

Shifting Cycle Risk

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Why ECRI?

- ▶ The business cycle is one of the most important determinants of investment and business performance.
- ▶ ECRI is the world's leading authority on economic cycles.
- ▶ ECRI helps you assess the risk of a cycle turn – the blind spot of consensus forecasts.
- ▶ Business leaders and investment managers partner with ECRI to integrate cycle risk management into their decision-making process.

A Century of Monitoring Business Cycles

- ▶ ECRI embodies three generations of cycle research.
 - First, Wesley C. Mitchell defined recession in the 1920s
 - Then came his protégé, ECRI co-founder Geoffrey H. Moore, whom *The Wall Street Journal* called the “father of leading indicators”
 - Today, ECRI monitors economic cycles in 22 economies
- ▶ ECRI has a long track record of correctly anticipating major turning points in U.S. and global economic cycles.

ECRI at a Glance

22

ECONOMIES



~85%

**GLOBAL
GDP**



+100

**YEARS OF
RESEARCH**



+\$10T

**CLIENT
AUM**

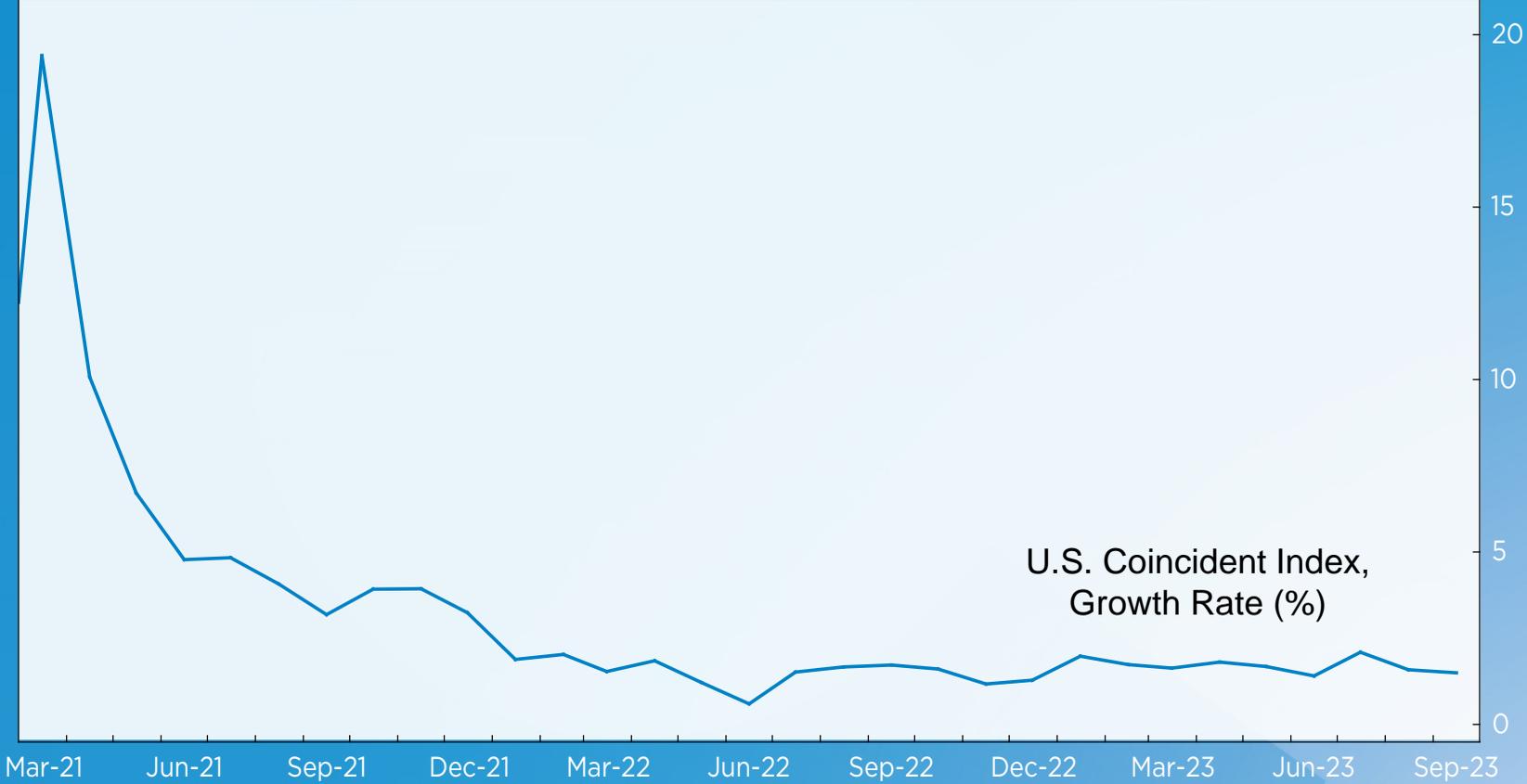


25%

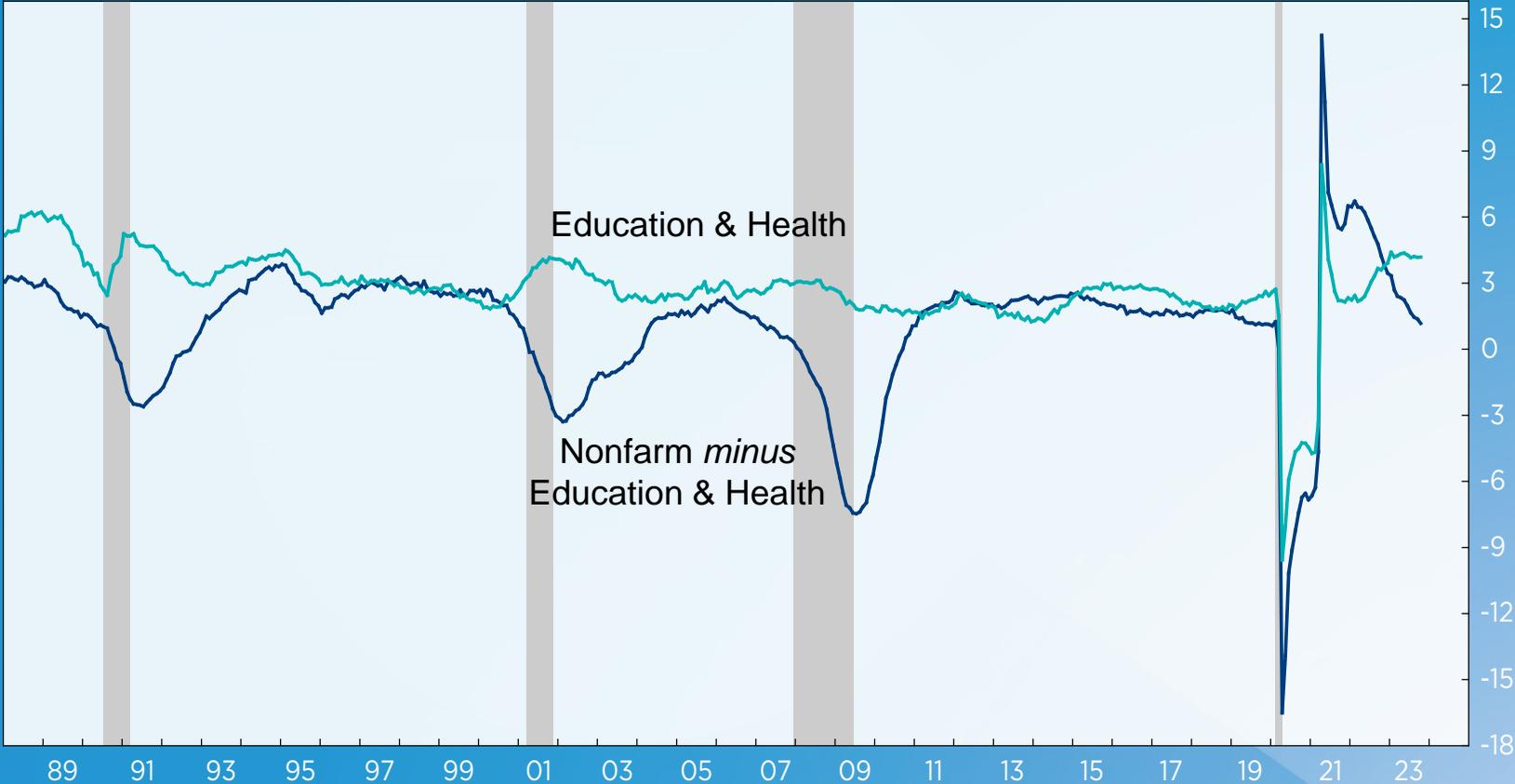
**FORTUNE
100 C-SUITE**



Cyclical Downswing Continues



Cyclical vs. Non-Cyclical Jobs Growth (%)



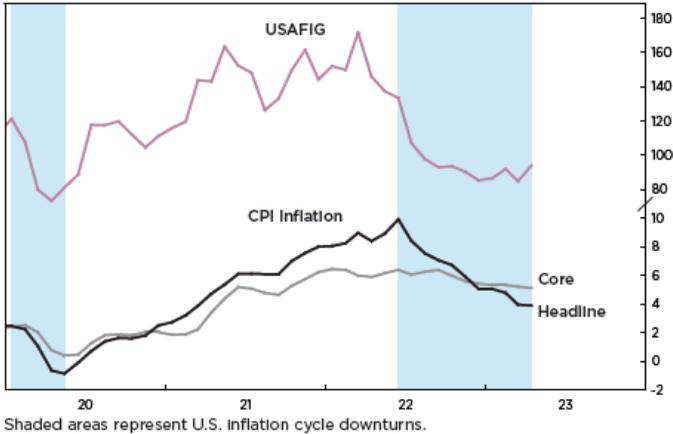
Shaded areas represent U.S. business cycle recessions.

Client Report Excerpt, May 2023

ECRI
U.S. Cyclical Outlook
ESSENTIALS

Inflation to Stay Sticky

Chart 1: U.S. Alternative Future Inflation Gauge (2003=100) and CPI Inflation (%)

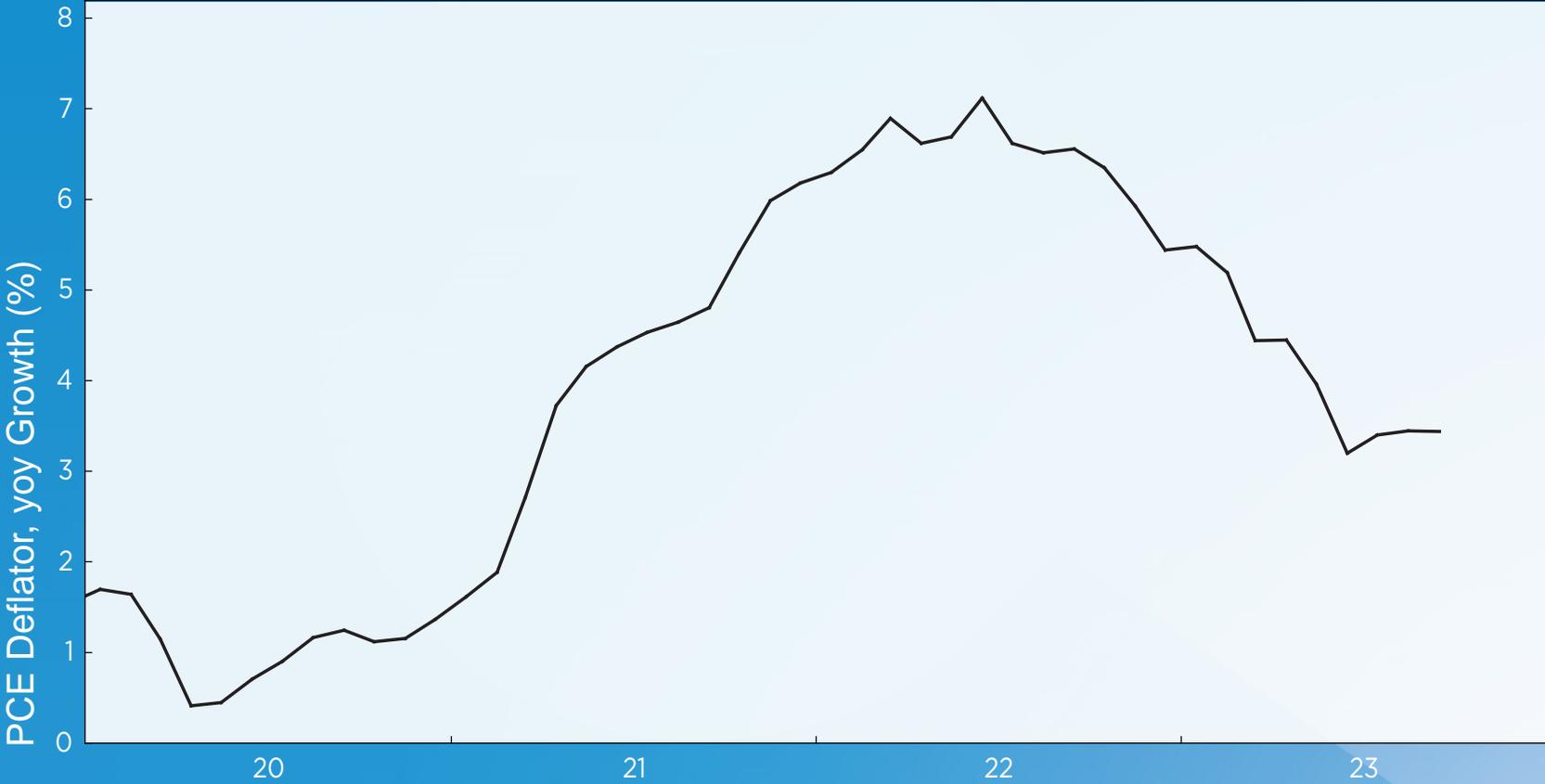


A jobless rate near a record low, along with inflation that stays sticky, will make it hard for the Fed to cut rates anytime soon, unless there is a financial crisis.

May 2023

U.S. Cyclical Outlook Essentials

Fed's Official Measure Shows Sticky Inflation



Client Report Excerpt, October 2023



International Cyclical Outlook
ESSENTIALS

Chart 2: 21-Country Long Leading Index (1992=100)
and World Trade Volume (2010=100)



Shaded areas represent cyclical downturns in world trade volume.

October 2023

International Cyclical C

Thank you.

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