

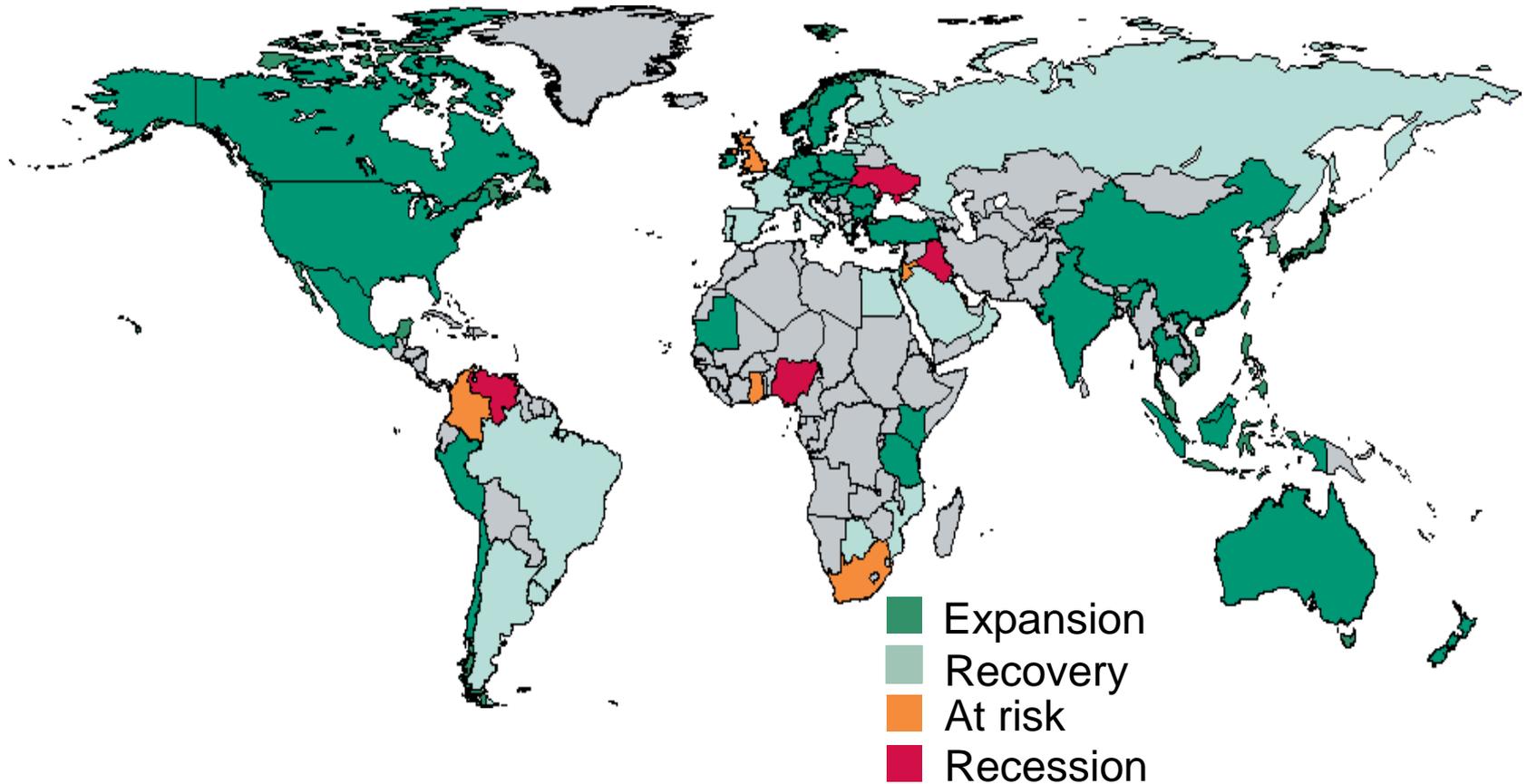
# Global Economic Outlook

**Brendan LaCerde**, Assistant Director - Economist, Research

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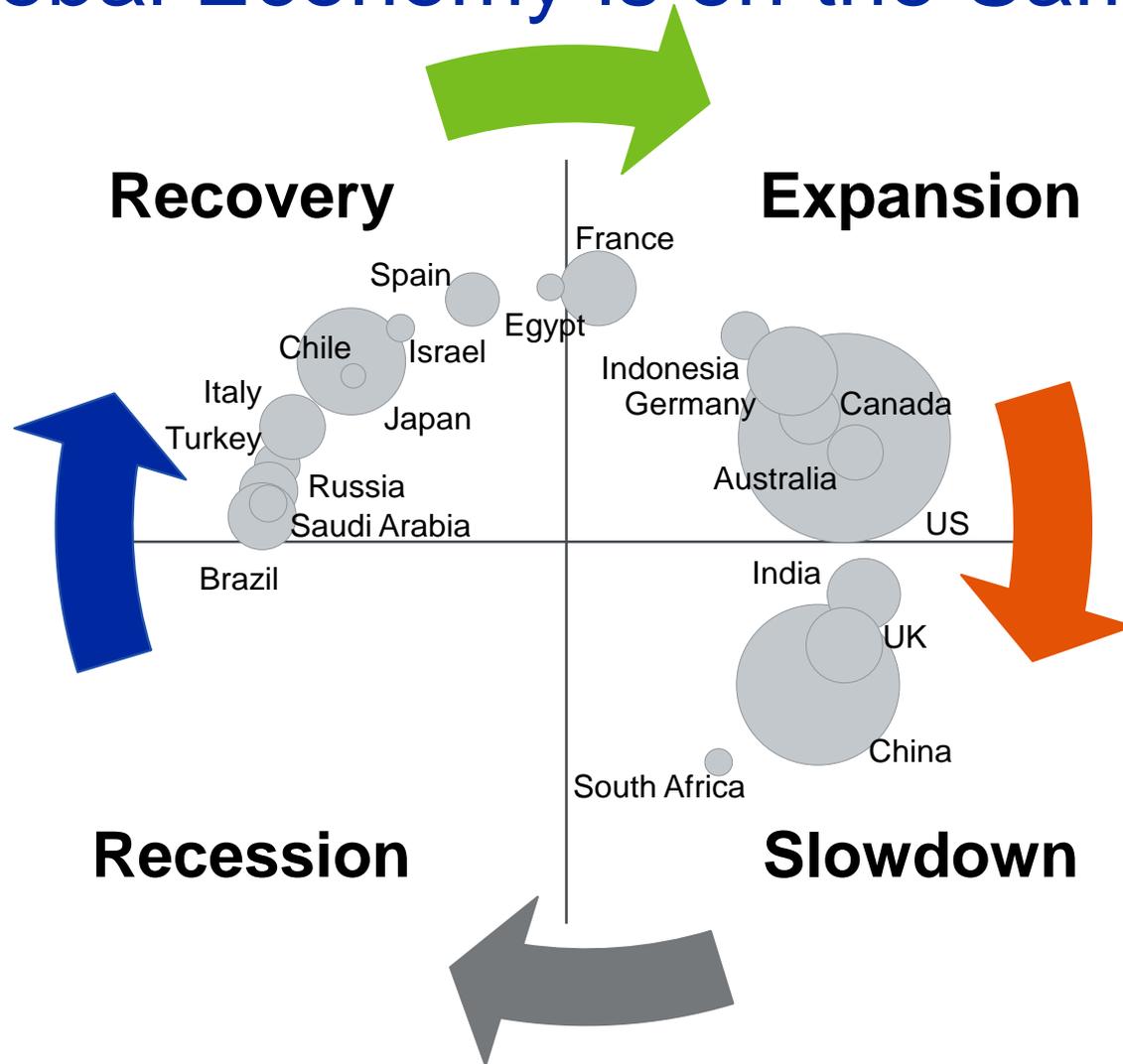
# Synchronizing Global Business Cycle

Current business cycle status



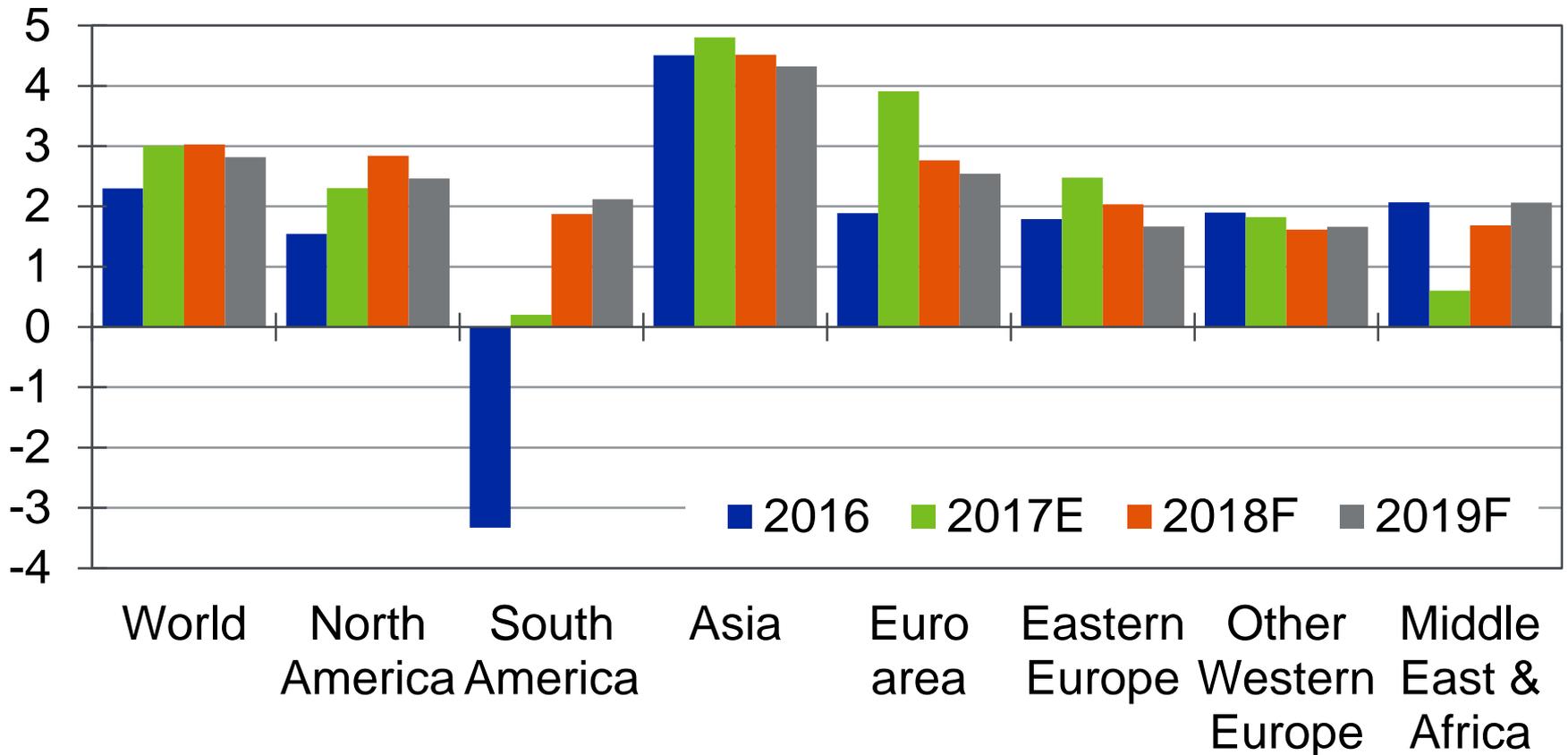
Source: Moody's Analytics

# The Global Economy is on the Same Page



# All Regions Finally Expanding in Unison

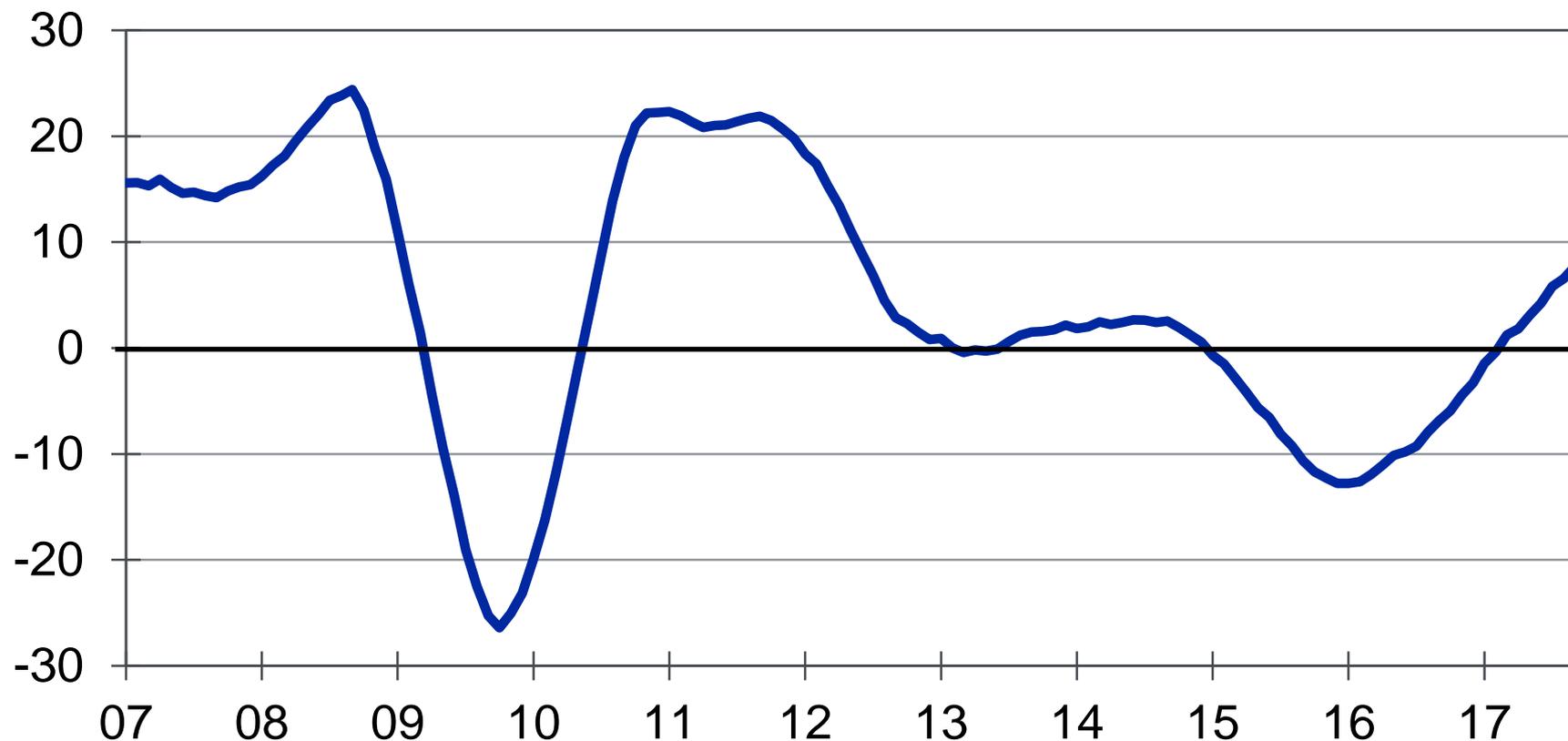
Real GDP growth, %



Source: Moody's Analytics

# Global Trade's Recovery Aids Expansion

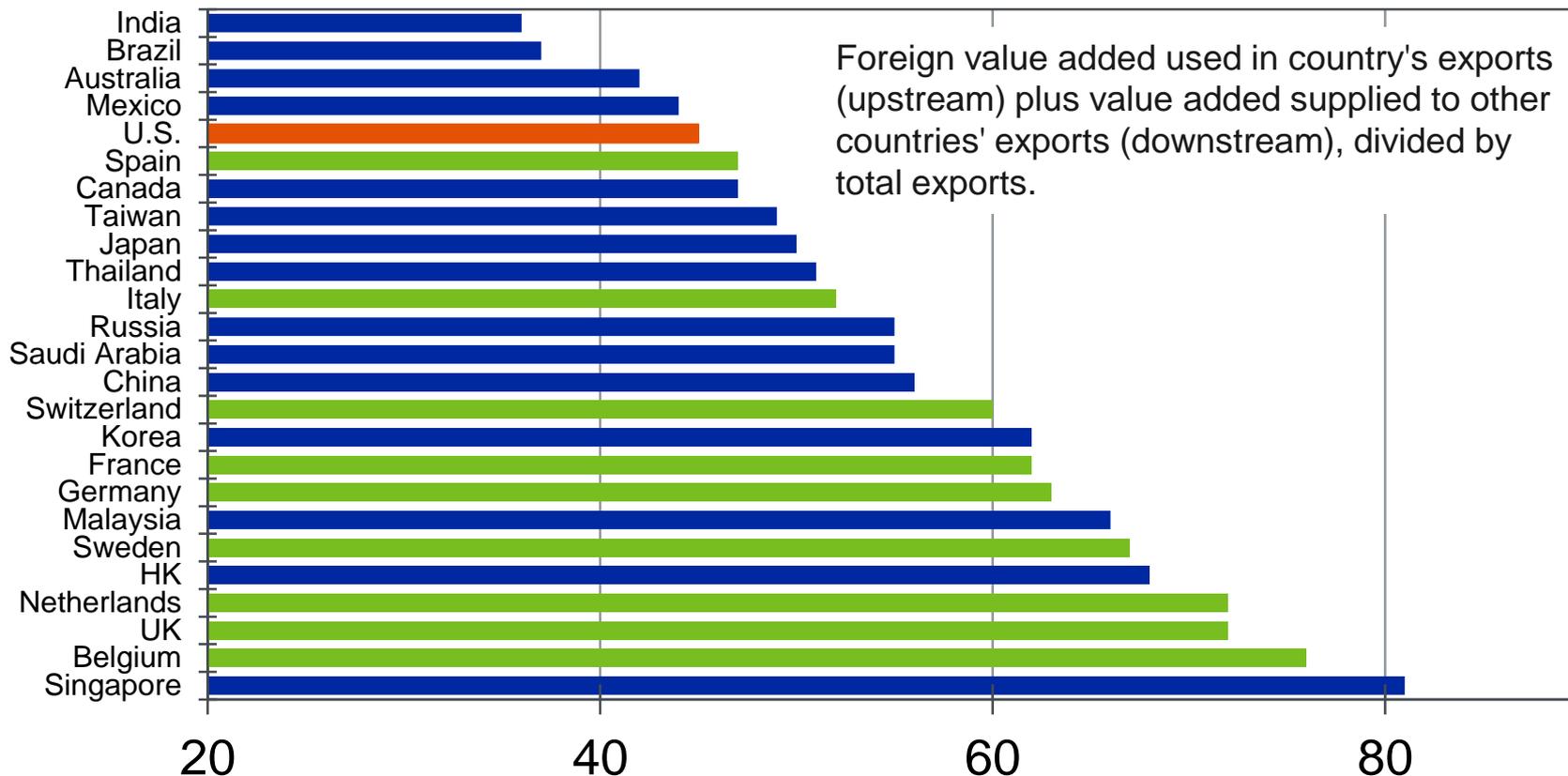
World exports, 12-mo rolling sum, % change yr ago



Sources: IMF, Moody's Analytics

# Protectionism Could Break the Supply Chain

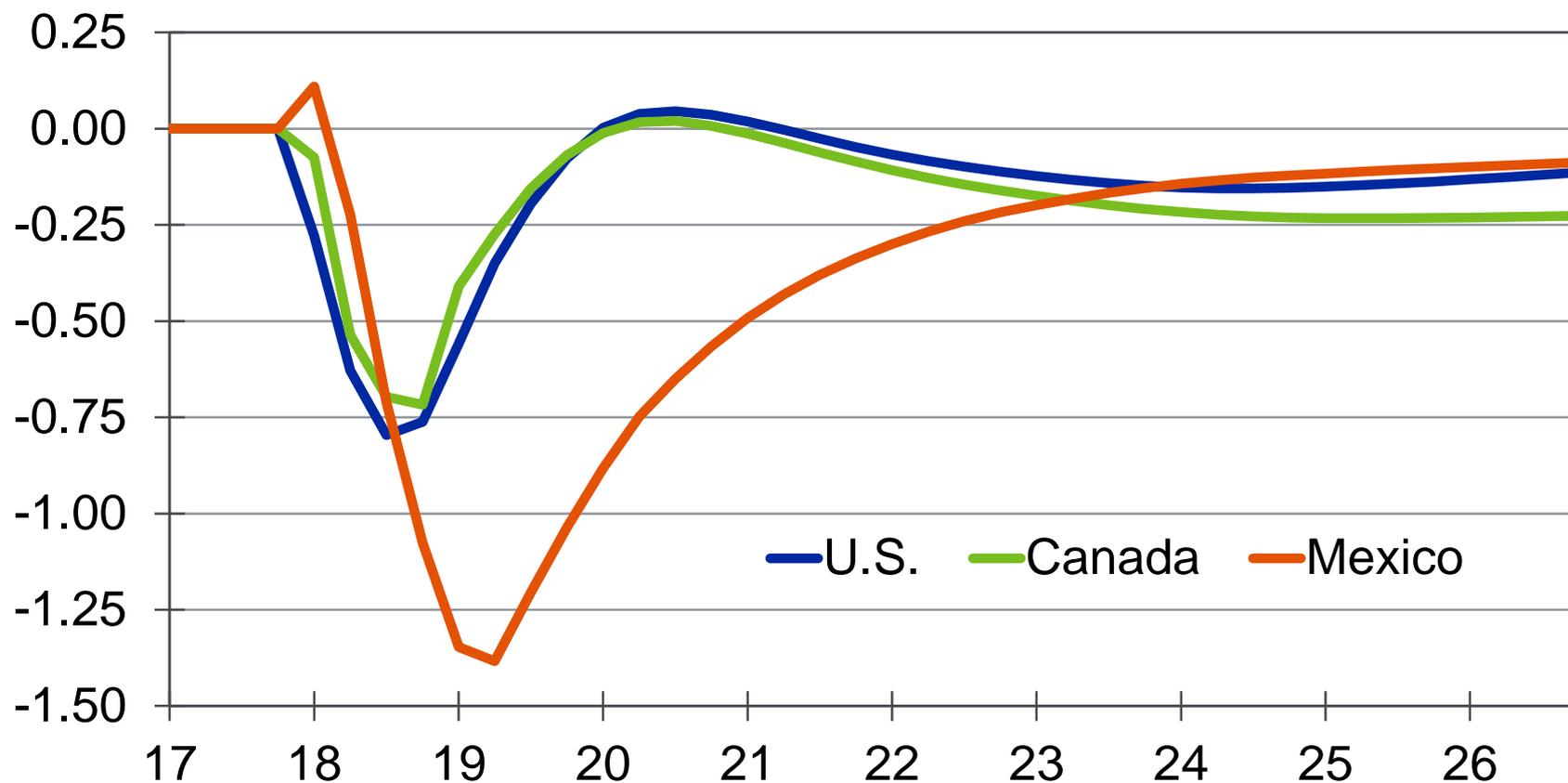
%, participation in global value chains



Sources: UNCTAD-Eora GVC Database, Barclays Research, Moody's Analytics

# ...But No Recession from NAFTA Breakup

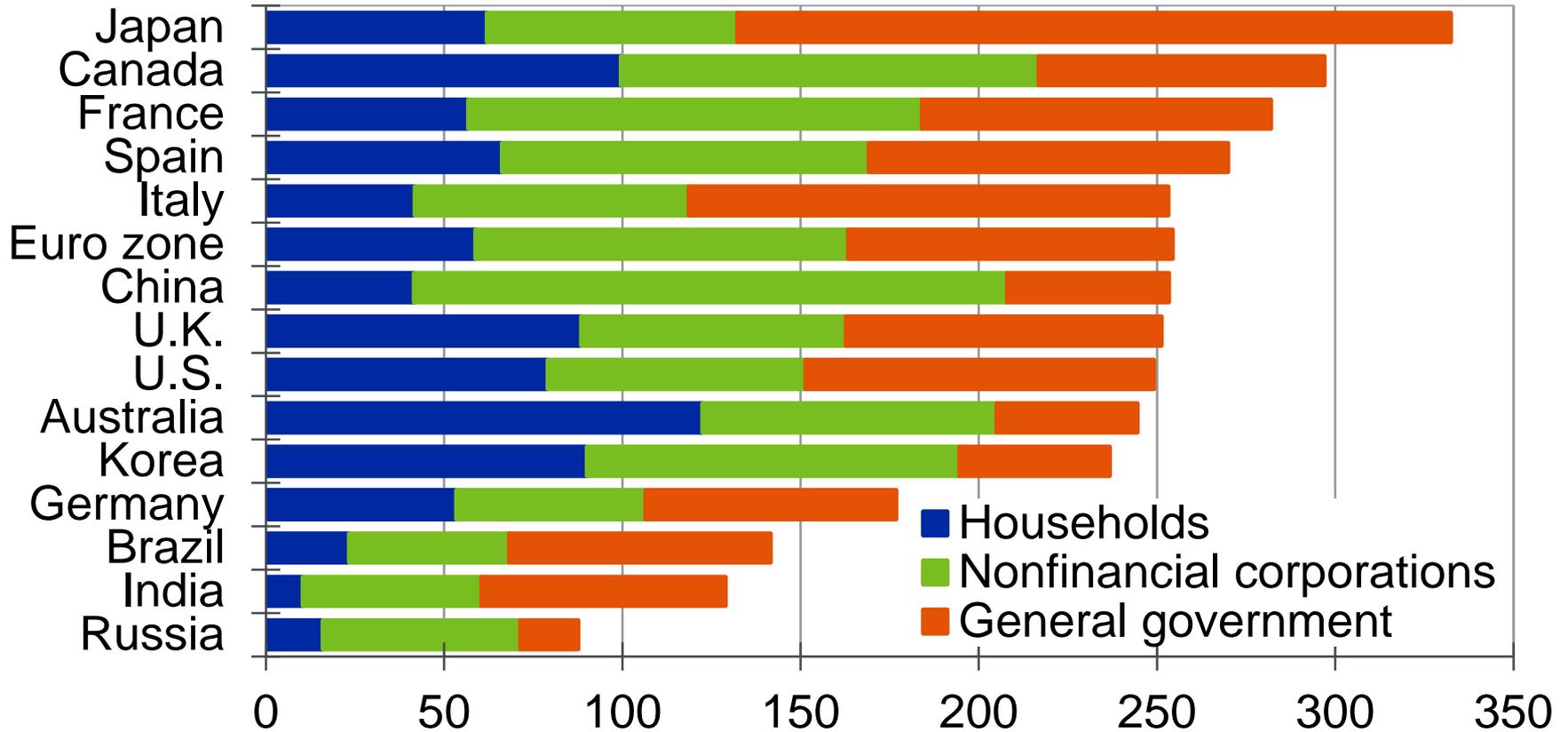
NAFTA breakup scenario, real GDP, deviation from baseline, %



Sources: BEA, Statistics Canada, INEGI, Moody's Analytics

# Most Large Economies Have Heavy Debt Loads

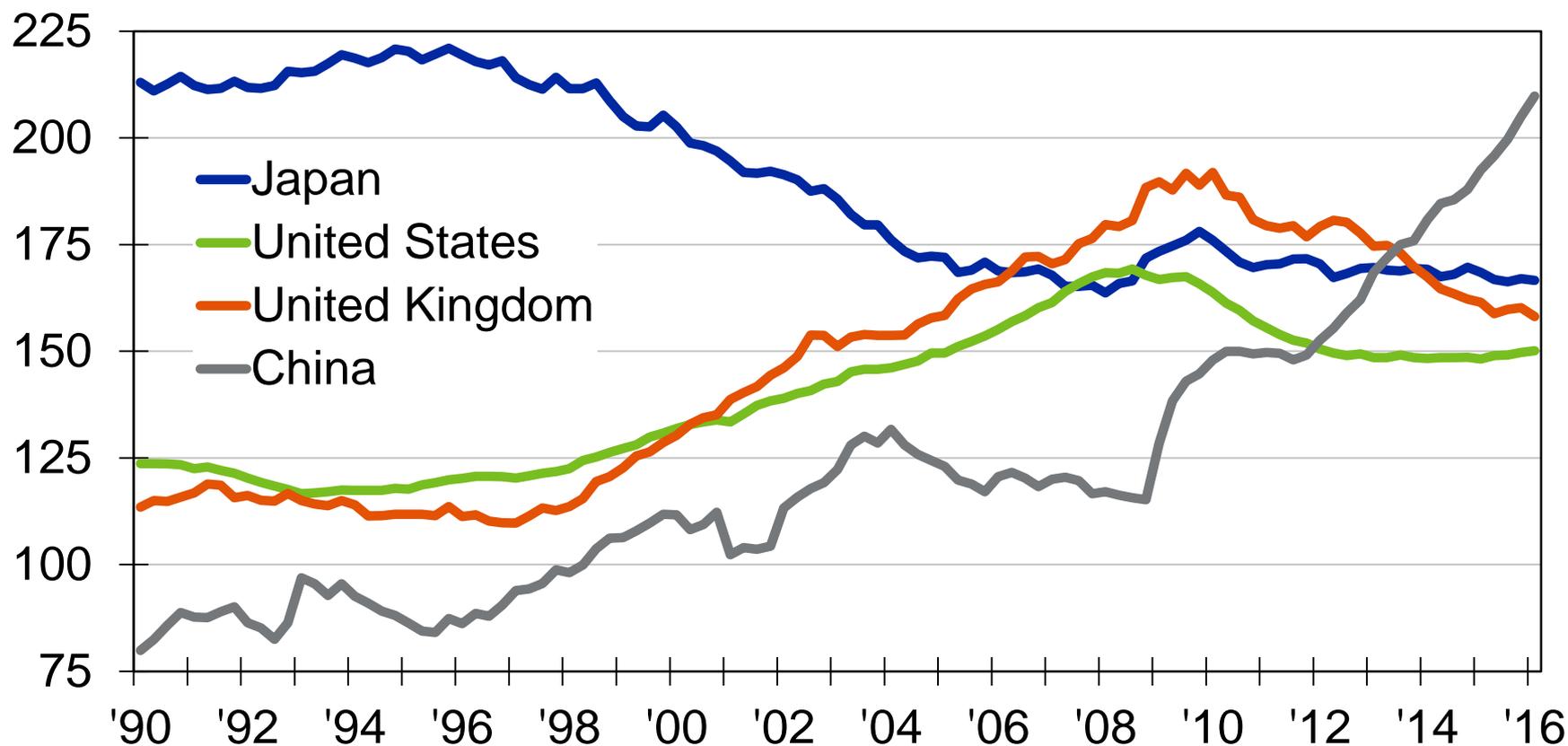
Total credit to GDP, %, 2016



Sources: Bank for Intl. Settlements, Moody's Analytics

# This Likely Won't End Well

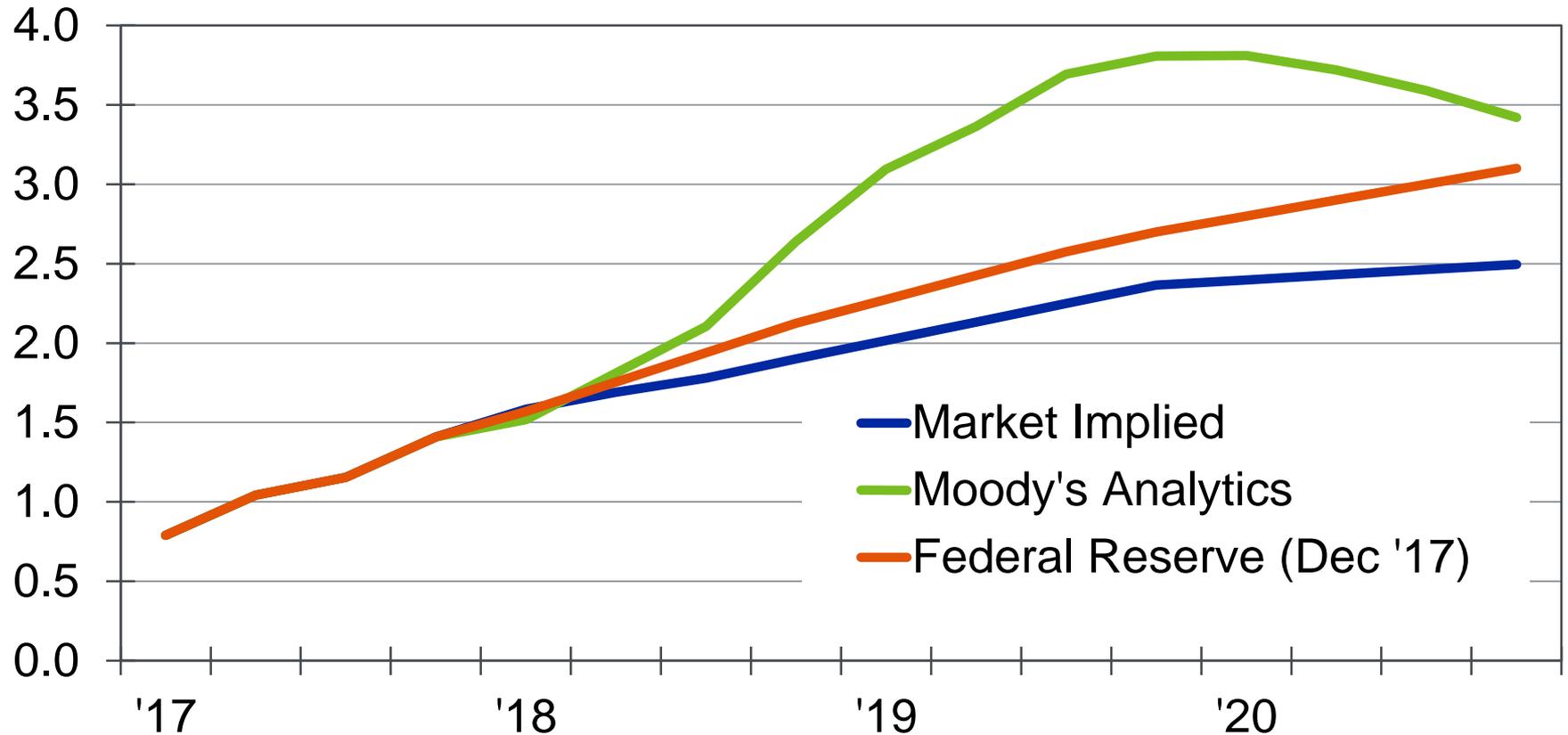
Credit to non-financial corporate & household sectors, % of GDP



Sources: Bank of International Settlements, Moody's Analytics

# Investors Have Some Adjusting To Do

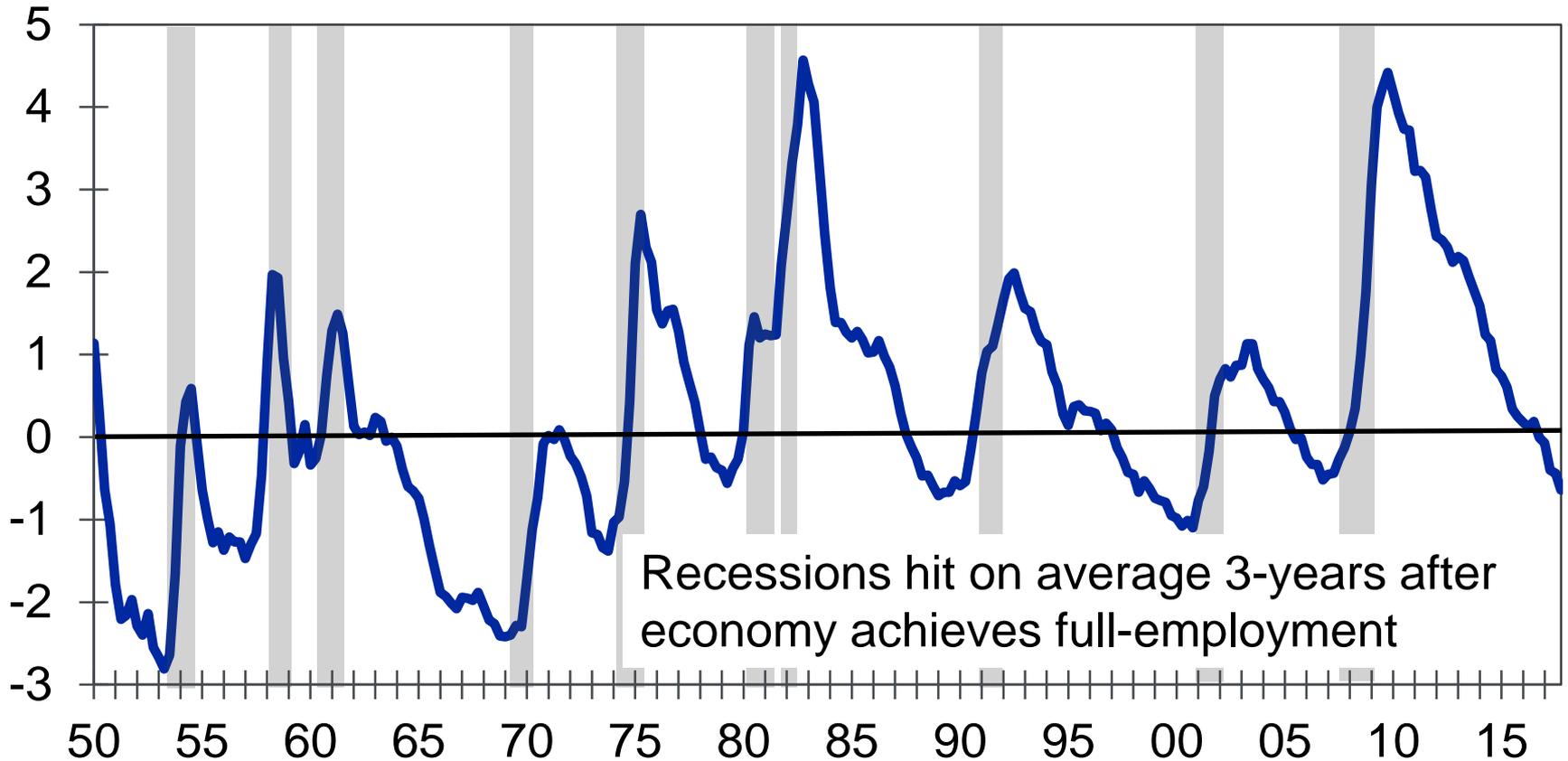
Federal funds rate, %



Sources: Federal Reserve, Bloomberg, Moody's Analytics

# The Next U.S. Recession – Not Yet

Unemployment rate gap, %



Sources: BLS, Moody's Analytics

# MOODY'S

ANALYTICS

United States  
121 North Walnut Street  
Suite 500  
West Chester PA 19380  
+1.610.235.5299

United Kingdom  
One Canada Square  
Canary Wharf  
London E14 5FA  
+44.20.7772.5454

Australia  
Level 10  
1 O'Connell Street  
Sydney, NSW, 2000  
Australia  
+61.2.9270.8111

Prague  
Washingtonova 17  
110 00 Prague 1  
Czech Republic  
+420.22.422.2929

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