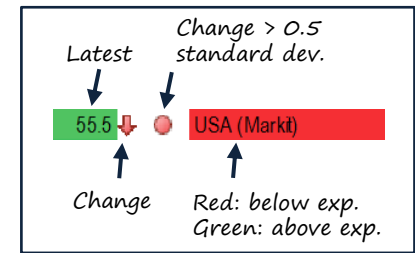
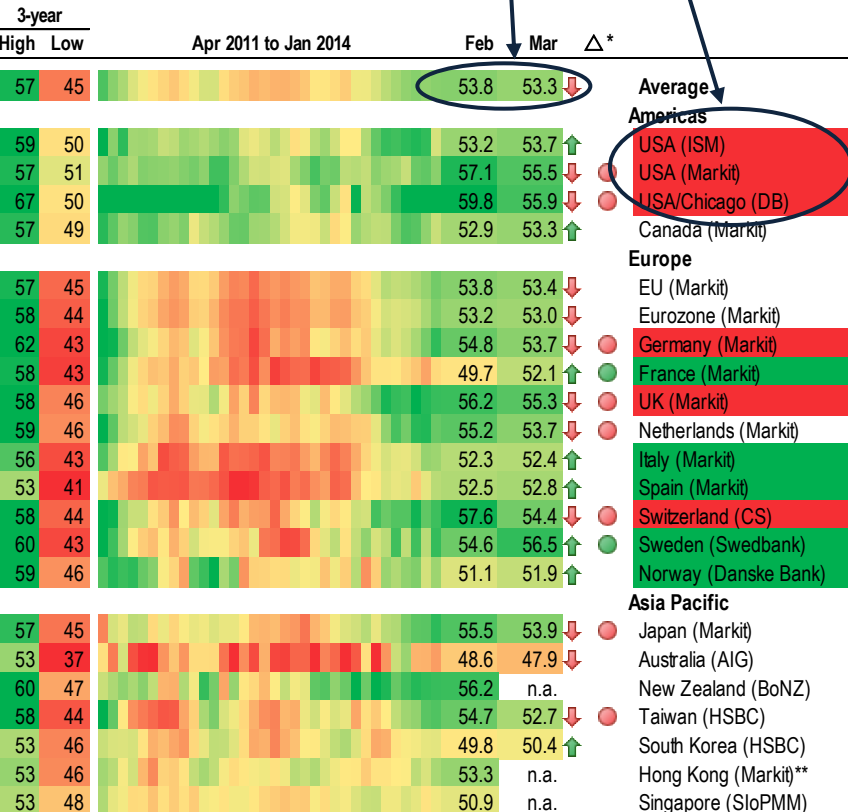


# PMI: above 50 and reasonably stable

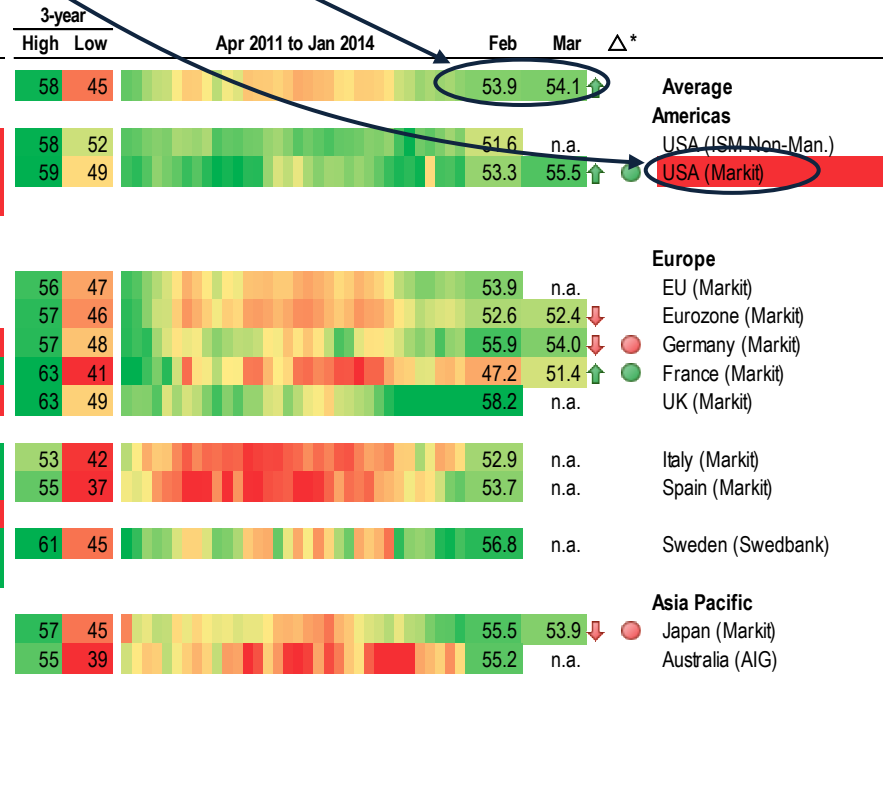
PMIs in the US didn't meet expectations but were comfortable above 50.



## Manufacturing



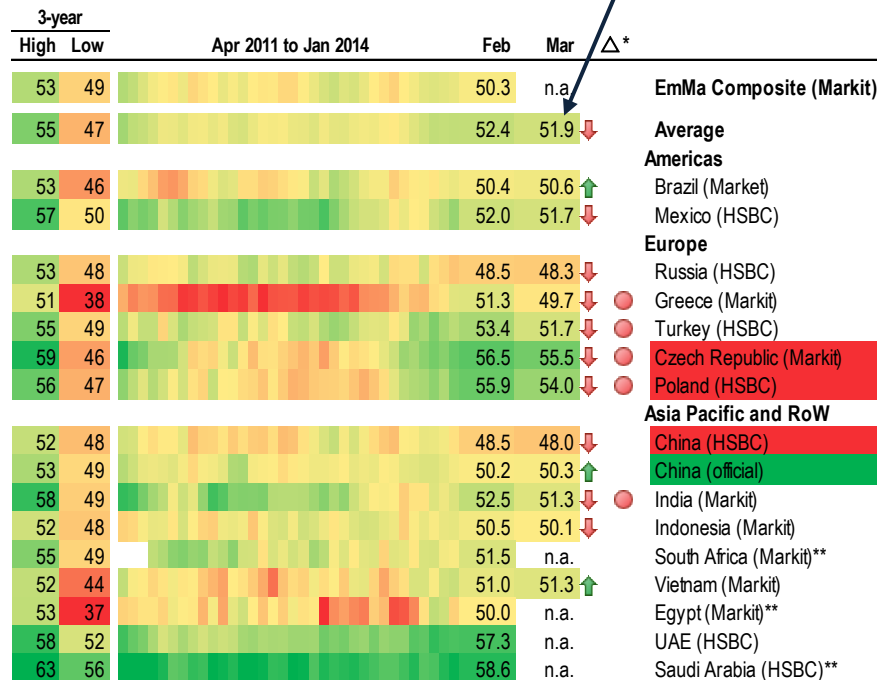
## Services



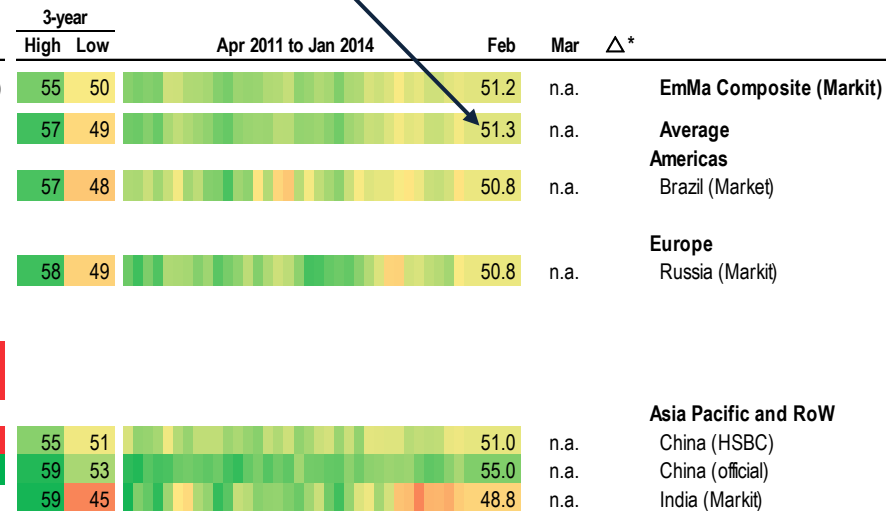
Source: IR&M, Bloomberg. Notes: PMI stands for Purchasing Manager Index and is a diffusion index. A figure above 50 means the economy is expanding, below 50 means the economy is contracting. The average is equally weighted. \*The direction of the latest change is shown with an arrow. Changes larger than 0.5 standard deviation are marked with a red or green dot. A green/red highlight means figure was better/worse than expected.

# PMI EmMa: above 50

## Manufacturing



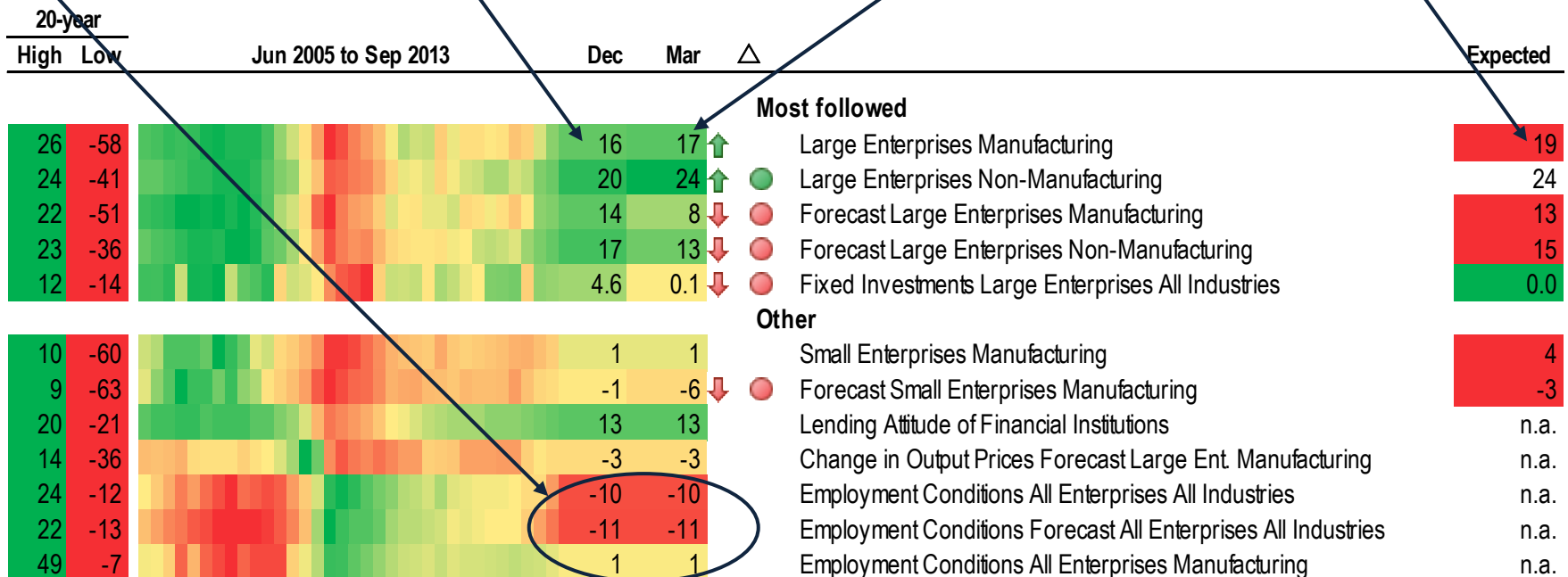
## Services



Source: IR&M, Bloomberg. Notes: PMI stands for Purchasing Manager Index and is a diffusion index. A figure above 50 means the economy is expanding, below 50 means the economy is contracting. The average is equally weighted. \*The direction of the latest change is shown with an arrow. Changes larger than 0.5 standard deviation are marked with a red or green dot. A green/red highlight means figure was better/worse than expected.

# Japan Tankan survey: below expectations

The most followed component of the Tankan survey at 17 was higher than 16 in Q4 2013 but below expectations of 19. Note that employment conditions, important for inflation and therefore Abenomics, have not improved.



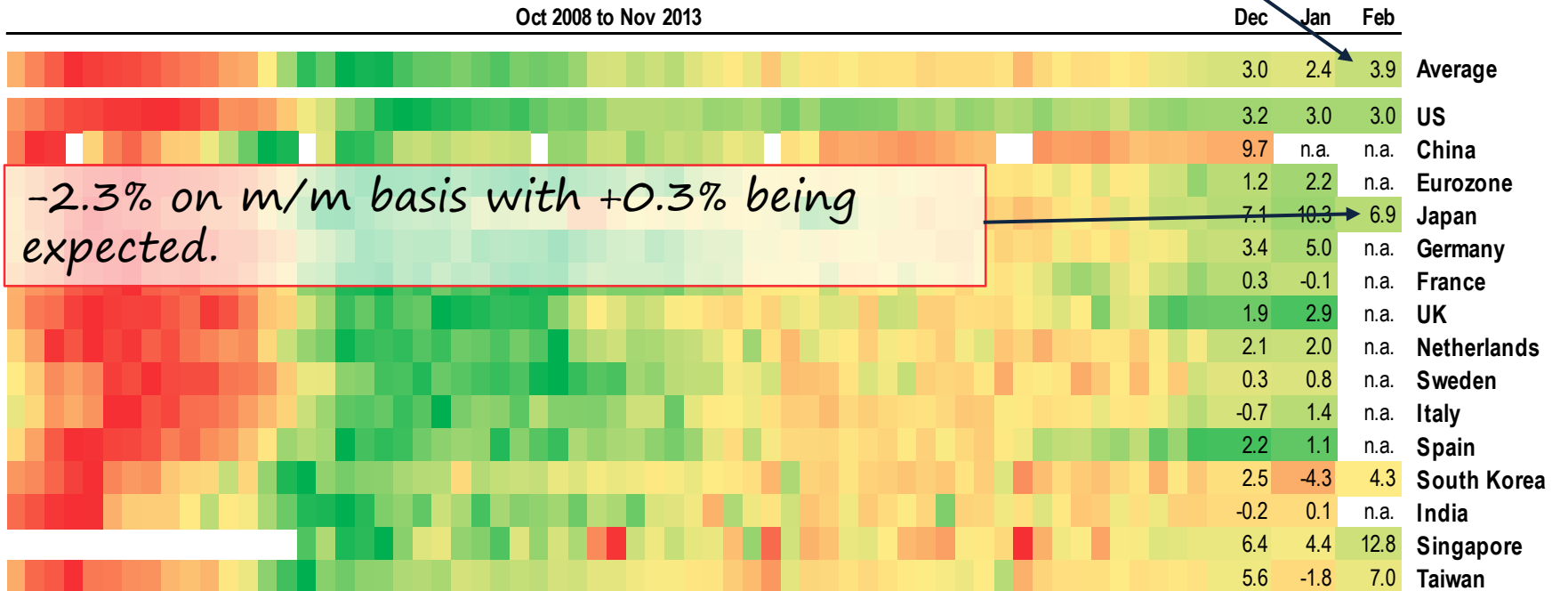
Source: IR&M, Bloomberg. Note: The direction of the latest change is shown with an arrow. Changes larger than 0.5 standard deviation are marked with a red or green dot. A green/red highlight in the last column means figure was better/worse than expected.

# Industrial output: **growing\***

\* A positive number means industrial output is growing.

*The most important thing  
Industrial output is  
growing.*

Oct 2008 to Nov 2013



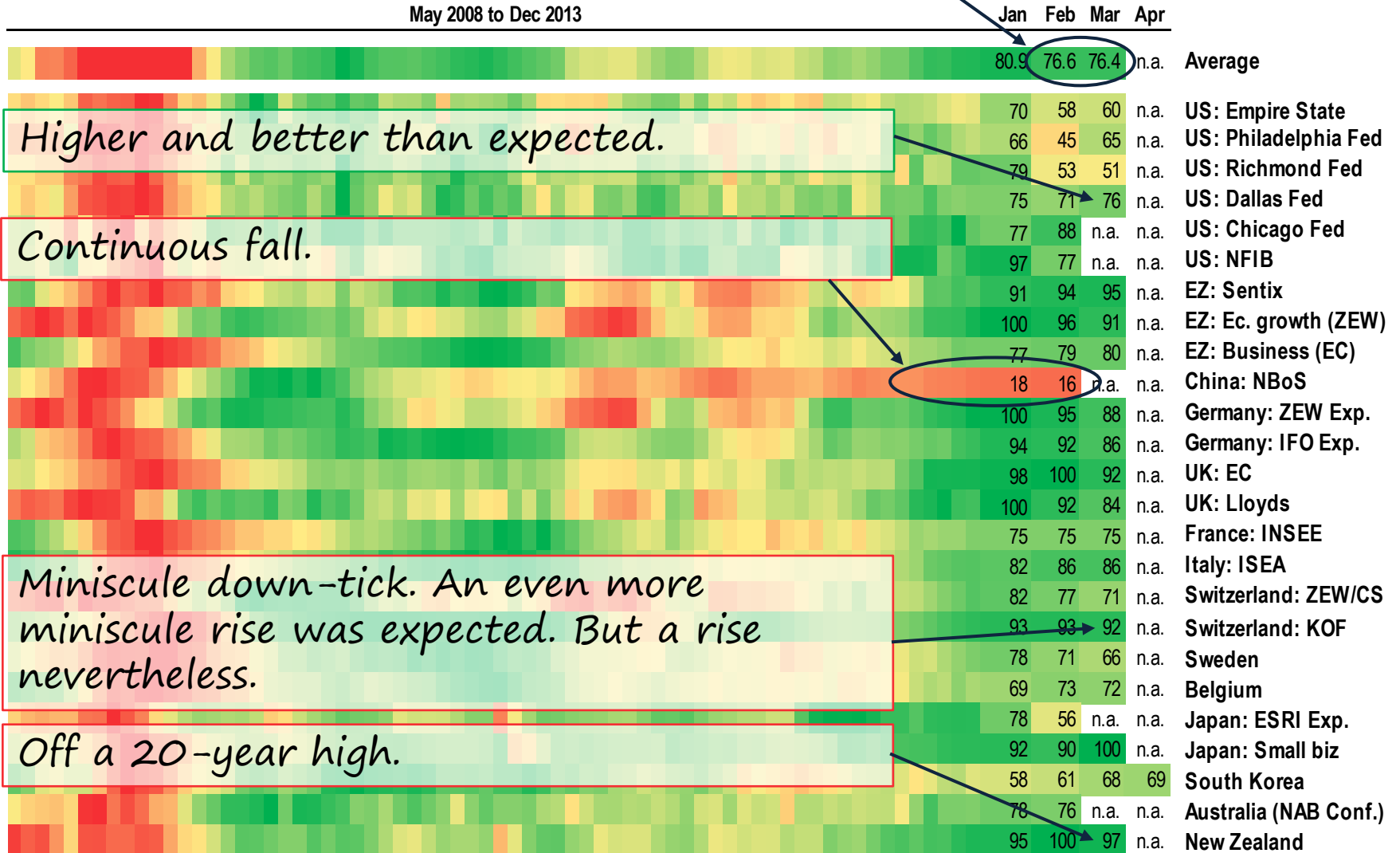
*-2.3% on m/m basis with +0.3% being expected.*

Source: IR&M, Bloomberg. Notes: Based on yoy industrial production. Industrial production is generally perceived as a lagging indicator. The average is equal weighted. In the case of a figure not available, the previous one is used to calculate the latest average.

# Business sentiment: stable\*

\* A five-point move is one standard deviation.

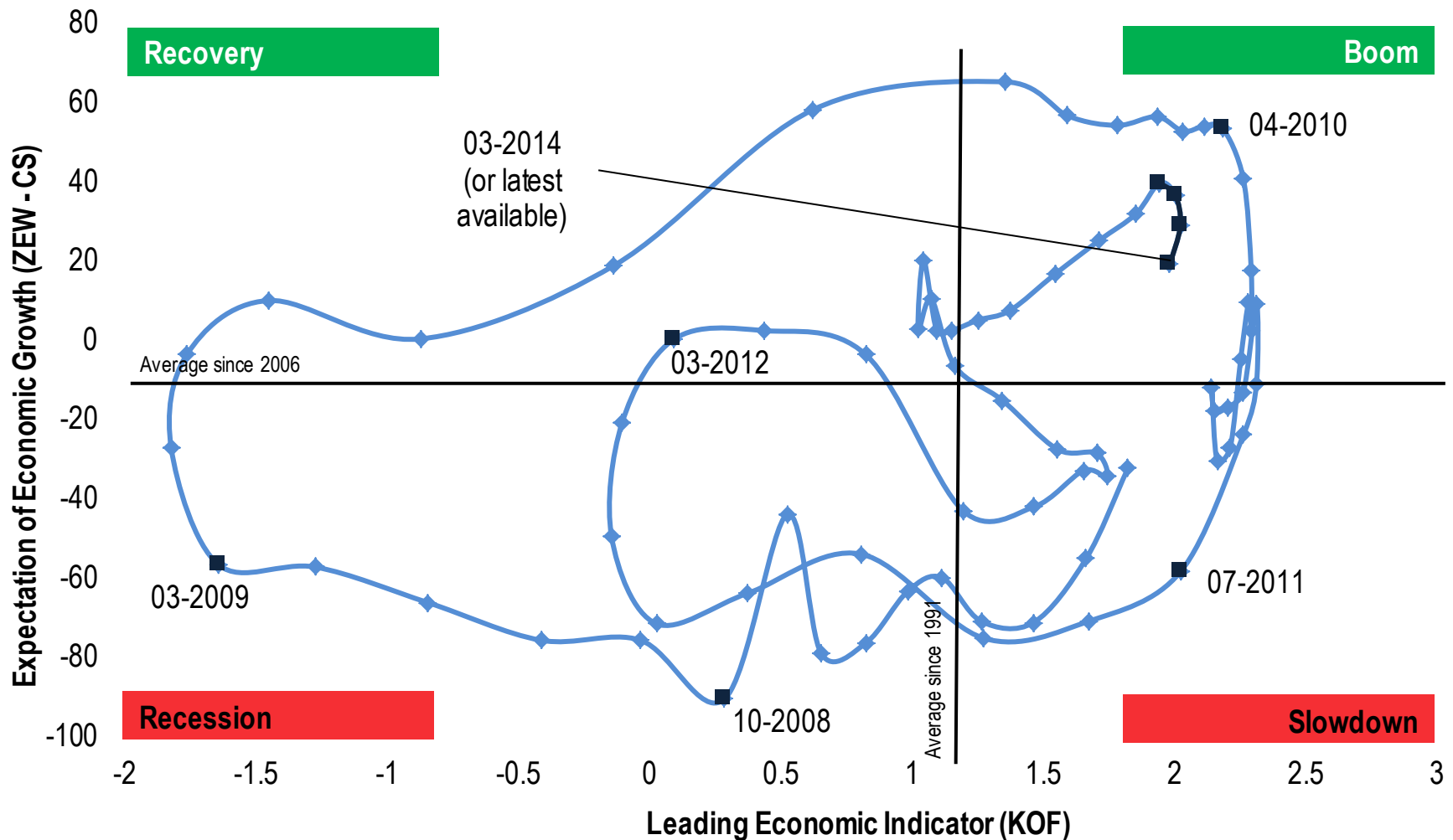
May 2008 to Dec 2013



Source: IR&M, Bloomberg. Note: Figures are shown in percentiles. The average is equally weighted. The high of the average was at 83.4 in April 2010.

# Switzerland: trend reversed

Based on these two variables the business has now reversed and the economy is heading towards the lower left hand corner.



Source: IR&M, Bloomberg. Based on the KOF Leading Economic Indicator and the ZEW-CS Switzerland Expectation of Economic Growth Index.

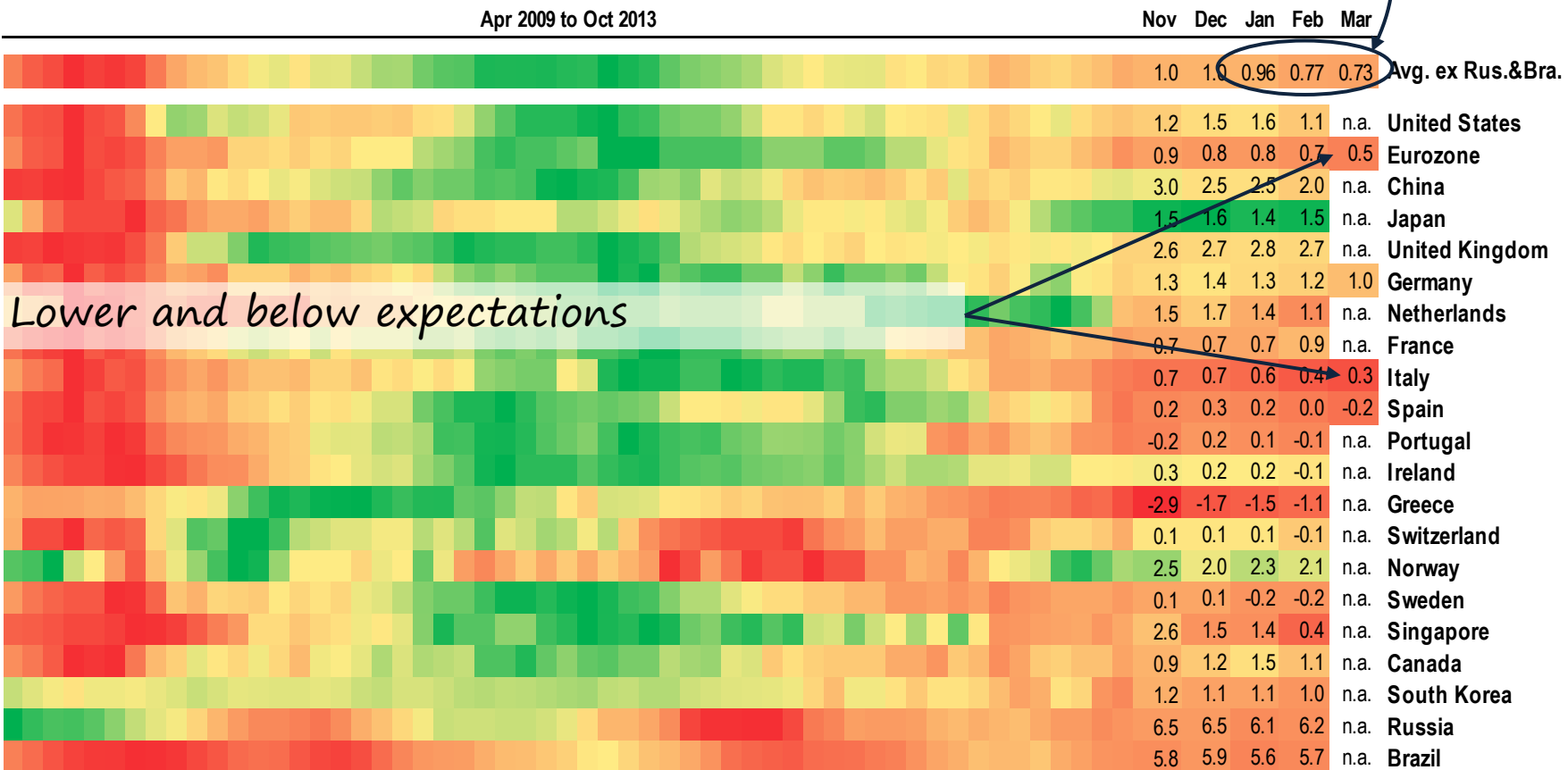
# CPI: falling\*

\* A move by 0.28 is one standard deviation.



Apr 2009 to Oct 2013

*The most important thing  
Inflation is not  
rising.*

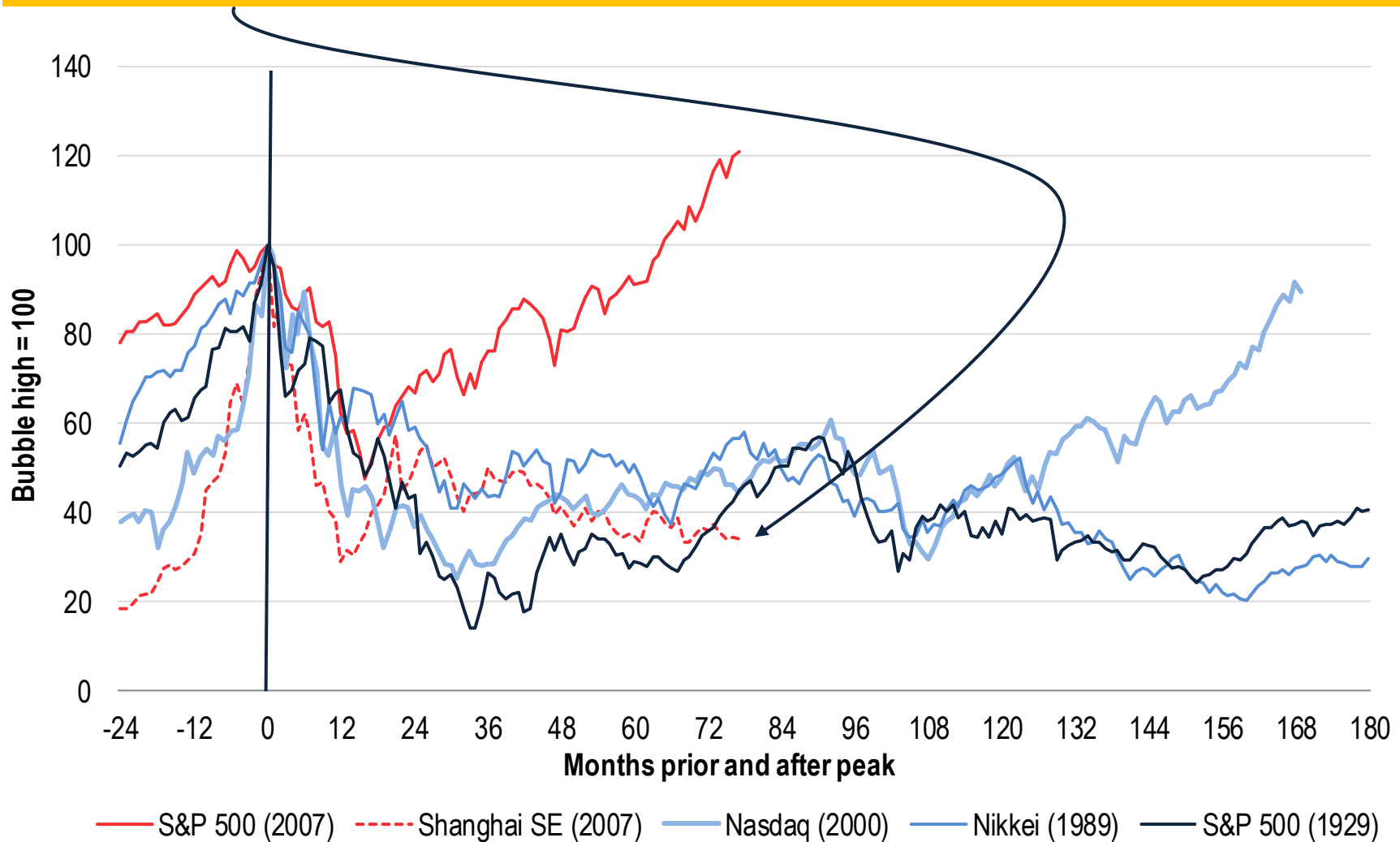


*Lower and below expectations*

Source: IR&M, Bloomberg. Based on official yoy CPI, except UK, which is based on RPI (Retail Price Index). Average is equally weighted excluding Russia and Brazil. Source cartoon: FT 13 March 2014.

# Graph of the week – for what it's worth

*The non-recovery of the Chinese stock market is quite extreme.*



Source: IR&M, Bloomberg.

Note: Chart shows five indices where the bubble peak was set to 100. The year in brackets stands for the year in which the index reached its peak. Chart is based on monthly data and is in nominal terms.



# Trivia

This looks like an April's Fools Day joke but isn't. It's *Repressionomics* and [Wriston's Law](#) of Capital at work. NB. The Sardinians have our vote. Landlocked no more...

theguardian

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News > World news > Italy

## Italy's separatist spirit takes new shape as Sardinians push to become Swiss

'This is not madness. This is common sense,' say Canton Marittimo activists protesting at waste and bureaucracy

Lizzy Davies in Cagliari

The Guardian, Sunday 23 March 2014 18.56 GMT

 Jump to comments (82)



Sardinian secession from Italy would bring miles of stunning coastline to landlocked Switzerland. Photograph: Cubolimages srl/Alamy

In Italy, restive regionalism and sporadic separatist pushes are nothing new. Just last week, activists in the north-eastern Veneto region held an unofficial referendum in which more than two million people – according to the organisers – voted for independence.

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