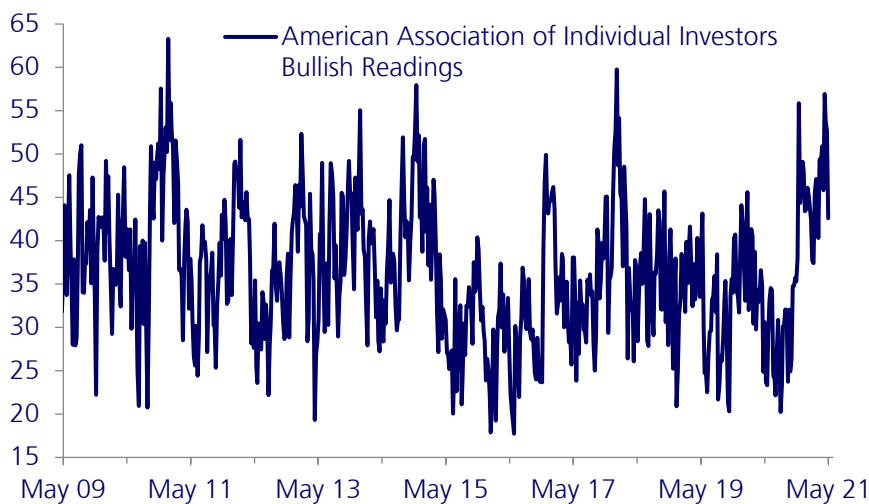


# Monthly Investment Insights

## Eurozone to join US economic boom, though sentiment is already bullish



Source: AAIL, Bloomberg

Strong macro data in the US combined with a Fed that continues to indicate that it is in no rush to wind down QE has pushed the S&P 500 to fresh record highs. The US Q1 earnings season has so far also come in well above expectations. In Europe, investor sentiment has been buoyed by improving vaccination roll-out news while governments have formulated ambitious plans for fiscal spending. However, risks remain including difficulties in dealing with the virus epidemic in some emerging markets as well as, for example, the threat of higher corporate and income taxes in the US.

Latest data show that the US economy expanded by 6.4% QoQ annualized (QoQA) in Q1, with consumer spending up a whopping 10.7% QoQA. While Europe is currently lagging (it saw a double-dip recession in Q1), the indications are that it will also soon enjoy an economic boom. The EU now expects to have vaccinated 70% of the population by July, two months ahead of schedule. Plans are also afoot to permit holiday travel in the EU this summer with a "Covid passport" for those who have had the vaccination or were previously infected. If some of the crucial summer tourist season can be saved, this will be an important positive signal for the region. Business confidence in the manufacturing sector is already close to record highs and service sector confidence is now also picking up. Fiscal policy is also supportive, with various EU governments, especially Italy, submitting ambitious spending plans under the EUR 750bn Next Gen EU initiative.

Meanwhile, central banks continue to provide liquidity. The Fed has indicated that it is in no rush to taper QE asset purchases, while the ECB has actually stepped up the pace of assets purchases in Q2. Given all this stimulus and liquidity, one legitimate concern could be that of overheating in the economy and financial markets. While we think there is still substantial spare capacity in the global economy, notwithstanding bottlenecks and supply pressures in some sectors, some near-term measures of investor sentiment in financial markets are reaching optimistic levels. In our view, a period of consolidation of recent equity markets gains could be in order before risk assets take another leg higher.

Finally, the success of vaccination roll-outs in many developed economies contrasts sharply with emerging markets, especially India. While financial markets have focused on the better news in developed markets, the situation in India is clearly a humanitarian tragedy.

## Market Assessment

### Key developments

- Many US equity markets hit record highs in April, with the S&P 500 up 5%
- European equity markets were also strong, with the German DAX hitting a record high and the UK FTSE 100 up 4%
- However, some investor sentiment surveys have now reached extremely enthusiastic levels

### Zurich's view

The tailwinds of economic growth and liquidity remain strong in the US and have pushed its equity markets to fresh record highs in April. The US Q1 earnings season has so far also come in well above expectations.

In Europe, sentiment has been buoyed by improving vaccination roll-out news while governments have formulated ambitious plans for fiscal spending under the EUR 750bn Next Generation EU initiative.

While we believe the fundamentals remain supportive, the recent strong equity market gains may need a period of digestion and backfilling before the market takes another leg higher in our view. Some short-term indicators of risk appetite have now reached extremely enthusiastic levels.

In credit markets, we believe cash credit is likely to remain supported by strong demand, although room for further spread tightening is becoming limited with spreads close to pre-financial crisis tights in the US. CDS is likely to underperform cash credit and equities on a risk adjusted basis in our view. Overall, fundamentals are improving as seen in both rating trends as well as default rates.

## Key developments

## Zurich's view

### Global

- Global growth rises further as manufacturing activity remains brisk and services see improving conditions
- Inflation rises on mainly transitory factors, but core measures are benign and we do not anticipate inflation to become a problem
- Emerging markets see more challenging conditions with surging infections rates in some regions and tighter financial conditions

Global growth has picked up momentum with improving services activity and brisk conditions in the industrial sector. Leading indicators are upbeat, signifying further upside to activity as the recovery broadens out. Transitory factors are pushing inflation higher but underlying price pressures should remain benign. While job growth has started to pick up, labour markets and job security are still depressed. This should cap wage growth and anchor inflation dynamics over the year ahead. Bond yields have settled at a higher level following a rapid rise in Q1, relieving pressure on vulnerable emerging markets, though significant policy tightening is still expected. Sharply rising infections in some regions are a concern and show that conditions are precarious and still require policy support.

### US

- Business activity reaches the highest level in decades
- Retail sales soar in March, fuelled by fiscal stimulus
- President Biden proposes more than USD 4tn in additional spending, financed by significant tax increases

Boosted by strong economic fundamentals and a very positive earnings season the S&P 500 reached a new record high in April. Business activity and consumer spending soared as the economy reopened. The ISM Manufacturing Index rose to the highest level since 1983 in March while service activity as measured by the ISM Services Index jumped to the highest on record since the series started in 1997. Retail sales, fuelled by the latest round of stimulus checks, rose by almost 10% MoM in March, lifting the annual rate to 27.9%. The strong pickup in growth is reflected in corporate earnings as well. More than half of the companies in the S&P 500 have reported their Q1 earnings so far, showing an average earnings surprise of more than 20% and a very high beat-miss ratio of 86%.

### UK

- Business activity and retail sales soar as the economy reopens
- Service activity is expanding at a faster pace than manufacturing
- Rising producer prices signal an acceleration in inflation

Economic data point to a strong rebound in activity at the end of the first quarter that is likely to accelerate in Q2. Solid growth in retail sales reflects high household savings and significant pent-up demand. The Composite PMI rose to 60.0 in April, the strongest overall increase in private sector output since November 2013. For the first time since the beginning of the COVID-19 pandemic, service activity is growing at a faster pace than manufacturing. The positive sentiment about the improving economic outlook strongly supported private sector employment in April with the latest survey indicating the steepest rate of job creation since August 2017. As expected, a strong pickup in producer prices is pointing to a sharp acceleration in inflation in the coming months.

### Eurozone

- The region sees a double-dip recession in Q1, but vaccination rollout improves in Q2
- Robust business confidence suggests a period of very strong growth going forward
- EU governments submit some ambitious spending and reform plans under the EUR 750bn Next Gen EU initiative

Despite the news that the region experienced a double-dip recession in Q1, Eurozone equity markets continued to rally in April. Investors have focused more on the outlook, which is for a strong pickup in growth, as reflected in business confidence surveys that have improved sharply. The vaccination programmes in the EU are finally picking up pace and lockdown restrictions are likely to soon be eased substantially. The EU estimates that it may now be able to vaccinate 70% of the population by July, two months ahead of the previous plan. Finally, various EU countries have submitted their spending plans under the EUR 750bn Next Gen EU initiative and these should help support growth in 2022 and 2023. Encouragingly, Italy's spending and reform plans are particularly ambitious.

### Switzerland

- Economic activity approaches the pre-crisis level, boosted by strong exports and booming conditions in the manufacturing sector
- Growth should shift towards services as restrictions are eased back and capacity constraints build in the industrial sector
- The SNB is expected to remain on hold to prevent a further strengthening of the currency and as deflationary pressures persist

Economic activity has rebounded to pre-crisis levels, according to the newly created index of weekly economic activity, though with massive divergences across sectors. PMI data indicate that growth momentum in the manufacturing sector is the strongest since 2006 and export volumes rose by almost 5% MoM in March, closing the gap from the COVID crisis. We suspect growth will stay strong, helped by solid momentum in the industrial sector, better prospects for services and upbeat sentiment. It will be important that the recovery broadens out as capacity constraints in the manufacturing sector are apparent. Despite strong growth, the SNB is not expected to taper support measures as deflation persists and the currency is still expensive.

## Japan

- Four prefectures, including Tokyo and Osaka, are back in a COVID-19 emergency status
- Corporate conditions improve further, but the outlook is stalling
- Japanese equities have suffered both on an absolute basis and in relative terms

Both the quarterly and the monthly Tankan reports suggest that corporate activity continues to recover, though the outlook component shows that this trend will stall. Meanwhile, consumer sentiment and activity follow the COVID-19 waves, with the latest wave of infections expected to reach a new record high in May. The Kansai region is particularly affected. Public surveys show that a majority of voters prefer the Olympics not be held. Japanese equities suffered in April not only falling 6% from the year's high on an absolute basis, but also marking a nine-year low on a basis relative to global equities. Earnings revisions remain positive, but momentum seems to have rolled over. The yen strengthened significantly versus the US dollar in April, though this move is now subsiding.

## China

- Various economic statistics are distorted, making them difficult to interpret
- Some policy tightening is slowing growth, but we do not foresee recessionary trends
- China's equity markets have calmed down following a frenzy earlier this year

Several of China's statistics, including Q1 GDP and April PMIs, are giving a mixed or distorted picture of China's economic activity. China's GDP was up a record high 18.3% YoY in Q1 compared to the period last year when COVID-19 caused severe lockdowns but fell from 13.4% to 2.4% on a sequential annualised basis. Meanwhile, the official NBS PMIs fell in April while the Caixin Manufacturing PMI rose. We are looking through these contradictory statistics and believe that growth will pick up steam in the next three months before slowing again in H2, but so far, we are sticking to our growth forecast of 9.2% for this year. The frenzy in Chinese equities earlier this year, mainly caused by retail investors, has calmed down. Major equity indices are now where they were at the end of 2020.

## Australia

- The economy is in rude health with the service sector now playing catch-up
- The boom in housing demand continues to boost home prices
- 10-year bond yields stabilise while equities gain further momentum

Australia's economy continues to show strength. The Markit Manufacturing PMI was only a touch below 60, while the Services PMI gathered further speed, hitting 58.6 in April. Meanwhile, March labour data suggest a greater contribution of part-time job growth to overall employment growth. This signals that the service sector, particularly restaurant and recreation services, is gradually getting back on its feet thanks to the limited number of new COVID-19 cases. House prices continued to increase, underpinned by exuberant housing demand. We expect the rise in home prices to slow as fiscal tapering in Q2 could put pressure on household income. Bond yields have stabilised around 1.7%. The ASX 200 Index advanced further in April and is on its way to match the pre-pandemic record high.

## ASEAN

- Malaysia, Thailand and the Philippines suffer under another COVID-19 wave
- ASEAN continues to benefit from the strength of global commodity and tech demand
- Foreign appetite for ASEAN's financial assets remains sluggish

The latest wave of COVID-19 is dragging mobility levels down in Malaysia, Thailand and the Philippines. We believe the impact will be more visible once April economic data are released. Although the speed of inoculation has picked up, most countries have only vaccinated between 2-5% of their population. Singapore is the exception. More than 20% of the population have already received at least the first dose. Vietnam remains a bright spot since the limited number of COVID-19 cases allows for normal activity. Encouragingly, exports continue to be robust across the region with electronic, commodity and agriculture product shipments benefitting from the global trade recovery. Foreign fund flows remain lacklustre as investors remain vigilant against currency depreciation.

## LatAm

- Regional equity markets outperform Emerging Markets, supported by an improving economic outlook and higher commodities prices
- Uncertainty lingers in Brazil where the second wave of the pandemic and a rocky vaccine rollout threaten the economy
- In Chile, President Piñera enacts the third pension savings withdrawal bill after the Constitutional Court rejected the government's attempt to block it

The better international outlook and commodities prices have prompted an upward review in growth expectations. However, pandemic and political uncertainty still affect the region and remain key risks to economic recovery. In Chile, the approval of the third withdrawal of pension savings negatively hit equity and fixed income markets while the currency appreciated. In Brazil, the budget agreement and the increase in commodities prices have boosted financial assets, but fiscal uncertainty remains. Inflation expectations continue to rise. The US economic recovery and fiscal stimulus will continue to support the economic recovery in Mexico, and domestically driven sectors are also looking better. Inflation above the target should lead Banxico to end the easing cycle.

Valuation snapshot (MSCI Indices)

Current trailing valuations

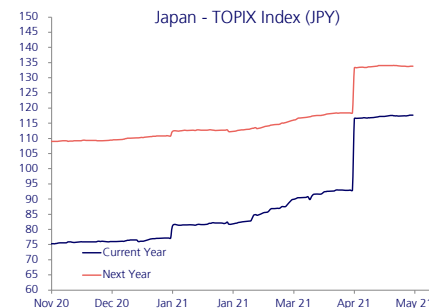
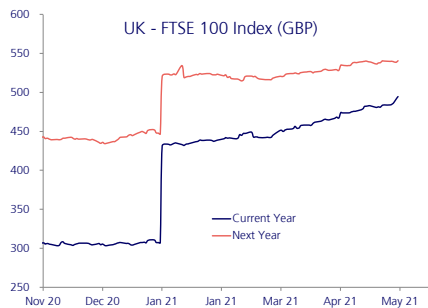
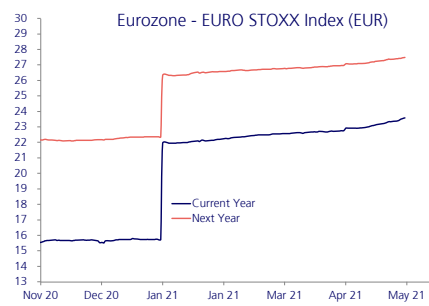
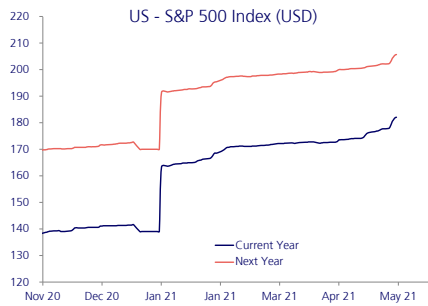
	US	Europe ex UK	UK	Switzerland	Japan	APAC ex. Japan	China	Brazil	Mexico
12m Trailing P/E	33.99	26.60	19.83	21.94	24.90	23.41	19.42	18.91	24.75
12m Trailing P/B	4.56	2.19	1.71	3.31	1.56	2.10	2.32	2.23	2.19
12m Trailing P/CF	20.09	8.32	5.20	11.33	9.35	10.87	9.44	5.74	7.14
Dividend Yield	1.42	2.06	3.26	2.76	1.89	1.85	1.33	3.12	1.92
ROE	13.41	8.24	8.60	15.07	6.27	8.98	11.97	11.80	8.84

Current trailing valuations relative to MSCI world

	US	Europe ex UK	UK	Switzerland	Japan	APAC ex. Japan	China	Brazil	Mexico
12m Trailing P/E	1.18	0.92	0.69	0.76	0.86	0.81	0.67	0.66	0.86
12m Trailing P/B	1.56	0.75	0.58	1.13	0.53	0.72	0.80	0.76	0.75
12m Trailing P/CF	1.65	0.68	0.43	0.93	0.77	0.89	0.78	0.47	0.59
Dividend Yield	0.82	1.19	1.88	1.59	1.09	1.07	0.77	1.80	1.10
ROE	1.33	0.81	0.85	1.49	0.62	0.89	1.18	1.17	0.87

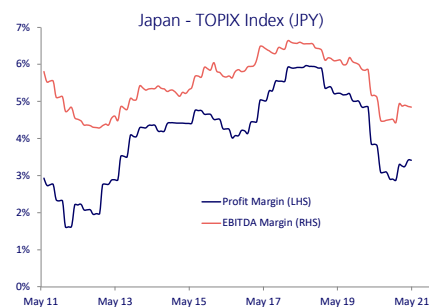
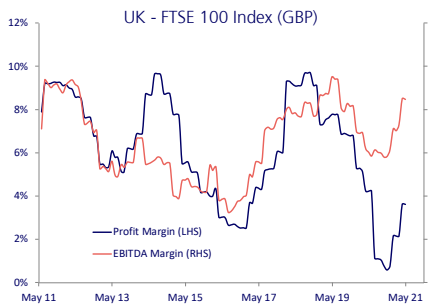
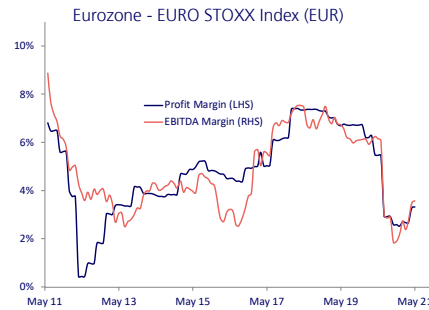
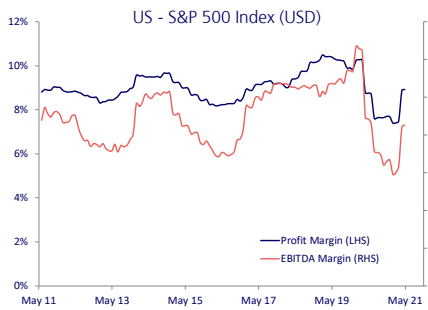
Source: Datastream

Earnings estimates - Full fiscal years



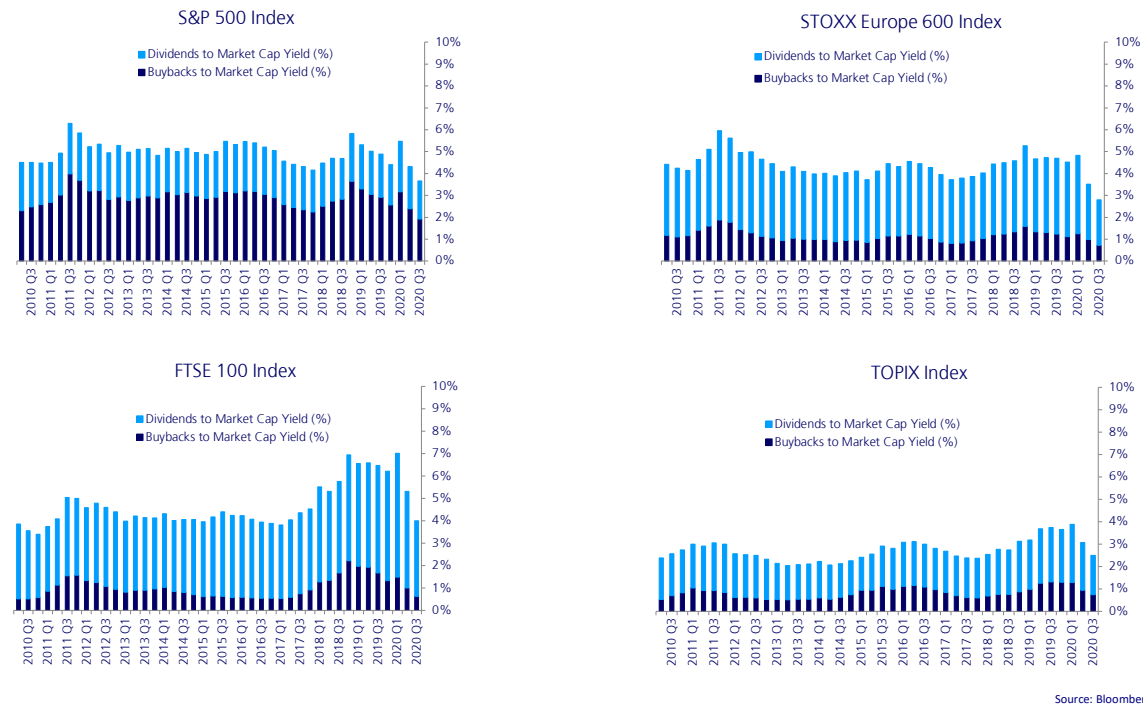
Source: Bloomberg

Historical margins



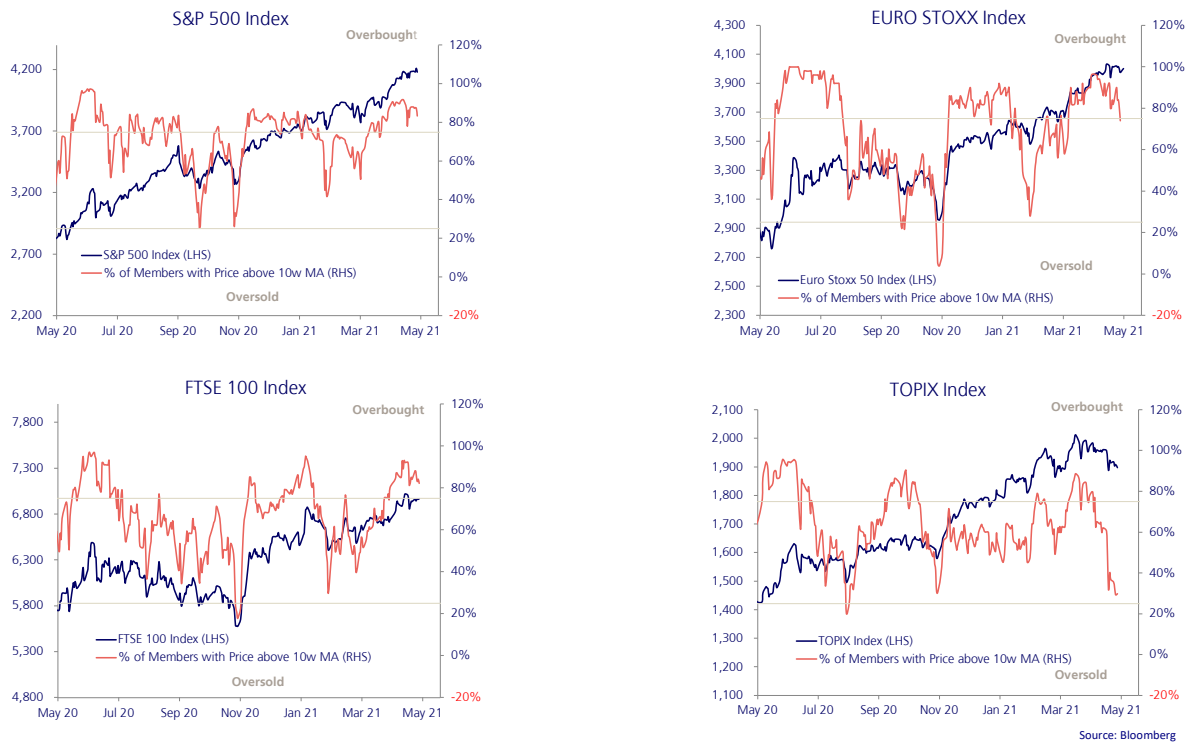
Source: Bloomberg

## Dividends and shares buybacks



Source: Bloomberg

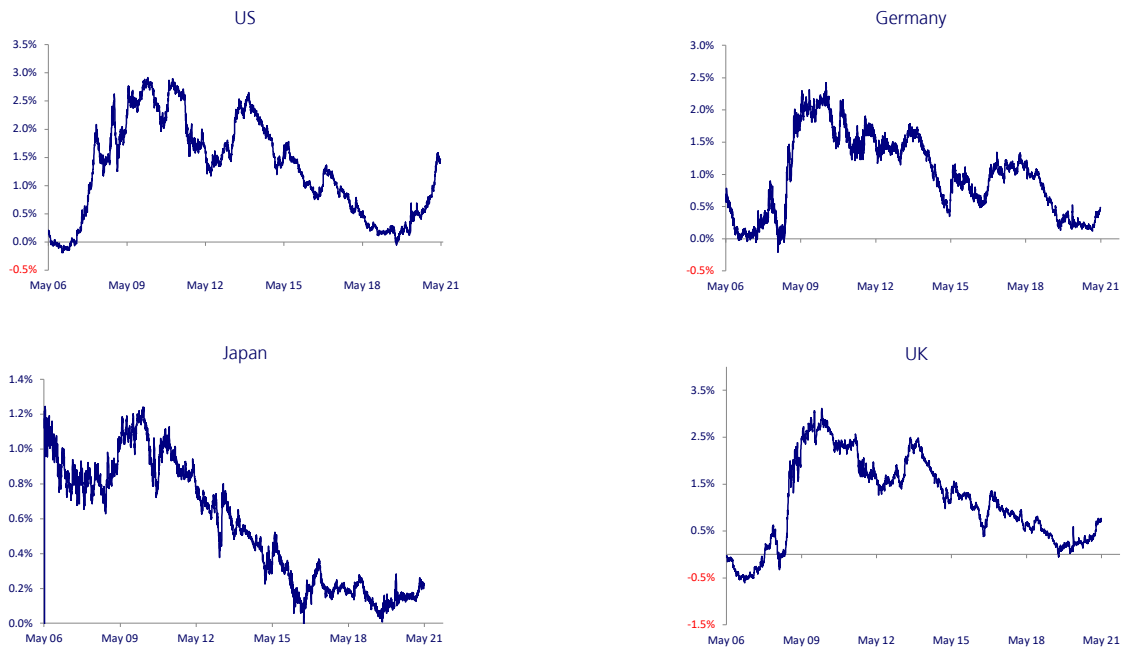
## Overbought / Oversold



Source: Bloomberg

## Appendix 3

### Yield Curve Steepness (2yr-10yr)



Source: Bloomberg

### Spread Snapshot

#### Generic Government Yields (10yr)

Country	Spread over US Treasury (bps)			
	May-21	1m ago	3m ago	1yr ago
UK	-78	-93	-75	-36
Germany	-182	-205	-159	-120
Switzerland	-182	-203	-150	-114
Japan	-153	-160	-104	-63
Australia	13	12	6	26
China	153	148	209	190
South Korea	49	33	67	91
Malaysia	151	139	161	225
Indonesia	484	497	504	727
Thailand	15		27	53
Philippines	244	n/a	n/a	n/a
Brazil	750	n/a	635	n/a
Mexico	532	512	447	600
Colombia	504	524	442	648
Peru	376	323	263	355

#### Generic Government Yields (10yr)

Country	Spread over German Bund (bps)			
	May-21	1m ago	3m ago	1yr ago
France	35	25	24	48
Netherlands	15	14	7	28
Belgium	34	31	19	56
Austria	23	22	13	43
Ireland	38	35	33	n/a
Italy	109	96	114	235
Spain	66	64	61	131
Portugal	67	54	54	140

Source: Bloomberg, ZIG

## Economic data

<b>US</b>	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	Trend*
ISM Manufacturing (Index)	41.7	43.1	52.2	53.7	55.6	55.7	58.8	57.7	60.5	58.7	60.8	64.7		up
ISM Non-Manufacturing (Index)	41.6	45.4	56.5	56.6	57.2	57.2	56.2	56.8	57.7	58.7	55.3	63.7		up
Durable Goods (% MoM)	-18.3	15.0	7.7	11.8	0.4	2.1	1.8	1.3	1.2	3.6	-0.9	0.5		down
Consumer Confidence (Index)	85.7	85.9	98.3	91.7	86.3	101.3	101.4	92.9	87.1	88.9	90.4	109.0	121.7	up
Retail Sales (% MoM)	-19.9	-5.7	2.1	2.9	3.2	6.0	5.6	3.8	2.3	9.4	6.5	27.9		up
Unemployment Rate (%)	14.8	13.3	11.1	10.2	8.4	7.8	6.9	6.7	6.7	6.3	6.2	6.0		down
Avg Hourly Earnings YoY (% YoY)	7.8	6.8	5.5	4.8	4.9	4.6	4.5	4.7	5.5	5.3	5.1	4.4		up
Change in Payrolls ('000, MoM)	-20679.0	2833.0	4846.0	1726.0	1583.0	716.0	680.0	264.0	-306.0	233.0	468.0	916.0		up
PCE (% YoY)	0.9	1.0	1.1	1.3	1.4	1.5	1.4	1.3	1.4	1.4	1.4	1.8		up
GDP (% QoQ, Annualized)			-31.4			33.4			4.3			6.4		up
<b>UK</b>	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	Trend*
PMI Services (Index)	13.4	29.0	47.1	56.5	58.8	56.1	51.4	47.6	49.4	39.5	49.5	56.3	60.1	up
Consumer Confidence (Index)	-34.0	-34.0	-30.0	-27.0	-27.0	-25.0	-31.0	-33.0	-26.0	-28.0	-23.0	-16.0	-15.0	up
Unemployment Rate (%)	4.0	4.1	4.1	4.3	4.5	4.8	4.9	5.0	5.1	5.0	4.9			down
CPI (% YoY)	0.8	0.5	0.6	1.0	0.2	0.5	0.7	0.3	0.6	0.7	0.4	0.7		up
GDP (% YoY)			-21.4			-8.5			-7.3					
<b>Eurozone</b>	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	Trend*
PMI Manufacturing (Index)	33.4	39.4	47.4	51.8	51.7	53.7	54.8	53.8	55.2	54.8	57.9	62.5	62.9	up
PMI Services (Index)	12.0	30.5	48.3	54.7	50.5	48.0	46.9	41.7	46.4	45.4	45.7	49.6	50.3	up
IFO Business Climate (Index)	75.7	80.6	86.3	90.0	91.9	92.9	92.5	91.0	92.2	90.3	92.8	96.6	96.8	up
Industrial Production (% MoM)	-18.6	12.9	9.4	4.7	0.8	0.1	2.5	2.2	-0.1	0.8	-1.0			down
Factory Orders GE (% MoM)	-27.9	12.9	28.0	5.0	4.3	2.0	3.4	2.7	-1.9	0.8	1.2			down
Unemployment Rate (%)	7.3	7.5	8.0	8.5	8.7	8.7	8.5	8.3	8.2	8.2	8.2	8.1		down
M3 Growth (% YoY, 3 months MA)	8.2	9.0	9.3	10.1	9.5	10.4	10.5	11.0	12.4	12.5	12.2	10.1		up
CPI (% YoY)	0.3	0.1	0.3	0.4	-0.2	-0.3	-0.3	-0.3	-0.3	0.9	0.9	1.3	1.6	up
Core CPI (% YoY)	0.9	0.9	0.8	1.2	0.4	0.2	0.2	0.2	0.2	1.4	1.1	0.9	0.8	up
GDP (% QoQ)			-11.6			12.5			-0.7			-0.6		up
<b>Switzerland</b>	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	Trend*
KOF Leading Indicator (Index)	54.5	51.7	64.9	86.7	107.2	110.1	106.4	104.1	104.4	96.7	102.7	118.0	134.0	up
PMI Manufacturing (Index)	41.2	42.5	41.4	49.6	51.0	52.8	52.9	54.5	57.3	59.4	61.3	66.3	69.5	up
Real Retail Sales (% YoY)	-18.3	7.9	3.8	4.2	4.5	2.3	5.5	2.8	5.7	-1.1	-6.6	22.6		up
Trade Balance (Billion, CHF)	4.0	2.6	3.2	3.3	3.5	3.0	3.9	4.5	2.8	5.0	3.7	5.8		up
CPI (% YoY)	-1.1	-1.4	-1.3	-0.9	-0.9	-0.8	-0.6	-0.7	-1.7	-1.4	-1.4	-0.2		neutral
<b>Japan</b>	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	Trend*
Nomura Manufacturing PMI (Index)	41.9	38.4	40.1	45.2	47.2	47.7	48.7	49.0	50.0	49.8	51.4	52.7	53.6	up
Machine Orders (% YoY)	-17.7	-16.3	-22.5	-16.2	-15.2	-11.5	2.8	-11.3	11.8	1.5	-7.1			down
Industrial Production (% YoY)	-15.5	-27.0	-18.4	-15.9	-14.0	-9.1	-3.4	-4.1	-2.9	-5.3	-2.0	4.0		up
ECO Watchers Survey (Index)	9.5	15.4	38.0	41.3	43.3	48.7	53.6	46.1	36.5	30.1	40.7	49.5		down
Jobs to Applicants Ratio (Index)	1.3	1.2	1.1	1.1	1.1	1.0	1.0	1.1	1.1	1.1	1.1	1.1		up
Labour Cash Earnings (% YoY)	-0.7	-2.3	-2.0	-1.5	-1.3	-0.9	-0.7	-1.8	-3.0	-1.3	-0.4			up
Department Store Sales (% YoY)	-72.8	-65.6	-19.1	-20.3	-22.0	-33.6	-1.7	-14.3	-13.7	-29.7	-10.7	21.8		up
Money Supply M2 (% YoY)	3.7	5.1	7.2	7.9	8.6	9.0	9.0	9.1	9.1	9.4	9.6	9.5		up
CPI Ex Food & Energy (% YoY)	-0.1	0.1	0.2	0.3	-0.4	-0.3	-0.4	-0.4	-0.5	0.2	0.3	0.4		up
Exports (% YoY)	-21.9	-28.3	-26.2	-19.2	-14.8	-4.9	-0.2	-4.2	2.0	6.4	-4.5	16.1		up
<b>China</b>	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	Trend*
PMI Manufacturing (Index)	50.8	50.6	50.9	51.1	51.0	51.5	51.4	52.1	51.9	51.3	50.6	51.9	51.1	down
Industrial Production (% YoY)	3.9	4.4	4.8	4.8	5.6	6.9	6.9	7.0	7.3			14.1		down
Retail Sales (% YoY)	-7.5	-2.8	-1.8	-1.1	0.5	3.3	4.3	5.0	4.6			34.2		up
PPI (% YoY)	-3.1	-3.7	-3.0	-2.4	-2.0	-2.1	-2.1	-1.5	-0.4	0.3	1.7	4.4		up
Exports (% YoY)	3.1	-3.5	0.2	6.8	9.1	9.4	10.9	20.6	18.1	24.8	154.9	30.6		up
CPI (% YoY)	3.3	2.4	2.5	2.7	2.4	1.7	0.5	-0.5	0.2	-0.3	-0.2	0.4		down
RRR (%)	12.5	12.5	12.5	12.5	12.5	12.5	12.5	12.5	12.5	12.5	12.5	12.5	12.5	neutral
GDP (% YoY)			3.2			4.9			6.5			18.3		up
PMI Non Manufacturing (Index)	50.8	50.6	50.9	51.1	51.0	51.5	51.4	52.1	51.9	51.3	50.6	51.9	51.1	down
Aggregate Financing (Billions, CNY)														neutral

Datasource: Bloomberg

\*Trend = Last 3m - Previous 3m

## Appendix 5

### Economic data

<b>Australia</b>	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	Trend*
AIG Manufacturing (Index)	35.8	41.6	51.5	53.5	49.3	46.7	56.3	52.1	55.3	55.3	58.8	59.9	61.7	up
AIG Service (Index)	27.1	31.6	31.5	44.0	42.5	36.2	51.4	52.9	54.3	54.3	55.8	58.7		up
Westpac Consumer Confidence (% MoM)	-17.7	16.4	6.3	-6.1	-9.5	18.0	11.9	2.5	4.1	-4.5	1.9	2.6	6.2	up
Building Approvals (% YoY)	7.4	-9.6	-14.1	8.2	2.4	12.3	18.9	17.9	22.5	19.3	20.1			down
Employment Change ('000, MoM)	-606.9	-265.9	226.7	112.7	158.6	-49.1	176.8	86.2	46.3	29.5	88.7	70.7		down

<b>Brazil</b>	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	Trend*
CPI (% YoY)	2.4	1.9	2.1	2.3	2.4	3.1	3.9	4.3	4.5	4.6	5.2	6.1		up
Industrial Production (% YoY)	-3.9	-27.7	-21.9	-8.7	-2.7	-2.4	3.8	0.3	2.6	8.3	2.3	0.4		up
Retail Sales (% YoY)	-1.1	-17.1	-7.4	0.5	5.5	6.2	7.3	8.4	3.6	1.3	-0.4	-3.8		down
Trade Balance (Millions, USD)	6162.8	6837.9	6501.9	7601.2	5818.6	5083.4	4404.0	2488.3	2703.1	-1125.0	1152.3	1482.0		down
Budget Balance Primary (Billions, BRL)	-115.8	-140.4	-210.2	-86.9	-121.9	-103.4	-30.9	-20.1	-75.8	17.9	-41.0	-44.5		up

<b>Chile</b>	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	Trend*
IMACEC Economic Activity Index (% YoY)	-13.82	-15.31	-13.58	-11.25	-10.90	-4.76	-0.92	0.98	-0.07	-2.84	-2.23	6.40		up
CPI (% YoY)	3.42	2.75	2.63	2.50	2.45	3.09	2.95	2.73	2.97	3.12	2.85	2.88		up
Retail Sales (% YoY)	-29.09	-24.34	-17.41	3.36	10.41	19.79	24.80	9.67	5.87	3.67	23.79			down
Industrial Production (% YoY)	-4.02	-6.02	-2.62	-3.38	-4.88	1.95	3.54	-0.42	-3.61	-2.40	-3.40	2.90		down
Unemployment (%)	9.00	11.20	12.20	13.10	12.90	12.30	11.60	10.80	10.30	10.20	10.30	10.40		down

<b>Mexico</b>	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	Trend*
PMI (Index)	40.4	37.9	43.1	48.0	45.7	46.8	49.8	49.1	48.9	49.7	49.7	50.7		up
CPI (% YoY)	2.2	2.8	3.3	3.6	4.1	4.0	4.1	3.3	3.2	3.5	3.8	4.7		up
Retail Sales (% YoY)	-23.8	-23.8	-16.7	-12.6	-10.8	-7.1	-7.1	-5.1	-5.9	-7.6	-6.3			up
Industrial Production (% YoY)	-35.2	-36.9	-16.2	-8.9	-9.3	-3.1	-1.3	-2.1	2.5	-3.4	-4.7			down
Remittances (Millions, USD)	2909.5	3445.4	3537.0	3531.9	3574.2	3570.4	3598.3	3381.2	3661.0	3297.9	3173.5			down

Datasource: Bloomberg

\*Trend = Last 3m - Previous 3m



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