wells Fargo U.S. Economic Forecast

	Actual				Forecast				Actual	Forecast		
	2022				2023				2021	2022	2023	2024
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
Real Gross Domestic Product [1]	-1.6	-0.6	3.5	0.4	-0.7	-2.3	-1.9	2.9	5.7	1.9	-0.2	1.7
Personal Consumption	1.8	1.5	1.8	0.5	-1.0	-1.1	-0.4	0.8	7.9	2.4	-0.1	1.3
Consumer Price Index [2]	8.0	8.6	8.0	6.7	5.2	3.0	2.4	2.4	4.7	7.8	3.2	2.3
"Core" Consumer Price Index [2]	6.3	6.0	6.1	5.7	5.0	4.1	3.4	3.0	3.6	6.0	3.8	2.7
Quarter-End Interest Rates [3]												
Federal Funds Target Rate	0.50	1.75	3.25	4.00	4.25	4.25	4.00	3.50	0.25	2.38	4.00	2.63
Conventional Mortgage Rate	4.42	5.81	5.65	5.70	5.60	5.40	5.10	4.90	2.95	5.40	5.25	4.68
10 Year Note	2.32	2.98	3.25	3.35	3.30	3.15	2.90	2.80	1.45	2.98	3.04	2.75

Forecast as of: September 09, 2022

[1] Compound Annual Growth Rate Quarter-over-Quarter [2] Year-over-Year Percentage Change [3] Annual Numbers Represent Average

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

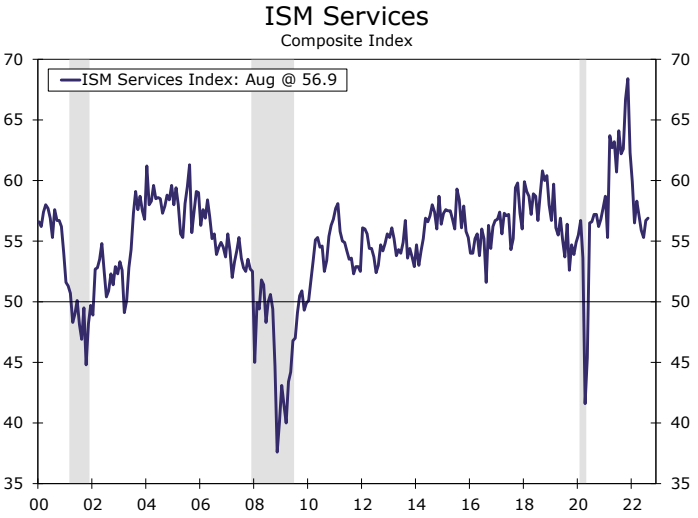
Please see our full U.S. Economic Forecast and our updated Pressure Gauge.

U.S. Review

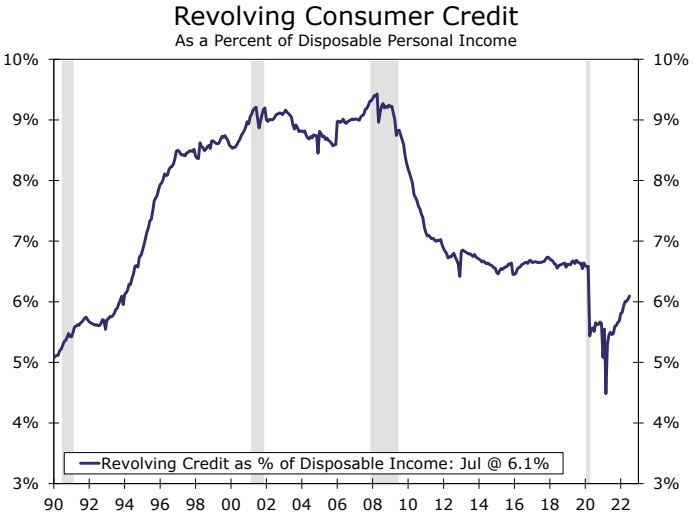
Quiet Data Week Ahead of Critical CPI Report

The short week following the Labor Day holiday was a relatively quiet one for U.S. economic data, sandwiched between last week's employment report and next week's critical CPI release. On Tuesday, the ISM services index topped expectations. The index registered a robust 56.9 reading, and the subcomponents were equally encouraging. Both the business activity and new orders components were the strongest readings of 2022, while the prices paid component ticked lower. The index has come off its record highs reached in 2021, but it remains well above the key 50 level that separates expansion from contraction, and it is about a point higher than the average over the 2010s. This week's ISM release provides further support for the belief that the U.S. economy has decelerated but has not yet fallen into a recession.

A majority of the selected industry comments from purchasing managers pointed to supply chain challenges affecting business. But the related components of the ISM suggest bottlenecks are improving somewhat, or at least not getting worse. The supplier deliveries component fell 3.3 points last month and that, on top of the 4.1-point drop in July, puts the index at its lowest point in over two years. The easing in delivery times also helped alleviate order backlog, which fell 4.4 points to 53.9 last month.



Source: Institute for Supply Management and Wells Fargo Economics



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

Initial jobless claims came in a bit cooler than expected, although continuing claims were a bit worse than anticipated. As we wrote in a recent report, data on individuals filing for unemployment do not suggest the economy is currently in a recession. Claims have ticked higher, but off of an incredibly low base amid a historically tight labor market. Even with the recent increase in continuing claims, the total number of people collecting unemployment benefits is still roughly 300K *below* February 2020 levels. For now, the jobless claims data are sending a similar signal to the ISM services index: The U.S. economy is slowing down but not outright contracting.

Much has been made about the extent to which consumers have needed to lean on their balance sheets to sustain consumption through the sky-high inflation seen thus far in 2022. This can come in the form of leaning on the asset side of the balance sheet (e.g., spending down your savings) or leaning on the liability side of the balance sheet (e.g., taking on new debt). For the latter, some ostensibly scary headlines have emerged related to credit growth, specifically about revolving credit such as credit cards. Data released this week showed revolving credit was up 14.3%year-over-year in July.

However, a deeper dive reveals that this rapid pace of growth may not be as concerning as it seems. Yes, revolving credit growth has been strong of late, but consumers paid down a significant amount of credit card debt earlier in the pandemic. From February 2020 through February 2021, consumer revolving credit outstanding *fell* 11.7%. As a share of after-tax household income, total revolving credit is still below its pre-pandemic ratio. Of course, with both borrowing and interest rates on the rise, eventually consumers will need to find a more sustainable source of funds for consumption growth. But for now, the recent rise in credit card debt is more of a normalization relative to the pre-pandemic trend rather than a significant cause for concern. (Return to Summary)

U.S. Outlook

Weekly Domestic Indicator Forecasts

Date	Indicator	Period	Consensus	Wells Fargo	Prior
13-Sep	CPI (MoM)	Aug	-0.1%	-0.2%	0.0%
13-Sep	CPI (YoY)	Aug	8.1%	7.9%	8.5%
13-Sep	Core CPI (MoM)	Aug	0.3%	0.4%	0.3%
13-Sep	Core CPI (YoY)	Aug	6.1%	6.1%	5.9%
14-Sep	PPI Final Demand (YoY)	Aug	8.9%	8.7%	9.8%
15-Sep	Retail Sales (MoM)	Aug	0.0%	-0.2%	0.0%
15-Sep	Industrial Production (MoM)	Aug	0.2%	-0.1%	0.6%
16-Sep	U. of Mich. Consumer Sentiment	Sep	59.3	--	58.2

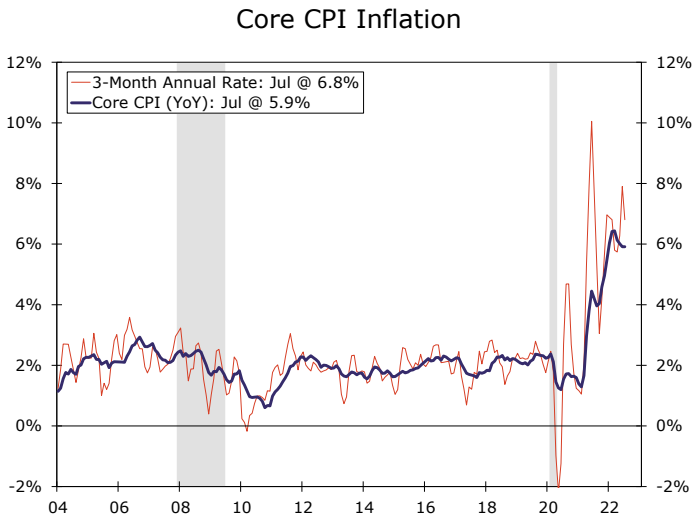
Forecast as of September 09, 2022

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

Consumer Price Index • Tuesday

Consumer price inflation surprised to the downside in July, driven by a big drop in energy prices and a sharp slowdown in both core goods and services. We expect Tuesday's report to show consumers received further relief on the inflation front in August. Specifically, we look for prices to have declined 0.2% last month, which would be the largest monthly drop since the spring of 2020. A further plunge in gasoline prices is expected to lead the headline lower, while additional giveback in travel services and used cars should help hold the core to a 0.4% month-over-month increase.

The FOMC has been singularly focused on inflation of late, and Tuesday's CPI print will be important in shaping the Fed's latest thinking ahead of its next meeting. While we expect the FOMC to be encouraged by the downshift in inflation since June, core prices continue to advance well ahead of the Fed's target. Lower commodity prices in recent months and easing of supply chain bottlenecks point to inflation cooling in the months ahead, but the still-strong rate of labor cost growth suggests that it will not be easy to return inflation to the Fed's target on a sustained basis.

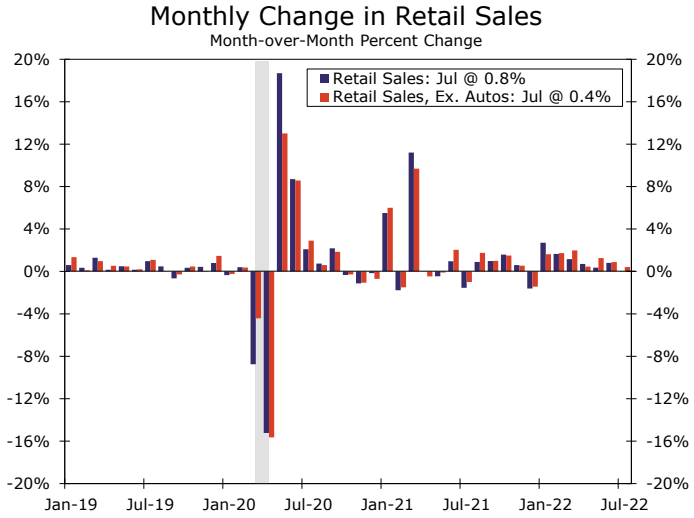


Source: U.S. Department of Labor and Wells Fargo Economics

Retail Sales • Thursday

Retail sales were flat in July, but after accounting for price changes, we estimate real sales rose 0.6%—the first volume gain in three months. Nominal sales likely dipped 0.2% in August, held down by a double-digit decline in gasoline prices last month and a slight decline in vehicle units sold. Savings at the pump, however, are likely to have supported sales in other categories as back-to-school shopping went into full swing. We look for sales ex-autos and gas to post another decent gain for August.

Consumer spending has shown resilience this summer. However, with gas prices falling more slowly, borrowing rates rising and the jobs market cooling, we expect the staying power of the consumer to fade over the remainder of the year. Retail spending is likely to feel the pullback to a disproportionate extent, after many goods purchases were pulled forward during the pandemic and spending on experiences was put on hold.

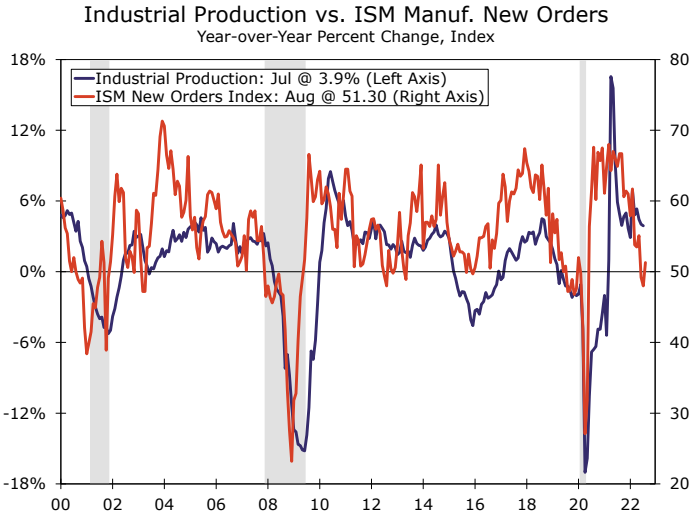


Source: U.S. Department of Commerce and Wells Fargo Economics

Industrial Production • Thursday

A sizable rebound in auto assemblies in July helped drive industrial production to its biggest gain since March. We expect to see some payback in August and for total industrial production to slip 0.1%. July historically has been a time for auto manufacturers to retool plants, but with fewer shutdowns as supplies are becoming easier to get a hold of, favorable seasonal factors likely contributed to last month's 6.6% rise in motor vehicles and parts production.Those adjustment factors will not be so favorable in August when production historically climbs, even as the latest ISM supplier delivery index points to genuine improvement in parts delivered to the industry at the center of the supply shortages the past two years.

Outside of autos, manufacturing production faces growing headwinds from higher borrowing rates, slowing growth domestically and abroad, and the strong dollar. While capital goods backlogs remain elevated, they are starting to get run down at the same time new orders growth has stumbled. (Return to Summary)



Source: Institute for Supply Management, Federal Reserve Board and Wells Fargo Economics

International Review

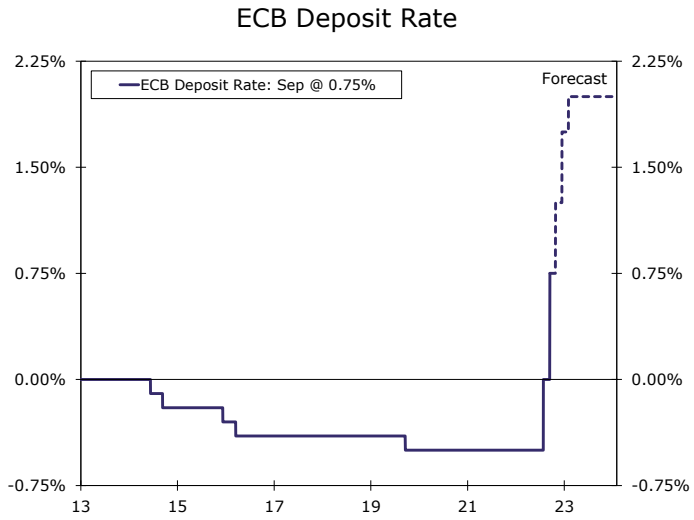
European Central Bank Delivers Record Rate Hike

Against a backdrop of persistent and elevated inflation, the European Central Bank (ECB) delivered a record rate hike at this week's monetary policy announcement, raising its Deposit Rate by 75 bps to 0.75%. Just as important, we viewed the central bank's accompanying comments as mildly hawkish on balance and expect the ECB to keep raising interest rates into early next year. Among the more hawkish elements of the ECB announcement, the central bank said the following:

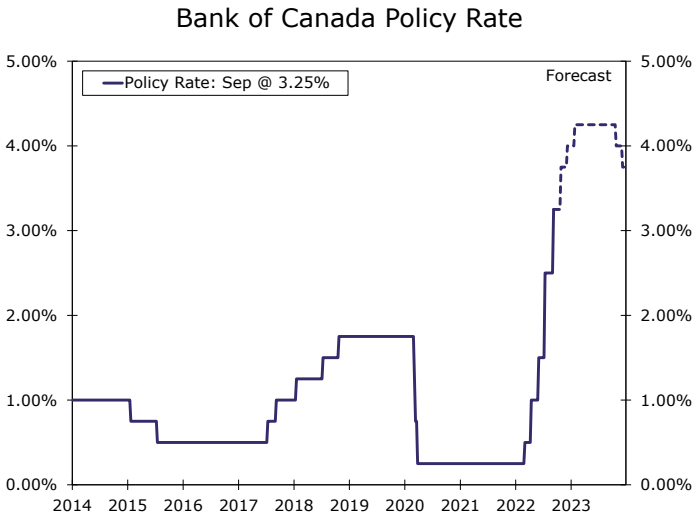
- Inflation remains far too high and is likely to stay above target for an extended period.
- Over the next several meetings, it expects to raise interest rates further to dampen demand and guard against the risk of a persistent upward shift in inflation expectations.
- It has significantly revised up its inflation projections and now expects CPI inflation to average 8.1% in 2022, 5.5% in 2023 and 2.3% in 2024.

Finally, on the less hawkish (or more dovish) side, the ECB acknowledged a slowdown in growth momentum, saying the Eurozone economy would likely stagnate in late 2022 and early 2023. More broadly, the ECB lowered its Eurozone GDP growth projections to 3.1% for 2022, just 0.9% for 2023 and 1.9% for 2024. The ECB said today's interest rate increase "front loads" some of the transition to a more normal monetary policy stance and that, going forward, future policy rate decisions will continue to be data-dependent and follow a meeting-by-meeting approach.

A key takeaway from the monetary policy announcement is that even after the forceful start to its rate hike cycle, the ECB is signaling that it believes interest rates will remain on an upward path for some time yet. This is reflected explicitly in its expectation that it will raise interest rates for the next several meetings, its observation that inflation remains far too high, and the significant upward revision to its inflation projections. Accordingly, even after this week's record rate hike, we now forecast the European Central Bank will raise its Deposit Rate another 50 bps in late October and also 50 bps in December, lifting the Deposit Rate to 1.75% by the end of this year. We expect a final 25 bp rate increase to 2.00% in early 2023. We subsequently expect the ECB to hold interest rates steady through the rest of 2023.



Source: Datastream and Wells Fargo Economics



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

Policy Rates Moving Higher Around the World

While the European Central Bank announcement was the most keenly anticipated by market participants, this week also saw monetary policy action from some other major central banks. The Bank of Canada (BoC) delivered another large rate increase this week, raising its policy rate by 75 bps to 3.25%, matching the consensus forecast and taking the central bank's rate above what is perceived as a neutral level. That said, the accompanying commentary from the BoC still contained several hawkish elements, consistent with further monetary tightening to come. The central bank said the following:

- The Canadian economy continues to operate in excess demand and labor markets remain tight.
- Surveys suggest that short-term inflation expectations remain high. The longer this continues, the greater the risk that elevated inflation becomes entrenched.
- It still judges that the policy interest rate will need to rise further. Quantitative tightening is complementing increases in the policy rate.

On the less hawkish (or more dovish) side, the BoC offered the first hints that it is at least starting to contemplate where the monetary tightening cycle might end, saying it will be assessing how much higher interest rates need to go to return inflation to target. The central bank also said it continues to expect the economy to moderate in the second half of this year. We believe the combination of elevated Canadian inflation and slowing Canadian growth is consistent with further tightening, but also at a moderating pace. We expect the BoC to raise its policy rate by 50 bps in October, and by 25 bps in both December and January, which would see the central bank's policy rate peak at 4.25% at the end of the tightening cycle.

The Reserve Bank of Australia (RBA) was perhaps the least aggressive of the major economy central banks this week, raising its policy rate by "only" 50 bps to 2.35%. The RBA signaled that further rate hikes would be needed to bring inflation back toward target over time, but repeated that policy is not on a preset path. In our view, the overall language of the announcement had a less hawkish tilt than prior announcements. The RBA dropped its previous wording about further steps toward normalization of monetary conditions, which could indicate the central bank believes monetary policy is now close to neutral, and any further moves could be seen as moving toward restrictive territory. In addition, the RBA said the path for bringing inflation back to target, while keeping the economy on an even keel, is "narrow" and "clouded in uncertainty." This cautious tone leads us to believe the RBA will move in smaller magnitude rate hikes going forward. More specifically, we expect 25 bps hikes at its October, November and December meetings, bringing the Cash Rate to a peak of 3.10% by the end of 2022. (Return to Summary)

International Outlook

Weekly International Indicator Forecasts

Date	Indicator	Period	Consensus	Wells Fargo	Prior
14-Sep	U.K. CPI (YoY)	Aug	10.2%	10.3%	10.1%
15-Sep	Australia Employment	Aug	35.0K	--	-40.9K
16-Sep	China Retail Sales (YoY)	Aug	3.2%	--	2.7%
16-Sep	China Industrial Output (YoY)	Aug	3.8%	--	3.8%

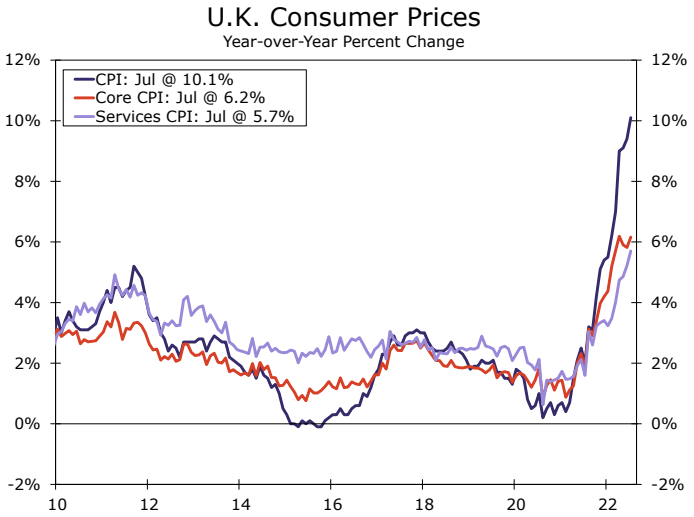
Forecast as of September 09, 2022

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

U.K. CPI • Wednesday

U.K. inflation has surged since late last year, led in particular by skyrocketing energy prices, but with broader price pressures also becoming increasingly evident over time. The July CPI jumped 10.1% year-over-year, the first double-digit increase in prices since the early 1980s, while the core CPI also quickened to 6.2%. For August, no relief is expected on the inflation front, with the consensus forecast for headline CPI inflation to quicken further to 10.2%, while core CPI inflation is forecast to edge higher to 6.3%. Those outcomes should be enough to keep the Bank of England on course for another 50 bp rate increase at its September monetary policy announcement.

Rounding out a very full week from the United Kingdom, July GDP is forecast to rise 0.3% month-over-month, partly reversing the decline seen in June. Services activity is expected to gain 0.4%, while industrial output should gain 0.1%. Finally, the latest batch of U.K. labor market data are also due, covering the months of July and August.

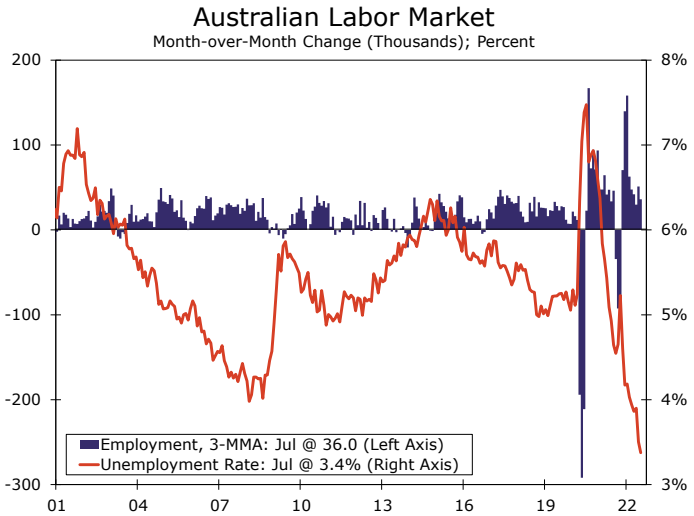


Source: Datastream and Wells Fargo Economics

Australia Employment • Thursday

Following this week's Australian monetary policy announcement, and the report card on the state of the economy in the form of the Q2 GDP report, attention will shift next week to Australia's August jobs report as an indicator of how the economy is faring in the second half of the year.

So far in 2022, labor market trends have been relatively sturdy, with an average employment gain of 36,500 during the first seven months of the year. The unemployment rate has fallen from 4.2% to 3.4% during the same period. That said, the July jobs report was a significant downside disappointment. Overall employment unexpectedly fell by 40,900, while full-time employment fell by an even larger 86,900. For August, the consensus forecast is for some rebound in employment with a gain of 35,000 expected, while the unemployment rate is expected to remain steady at 3.4%. Still, another unexpected decline in jobs, or even a subpar employment gain, could reinforce the case for the Reserve Bank of Australia to shift to a less aggressive 25 bps of rate increases for the October meeting and beyond.

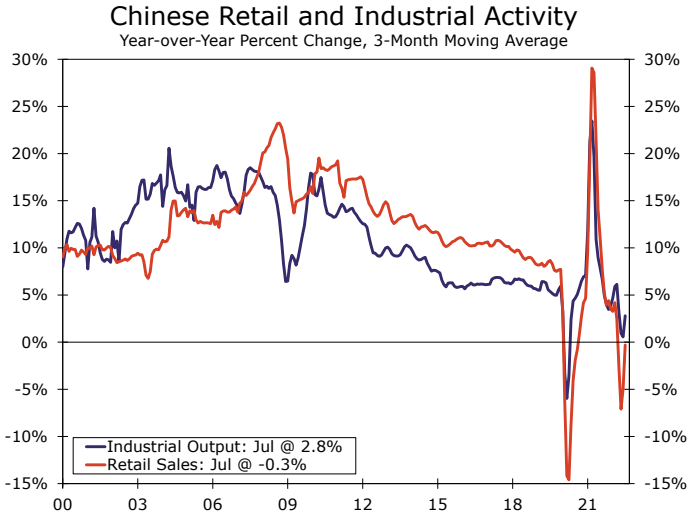


Source: Datastream and Wells Fargo Economics

China Retail Sales/Industrial Output • Friday

After China's economy slumped during the second quarter of this year amid widespread restrictions and lockdowns due to a rise in COVID cases, recent months had seen tentative signs of a rebound. That said, China's economy still faces challenges, particularly in the real estate sector where high leverage and rising defaults among property developers is weighing on activity. More recent, there has been a rise in COVID cases in regions such as Chengdu, among others, and some restrictions have been put back in place.

As a result, there have now been hints of a stumble after the initial tentative signs of a rebound. These include a drop in both the official and Caixin services PMIs in August (albeit by less than forecast), while with respect to the manufacturing sector both the official and Caixin PMIs printed below the breakeven 50 level in August. It is against this backdrop that China's August activity data will be scrutinized for clues on the path of the economy. The consensus forecast is for those figures to remain consistent with a gradual, and somewhat tentative, recovery. August retail sales are expected to firm moderately to 3.2% year-over-year, while industrial output is forecast to rise 3.9%. (Return to Summary)



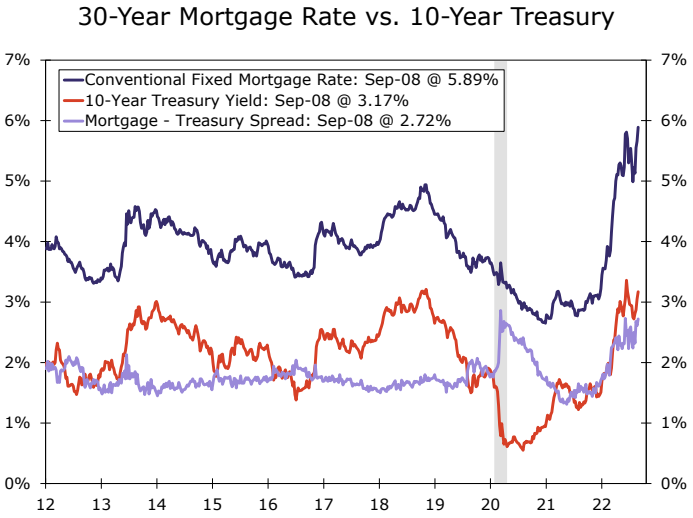
Source: Datastream and Wells Fargo Economics

Credit Market Insights

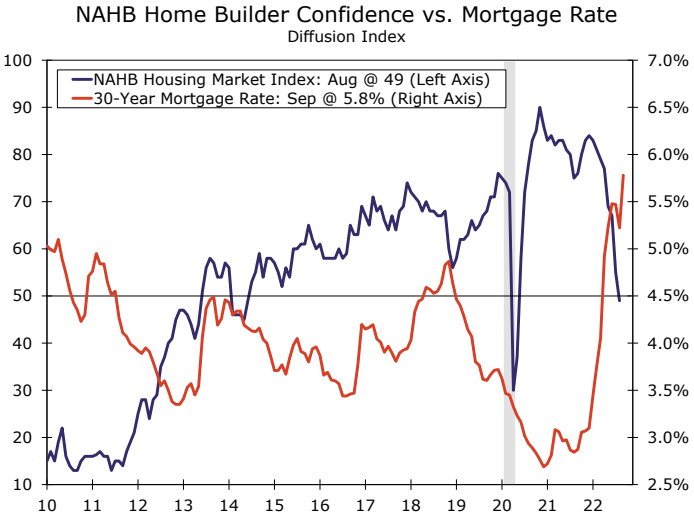
Mortgage Rates on a Tear

Mortgage rates darted higher this past month as the average 30-year fixed-rate mortgage rose for the third straight week to 5.89%, up from 5.66% the previous week and 4.99% a month ago. The 90 bps rise since early August has pushed mortgage rates to their highest since 2008 and topped an earlier high of 5.81% set in June. The 30-year fixed-rate has now ascended more than three percentage points since a year ago. Mirroring this rise was the 10-year Treasury yield, which rose to 3.33% on Tuesday, the highest since June. The sell-off in bonds over the past month has been partially fueled by the Fed's hawkish pivot and intent to keep rates higher for longer to curb inflation.

The slowdown in the housing market is one of the more visible effects of the Fed's rate hikes so far. Against the backdrop of higher mortgage rates, sales have cooled and builder confidence has soured. Despite some recent moderation in home prices, higher financing costs have significantly worsened affordability. Mortgage applications for purchase have declined in eight of the past 10 weeks as more buyers have been sidelined by prohibitive costs. Note that the sales data we are seeing now coincided with June's run-up in rates. The impact was pronounced, with existing home sales falling more than 5.9% in July and new home sales plummeting 12.6% over the month. The impact of the current ascent in rates will be seen later this year, but effects have already been seen in builder sentiment, which worsened considerably in August.



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



Source: National Association of Home Builders, Freddie Mac and Wells Fargo Economics

Home builders have scaled back production in response to the slowdown in buyer demand and rising interest rates. Builders have been reporting weaker buyer traffic since early this year and a growing number of builders have reported delays or cancelations. Lower expected buyer traffic and home sales has forced builders to hit the brakes on projects, particularly for single-family homes. Single-family starts have fallen for five straight months through July. Judging by the continued weakness in building permits, starts likely have further to fall. Spending data have also followed this trend as investment in single-family home construction in July fell the most since the onset of the pandemic, declining 4.0% over the month.

Home buying and residential spending are likely to slow further amid rising interest rates, slower growth in real incomes and a cooling labor market. As outlined in our September U.S. Economic Outlook, we have adjusted our residential spending outlook to accommodate for the recent downturn in home sales and builder confidence. We have steepened the drop-off in residential investment in 2022 as the data indicate further challenges ahead for the housing market. (Return to Summary)

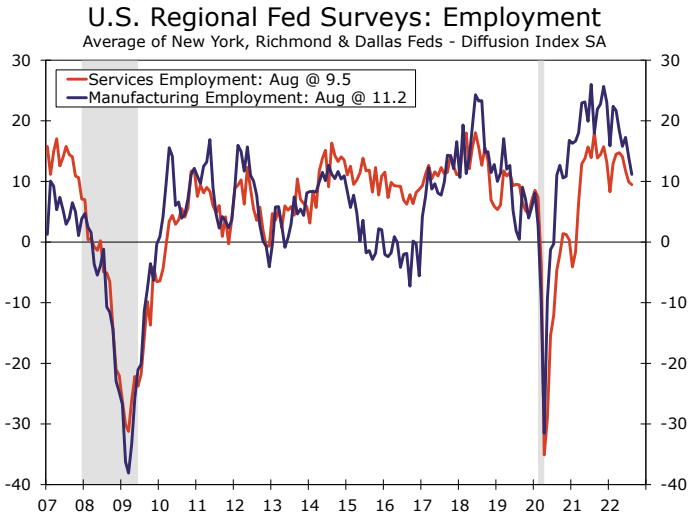
Topic of the Week

The Beige Book Offers Some Clues

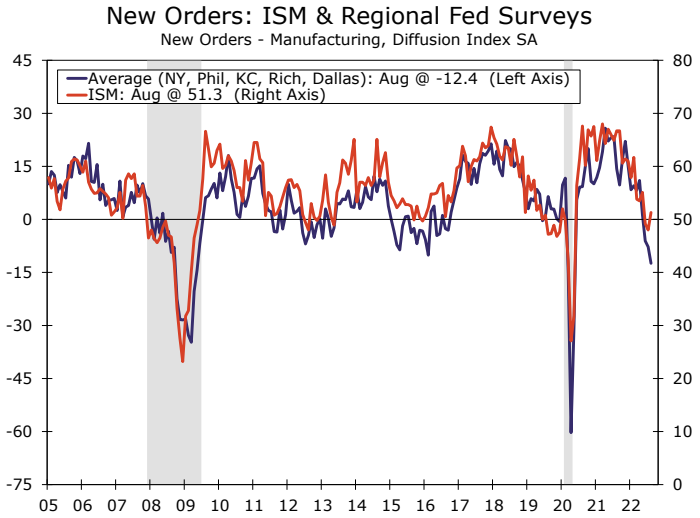
As outlined in our latest U.S. Economic Outlook, a recession next year seems more likely than not. Persistent inflation has eroded real income growth and has caused the FOMC to pivot to a hawkish policy stance. Since March, the target range for the fed funds rate has increased 225 bps, and we look for another 175 bps of tightening by early next year. The aggressive rise in interest rates is likely to push economic growth negative starting in early 2023.

At present, conditions across the economy are mixed. The Fed's Beige Book, released eight times per year, offers timely insight on regional economic activity. The report characterizes sentiment and expectations through the collection of qualitative feedback from a variety of contacts across the 12 Federal Reserve districts. The latest Beige Book survey period started in July and ended in late August. Overall economic activity was little changed from the prior report (released in mid-July).

Most districts reported a modest to moderate rise in employment. While hiring has cooled relative to first half of the year (chart), labor demand remains solid. Acute worker shortages over the past few years have encouraged many firms to staff up and retain workers, even with weaker growth prospects. A manufacturing contact of the Cleveland Fed described this dynamic well: "[My firm] will continue to hire until we can gain a full staff, even if the economy slows." In terms of labor supply, firms reported some signs of easing in attaining workers, which squares with the improvement in the national labor force participation rate in August. Wages continued to grow, but several districts reported a slower pace of increase. In short, the labor market remains hot.



Source: Federal Reserve System and Wells Fargo Economics



Source: ISM, Federal Reserve System and Wells Fargo Economics

Manufacturing activity continued to expand. Encouragingly, many firms cited easing supply chain issues, albeit amid some ongoing labor and input material challenges. On balance, new orders moderated across the districts, which has shown up in the separately-reported regional Fed manufacturing PMIs (chart). Although the pipeline is thinning, the Dallas Fed reported the slowdown in orders "has allowed firms to work through backlogs and reduce delivery times." A contact of the Chicago Fed indicated that "at many manufacturers, current backlogs were large enough to sustain production levels through the end of the year." This sentiment mirrors our own view that elevated backlog will help provide an offset to slowing capital expenditure demand.

Looking ahead, the outlook over the next six to 12 months weakened amid expectations for further softening in demand. While sales are largely stable across the districts, the Kansas City Fed reported that "revenues were supported by higher prices, as quantities sold fell slightly." The Atlanta Fed echoed that dynamic and commented that "most retailers are cautiously optimistic for the upcoming holiday season." Healthy household balance sheets have supported spending this year so far, but the deterioration in consumer purchasing power is a headwind to consumption in the months ahead. (Return to Summary)

Market Data • Mid-Day Friday

U.S. Interest Rates

	Friday 9/9/2022	1 Week Ago	1 Year Ago
SOFR	2.28	2.29	0.05
3-Month LIBOR	3.24	3.14	0.12
3-Month T-Bill	3.01	2.87	0.04
1-Year Treasury	3.36	3.33	0.05
2-Year Treasury	3.51	3.39	0.21
5-Year Treasury	3.41	3.29	0.79
10-Year Treasury	3.30	3.19	1.30
30-Year Treasury	3.45	3.34	1.90
Bond Buyer Index	3.73	3.64	2.15

Foreign Exchange Rates

	Friday 9/9/2022	1 Week Ago	1 Year Ago
Euro ($/€)	1.005	0.995	1.183
British Pound ($/£)	1.159	1.151	1.384
British Pound (£/€)	0.867	0.865	0.855
Japanese Yen (¥/$)	142.470	140.200	109.720
Canadian Dollar (C$/$)	1.304	1.313	1.266
Swiss Franc (CHF/$)	0.961	0.981	0.917
Australian Dollar (US$/A$)	0.685	0.681	0.737
Mexican Peso (MXN/$)	19.876	19.946	19.936
Chinese Yuan (CNY/$)	6.928	6.900	6.455
Indian Rupee (INR/$)	79.586	79.799	73.498
Brazilian Real (BRL/$)	5.152	5.170	5.207
U.S. Dollar Index	109.029	109.534	92.479

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

Foreign Interest Rates

	Friday 9/9/2022	1 Week Ago	1 Year Ago
3-Month Euro LIBOR	-0.58	-0.59	-0.57
3-Month Sterling LIBOR	2.67	2.58	0.06
3-Month Canada Banker's Acceptance	4.01	3.87	0.45
3-Month Yen LIBOR	-0.01	-0.02	-0.09
2-Year German	1.32	1.10	-0.71
2-Year U.K.	3.10	3.15	0.22
2-Year Canadian	3.59	3.58	0.40
2-Year Japanese	-0.08	-0.08	-0.12
10-Year German	1.71	1.53	-0.36
10-Year U.K.	3.11	2.92	0.74
10-Year Canadian	3.13	3.09	1.17
10-Year Japanese	0.25	0.24	0.04

Commodity Prices

	Friday 9/9/2022	1 Week Ago	1 Year Ago
WTI Crude ($/Barrel)	86.06	86.61	68.14
Brent Crude ($/Barrel)	91.68	93.02	71.45
Gold ($/Ounce)	1715.16	1712.19	1794.58
Hot-Rolled Steel ($/S.Ton)	819.00	781.00	1927.00
Copper (¢/Pound)	356.00	341.45	428.35
Soybeans ($/Bushel)	14.51	14.16	12.70
Natural Gas ($/MMBTU)	7.94	9.26	5.03
Nickel ($/Metric Ton)	21,716	20,249	19,723
CRB Spot Inds.	591.21	592.21	614.00

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