

May 30, 2023 – Economic Commentary

For central bankers, the world is now a fairly complicated puzzle. In China, the economic recovery appears to be slowing due to weaker-than-expected (desired?) consumer demand and problematic unemployment, challenging policy-makers to provide “appropriate” economic stimulus. In Europe, restrictive credit seems to be having some of the desired effects of slowing economic activity and possibly reducing inflationary pressures, but food inflation remains uncomfortably high; the European Central Bank, having started its interest rate increases well after the US Federal Reserve, is almost certainly still in a monetary tightening mode. And in the United States, Federal Reserve Chairman Powell’s hopes to be able to hit the pause button in June on raising interest rates may be well on their way to being dashed as inflation appears to have also hit a “pause” on its much-hoped-for deceleration below 4%—home prices are actually increasing in some markets and companies retain pricing power that they are using fairly aggressively. In all three of these crucial economies, there are notable signs of stress in the commercial real estate sector, banking and various labor geographic/demographic sub-markets, but broader macroeconomic conditions seem to be forcing central banks to continue to use the immediate blunt force of interest rates and money supply rather than a more nuanced, patient approach that might reduce the risk of volatility.

Data to Watch:

1. Euro Area Loans to Households and Businesses for April, released Tuesday, May 30
2. US JOLTS Job Openings for April, released Wednesday, May 31
3. US NonFarm Payrolls and Unemployment Rate for May, released Friday, June 2

Suggested Reading:

[Where Is the U.S. Economy Headed? Follow the Money](#)

[Why Are Food Prices So High in Europe?](#)

[Running out of battery: how post-Brexit Britain is failing to set up a future-focused economy](#)

Disclosures

Investment advisory services offered through Robertson Stephens Wealth Management, LLC (“Robertson Stephens”), an SEC-registered investment advisor. Registration does not imply any specific level of skill or training and does not constitute an endorsement of the firm by the Commission. This material is for general informational purposes only and should not be construed as investment, tax or legal advice. It does not constitute a recommendation or offer to buy or sell any security, has not been tailored to the needs of any specific investor, and should not provide the basis for any investment decision. Please consult with your Advisor prior to making any Investment decisions. The information contained herein was carefully compiled from sources believed to be reliable, but Robertson Stephens cannot guarantee its accuracy or completeness. Information, views and opinions are current as of the date of this presentation, are based on the information available at the time, and are subject to change based on market and other conditions. Robertson Stephens assumes no duty to update this information. Unless otherwise noted, any individual opinions presented are those of the author and not necessarily those of Robertson Stephens. Indices are unmanaged and reflect the reinvestment of all income or dividends but do not reflect the deduction of any fees or expenses which would reduce returns. Past performance does not guarantee future results. Forward-looking performance targets or estimates are not guaranteed and may not be achieved. Investing entails risks, including possible loss of principal. Alternative investments are only available to qualified investors and are not suitable for all investors. Alternative investments include risks such as illiquidity, long time horizons, reduced transparency, and significant loss of principal. This material is an investment advisory publication intended for investment advisory clients and prospective clients only. Robertson Stephens only transacts business in states in which it is properly registered or is excluded or exempted from registration. A copy of Robertson Stephens’ current written disclosure brochure filed with the SEC which discusses, among other things, Robertson Stephens’ business practices, services and fees, is available through the SEC’s website at: www.adviserinfo.sec.gov. © 2023 Robertson Stephens Wealth Management, LLC. All rights reserved. Robertson Stephens is a registered trademark of Robertson Stephens Wealth Management, LLC in the United States and elsewhere.

Disclosures

Investment advisory services offered through Robertson Stephens Wealth Management, LLC ("Robertson Stephens"), an SEC-registered investment advisor. Registration does not imply any specific level of skill or training and does not constitute an endorsement of the firm by the Commission. This material is for general informational purposes only and should not be construed as investment, tax or legal advice. It does not constitute a recommendation or offer to buy or sell any security, has not been tailored to the needs of any specific investor, and should not provide the basis for any investment decision. Please consult with your Advisor prior to making any Investment decisions. The information contained herein was carefully compiled from sources believed to be reliable, but Robertson Stephens cannot guarantee its accuracy or completeness. Information, views and opinions are current as of the date of this presentation, are based on the information available at the time, and are subject to change based on market and other conditions. Robertson Stephens assumes no duty to update this information. Unless otherwise noted, any individual opinions presented are those of the author and not necessarily those of Robertson Stephens. Indices are unmanaged and reflect the reinvestment of all income or dividends but do not reflect the deduction of any fees or expenses which would reduce returns. Past performance does not guarantee future results. Forward-looking performance targets or estimates are not guaranteed and may not be achieved. Investing entails risks, including possible loss of principal. Alternative investments are only available to qualified investors and are not suitable for all investors. Alternative investments include risks such as illiquidity, long time horizons, reduced transparency, and significant loss of principal. This material is an investment advisory publication intended for investment advisory clients and prospective clients only. Robertson Stephens only transacts business in states in which it is properly registered or is excluded or exempted from registration. A copy of Robertson Stephens' current written disclosure brochure filed with the SEC which discusses, among other things, Robertson Stephens' business practices, services and fees, is available through the SEC's website at: www.adviserinfo.sec.gov. © 2023 Robertson Stephens Wealth Management, LLC. All rights reserved. Robertson Stephens is a registered trademark of Robertson Stephens Wealth Management, LLC in the United States and elsewhere.