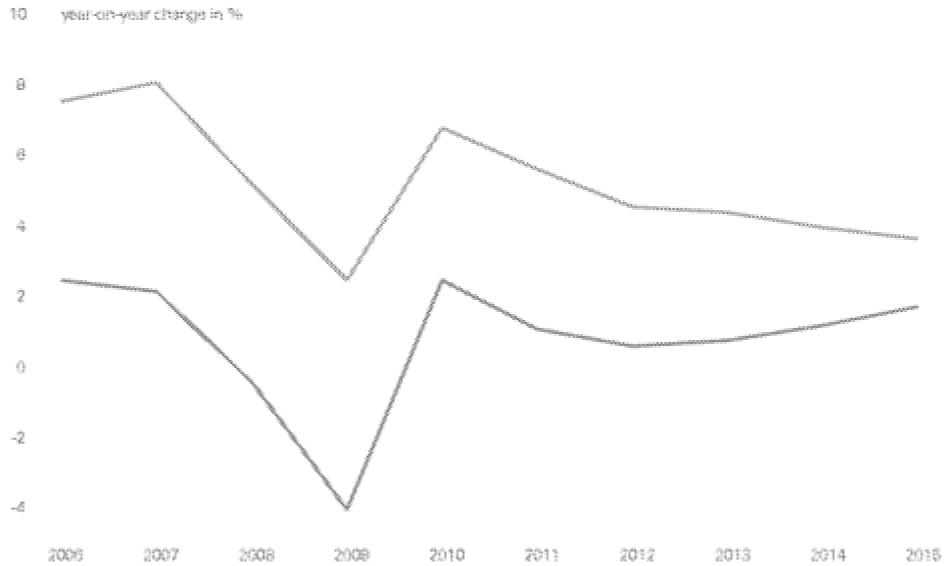
Real economic growth



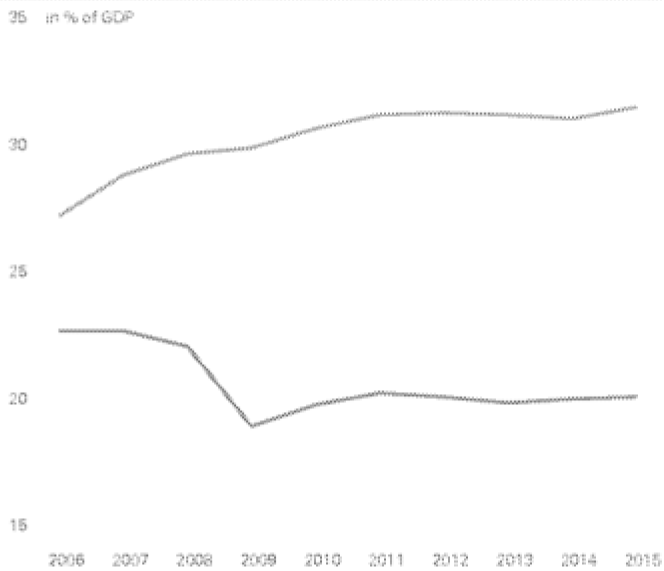
Diminishing growth differential

Before the financial crisis, emerging markets enjoyed impressively high growth rates. They even prevented the world economy from sliding into recession in the crisis year of 2009. Since 2010, however, the growth differential between developed and emerging markets has been shrinking. Growth in the emerging markets is simultaneously trending downwards.

■ Developed markets
※ Emerging markets

Source: International Monetary Fund: World Economic Outlook, as of April 2015

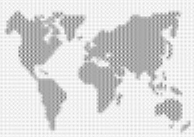
Development of investment rates



■ Developed markets ※ Emerging markets
Source: International Monetary Fund: World Economic Outlook, as of April 2015

Low investment efficiency

The combination of a high investment rate and worsening growth dynamics can indicate that capital is inefficiently invested in emerging markets. Difficult structural reforms are necessary to make investment more efficient. But these reforms are painful, making it hard for governments to win broad acceptance for them.



World (GDP growth)

The world economy is growing at a moderate rate. But decelerating emerging-market growth has become a matter of concern.

3.5 %* (2016 F)

* Deutsche AWM forecast as of 9/21/15

"We expect global growth to remain moderate and likely weaker. This reflects two forces: a weaker than expected recovery in advanced economies, and a further slowdown in emerging economies."

Christine Lagarde, director of the International Monetary Fund, speech on September 1, 2015

Emerging markets (GDP growth)

Productivity growth in the emerging markets has fallen sharply since 2010. This has contributed to their growth slowdown.

4.5 %* (2016 F)

* Deutsche AWM forecast as of 9/21/15

Past performance is not indicative of future returns.
It is not possible to invest directly in an index. No assurance can be given that any forecast or target will be reached. F = forecast. Forecasts are based on assumptions, estimates, opinions and hypothetical models or analyses that may prove to be incorrect.