

Trend Macrolytics, LLC Donald Luskin. Chief Investment Officer Thomas Demas, Managing Director Michael Warren, Energy Strategist

Data Insights: Global Equity Risk Premia

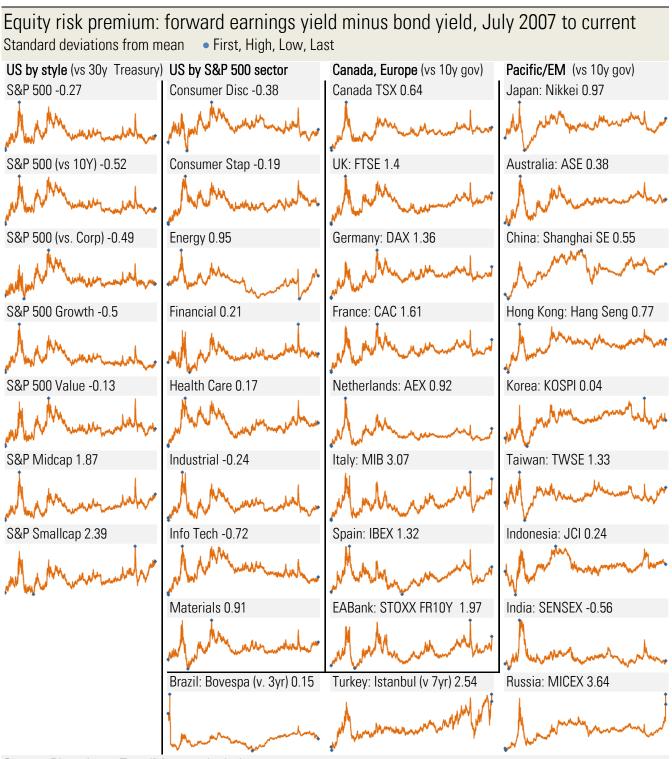
Monday, March 7, 2022

NOTE: In September 2016, Standard & Poor's created a new Real Estate sector from stocks that had been in the Financials sector. In October 2018 it converted the Telecom sector to "Communications Services," moving stocks from Info Tech and Consumer Discretionary. These changes distort metrics for those sectors throughout this report. The overall S&P 500 is not affected.

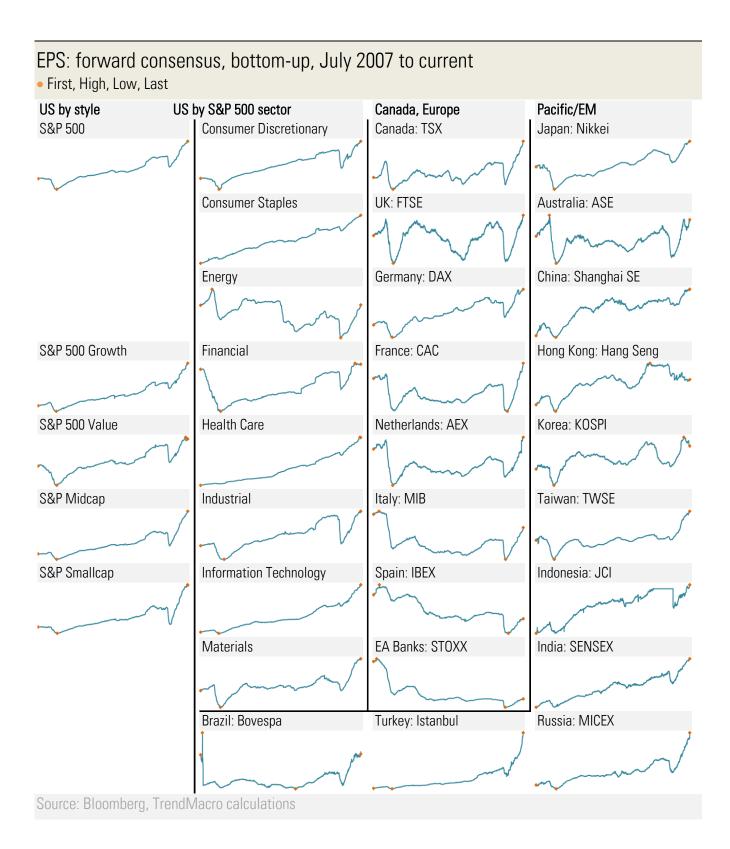
Rank By SD from 2007-> meanForward PE ratioFwd earnings upgrade rate Trailing 90 days, ARFwd sales upgrade rate Trailing 90 days, AR1Russia: MICEX+3.64Russia: MICEX3.5Turkey: Istanbul+240%China: Shanghai SE+549%2Italy: MIB+3.07Turkey: Istanbul4.6Netherlands: AEX+114%Netherlands: AEX+206%3Turkey: Istanbul+2.54Brazil: Bovespa8.1Russia: MICEX+76%Turkey: Istanbul+158%4France: CAC+1.61Italy: MIB8.6Italy: MIB+48%Russia: MICEX+65%5UK: FTSE+1.40HK: Hang Seng10.0France: CAC+47%HK: Hang Seng+48%6Germany: DAX+1.36Korea: KOSPI10.6Canada:TSX+33%France: CAC+40%7Taiwan:TWSA+1.33UK: FTSE10.9Australia: ASE+30%Canada:TSX+33%8Spain: IBEX+1.33China: Shanghai SE11.0UK: FTSE+30%Italy: MIB+20%9Japan: Nikkei+0.98Spain: IBEX11.3Japan: Nikkei+20%UK: FTSE+18%10Netherlands: AEX+0.92Germany: DAX11.4US: S&P 500+17%Spain: IBEX+17%11HK: Hang Seng+0.77France: CAC11.7Taiwan:TWSA+16%India: SENSEX+15%12Canada:TSX+0.65Netherlands: AEX12.6Indonesia:JCI+	Global leader-board: by equity risk premium, value, and growth EBest EB Worst									
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2 Materials +0.91 Financial 13.9 Info Tech +26% Info Tech +18%										
3Financial+0.22Materials15.3Consumer Disc+22%Materials+18%	3									
4 Health Care +0.18 Health Care 15.9 Health Care +22% Industrial +17%	4	Health Care	+0.18	Health Care	15.9	Health Care	+22%			
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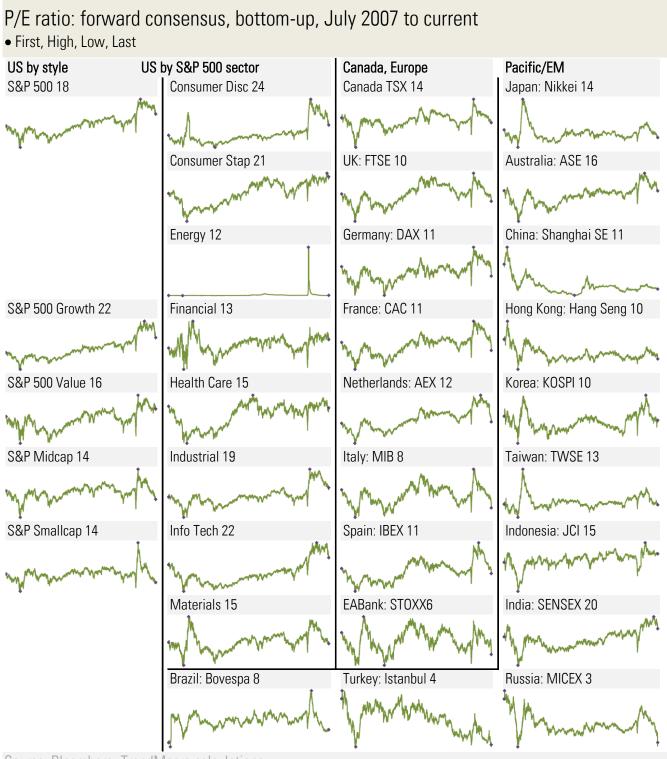
Source: Bloomberg, TrendMacro calculations

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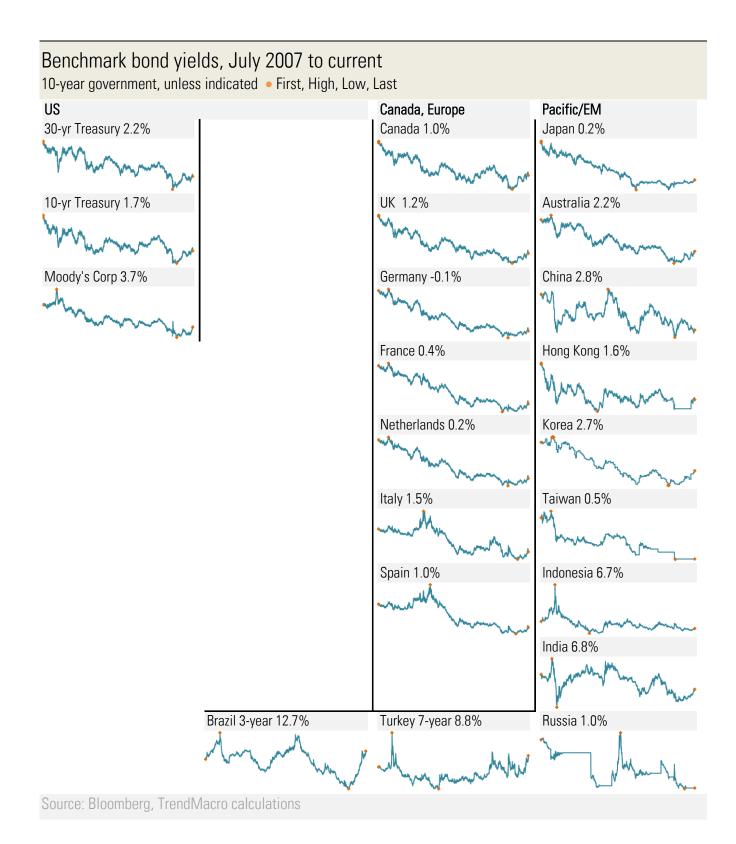


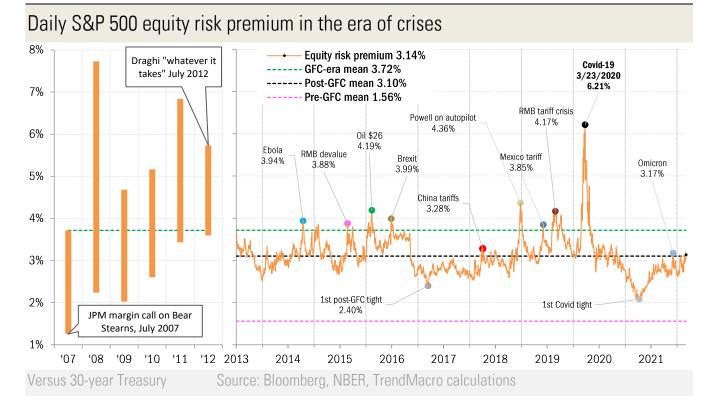
Source: Bloomberg, TrendMacro calculations



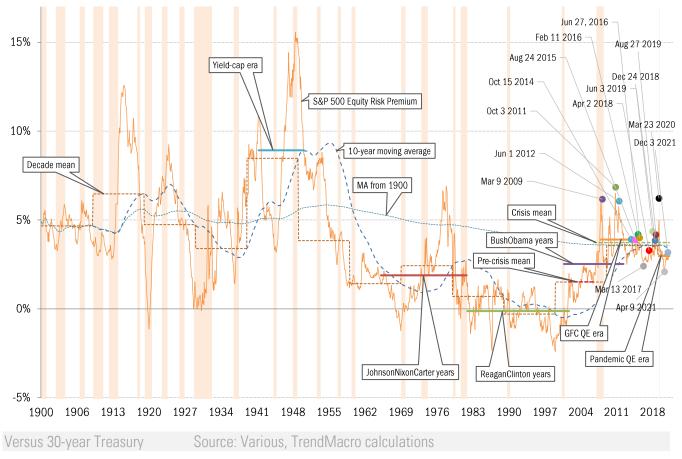


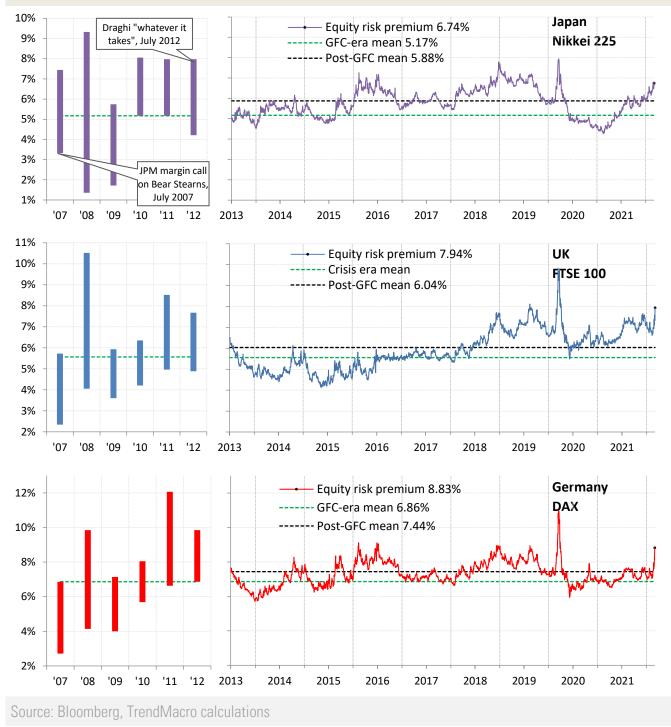
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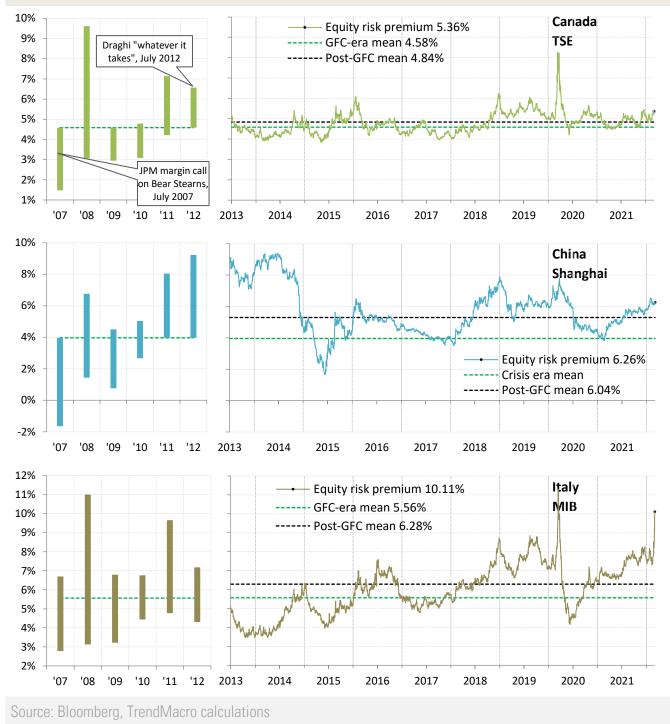


A century-plus of the monthly S&P 500 equity risk premium





Close-up: Global equity risk premia in the crisis, and its aftermath July-to-July range (left panel), daily from July 2013 (right panel)



Close-up: Global equity risk premia in the crisis, and its aftermath July-to-July range (left panel), daily form July 2013 (right panel)