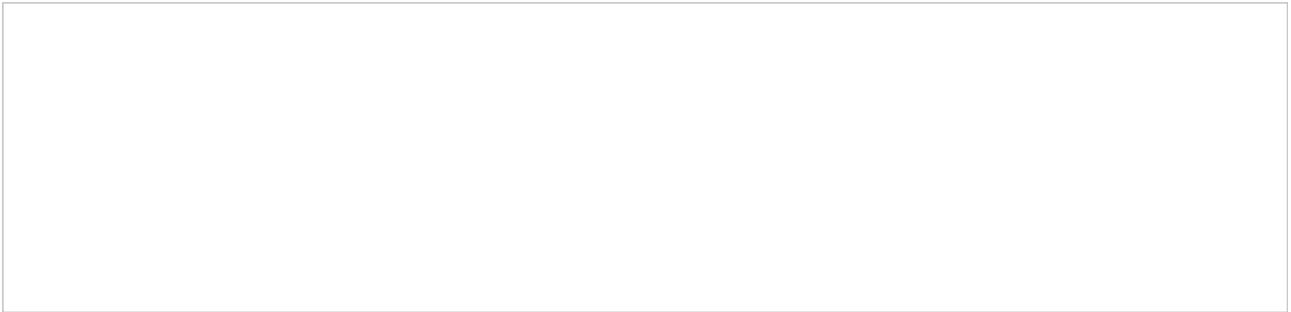


## Our forecasts






In light of the very dynamic market environment these forecasts are subject to change at any time.












Macro

## Global growth rates converging

GDP growth (in %, year-on-year)	2024F		2025F
United States	2.7	↘	2.0
Eurozone	0.7	↗	0.9
United Kingdom	1.0	↗	1.2
Japan	-0.1	↗	1.2
China	4.9	↘	4.2
World	3.1	→	3.1
<b>Fiscal deficit (in % of GDP)</b>	<b>2024F</b>		<b>2025F</b>
United States	6.6	↗	7.3
Eurozone	2.8	↗	3.0
United Kingdom	4.5	↘	3.7
Japan	6.0	↘	4.0
China	13.2	↘	13.1
<b>Consumer price inflation (in %, year-on-year)</b>	<b>2024F</b>		<b>2025F</b>
United States <sup>[1]</sup>	2.9	↘	2.4
Eurozone	2.3	↘	2.0
United Kingdom	2.5	↘	2.3
Japan	2.5	↘	2.0
China	0.5	↗	1.3

Unemployment Rate (annual average)	2024F		2025F
United States	4.1		4.2
Eurozone	6.4		6.3
United Kingdom	4.4		4.5
Japan	2.5		2.4
China	5.1		5.0

Benchmark rates (in %)	Current <sup>[2]</sup>		December 25F
United States	4.50-4.75		3.75-4.00
Eurozone	3.25		2.00
United Kingdom	4.75		3.00
Japan	0.25		1.00
China	3.10		2.75

Commodities (in dollars)	Current <sup>[2]</sup>		December 25F
Crude oil (Brent)	72.0		69
Gold	2,571		2,800
Copper (LME)	9,200		9,850
Carbon	68		75



## Equities

### Positive thinking prevails

	Current <sup>[3]</sup>		December 2025F Forecast	Total Return (exp.) <sup>[4]</sup>	Expected earnings growth	P/E impact	Dividend yield
United States (S&P 500<>)	5,871	●	6,500	12.1%	12.2%	-1.5%	1.4%
Europe (Stoxx Europe 600<>)	503	●	525	8.5%	6.0%	-1.1%	3.6%
Eurozone (Euro Stoxx 50<>)	4,795	●	4,950	7.5%	6.0%	-2.0%	3.5%
Germany (DAX<>) <sup>[5]</sup>	19,211	●	20,500	7.2%	6.6%	-2.5%	3.0%
United Kingdom (FTSE 100<>)	8,064	●	8,200	5.0%	4.0%	-3.0%	4.0%
Switzerland (Swiss Market Index<>)	11,627	●	12,050	7.4%	9.0%	-5.0%	3.4%
Japan (MSCI Japan Index<>)	1,671	●	1,770	8.3%	7.0%	-1.1%	2.4%
MSCI Emerging Markets Index <>(USD)	1,085	●	1,200	13.5%	11.0%	-0.4%	2.9%
MSCI AC Asia ex Japan Index <>(USD)	705	●	770	11.8%	11.0%	-1.8%	2.6%

F refers to DWS Investment GmbH forecasts as of 11/15/24



Fixed Income

## Yields without clear direction

	Current <sup>[2]</sup>		December 2025F
<b>United States</b>			
U.S. <b>Treasuries</b> (10-year)	4.44%	●	4.50%
U.S. <b>municipal bonds</b> <sup>[6]</sup>	67 bp	●	75 bp
U.S. <b>investment-grade corporates</b> <sup>[6]</sup>	74 bp	●	85 bp
U.S. <b>high-yield corporates</b> <sup>[6]</sup>	266 bp	●	325 bp
Securitized: mortgage-backed securities <sup>[6]</sup>	142 bp	●	120 bp
<b>Europe</b>			
German <b>Bunds</b> (10-year)	2.36%	●	2.20%
UK <b>Gilts</b> (10-year)	4.47%	●	4.00%
Euro investment-grade corporates <sup>[7]</sup>	98 bp	●	95 bp
Euro high-yield corporates <sup>[7]</sup>	323 bp	●	400 bp
Securitized: <b>covered bonds</b> <sup>[7]</sup>	50 bp	●	50 bp
Italy (10-year) <sup>[7]</sup>	120 bp	●	150 bp
<b>Asia- Pacific</b>			
Japanese government bonds (10-year)	1.07%	●	1.40%
Asia credit	133 bp	●	125 bp
<b>Global</b>			
<b>Emerging-market</b> sovereigns	333 bp	●	390 bp



## Currencies

	Current <sup>[2]</sup>		December 2025F
EUR vs. USD	1.05	↘	1.02
USD vs. JPY	154	↘	145
EUR vs. GBP	0.84	↘	0.82
GBP vs. USD	1.26	↘	1.25
USD vs. CNY	7.23	↗	7.45

F refers to our forecasts as of 11/15/24

LME = London Metal Exchange

bp = basis points

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### Legend:

Macro data exchange rates and alternative investments: The arrows signal whether we expect to see an upward trend ↗, a sideways trend → or a downward trend ↘.

The signals' colors illustrate the return opportunities for long-only investors: ● positive return potential for long-only investors. ● limited return opportunity as well as downside risk. ● negative return potential for long-only investors.

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## Debt or Alive?

Many of Trump's tax and spending promises made on the campaign trail will probably need to be scaled back to reflect the political, fiscal and economic realities.

Read more

[</en-fr/insights/cio-view/charts-of-the-week/cotw-2024/chart-of-the-week-20241115/>](/en-fr/insights/cio-view/charts-of-the-week/cotw-2024/chart-of-the-week-20241115/)

## More topics

Dec 13, 2024

Chart of the week

### Transformative European alternatives

Alternative assets in general, and European infrastructure in particular, may help returns and diversification potential to an investor's asset portfolio and support European Transformation.

[</en-fr/insights/cio-view/charts-of-the-week/cotw-2024/chart-of-the-week-20241213/>](/en-fr/insights/cio-view/charts-of-the-week/cotw-2024/chart-of-the-week-20241213/)

Dec 11, 2024

10 Themes

### 10 Themes - #10: 11 unlikely events with even more unlikely results

For the last of our "10 themes for the year ahead," we let our thoughts run free. We look at events that are outside our core scenario and sometimes quite radical. The market reactions too could be surprising.

[</en-fr/insights/cio-view/macro/11-unlikely-events-with-even-more-unlikely-results/>](/en-fr/insights/cio-view/macro/11-unlikely-events-with-even-more-unlikely-results/)

Dec 10, 2024

Asia & Pacific

### APAC CIO View

China Fiscal Stimulus

[</en-fr/insights/cio-view/apac-cio-view/apac-cio-view-20241210/>](/en-fr/insights/cio-view/apac-cio-view/apac-cio-view-20241210/)



1. ^ core rate, personal consumption expenditure as end of Dec 2024/Dec 2025 in % (no average as for the other figures in the table)
2. ^ Source: Bloomberg Finance L.P. as of 11/15/24
3. ^ Sources: Bloomberg Finance L.P., FactSet Research Systems Inc. as of 11/15/24
4. ^ Expected total return includes interest, dividends and capital gains where applicable
5. ^ Total-return index (includes dividends)
6. ^ Spread over U.S. Treasuries
7. ^ Spread over German Bunds

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