# There and Back Again: An Outlook for 2014 January 2014







Bryan Jordan, CFA
Nationwide Investments

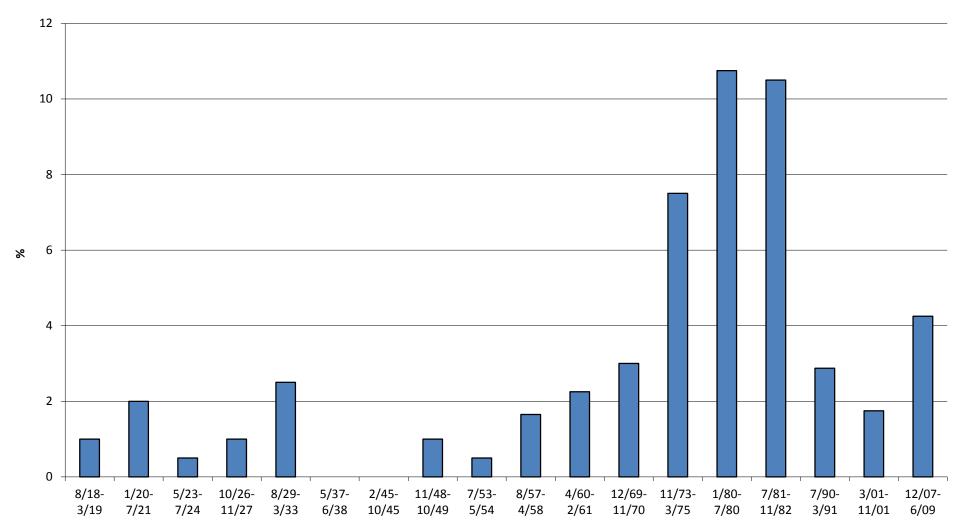


Nationwide Investments

#### Extended accommodation bodes well for continued recovery



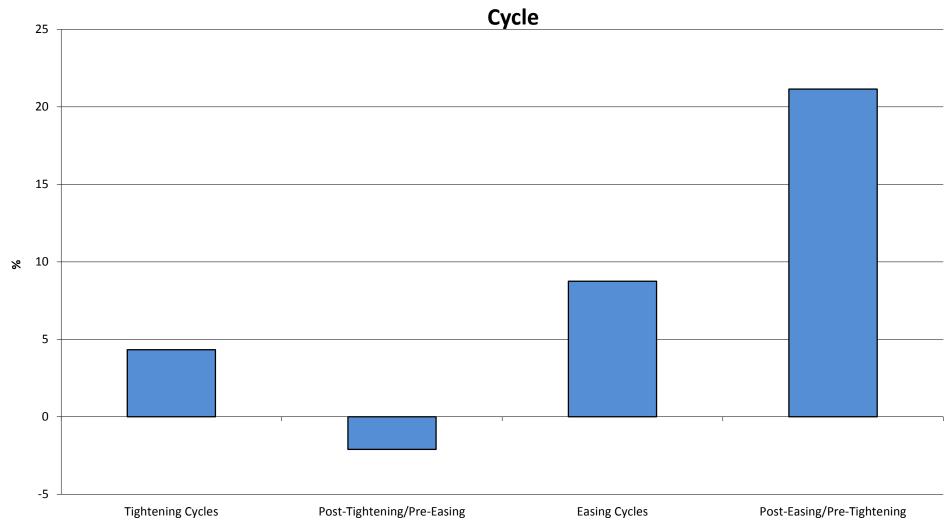
#### **Changes in Federal Reserve Benchmark Interest Rates ahead of Recessions**



### Stocks remain in the sweet spot



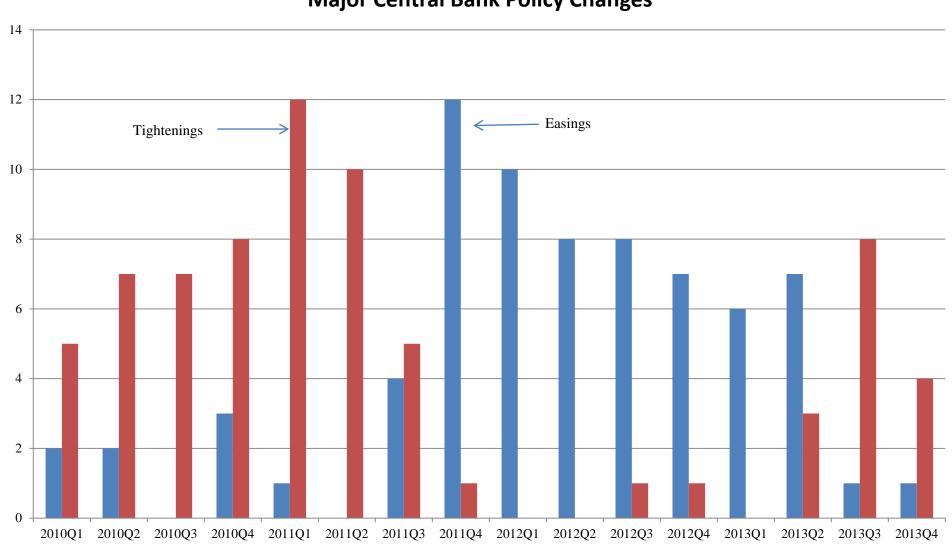
# Median Annualized Changes in the S&P 500 across the Monetary Policy



# The easing cycle is global



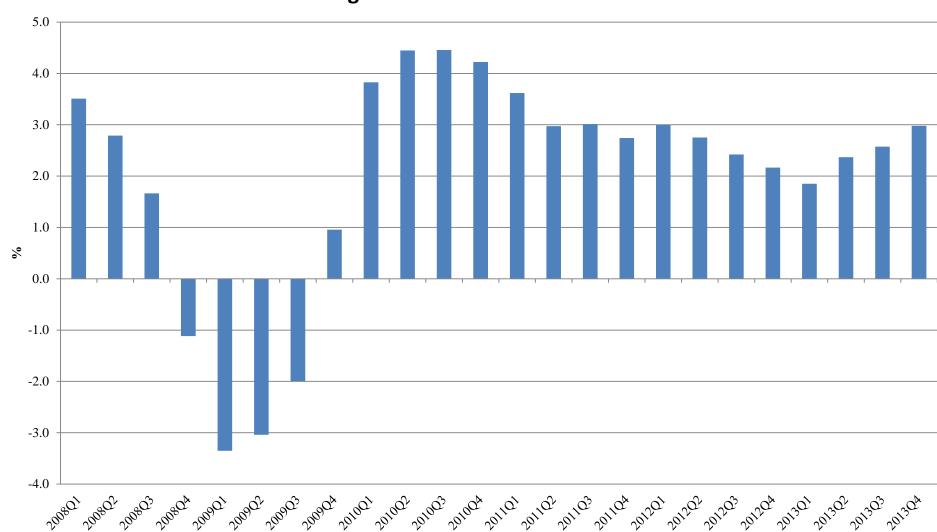
# **Major Central Bank Policy Changes**



# The global economy is beginning to respond



#### **Annualized Changes in World Real Gross Domestic Product**

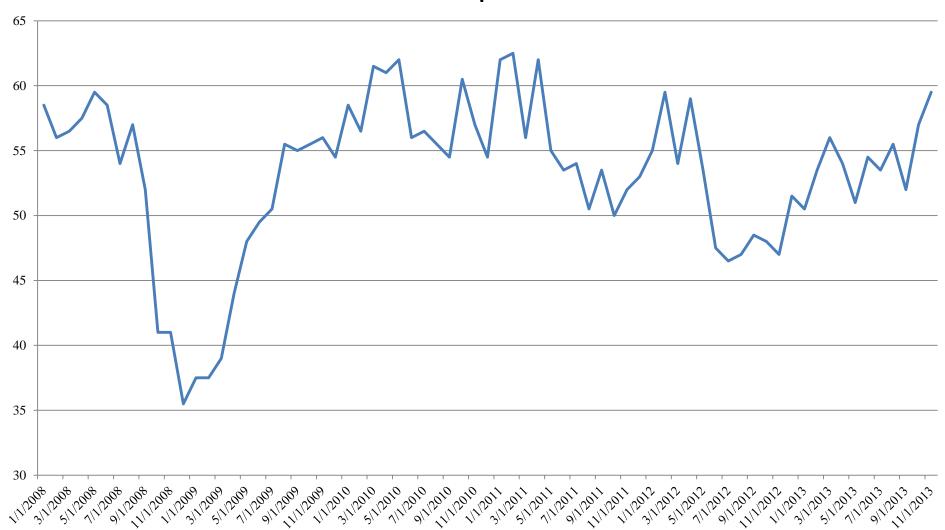


Global Insight 5

# Stronger global growth is driving exports



#### The ISM Export Index

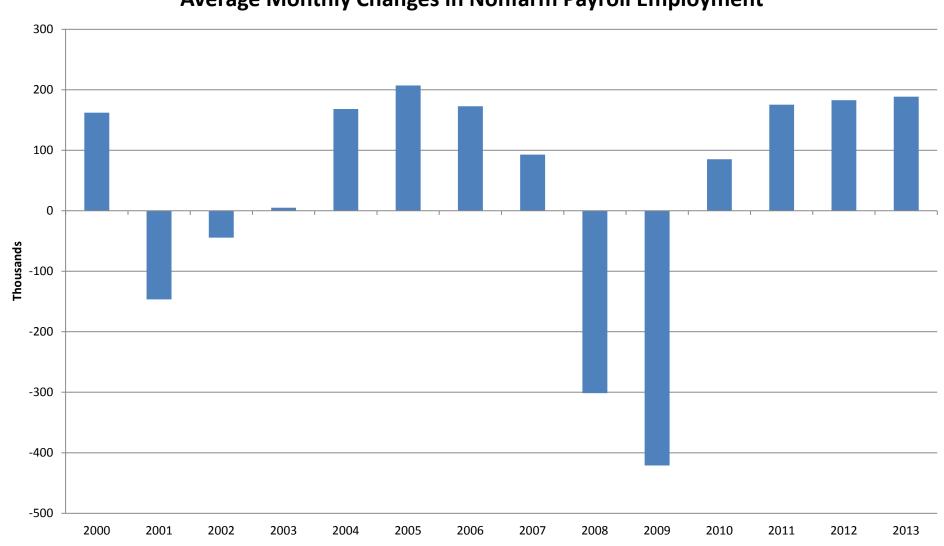


Institute for Supply Management 6

# The U.S. real economy is improving as well



#### **Average Monthly Changes in Nonfarm Payroll Employment**

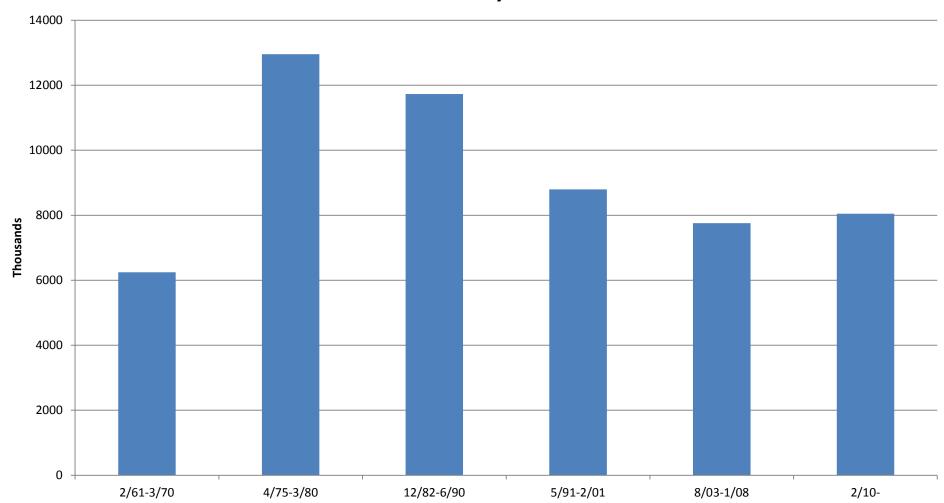


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# Job growth is in line with recent cycles...



# Changes in Nonfarm Payroll Employment in the First Four Years of Job Growth Cycles

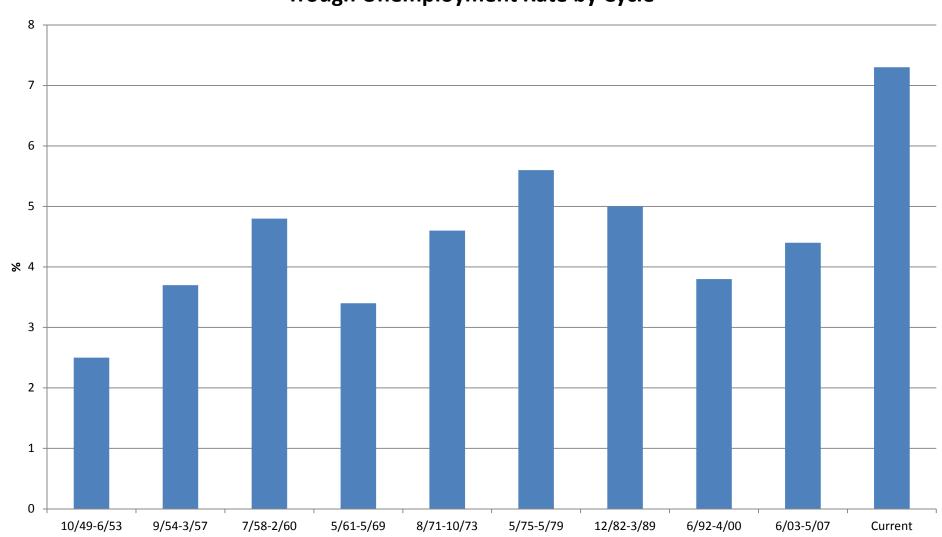


Bureau of Labor Statistics

# ...but has plenty of room left for improvement



#### **Trough Unemployment Rate by Cycle**



# And stocks are, again, in the sweet spot



# Average Annualized Changes in the S&P 500 by Change in the Unemployment Rate

