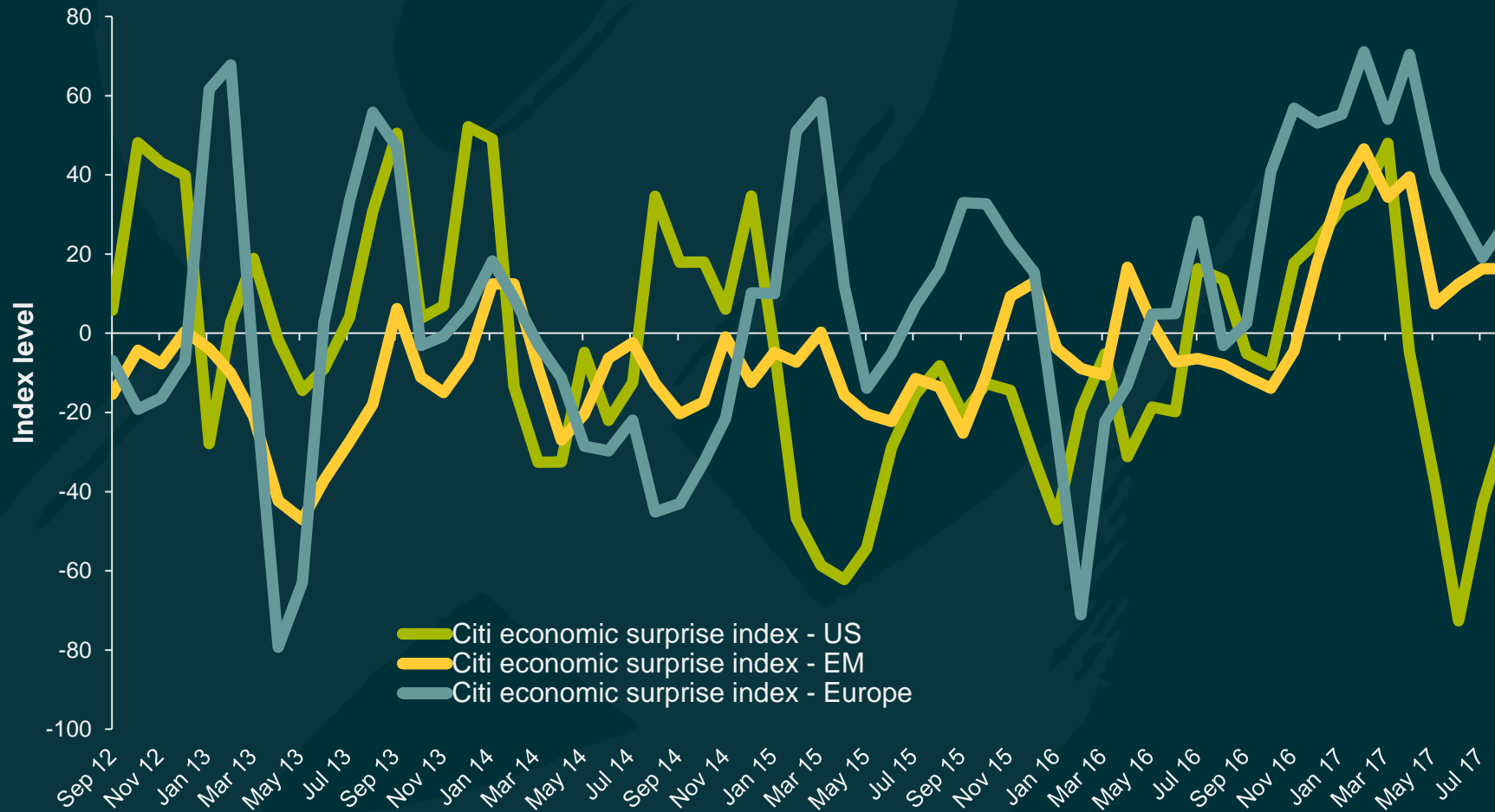
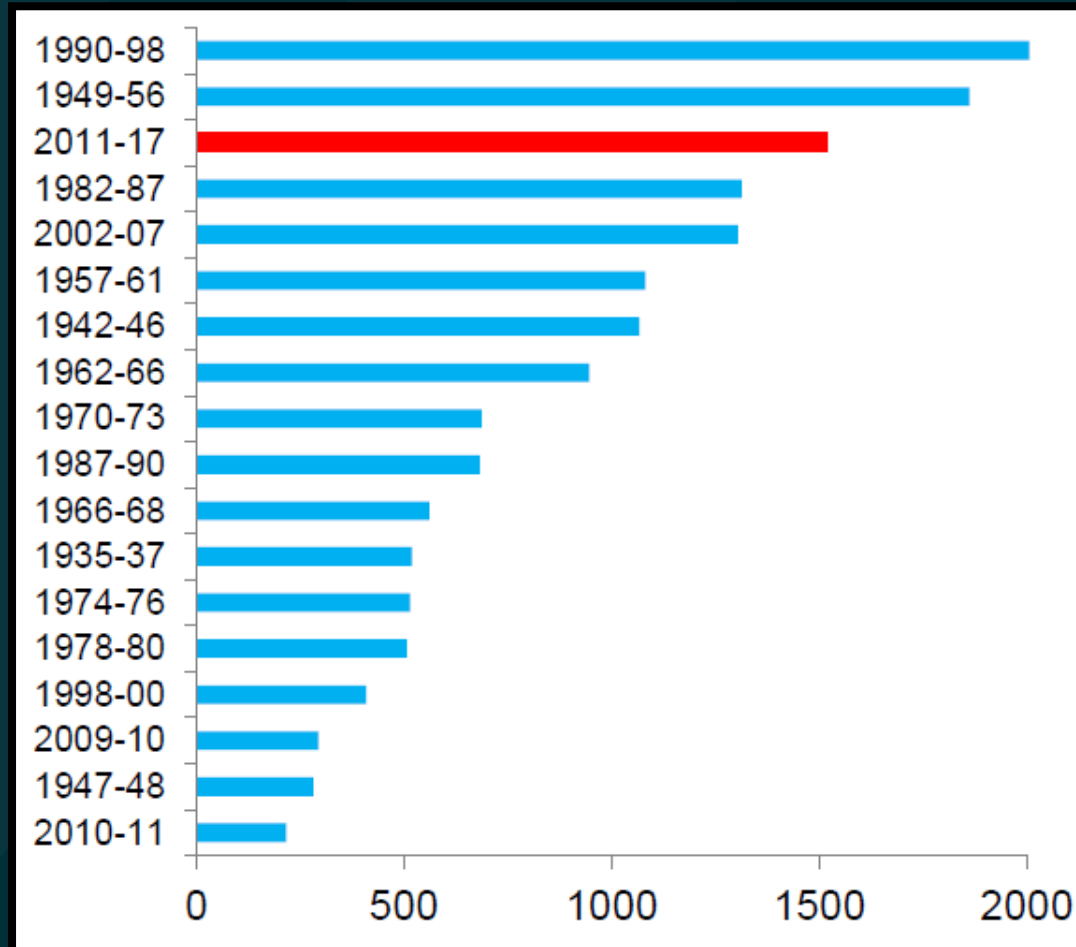


Solid, synchronized economic growth continues ...and economic surprises remain positive



How long the bull run?

Days since last correction in the S&P 500



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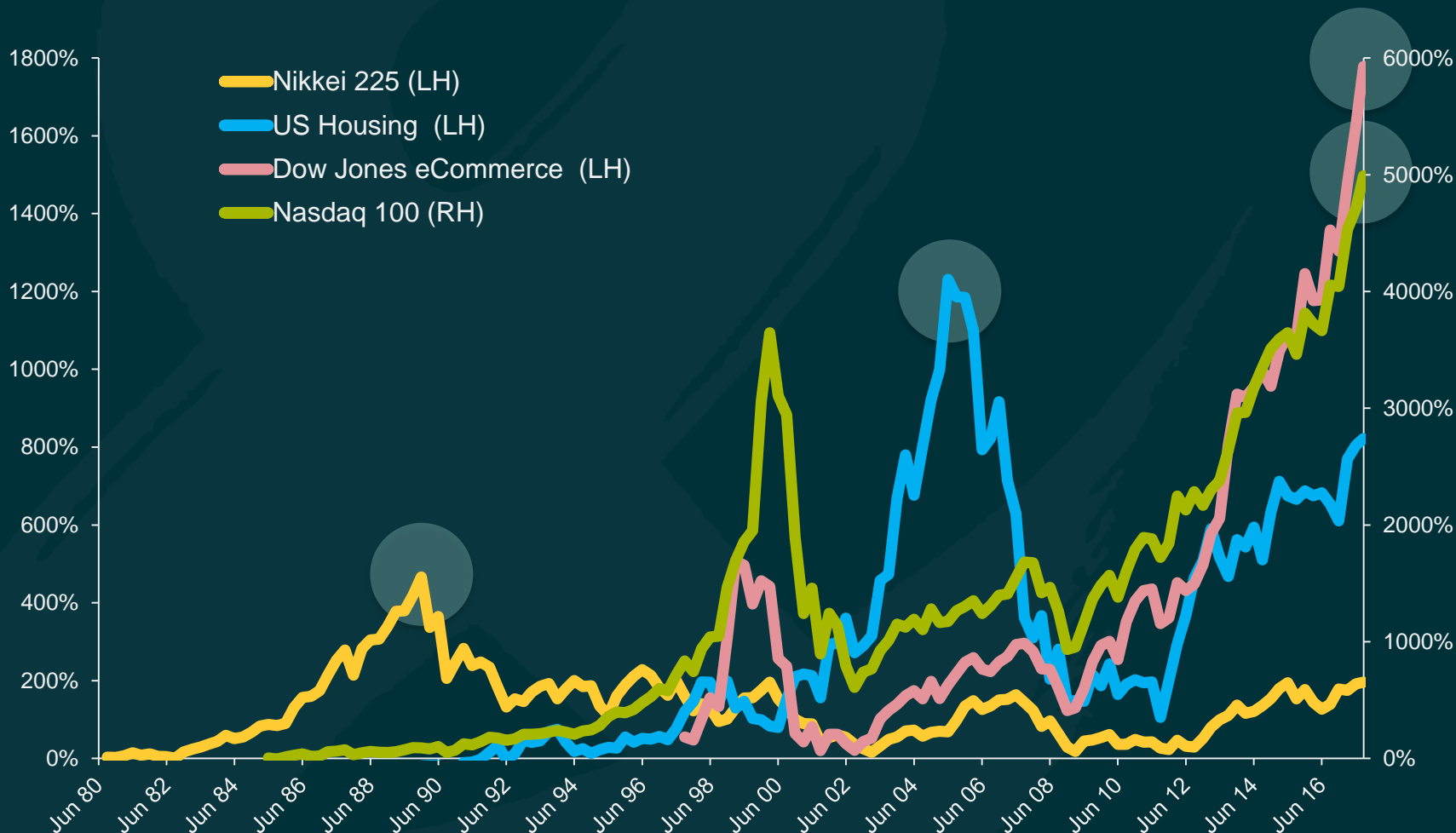
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Source: M&G, Bloomberg, Citigroup, 6 September 2017



Exuberant prices: where are we today?

Peak price growth (%) before a bubble exploded



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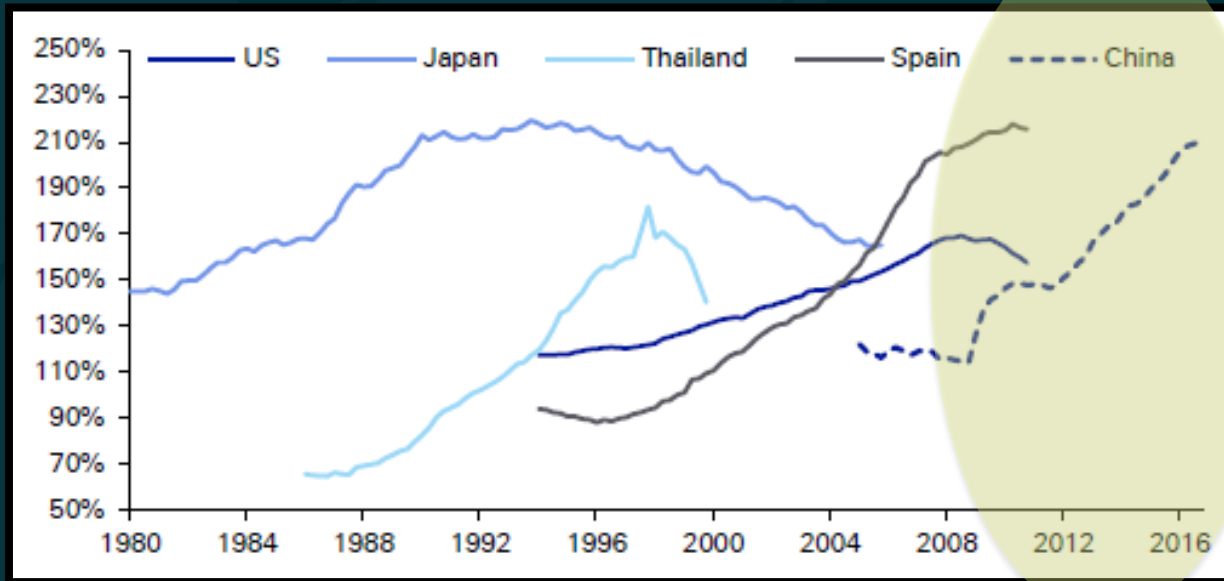
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Source: M&G, BAML, 21 September 2017;
Bloomberg: equity markets - Nikkei 225 (NKY Index),
Index), Tech (NDX Index), US Housing (S5HOME Index),
e-Commerce (DJECOM Index)



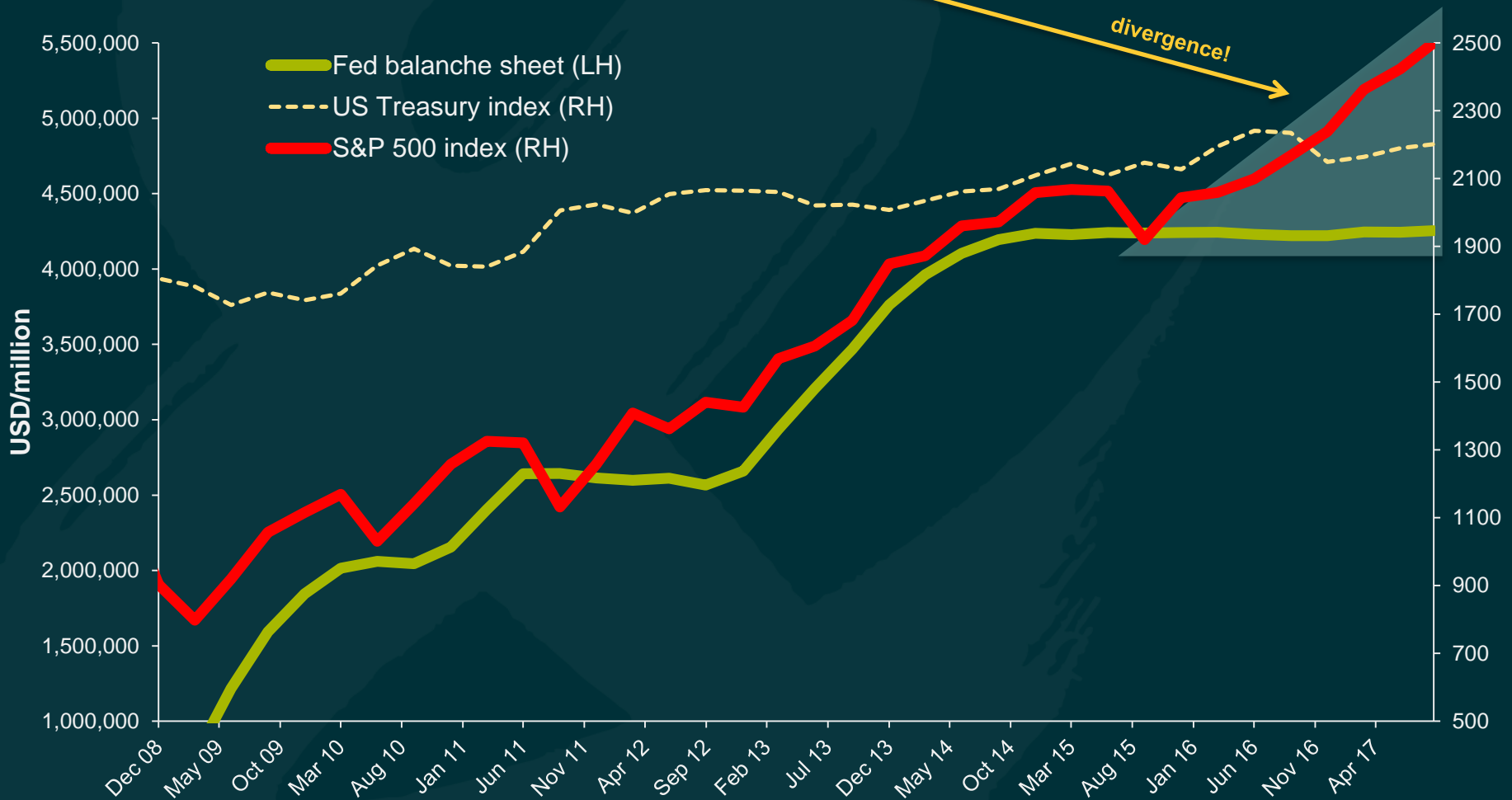
Non financial debt (% GDP) – will China matter?

Past trends leading up to financial crises vs China today



Market “disobedience” and irrational exuberance

Will Fed’s balance sheet reduction impact risk assets?



Implications of Fed tightening

...often ending with an event?

