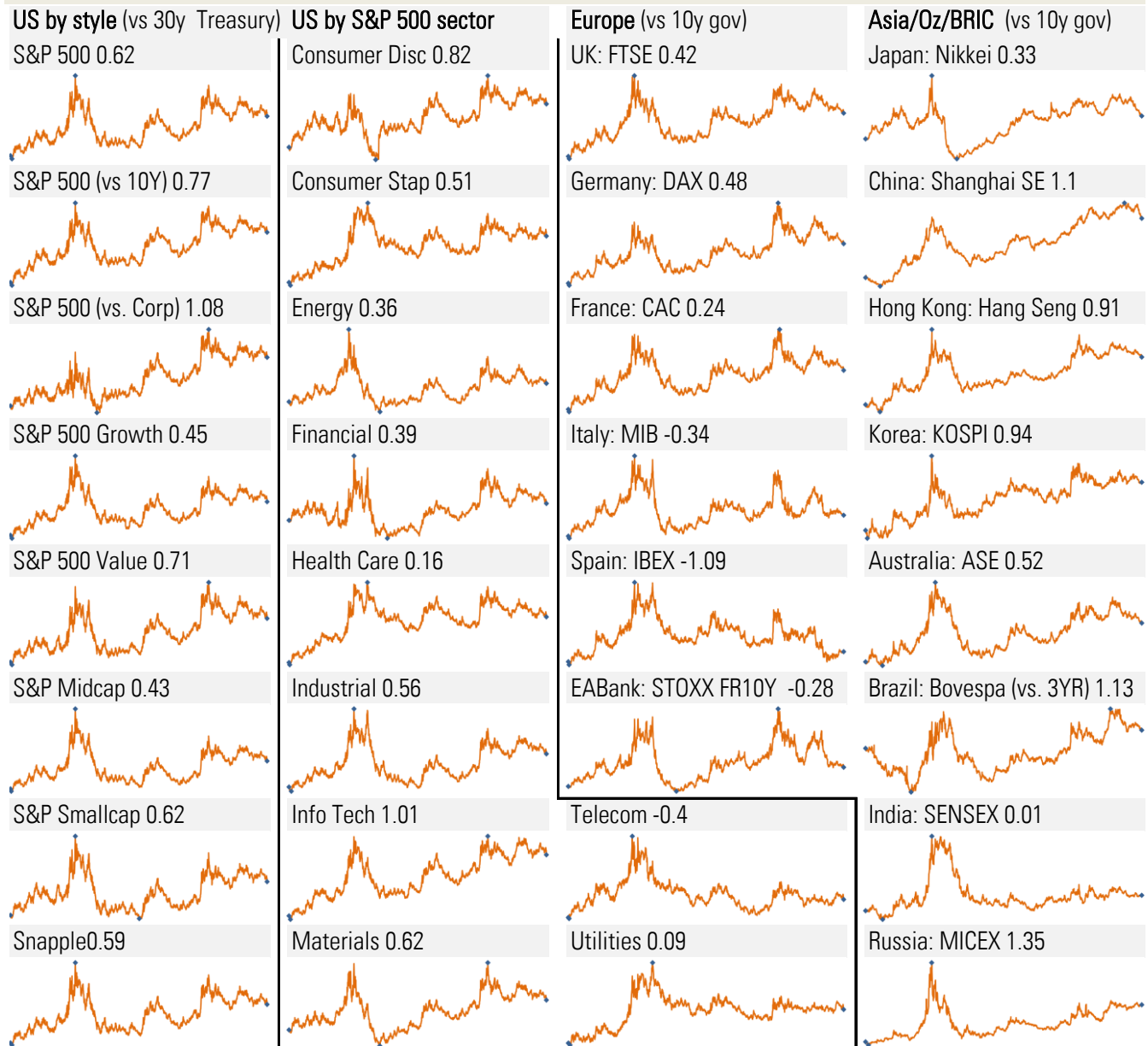


Data Insights: Global Equity Risk Premia

Thursday, January 3, 2013

Equity risk premium: forward earnings yield minus bond yield, July 2007 to current

Standard deviations from crisis-era mean • First, High, Low, Last

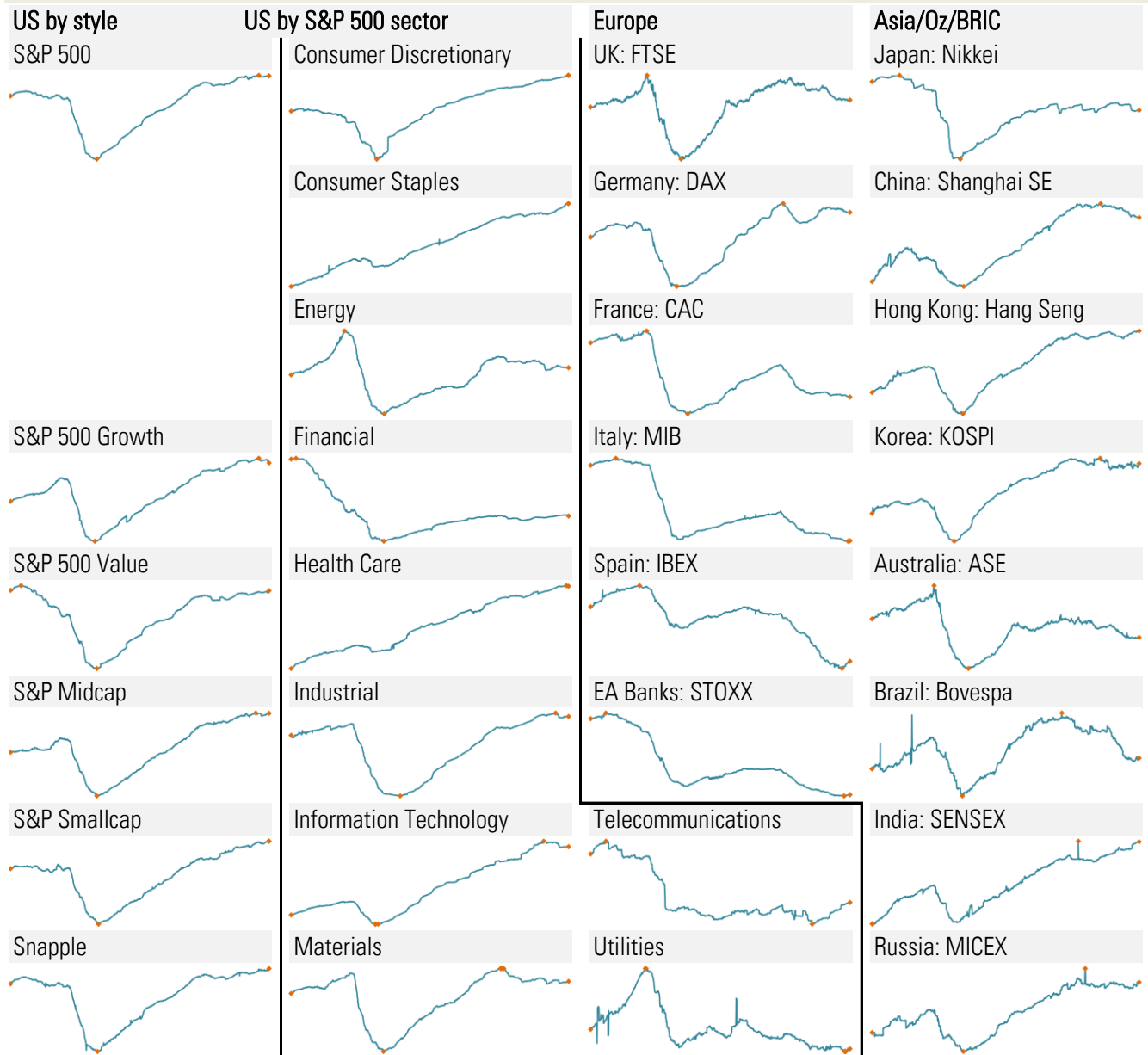


Source: Bloomberg, TrendMacro calculations

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EPS: forward consensus, bottom-up, July 2007 to current

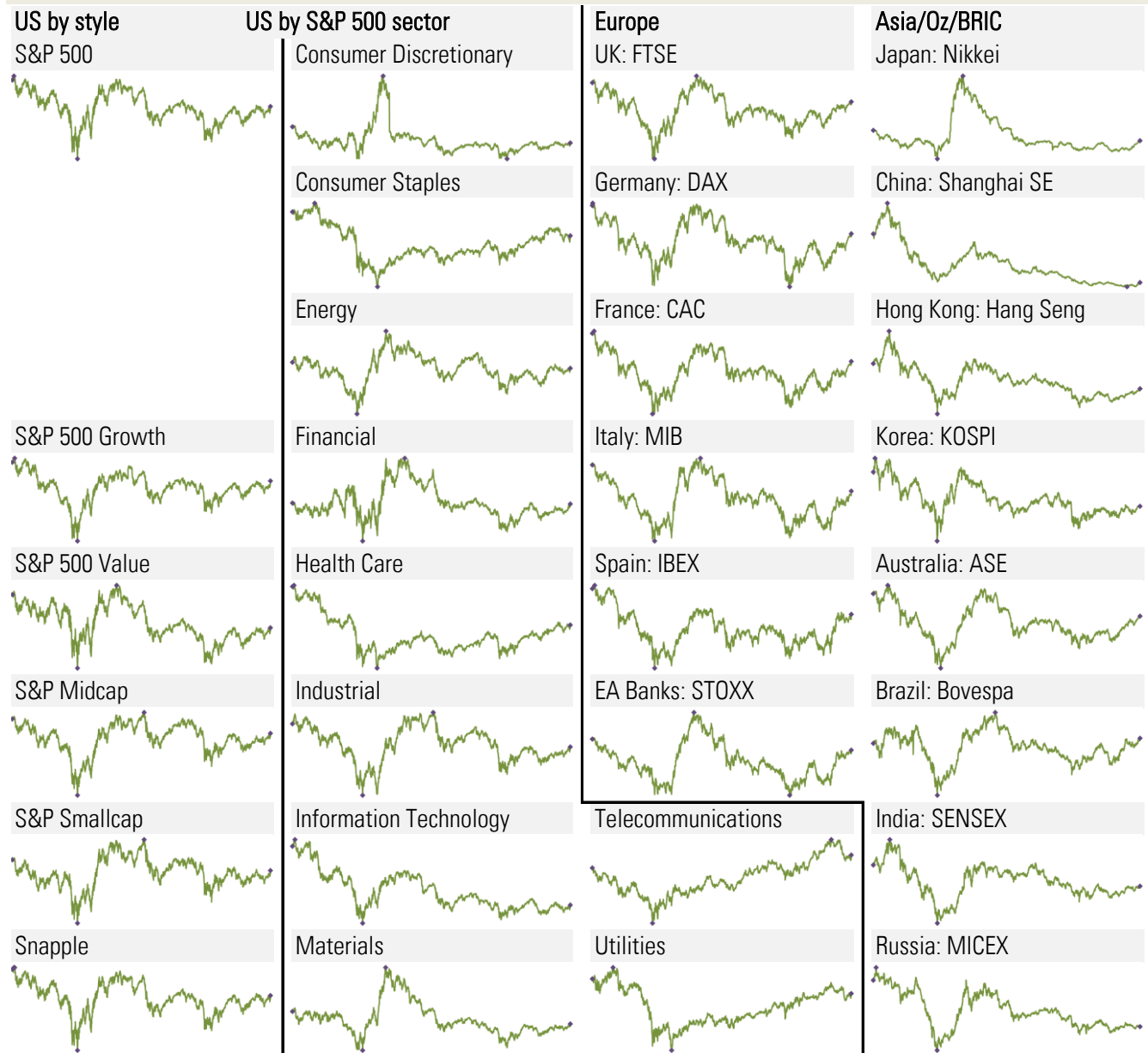
• First, High, Low, Last



Source: Bloomberg, TrendMacro calculations

P/E ratio: forward consensus, bottom-up, July 2007 to current

• First, High, Low, Last



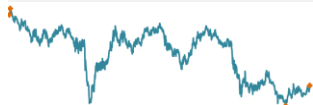
Source: Bloomberg, TrendMacro calculations

Benchmark bond yields, July 2007 to current

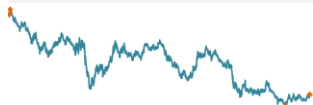
● First, High, Low, Last

US

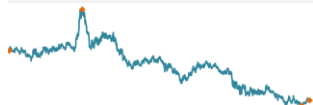
30-year Treasury



10-year Treasury

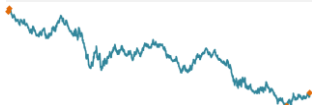


Moody's Corporate Avg

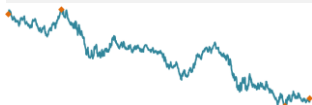


Europe

UK: 10-year govt



Germany: 10-year govt



France: 10-year govt



Italy: 10-year govt



Spain: 10-year govt



Asia/Oz/BRIC

Japan: 10-year govt



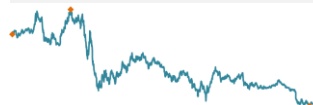
China: 10-year govt



Hong Kong: 10-year govt



Korea: 10-year govt



Australia: 10-year govt



Brazil: 3-year govt



India: 10-year govt



Russia: 10-year govt



Source: Bloomberg, TrendMacro calculations

Daily S&P 500 equity risk premium in the crisis era

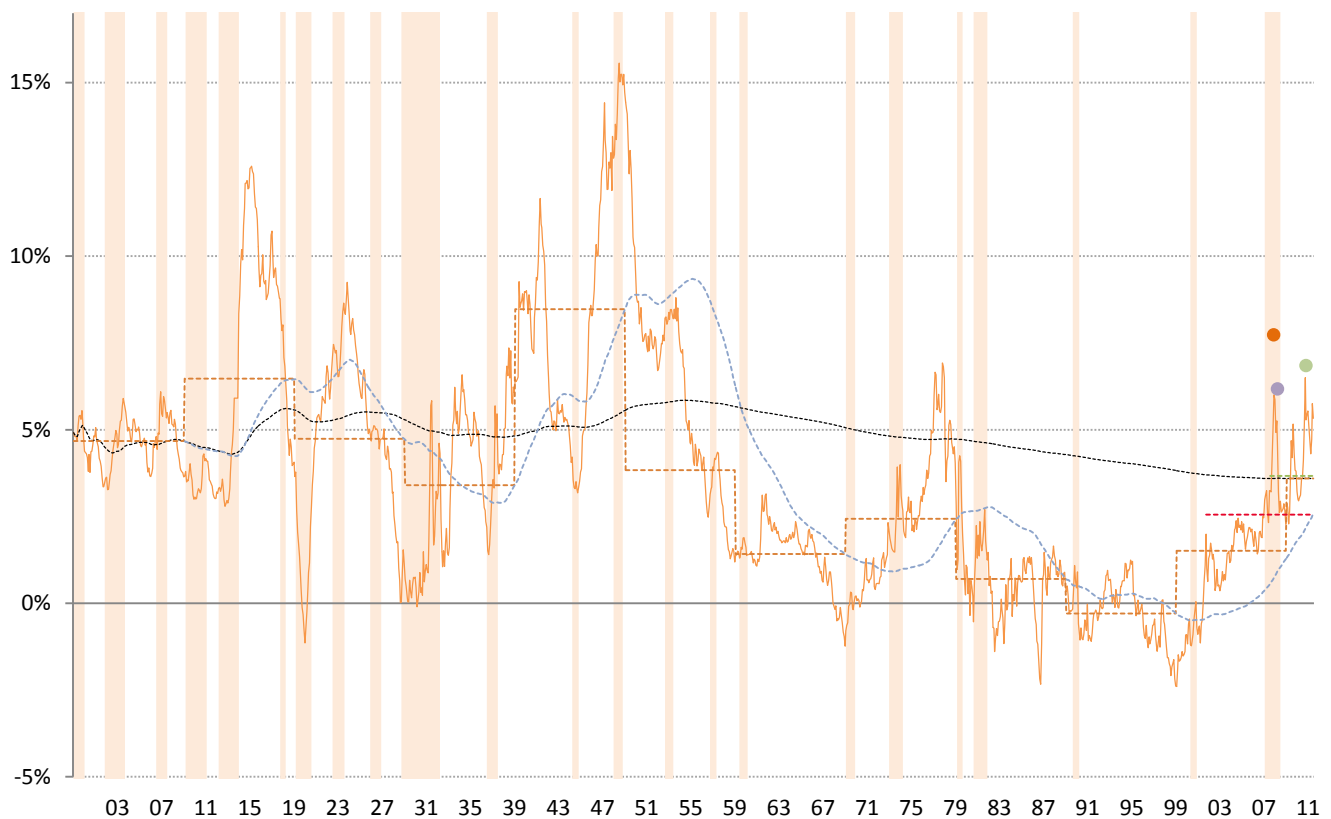


Versus 30-year Treasury

Source: Bloomberg, NBER, TrendMacro calculations

A century-plus of the monthly S&P 500 equity risk premium

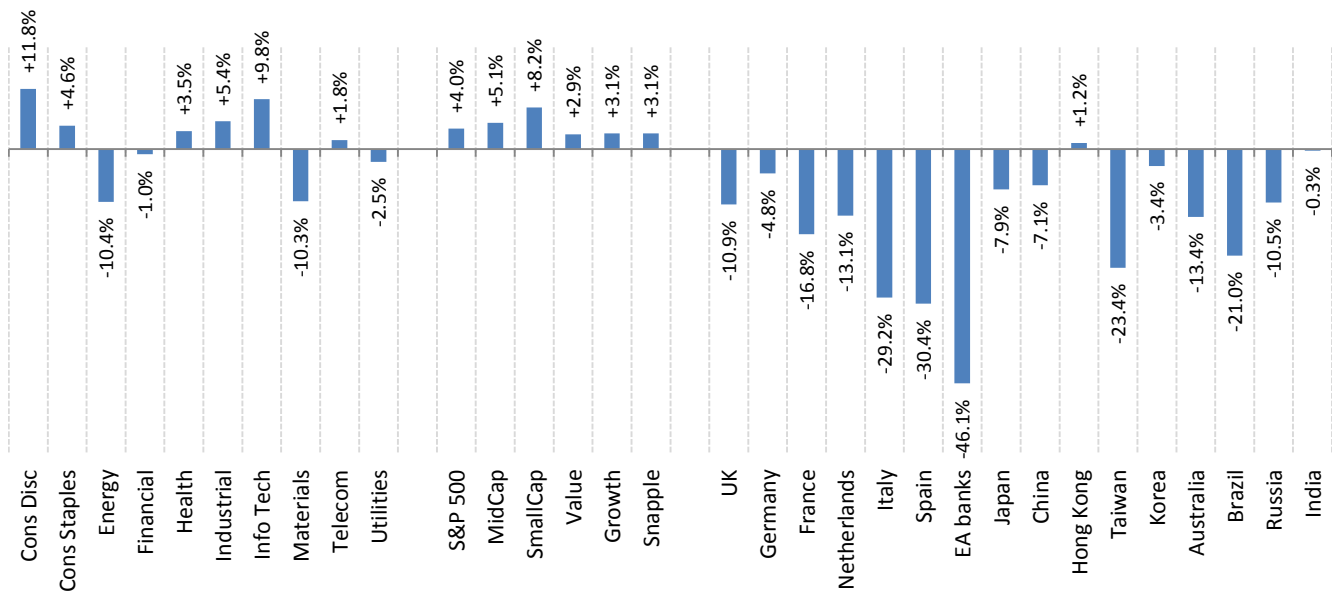
Averages: --- Crisis era, --- Post-Q302, --- Decade, --- 10-yr MA, --- Cume MA



Versus 30-year Treasury

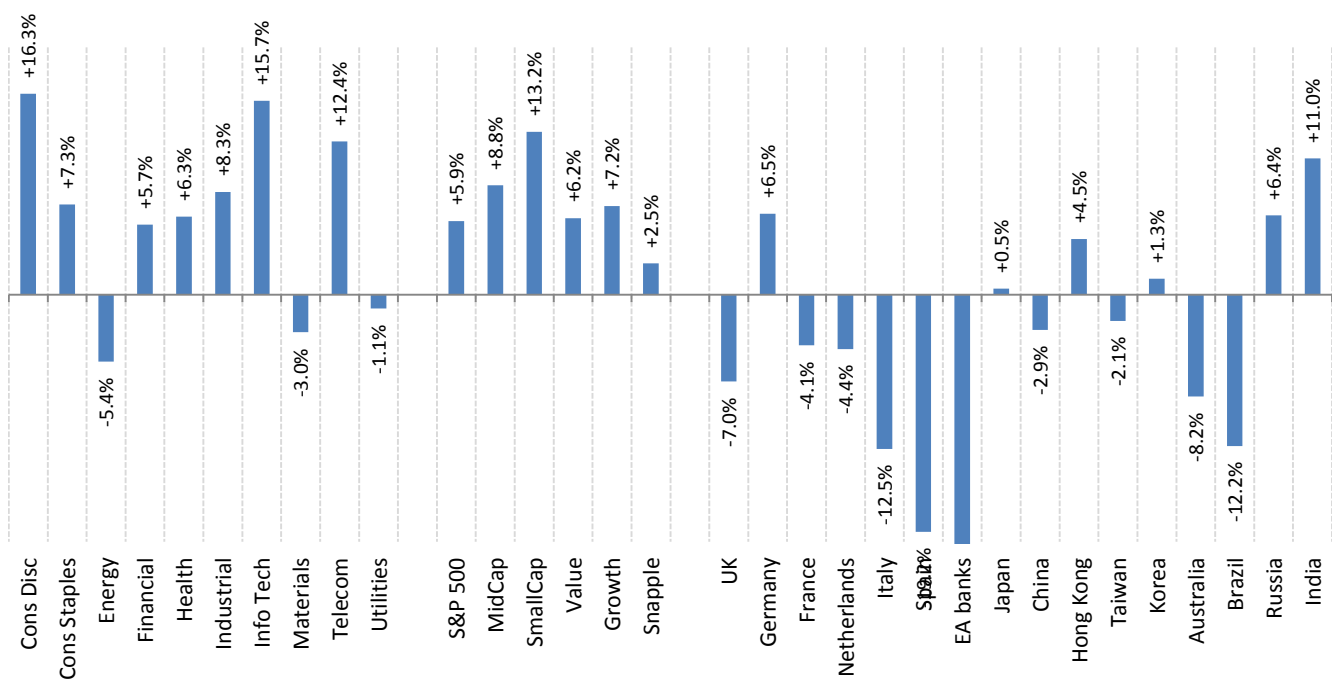
Source: Various, TrendMacro calculations

Consensus EPS versus 2011 high-water mark



Source: Bloomberg, TrendMacro calculations

Consensus EPS versus H2-2011 low-water mark



Source: Bloomberg, TrendMacro calculations