

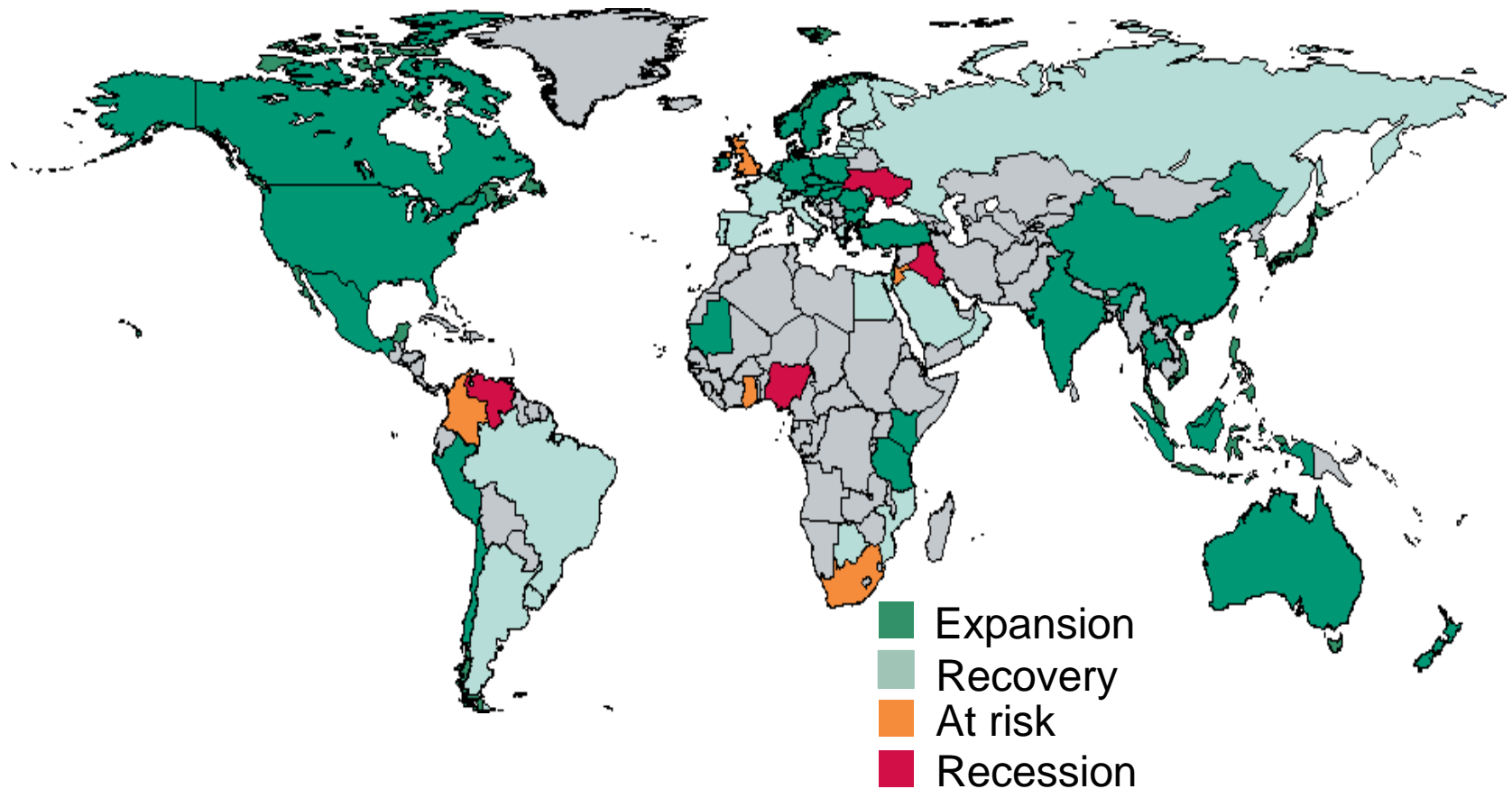
Global Economic Outlook

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March 2018

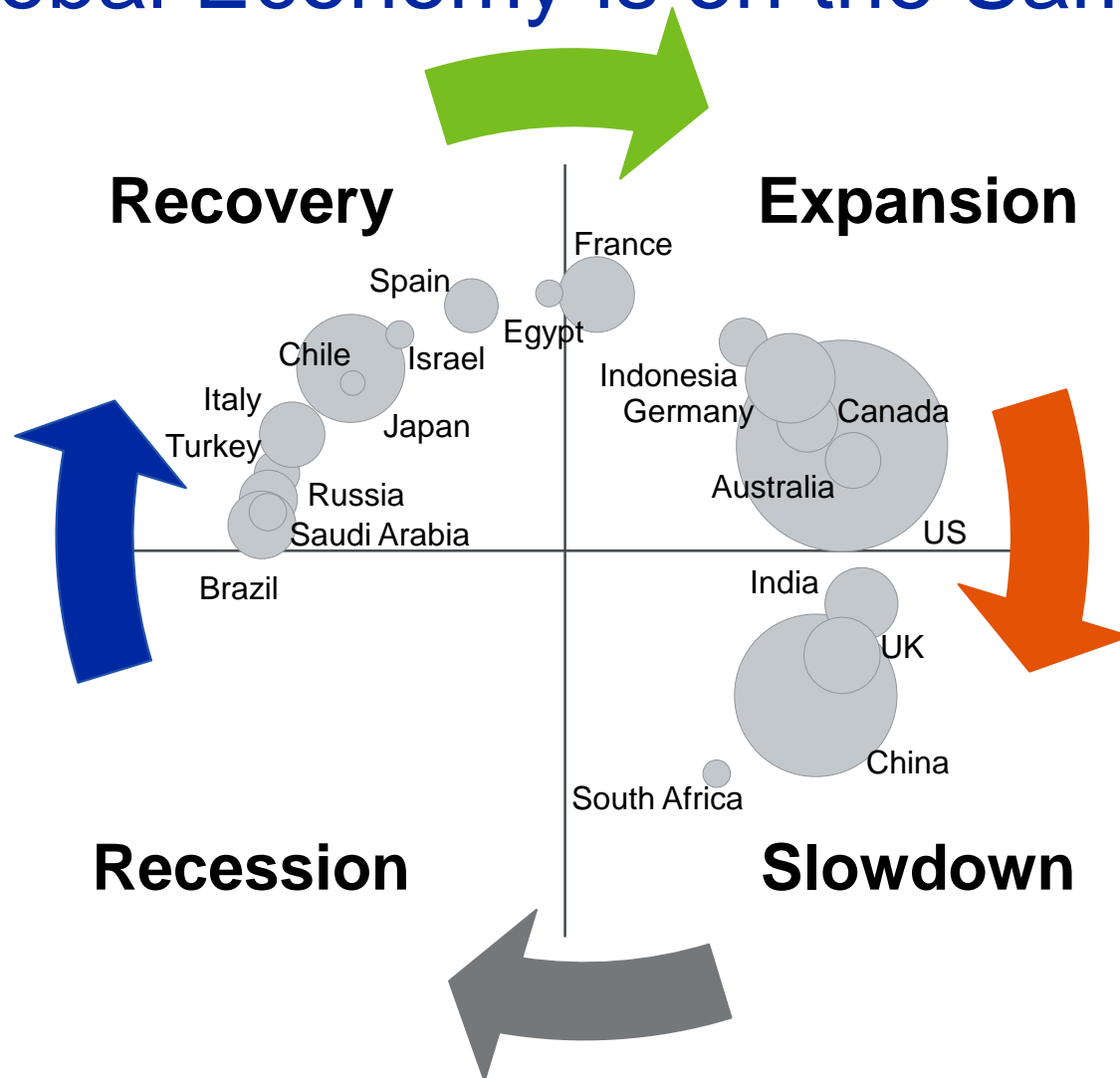
Synchronizing Global Business Cycle

Current business cycle status



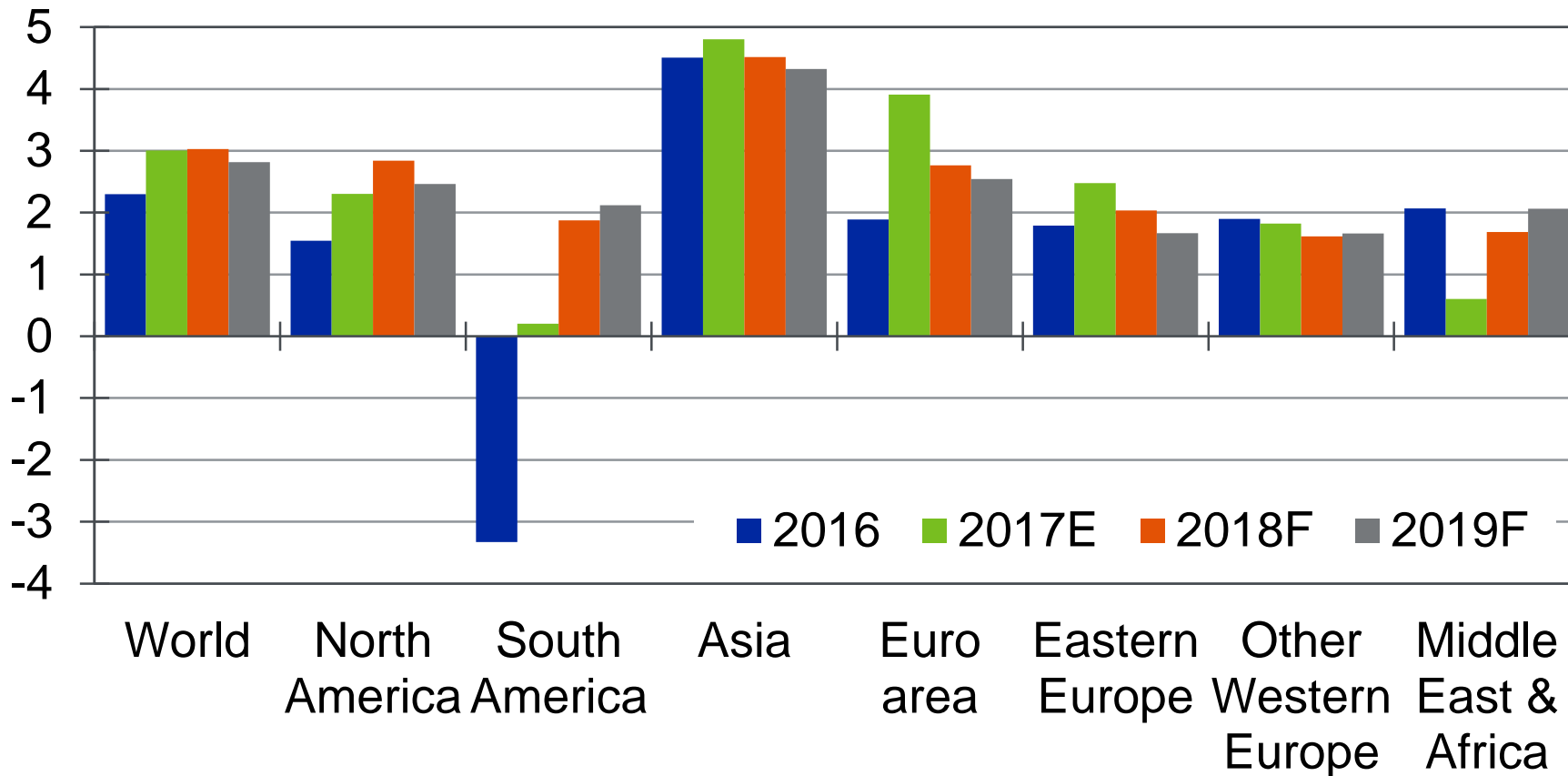
Source: Moody's Analytics

The Global Economy is on the Same Page



All Regions Finally Expanding in Unison

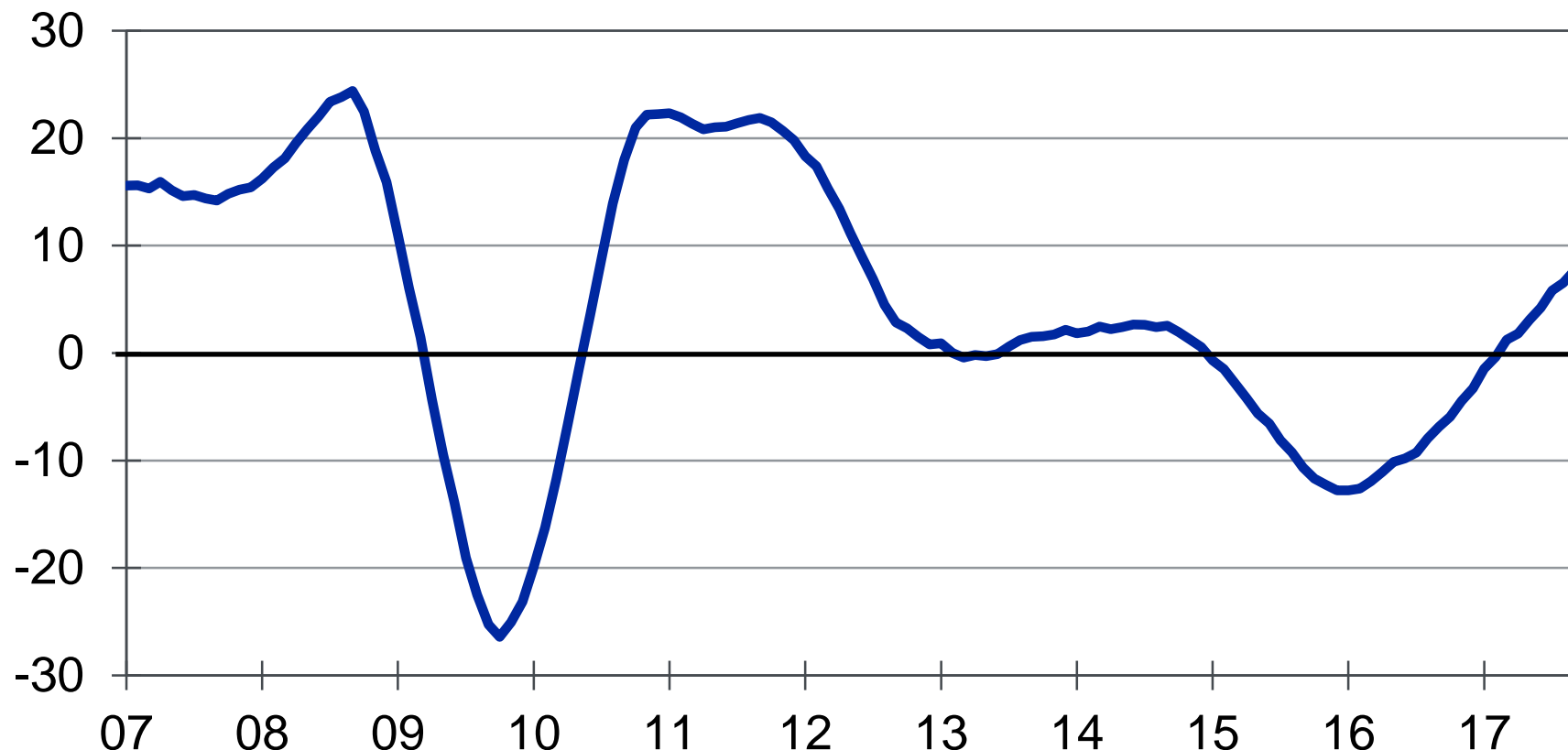
Real GDP growth, %



Source: Moody's Analytics

Global Trade's Recovery Aids Expansion

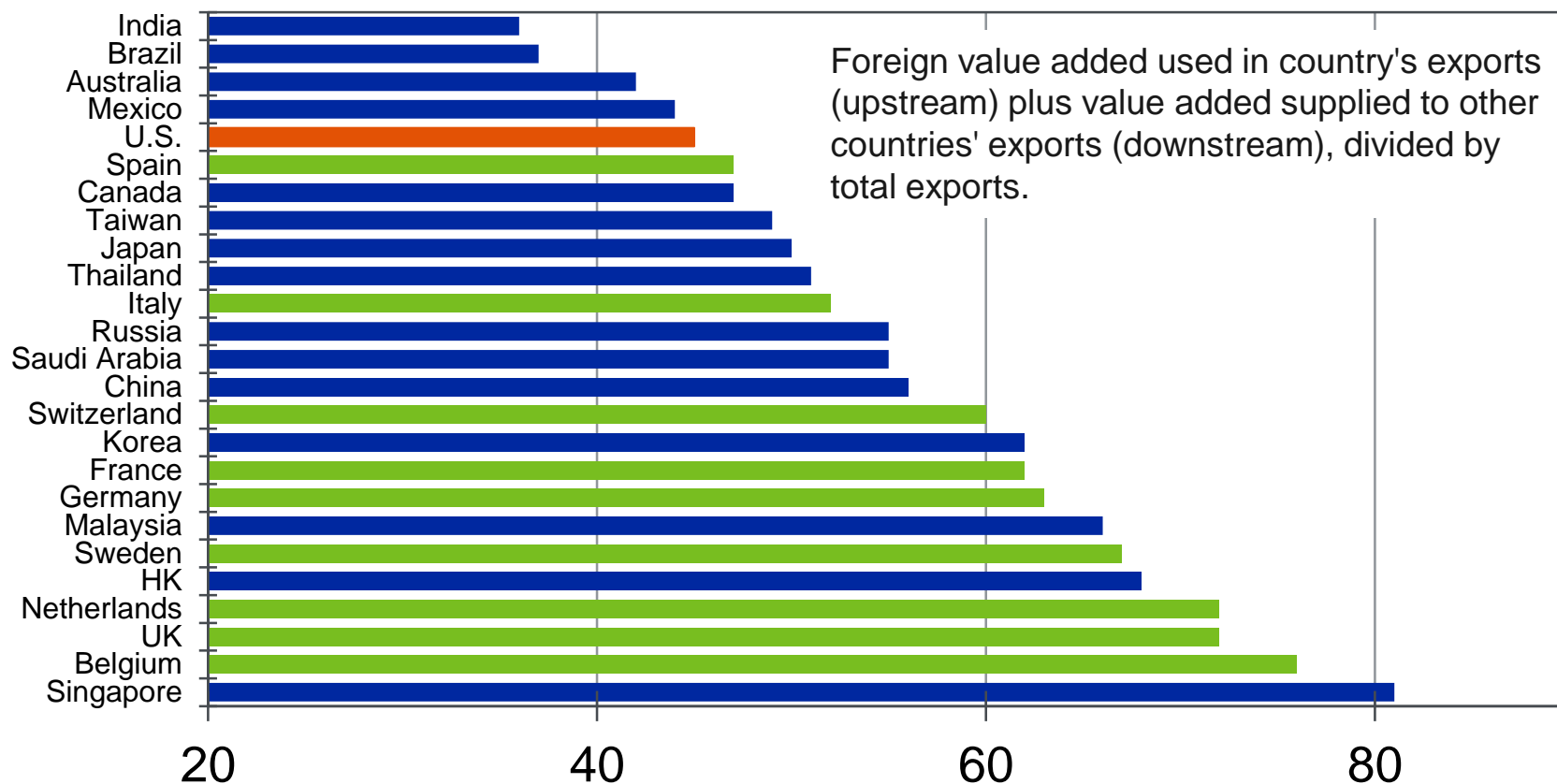
World exports, 12-mo rolling sum, % change yr ago



Sources: IMF, Moody's Analytics

Protectionism Could Break the Supply Chain

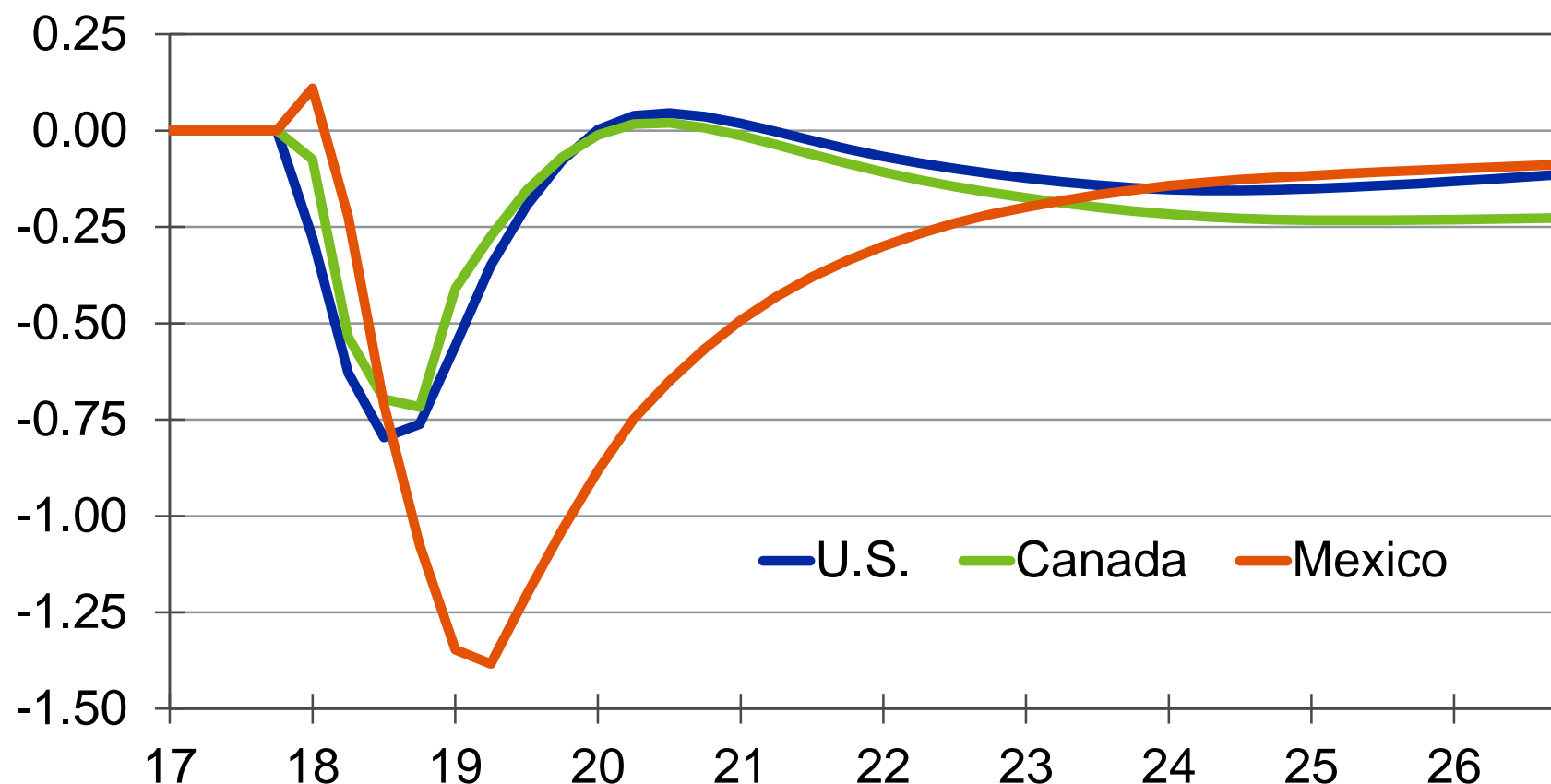
%, participation in global value chains



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

...But No Recession from NAFTA Breakup

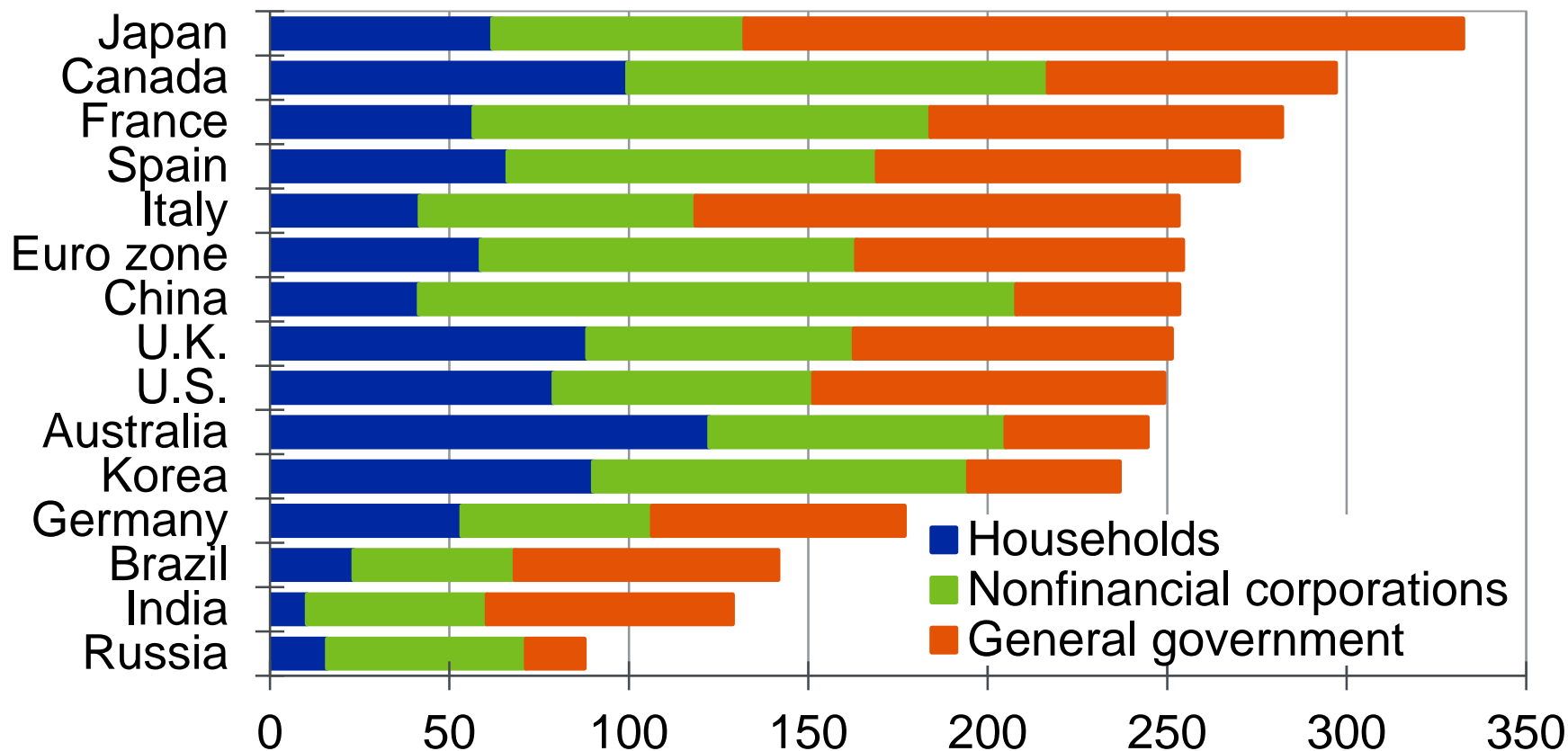
NAFTA breakup scenario, real GDP, deviation from baseline, %



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

Most Large Economies Have Heavy Debt Loads

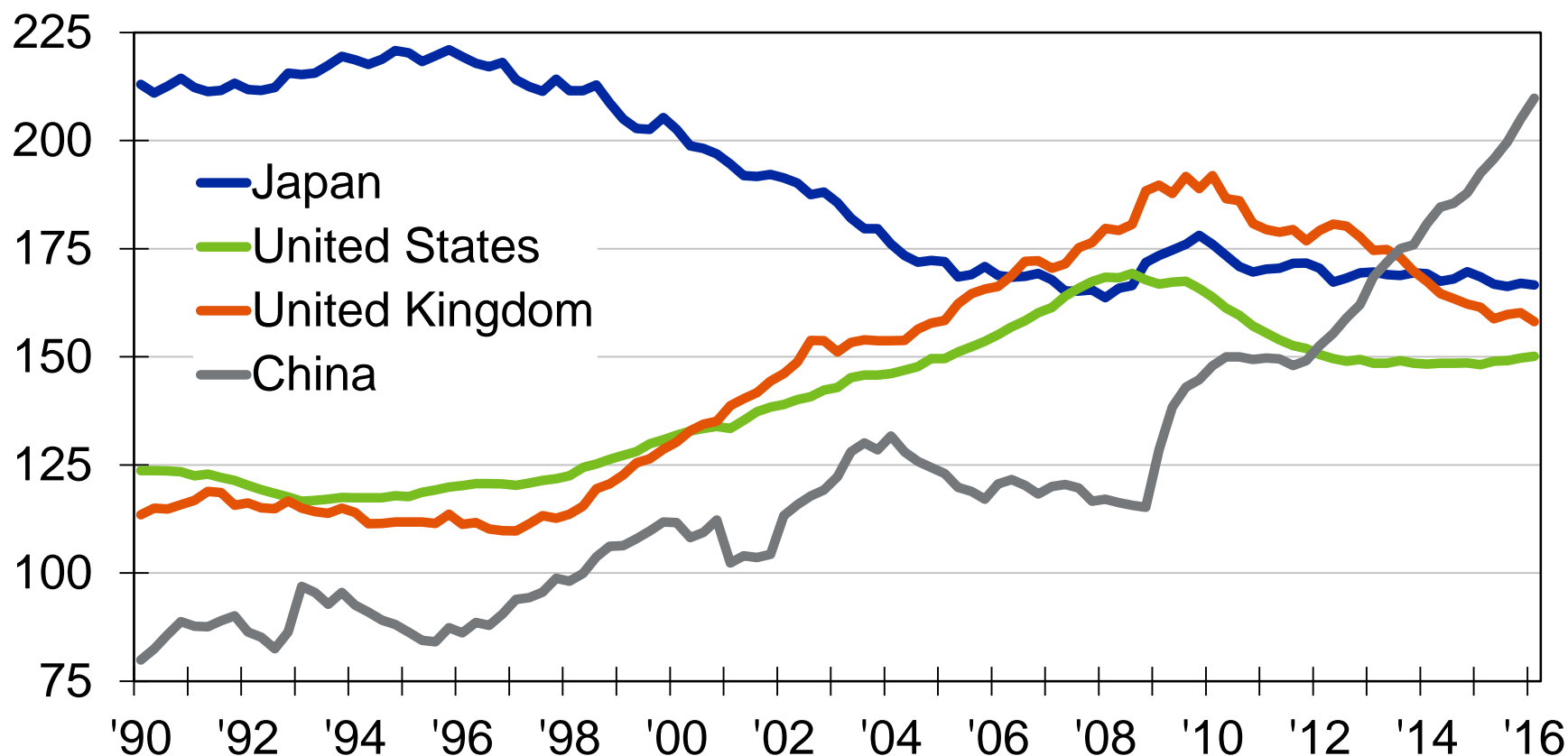
Total credit to GDP, %, 2016



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

This Likely Won't End Well

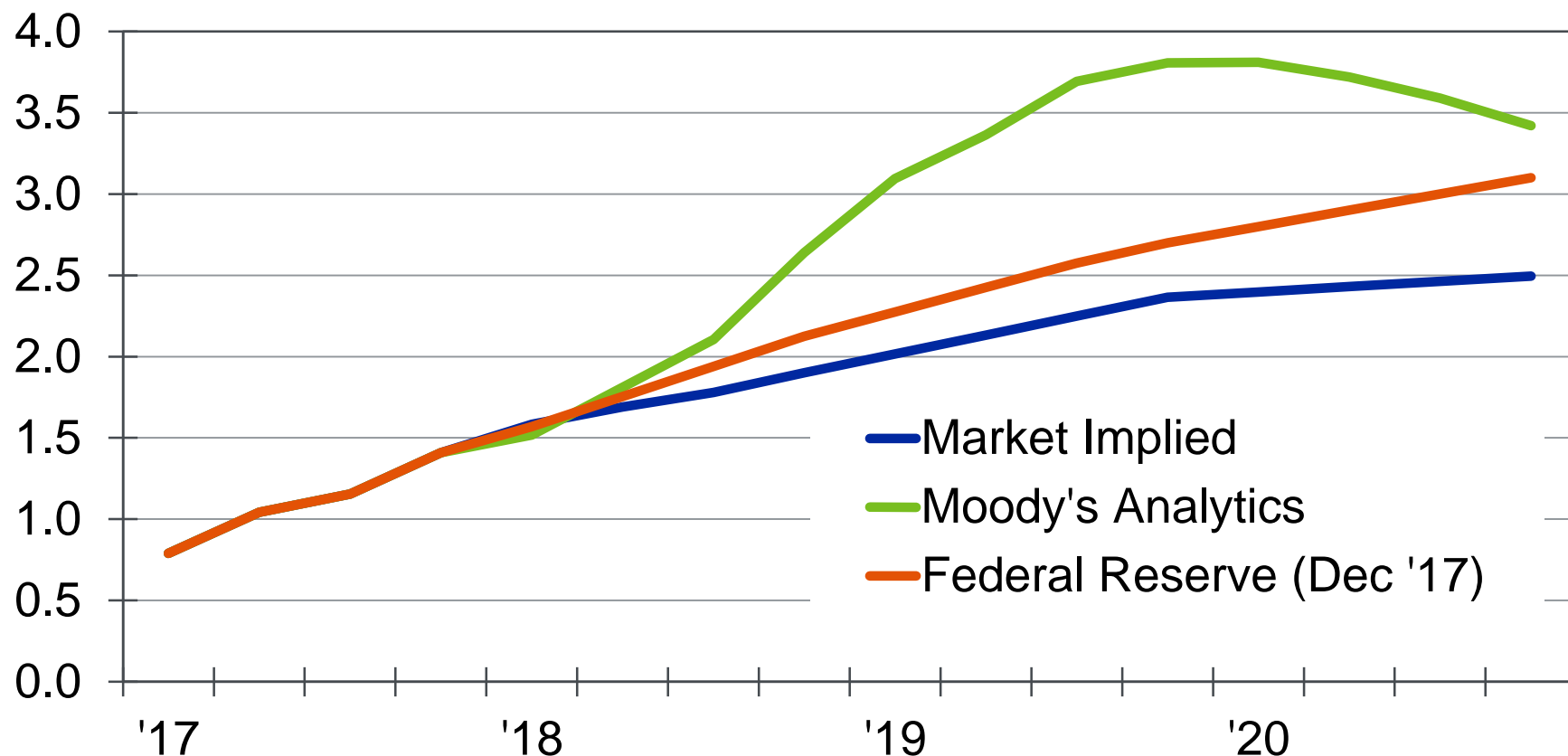
Credit to non-financial corporate & household sectors, % of GDP



Sources: Bank of International Settlements, Moody's Analytics

Investors Have Some Adjusting To Do

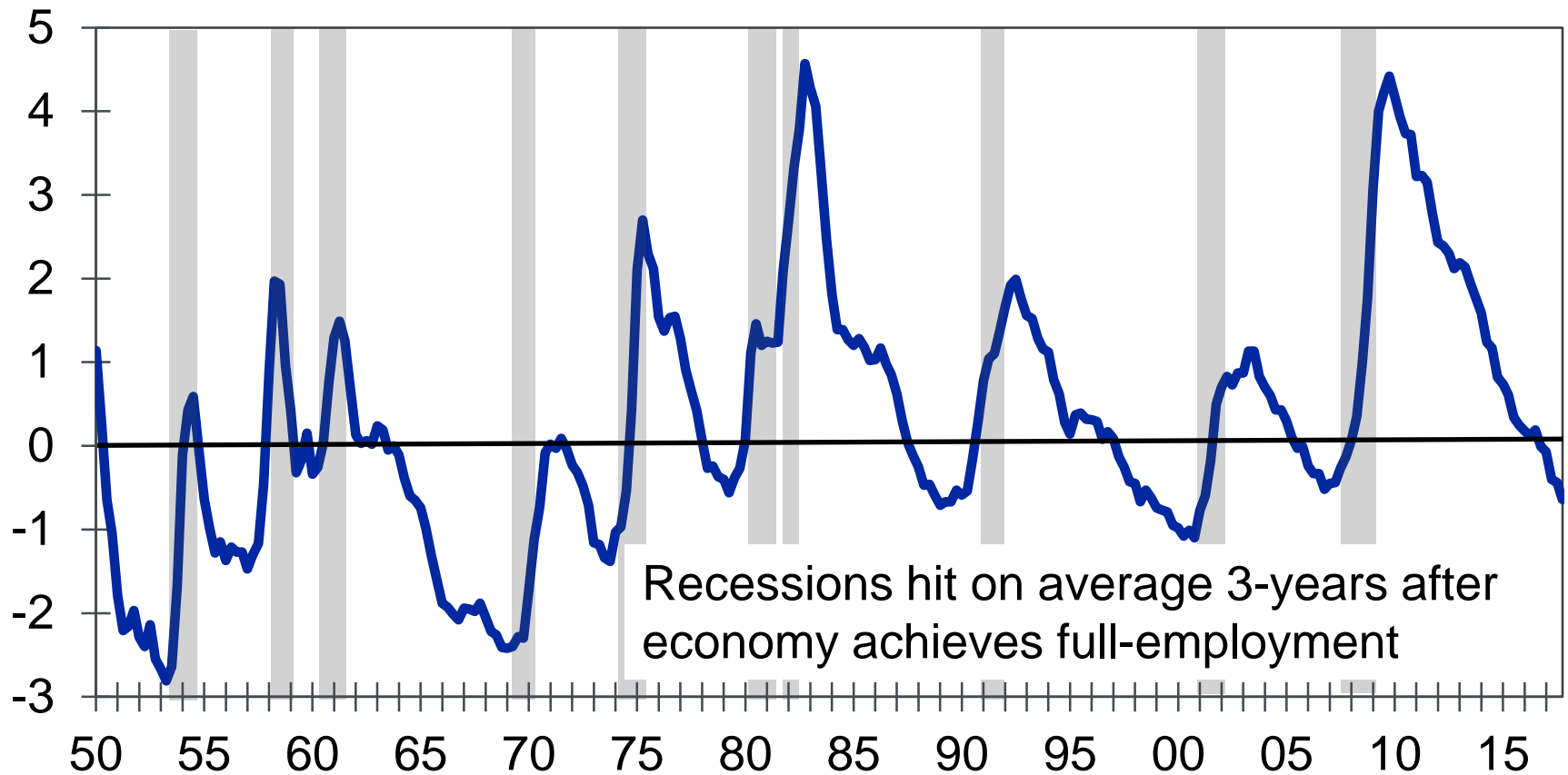
Federal funds rate, %



Sources: Federal Reserve, Bloomberg, Moody's Analytics

The Next U.S. Recession – Not Yet

Unemployment rate gap, %



Sources: BLS, Moody's Analytics



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