J.P.Morgan

Global Asset Allocation
J.P.Morgan Chase Bank NA, J.P. Morgan Securities Ltd.
Feb 17, 2012

The J.P. Morgan View

The return of Asset Reflation

- **Asset Allocation** — All assets are beating cash YTD, showing the power of asset reflation, which is being reinvigorated by massive liquidity injections from central banks across the world. We stay long the higher risk-beta asset classes, equities, gold and credit.
- **Economics** — World growth forecasts remain unchanged, but higher oil prices temper the upside risk bias from recent PMIs.
- **Fixed Income** — Government yields still out of kilter with improving activity data and the equity rally.
- **Equities** — Staying long and OW DAX and EM.
- **Credit** — We stay with overweights in EM $ sovereigns, US HG and US HY.
- **Foreign exchange** — Our main non-consensus calls for Q2 are a stronger euro and yen, at $1.34, and ¥73, versus the USD.
- **Commodities** — OPEC should be able to offset any lost Iranian exports but uncertainty around this is pushing oil prices higher.

- The rally in riskier assets reached a **pause mode** over the past week on higher oil prices and further delays in the second Greek bailout package. But we are not seeing the correction we feared as it does appear that Europe will bite the bullet next week and US data are again surprising on the upside. We keep a **broad overweight of equities, credit, and EM assets, while staying tactically neutral on commodities and DM bond duration.** Our medium-term forecasts remain bullish on commodities and bearish on DM bonds.

- The main driver behind our long risk position has not been any upward momentum on growth expectations, but instead a **gradual receding of the high uncertainty,** if not fear, that has been keeping investors in defensive assets. We are indeed not yet seeing any upward momentum in 2012 growth projections (Chart p. 2). Ours have edged up, and our global indicators are signalling upside risks, but we remain far from the long-term trend pace of 3% that we need to make progress on public sector delevering.

- On the week, risk concerns on the **US** and **Europe** have receded, with Congress extending tax stimulus measures for the remainder of the year, and the ECB willing to contribute to the eventual Greek bailout. Execution risks have risen as we approach the March 20 Greek bond redemption and many important steps need to be taken before that (see Pavan Wadhwa and Fabia Bassi in last week's *GFIMW*). But the willingness to strike a deal is also increasing, as all sides must recognize the huge costs of a disorderly default (see today's *Flows & Liquidity*, Are we underestimating the impact of a disorderly Greek default?).

- The news from **China** is more mixed as the real estate market continues to

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Jan Loeys[AC]
(1-212) 834-5874
jan.loeys@jpmorgan.com

John Normand
(44-20) 7325-5222
john.normand@jpmorgan.com

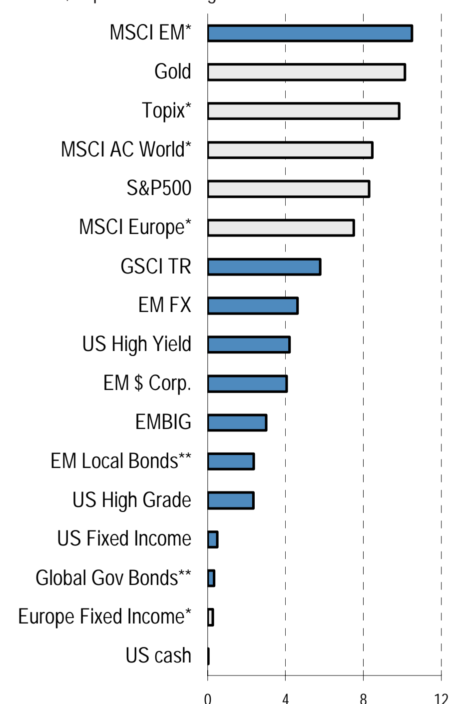
Nikolaos Panigirtzoglou
(44-20) 7777-0386
nikolaos.panigirtzoglou@jpmorgan.com

Seamus Mac Gorain
(44-20) 7777-2906
seamus.macgorain@jpmorgan.com

Matthew Lehmann
(44-20) 7777-1830
matthew.m.lehmann@jpmorgan.com

Leo Evans
(44-20) 7742-2537
leonard.a.evans@jpmorgan.com

YTD returns through Feb 16
%, equities are in lighter colour.



Source: J.P. Morgan, Bloomberg. Returns in USD. *Local currency. **Hedged into USD. Euro Fixed Income is Iboxx Overall Index. US HG, HY, EMBIG and EM $ Corp are JPM indices. EM FX is ELMI+ in $.

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contract and last week's surprise higher inflation reading for January (4.5% oya) casts doubts on how fast policy makers will ease funding conditions (see Jing Ulrich, *China's Property Sector -- Examining the Policy Responses,* Feb 15). We believe the spike in inflation is temporary, as it is due to food prices, and that next month's release should be lower and permit a lowering of reserve requirements.

- One relatively new risk factor that is starting to worry investors is the heating up of the conflict with Iran and the 10% run-up on **crude oil prices** over the past fortnight. We think supply problems in the North Sea and Sudan, as well as cold weather, are probably more important drivers behind higher oil prices, but the news chatter around Iran is undeniable. We have no view or information on whether the Iran risk factor will worsen, and can only note that physical demand and supply conditions do not signal higher oil prices from here.

- Beyond the near-term risk factors around Greece, Iran, and economic data, an increasingly important and longer-lasting driver of risk markets is what we have called here **Asset Reflation**. Asset price inflation works by central banks increasing the quantity of defensive, lower-risk assets — cash and safer government debt — and lowering their yield. Asset reflation dominated during the first two years of the rally in equities — from March 2009 on — but was overcome by fiscal concerns during much of last year.

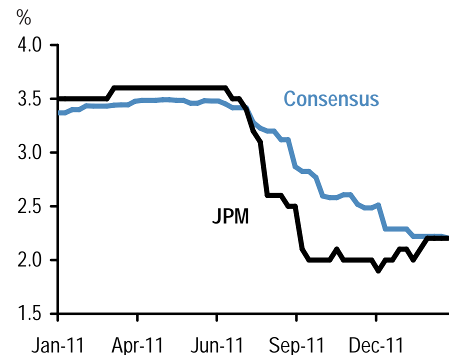
- Over the past two months, **central banks have moved into second gear** — UK QE, ECB LTRO, Fed communication, and this week alone, another ¥10tr of BoJ Asset Purchases. Given still huge excess capacity in the world and central banks telling a good story, this excess liquidity will show up much more in the prices of risk assets than in goods and services inflation. But central banks are walking a tightrope here, as any rise in long-term inflation expectations would force them to abandon asset reflation. For the moment, we are "OK" as central bankers have convinced us of their independence and honorable intentions. It is important to monitor inflation breakevens for any signs that doubts are rising about these intentions.

Fixed income

- **The Greek rollercoaster is on an upswing, and so, therefore, are core bond yields**. Government yields still look out of kilter, though, with improving activity data, and the near-straight-line equity rally. Greek uncertainty has left us flat overall on DM duration and on the Euro area periphery, although increasing confidence over a deal on Monday is reducing the insurance premium in safe government bonds. Within the periphery, **we favour Spain vs Italy,** not least because Spain has frontloaded its issuance aggressively this year, with almost a third of its 2012 issuance out of the way already.

- The Bank of Japan this week surprised the market by increasing the size of its Asset Purchase Programme (APP) from ¥55tr to ¥65tr, via an **unprecedented JPY10tr increase in JGB purchases**, which accompanied the adoption of a de facto 1% inflation target. The duration impact is limited by the fact that the APP only buys JGBs of up to two years' maturity, and we expect little immediate impact on Japanese rates, where we maintain a bullish bias (see Takafumi Yamawaki, *BoJ's Additional Easing*, 16 Feb). But the longer-run impact could

2012 global GDP growth forecasts: JPMorgan and Consensus



Source: J.P. Morgan, Consensus Economics. Consensus Economics forecasts are for regions and countries that we averaged using the same 5-year rolling USD GDP weights that we use for our own global growth forecast.

More details in ...

Global Data Watch, Bruce Kasman and David Hensley

Global Markets Outlook and Strategy, Jan Loeys, Bruce Kasman, et al.

US Fixed Income Markets, Terry Belton and Srini Ramaswamy

Global Fixed Income Markets, Pavan Wadhwa and Fabio Bassi

Emerging Markets Outlook and Strategy, Joyce Chang

Key trades and risk: Emerging Market Equity Strategy, Adrian Mowat et al.

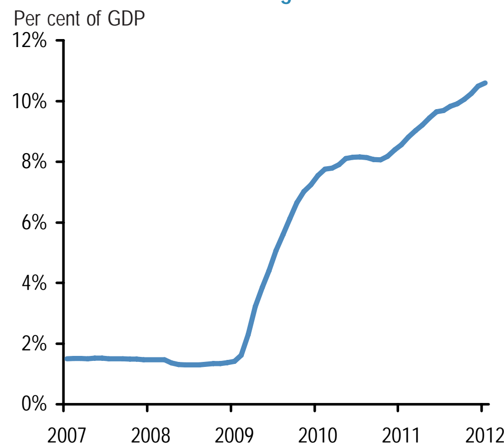
Flows and Liquidity, Nikos Panigirtzoglou et al.

be significant, if the Bank of Japan is successful in sparking inflation expectations.

- Japanese investors have added over $50bn of foreign bonds in the past six weeks, buying at the fastest pace since hoovering up some $260bn of bonds in the run up to QE2 in 2010, and thereby contributing to the resilience of the Treasury market. Even as QE3 now looks less than a 50/50 shot, **G-4 central bank bond holdings are set to approach 12% of GDP this year**, from around 8% a year ago (see Chart).

G-4 central bank bond holdings

Per cent of GDP



Source: G-4 central banks, J.P.Morgan

Equities

- **Equities resumed their uptrend** this week driven by better than expected economic data and hopes that the second bailout package for Greece will be approved in next week's Euro finance ministers' meeting. The S&P500 index is approaching its 2011 high and the MSCI AC World index is only 5% below in local currency terms.

- Does this mean that equity markets are reaching **overextension levels?** We do not think so. For one, equities are all but expensive. The 12m forward PE ratios for both the S&P500 index and the MSCI AC World, at 12.6 and 11.6, respectively, are low by historical standards. They are half point lower than last April's market peak and more than 2.5 points below the PE ratios reached in Oct 2009.

- In addition, investors have added risk over the past two months and largely covered their underweights, but are not yet overweight equities and are far from the overstretched levels of last April.

- The Q4 GDP data for the Euro area were better than expected but show a growing divergence between a resilient core and faltering periphery. This provides justification for our DAX overweight within the universe of Euro area equities.

- Investors continue to flock to EM equity funds. YTD, investors have injected $19bn into EM equity funds, reversing almost 60% of the total outflow seen in 2011. This strong flow picture, coupled with positive 2 month return momentum keeps us overweight MSCI EM vs MSCI World.

Credit

- **Greece continued to dominate the headlines this week and default jitters are still fazing risk markets.** The last 24 hours have been more optimistic though, as a debt deal looks closer to being signed off by early next week and US economic numbers are continuing to surprise on the upside. US credit ended the week roughly flat and EU credit finished slightly wider.

- **The real story is in EM credit**, however, as it outperformed the other regions, and EM $ sovereigns outperformed within the asset class. As one of our preferred tactical overweights, spreads rallied 8bp to 373bp in EMBIG, and inflows into EM equity and bond mutual funds continue to see some of the largest inflows on record. **We stay long EM credit on positive technicals.**

- **In the US**, a combination of better economic signals and investor demand **keep**

More details in ...

EM Corporate Outlook and Strategy, Warren Mar et al.

US Credit Markets Outlook and Strategy, Eric Beinstein et al.

High Yield Credit Markets Weekly, Peter Acciavatti et al.

European Credit Outlook & Strategy, Steven Dulake et al.

Emerging Markets Cross Product Strategy Weekly, Eric Beinstein et al.

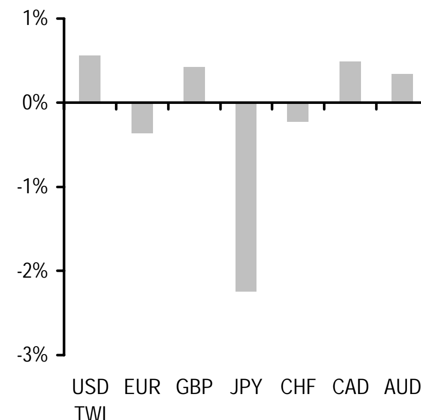
us tactically long HG and HY credit. Funds flows into both are not only record breaking, but also incredibly resilient, and possibly even accelerating. Also, these two asset classes also offer the best carry-to-risk profiles, as an one way of thinking about relative value, than either EM or EU credit at present.

Foreign Exchange

- Today we published the monthly *Key Currency Views* outlining our forecast rationale and risk biases. **There are no major forecast changes again this month.** Q1 and Q2 targets are still 1.30 and 1.34 for EUR/USD; 76 for USD/JPY (both quarters); 1.55 and 1.57 for GBP/USD and 1.06 and 1.08 for AUD/USD. FX volatility should base around current levels of 10% – 11% on J.P. Morgan's **VXY** Global index of 3-mo implieds (JPMVXYGL on Bloomberg). These forecasts are intended to convey **modest, broad USD weakness** on the back of global economic expansion, enormous liquidity from the major central banks, diminishing credit risk in Europe but obvious event risks in all regions throughout the year. As a zero-yield currency for a country running the largest financing requirement in the world, the dollar has little value outside of a global recession or financial crisis. Its fall this year versus over 90% of currencies, including the euro, confirms that the principles which have driven FX for the past decade — more growth and less stress deliver USD weakness — still hold.

- **EUR/USD and USD/JPY are probably the most non-consensus calls.** Most surveys shows **EUR/USD** in the 1.20s this year versus J.P. Morgan's profile in the 1.30s, since many equate ECB balance sheet expansion in 2012 with the Fed's in 2009. Lower euro rates would be euro-negative all else equal, but all else is not equal. The ECB's LTRO relieves credit stress (euro-positive) more than it boosts inflation expectations (euro-negative); Europe is running a near-record trade surplus compared to the US's deficit; and investors are still quite short euros/heavily hedged compared to near-record USD longs when the Fed launched QE in 2009. On **USD/JPY**, bullish views based on Japan trade deficit are ignoring the country's current account surplus. Also, the Bank of Japan's recent increase in its balance sheet will only undermine the yen if the authorities can raise inflation expectations. This move would probably require a much larger and indefinite debt monetization than the BoJ is willing to provide the government if it holds any pretence of independence. USD/JPY is overshooting and should revert in Q1.

FX weekly change vs USD



Source: J.P. Morgan

Commodities

- Commodities rallied almost 3% this week led higher by oil markets. **Brent is now up 14% YTD and is now hovering around $120/bbl,** raising risks to global economic growth. This reflects two forces. Demand has been much stronger due in part to a pickup in global IP but also due to unusually cold weather across much of Europe and North Asia. The second factor is supply risk. There has been a suggestion from Iran that it may pre-emptively ban exports to Europe in retaliation for the sanctions that are due to be imposed later this year.

- **Our baseline case** remains that this risk does not materialize and that **OPEC is able to offset lost Iranian exports** when sanctions are imposed in May. However, the uncertainty caused by the geopolitical situation combined with lower than normal stocks of oil mean consumers are hedging their bets by building inventories. An alternative lower probability scenario is that lost Iranian exports are not offset by OPEC. In this instance, we would expect a strategic reserve release but in the interim oil prices would likely spike much higher.

More details in ...

FX Markets Weekly, John Normand *et al.*

Commodity Markets Outlook & Strategy, Colin Fenton et al.

Oil Markets Monthly, Lawrence Eagles et al.

Metals Review and Outlook, Michael Jansen

Global Metals Quarterly, Michael Jansen

Interest rates		Current	Mar-12	Jun-12	Sep-12	Dec-12	YTD Return*
United States	Fed funds rate	0.125	0.125	0.125	0.125	0.125	
	10-year yields	2.02	2.25	2.50	2.50	2.50	-0.5%
Euro area	Refi rate	1.00	0.75	0.50	0.50	0.50	
	10-year yields	1.93	2.15	2.00	1.95	1.90	-0.2%
United Kingdom	Repo rate	0.50	0.50	0.50	0.50	0.50	
	10-year yields	2.19	2.25	2.10	2.00	2.00	-1.9%
Japan	Overnight call rate	0.05	0.05	0.05	0.05	0.05	
	10-year yields	0.95	0.90	0.95	1.10	1.15	0.2%
GBI-EM hedged in $	Yield - Global Diversified	6.21				6.50	2.4%

Credit Markets	Current	Index	YTD Return*
US high grade (bp over UST)	205	JPMorgan JULI Porfolio Spread to Treasury	2.0%
Euro high grade (bp over Euro gov)	291	iBoxx Euro Corporate Index	2.5%
USD high yield (bp vs. UST)	653	JPMorgan Global High Yield Index STW	3.8%
Euro high yield (bp over Euro gov)	882	iBoxx Euro HY Index	8.0%
EMBIG (bp vs. UST)	373	EMBI Global	3.0%
EM Corporates (bp vs. UST)	413	JPM EM Corporates (CEMBI)	4.1%

		Quarterly Averages					
Commodities	Current	12Q1	12Q2	12Q3	12Q4	GSCI Index	YTD Return*
Brent ($/bbl)	120	105	110	115	120	Energy	2.0%
Gold ($/oz)	1724	1725	1825	1900	1925	Precious Metals	12.1%
Copper ($/metric ton)	8286	8000	8500	8875	9000	Industrial Metals	9.4%
Corn ($/Bu)	6.47	6.70	7.00	6.80	6.30	Agriculture	0.7%

Foreign Exchange	Current	Mar-12	Jun-12	Sep-12	Dec-12	3m cash index	YTD Return* in USD
EUR/USD	1.32	1.30	1.34	1.36	1.38	EUR	0.8%
USD/JPY	79.4	76	76	74	72	JPY	-2.4%
GBP/USD	1.58	1.55	1.57	1.58	1.60	GBP	1.6%
USD/BRL	1.71	1.75	1.77	1.78	1.80	BRL	9.9%
USD/CNY	6.30	6.45	6.35	6.30	6.10	CNY	0.5%
USD/KRW	1126	1210	1150	1100	1040	KRW	2.1%
USD/TRY	1.75	1.75	1.75	1.70	1.65	TRY	8.0%

Equities	Current	YTD Return (local ccy)
S&P	1359	5.6%
Nasdaq	2948	9.0%
Topix	810	6.0%
FTSE 100	5905	4.5%
MSCI Eurozone*	143	8.2%
MSCI Europe*	1100	5.8%
MSCI EM $*	1049	14.1%
Brazil Bovespa	66101	13.7%
Hang Seng	21492	13.2%
Shanghai SE	2357	5.4%

*Levels/returns as of Feb 16, 2012

Local currency except MSCI EM $

Sector Allocation *	US YTD	Europe YTD	Japan YTD	EM YTD ($)
Energy	2.5%	1.3%	0.8%	**18.8%**
Materials	**11.8%**	**15.1%**	4.1%	**18.9%**
Industrials	**8.1%**	**9.1%**	**6.0%**	**17.5%**
Discretionary	**6.1%**	**13.4%**	**7.7%**	10.9%
Staples	-0.5%	-2.1%	0.1%	7.2%
Healthcare	3.8%	-0.9%	-0.2%	12.3%
Financials	**10.5%**	**14.2%**	**14.1%**	**16.3%**
Information Tech.	**8.9%**	**6.4%**	0.5%	11.8%
Telecommunications	-2.0%	-2.8%	-2.8%	4.9%
Utilities	-3.5%	1.2%	-1.6%	10.1%
Overall	**5.6%**	**5.8%**	**6.0%**	**14.1%**

Source: Bloomberg, Datastream, IBES, Standard & Poor's Services, J.P. Morgan estimates

Global Economic Outlook Summary

	Real GDP % over a year ago			Real GDP % over previous period, saar							Consumer prices % over a year ago			
	2011	2012	2013	3Q11	4Q11	1Q12	2Q12	3Q12	4Q12	1Q13	4Q11	2Q12	4Q12	2Q13
The Americas														
United States	1.7	2.3	2.2	1.8	2.8	2.0	2.5	3.0	2.0	1.5	3.3	**1.9 ↑**	**1.5 ↑**	1.4
Canada	2.3	2.2	2.5	3.5	1.7	2.1	2.6	2.3	2.4	2.7	2.8	1.7	1.7	2.0
Latin America	4.3	**3.6 ↑**	4.0	**3.1 ↓**	**2.3 ↓**	**2.9 ↑**	**5.5 ↑**	3.9	**3.5 ↓**	4.4	**7.2 ↓**	**6.8 ↑**	6.8	7.3
Argentina	9.2	**4.5 ↑**	4.0	4.5	6.5	0.0	**5.5 ↑**	**6.5 ↑**	5.0	3.0	9.5	10.0	11.0	11.0
Brazil	2.8	3.1	4.5	-0.2	1.5	2.6	5.7	5.5	5.7	4.5	6.7	5.1	5.1	5.3
Chile	6.3	4.5	4.8	2.6	3.0	5.0	5.0	6.0	6.0	4.5	4.0	3.6	3.4	3.2
Colombia	**5.8 ↑**	**4.5 ↑**	5.0	7.1	**3.7 ↑**	**4.2 ↑**	**4.5 ↑**	**3.5 ↓**	**3.0 ↓**	5.5	3.9	**3.6 ↑**	**3.3 ↑**	3.0
Ecuador	8.0	4.0	4.0	7.1	1.0	2.0	3.5	4.0	4.0	4.0	5.5	5.3	4.7	4.7
Mexico	**3.9 ↓**	3.3	3.5	**5.1 ↓**	**1.7 ↓**	2.5	5.5	0.6	1.0	5.0	**3.5 ↓**	4.2	4.0	3.8
Peru	6.7	**5.0 ↑**	7.0	6.5	**3.0 ↑**	**4.0 ↑**	**5.0 ↑**	6.5	7.6	**8.0 ↓**	4.5	4.1	2.8	2.9
Venezuela	**4.2 ↑**	4.0	1.0	**6.7 ↓**	**3.5 ↑**	6.0	6.0	4.0	-3.0	0.0	**28.5 ↓**	29.1	30.3	36.5
Asia/Pacific														
Japan	-0.9	**1.2 ↓**	1.3	**7.0 ↑**	**-2.3 ↓**	1.8	1.0	1.2	1.2	1.2	**-0.3 ↓**	-0.5	-0.5	-0.4
Australia	1.9	3.1	3.2	3.9	1.8	2.8	2.9	3.5	3.7	3.3	3.8	3.2	3.3	3.0
New Zealand	1.7	2.5	2.9	3.2	2.9	1.0	4.4	2.4	1.8	1.0	2.9	2.2	2.5	2.7
Asia ex Japan	**7.1 ↑**	6.5	7.2	6.3	**5.4 ↑**	**7.0 ↑**	6.8	**7.4 ↓**	**7.7 ↓**	7.3	5.0	3.9	3.8	4.1
China	9.2	8.4	9.1	8.4	9.2	7.2	7.8	9.5	10.0	9.1	4.6	3.0	3.1	3.9
Hong Kong	5.0	3.0	4.2	0.4	1.2	2.5	4.0	5.5	6.0	3.0	5.7	4.5	3.6	3.2
India	7.0	7.3	8.0	7.5	5.5	7.7	7.2	7.7	8.0	8.3	9.0	8.5	7.8	7.6
Indonesia	6.5	5.2	5.4	5.9	9.9	5.0	4.5	5.0	5.0	5.5	4.1	3.6	4.0	4.0
Korea	3.6	3.3	4.0	3.3	1.4	3.0	4.0	4.5	5.0	4.0	4.0	3.4	3.5	3.5
Malaysia	5.1	3.9	3.2	**6.1 ↑**	**4.8 ↓**	5.0	2.0	2.0	2.5	4.0	**3.2 ↑**	1.5	1.3	1.4
Philippines	3.7	**4.3 ↑**	4.8	3.4	3.5	**4.3 ↑**	4.9	5.7	4.9	4.5	4.7	3.9	4.0	4.0
Singapore	4.9	**2.3 ↑**	**3.7 ↓**	**2.0 ↑**	**-2.5 ↑**	**4.9 ↑**	**6.6 ↓**	**2.0 ↓**	**1.2 ↓**	4.5	**5.5 ↑**	**4.3 ↑**	**3.2 ↑**	3.0
Taiwan	4.0	2.9	5.1	-0.8	-1.0	3.3	4.8	5.8	6.5	4.5	1.4	1.3	1.7	1.2
Thailand	1.0	5.2	3.5	2.1	-25.0	35.0	15.0	2.0	0.5	5.0	3.5	2.8	1.4	1.4
Africa/Middle East														
Israel	**4.8 ↑**	2.9	4.4	**3.8 ↑**	**3.2 ↑**	0.8	3.2	6.1	7.4	4.5	**2.5 ↓**	2.3	2.5	2.1
South Africa	3.1	2.7	3.6	1.4	3.9	2.3	2.6	2.8	3.2	3.8	6.1	6.0	6.2	5.9
Europe														
Euro area	1.5	**-0.4 ↑**	0.3	**0.2 ↓**	**-1.1 ↑**	0.0	-1.5	-0.3	0.3	0.5	**2.9 ↓**	2.0	1.8	1.6
Germany	**3.1 ↑**	**0.7 ↑**	1.3	**2.3 ↑**	**-0.7 ↑**	1.0	0.0	1.0	1.0	1.5	2.6	1.7	1.6	1.4
France	**1.7 ↑**	**0.1 ↑**	0.3	**1.3 ↑**	**0.9 ↑**	0.0	-1.0	0.0	0.0	0.5	2.6	2.1	1.6	1.2
Italy	**0.4 ↑**	**-1.8 ↓**	-0.7	**-0.7 ↓**	**-2.9 ↓**	-2.0	-2.5	-1.5	-1.0	-0.5	3.7	2.9	3.2	2.8
Norway	**2.7 ↑**	**1.4 ↑**	1.8	**3.1 ↓**	**2.5 ↑**	0.0	0.0	1.0	1.0	2.0	**0.9 ↓**	**0.9 ↓**	1.4	1.7
Sweden	4.7	1.1	1.7	6.6	1.0	-0.5	-0.5	0.5	1.0	2.0	2.5	1.2	1.1	1.5
United Kingdom	0.9	0.6	1.9	2.3	-0.8	1.0	-1.0	2.5	1.5	2.0	4.6	2.5	2.0	1.8
Emerging Europe	**4.7 ↓**	**2.6 ↓**	3.5	3.5	4.7	2.0	1.2	2.5	3.7	3.3	6.3	4.9	5.4	5.9
Bulgaria	**1.7 ↓**	**1.5 ↓**	**2.5 ↓**	...	...	...	...	...	...	...	...	...	...	...
Czech Republic	**1.7 ↓**	0.5	1.7	-0.3	**-1.2 ↓**	0.0	0.8	2.0	2.0	1.5	2.4	2.7	2.9	2.5
Hungary	**1.7 ↑**	0.5	1.5	**1.6 ↓**	**1.2 ↑**	-0.3	0.3	1.0	**1.5 ↓**	1.5	4.1	**5.3 ↑**	**5.4 ↑**	**3.5**
Poland	4.3	2.7	3.0	4.1	3.5	2.0	2.0	2.5	3.0	3.0	4.6	3.3	3.3	2.9
Romania	**2.5 ↓**	0.8	2.7	7.4	**-0.8 ↓**	-1.2	-1.5	0.8	2.4	2.5	**3.4 ↓**	3.3	4.4	4.0
Russia	4.3	3.5	3.7	3.5	7.0	3.0	1.5	3.0	4.5	4.0	6.8	4.4	6.3	6.8
Turkey	8.2	2.5	4.5	...	...	...	...	...	...	...	9.0	8.1	6.2	7.9
Global	2.6	2.2	2.6	2.9	1.6	2.2	2.0	2.7	2.6	2.5	3.6	**2.6 ↑**	**2.4 ↑**	2.4
Developed markets	1.3	1.1	1.5	**2.2 ↑**	**0.5 ↓**	1.2	0.7	1.6	1.3	1.3	2.8	1.7	1.4	1.3
Emerging markets	5.8	4.9	5.6	4.9	4.5	**5.0 ↑**	**5.5 ↑**	**5.6 ↓**	**5.9 ↓**	5.8	5.8	4.8	**4.9 ↑**	5.2

Source: J.P. Morgan

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