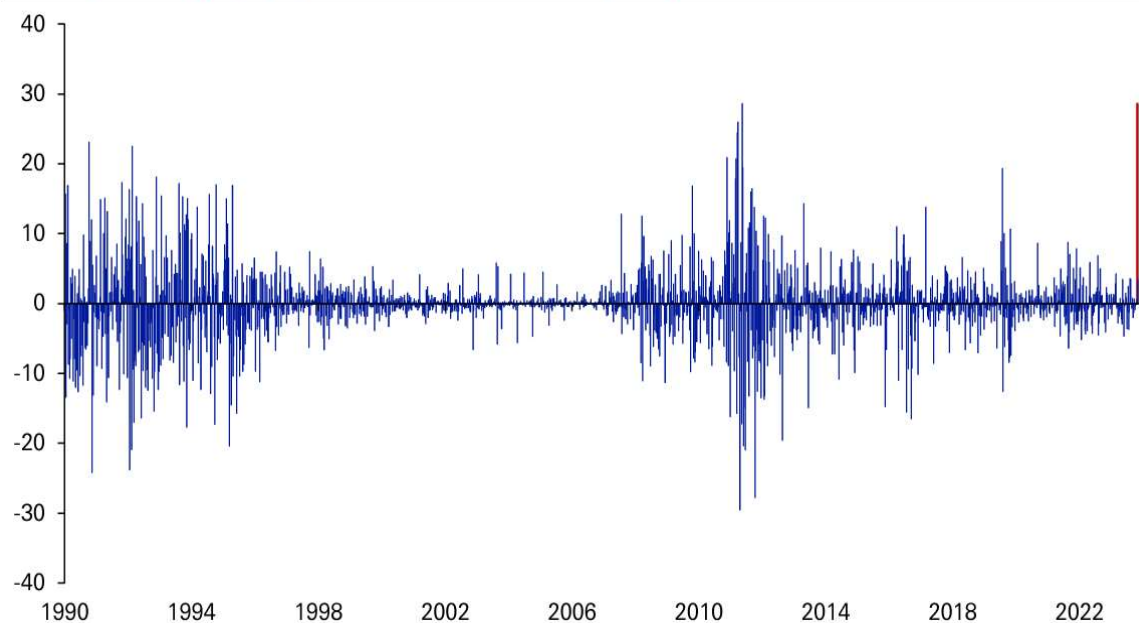
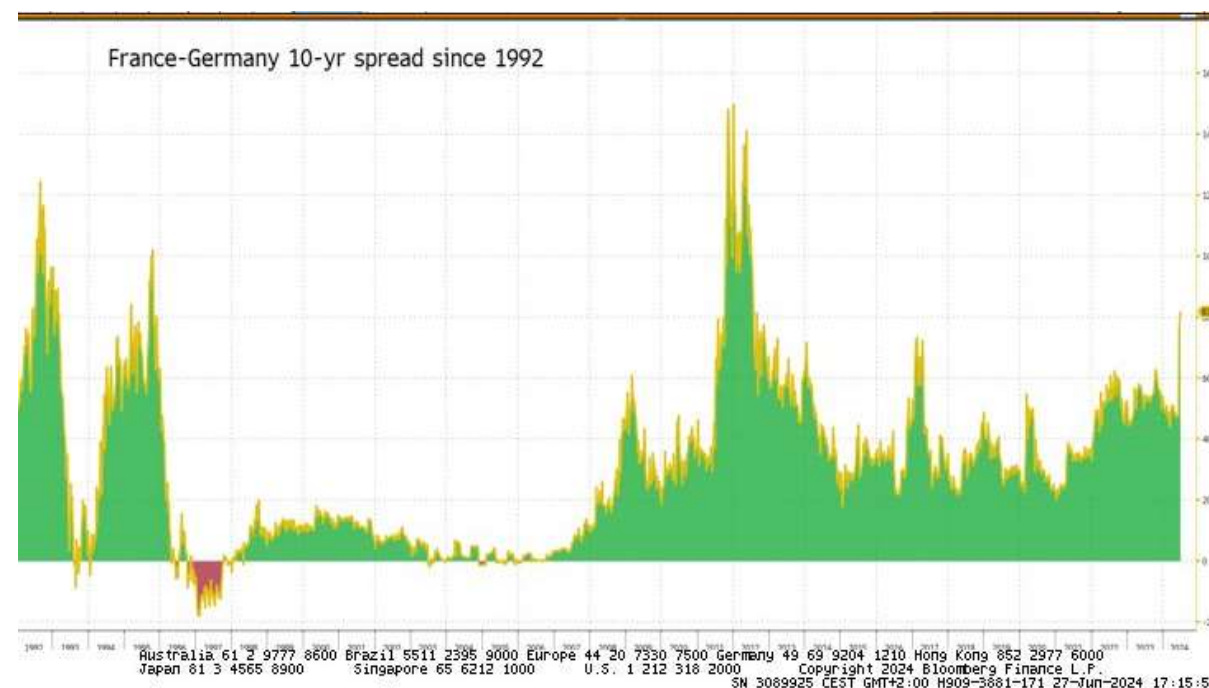


## Markets are becoming more concerned about debt trajectories ahead of the snap election in France

Weekly Change (bps) in Franco-German 10yr Spread



Source: Bloomberg Finance LP, Deutsche Bank

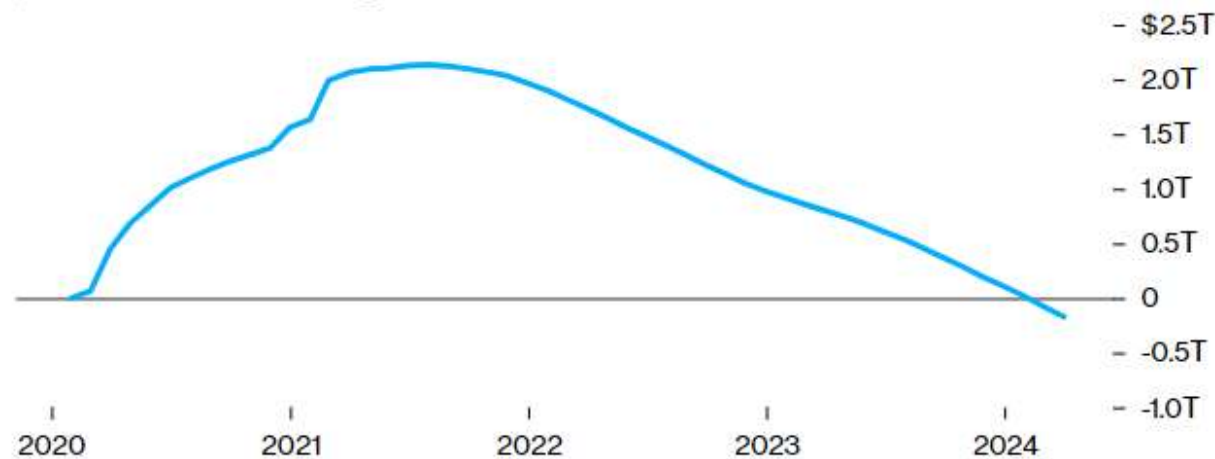


Excess savings stored away during the pandemic have been fully depleted as of March, according to the Federal Reserve Bank of San Francisco, heightening concerns about the durability of consumer spending

### Americans Saved and Spent Their Pandemic Windfalls

Excess savings reached \$2.1 trillion in 2021, helping to propel spending

▲ Cumulative excess savings



Source: Bureau of Economic Analysis, San Francisco Fed staff calculations

### Missing Payments

Share of balances that are 90+ days delinquent

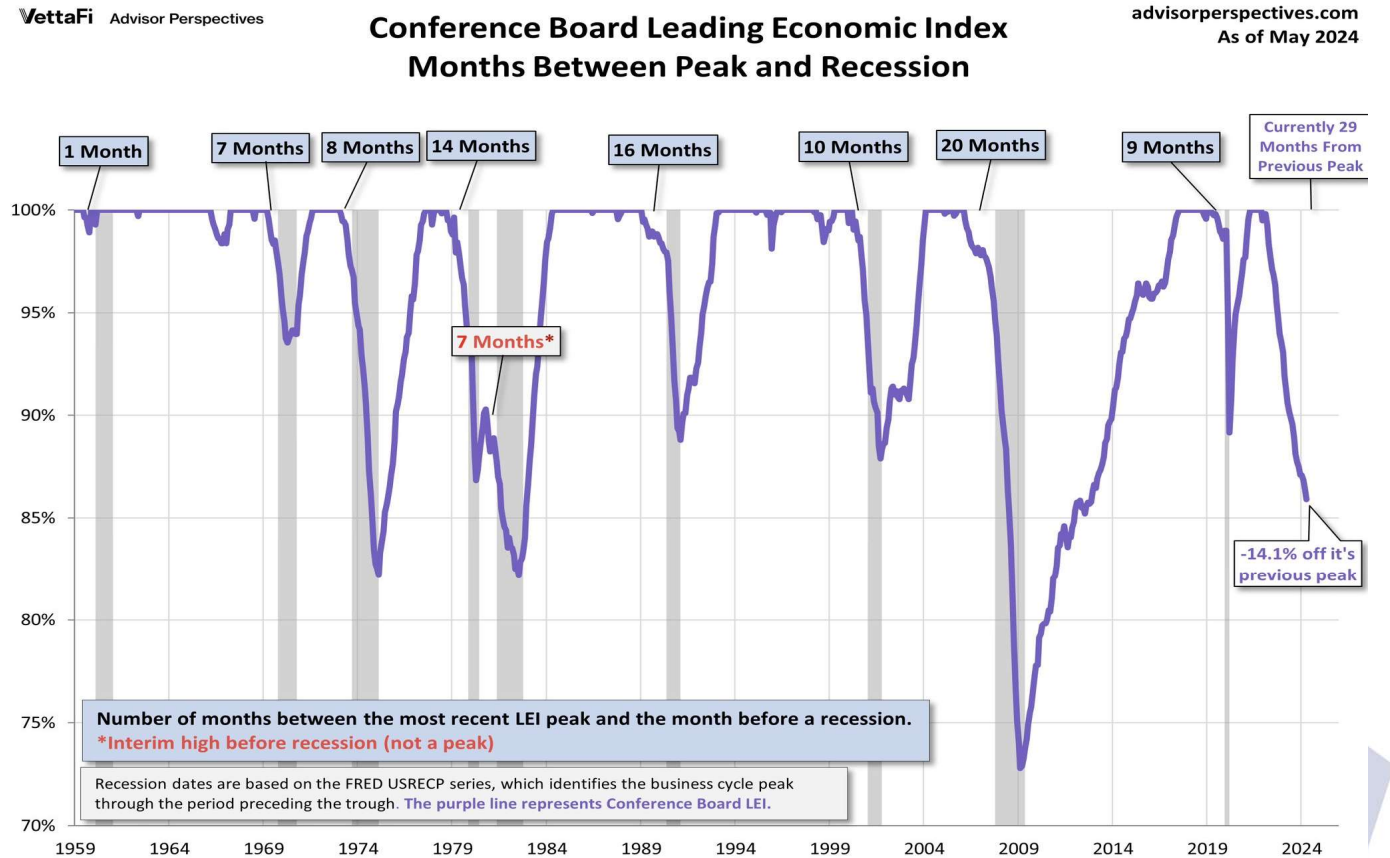
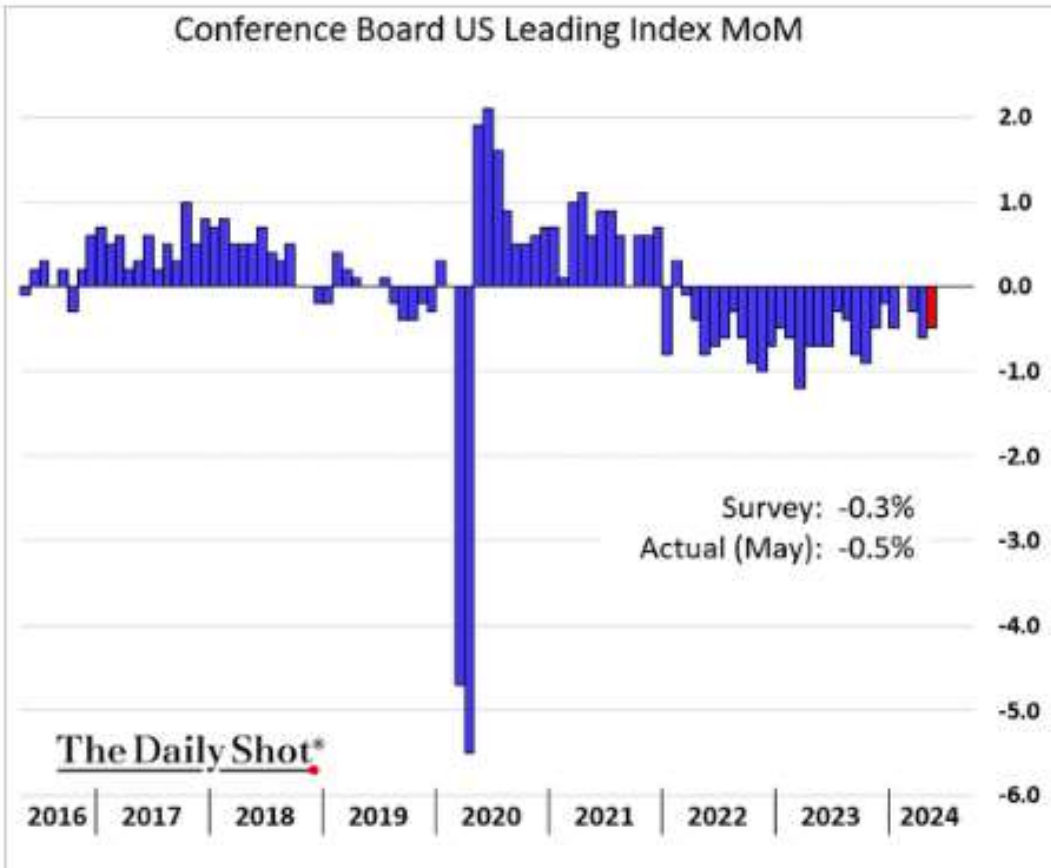
▲ Auto Loans ▲ Credit Cards



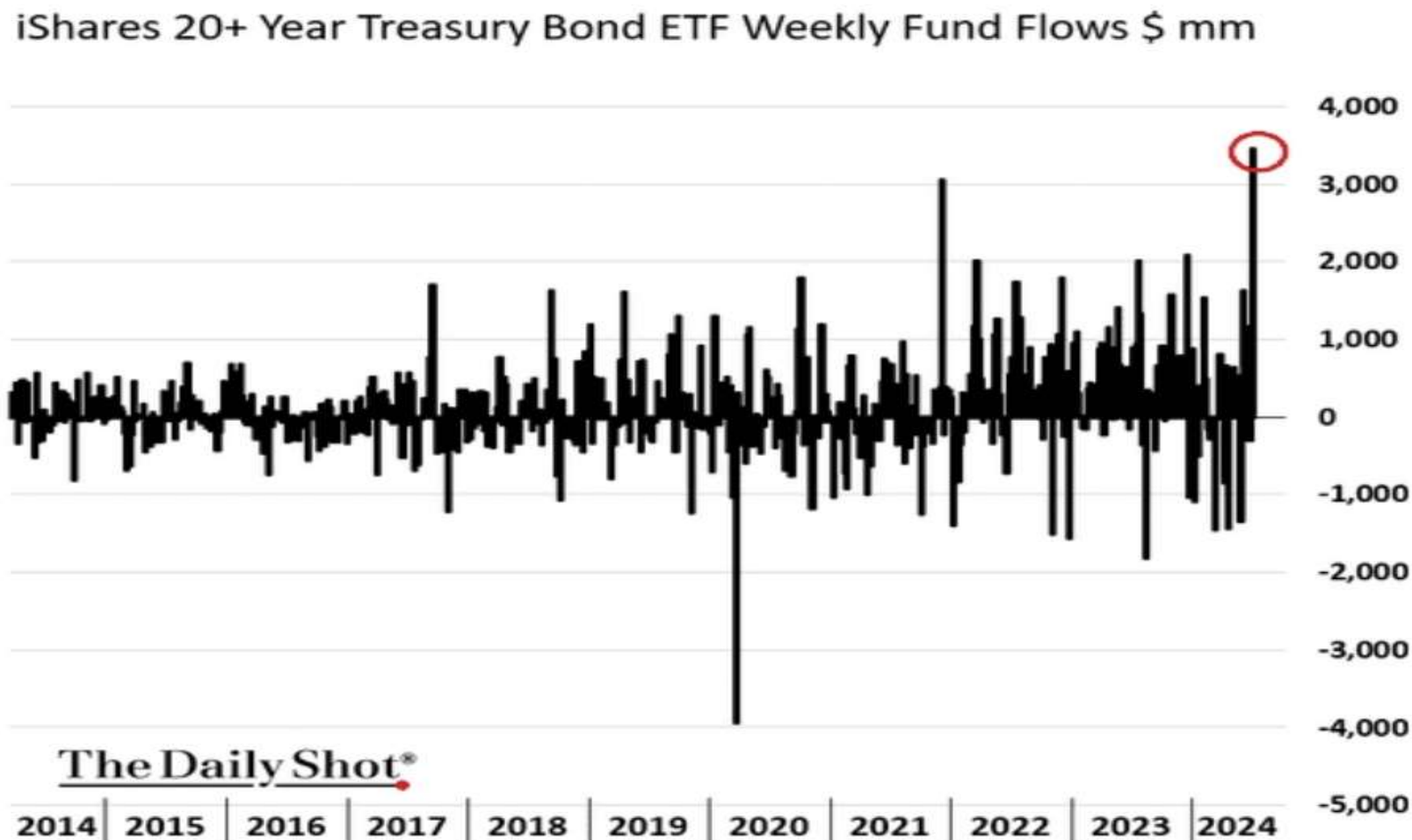
Source: Federal Reserve Bank of New York



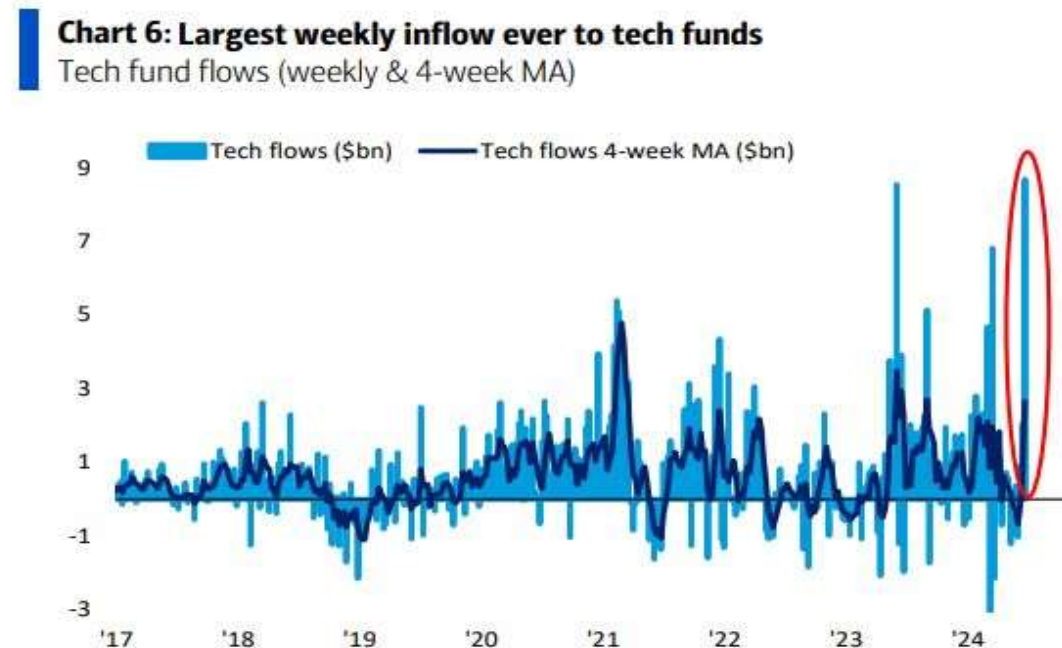
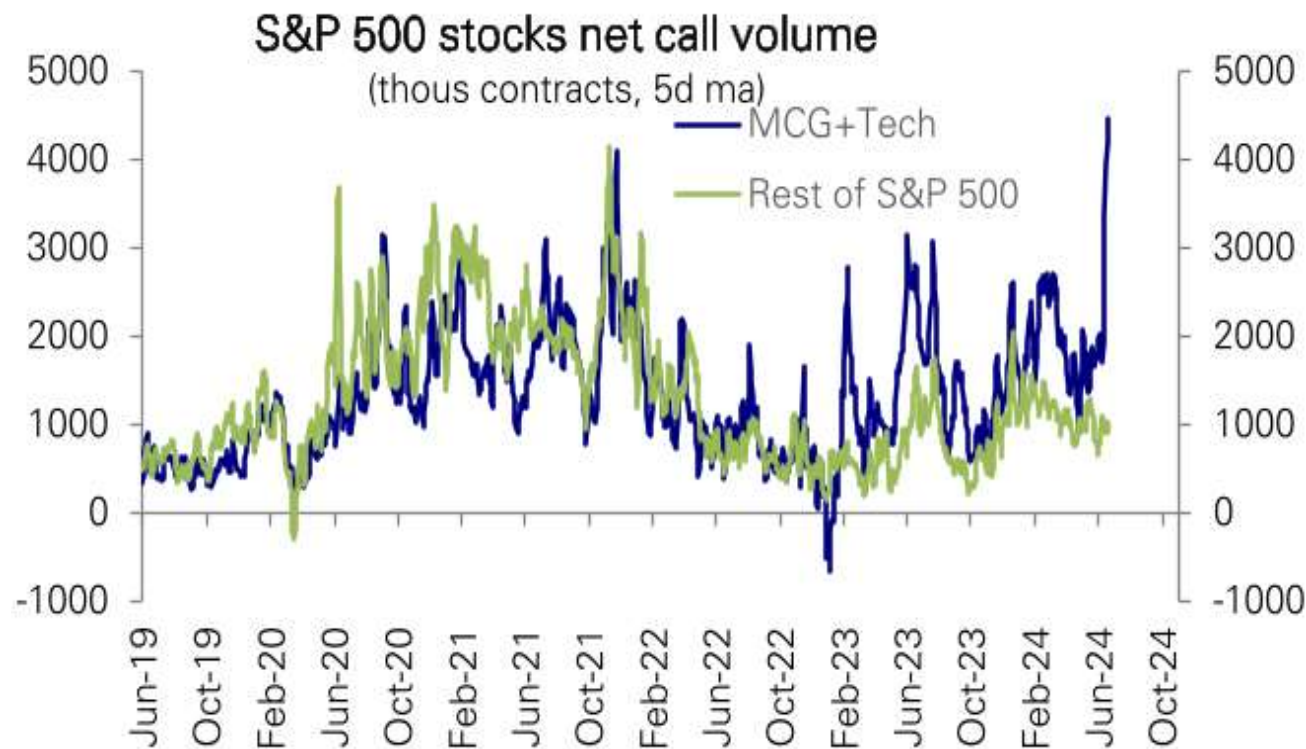
US Leading Economic Index (LEI) declined again in May and is down 14.7% from this economic cycle peak. In the last 65 years, such a drop happened only during recessions



Treasury Bond ETF 20+ year saw record flows, its largest weekly inflow in history



Net call volume on mega-cap growth and inflow into technology funds hitting record high suggest an over-extended positioning into these momentum stocks



Source: BofA Global Investment Strategy, EPFR

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