

Global Stocks, Bonds, and Consumers **Leading Indicators (SBCLI©)**

May 2017 Tables, Charts, and Commentary
17 Trillion Dollar Economies

European Economic Prospects Strengthen After Macron Victory in France. South Korea stronger after Moon election.

Douglas T. Breeden*

May 16, 2017

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*I thank Song Xiao and Gloria Zeng of Duke for excellent research assistance. This research began in 2011-2013 at MIT Sloan with the academic paper entitled "Consumption As A Leading Indicator," followed by the applied paper "A Stocks, Bonds, Consumers Leading Indicator," which can be found at dougbreeden.net. Most recently, my Duke article on "Consumer Signals" was published in the [Journal of Asset Management](#), July 2016.

Summary of Breeden's Stocks, Bonds, and Consumers

Leading Indicators (SBCLI©) in May 2017

- Euro Area's Big 4 (France, Germany, Italy, and Spain), South Korea, Australia, Brazil, and Turkey led gains in global SBCLI readings in the April/May period. The SBCLIs for the UK and US continue to be quite strong, given high stock prices and strong consumer spending relative to stock prices. Brazil has moved into positive territory, as strong stock gains and good sovereign debt signals offset its negative consumer spending signal. Turkey's strong stock market and consumer spending have its SBCLI nicely positive, recovering from the dip after the failed coup last July, 2016.
- China has a modestly negative total SBCLI reading at this time, reflecting a wider sovereign debt spread vs. the U.S., as well as consumer spending growth below forecast. This gives a below-trend growth forecast for China, though still joining India as the most rapidly growing large economy in the world.
- Overall, SBCLI indicators are quite strong globally.
- SBCLI readings predict growth deviations from trend, with positive numbers normally indicating above-trend growth in the next 2 and 4 quarters, and negative readings indicating below trend growth or recession. For advanced economies, every 1-point move in SBCLI typically leads to growth of 0.5% above trend in real GDP, and 1.0% above trend in industrial production, and a decline of 0.3% in the unemployment rate (when not at full employment). Emerging markets sensitivities are higher at 0.75% and 1.1% for GDP and IP.

Total Stocks, Bonds Consumers Leading Indexes May 16, 2017

Europe, USA, South Korea, Australia Lead Index Gains

Americas		Europe										AustralAsia					FTSE 250 (Domestic)
United States	Canada	Brazil	Mexico	France	Germany	Italy	Spain	United Kingdom	Russia	Turkey	Japan	Australia	South Korea	China	India	Indonesia	United Kingdom

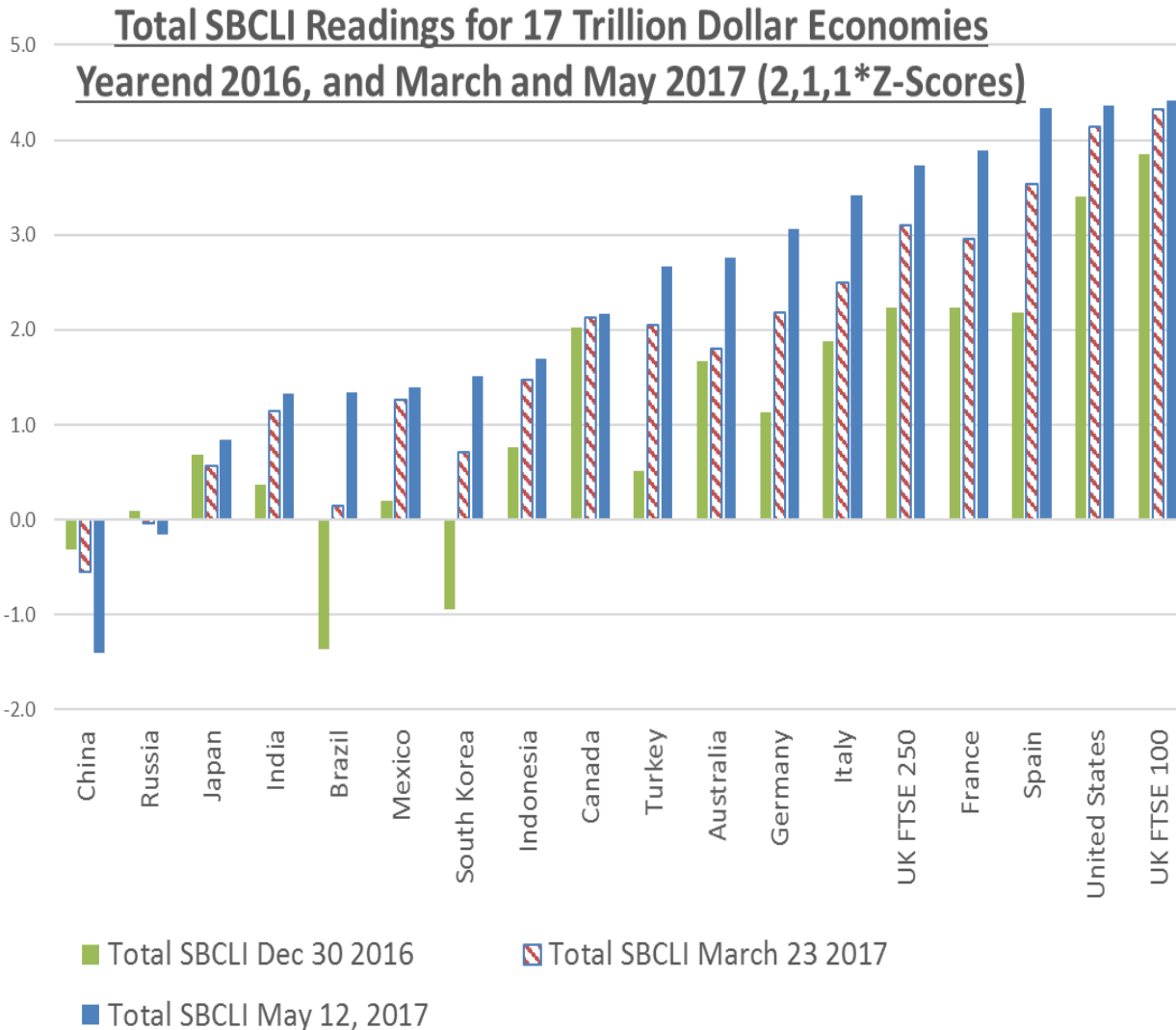
Stocks, Bonds, Consumers Leading Index (SBCLI) Updated for Stock Price, Consumer Spending and Bond Yield Spread Moves																	Based on Last 2 Quarters Data		
Brexit voting day	6/23/2016	1.9	0.0	-4.6	0.7	0.2	-1.2	1.0	1.5	0.8	-2.7	0.8	-1.6	0.3	-1.3	-1.5	-0.8	-0.2	0.8
PostBrexit Low	6/27/2016	0.7	-0.7	-5.3	0.0	-1.6	-2.7	-0.8	-0.2	-0.7	-3.4	0.3	-2.2	-0.4	-1.9	-1.8	-1.2	-0.4	-2.4
Recent data: Pre U.S. Election	11/4/2016	1.6	0.5	-1.5	0.7	0.1	-0.8	0.0	1.4	2.0	-2.3	0.1	-1.0	0.1	-1.3	-0.8	-0.2	0.9	0.8
Q4 2016 Average	Avg Q4 2016	2.8	1.3	-1.7	0.6	1.0	0.1	0.6	1.6	2.9	-1.4	0.4	-0.2	0.9	-1.0	-0.5	0.2	0.8	1.5
Year End 2016: Trump elected	12/30/2016	3.4	2.0	-1.4	0.2	2.2	1.1	1.9	2.2	3.8	0.1	0.5	0.7	1.7	-0.9	-0.3	0.4	0.8	2.2
Recent Data:	3/23/2017	4.1	2.1	0.1	1.3	3.0	2.2	2.5	3.5	4.3	0.0	2.0	0.6	1.8	0.7	-0.6	1.1	1.5	3.1
Most Recent Data: Macron elected	5/12/2017	4.4	2.2	1.3	1.4	3.9	3.1	3.4	4.3	4.4	-0.2	2.7	0.8	2.8	1.5	-1.4	1.3	1.7	3.7

Stocks, Bonds, Consumers Leading Index (SBCLI MA2, 4Q) Updated for Stock Price and Bond Yield Spread Moves																	Based on Last 4 Quarters Data		
Brexit voting day	6/23/2016	1.2	-0.3	-4.6	0.3	-0.1	-1.3	-0.2	0.4	0.2	-2.8	-0.3	-2.4	-0.3	-1.4	-1.6	-0.6	-0.1	0.2
PostBrexit Low	6/27/2016	0.6	-0.7	-5.0	-0.1	-1.0	-2.1	-1.1	-0.4	-0.5	-3.1	-0.5	-2.8	-0.7	-1.7	-1.7	-0.9	-0.2	-1.4
Recent data: Pre U.S. Election	11/4/2016	1.8	0.5	-2.4	0.5	0.0	-1.2	-0.7	0.6	1.3	-2.6	0.1	-1.9	0.1	-1.5	-1.4	-2.4	0.8	1.1
Q4 2016 Average	Avg Q4 2016	2.4	0.9	-2.5	0.4	0.5	-0.8	-0.3	0.7	1.8	-2.2	0.3	-1.5	0.5	-1.4	-1.3	-2.2	0.7	1.5
Year End 2016: Trump elected	12/30/2016	2.7	1.2	-2.3	0.2	1.1	-0.2	0.3	1.0	2.2	-1.4	0.3	-1.1	0.8	-1.4	-1.2	-2.1	0.7	1.9
Recent Data:	3/23/2017	3.9	1.7	-0.6	1.3	1.0	0.7	1.3	2.3	3.5	-1.3	0.6	-0.5	1.1	0.0	-1.0	1.2	1.3	2.1
Most Recent Data: Macron elected	5/12/2017	4.0	1.7	0.0	1.3	1.5	1.1	1.8	2.7	3.6	-1.3	0.9	-0.4	1.6	0.4	-1.4	1.2	1.4	2.4

United States Canada Brazil Mexico France Germany Italy Spain UK FTSE 100 Russia Turkey Japan Australia South Korea China India Indonesia UK FTSE 250

Note that every 1.0 (increase) in SBCLI is normally associated in the next 4 quarters with (1) a (positive) deviation from trend in Real GDP Growth of approximately 0.5%, (2) a (positive) deviation from trend in the growth of Industrial Production of 1.0%, and (3) a decrease in the Unemployment Rate of 0.3%.

Total SBCLI Readings Yearend 2016, March and May, 2017



SBCLI readings are strong globally, foretelling above trend growth. SBCLIs are strongest in the UK, USA, Spain, France, Italy, Germany, Australia and Turkey at present. SBCLI is solid in Canada, Indonesia, S. Korea, Mexico, Brazil, India and Japan.

France lifted the Euro area with election of President Macron, and South Korea is positive with election of President Moon.

China is slightly negative due to bond and consumer signals.

Global Stock Market Performance and SBCLI to May 2017: Macron Elected in France, Moon in South Korea

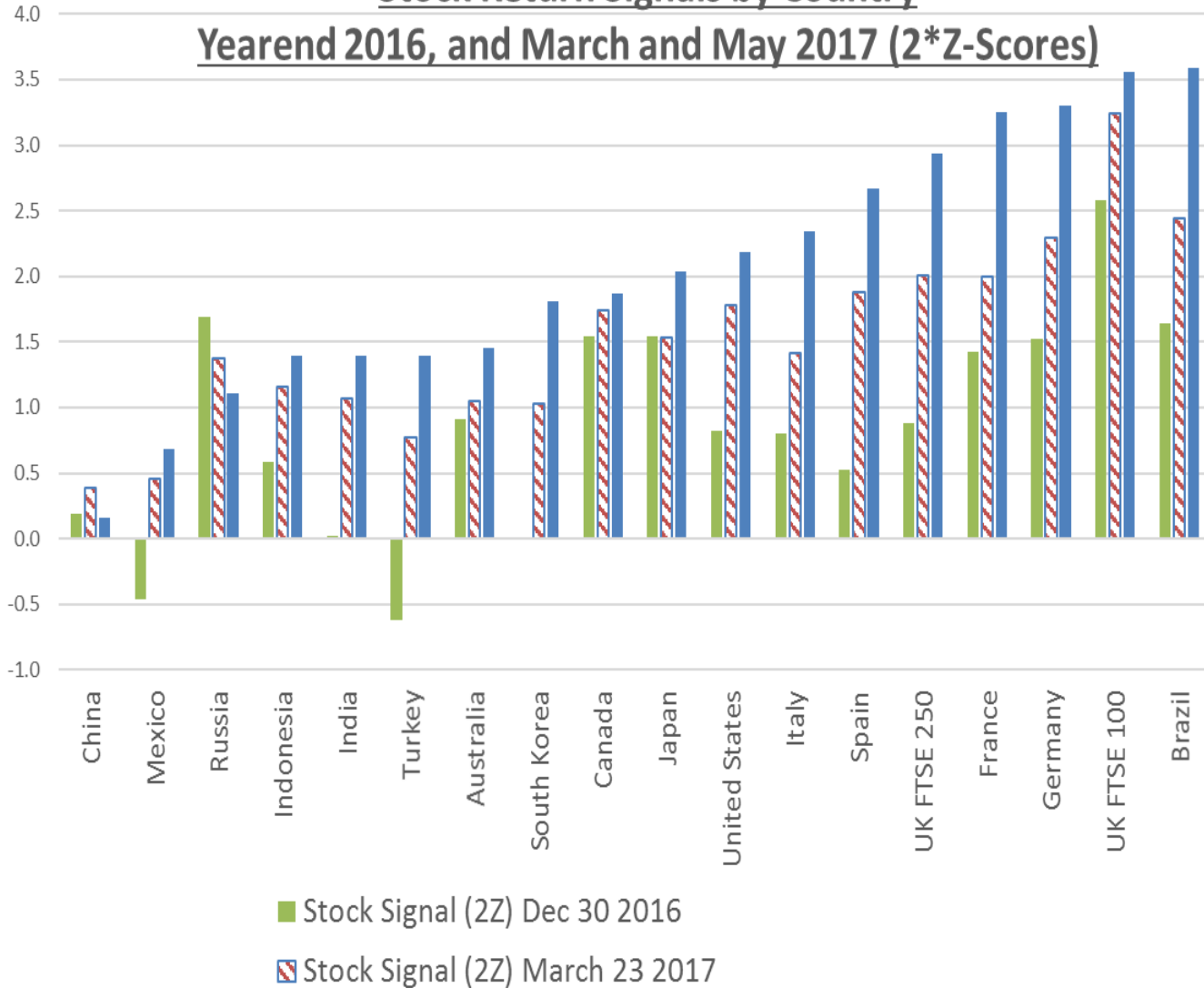
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Major Stock Price Indexes:		Americas				Europe							AustralAsia					UK FTSE250	
		United States	Canada	Brazil	Mexico	France	Germany	Italy	Spain	United Kingdom	Russia	Turkey	Japan	Australia	S.Korea	China	India	Indonesia	United Kingdom
Year End 2015	12/31/2015	2,044	13,010	43,350	42,978	4,637	10,743	21,418	9,544	6,242	757	71,727	19,034	5,296	1,961	3,539	26,118	4,593	17,122
February 2016 Low	2/11/2016	1,829	12,087	39,318	42,359	3,897	8,753	15,773	7,746	5,537	671	70,942	14,953	4,765	1,835	2,746	22,952	4,714	15,179
Brexit Voting Day Jun 23 2016	6/23/2016	2,113	14,131	51,560	46,146	4,466	10,257	17,966	8,885	6,338	941	77,990	16,238	5,281	1,987	2,892	27,002	4,874	17,334
Post-Brexit Low 6/27/2016	6/27/2016	2,001	13,690	49,246	44,282	3,985	9,269	15,104	7,646	5,982	889	75,161	15,309	5,137	1,927	2,896	26,403	4,836	14,968
Recent data: Pre U.S. Election	11/4/2016	2,085	14,509	61,598	46,695	4,377	10,259	16,319	8,792	6,693	971	74,267	16,905	5,181	1,982	3,125	27,274	5,363	17,271
Q4 2016 Average	Avg Q4 2016	2,186	14,935	60,331	46,428	4,591	10,816	17,352	8,944	6,927	1,036	76,670	17,949	5,445	2,013	3,140	27,020	5,286	17,736
Year End 2016: Trump elected	12/30/2016	2,239	15,288	60,227	45,643	4,862	11,481	19,235	9,352	7,143	1,152	78,139	19,114	5,666	2,026	3,104	26,626	5,297	18,077
Recent Data:	3/23/2017	2,346	15,434	63,531	48,677	5,033	12,040	20,167	10,325	7,341	1,124	89,764	19,085	5,708	2,173	3,249	29,332	5,564	19,002
Most Recent Data: Macron elected	5/12/2017	2,391	15,538	68,222	49,426	5,405	12,770	21,575	10,897	7,435	1,100	94,996	19,884	5,837	2,286	3,084	30,188	5,675	19,763
Cumulative Percentage Changes in Stock Prices from Yearend 2015, Dec 30 2015																			
Brexit voting day vs 12/31/15	6/23/2016	3.4%	8.6%	18.9%	7.4%	-3.7%	-4.5%	-16.1%	-6.9%	1.5%	24.3%	8.7%	-14.7%	-0.3%	1.3%	-18.3%	3.4%	6.1%	1.2%
PostBrexit Low	6/27/2016	-2.1%	5.2%	13.6%	3.0%	-14.1%	-13.7%	-29.5%	-19.9%	-4.2%	17.4%	4.8%	-19.6%	-3.0%	-1.8%	-18.2%	1.1%	5.3%	-12.6%
Recent data: Pre U.S. Election	11/4/2016	2.0%	11.5%	42.1%	8.6%	-5.6%	-4.5%	-23.8%	-7.9%	7.2%	28.3%	3.5%	-11.2%	-2.2%	1.1%	-11.7%	4.4%	16.8%	0.9%
Q4 2016 Average	Avg Q4 2016	7.0%	14.8%	39.2%	8.0%	-1.0%	0.7%	-19.0%	-6.3%	11.0%	36.9%	6.9%	-5.7%	2.8%	2.6%	-11.3%	3.5%	15.1%	3.6%
Year End 2016: Trump elected	12/30/2016	9.5%	17.5%	38.9%	6.2%	4.9%	6.9%	-10.2%	-2.0%	14.4%	52.2%	8.9%	0.4%	7.0%	3.3%	-12.3%	1.9%	15.3%	5.6%
Recent Data:	3/23/2017	14.8%	18.6%	46.6%	13.3%	8.5%	12.1%	-5.8%	8.2%	17.6%	48.5%	25.1%	0.3%	7.8%	10.8%	-8.2%	12.3%	21.1%	11.0%
Most Recent Data: Macron elected	5/12/2017	17.0%	19.4%	57.4%	15.0%	16.6%	18.9%	0.7%	14.2%	19.1%	45.3%	32.4%	4.5%	10.2%	16.6%	-12.9%	15.6%	23.6%	15.4%

In April/May 2017, Stocks gained most in Euro Area economies (France, Germany, Italy, Spain), South Korea, Japan, Turkey and Brazil. Russia and China fell back 3% and 5%, respectively.

Stock Return Signals by Country Yearend 2016, and March and May 2017 (2*Z-Scores)



During April and May, 2017, stocks gained the most in France, Germany, Italy, Spain, Brazil, Turkey, South Korea, Japan and Australia.

After large gains, stocks in Russia fell back 3%, and China fell almost 5%.

Stock signals are also quite strong in the USA, Canada, India and Indonesia.

Global Bond Market Signals: Term Structure Slopes for Advanced Economies; Sovereign Credit Spreads for Emergings

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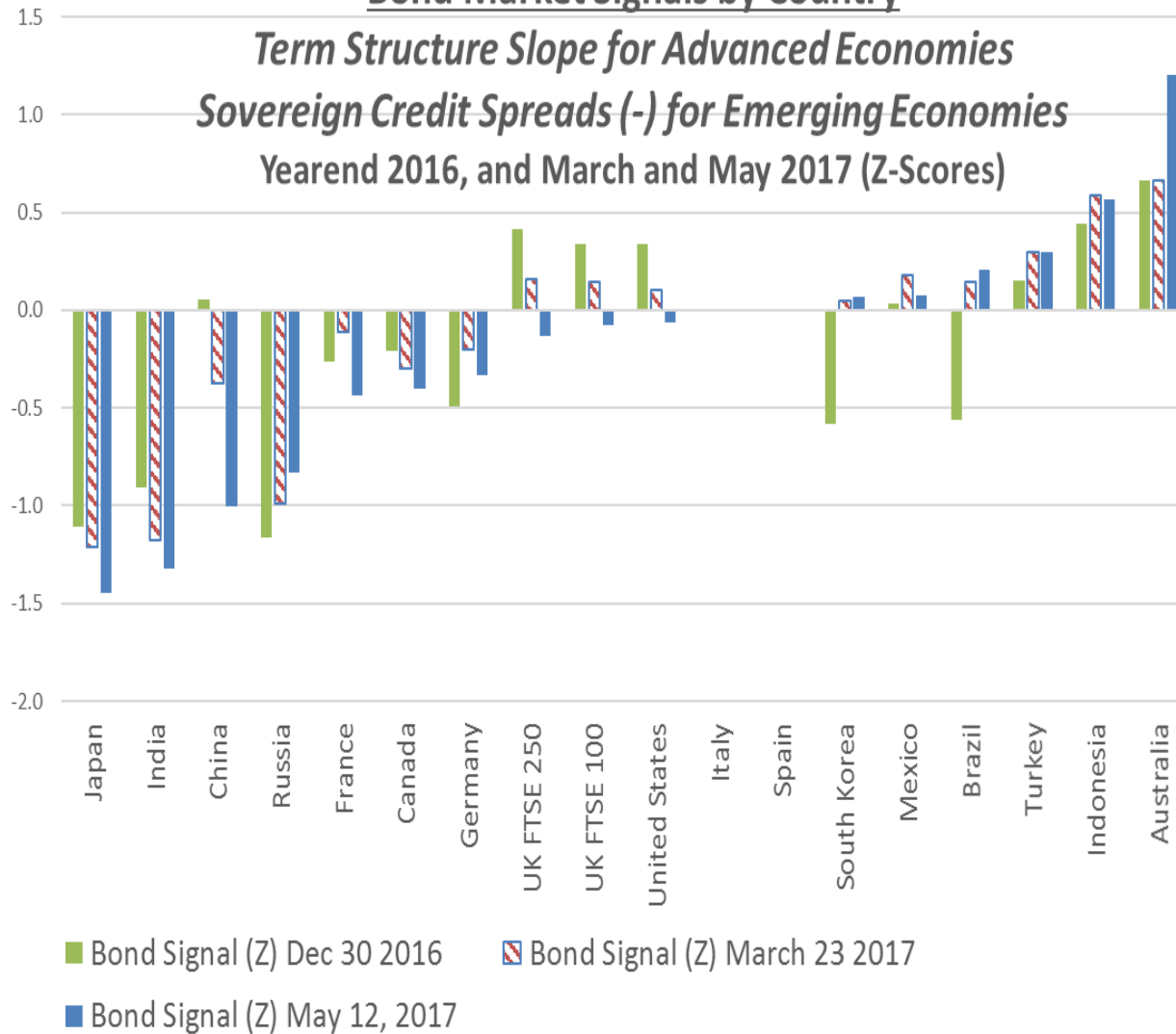
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		Americas				Europe								AustralAsia					
		United States	Canada	Brazil	Mexico	France	Germany	Italy	Spain	United Kingdom	Russia	Turkey	Japan	Australia	South Korea	China	India	Indonesia	United Kingdom
Country Slopes and Credit Spreads		Slope	Slope	Credit	Credit	Slope	Slope	Slope	Slope	Slope	Credit	Credit	Slope	Slope	Slope	Credit	Credit	Credit	Slope
Year End 2015	1/4/2016	2.08	0.91	14.16	3.99	1.39	1.15	1.74	1.90	1.37	7.35	8.54	0.28	0.78	0.54	0.61	5.40	2.41	1.37
February 2016 Low	2/11/2016	1.38	0.59	14.67	4.44	0.98	0.68	1.77	2.04	0.83	8.64	8.85	0.15	0.19	0.31	1.21	5.96	2.92	0.83
Brexit Voting Day Jun 23 2016	6/23/2016	1.46	0.78	10.68	4.31	0.97	0.70	1.54	1.59	0.93	6.81	7.50	0.10	0.48	0.18	1.18	5.68	2.10	0.93
Post-Brexit Low 6/27/2016	6/27/2016	1.19	0.60	10.81	4.56	0.83	0.55	1.68	1.60	0.59	7.09	7.89	0.05	0.30	0.03	1.40	5.97	2.39	0.59
Recent data: Pre U.S. Election	11/4/2016	1.41	0.72	9.73	4.53	1.20	1.02	2.09	1.70	0.96	6.79	8.40	0.26	0.60	0.23	0.95	5.06	1.84	0.96
Q4 2016 Average	Q4-2016	1.72	0.97	9.53	4.68	1.35	1.06	2.12	1.74	1.11	6.38	8.28	0.35	0.53	0.23	0.77	4.43	1.80	1.11
Year End 2016: Trump elected	12/30/2016	1.95	1.27	8.93	4.97	1.59	1.19	2.31	1.87	1.42	5.92	8.64	0.46	0.60	0.23	0.59	4.07	1.88	1.42
Recent Data:	3/23/2017	1.66	1.18	7.83	4.66	1.71	1.42	2.67	2.11	1.17	5.57	8.09	0.38	0.60	0.75	0.88	4.41	1.47	1.17
Most Recent Data: Macron elected	5/12/2017	1.45	1.07	7.74	4.89	1.44	1.32	2.64	2.02	0.88	5.25	8.08	0.19	1.02	0.77	1.31	4.59	1.53	0.88
Cumulative Changes in Bond Market Yield Spreads from Yearend 2015, Dec 30 2015																			
Brexit voting day vs 12/31/15	6/23/2016	-0.62	-0.14	-3.48	0.32	-0.42	-0.45	-0.20	-0.31	-0.44	-0.54	-1.04	-0.18	-0.31	-0.36	0.57	0.28	-0.31	-0.44
PostBrexit Low	6/27/2016	-0.89	-0.32	-3.36	0.58	-0.56	-0.61	-0.05	-0.30	-0.78	-0.26	-0.65	-0.23	-0.49	-0.51	0.79	0.56	-0.02	-0.78
Recent data: Pre U.S. Election	11/4/2016	-0.67	-0.19	-4.43	0.55	-0.19	-0.14	0.36	-0.20	-0.42	-0.56	-0.14	-0.02	-0.19	-0.31	0.34	-0.34	-0.57	-0.42
Q4 2016 Average	Avg Q4 2016	-0.36	0.06	-4.63	0.69	-0.04	-0.09	0.39	-0.15	-0.26	-0.96	-0.26	0.06	-0.25	-0.31	0.16	-0.97	-0.61	-0.26
Year End 2016: Trump elected	12/30/2016	-0.13	0.36	-5.24	0.99	0.20	0.04	0.57	-0.03	0.05	-1.43	0.10	0.18	-0.19	-0.31	-0.02	-1.34	-0.54	0.05
Recent Data:	3/23/2017	-0.42	0.27	-6.33	0.67	0.33	0.27	0.93	0.21	-0.20	-1.78	-0.45	0.09	-0.19	0.22	0.27	-1.00	-0.94	-0.20
Most Recent Data: Macron elected	5/12/2017	-0.63	0.16	-6.42	0.90	0.05	0.17	0.91	0.12	-0.50	-2.10	-0.46	-0.10	0.24	0.23	0.70	-0.82	-0.88	-0.50

Term structure slopes (10 yr -3 mo yields) flattened in Europe, the USA, and Japan, a weakening signal, as long rates fell while short rates held increases. The USA slope decline may reflect concerns about President Trump's ability to execute fiscal stimulus plans and some flight to quality due to potential conflict with North Korea.

Sovereign credit spreads widened (a weak signal) in lower yield emerging markets (Mexico, China, India and Indonesia), and narrowed in high yield Brazil and Russia, a stronger signal.

Bond Market Signals by Country
Term Structure Slope for Advanced Economies
Sovereign Credit Spreads (-) for Emerging Economies
 Yearend 2016, and March and May 2017 (Z-Scores)



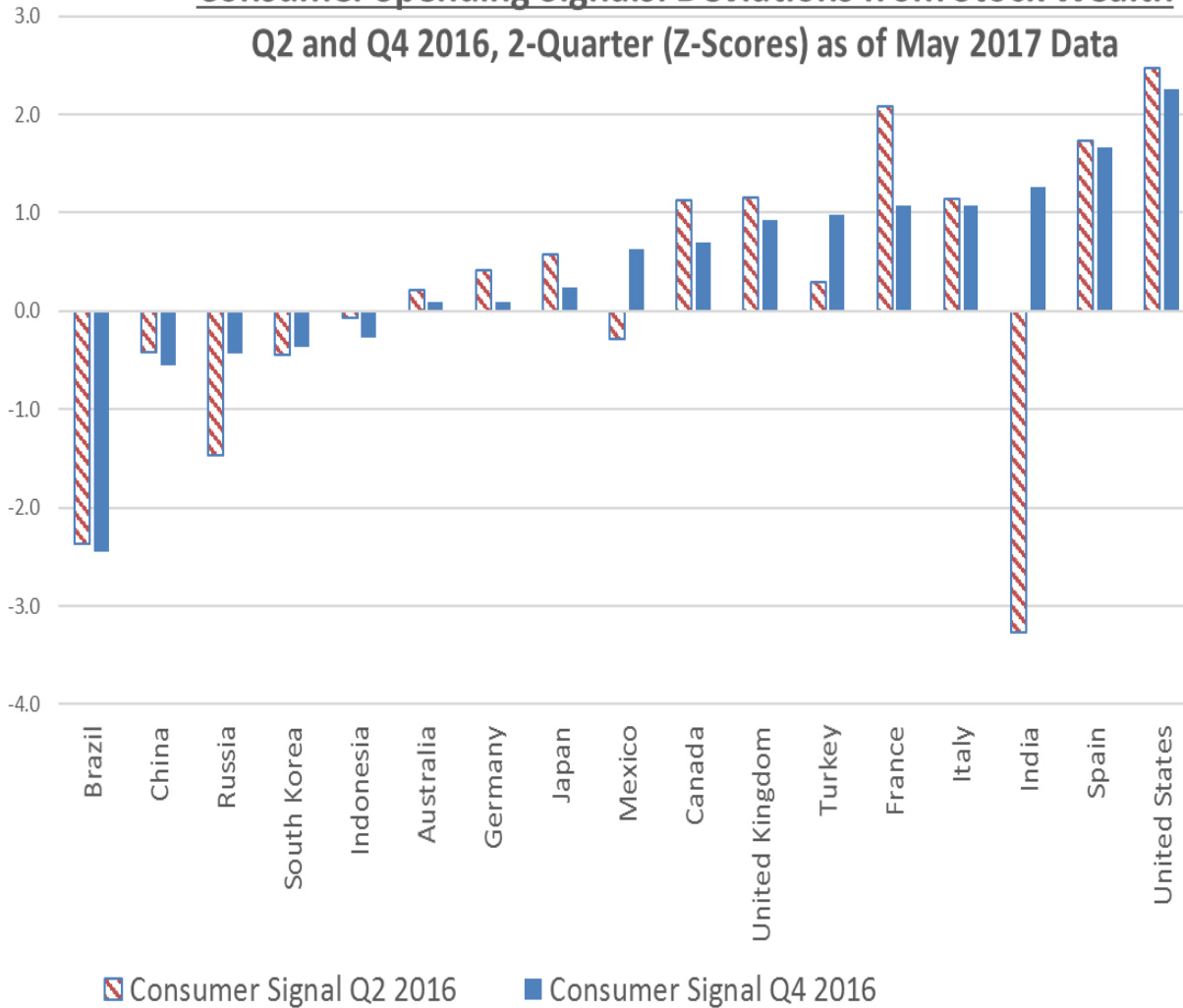
Bond market signals are strongest in Australia, Indonesia and Turkey. For Australia, it's a relatively steep yield curve. For Indonesia and Turkey, the strong signal is a relatively narrow sovereign credit spread. Brazil and Russia continue to have strong signals of tighter spreads.

China's and India's sovereign credit spreads widened, which normally is a weak sign.

US, UK, Germany, France and Japan had weaker bond scores, as long-term rates decreased and slopes flattened.

Consumer Spending Signals: Deviations from Stock Wealth

Q2 and Q4 2016, 2-Quarter (Z-Scores) as of May 2017 Data



Consumer spending deviations from stock market wealth were quite strong in the USA, Spain, India, Italy, France, Turkey and the UK, given data through 2016-Q4. Canada and Mexico were also positive.

Consumer signals continued to be extremely negative in Brazil, giving an opposite signal to the strong stock market, likely reflecting high unemployment. The consumer spending signal improved sharply in Russia and slightly in South Korea.

Stocks, Bonds, Consumers Leading Indicators (SBCLI®)

(2Q Returns, Growth)

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Stock Market Signals

	United States	Canada	Brazil	Mexico	France	Germany	Italy	Spain	United Kingdom	Russia	Turkey	Japan	Australia	South Korea	China	India	Indone	United Kingdom
	Americas				Europe				FTSE 100			AustralAsia						FTSE 250
Z-Multiplier	2	2	2	2	2	2	2	2	2	2	2	2	2	2	1	2	2	2
2015-Q4	-1.5	-2.1	-2.1	-0.7	-1.1	-1.4	-0.7	-1.7	-2.3	-0.1	-1.0	-0.7	-2.0	-0.9	-1.2	-1.0	-1.6	
2016-Q1	-1.6	-1.7	-1.8	-0.7	-1.6	-1.5	-2.3	-2.4	-1.6	0.1	-0.8	-1.7	-1.4	-0.7	-1.0	-1.2	-0.1	
2016-Q2	-0.4	0.0	0.4	0.2	-1.4	-1.3	-2.5	-2.0	-0.6	0.3	-0.1	-2.0	-0.1	-0.4	-0.9	-0.4	0.4	-0.6
2016-Q3	1.4	1.9	2.8	0.9	0.0	0.3	-1.3	-0.5	2.1	0.5	-0.1	-0.7	1.1	0.4	0.1	0.9	1.0	2.1
2016-Q4	0.3	1.1	1.7	-0.2	0.5	0.6	-0.4	0.0	1.9	0.4	-0.8	0.8	0.2	-0.1	0.2	0.2	0.6	0.5
6/23/2016	-0.3	0.0	-0.5	-0.3	0.1	-0.2	0.0	-0.1	-0.1	-0.6	-0.6	-0.3	-0.3	-0.3	-0.1	0.2	-0.3	0.0
6/27/2016	-1.3	-0.5	-1.0	-0.9	-1.5	-1.5	-1.9	-1.8	-1.3	-1.2	-1.0	-0.9	-0.8	-0.7	-0.1	-0.1	-0.4	-2.9
11/4/2016	-0.6	0.5	2.0	-0.1	-0.2	-0.2	-1.1	-0.3	1.1	-0.3	-1.1	0.1	-0.6	-0.3	0.2	0.3	0.7	-0.1
Avg Q4 2016	0.3	1.1	1.7	-0.2	0.5	0.6	-0.4	0.0	1.9	0.4	-0.8	0.8	0.2	-0.1	0.2	0.2	0.6	0.5
12/30/2016	0.8	1.5	1.6	-0.5	1.4	1.5	0.8	0.5	2.6	1.7	-0.6	1.5	0.9	0.0	0.2	0.0	0.6	0.9
3/23/2017	1.8	1.7	2.4	0.5	2.0	2.3	1.4	1.9	3.2	1.4	0.8	1.5	1.0	1.0	0.4	1.1	1.2	2.0
5/12/2017	2.2	1.9	3.6	0.7	3.3	3.3	2.3	2.7	3.6	1.1	1.4	2.0	1.5	1.8	0.2	1.4	1.4	2.9

Bond Market Signals (Term Structure Slope or Sovereign Credit Spread for EMs)

	United States	Canada	Brazil	Mexico	France	Germany	Italy	Spain	United Kingdom	Russia	Turkey	Japan	Australia	South Korea	China	India	Indone	United Kingdom
Variable	Slope	Slope	Credit	Credit	Slope	Slope	Slope	Slope	Slope	Credit	Credit	Slope	Slope	Slope	Credit	Credit	Credit	Slope
Z Multiplier	1	1	1	1	1	1	0	0	1	1	1	1	1	1	2	1	1	1
2015-Q4	0.5	-0.4	-0.6	0.4	-0.4	-0.5	0.0	0.0	0.4	-2.4	-0.3	-1.0	0.3	-0.6	-0.1	-0.6	-0.1	
2016-Q1	0.1	-0.8	-1.1	0.3	-0.6	-0.6	0.0	0.0	0.2	-2.0	-0.4	-1.3	0.0	-0.9	-0.5	-0.6	0.0	
2016-Q2	0.0	-0.7	-1.2	0.3	-0.7	-0.8	0.0	0.0	0.0	-1.8	0.0	-1.4	0.0	-0.9	-0.8	-0.9	0.2	0.0
2016-Q3	-0.2	-1.0	-1.3	0.2	-1.0	-1.0	0.0	0.0	-0.4	-1.7	0.2	-1.4	-0.2	-1.0	-1.0	-1.2	0.3	-0.4
2016-Q4	0.2	-0.5	-0.9	0.2	-0.5	-0.7	0.0	0.0	0.1	-1.4	0.2	-1.3	0.6	-0.6	-0.2	-1.2	0.5	0.1
6/23/2016	-0.1	-0.7	-1.7	0.3	-1.0	-1.1	0.0	0.0	0.0	-1.6	0.4	-1.5	0.5	-0.7	-0.8	-2.2	0.4	-0.1
6/27/2016	-0.3	-0.9	-1.8	0.2	-1.1	-1.3	0.0	0.0	-0.3	-1.7	0.3	-1.6	0.3	-0.8	-1.1	-2.4	0.3	-0.4
11/4/2016	-0.1	-0.7	-1.1	0.2	-0.7	-0.7	0.0	0.0	0.0	-1.6	0.2	-1.3	0.7	-0.6	-0.5	-1.7	0.5	-0.1
Avg Q4 2016	0.2	-0.5	-0.9	0.2	-0.5	-0.7	0.0	0.0	0.1	-1.4	0.2	-1.3	0.6	-0.6	-0.2	-1.2	0.5	0.1
12/30/2016	0.3	-0.2	-0.6	0.0	-0.3	-0.5	0.0	0.0	0.3	-1.2	0.2	-1.1	0.7	-0.6	0.1	-0.9	0.4	0.4
3/23/2017	0.1	-0.3	0.1	0.2	-0.1	-0.2	0.0	0.0	0.1	-1.0	0.3	-1.2	0.7	0.0	-0.4	-1.2	0.6	0.2
5/12/2017	-0.1	-0.4	0.2	0.1	-0.4	-0.3	0.0	0.0	-0.1	-0.8	0.3	-1.4	1.2	0.1	-1.0	-1.3	0.6	-0.1

Consumer Signals (Z)

	United States	Canada	Brazil	Mexico	France	Germany	Italy	Spain	United Kingdom	Russia	Turkey	Japan	Australia	South Korea	China	India	Indone	United Kingdom
Z Multiplier	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
2015-Q4	2.0	1.7	-2.5	0.2	0.1	0.1	1.2	1.6	1.1	-1.1	0.0	-0.5	0.4	0.8	-0.3	2.4	0.0	1.1
2016-Q1	2.0	1.9	-1.8	0.3	1.7	0.6	0.9	1.8	1.0	-0.9	-0.3	-0.3	0.4	0.1	-0.2	1.4	0.0	1.0
2016-Q2	2.5	1.1	-2.4	-0.3	2.1	0.4	1.1	1.7	1.2	-1.5	0.3	0.6	0.2	-0.4	-0.4	-3.3	-0.1	1.2
2016-Q3	2.4	0.4	-2.7	0.1	0.1	0.0	1.5	1.6	1.0	-1.3	-0.9	0.5	-0.4	-0.2	-0.6	1.5	-0.2	1.0
2016-Q4	2.3	0.7	-2.4	0.6	1.1	0.1	1.1	1.7	0.9	-0.4	1.0	0.2	0.1	-0.4	-0.6	1.3	-0.3	0.9

Stocks, Bonds, Consumers Leading Indicators (SBCLI®)

	United States	Canada	Brazil	Mexico	France	Germany	Italy	Spain	United Kingdom	Russia	Turkey	Japan	Australia	South Korea	China	India	Indone	United Kingdom
	Americas				Europe				Kingdom			AustralAsia						Kingdom
2015-Q4	1.0	-0.9	-5.2	-0.1	-1.3	-1.8	0.5	-0.1	-0.8	-3.5	-1.3	-2.2	-1.2	-0.6	-1.6	0.7	-1.7	
2016-Q1	0.5	-0.6	-4.7	-0.1	-0.5	-1.5	-1.4	-0.6	-0.4	-2.9	-1.4	-3.3	-1.0	-1.5	-1.7	-0.5	-0.1	
2016-Q2	2.0	0.5	-3.2	0.2	-0.1	-1.6	-1.3	-0.2	0.6	-2.9	0.1	-2.8	0.0	-1.8	-2.0	-4.6	0.6	0.6
2016-Q3	3.6	1.3	-1.3	1.3	-0.9	-0.8	0.2	1.1	2.7	-2.5	-0.8	-1.5	0.4	-0.7	-1.5	1.2	1.1	1.2
2016-Q4	2.8	1.3	-1.7	0.6	1.0	0.1	0.6	1.6	2.9	-1.4	0.4	-0.2	0.9	-1.0	-0.5	0.2	0.8	1.5
6/23/2016	1.9	0.0	-4.6	0.7	0.2	-1.2	1.0	1.5	0.8	-2.7	0.8	-1.6	0.3	-1.3	-1.5	-0.8	-0.2	0.8
6/27/2016	0.7	-0.7	-5.3	0.0	-1.6	-2.7	-0.8	-0.2	-0.7	-3.4	0.3	-2.2	-0.4	-1.9	-1.8	-1.2	-0.4	-2.4
11/4/2016	1.6	0.5	-1.5	0.7	0.1	-0.8	0.0	1.4	2.0	-2.3	0.1	-1.0	0.1	-1.3	-0.8	-0.2	0.9	0.8
Avg Q4 2016	2.8	1.3	-1.7	0.6	1.0	0.1	0.6	1.6	2.9	-1.4	0.4	-0.2	0.9	-1.0	-0.5	0.2	0.8	1.5
12/30/2016	3.4	2.0	-1.4	0.2	2.2	1.1	1.9	2.2	3.8	0.1	0.5	0.7	1.7	-0.9	-0.3	0.4	0.8	2.2
3/23/2017	4.1	2.1	0.1	1.3	3.0	2.2	2.5	3.5	4.3	0.0	2.0	0.6	1.8	0.7	-0.6	1.1	1.5	3.1
5/12/2017	4.4	2.2	1.3	1.4	3.9	3.1	3.4	4.3	4.4	-0.2	2.7	0.8	2.8	1.5	-1.4	1.3	1.7	3.7

Appendix: 10 Years of SBCLI Data Covering the Great Recession and Sovereign Debt Crisis

Breedens's Stocks, Bonds, Consumers Leading Indicators (SBCLI©)																(2Q Returns, Growth)			
Douglas T. Breedens, Duke University and Amundi Smith Breedens																5/16/2017 10:32			
	United States	Canada	Brazil	Mexico	France	Germany	Italy	Spain	United Kingdom	United Kingdom	Russia	Turkey	Japan	Australia	South Korea	China	India	Indonesia	
	Americas				Europe				FTSE 100	FTSE 250			AustralAsia						
2006-Q4	-1.3	-1.1	1.7	2.4	-1.9	0.5	0.8	1.6	-2.1		2.6	-3.0	-0.3	-0.2	-0.8	2.4	1.5	3.6	
2007-Q1	-0.9	-0.5	4.0	3.4	0.3	-0.6	1.5	2.0	-1.0		3.3	0.1	1.9	3.3	0.0	5.0	3.8	4.3	
2007-Q2	-2.8	0.4	4.4	3.1	0.3	-1.7	0.6	-0.4	-0.3		2.9	0.4	1.0	2.5	0.9	5.4	2.4	3.6	
2007-Q3	-2.9	0.3	3.1	1.5	-1.1	-0.5	-1.6	-1.4	-1.1		2.6	0.7	-1.5	-0.3	2.4	1.9	3.1	4.6	
2007-Q4	-3.1	0.5	3.6	-0.5	-3.5	-3.3	-3.1	-0.8	-2.2		2.7	1.0	-2.6	-0.1	0.8	-0.4	4.6	5.3	
2008-Q1	-4.4	0.7	3.4	-0.8	-6.9	-5.1	-4.1	-2.1	-4.6		1.2	-2.1	-2.7	-4.1	-3.2	-3.2	2.0	3.6	
2008-Q2	-3.4	-1.7	2.1	0.3	-7.0	-5.4	-3.8	-4.4	-5.6		0.5	-5.5	-2.8	-7.3	-4.1	-4.4	-2.7	-0.9	
2008-Q3	-3.7	-2.7	0.9	-1.2	-5.8	-4.9	-4.1	-5.7	-6.6		-0.8	-4.9	-2.9	-7.2	-4.4	-3.8	-3.3	-3.5	
2008-Q4	-7.5	-7.5	-4.1	-6.4	-8.5	-7.4	-6.7	-6.7	-10.6		-5.7	-6.6	-5.6	-8.0	-9.2	-2.6	-3.1	-6.5	
2009-Q1	-6.3	-6.6	-3.5	-7.7	-5.5	-4.1	-6.6	-5.0	-6.8		-7.4	-6.0	-5.6	-5.6	-4.8	-1.2	-2.2	-3.1	
2009-Q2	0.3	3.4	5.7	-1.4	1.6	2.0	-1.3	-2.3	-0.3		0.2	0.9	0.8	2.0	5.0	3.1	5.8	4.2	
2009-Q3	4.5	7.5	7.5	5.3	5.2	3.2	3.5	2.2	3.7		1.9	6.1	3.6	6.0	7.7	3.9	6.8	5.4	
2009-Q4	4.0	5.1	3.7	5.4	5.7	3.0	3.3	3.2	6.2		1.4	4.1	1.1	4.7	3.8	1.4	0.6	1.4	
2010-Q1	1.4	3.6	1.8	2.3	4.6	2.9	1.0	-0.7	3.3		2.9	2.3	0.8	2.2	1.6	0.0	1.4	-0.6	
2010-Q2	1.2	2.5	0.1	0.7	0.6	1.5	-1.4	-2.7	1.4		0.8	2.6	0.9	-0.1	0.8	-0.8	3.0	0.1	
2010-Q3	0.6	1.0	0.5	0.7	-0.6	0.4	-0.6	-2.5	0.6		-1.0	3.8	-0.2	-0.6	1.0	-1.3	-0.8	-0.6	
2010-Q4	2.7	2.2	2.5	2.4	2.0	1.9	0.9	-1.5	0.4		0.1	3.2	-1.1	0.5	1.8	-0.1	-0.4	0.4	
2011-Q1	4.3	2.1	1.5	1.9	3.8	4.0	0.9	-1.8	1.4		1.3	2.4	-1.7	1.3	1.7	1.1	2.9	0.0	
2011-Q2	1.1	-0.1	0.3	0.2	-1.5	0.0	-0.2	-2.0	-0.4		0.3	1.7	-1.2	-0.3	-0.1	-0.3	-4.9	0.0	
2011-Q3	-1.4	-1.6	-1.7	1.0	-5.4	-3.2	-3.7	-3.3	-2.4		-1.1	-0.8	0.0	-3.1	-2.8	-2.7	-6.7	1.7	
2011-Q4	-1.3	-1.5	-2.3	0.5	-3.9	-2.9	-6.1	-4.4	-1.5		-1.8	-2.6	-0.3	-4.0	-4.0	-4.0	1.1	-0.4	
2012-Q1	1.0	0.0	1.0	1.0	-0.3	0.5	-3.8	-2.3	1.5		-0.2	-1.4	0.1	-1.0	-1.3	-3.9	-2.0	-0.9	
2012-Q2	0.9	-0.7	0.6	1.3	0.7	1.0	-3.2	-3.3	0.6		-0.2	0.0	0.5	-0.6	-1.1	-3.7	-3.1	1.2	
2012-Q3	-0.9	-1.2	-0.6	1.1	-0.8	-0.4	-2.4	-3.3	-0.4		-1.3	1.2	-1.1	-2.4	-2.0	-3.8	0.2	1.4	
2012-Q4	0.0	0.5	0.5	1.3	1.5	1.1	0.0	-0.8	1.3		-0.4	2.5	-0.8	-1.0	-0.9	-3.8	-1.4	1.0	
2013-Q1	0.7	0.6	0.2	1.8	1.4	1.2	-0.5	-0.8	1.8		0.1	3.2	3.5	1.2	-1.6	-2.8	-2.2	0.9	
2013-Q2	0.3	0.5	-0.3	-0.2	1.2	0.8	-1.1	-0.8	1.5		-0.5	2.5	6.1	0.6	-2.0	-3.2	-1.6	1.2	
2013-Q3	0.5	1.0	0.3	-1.1	1.1	1.4	-0.2	-0.2	1.5		-0.4	-0.2	1.8	1.2	-0.8	-2.4	0.9	-0.4	
2013-Q4	1.9	1.4	0.1	-0.1	1.9	1.1	1.8	2.1	1.7		0.1	-0.8	-1.0	2.3	0.1	-1.7	0.3	-1.5	
2014-Q1	2.1	1.0	0.6	-0.4	0.4	0.9	2.4	2.2	1.3		-0.5	-2.5	0.9	1.4	-0.6	-1.7	-1.4	-0.3	
2014-Q2	1.8	1.1	0.4	1.0	-0.5	0.0	1.7	1.0	1.0		-1.0	-1.0	-3.7	0.9	-1.8	-1.9	0.1	0.5	
2014-Q3	2.9	1.2	0.8	2.1	1.0	-1.0	0.2	0.6	1.8		-1.2	2.0	-4.6	0.9	-1.1	-1.5	-2.0	-0.4	
2014-Q4	3.0	-0.5	0.5	0.2	-0.8	-0.7	-1.1	-0.4	0.2		-1.6	0.7	0.9	-0.6	-1.4	-0.6	-0.5	-1.3	
2015-Q1	2.1	-2.1	-3.2	-0.5	0.8	1.5	1.2	0.3	0.2		-4.1	0.6	1.1	-0.2	-1.8	-0.2	0.5	-1.2	
2015-Q2	1.8	-1.0	-4.4	0.7	2.6	2.2	4.1	1.8	2.0		-3.9	-0.1	0.8	1.1	-0.6	1.2	-1.2	-1.0	
2015-Q3	1.5	-0.5	-4.6	0.5	0.2	-1.0	2.5	1.0	-0.1		-3.5	-1.9	-0.6	-0.7	-1.0	-0.7	-2.6	-2.1	
2015-Q4	1.0	-0.9	-5.2	-0.1	-1.3	-1.8	0.5	-0.1	-0.8		-3.5	-1.3	-2.2	-1.2	-0.6	-1.6	0.7	-1.7	
2016-Q1	0.5	-0.6	-4.7	-0.1	-0.5	-1.5	-1.4	-0.6	-0.4		-2.9	-1.4	-3.3	-1.0	-1.5	-1.7	-0.5	-0.1	
2016-Q2	2.0	0.5	-3.2	0.2	-0.1	-1.6	-1.3	-0.2	0.6	1.5	-2.9	0.1	-2.8	0.0	-1.8	-2.0	-4.6	0.6	
06/23/16	1.9	0.0	-4.6	0.7	0.2	-1.2	1.0	1.5	0.8	0.8	-2.7	0.8	-1.6	0.3	-1.3	-1.5	-0.8	-0.2	
06/27/16	0.7	-0.7	-5.3	0.0	-1.6	-2.7	-0.8	-0.2	-0.7	-2.4	-3.4	0.3	-2.2	-0.4	-1.9	-1.8	-1.2	-0.4	
11/04/16	1.6	0.5	-1.5	0.7	0.1	-0.8	0.0	1.4	2.0	0.8	-2.3	0.1	-1.0	0.1	-1.3	-0.8	-0.2	0.9	
Avg Q4 2016	2.8	1.3	-1.7	0.6	1.0	0.1	0.6	1.6	2.9	1.5	-1.4	0.4	-0.2	0.9	-1.0	-0.5	0.2	0.8	
12/30/16	3.4	2.0	-1.4	0.2	2.2	1.1	1.9	2.2	3.8	2.2	0.1	0.5	0.7	1.7	-0.9	-0.3	0.4	0.8	
03/23/17	4.1	2.1	0.1	1.3	3.0	2.2	2.5	3.5	4.3	3.1	0.0	2.0	0.6	1.8	0.7	-0.6	1.1	1.5	
05/12/17	4.4	2.2	1.3	1.4	3.9	3.1	3.4	4.3	4.4	3.7	-0.2	2.7	0.8	2.8	1.5	-1.4	1.3	1.7	