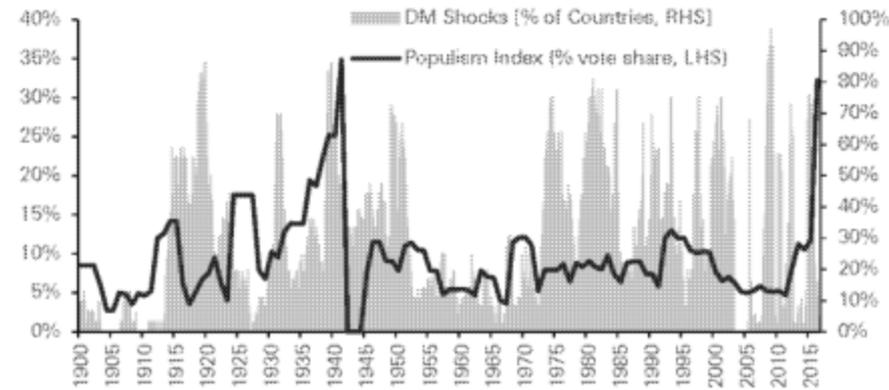Figure 9: Populism index (% of vote across key countries, population weighted, LHS) and DM Financial Crises (RHS)

Source: Deutsche Bank, Author's Calculations

- We see China's credit growth post GFC as also an area of great concern. As an example, in a recent IMF report they analysed 43 global cases of credit booms in which the credit to GDP ratio increased by more than 30 percentage points over a 5-year period. Only 5 cases ended without a major growth slowdown or financial crisis immediately afterwards. The IMF also caveated that these 5 cases, considering country specific factors, provided little comfort. If that wasn't enough, the fund also points out that all credit booms that began when the ratios were above 100% ended badly.

Figure 10: Non-financial debt (% of GDP) leading up to key financial crises vs. current trend for China
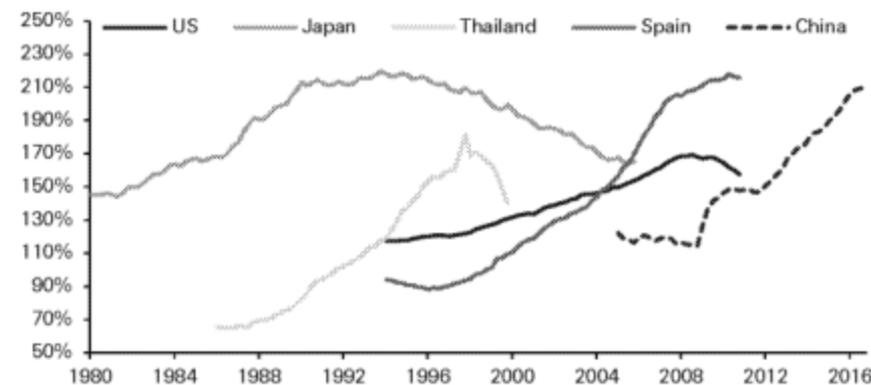
Source: Deutsche Bank, Haver

- These are perhaps the main observable risks out there but we go through a list of other potential catalysts in the piece. As we discuss at the top, by their very nature, financial crises or shocks are generally unpredictable.

- While we can't be confident of where and when the next crisis will occur we can be pretty confident that the conditions remain in place for a world of frequent crises.

Our report also contains all the usual historical data on returns across numerous asset classes and countries through history with data going back over 200 years in many cases.