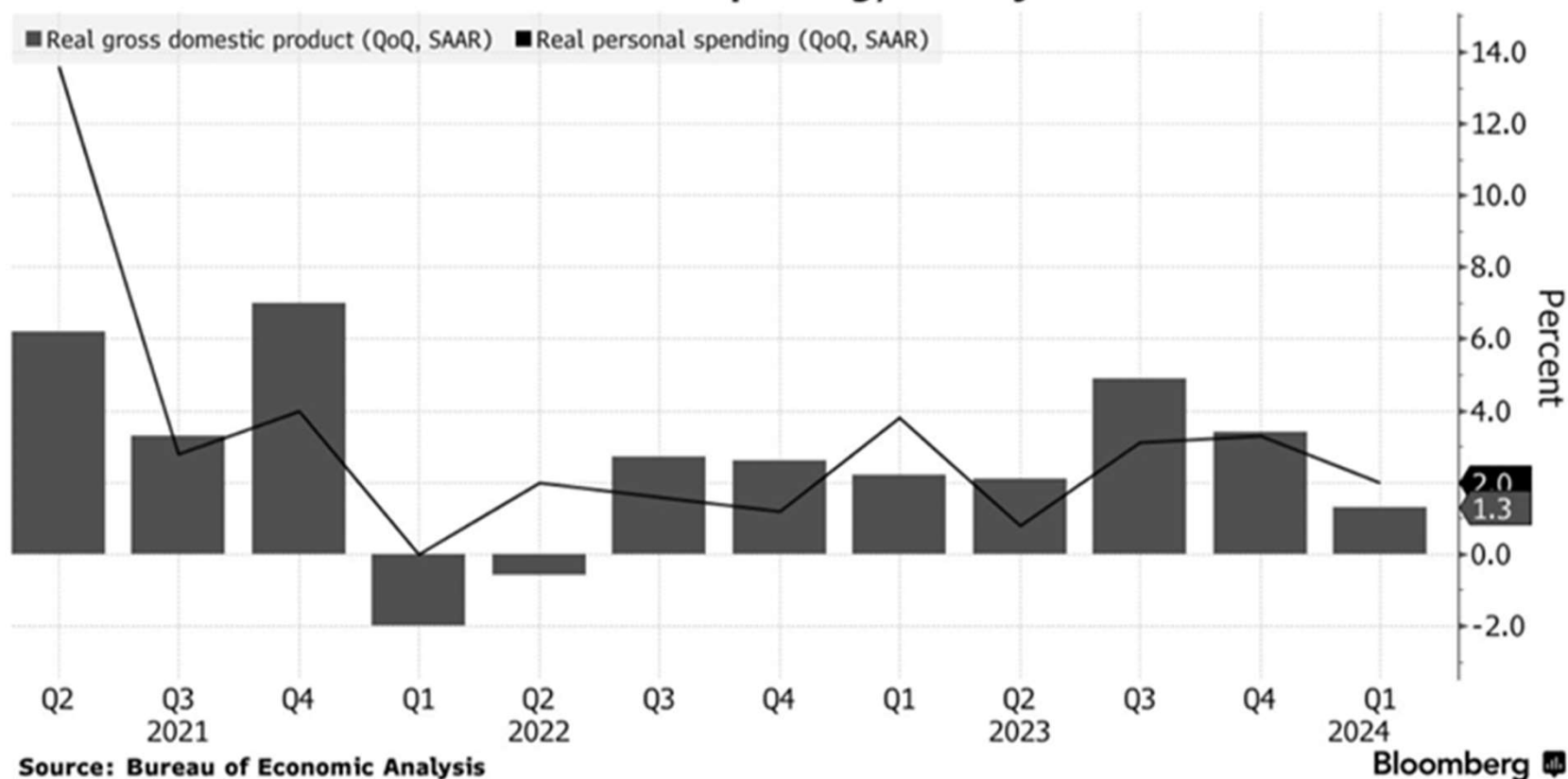


The US economy expanded at an annualized rate of 1.3% in Q1 2024, down from the initial estimate of 1.6%, on soft consumer spending

US Economy Cooled in First Quarter

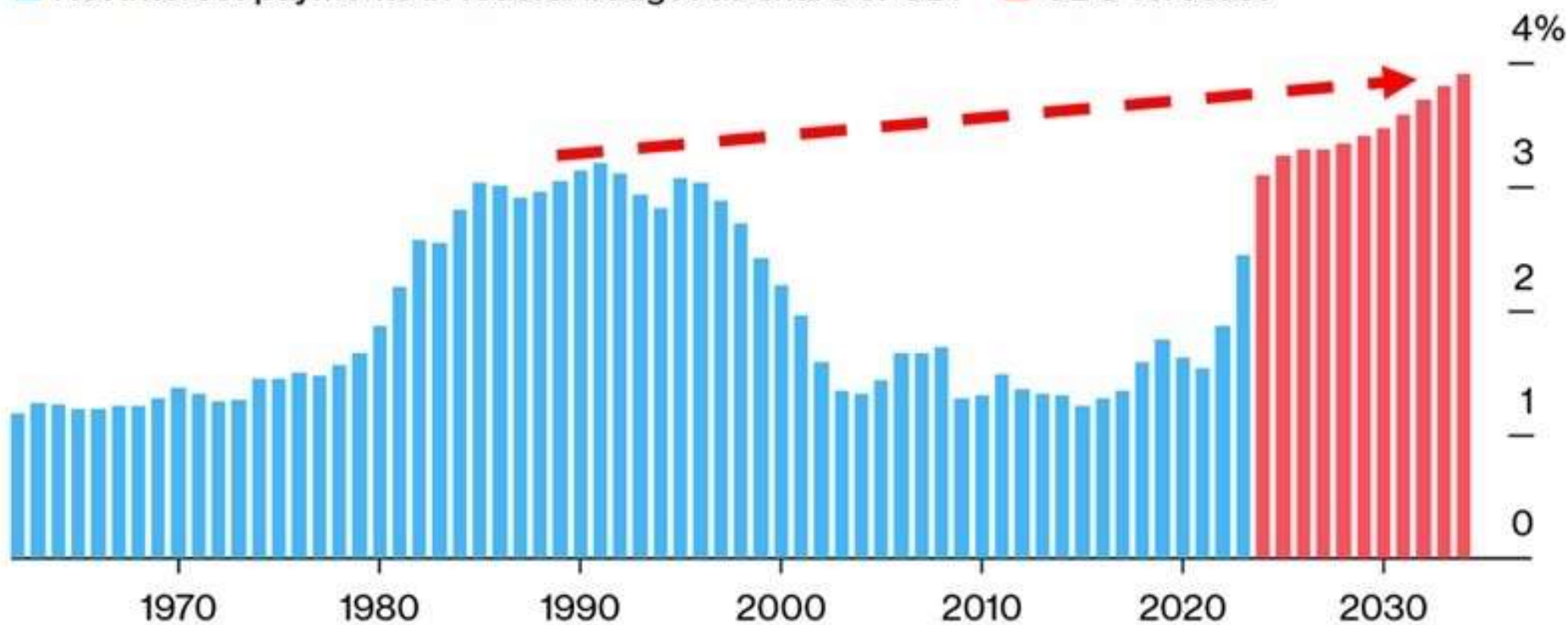
Revised data showed softer consumer spending, notably on vehicles



US net interest payments as a share of GDP are set to reach 3.9% by 2034, the highest in history. This exceeds the record percentage seen in the 1990s as well as World War II levels. This projection assumes no recession hits within the next 10 years

CBO Predicts a Surge in US Debt Costs

■ Net interest payments in federal budget as share of GDP ■ CBO forecast

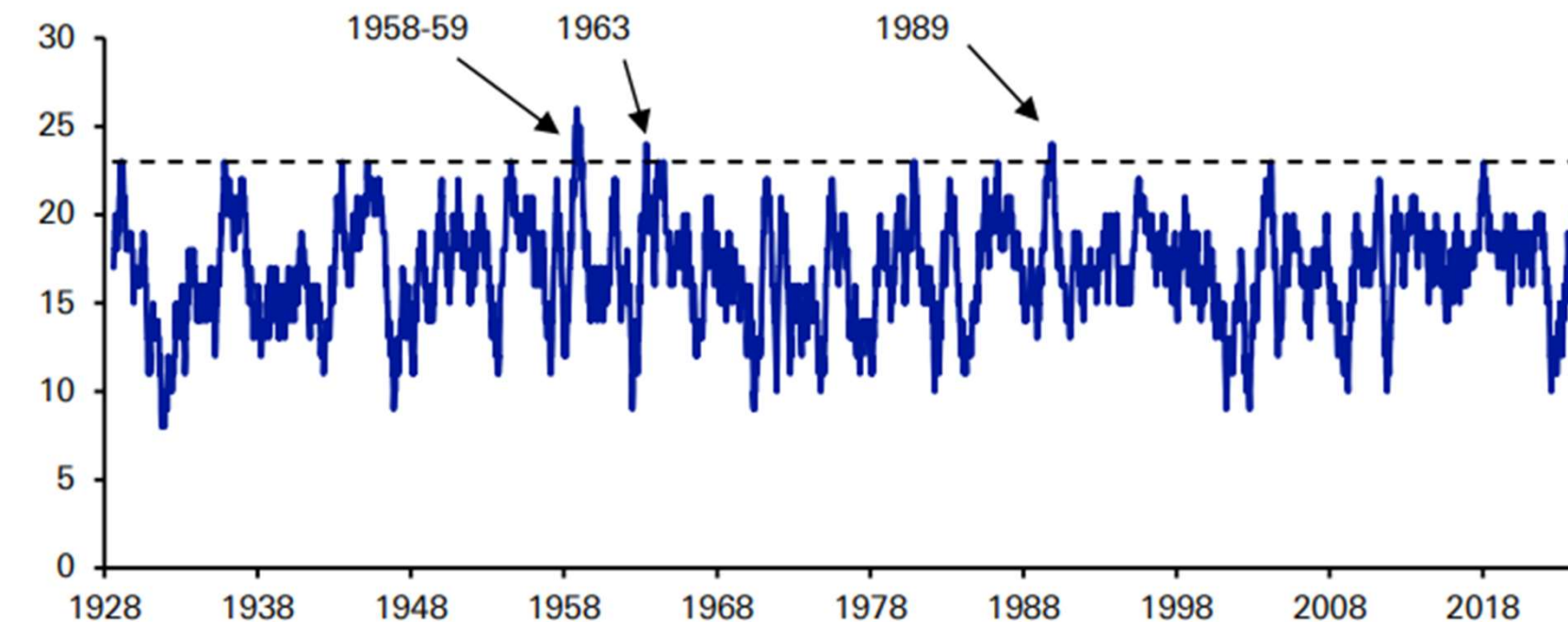


Source: Congressional Budget Office

POSTED BY @KOBESSILETTER

The S&P 500 just posted its best weekly streak in 35 years. The index has increased in 23 of the last 30 weeks, a joint record since 1989, according to Deutsche Bank

Figure 1: Number of positive weekly performances for the S&P 500 in the last 30 weeks - currently at 23/30, which is a joint record since 1989



Source : Bloomberg Finance LP, Deutsche Bank

The relative outperformance of semiconductor stocks is hitting a new record, surpassing the dot-com period

Chart 4: Semis relative to S&P500 just exceeded Mar'00 high
Semiconductors (SOX) vs S&P 500 (price relative)

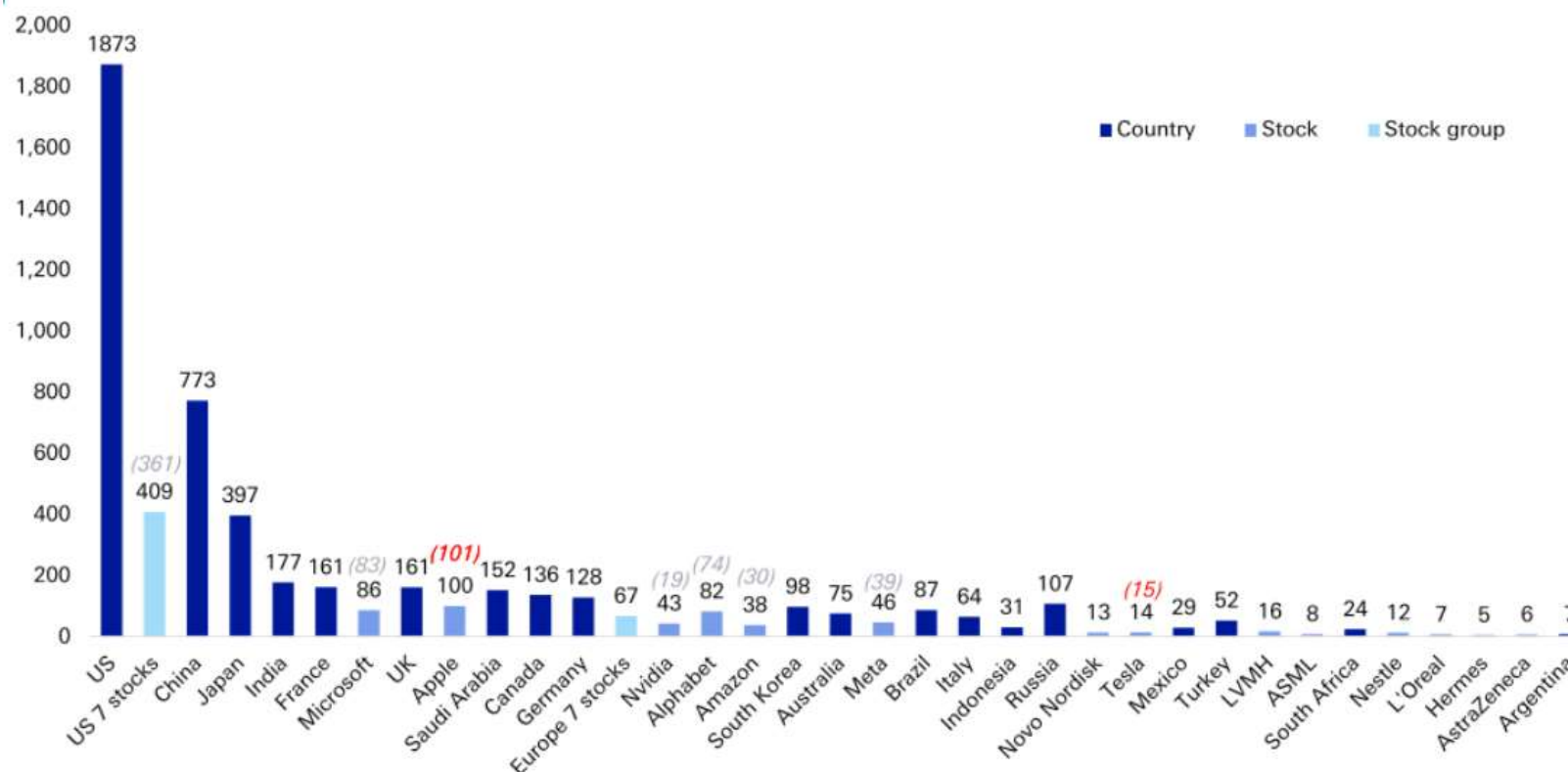


Source: BofA Global Investment Strategy, Bloomberg

BofA GLOBAL RESEARCH

In terms of profits, the Mag-7 have now collectively passed the listed Japanese equity universe. Outside of the US and China, they would be the most profitable stock market in the world if these seven stocks were a country

LTM profit (USD) of listed equities in G20 countries* by domicile, plus the Mag 7 and 7 largest stocks in Europe for comparison. Numbers in brackets refer to LTM profits back in February for the Mag-7. Red highlights where now lower.



Source: Bloomberg Finance LP, Deutsche Bank. *Note: aggregates are a sum of LTM net profit of common and preference stocks domiciled in a particular country, excluding stocks with a market cap below \$200m.