



April Economic Chart Book (Snapshot)

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Enclosed are select charts from our April Economic Chart Book discussing:

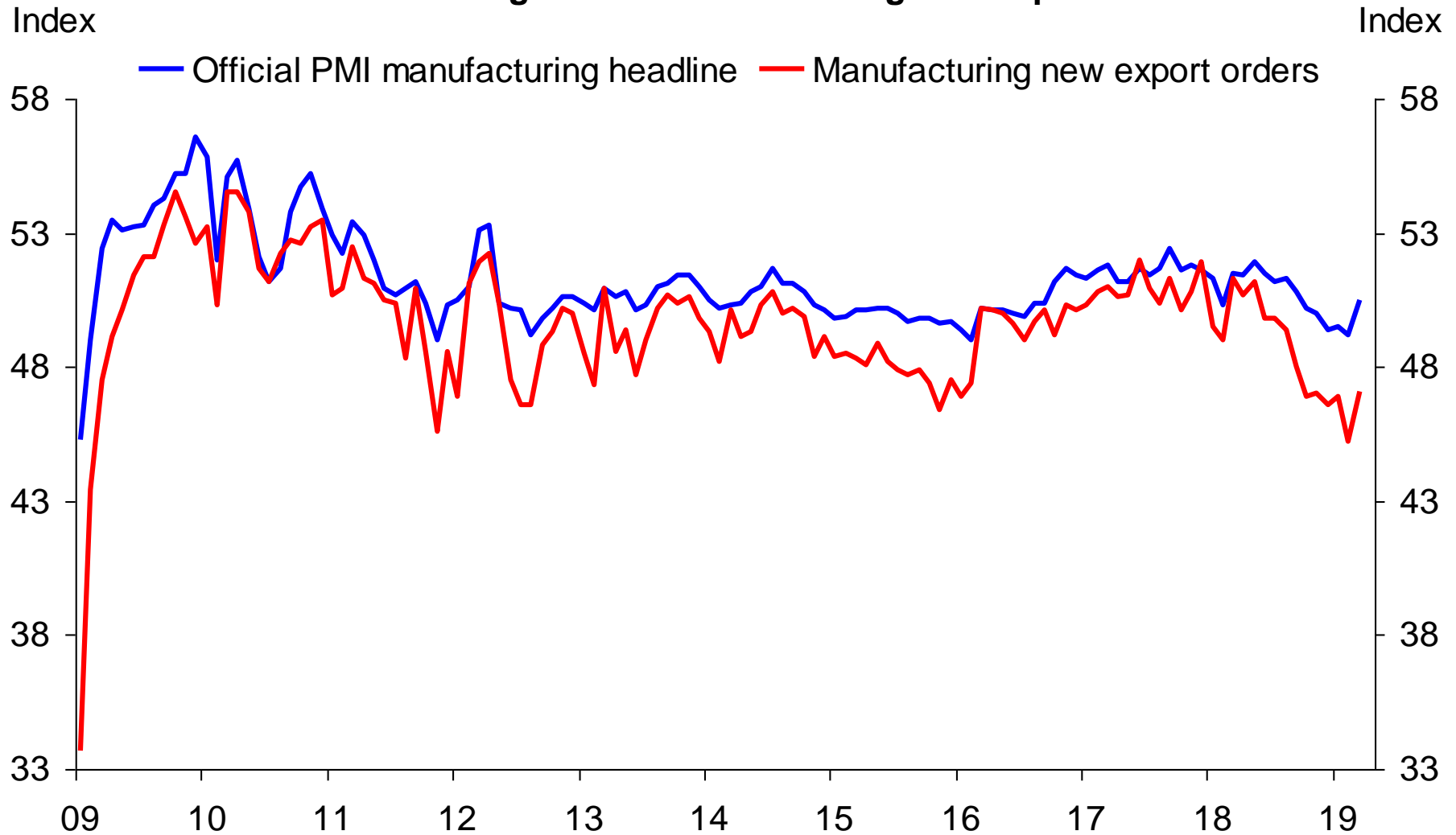
- Global Economic Slowdown or Green Shoots?
- Global Interest Rates
- US GDP and Economic Outlook
- The US Labor Market & Continuing Claims
- The US Housing Market
- Consumer Credit Spreads & Supply

[Link to Torsten Slok's full April Economic Chart Book can be found here.](#)



Chinese data improving

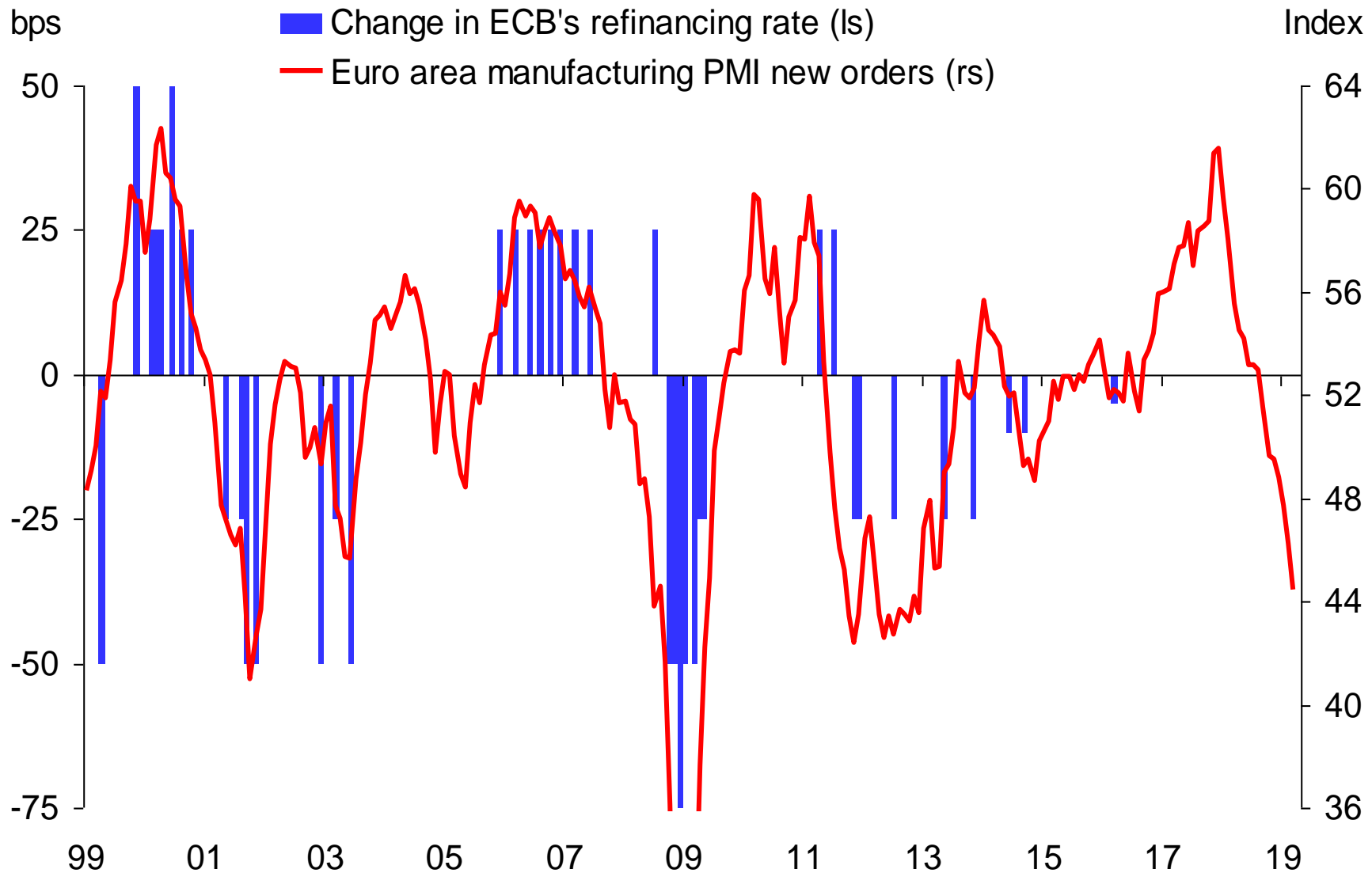
China : manufacturing PMI vs manufacturing new export orders



Source: CFLP/NBS, Haver Analytics, DB Global Research

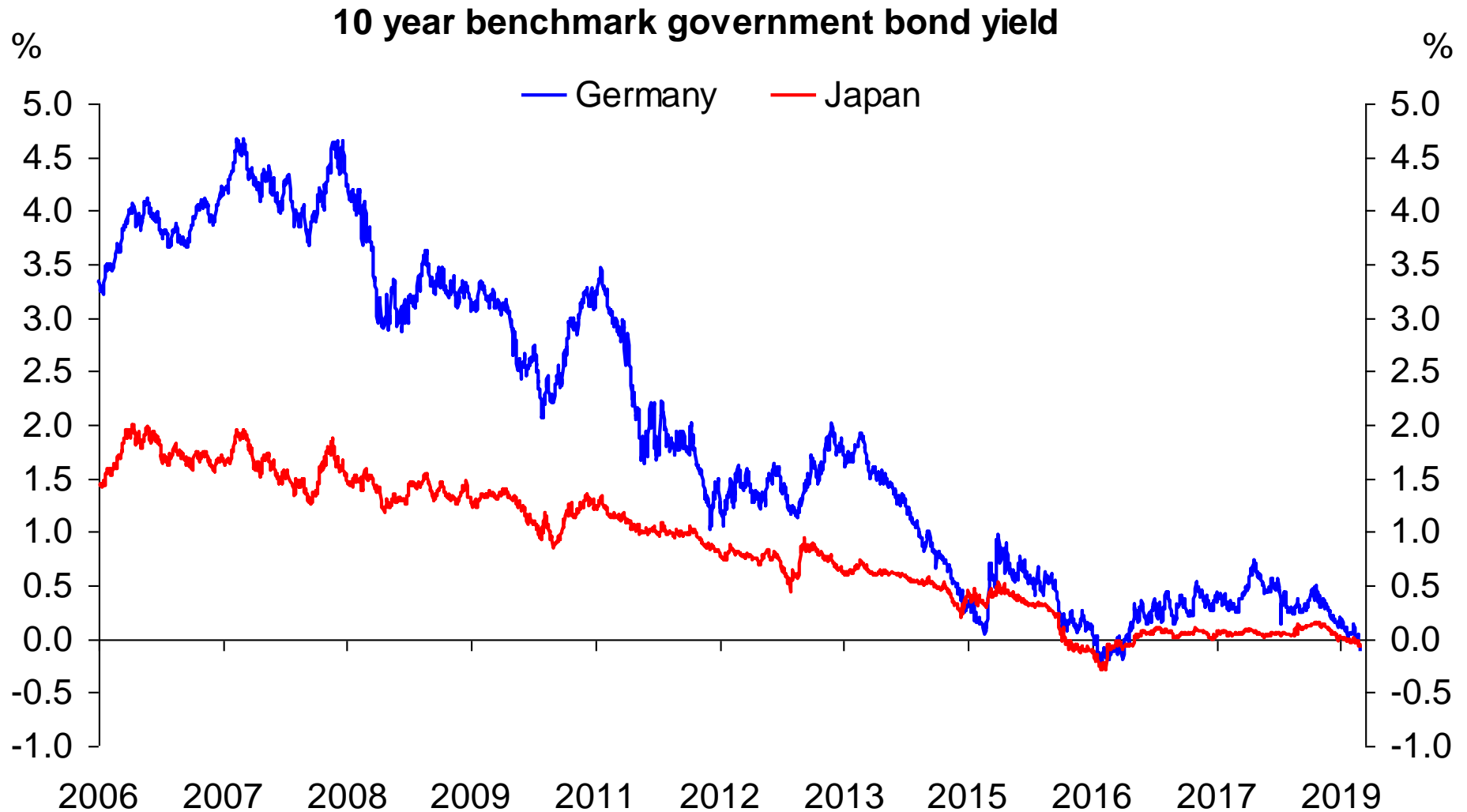


Euro area PMI points to ECB easing



Source: ECB, IHSM, Haver Analytics, DB Global Research

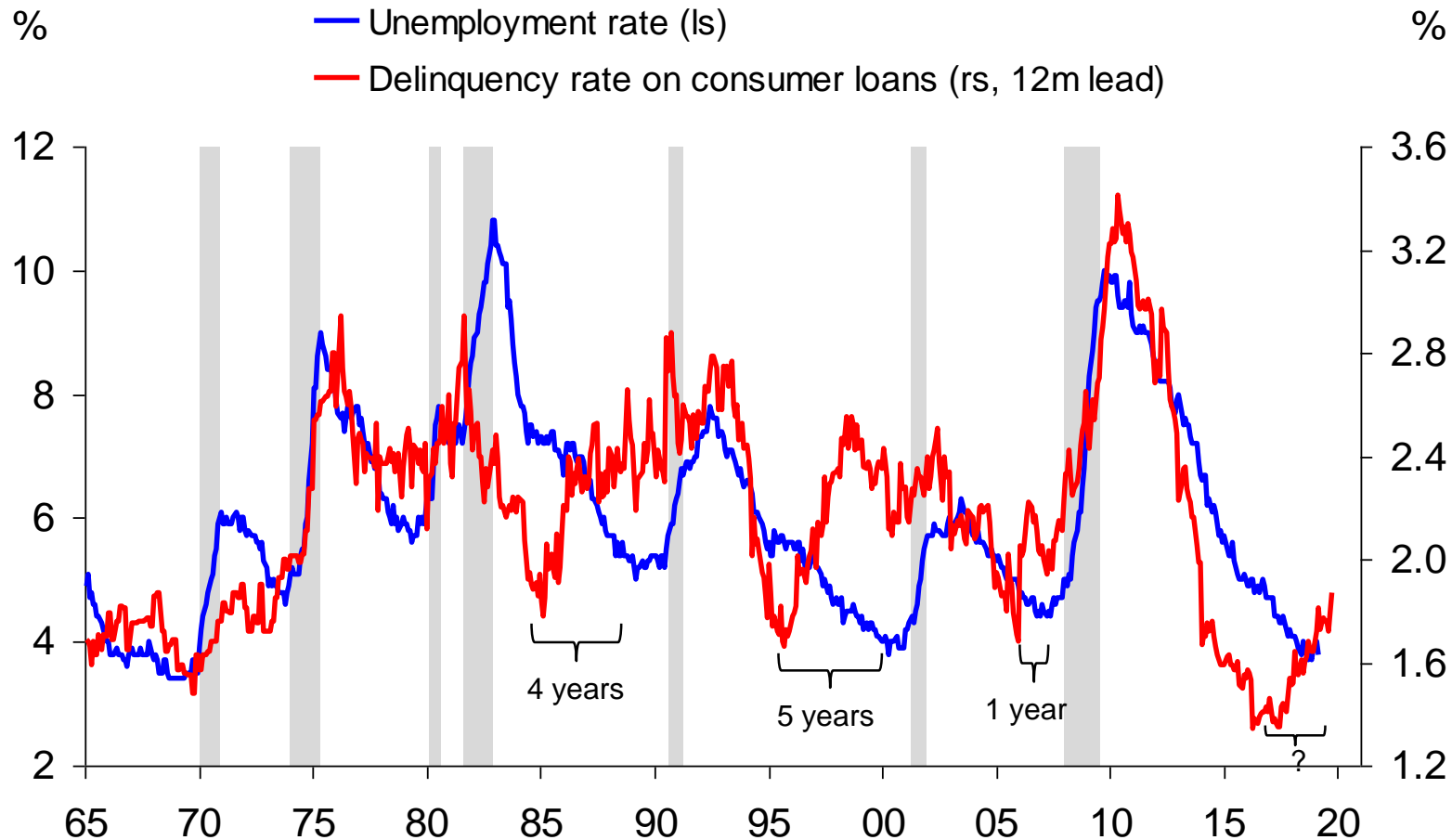
German 10-year rate now below Japan's 10-year rate



Source: Bbk, MoFJ, Haver Analytics, DB Global Research



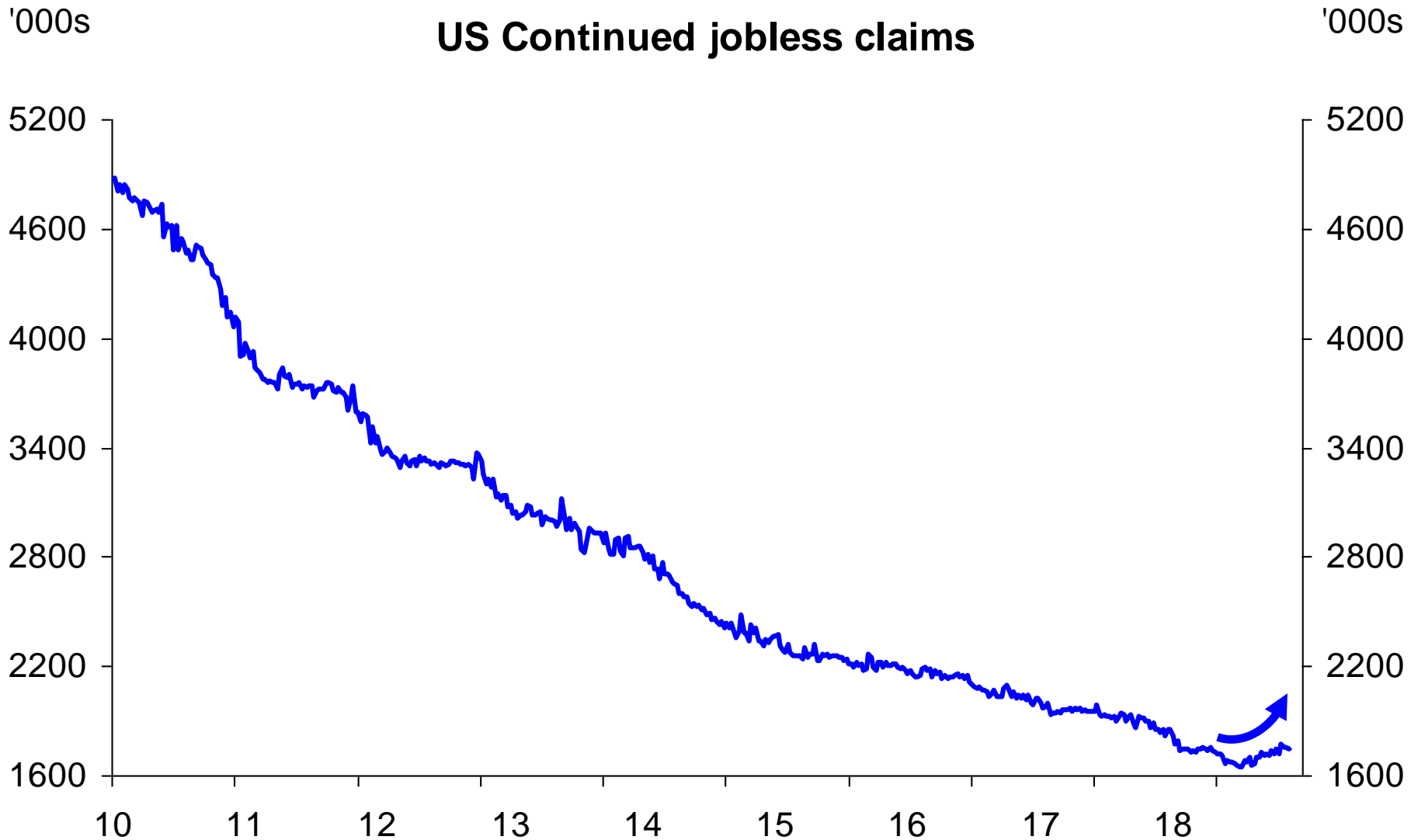
The credit cycle is leading the economic cycle. Economic slowdown risk is rising



Note: Composite consumer loans consists of eight loan types: personal, automobile direct & indirect, mobile homes, recreational vehicles, marine financing loans, property improvement and home equity and second mortgage loans.

Source: BLS, ABA, Haver Analytics, DB Global Research

Has the unemployment rate bottomed? A rising unemployment rate will magnify household balance sheet problems

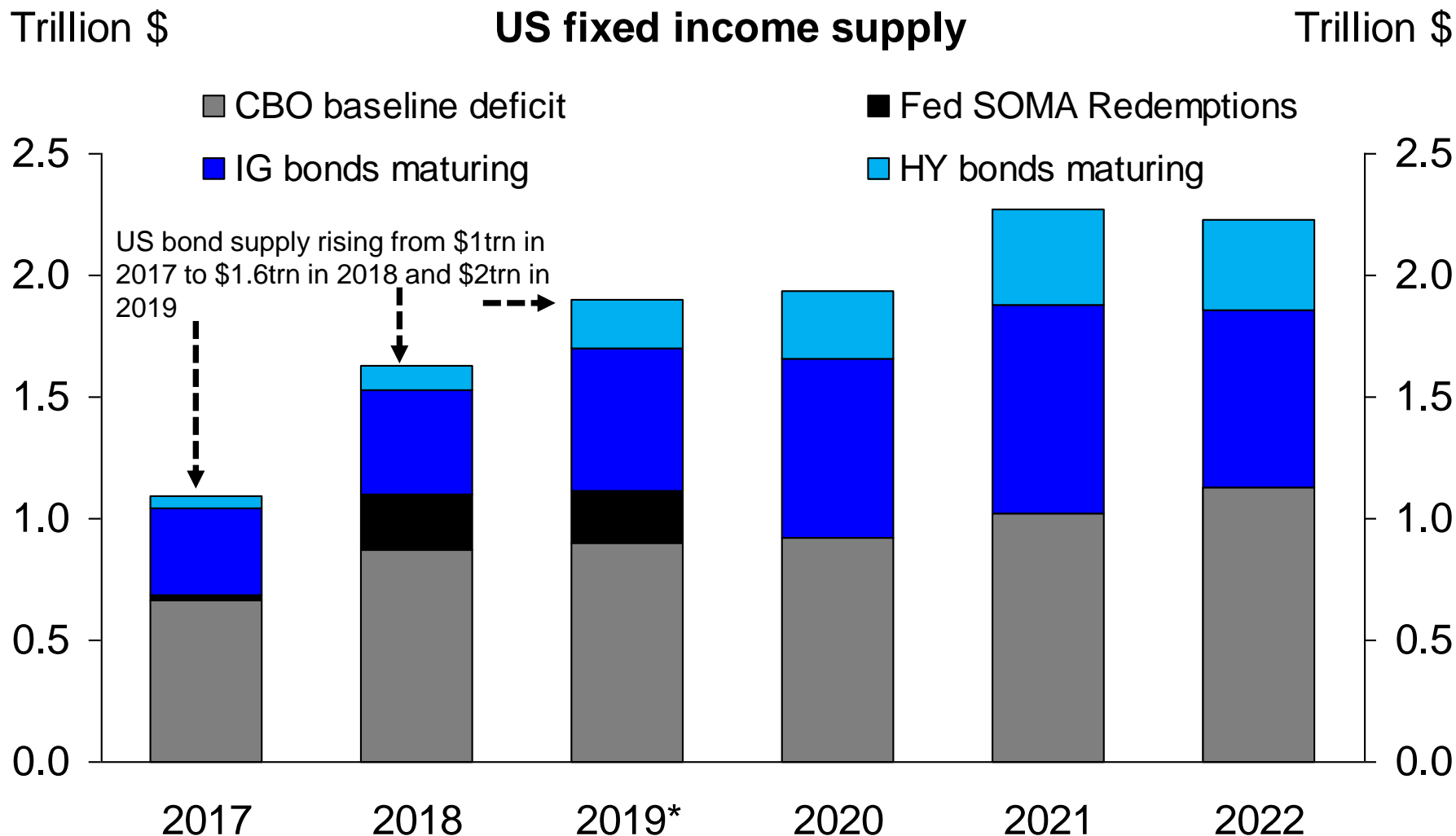


Source: Department of Labor, Haver Analytics, DB Global Research

Stock of risk-free assets growing dramatically:



Rise in US Treasury supply from tax cuts and Fed balance sheet rundown will crowd out investments in IG, HY, and equities



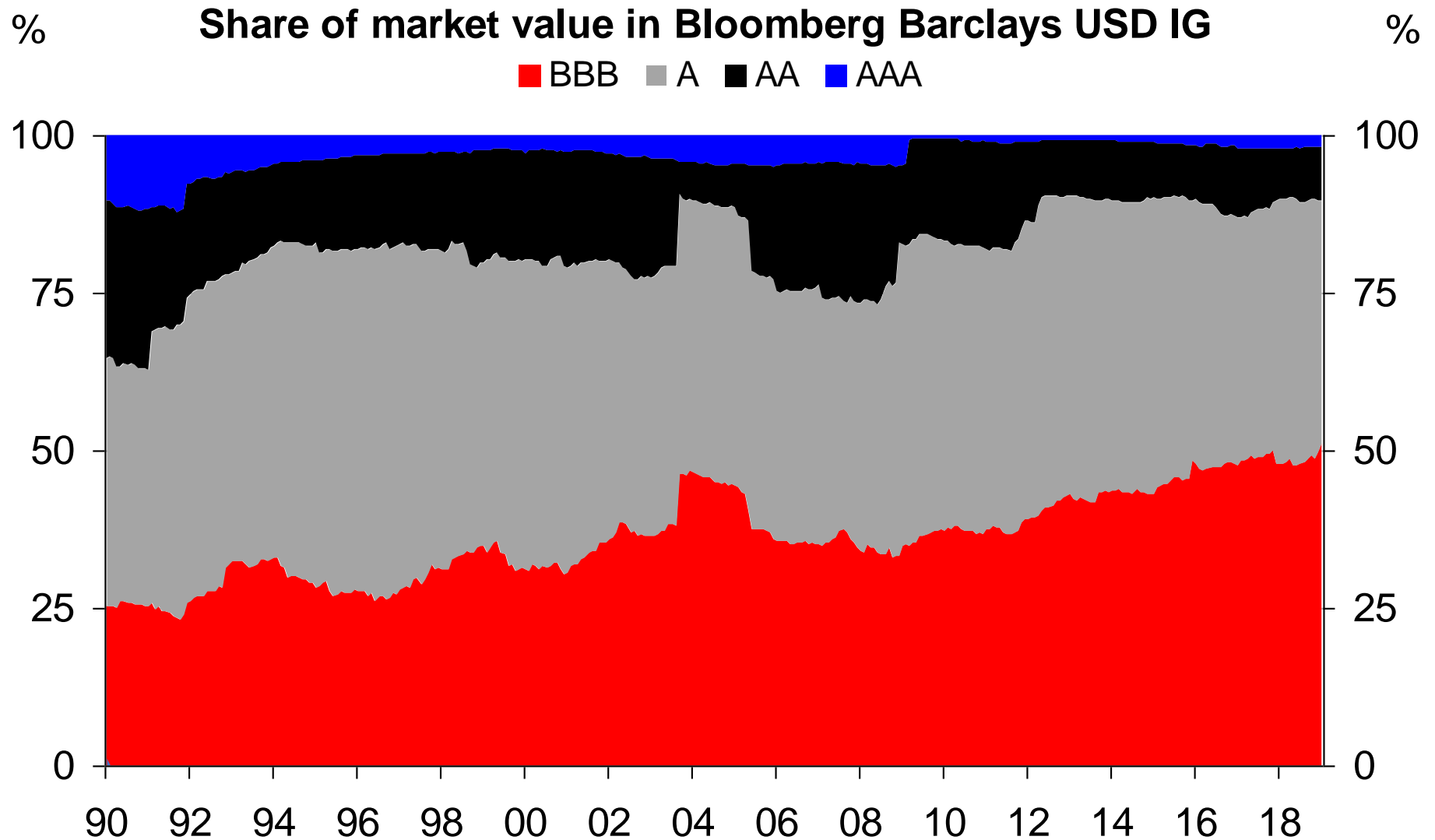
Notes: Deficit projections based on the January 2019 CBO Outlook and are adjusted from fiscal year basis to calendar year basis.

*If the Fed stops the runoff in October 2019

Source: Steven Zeng, Michal Jezek, Standard & Poor's Financial Services LLC, DB Global Research



50% of the IG index is BBB



Source: Bloomberg Finance LP, DB Global Research



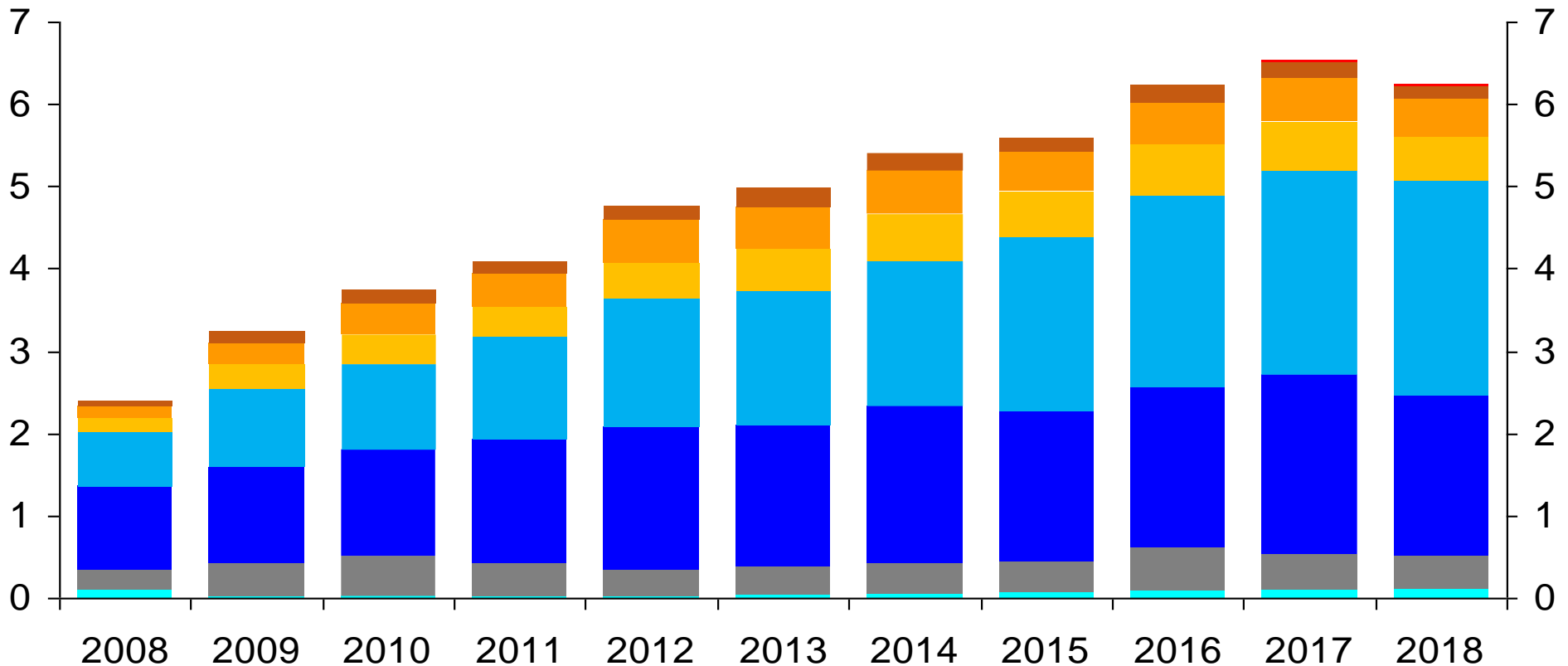
BBB is a growing problem

\$, trln

Market cap

\$, trln

Aaa Aa A Baa Ba B Caa Ca Non-rated



Source: Bloomberg Finance LP, DB Global Research



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- Torsten Slok joined Deutsche Bank Securities in the fall of 2005.
- Mr. Slok's Economics team has been top-ranked by Institutional Investor in fixed income and equities since 2010. Slok currently serves as a member of the Economic Club of New York
- Prior to joining the firm, Mr. Slok worked at the OECD in Paris in the Money and Finance Division and the Structural Policy Analysis Division. Before joining the OECD he worked for four years at the IMF in the Division responsible for writing the World Economic Outlook and the Division responsible for China, Hong Kong, and Mongolia.
- Mr. Slok studied at University of Copenhagen and Princeton University. He has published numerous journal articles and reviews on economics and policy analysis, including in Journal of International Economics, Journal of International Money and Finance, and The Econometric Journal.



Appendix 1

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