

The Roaring '20s: How pent-up demand can power growth

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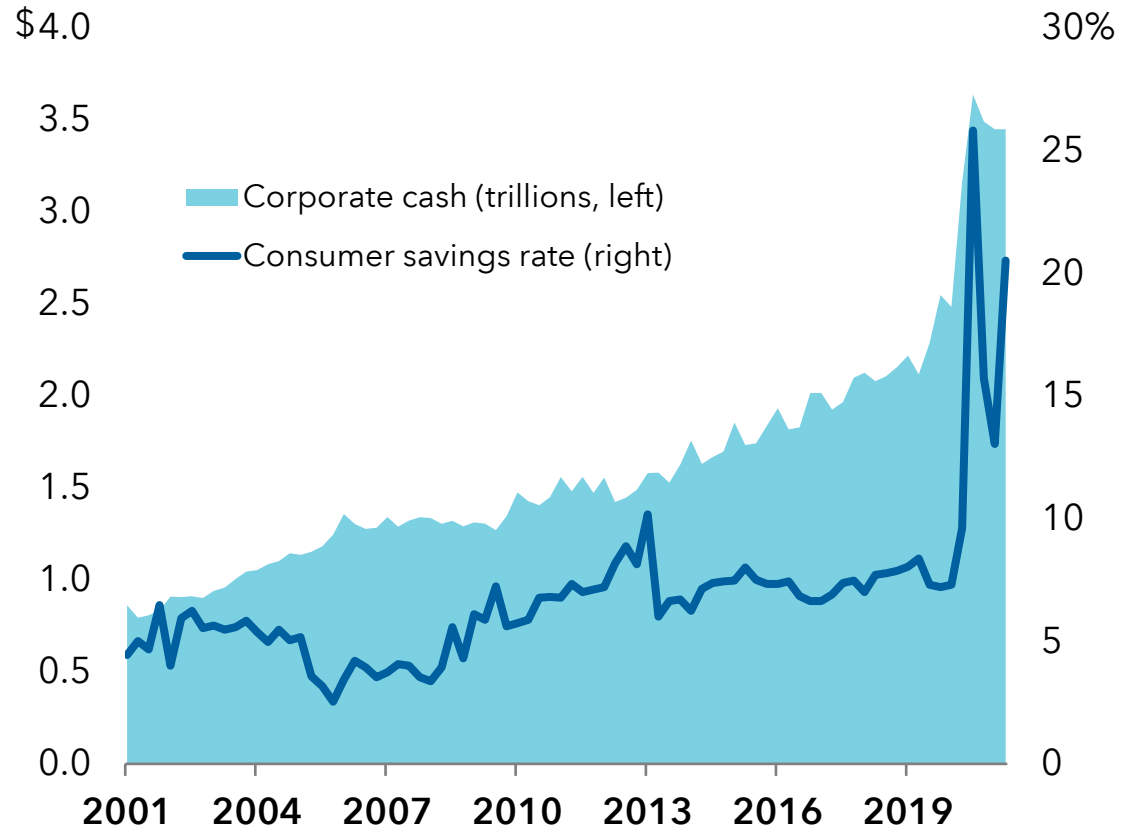
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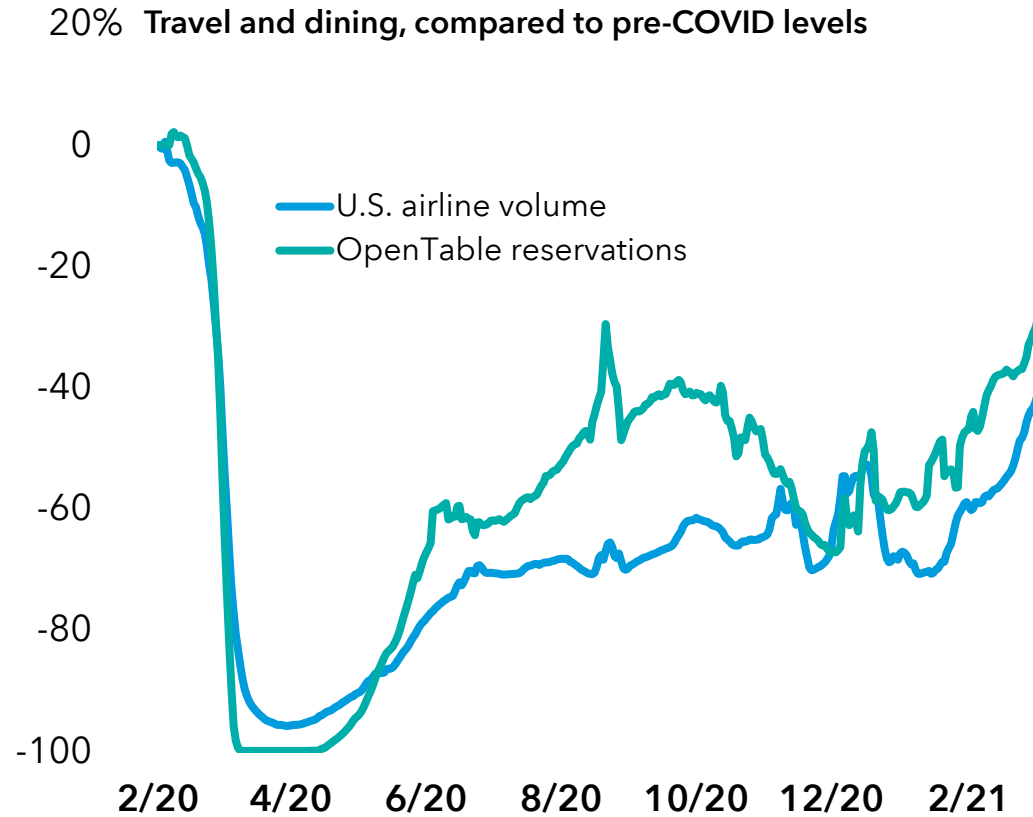
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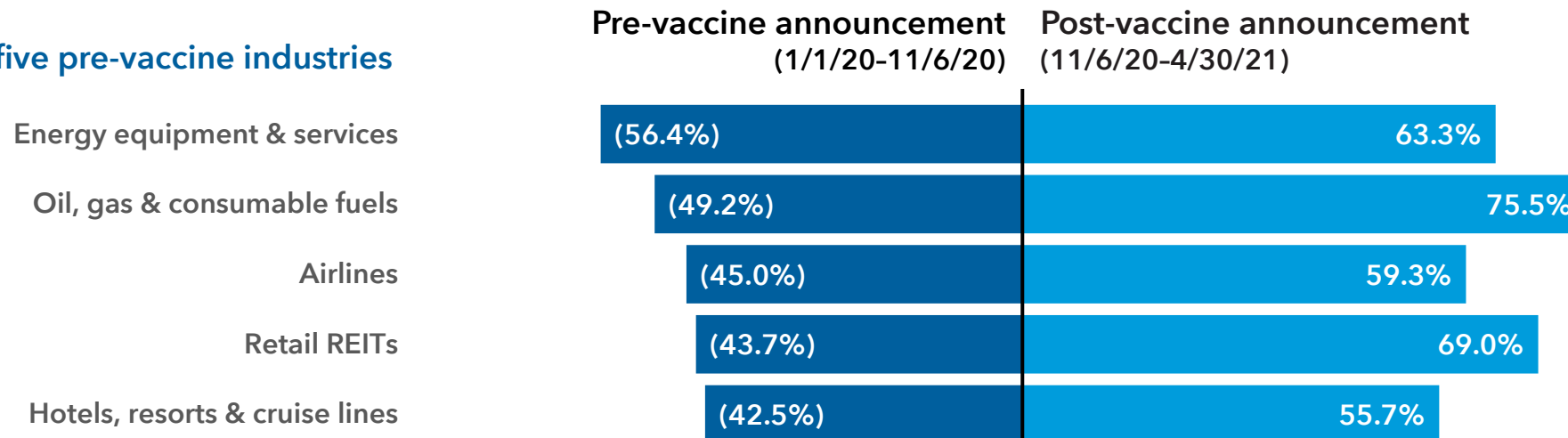
Sources: Bureau of Economic Analysis, Federal Reserve, Refinitiv Datastream. Corporate cash is as of 12/31/20 and is in USD. Savings rate is expressed as a percent of disposable income and is as of 3/31/21.



Sources: OpenTable, Transportation Security Administration. Airline volume represents number of U.S. passengers screened by TSA and uses 2/18/20 as the pre-COVID baseline. All data uses seven-day smoothed averages.

Value or growth? Why not both?

Bottom five pre-vaccine industries

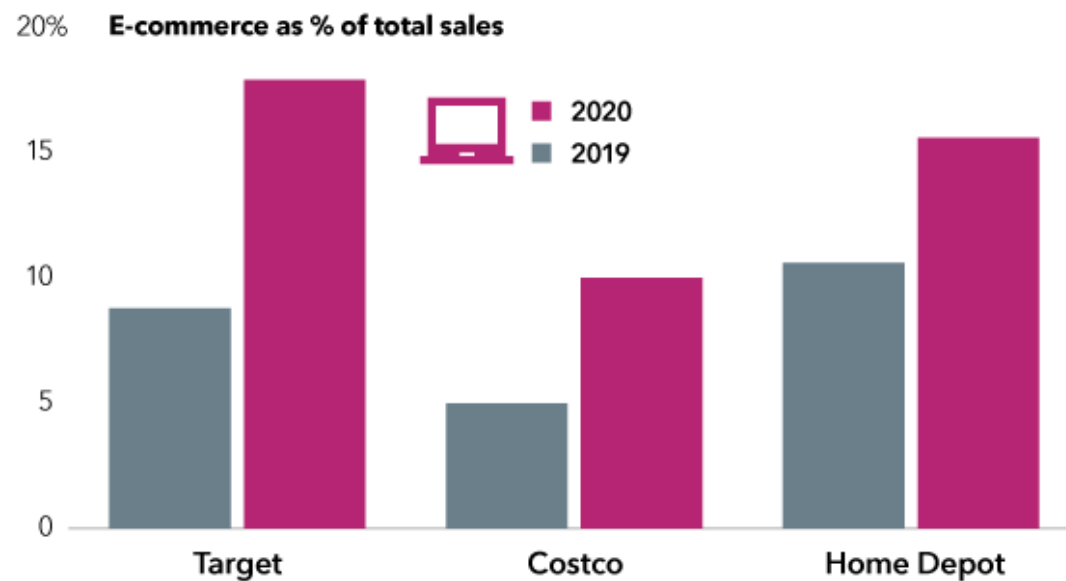
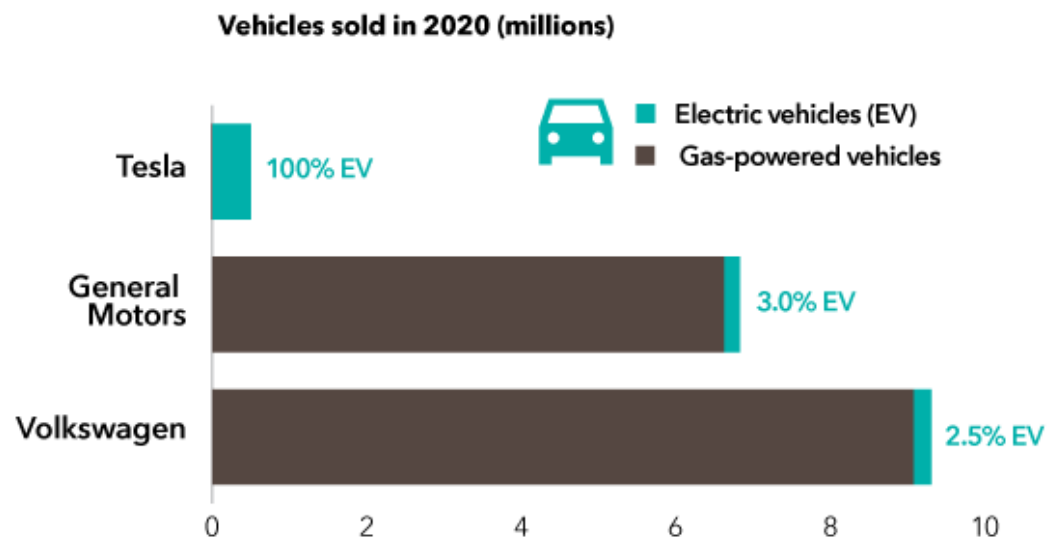


Top five pre-vaccine industries

Industry	Pre-vaccine announcement (1/1/20-11/6/20)	Post-vaccine announcement (11/6/20-4/30/21)
Online retail	+68.2%	+7.8%
Wireless telecommunication services	+57.6%	+6.9%
Technology hardware	+56.4%	+13.3%
Air freight & logistics	+52.3%	+16.4%
Software	+44.1%	+10.2%

Sources: FactSet, Standard & Poor's. All data represent total returns for industries within the Standard & Poor's 500 Composite Index and are in USD. Pre-vaccine announcement covers the period from 1/1/20 to 11/6/20. Post-vaccine announcement covers the period from 11/6/20 to 4/30/21. 11/6/20 was the last business day before the Pfizer-BioNTech vaccine candidate was revealed to have more than 90% efficacy against COVID-19 in global trials.

The empire strikes back: Some established companies adapt to disruption



Sources: Company financials. General Motors sales include SAIC-GM-Wuling joint venture.

Sources: Company financials, FactSet. Target and Costco reflect fiscal year 2020 and 2019 sales. Home Depot reflects fourth quarter 2020 and 2019 sales.

Will a global recovery give European banks a boost?

Total return since 2008

150%

— MSCI World Index excluding European banks
— European banks

100

50

0

-50

-100

2008

2010

2012

2014

2016

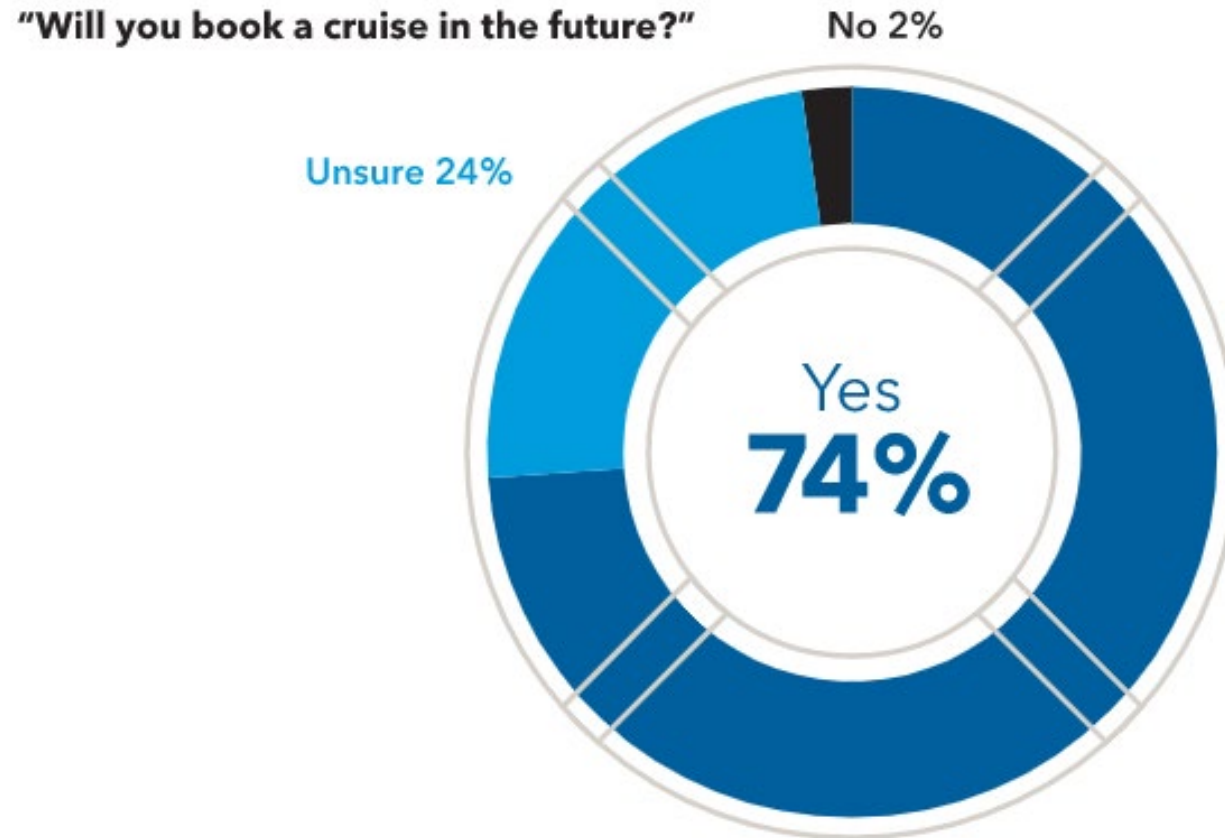
2018

2020

Sources: MSCI, RIMES. As of 4/30/21. Returns are in USD.

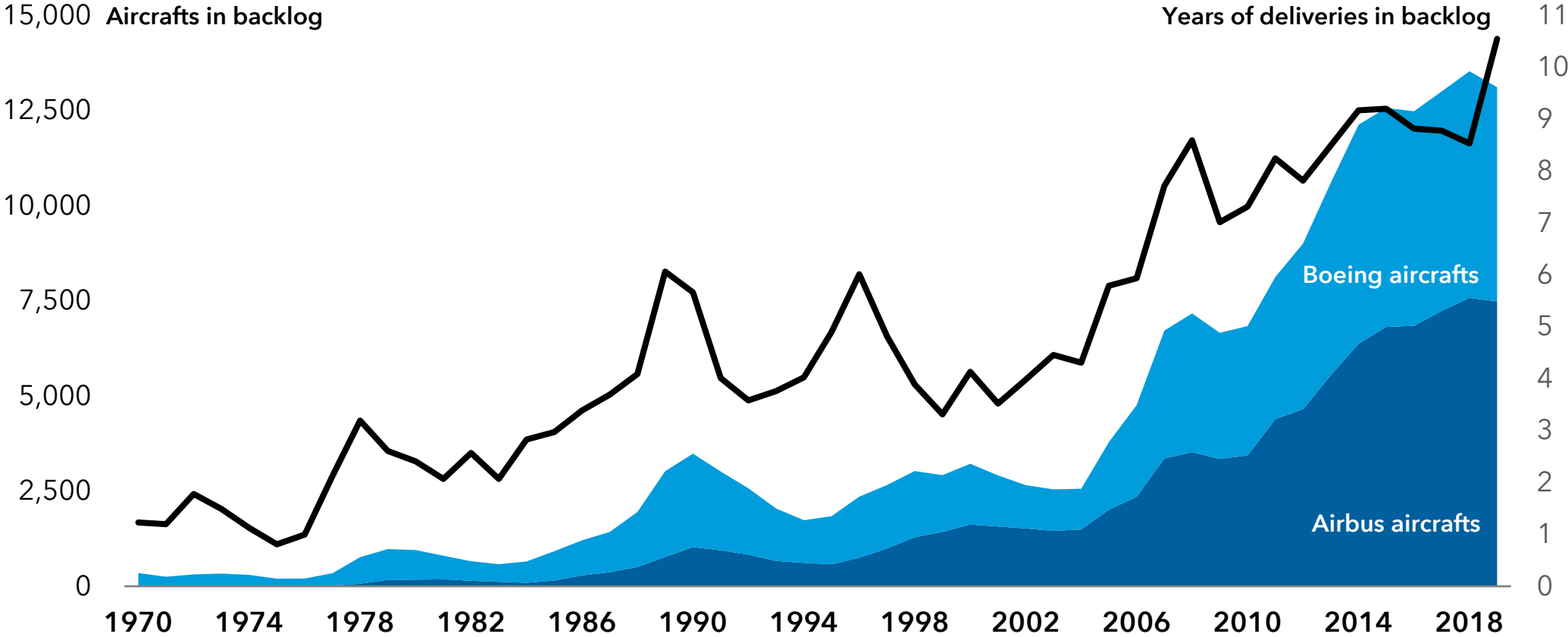
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Loyal customers could keep cruise industry afloat



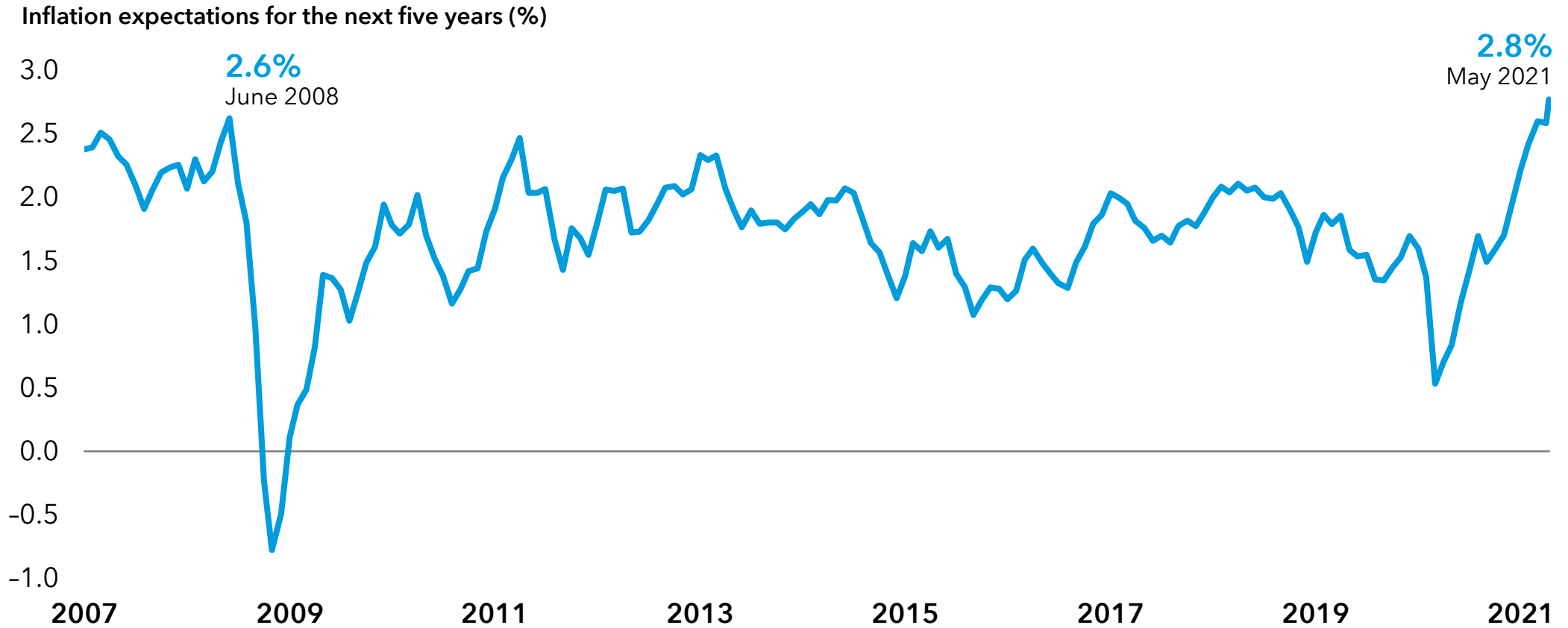
Source: Cruise Critic. Survey responses were collected June 15-22, 2020, from 2,897 Cruise Critic readers, a group which typically includes experienced cruise customers.

Record aircraft backlog could boost long-term industry outlook



Sources: Capital Group, Bank of America Merrill Lynch. As of 12/31/19.

Inflation expectations hit a 13-year high – short term or here to stay?



Source: Bloomberg. As of 5/10/21. Inflation expectations represented by the five-year breakeven inflation rate, which is derived from the five-year Treasury rate and five-year inflation-adjusted Treasury rate, and implies what market participants expect the average inflation rate to be over the next five years.

Concerns about rising rates may be overblown

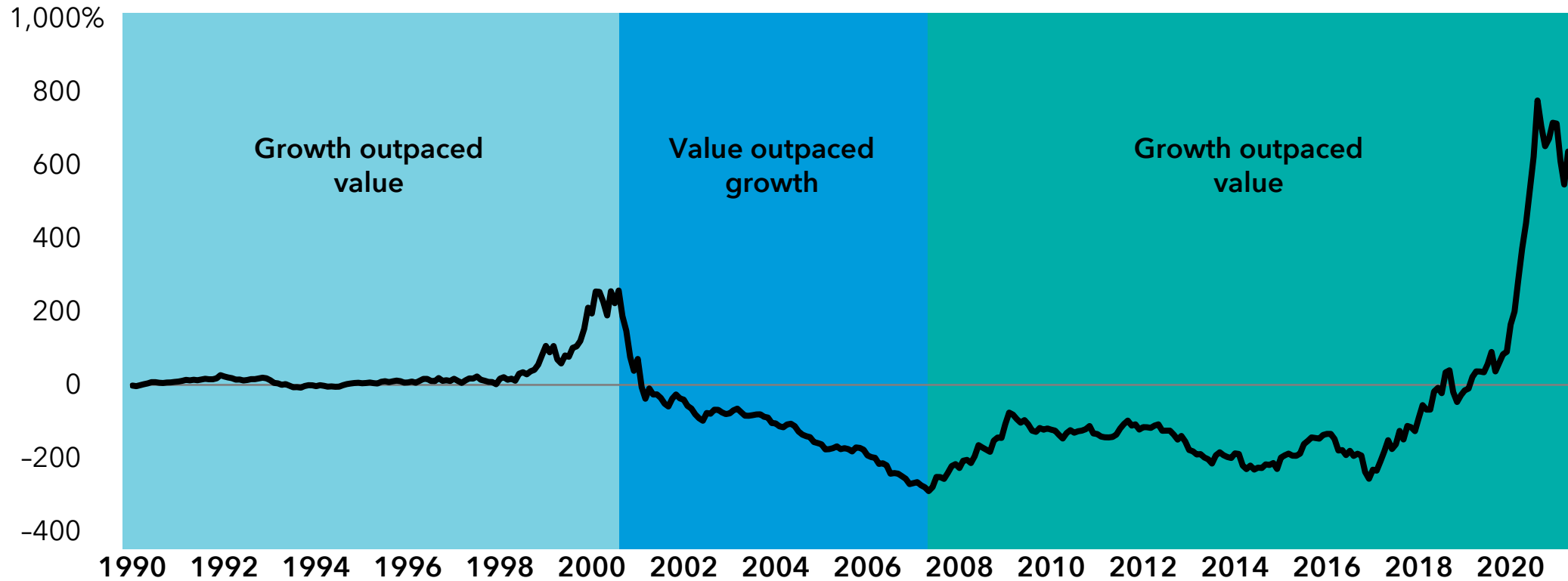


Sources: Capital Group, Bloomberg, Federal Reserve. As of 3/31/21. Tapering refers to the slowing and eventual ending of central bank asset purchases that were originally implemented to help stimulate the economy.

Growth and value have gone through long cycles

Is this the start of the next one?

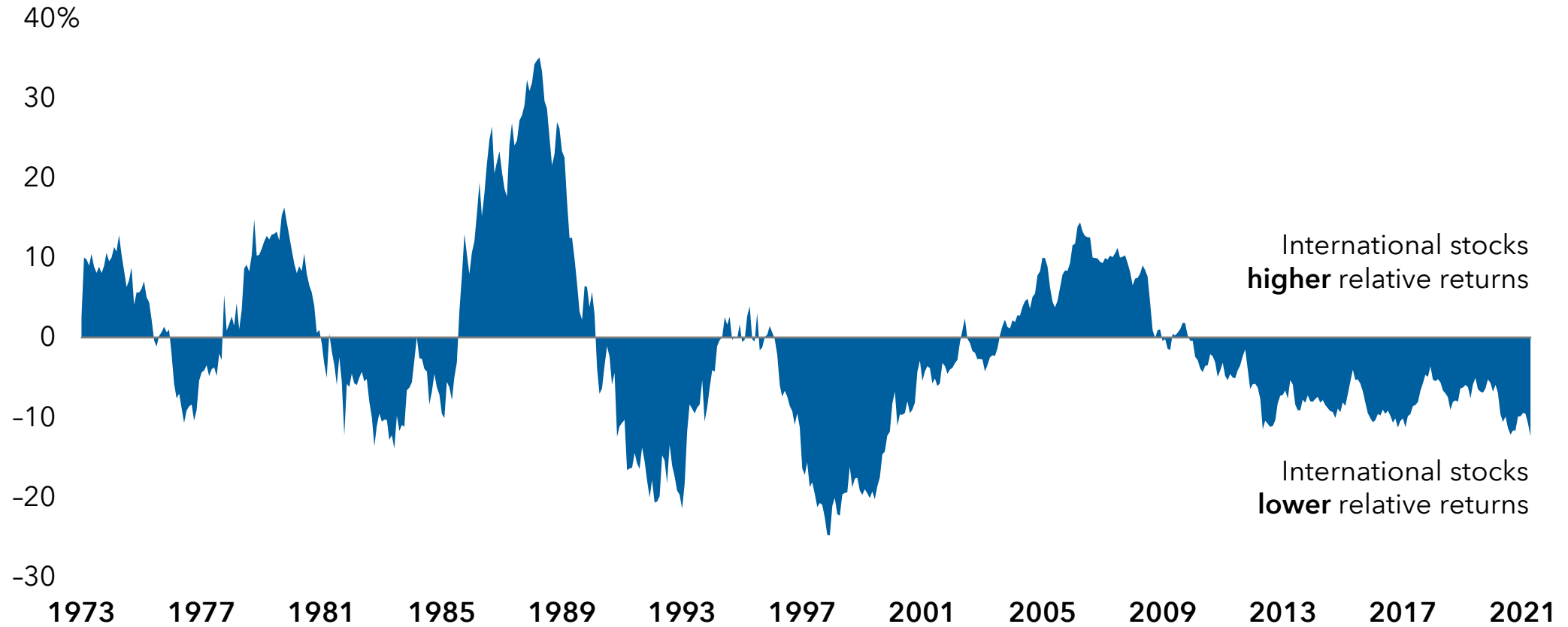
Relative return of growth vs. value since 1990



Sources: FTSE Russell, Refinitiv Datastream. Russell 1000 Growth Index and Russell 1000 Value Index used to represent growth and value, respectively. As of 4/30/21. Returns are in USD.

Will 2021 be the turning point for international stocks?

Rolling three-year relative returns: International vs. U.S.



Sources: Capital Group, MSCI, RIMES. Data represents rolling three-year returns of MSCI EAFE Index vs. the S&P 500 Index through 4/30/21.

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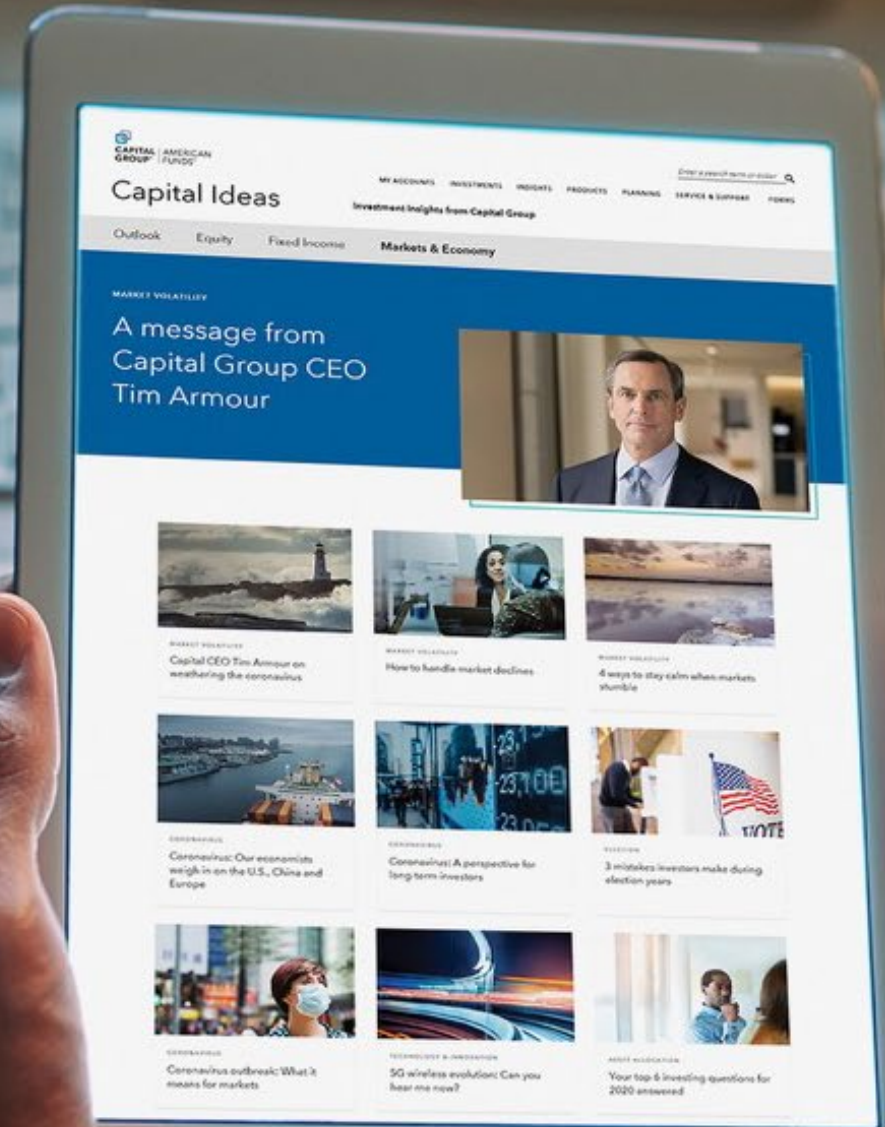


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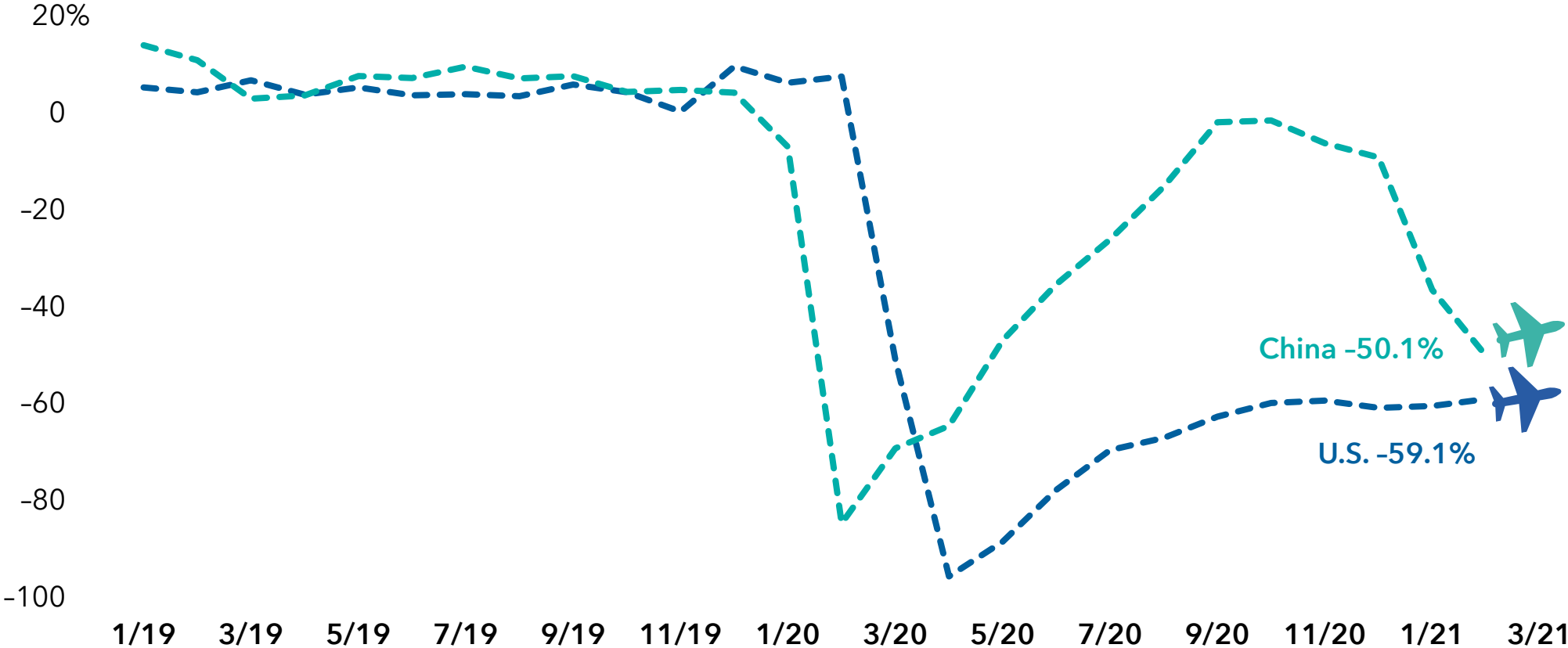


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Domestic airline passengers (change from previous year)



Sources: Capital Group, Bloomberg, Bureau of Transportation Statistics. China's 2021 values reflect the percent change since the same month in 2019. Data as of 2/28/21.

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