

Chart of the Day



Summary Conclusions for 2023

Global Economy in 2023		
Global economy:	Recession likely	↓
EU economy:	1H recession	↓
US economy:	2H recession	↓
China's economy:	Q1 weakness, 2H recovery	↓↑
Japan's economy:	Relative resilience	↑
India's economy:	Highest G20 growth	↑
US goods inflation:	Rapid disinflation	↓
US services inflation:	Disinflation, but stickier	↓
Corporate earnings:	Downward revisions	↓
Global M&A:	Higher volumes, but tepid	↑

Global Markets in 2023		
UST yields:	Bearish, before bullish	↑↓
IG credit spreads:	Higher & wider range than 2022	↑
HY credit spreads:	Gap risk, wider divergence than 2022	↑
IG issuance:	Modestly higher, on maturities & M&A	↑
HY issuance:	Higher, from low 2022 base	↑
US Dollar:	Sustained depreciation	↓
US equities:	New lows after recession starts	↑↓
Oil:	Lower in Q1, higher by YE	↓↑
EU Nat gas:	Higher	↑
US Nat gas:	Lower	↓

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“Macro stability isn’t everything, but without it, you have nothing.”