



## Australian consumer sentiment slides as rates rise

SYDNEY, Aug 9 (Reuters) - A measure of Australian consumer sentiment fell for a ninth straight month in August to depths last seen early in the pandemic as another hike in interest rates combined with the surging cost of living to sour the national mood.

The Westpac-Melbourne Institute -

index of consumer sentiment released on Tuesday slid 3.0% in August from July, when it also dropped 3.0%. The index was down 22% from August last year at 81.2, meaning pessimists far outnumber optimists.....

[SOURCE](#)

## Record £300bn wiped off UK bonds and gilts as investors flee in biggest market collapse in decades

Just under £300bn has been wiped off the value of UK corporate bonds since the start of this year following a major sell-off in the bond market in what is considered the biggest collapse in two decades.

In the first six months of this year



the total outstanding value of UK corporate bonds has fallen by 13.3% from £2.237 trillion to £1.940 trillion, a fall of £297.5 billion.

This compares to a fall.....

[SOURCE](#)

## Danger ahead: The U.S. economy has yet to face its biggest recession challenge

You'd be hard-pressed now to find a recession in the rearview mirror. What's down the road, though, is another story.

There is no historical precedent to indicate that an economy in recession can produce 528,000 jobs in a month, as the U.S. did during July. A 3.5% unemployment rate, tied for the lowest since 1969, is not consistent with contraction.

But that doesn't mean there isn't a recession ahead, and, ironically enough, it is the labor market's phenomenal resiliency that could pose the broader economy's biggest long-run danger. The Federal Reserve is trying to ease pressures on a historically tight jobs situation and its rapid wage gains in an effort to control inflation running at its highest level in more than 40 years.

"The fact of the matter is this gives the Fed additional room to continue to tighten, even if it raises the probability of pushing the economy into recession," said Jim Baird, chief investment officer at Plante Moran Financial Advisors. "It's not going to be an easy task to continue to tighten without negative repercussions for the consumer and the economy."

Indeed, following the robust job numbers, which included a 5.2% 12-month gain for average.....

[SOURCE](#)