

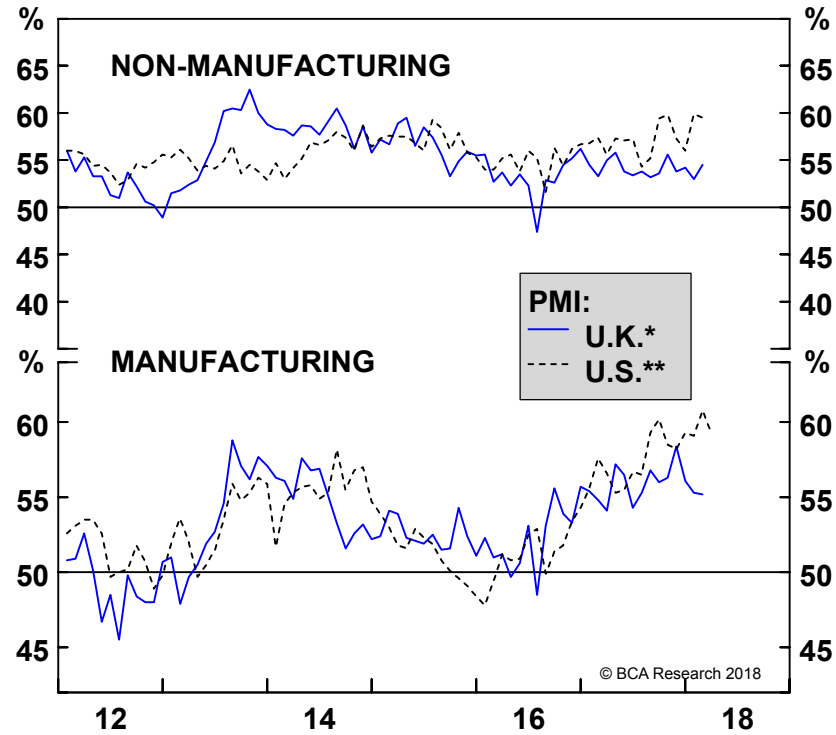


TRAJECTOIRE ÉCONOMIQUE BRITANNIQUE

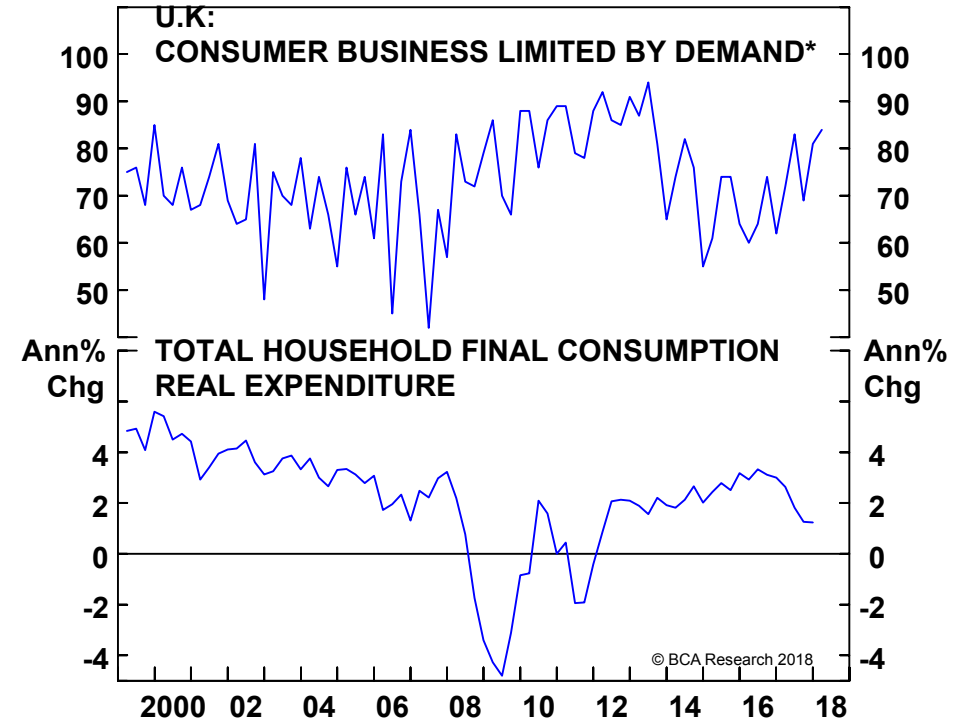
**DÎNER CONFÉRENCE
MONTREAL, APRIL 6, 2018**

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Chief FX Strategist
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U.K. GROWTH DISAPPOINTS



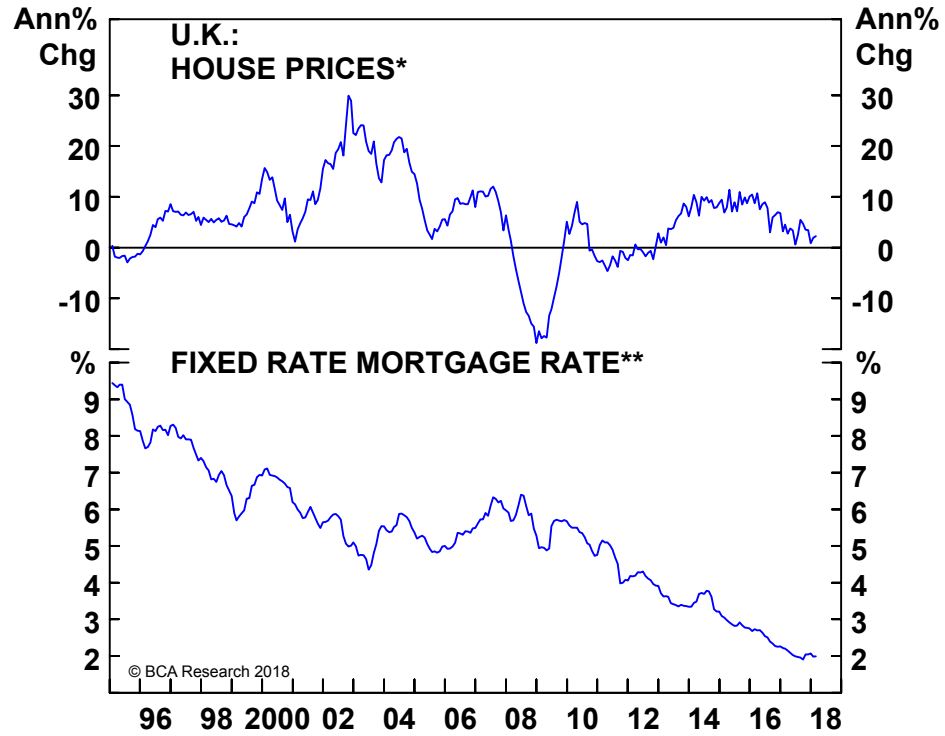
* SOURCE: MARKIT.
 ** SOURCE: INSTITUTE FOR SUPPLY MANAGEMENT.



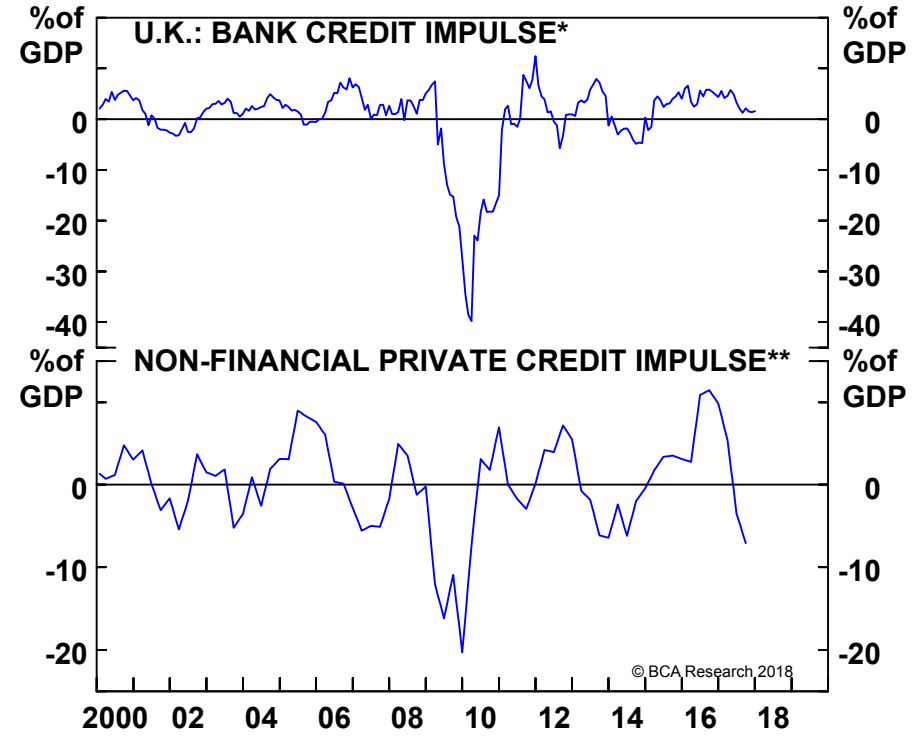
* CONFEDERATION OF BRITISH INDUSTRY.



KEY U.K. DRIVERS ARE ILL



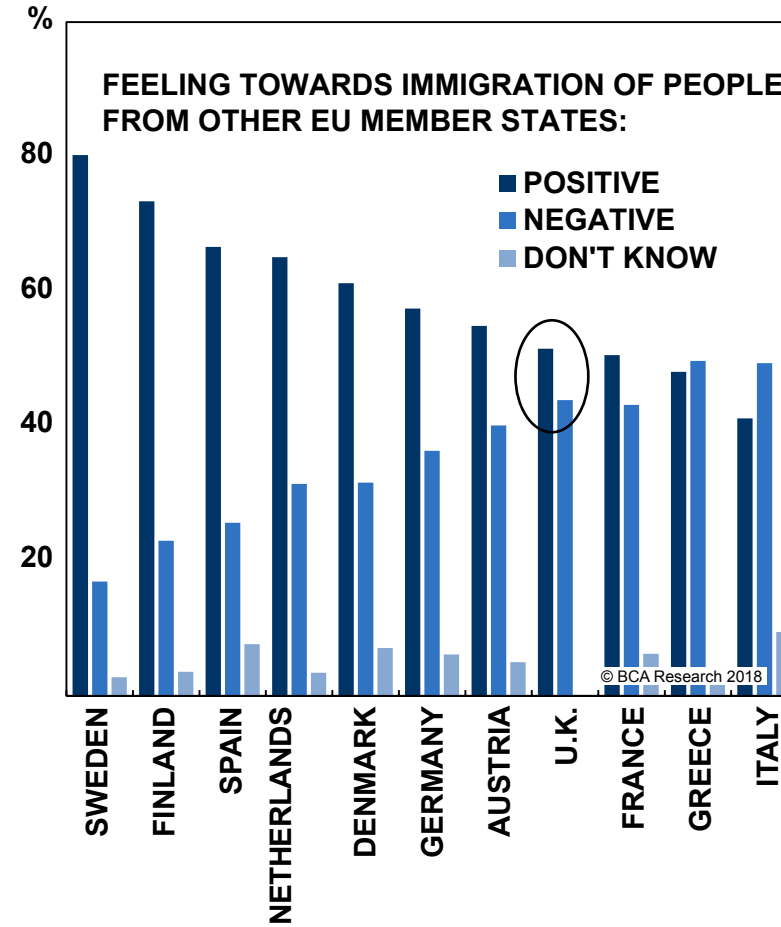
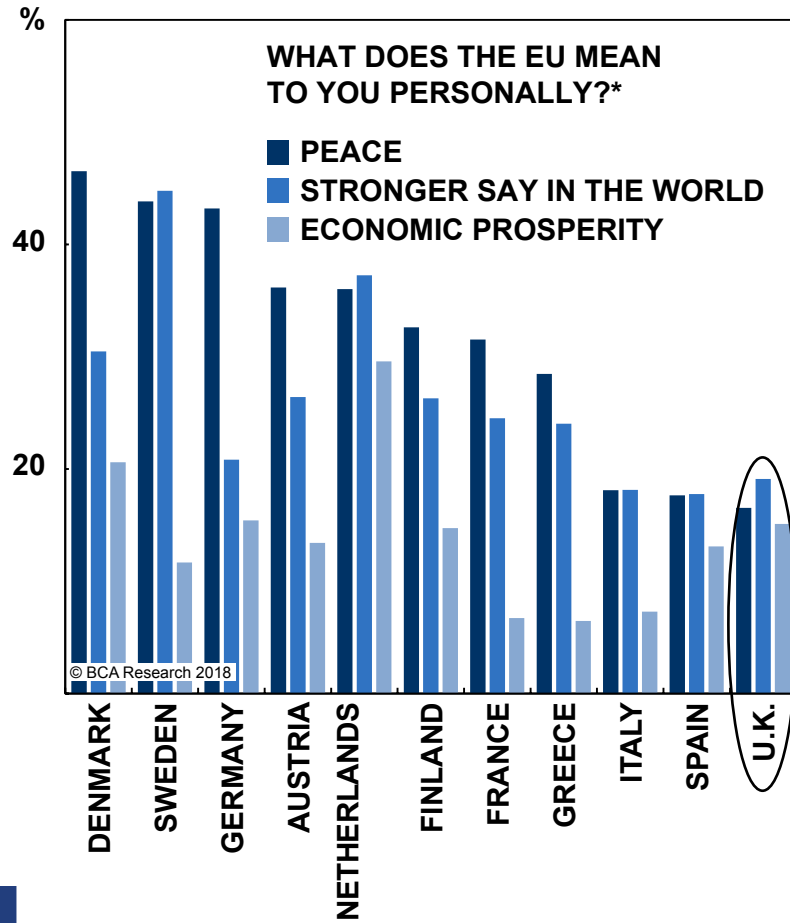
* SOURCE: HALIFAX BUILDING SOCIETY.
 ** 5-YEAR FIXED, 75% LOAN-TO-VALUE RATIO; SOURCE: BANK OF ENGLAND.



* SOURCE: BOE.
 ** SOURCE: BIS.



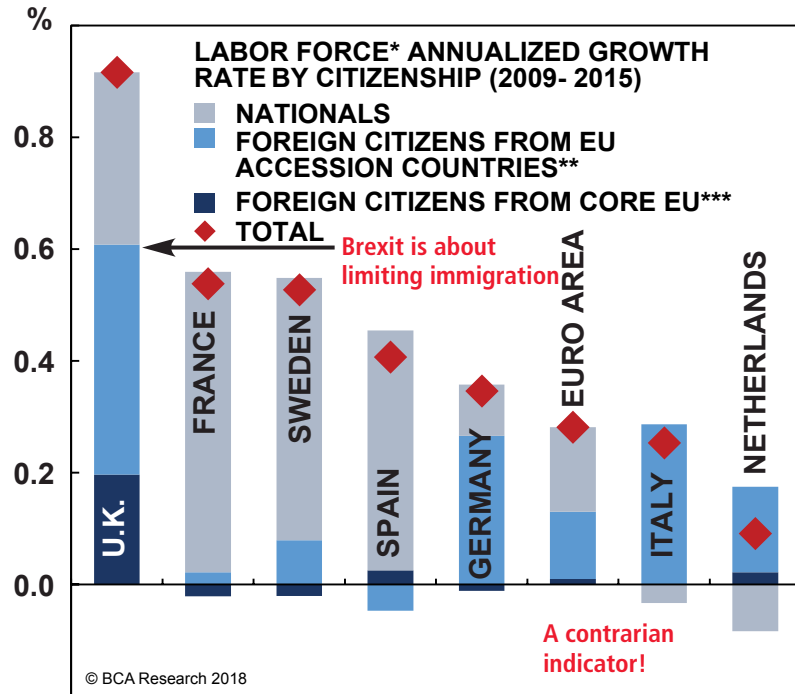
ACCESS TO COMMON MARKET UNLIKELY



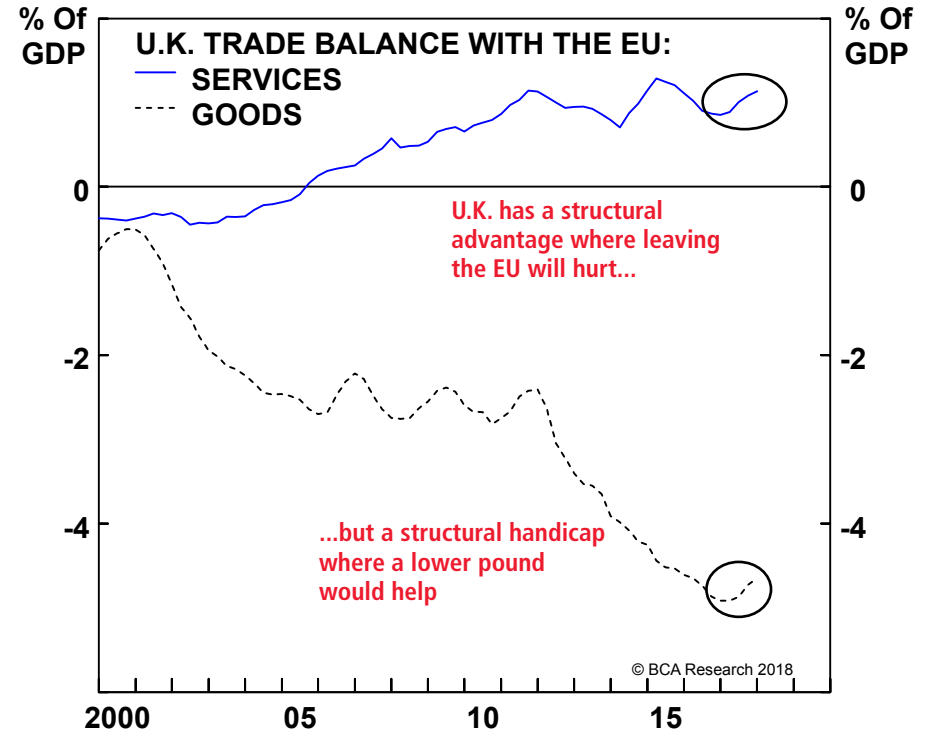
* RESPONDENTS CAN HAVE MULTIPLE ANSWERS.
SOURCE: EUROBAROMETER (2015), EUROPEAN COMMISSION.

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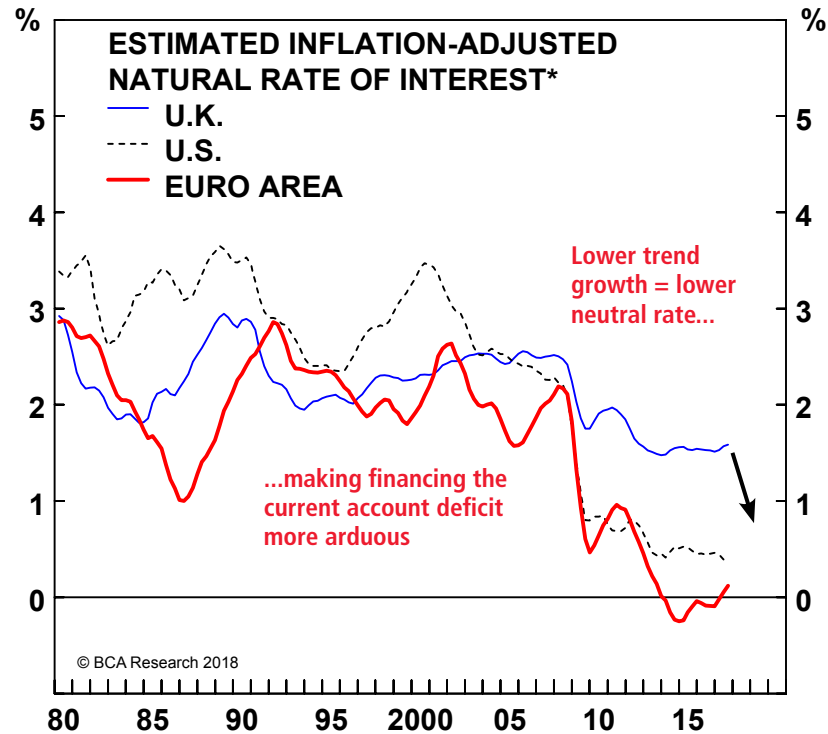
U.K. GROWTH: PERMANENT DOWNSHIFT IN CASE OF BREXIT



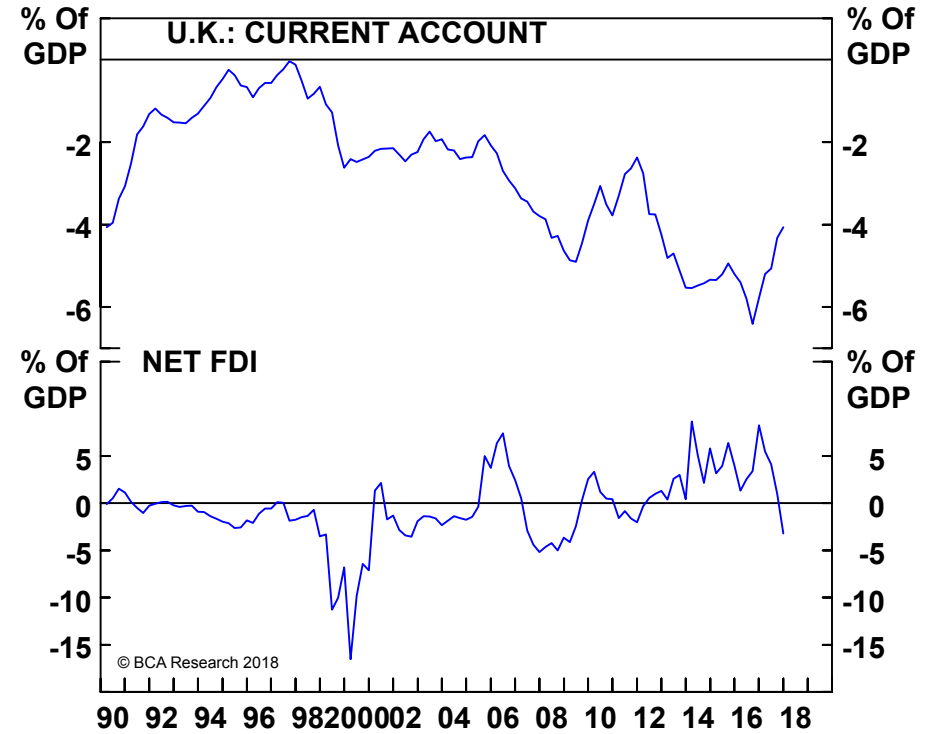
* ACTIVE POPULATION WHICH CONSISTS OF EMPLOYED AND UNEMPLOYED PERSONS AGED 20-TO-64 YEARS.
 ** BULGARIA, CROATIA, CYPRUS, CZECH REPUBLIC, ESTONIA, HUNGARY, LATVIA, LITHUANIA, MALTA, POLAND, ROMANIA, SLOVAKIA, AND SLOVENIA.
 *** 15 EU MEMBER STATES.
 SOURCE: EUROSTAT.



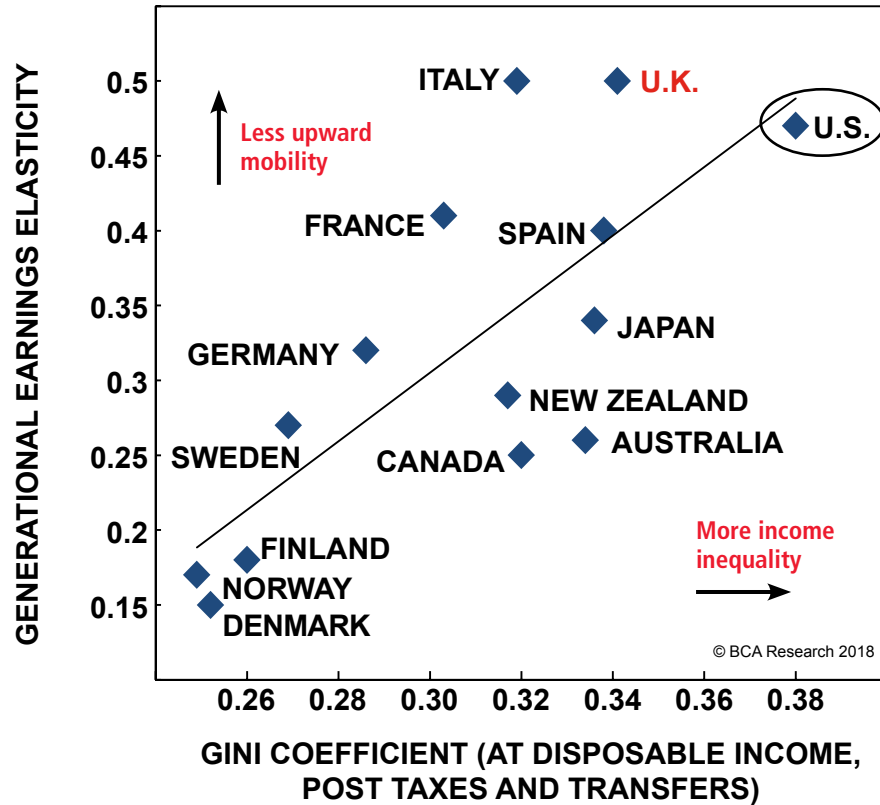
POUND: NOT AS CHEAP AS MAY SEEM



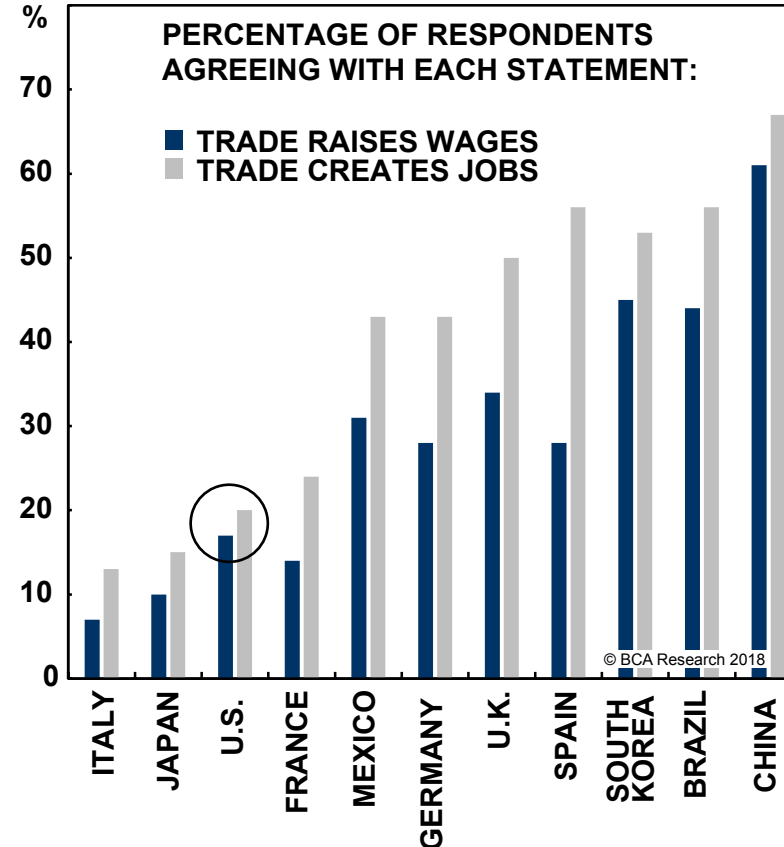
* SHOWN AS A 4-QUARTER MOVING AVERAGE.
 SOURCE: KATHRYN HOLSTON, THOMAS LAUBACH, AND JOHN C. WILLIAMS, "MEASURING THE NATURAL RATE OF INTEREST: INTERNATIONAL TRENDS AND DETERMINANTS," FEDERAL RESERVE BANK OF SAN FRANCISCO, WORKING PAPER 2016-11 (DECEMBER 2016).



DO NOT UNDERESTIMATE TRUMP ON NAFTA



SOURCE: CORAK (2011) AND OECD.
 GENERATIONAL EARNINGS ELASTICITY REFERS TO THE ELASTICITY OF THE SON'S EARNINGS WITH RESPECT TO THE FATHER'S. HIGHER ELASTICITY MEANS THAT THE SON'S EARNINGS ARE HIGHLY DEPENDENT ON THE FATHER'S, IMPLYING LOW SOCIAL MOBILITY.



SOURCE: SPRING 2014 GLOBAL ATTITUDES SURVEY, PEW RESEARCH.





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