



10 things that have surprised us in Q3

From a strong bounce in activity to fading policy support

AUTHOR:**Dominic White**

+44(0) 7073 0734

dominic.white@absolute-strategy.com

Adam Wolfe

+44(0) 7073 0739

adam.wolfe@absolute-strategy.com

Information often resides in the things that surprise

The things that take you by surprise often contain more information than those that conform to your expectations. On this basis, we highlight ten observations that have surprised us over the last few months.

The recovery has mostly exceeded our expectations

Many of these relate to the strength of the recovery. Capital goods orders, housing, China and the US labour market have recovered faster than we expected. Yet it's not all positive. India's contraction has been huge and Japan is still puzzlingly weak.

But recent policy news has been less encouraging

There are interesting divergences between the US, Europe and China. But policy arguably contains the most forward-looking information. A pull-back in Chinese fiscal support and the lack of a second US relief bill provide reasons for caution.

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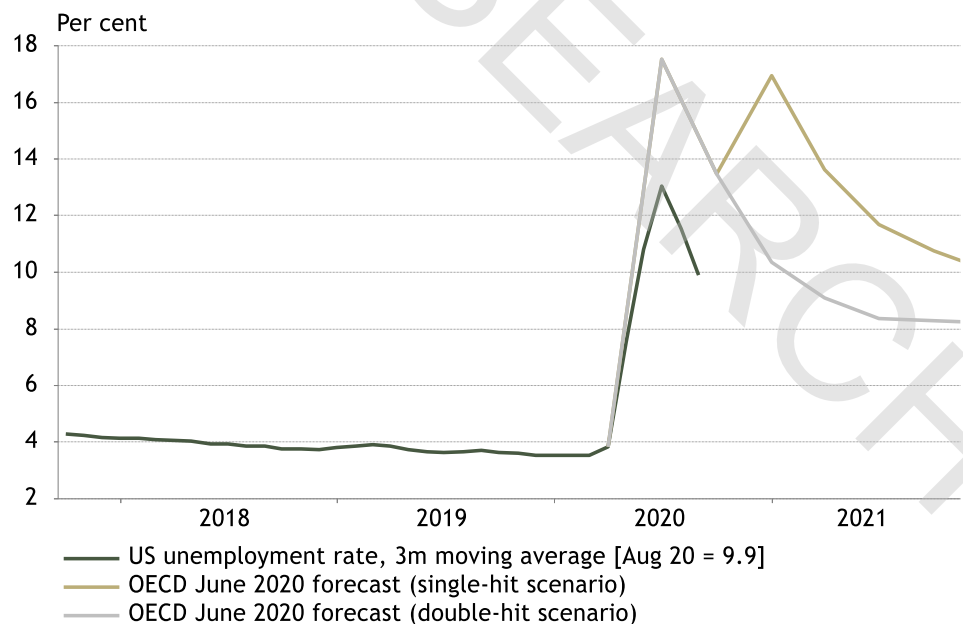
[‘Growing, but slowly’](#),
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[‘Taking stock of the
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Key chart: The decline in US unemployment has exceeded expectations

Source: ASR Ltd. / Datastream from Refinitiv