Global Economic Performance and Outlook:

Key Themes

Economic growth in U.S. trading partners is improving.

Overall outlook for growth abroad is positive.

Recoveries are mixed and most lag behind the U.S. rebound.

Inflation does not appear to threaten the global recovery.

Risks and uncertainty are prevalent.
Foreign Economic Growth

Q/Q % change, SAAR

Q1 2002 is an estimate, Q2 2002 and beyond are forecasts.

Sources: IMF, Consensus Economics, JP Morgan, Goldman Sachs, UBS Warburg, Macroeconomic Advisors

Asia

Q/Q % Change, saar

Japan
Developing Asia less China
China

Sources: IMF, Consensus Economics, JP Morgan, Goldman Sachs, UBS Warburg, Macroeconomic Advisors
Sources: IMF, Consensus Economics, JP Morgan, Goldman Sachs, UBS Warburg, Macroeconomic Advisors
Europe

Q/Q % Change, saar

UK
Euro Area

2000 Q2 Q3 Q4 2001 Q2 Q3 Q4 2002 Q2 Q3 Q4 2003 Q2 Q3 Q4

Industrialized Country Inflation

Y/Y % change in CPI

Outlook
Industrialized Countries
2002 = 1.3 %
2003 = 1.8 %

Developing Countries
2002 = 4.8 %
2003 = 7.0 %

Source: IMF

Developing Country Inflation

Y/Y % change in CPI

Source: IMF