

Is there a link between economic growth and (in)equality?

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21 January
Zurich Airport

Inequality and political instability

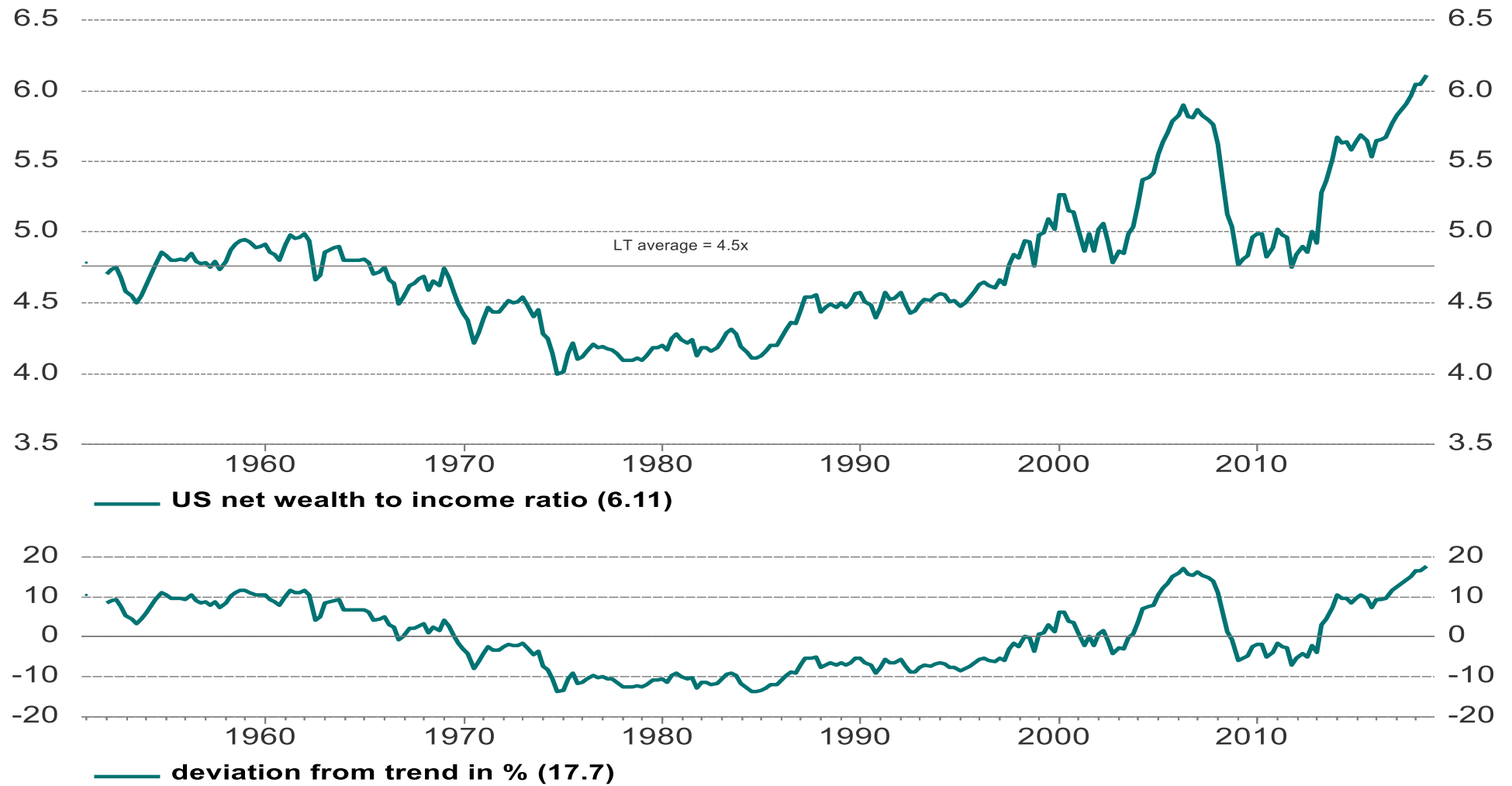
Avenir Suisse

Think Tank Summit 2019



WEALTH IS RISING MUCH FASTER THAN INCOMES

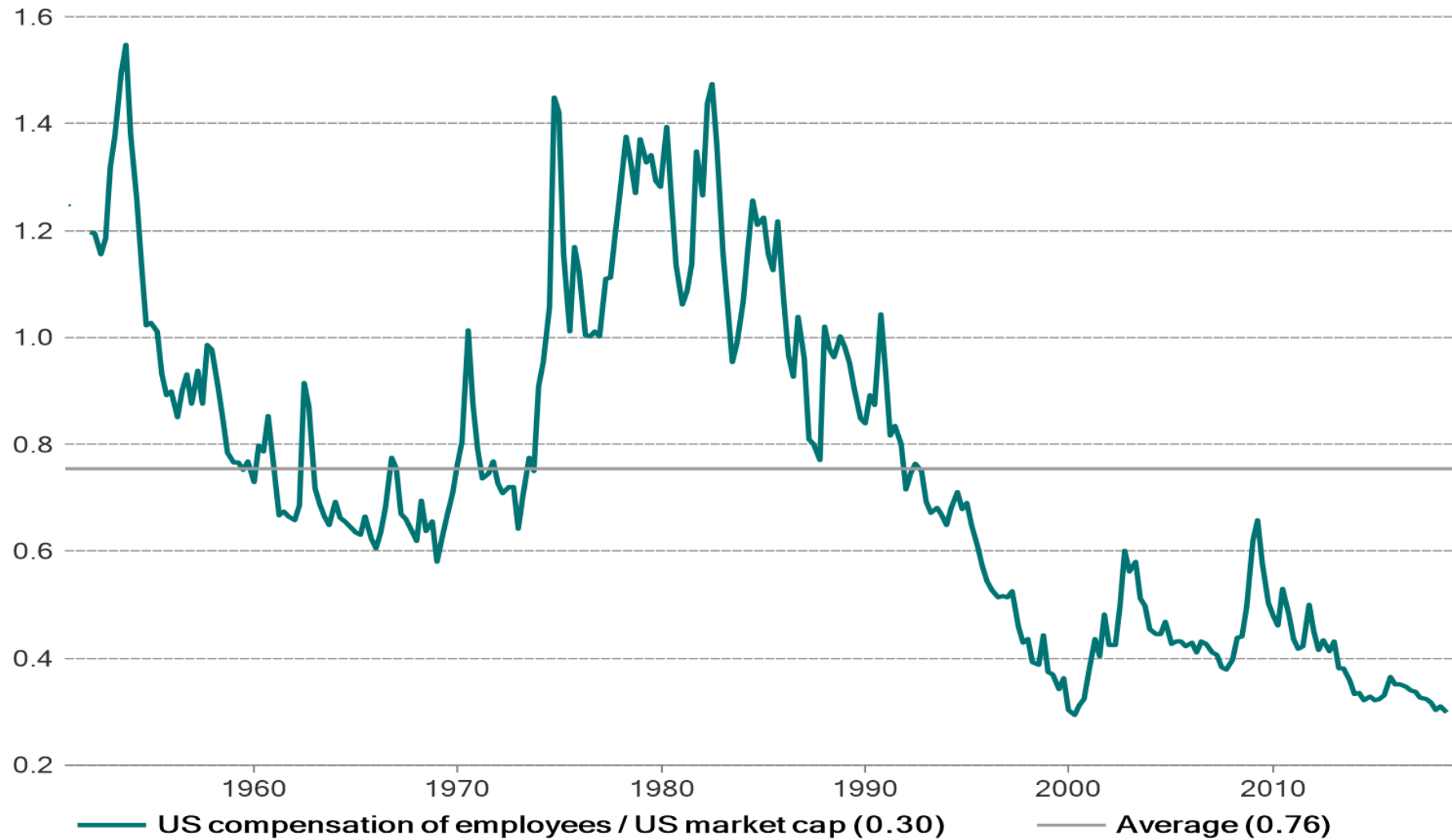
US net wealth to income ratio



Source: Datastream, Federal Reserve, Pictet Asset Management



US WAGES AT RECORD LOW RELATIVE TO EQUITIES

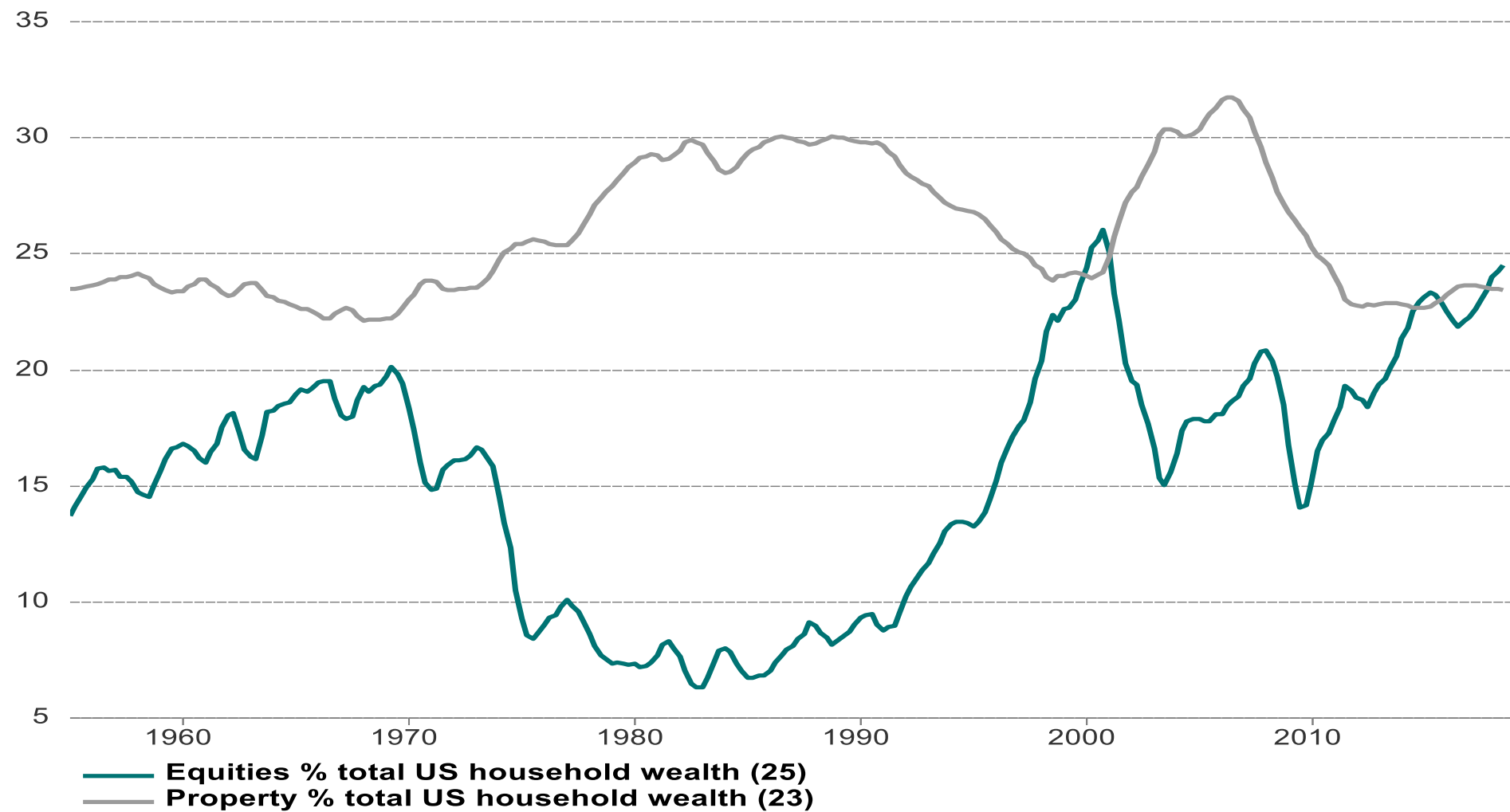


Source: Datastream, Pictet Asset Management



SHARE OF EQUITY > PROPERTY IN US HOUSEHOLD WEALTH

Equity and property % share of US total assets

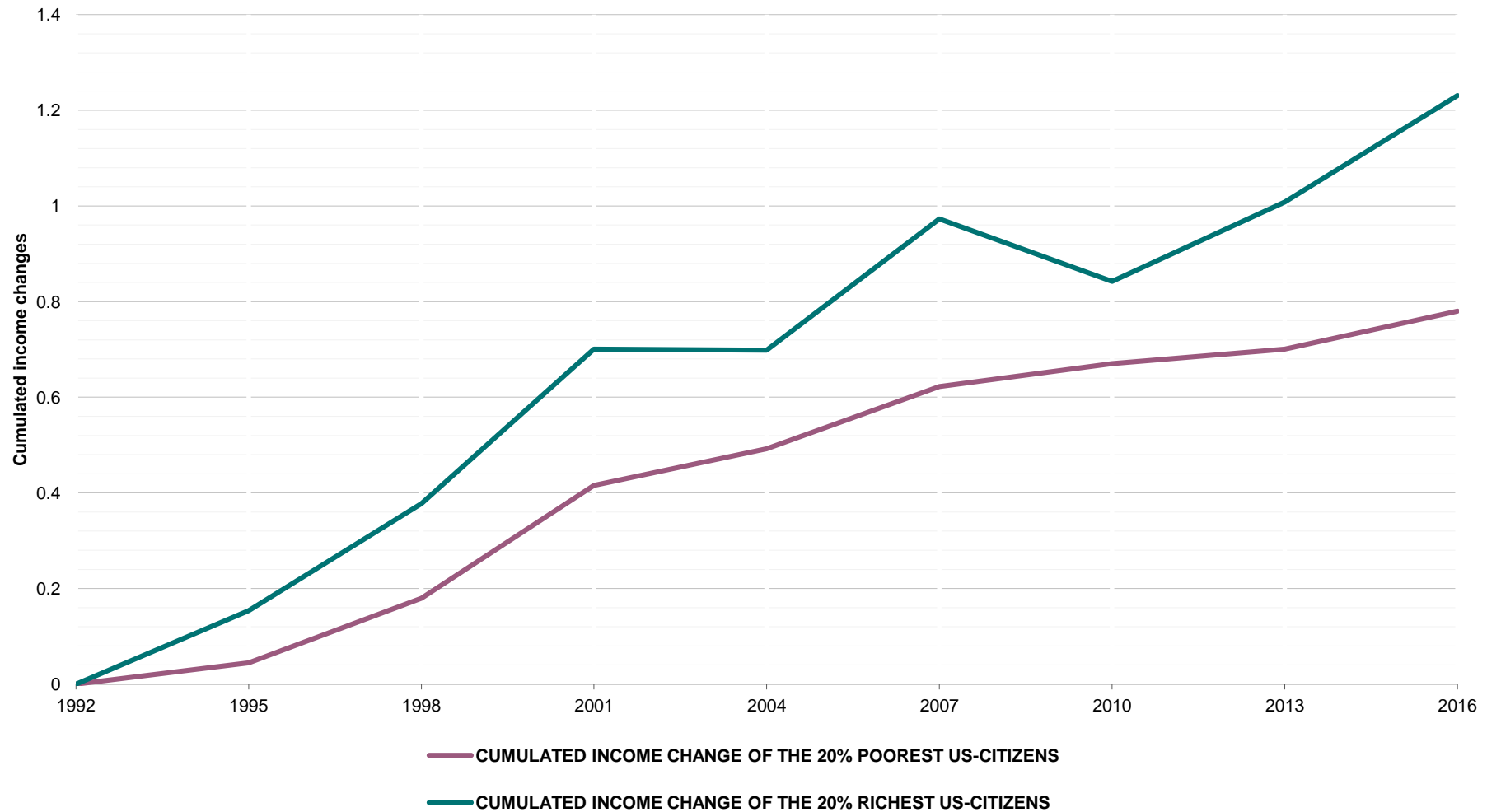


Source: Datastream, Federal Reserve, Pictet Asset Management



INCREASING INCOME INEQUALITY

Cumulated income change

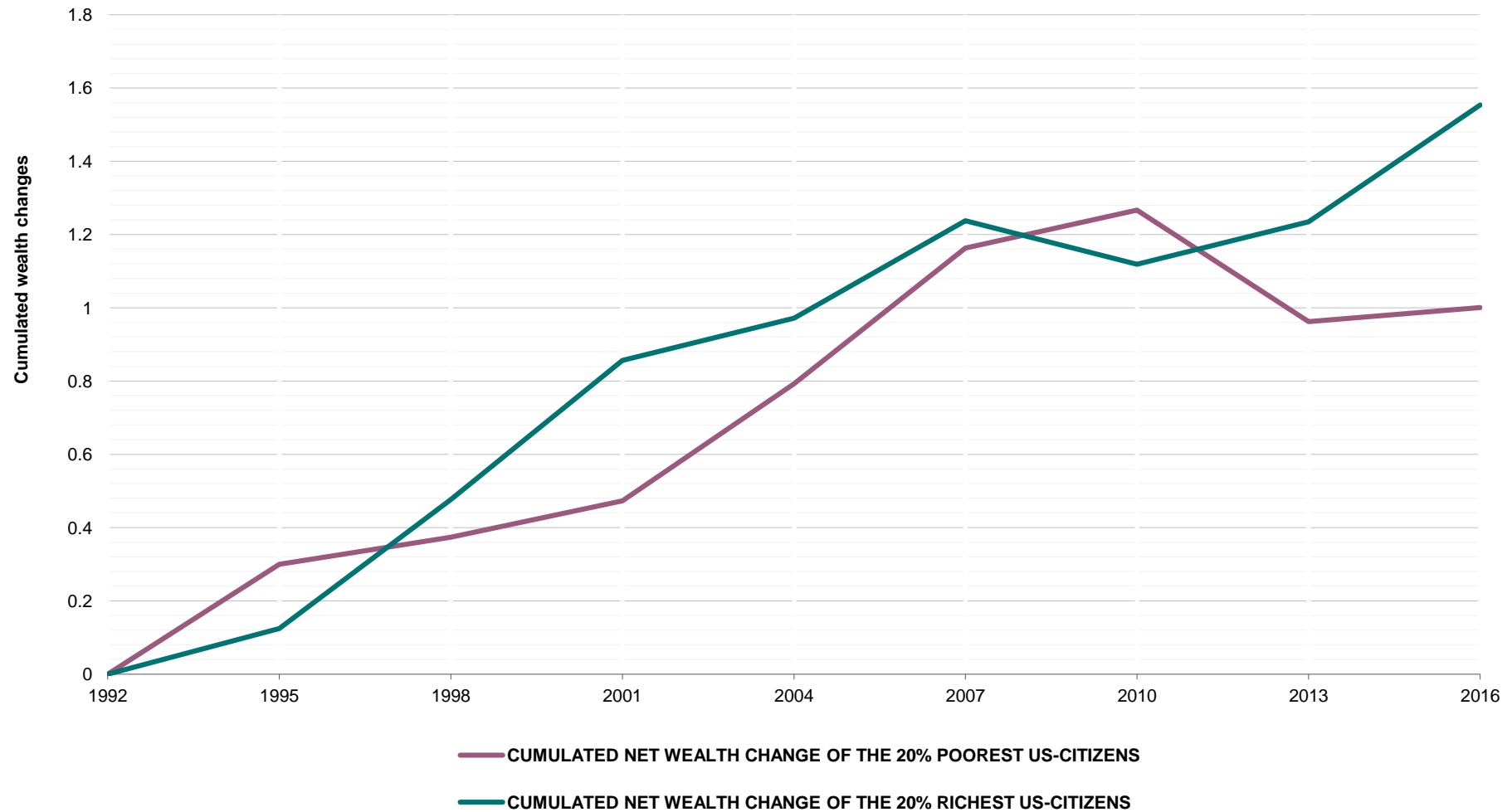


Source: Datastream, Federal Reserve, Pictet Asset Management



INCREASING WEALTH INEQUALITY

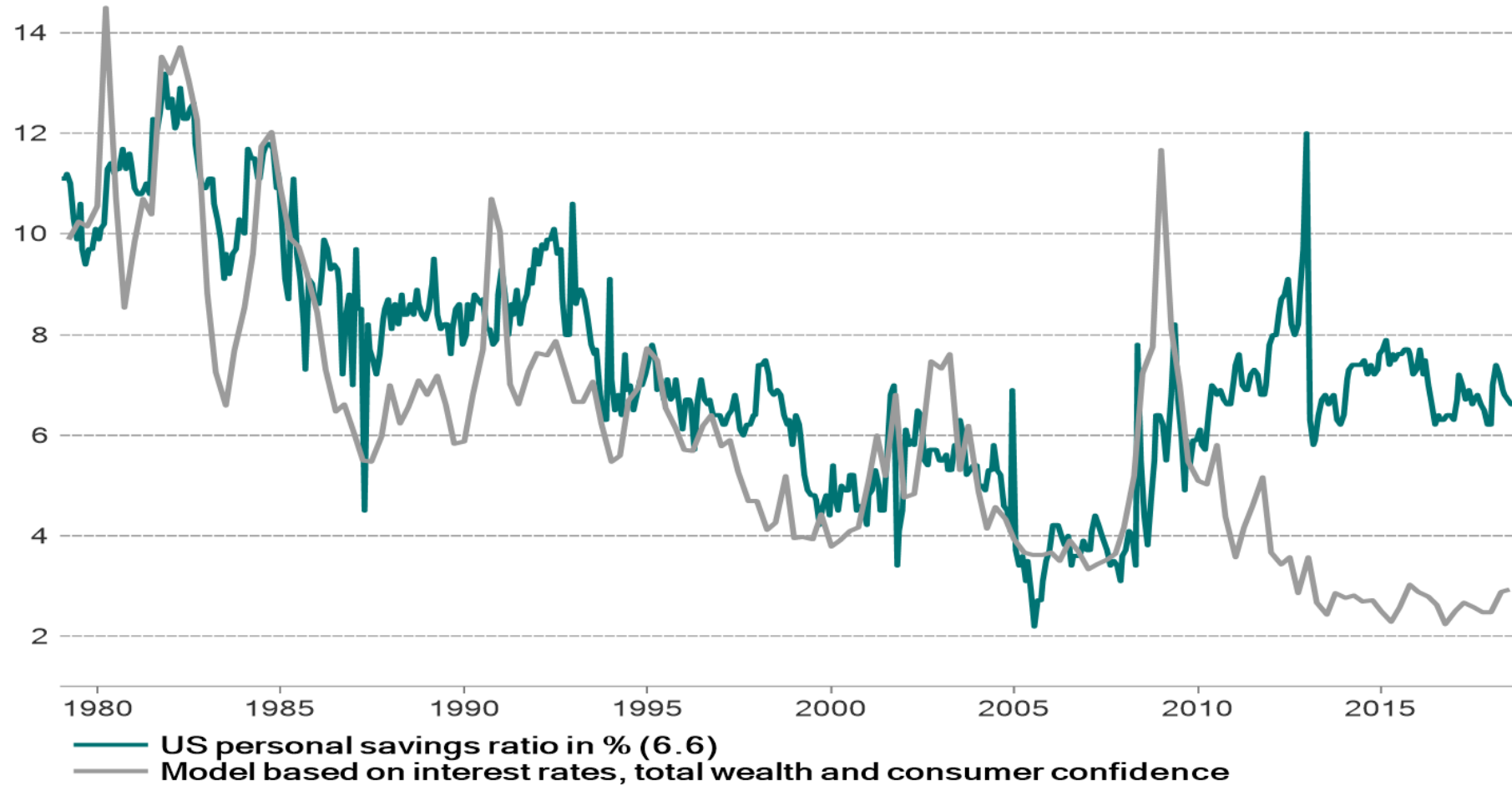
Cumulated net wealth change



Source: Datastream, Federal Reserve, Pictet Asset Management

US SAVINGS RATIO STILL REMAINS HIGH

US personal savings ratio as % of disposable income – actual and fitted

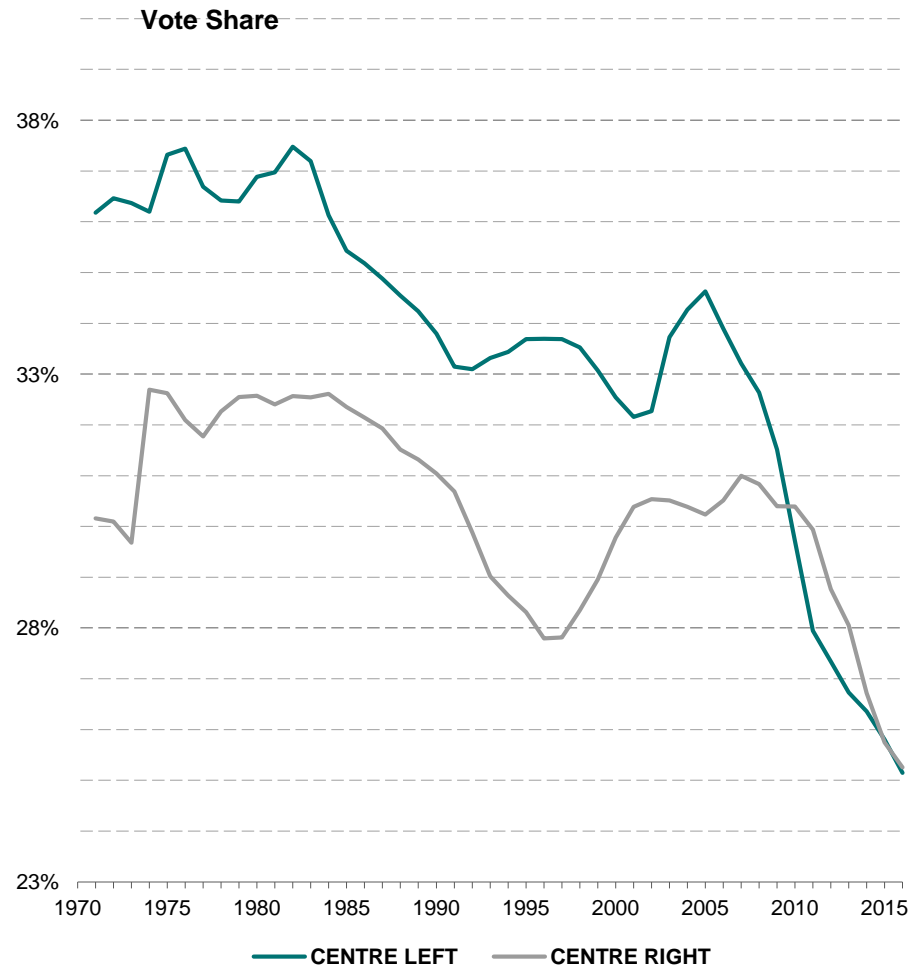


Source: Datastream, Pictet Asset Management



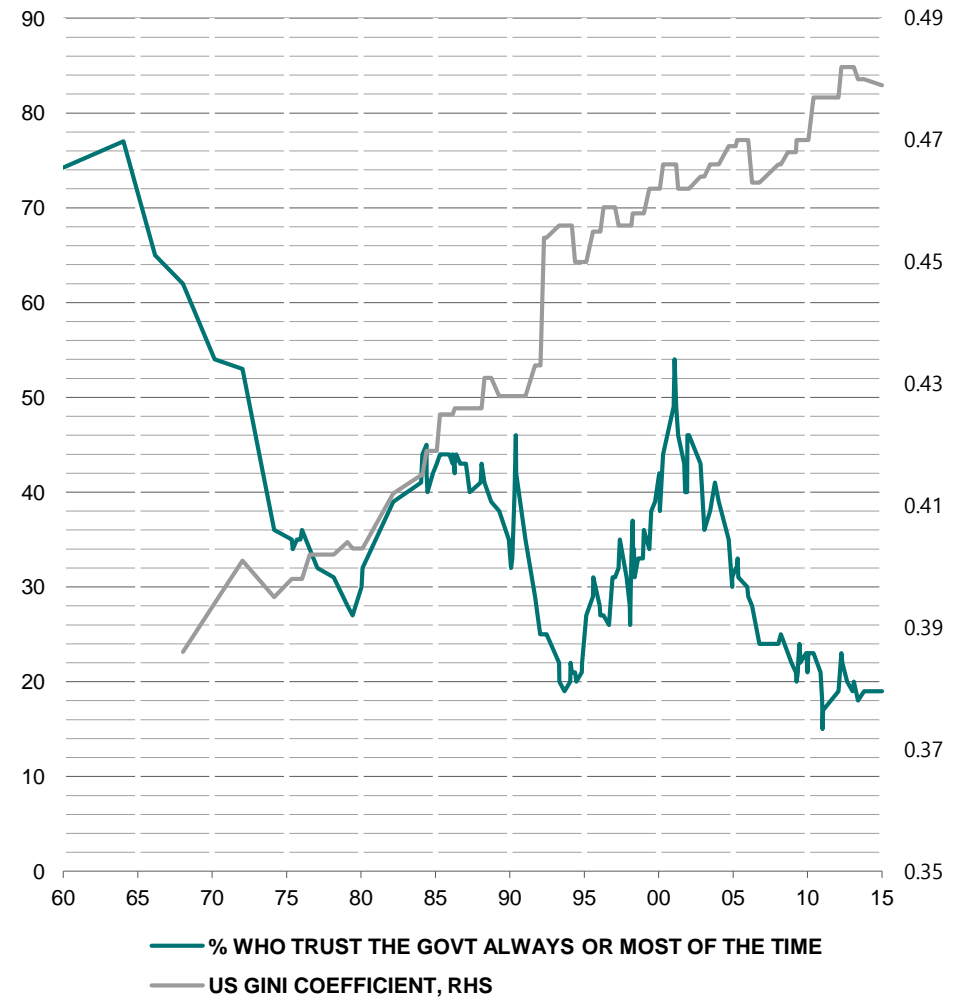
POLITICAL ENVIRONMENT IS GETTING MORE CHALLENGING

World: Vote share of the mainstream parties*



* 22 advanced economies, interpolation between elections
 Source: Barclays Research. As of 31 March 2017

US: Trust in the government and Gini coefficient



Source: PEW Research, Datastream. As of 31 March 2017

For more information

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