

ELECTION IMPLICATIONS AND THE ECONOMIC OUTLOOK

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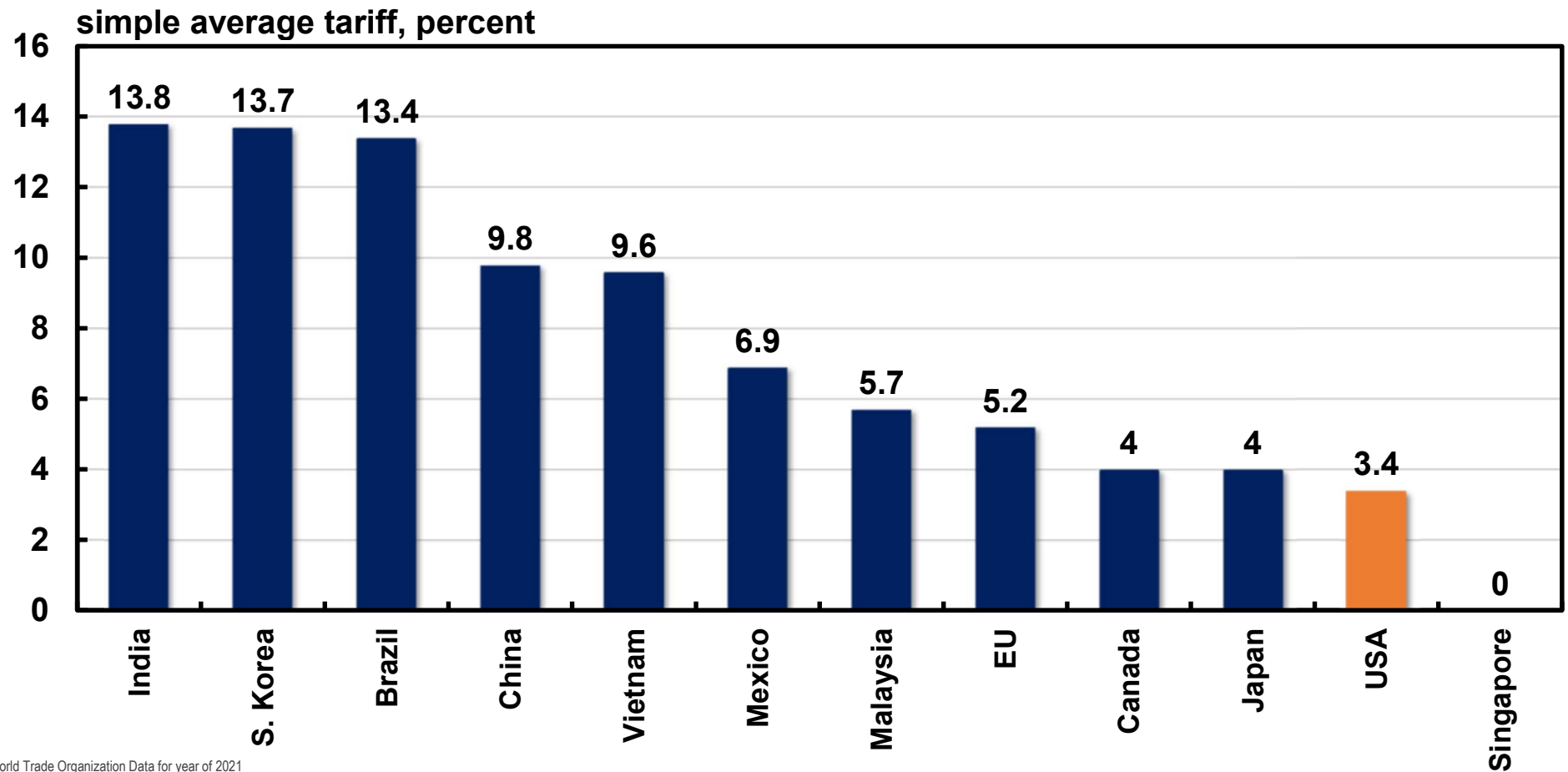


REPUBLICAN SWEEP

- Extension of Trump-Era Tax Cuts, but with some further changes
 - Lower tax rate on corporate profits
 - Targeted tip relief
- Reduction in Green Energy Subsidies and focus on reforming Medicaid/Obamacare
- Tariff increases on China, possibly others
 - Take Trump seriously, but not literally
- Focus on reducing immigration

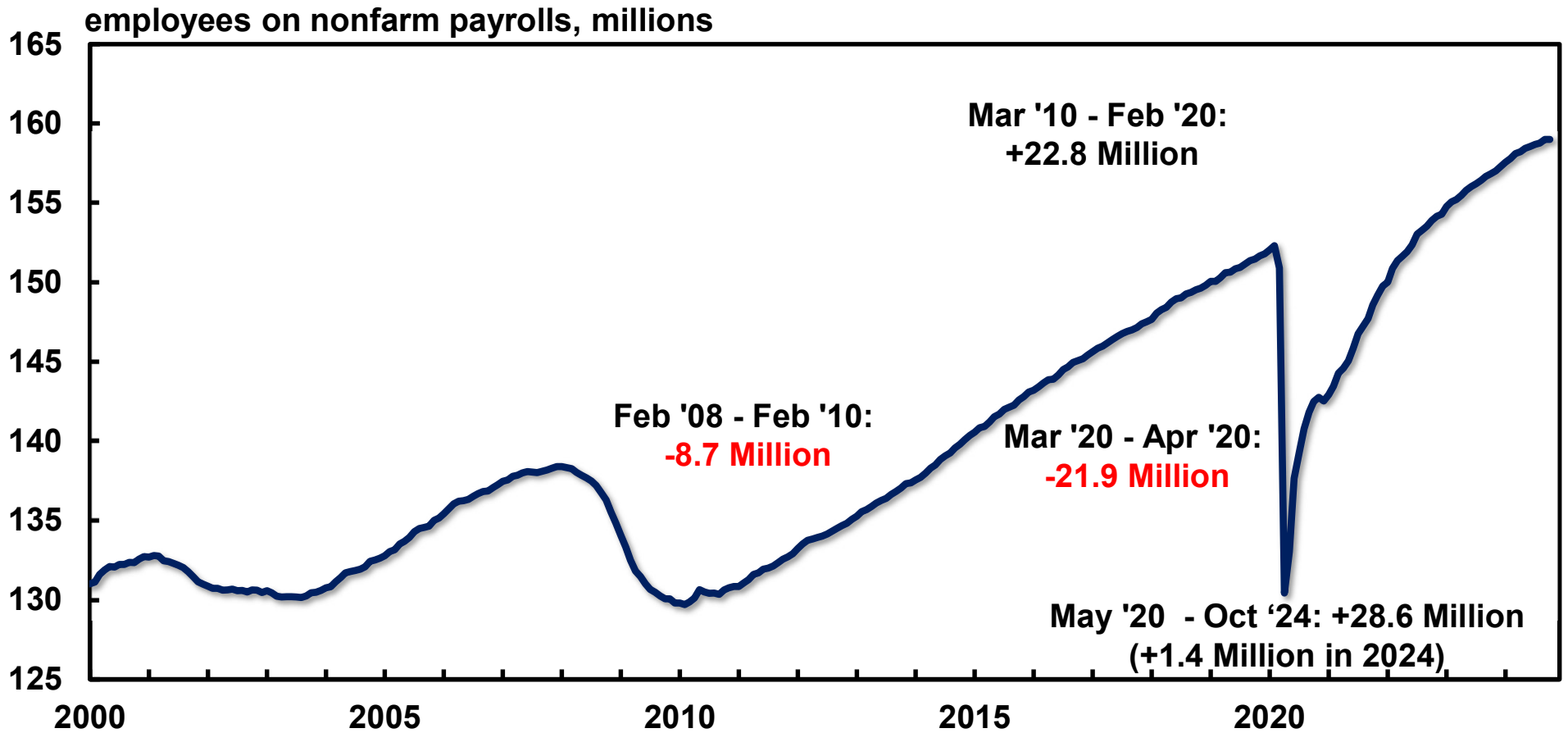
Source: First Trust Advisors L.P. This reflects the current opinion of the author and is subject to change without notice.

FEDERAL GOVERNMENT



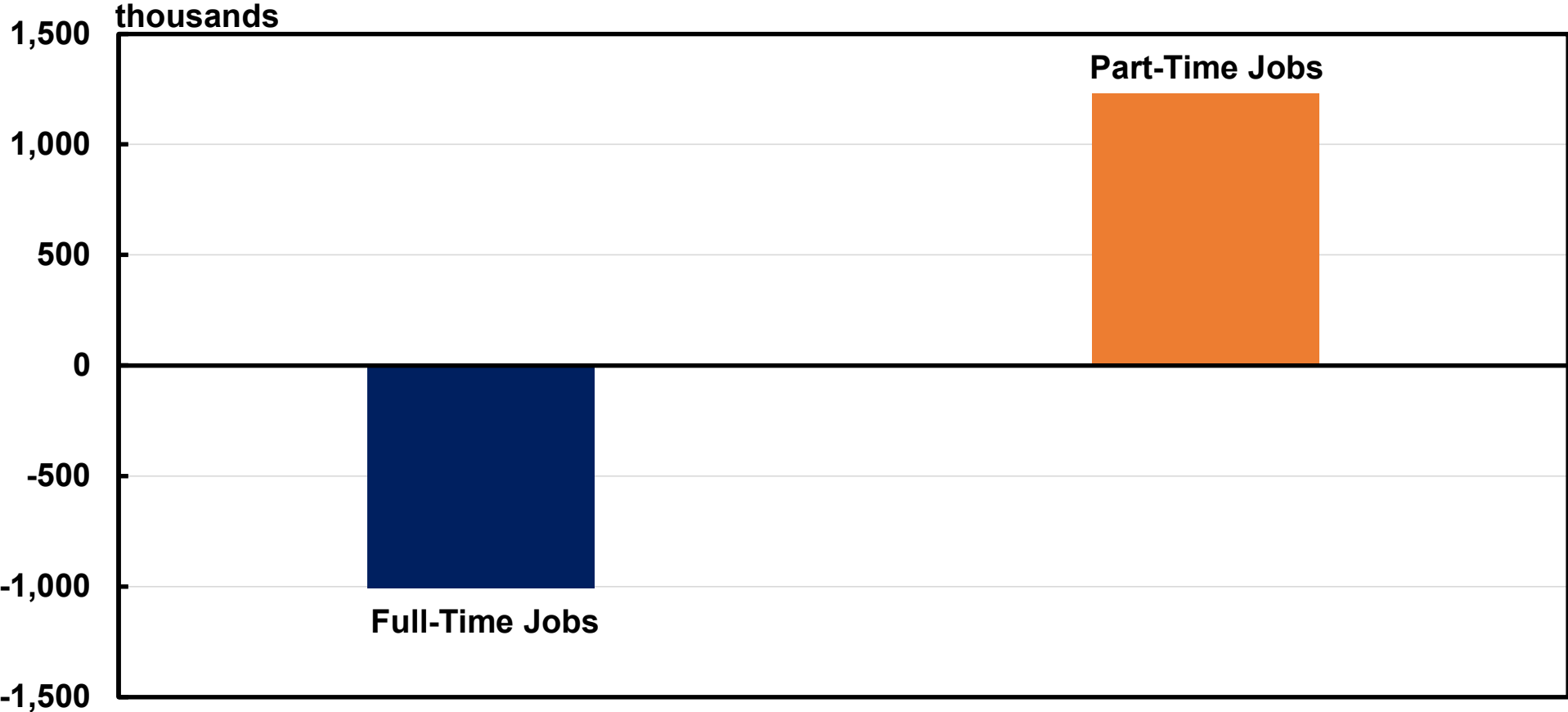
Source: World Trade Organization Data for year of 2021

GETTING THE JOBS BACK



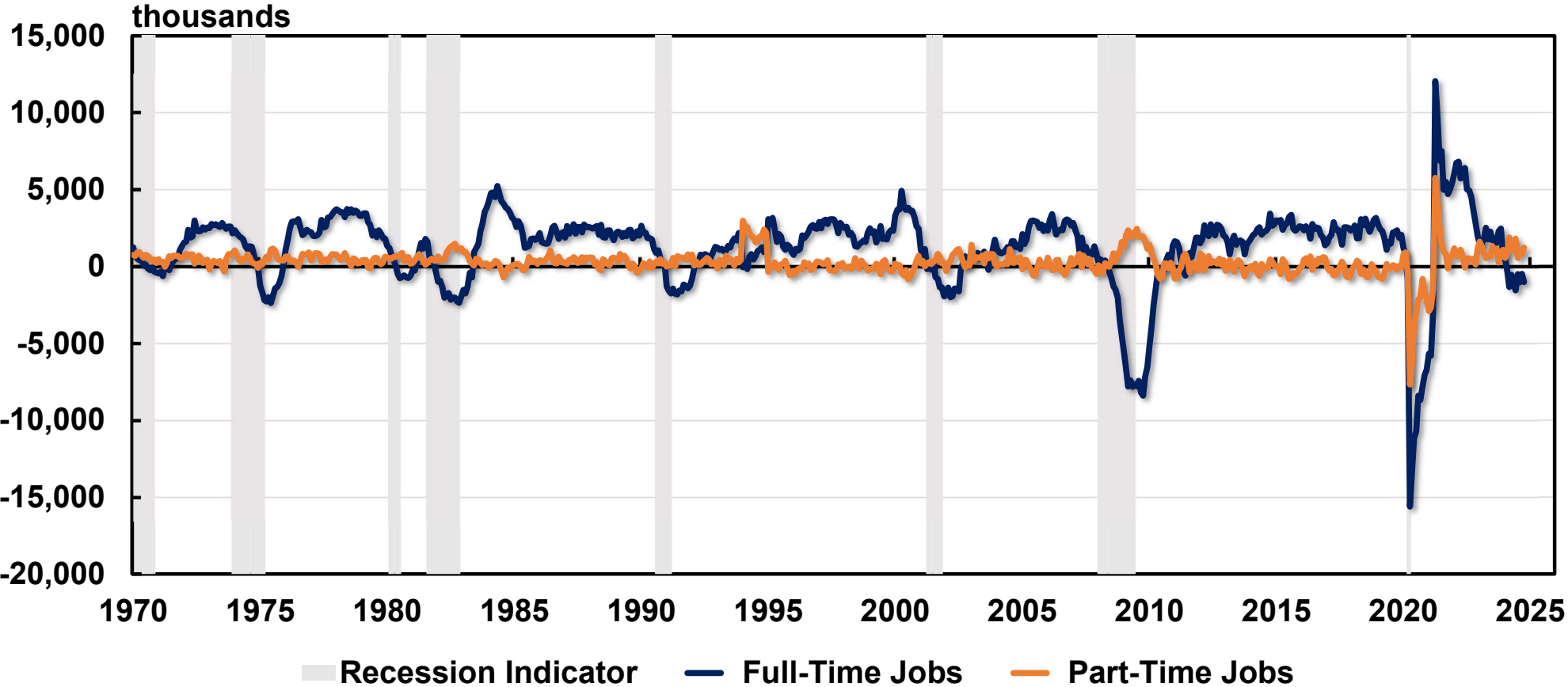
Source: Bureau of Labor Statistics. Monthly data Jan 2000 - Oct 2024

GETTING THE JOBS BACK



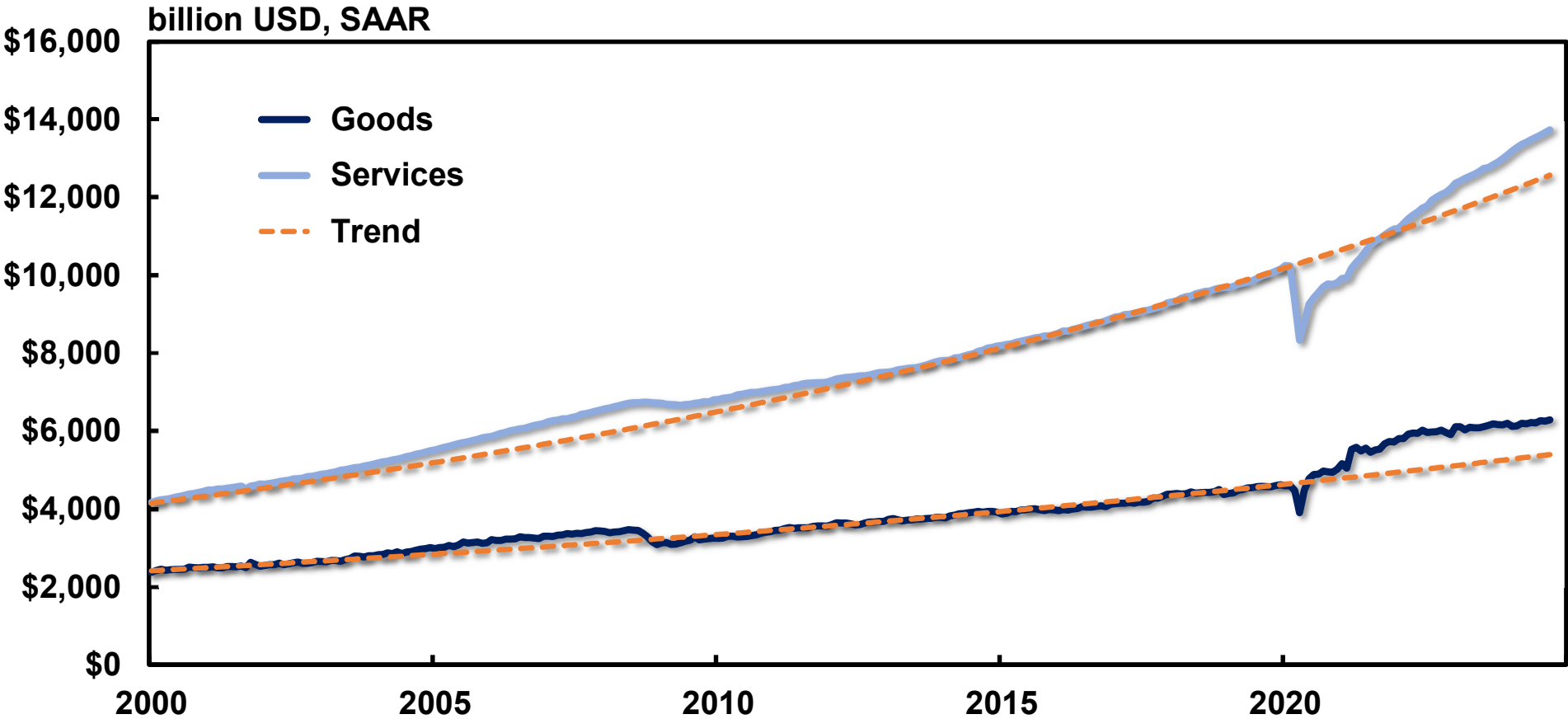
Source: Bureau of Labor Statistics. Year-to-Year change as of Oct 2024

GETTING THE JOBS BACK



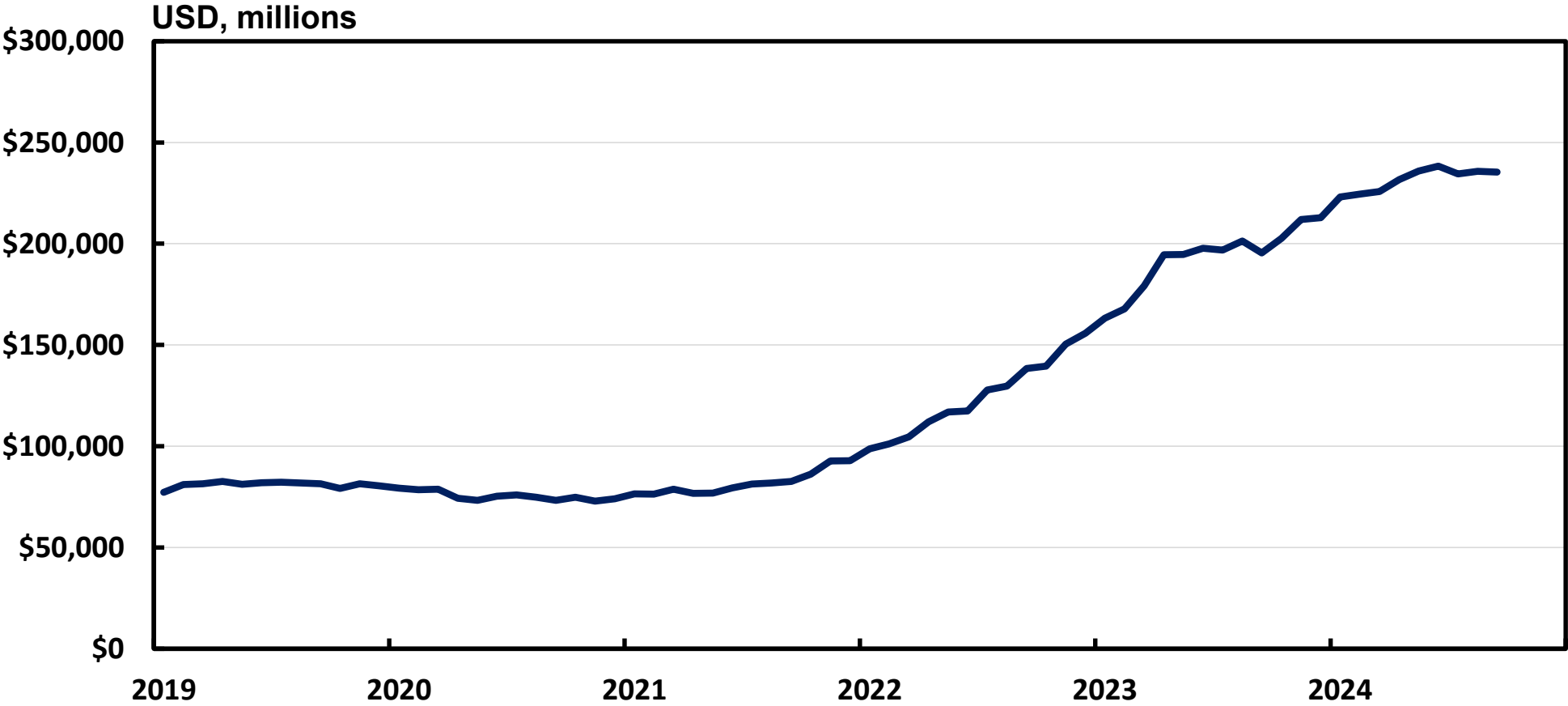
Source: Bureau of Labor Statistics. Monthly data Jan 1970 – Oct 2024

PERSONAL CONSUMPTION: GOODS VS SERVICES



Source: Bureau of Economic Analysis. Monthly data Jan 2000 – Sep 2024.

MANUFACTURING CONSTRUCTION

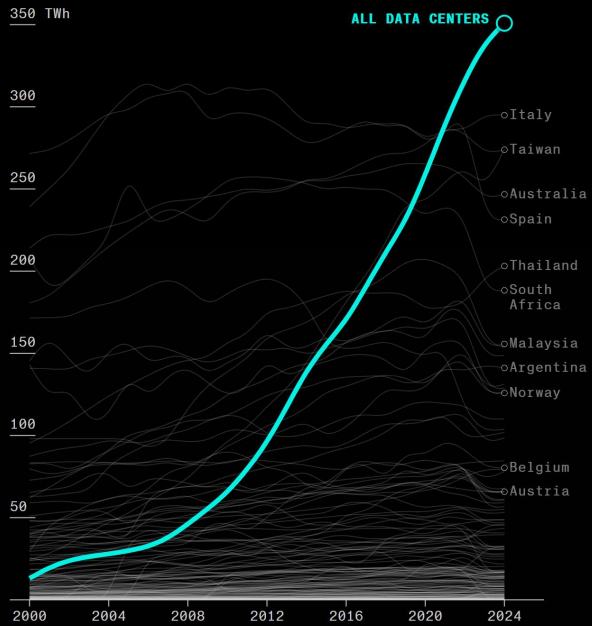


Source: Census Bureau. Monthly data Jan 2020 – Sep 2024.

POWER DEMAND

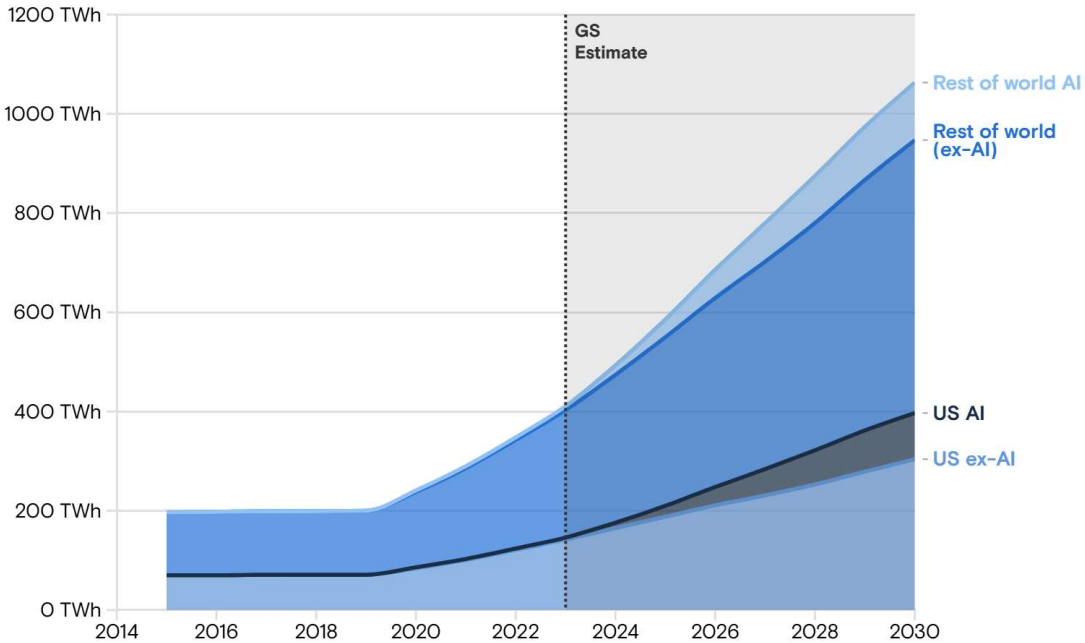
Altogether, data centers use more electricity than most countries

Only 16 nations, including the US and China, consume more



Sources: Bloomberg analysis of BloombergNEF and DC Byte data
 Note: Data center energy consumption through Q1 2024. National energy consumption levels are actual through 2022 and projected for 2023 and 2024.

Data center power demand

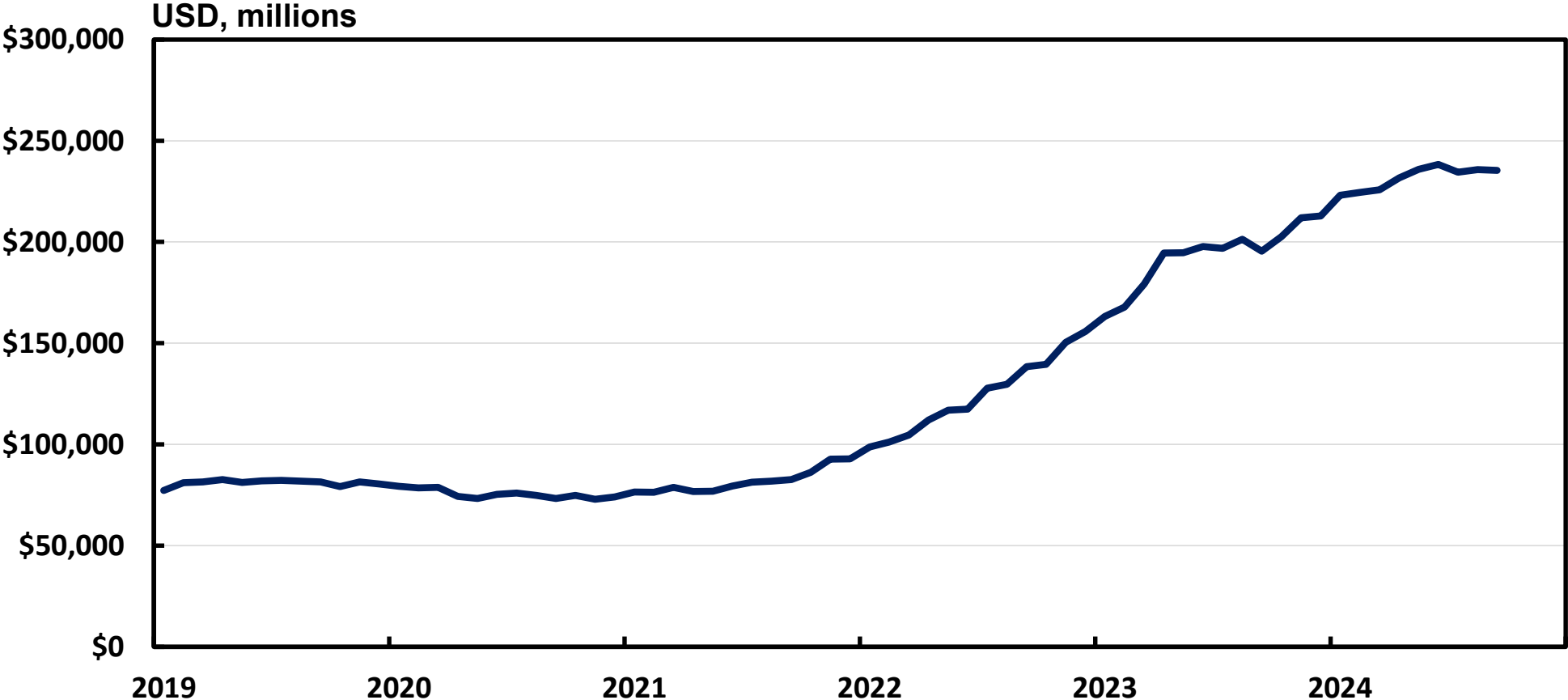


Source: Masanet et al. (2020), Cisco, IEA, Goldman Sachs Research



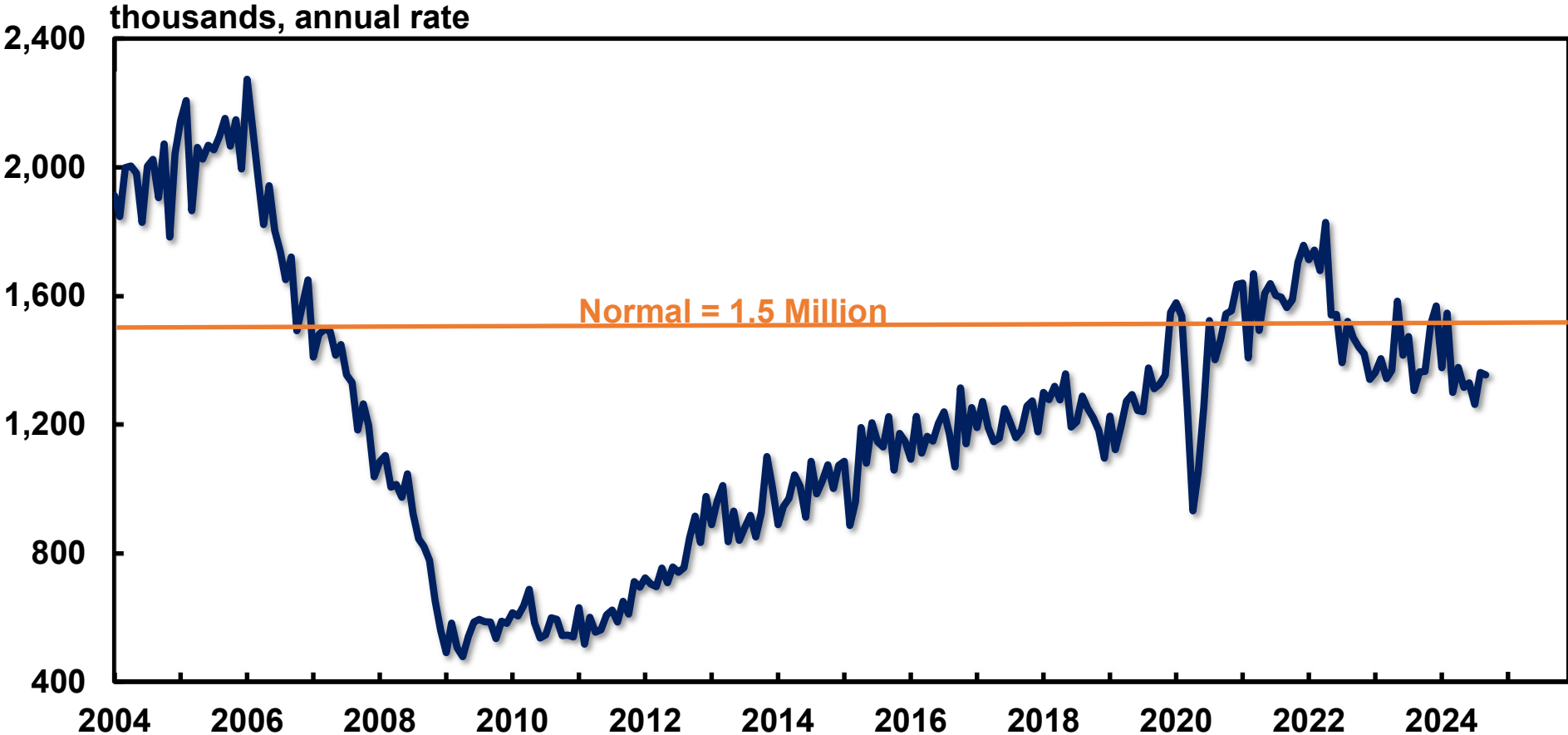
Source: Bloomberg, Goldman Sachs

MANUFACTURING CONSTRUCTION



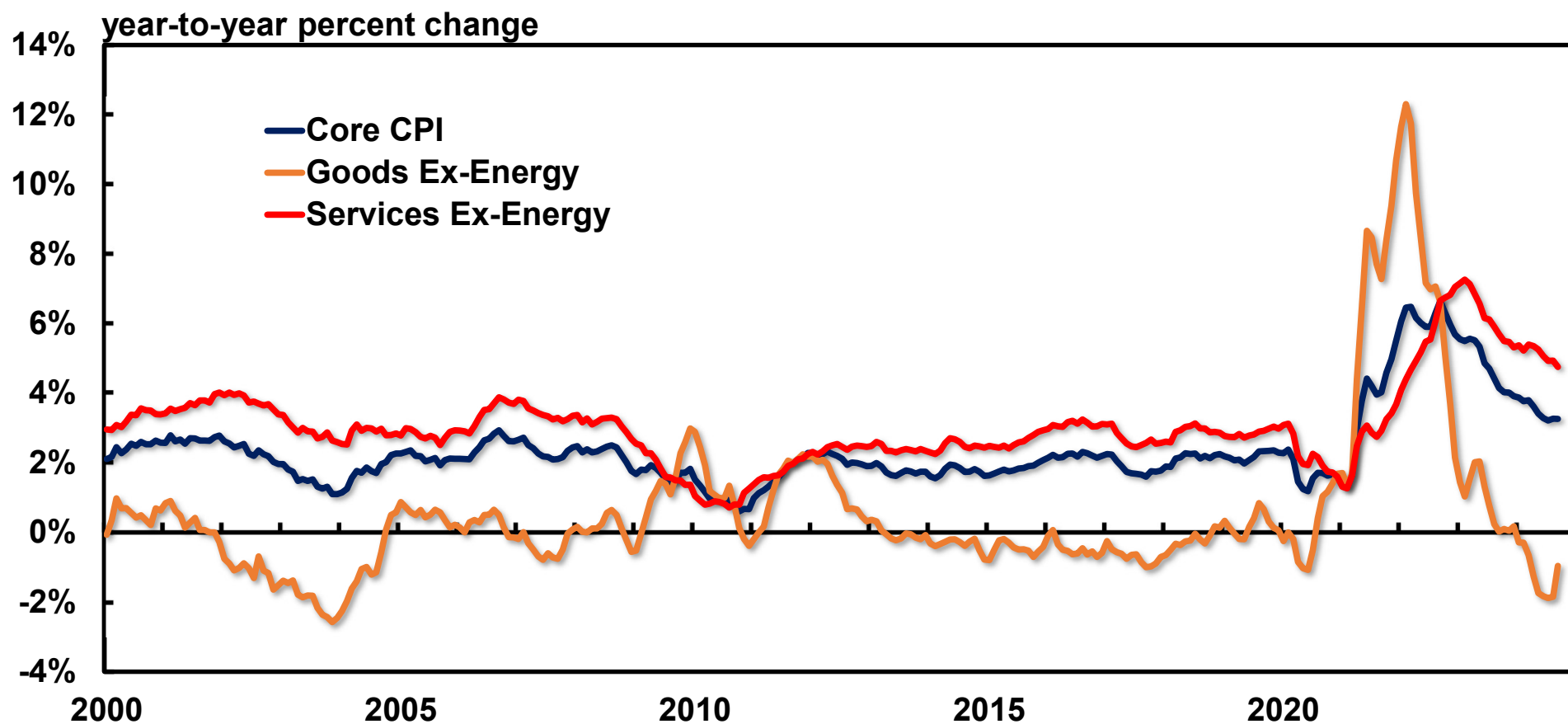
Source: Census Bureau. Monthly data Jan 2020 – Sep 2024.

HOUSING STARTS



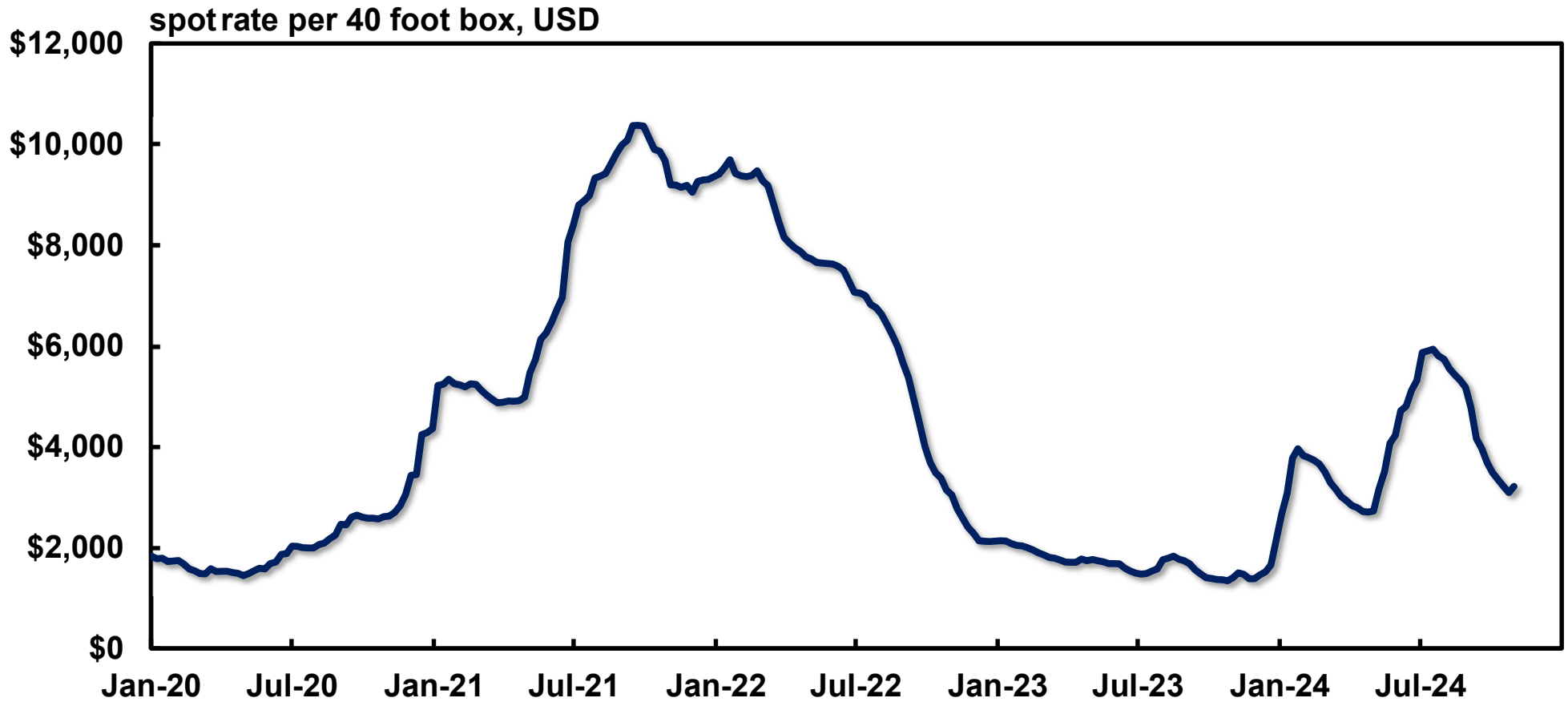
Source: Census Bureau, monthly data Jan 2004 – Sep 2024

WHAT'S DRIVING INFLATION NOW?



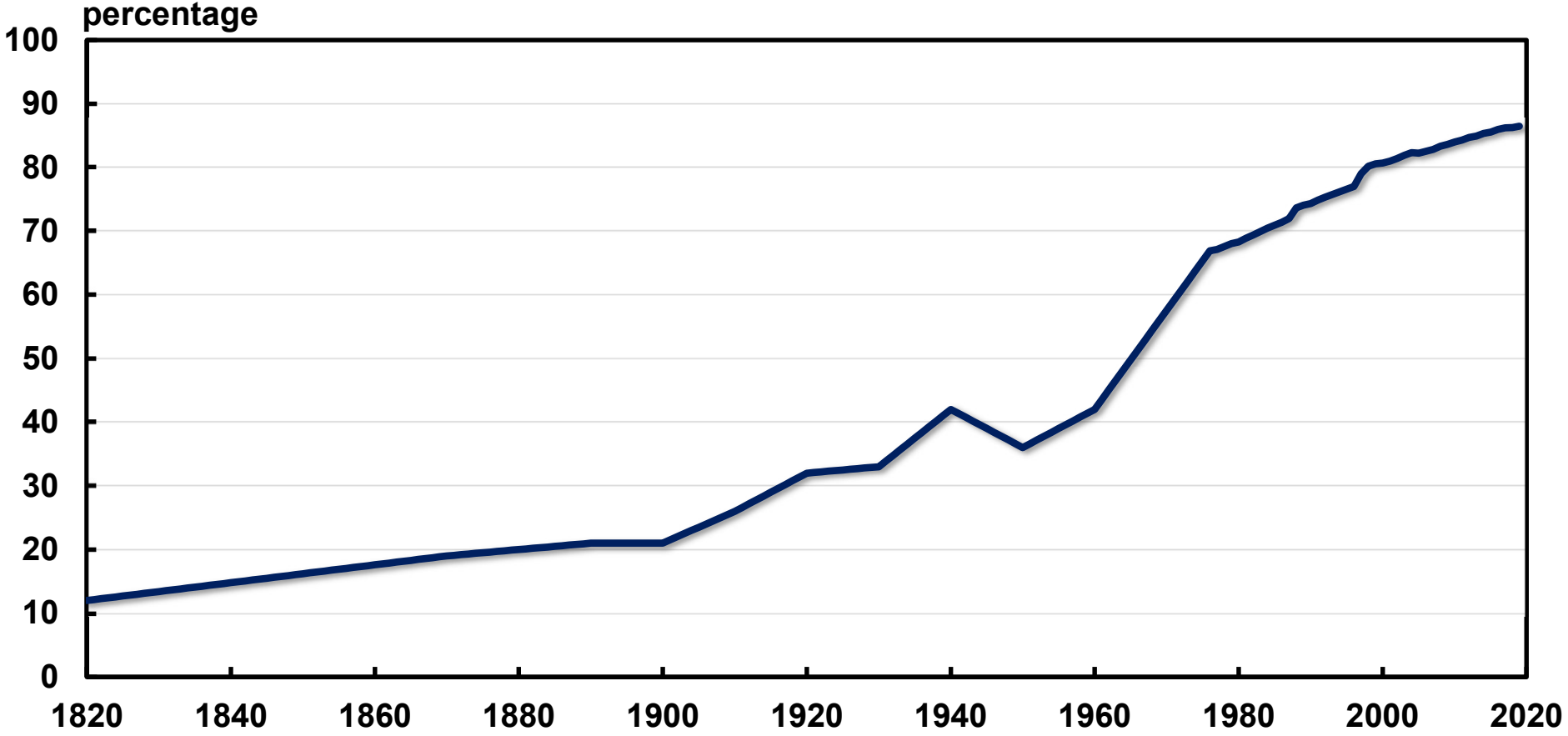
Source: Bureau of Labor Statistics. Data Jan 2000 – Sep 2024

GLOBAL FREIGHT RATES



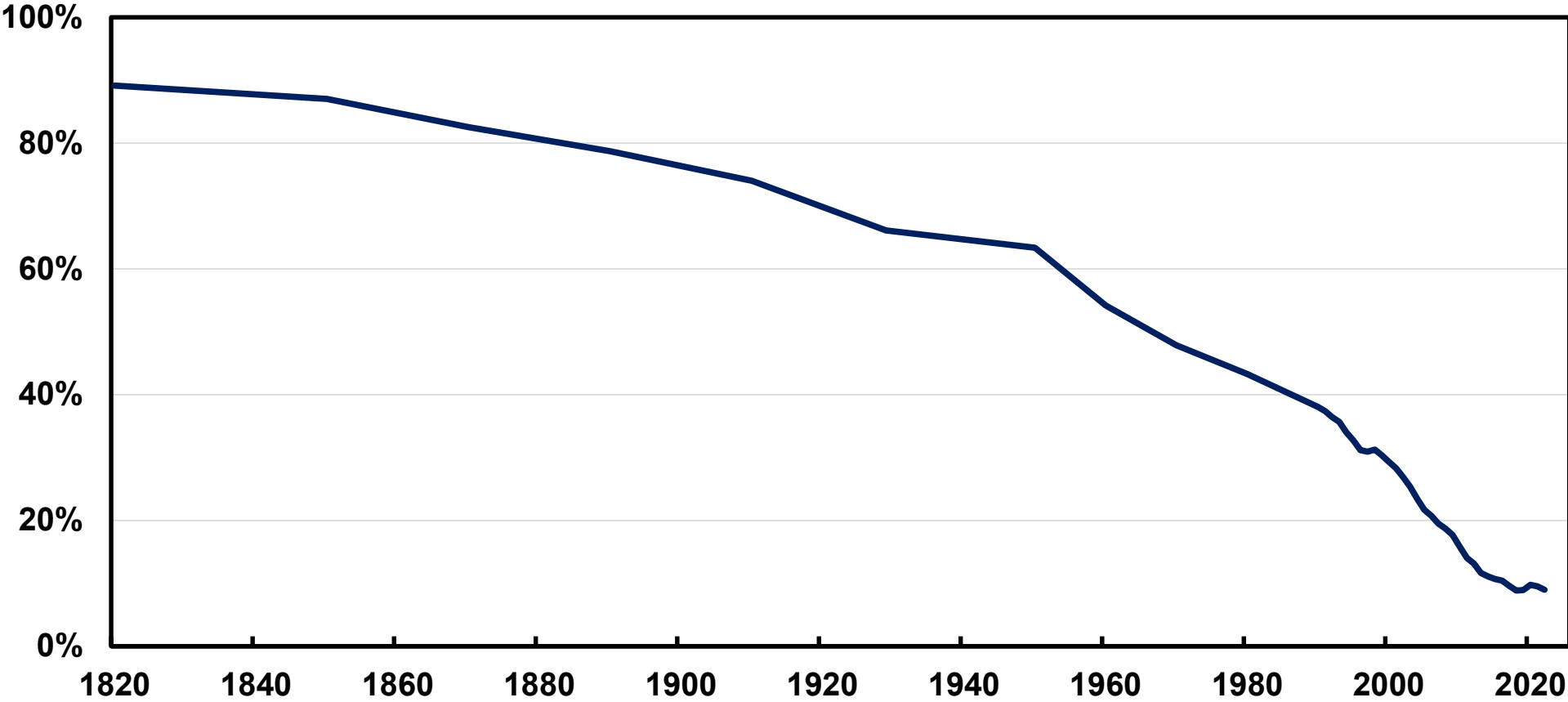
Source: Drury, Bloomberg. Weekly data 1/2/2020 – 10/31/2024.

GLOBAL ADULT LITERACY RATE: 1820 - 2019



Source: First Trust Advisors L.P., Our World in Data, World Bank, CIA World Factbook. Data for years 1820, 1870, 1880, 1890, 1900, 1910, 1920, 1930, 1940, 1950, 1960, 1976-2019

SHARE OF WORLD POPULATION LIVING IN EXTREME POVERTY



Source: Our World in Data, World Bank. For data points 1820-1980 poverty line defined as living on less than \$1.90 per day. For data points 1990-2022 poverty line defined as living on less than \$2.15 per day. \$ adjusted for inflation and for differences in the cost of living between countries.

EXTREME GLOBAL POVERTY

The World Bank defines Extreme Poverty as the number of people living on less than \$1.90 per day

- 2003: 1,620,819,300 People in Extreme Poverty
- 2023: 713,839,940 People in Extreme Poverty

906,979,360 fewer people in Extreme Poverty!!!

7,305 days

124,158 people PER DAY moving out of Extreme Poverty!!!!!!