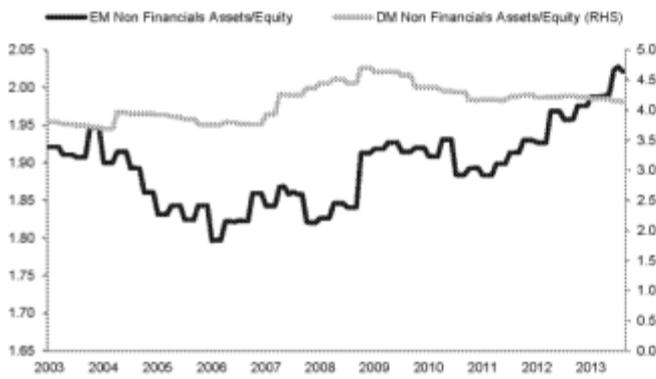




Figure 20: EM vs DM non-financials – Leverage (%)



Source: Deutsche Bank, Bloomberg Finance LP

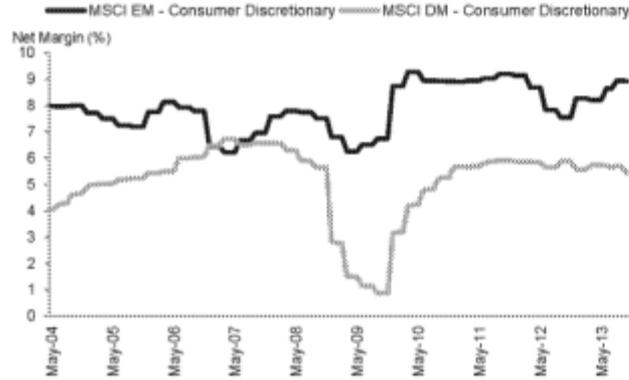
Figure 21: EM vs DM non-financials – Asset turnover (%)



Source: Deutsche Bank, Bloomberg Finance LP

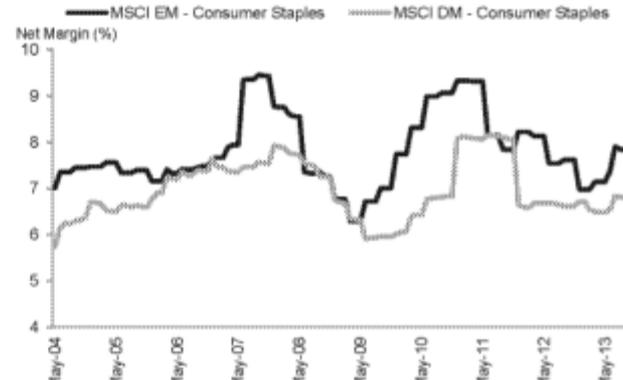
4) EM consumer-related sectors have relatively positive margin performance.

Figure 22: EM vs DM net margins (%) – Consumer Discretionary



Source: Deutsche Bank, Bloomberg Finance LP

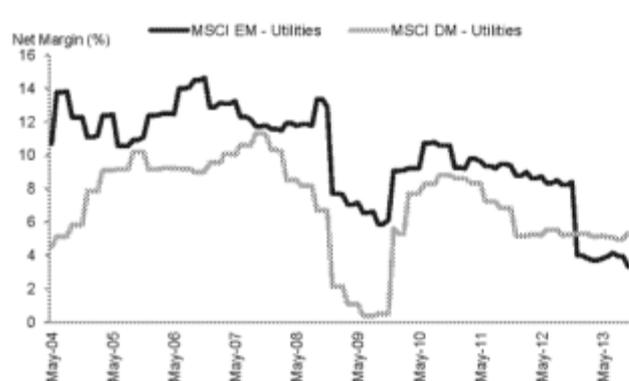
Figure 23: EM vs DM net margins (%) – Consumer Staples



Source: Deutsche Bank, Bloomberg Finance LP

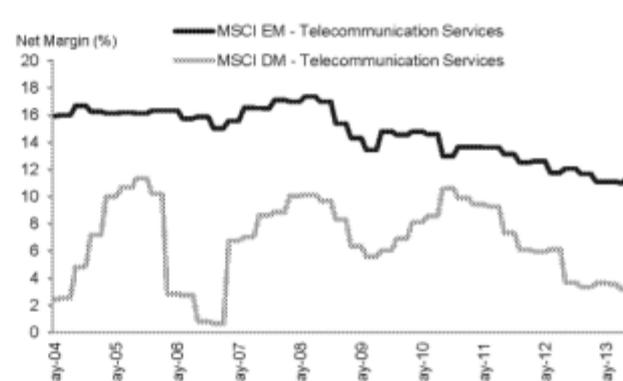
5) Regulated sectors have fared badly in both EM and DM, but worse in EM; this is especially so in Utilities as governments have reduced returns to capital to help offset the impact of low growth on living standards.

Figure 24: EM vs DM net margins (%) – Utilities



Source: Deutsche Bank, Bloomberg Finance LP

Figure 25: EM vs DM net margins (%) – Telco



Source: Deutsche Bank, Bloomberg Finance LP