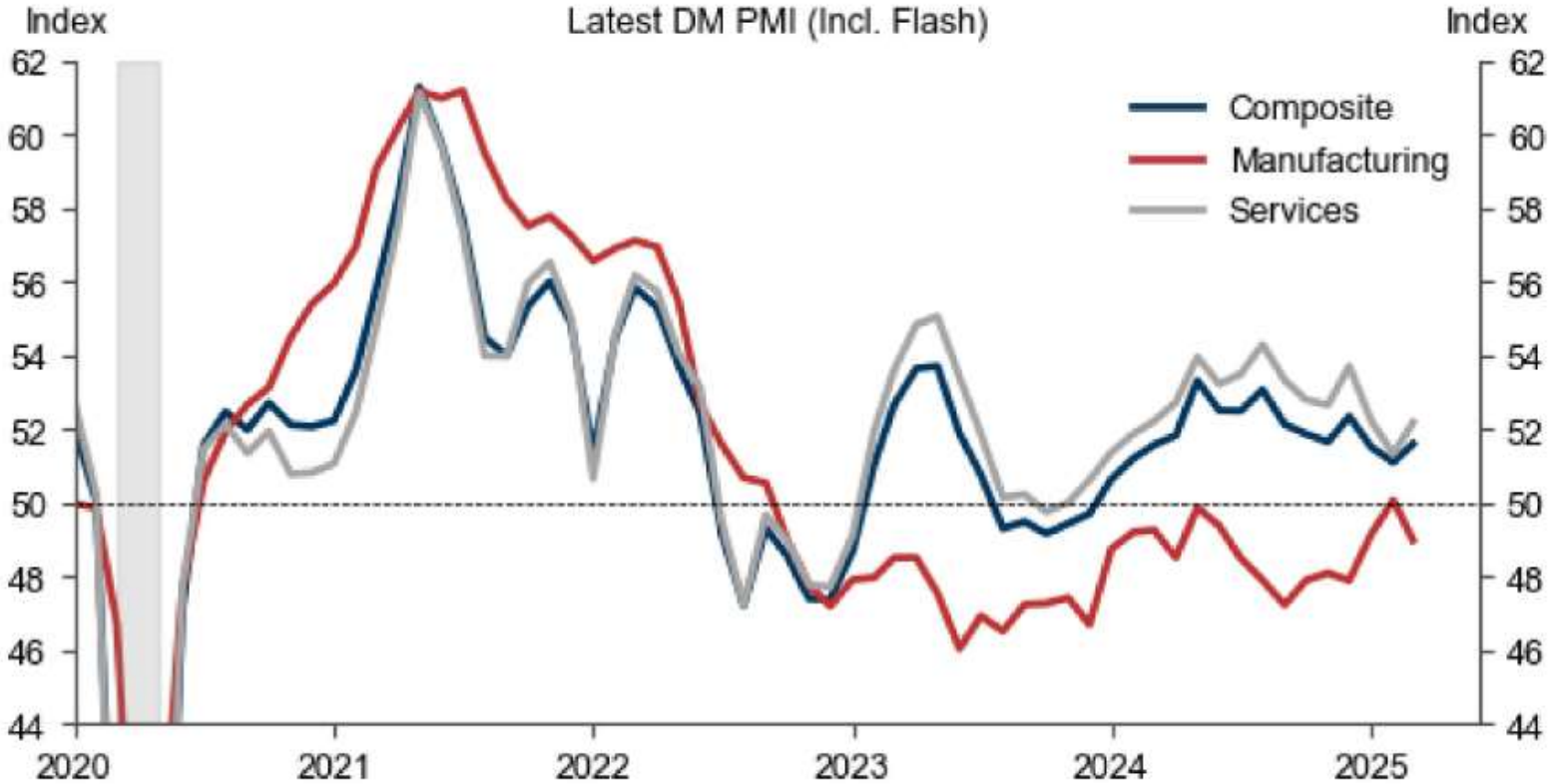


The DM Composite Flash PMI rose by +0.5pt to 51.6 in March, reflecting an increase in Services (+0.9pt to 52.2) but a decline in Manufacturing (-1.1pt to 49.9)



Note: Grey bars denote US recession.

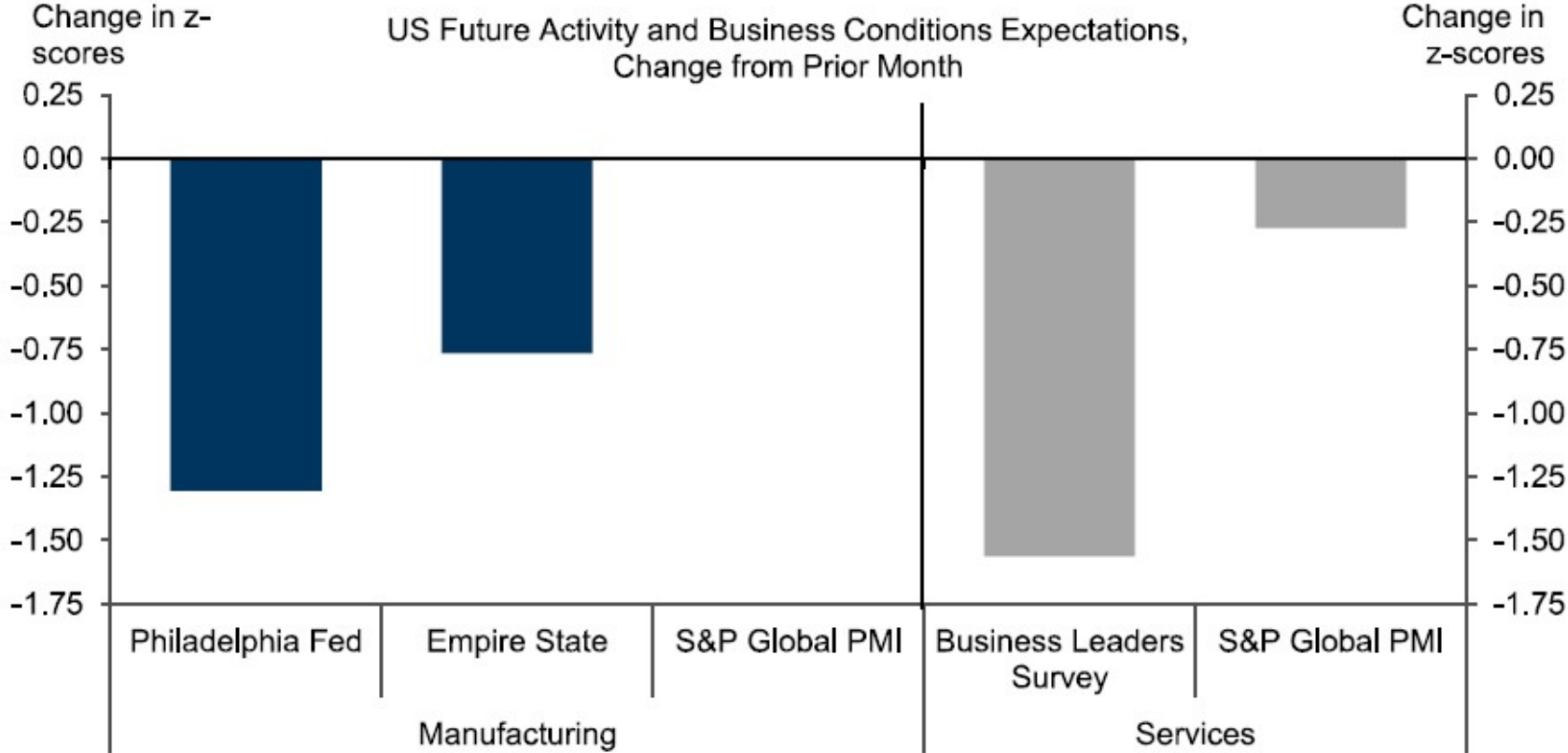
DM is a GDP weighted sum of PMI indices for the US, the Euro area, the UK, Australia, and Japan.

Source: S&P Global, Haver Analytics, Goldman Sachs Global Investment Research

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While the DM Composite Flash PMI rose to 51.6 in March, the US surveys suggest negative signals for future activity and business conditions



Source: S&P Global, US Federal Reserve Bank, Haver, Goldman Sachs Global Investment Research

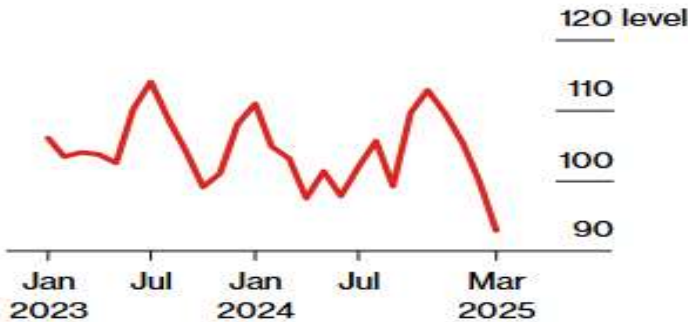
Conference Board survey on Consumer Sentiment fell to the lowest level since January 2021, the fourth straight month of decline, while inflation expectations increased to the highest level in two years



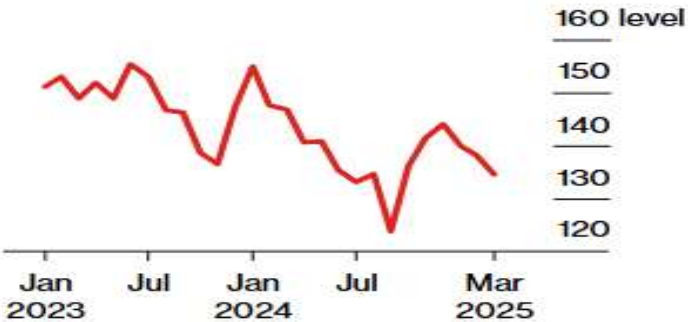
US Consumer Confidence Declines Again in March

Gauge of confidence falls to the lowest in four years

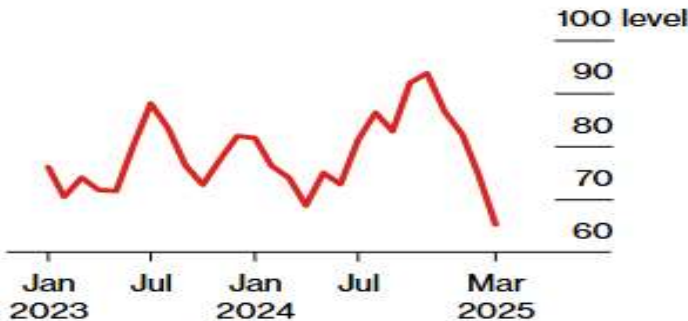
Consumer confidence



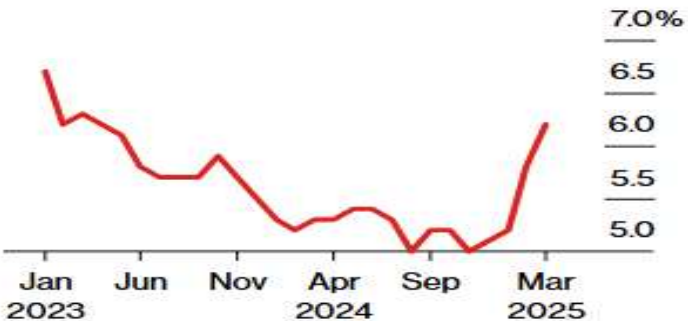
Present situation



Expectations



Inflation expectations

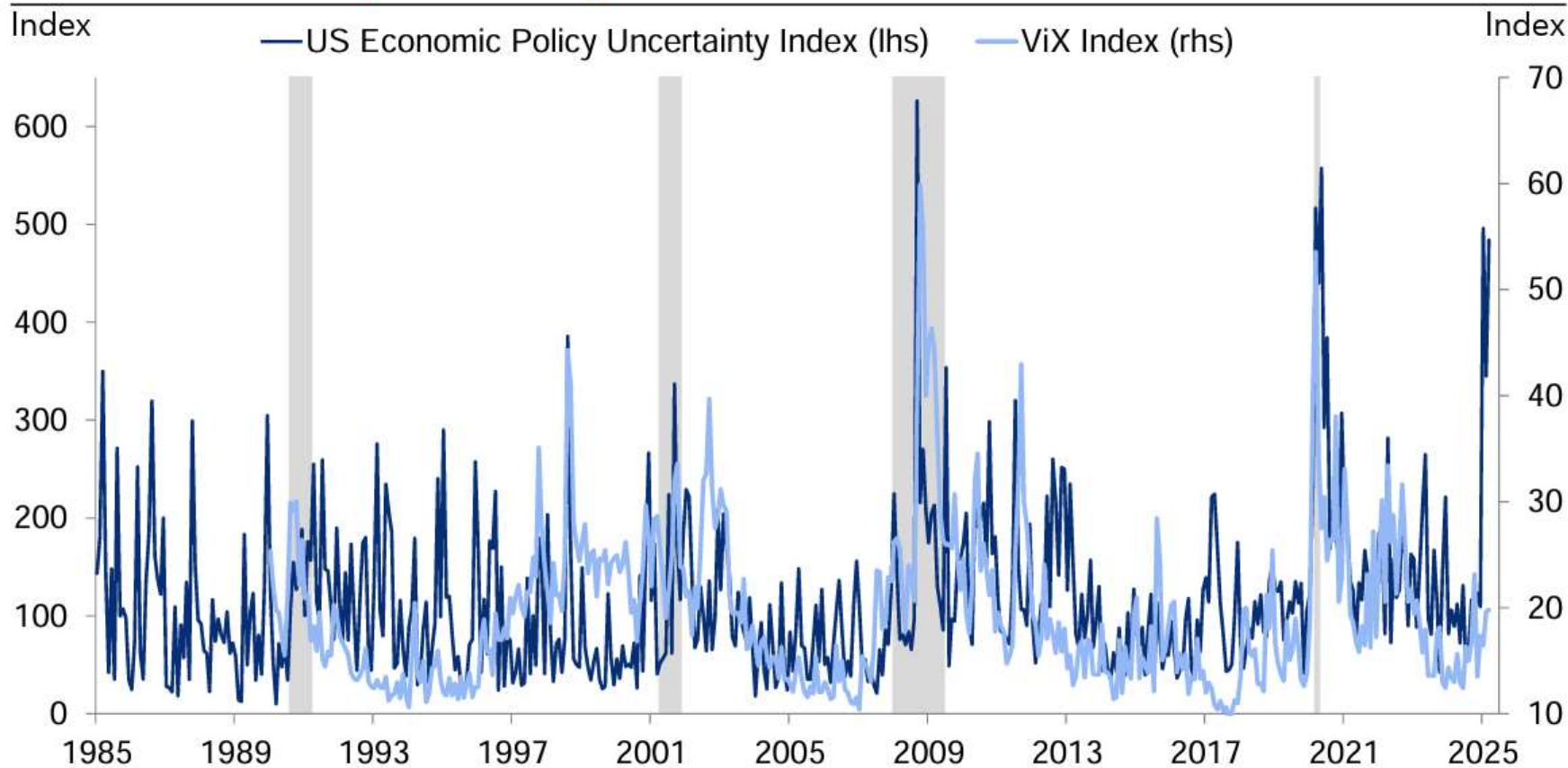


Source: The Conference Board

US Policy Uncertainty index has risen towards GFC levels. Markets are starting to respond but nowhere near as much as this chart would suggest. More volatility to come in Q2 ?



US Economic Policy Uncertainty vs. VIX Index



Source: Baker, Bloom & Davis, Bloomberg Finance LP, Deutsche Bank

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The “Magnificent Seven” forward P/E has declined to the lowest level since November 2023 after the -20% correction since mid-December ... near an entry point ?



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