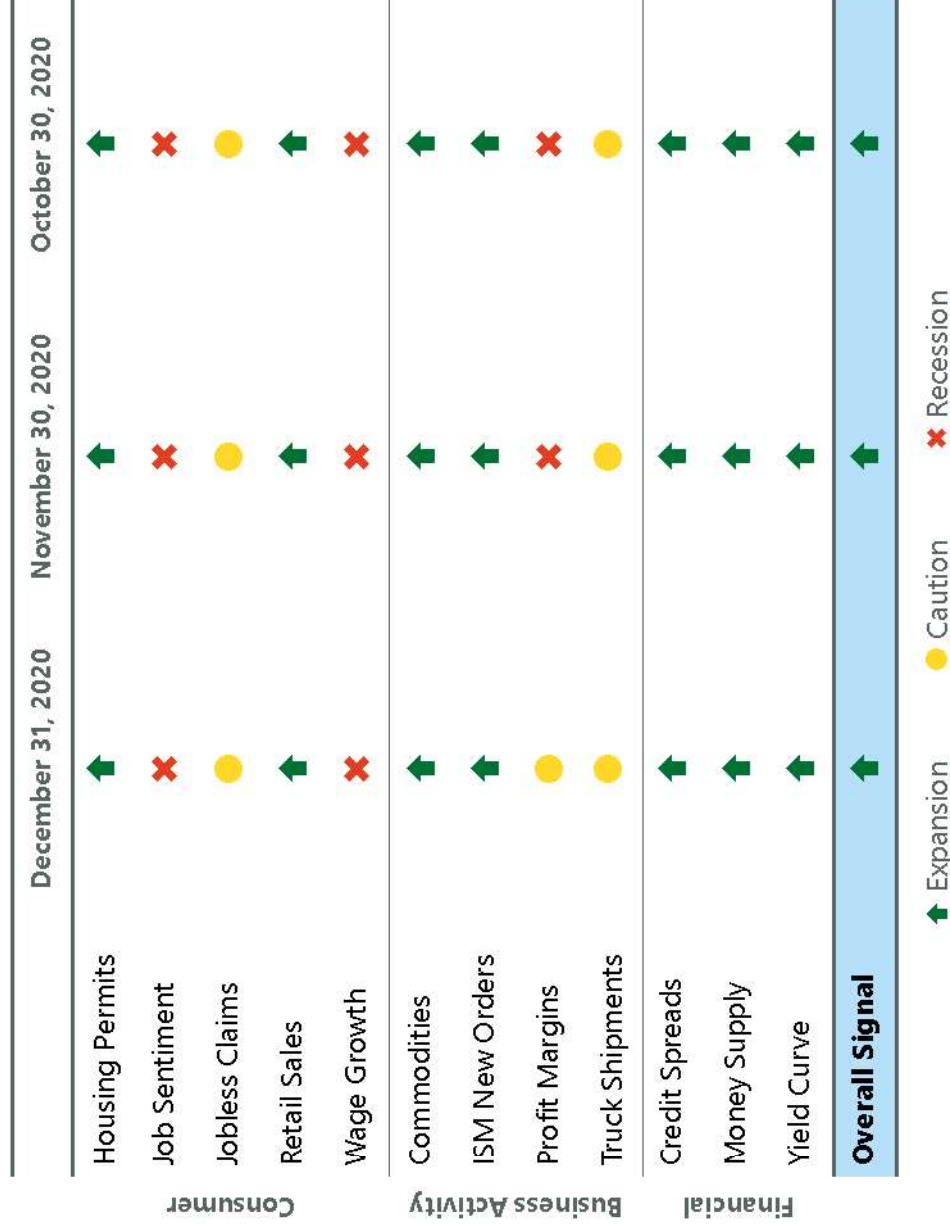


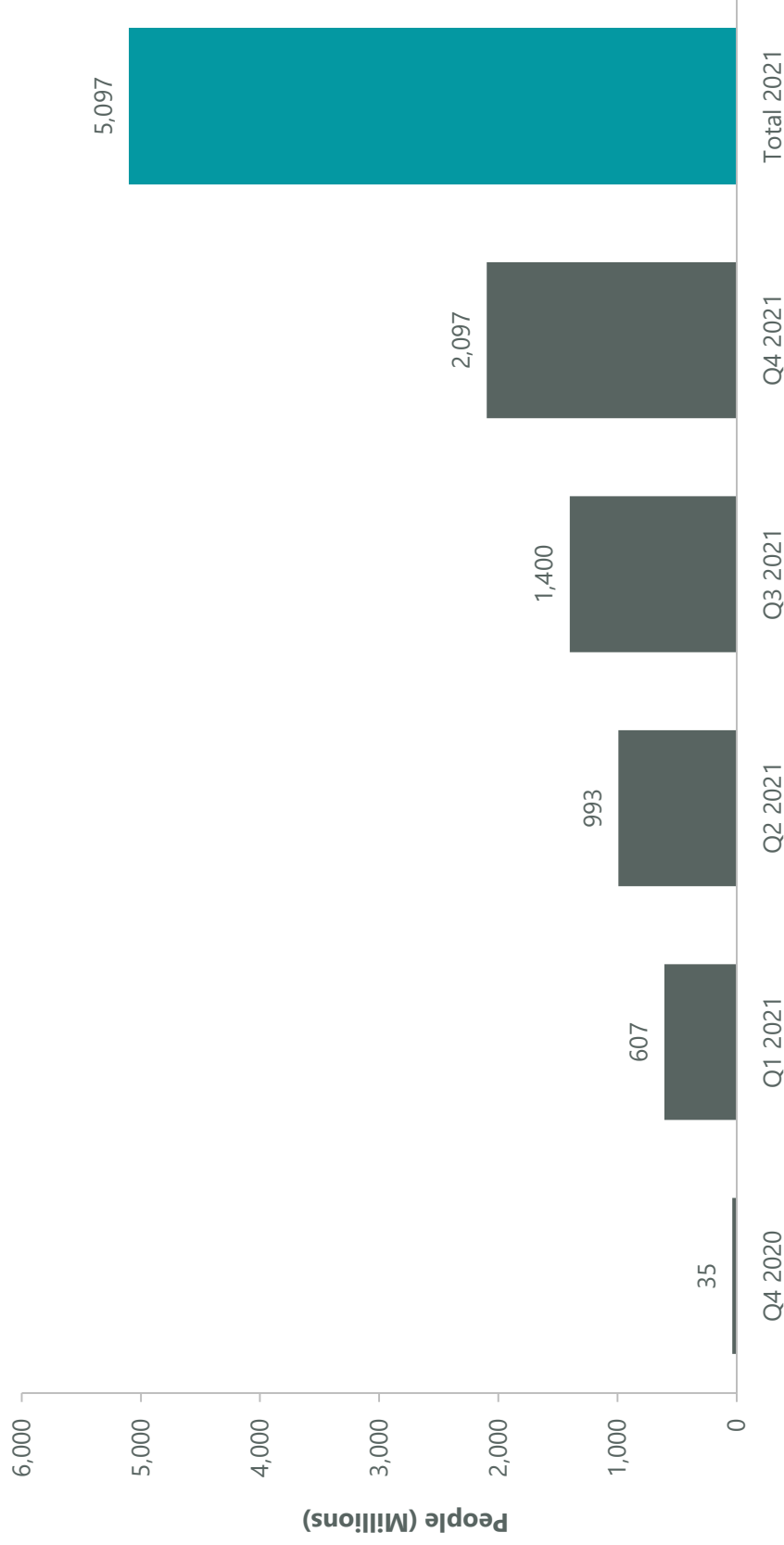
# U.S. Recession Risk Indicators

- 12 variables have historically foreshadowed a looming recession
- Job sentiment, jobless claims, wage growth, profit margins and truck shipments signal risk right now



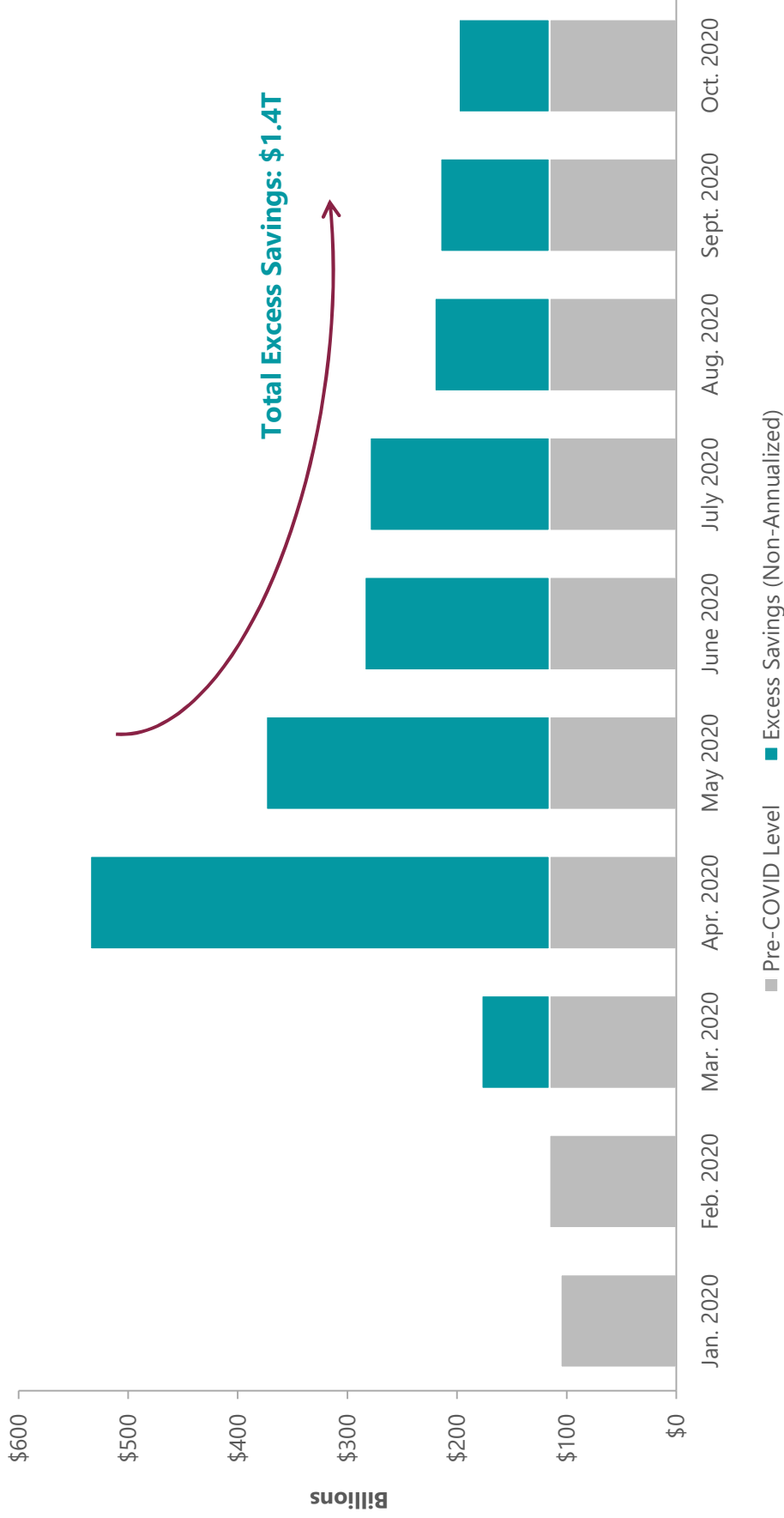
# Vaccines to Accelerate Herd Immunity

Estimated Major Biopharma Vaccine Supply (Persons)



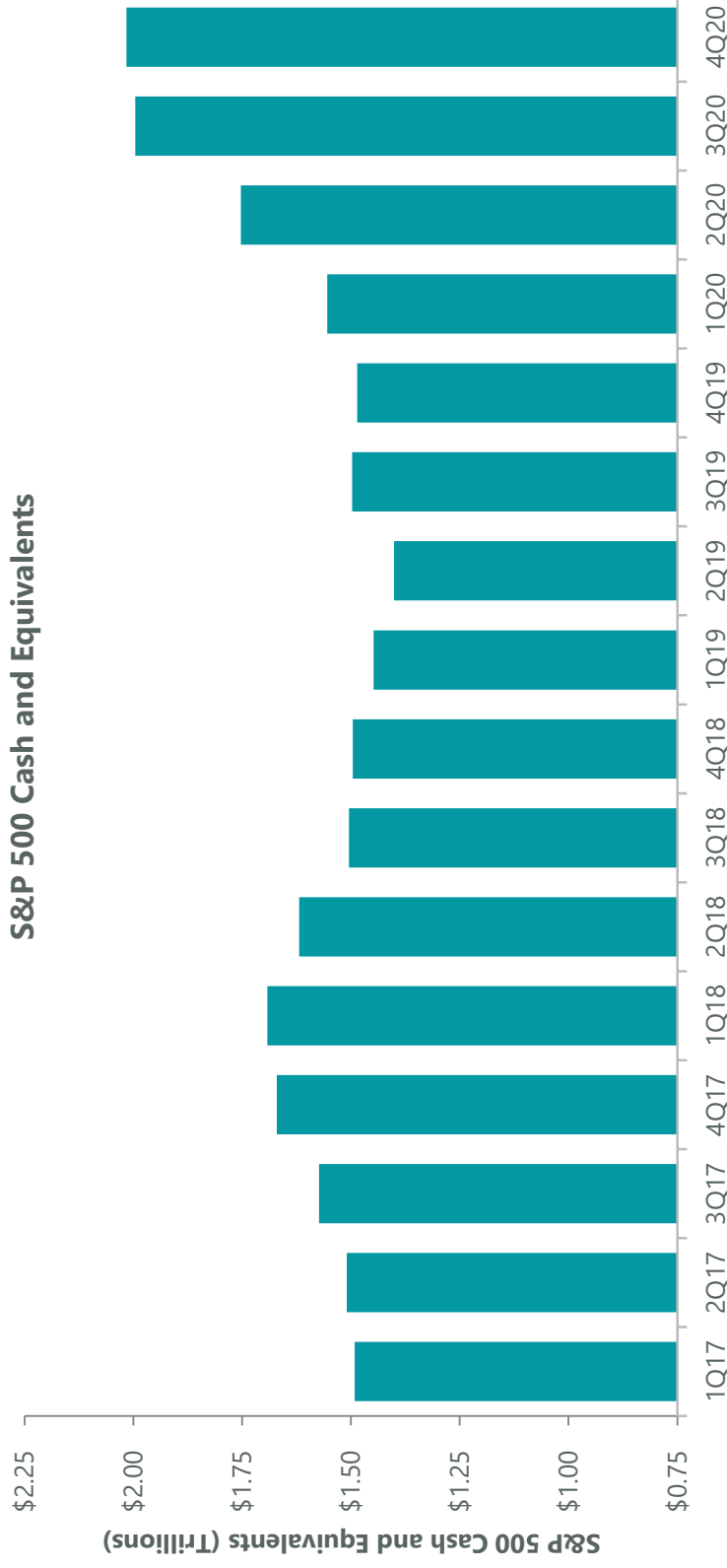
- ▲ **Herd immunity could be reached by late 2Q or early 3Q in the U.S. with several vaccines already approved and more coming in 2021.**
- ▲ **By focusing on the most vulnerable, economic activity could begin to improve well ahead of herd immunity being achieved.**

# Consumer Balance Sheets Flush



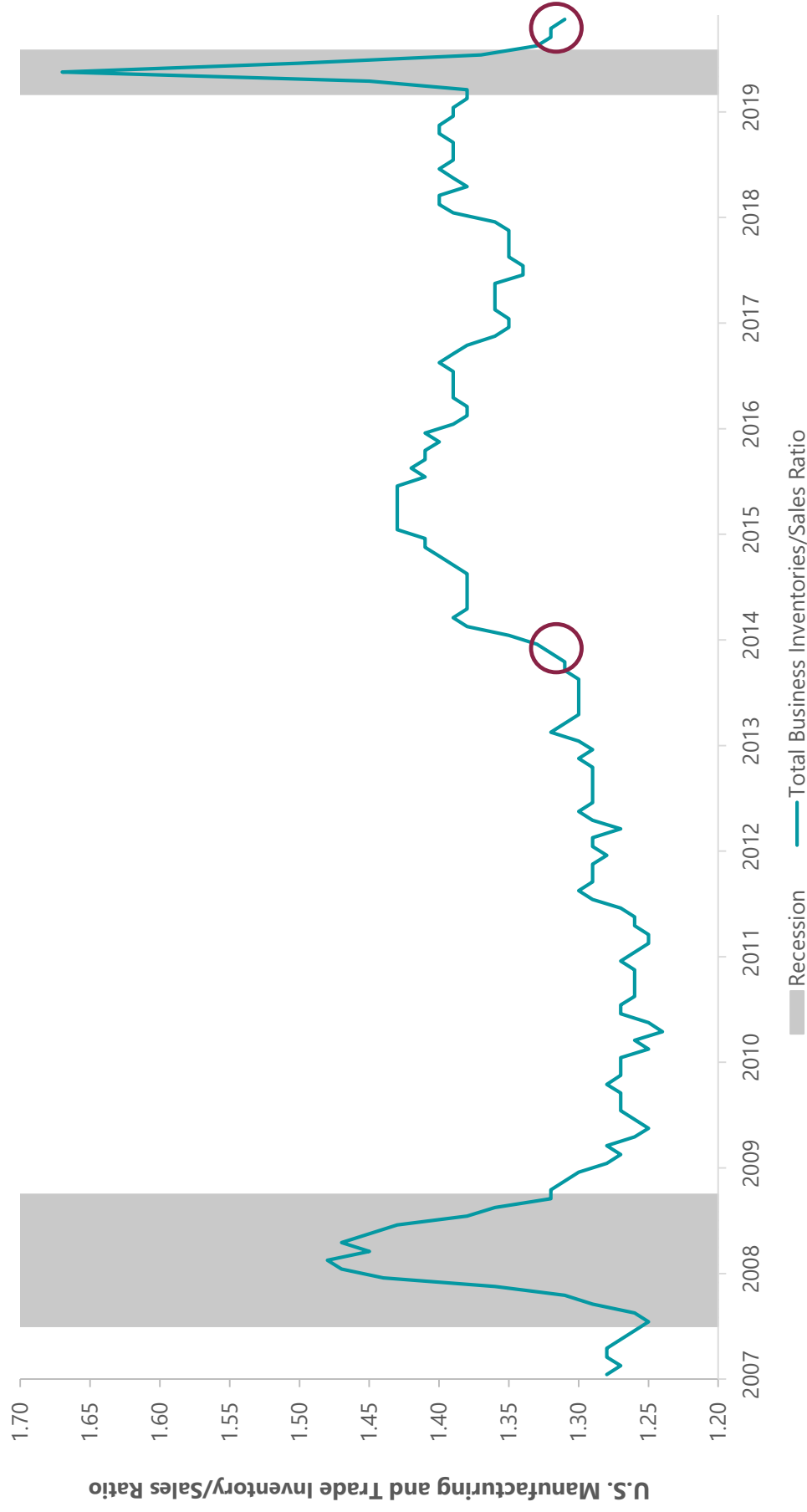
- ▲ **The inability to spend and government transfer payments have resulted in an abundance of consumer savings.**
- ▲ **As the economy renormalizes, some of these reserves will be drawn which should further fuel the recovery.**

# Corporate Balance Sheets Flush



- ▲ **Corporations have accumulated approximately \$500 billion in additional cash since the onset of the pandemic.**
- ▲ **As the economy renormalizes, these funds could be redeployed into capex, dividends, and share repurchases.**

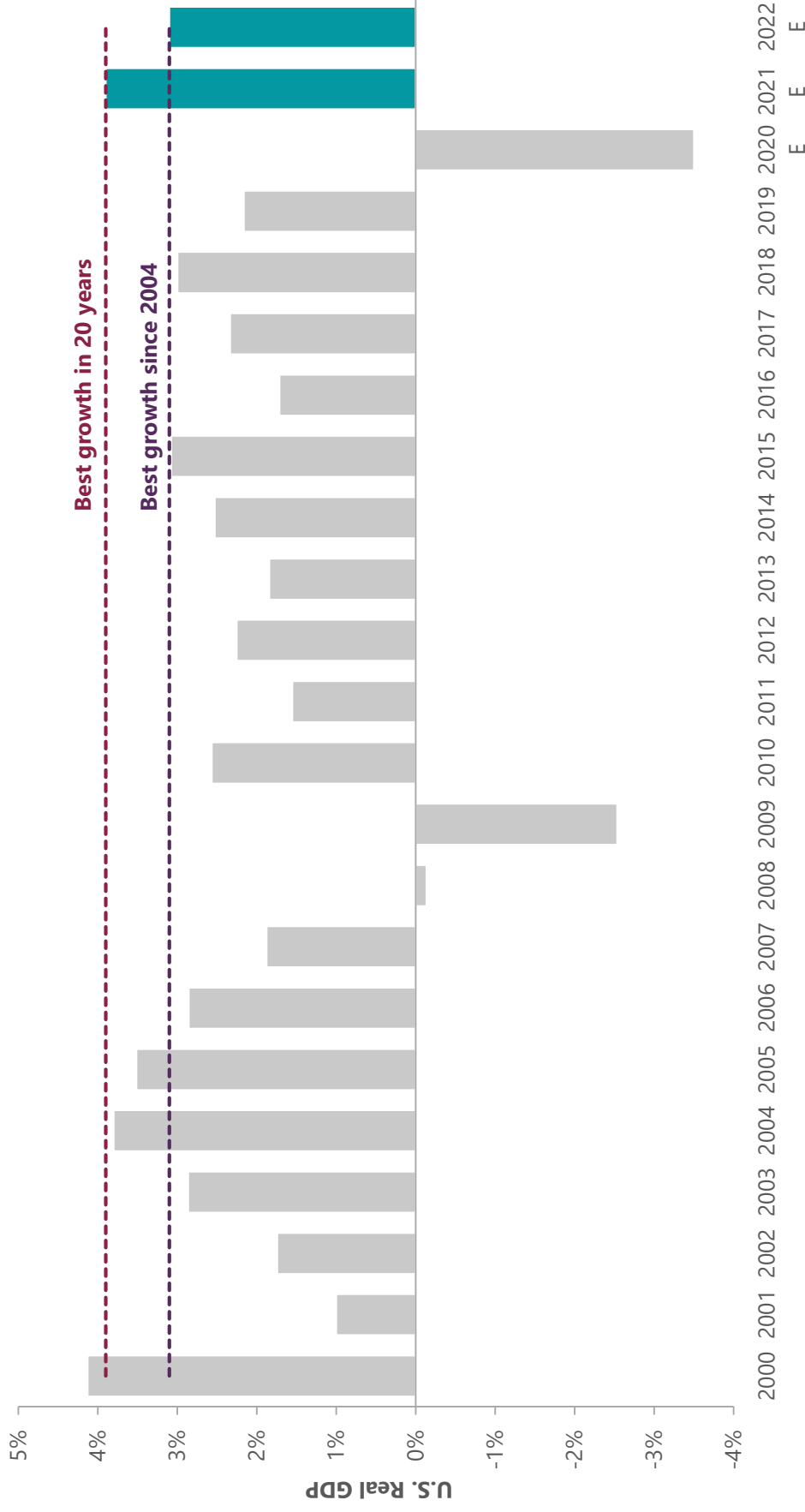
# Inventory Rebuild, Economic Tailwind?



▲ **Inventory levels relative to sales have not been this depleted since 2014.**

▲ **Businesses will likely re-stock inventories in anticipation of growing demand, providing further economic upside in 2021.**

# The New (Old) Normal?



- ▲ Following the COVID-19 GDP collapse, 2021 is expected to see the strongest growth in 20 years.
- ▲ This strength is currently expected to persist into 2022 with the best GDP growth since 2004.