

2019 Year Ahead Outlook

Recorded on November 30, 2018



Michael Hartnett

Chief Investment Strategist

BofA Merrill Lynch Global Research

What do you anticipate for global profits in 2019?

We think we'll see a sharp decline in global profit growth in 2019. We don't think we'll see a decline in profits, but we think that the growth of profits will decelerate through the year. Partly that's because the year-on-year comparison with a very robust year of profit growth in 2018 is going to be hard to beat. But also we're starting to see some of the leading indicators in the global economy: the Asian export cycle, PMIs around the world. All of these things are telling us that growth is slowing in terms of profits. But with a bit of luck we think we will avoid an actual decline in profits in 2019.

"Bank of America Merrill Lynch" is the marketing name for the global banking and global markets businesses of Bank of America Corporation. Lending, derivatives and other commercial banking activities are performed globally by banking affiliates of Bank of America Corporation, including Bank of America, N.A., Member FDIC. Securities, strategic advisory, and other investment banking activities are performed globally by investment banking affiliates of Bank of America Corporation ("Investment Banking Affiliates"), including, in the United States, Merrill Lynch, Pierce, Fenner & Smith Incorporated and Merrill Lynch Professional Clearing Corp., both of which are registered as broker-dealers and Members of [SIPC](#), and, in other jurisdictions, by locally registered entities. Merrill Lynch, Pierce, Fenner & Smith Incorporated and Merrill Lynch Professional Clearing Corp. are registered as futures commission merchants with the CFTC and are members of the NFA. ©2018 Bank of America Corporation

**Investment products offered by Investment Banking Affiliates:
Are Not FDIC Insured * May Lose Value * Are Not Bank Guaranteed.**