

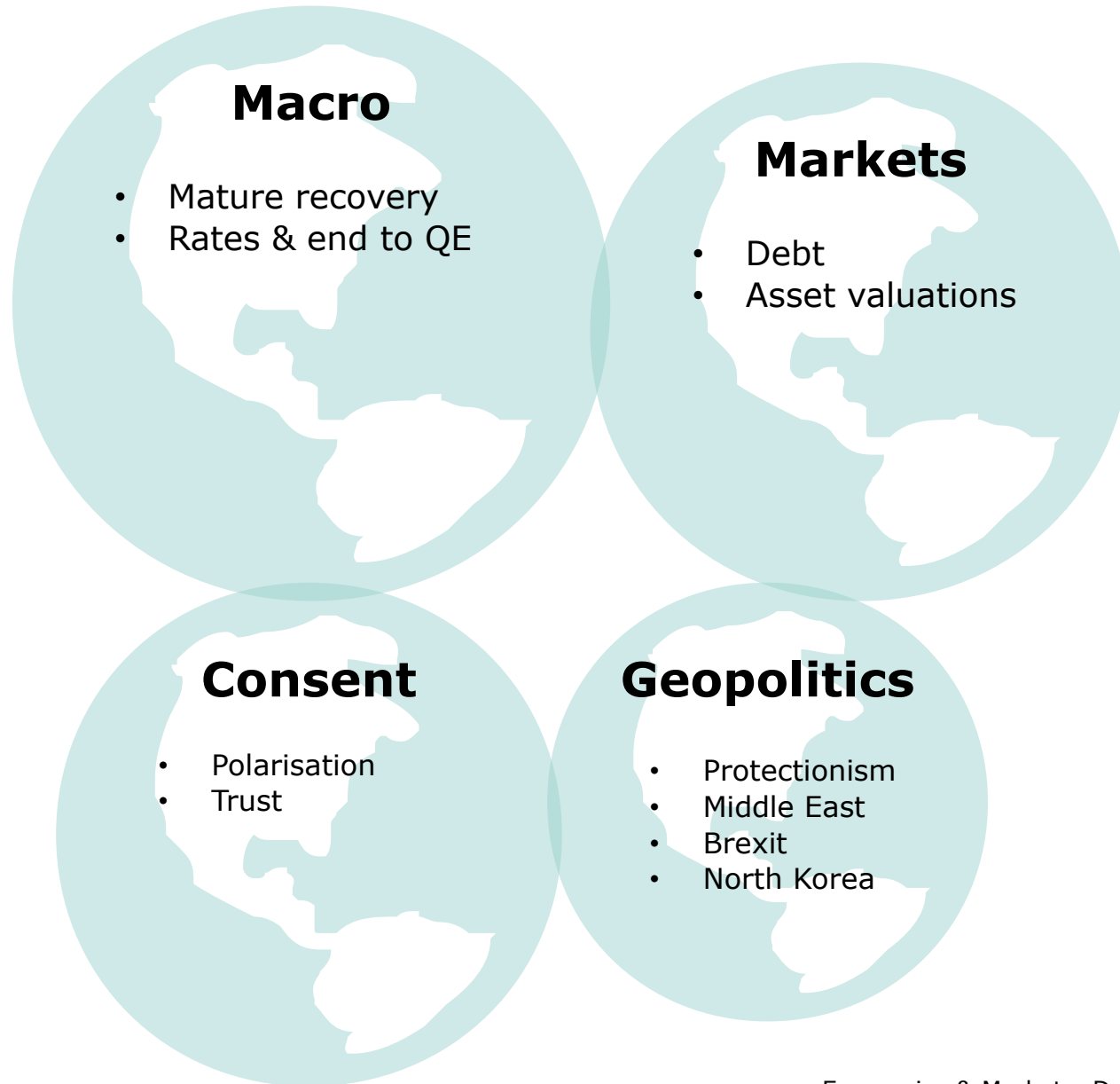


Decent global recovery, but activity below pre-crisis levels

GDP growth: Actual and IMF/Consensus forecasts (% YoY)

	Pre-crisis trend	Post-crisis trend	2018	2019	Relative to post-crisis trend, %	Relative to pre-crisis trend, %
	'98 - '07	'11 - '16			'18 - '19 / '11 - '16	'18 - '19 / '98 - '07
<i>Advanced economies</i>	2.8	1.7	2.0	1.8	112	68
US	3.0	2.1	2.8	2.4	124	87
UK	2.9	2.0	1.5	1.5	75	52
Euro area	2.4	0.9	2.3	1.9	233	87
Japan	1.0	1.0	1.4	1.1	125	125
<i>Emerging economies</i>	5.8	5.0	4.9	5.0	99	85
China	10.0	7.7	6.5	6.3	83	64
India	7.2	6.9	7.4	7.8	110	106

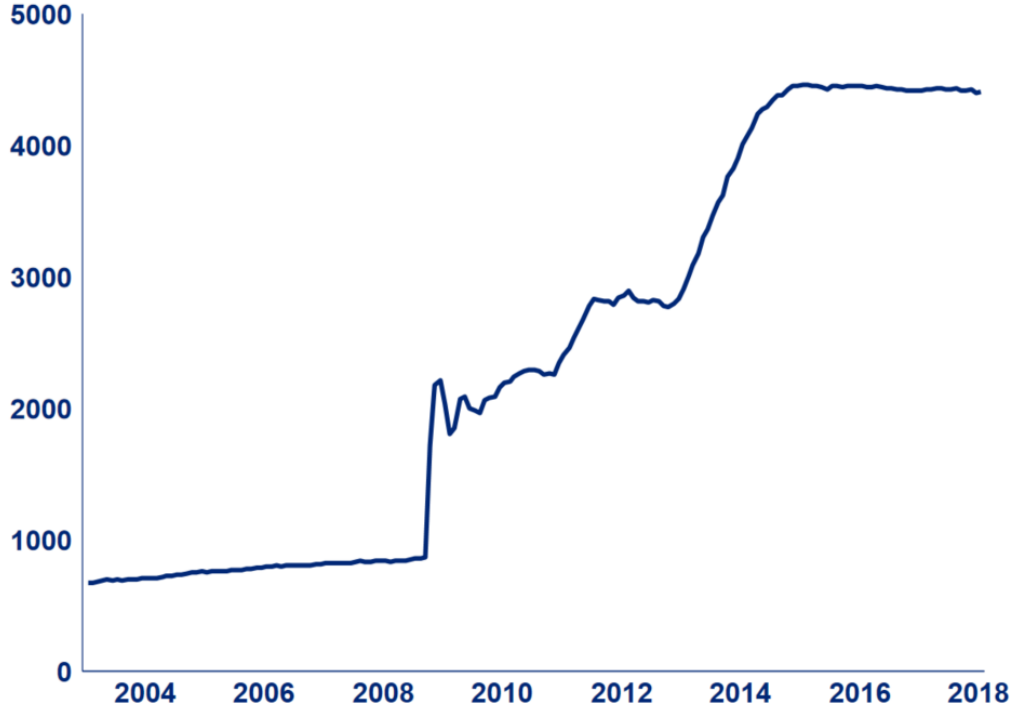
Today's risk menu



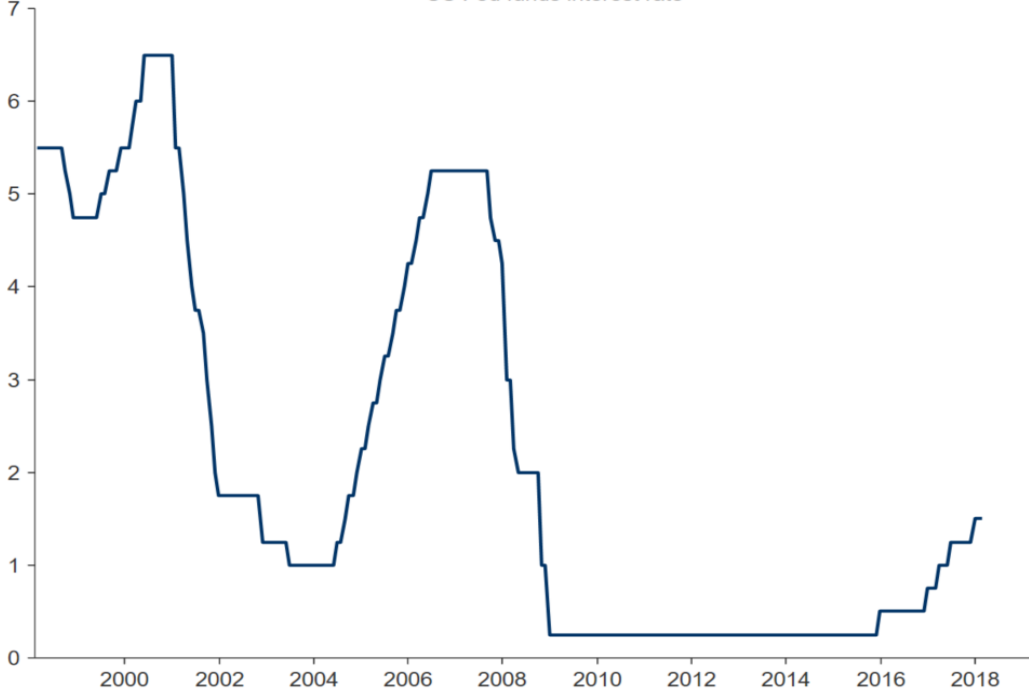
Cheap money = equity market party

US federal reserve balance sheet

Billions



US Fed funds interest rate

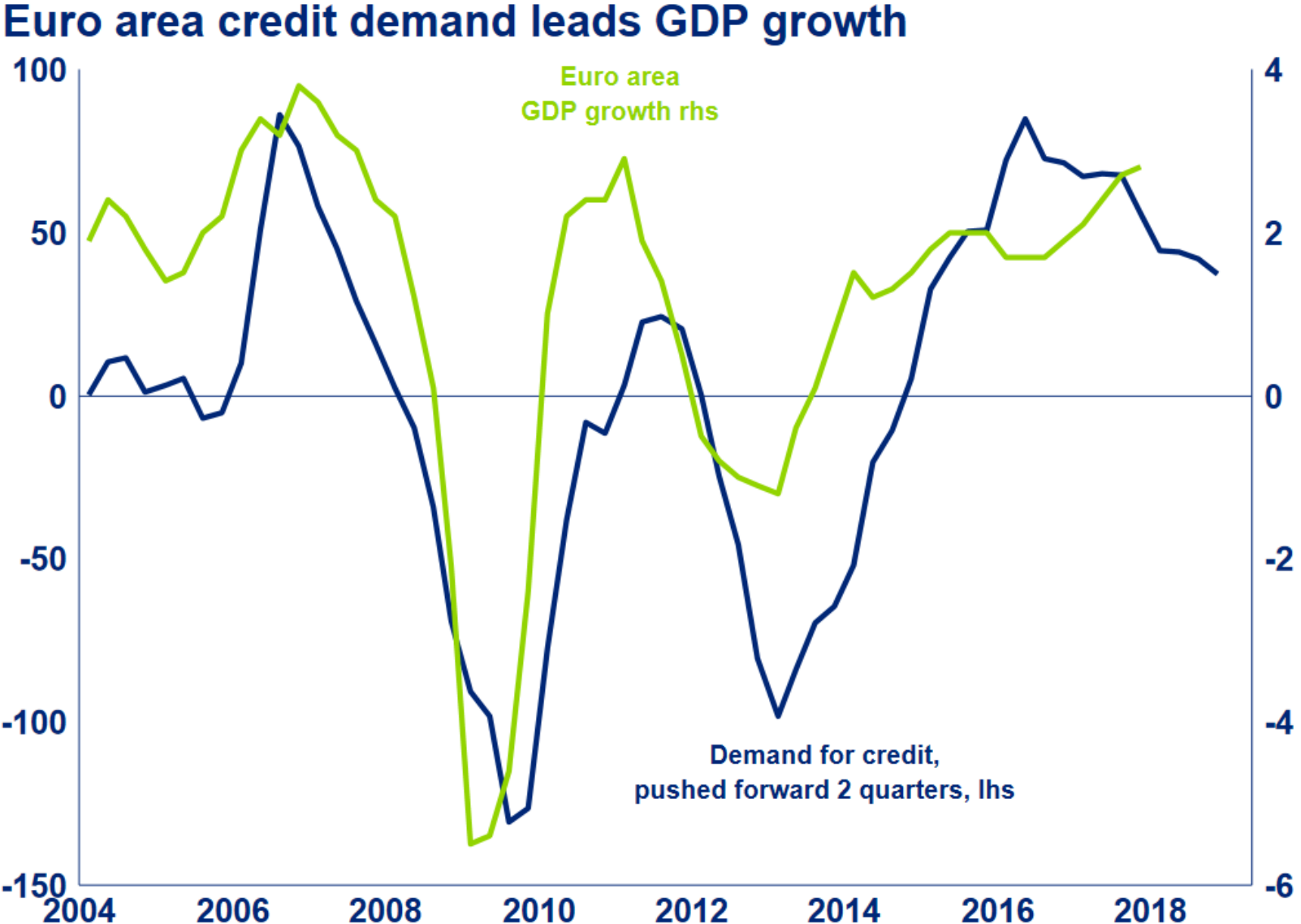


Looking toppy, US equity valuations

Case-Schiller cyclically adjusted PE ratio

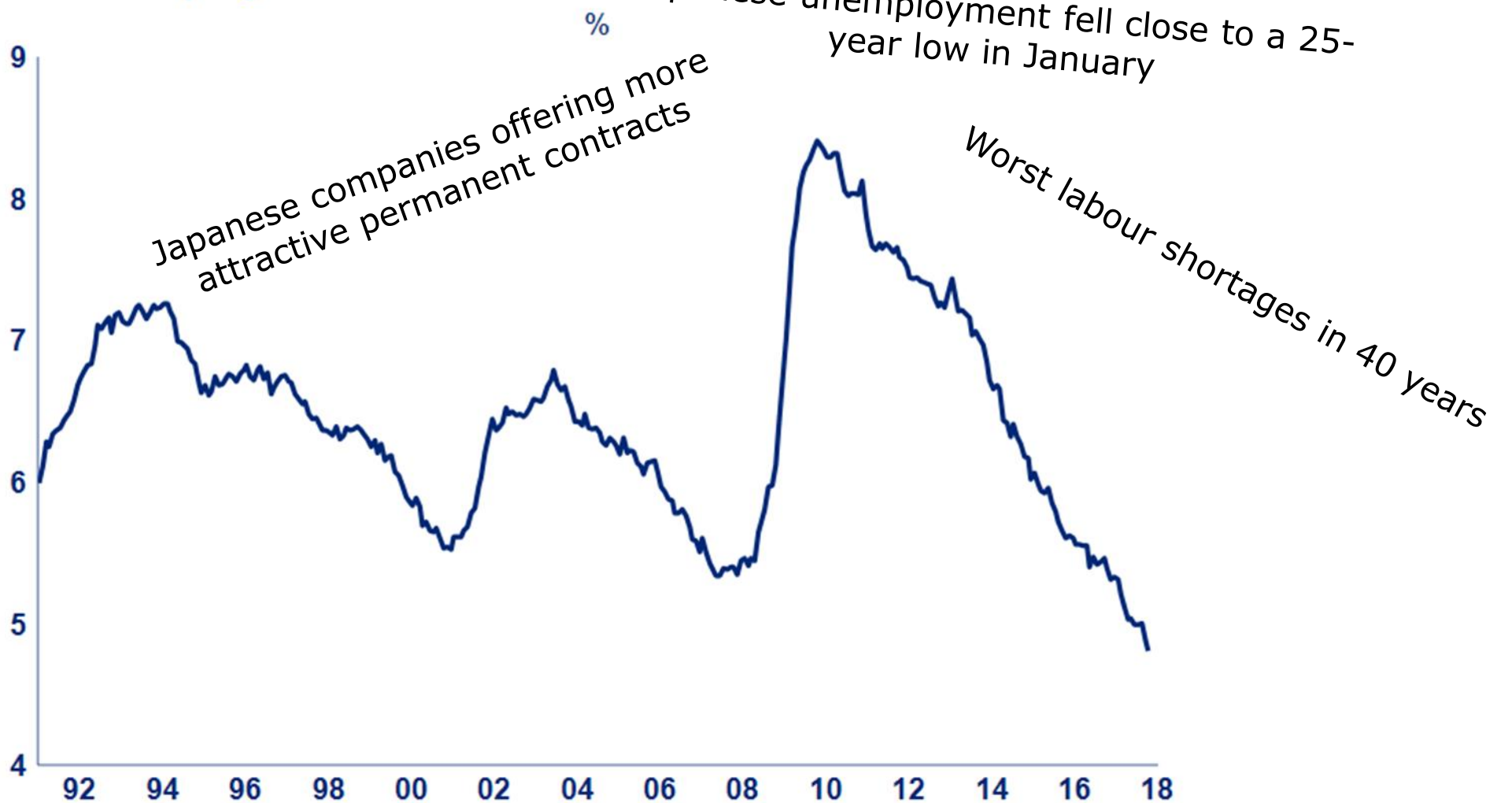


Monetary policy ease running out of puff



Labour market slack eroding

G7 unemployment rate

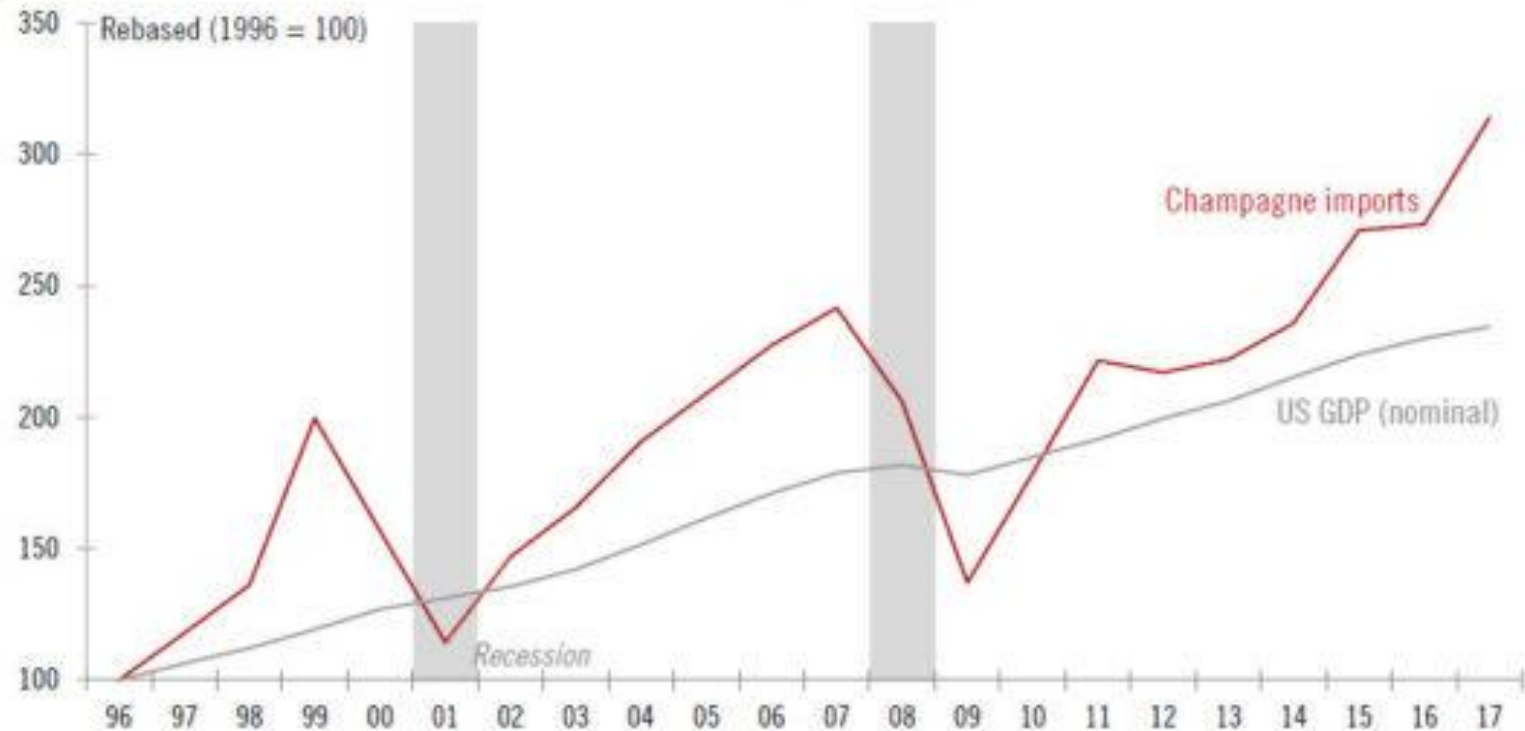


Source: Thomson Reuters Datastream

US recovery: Mature and bubbly recovery

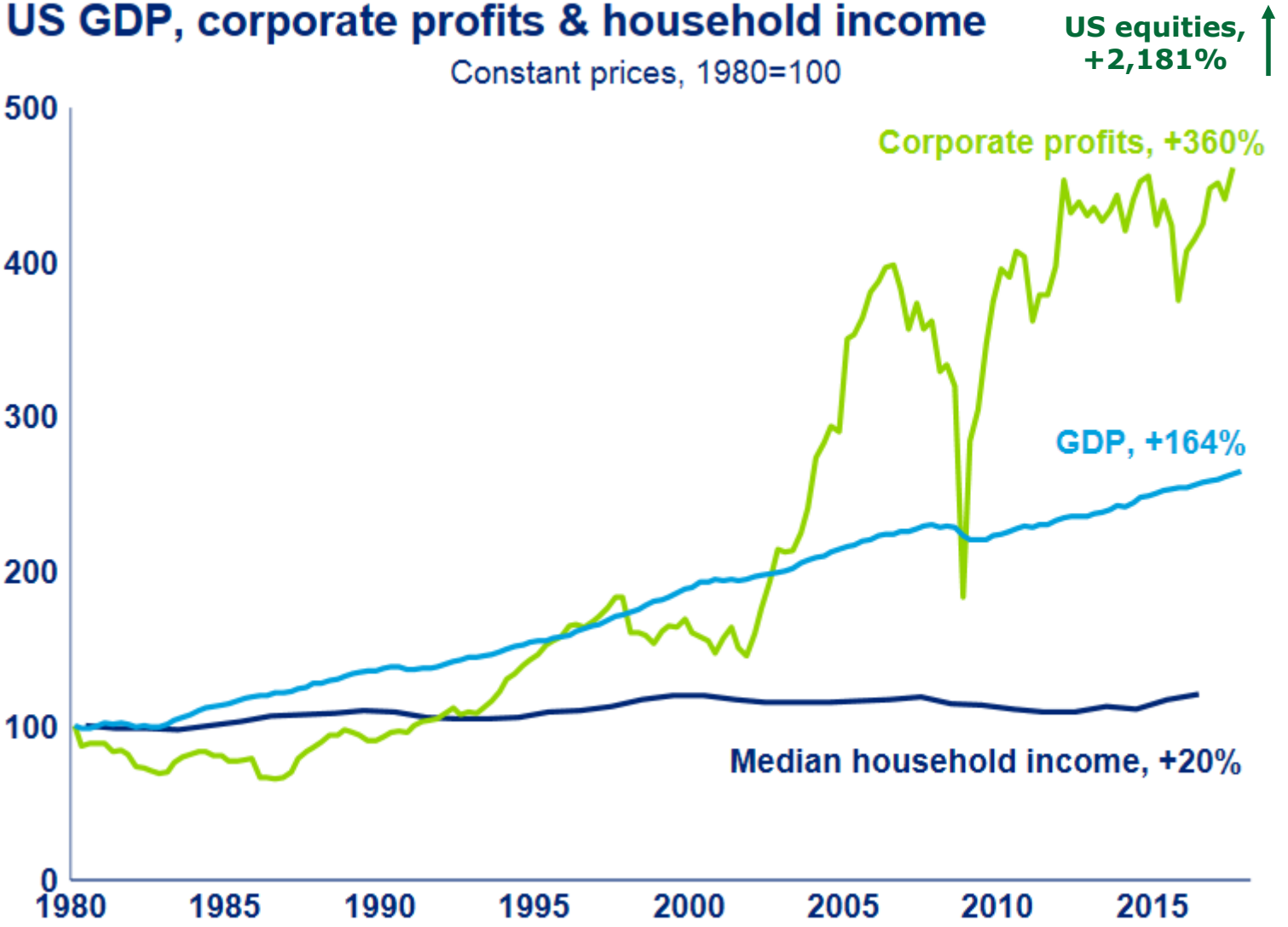
US champagne imports from France

Imports of champagne versus nominal GDP, rebased 1996=100



Source: Pictet WM-AA&MR, US Int'l Trade Commission. (2017 extrapolated from Jan-Oct data)

US growth hasn't flowed through to Main Street: distribution matters



Source: Thomson Reuters Datastream