



Secular stagnation or inflection point?  
The post-crisis world in historical perspective

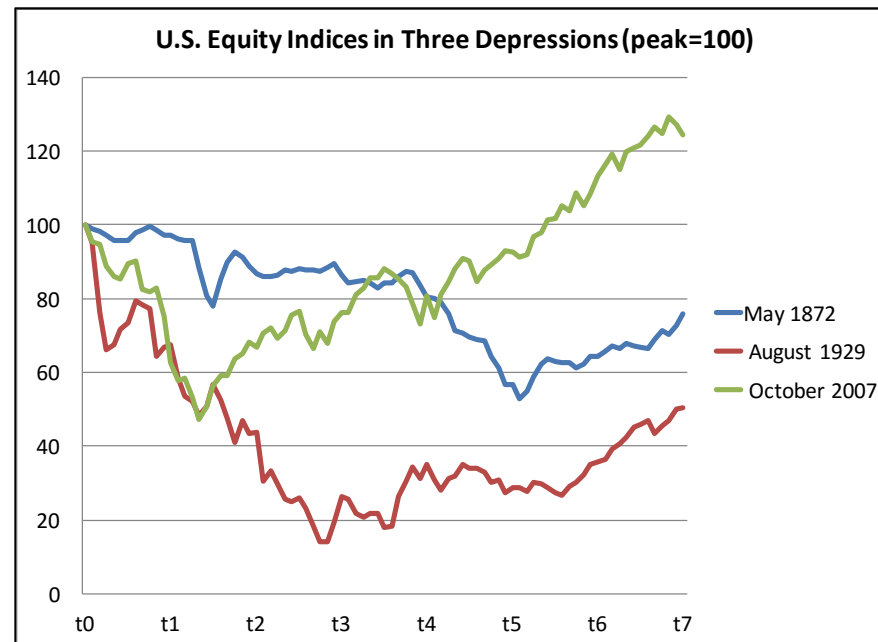
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Chapter 1: The global economy is at an inflection point

**Professor Niall Ferguson, PhD**  
Harvard University & Stanford University

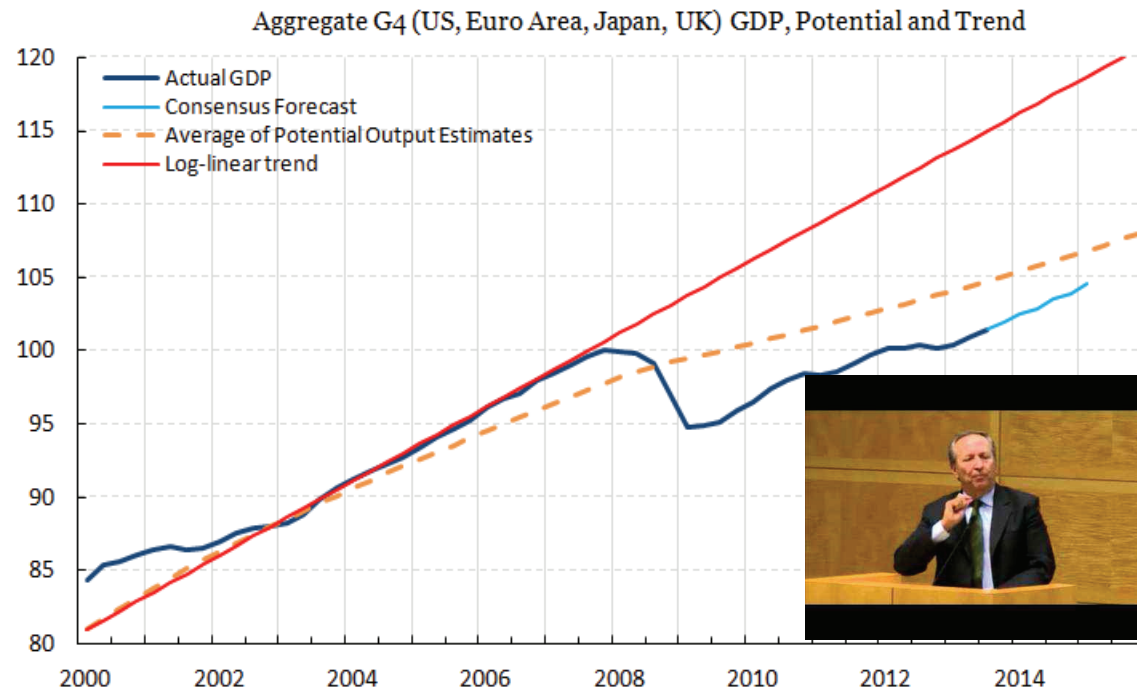
Facilitating debate on the markets, strategies and investing | @PortfolioForum | 17/18 May 2016

# Secular Stagnation or Inflection Point? The Post-Crisis World in Historical Perspective



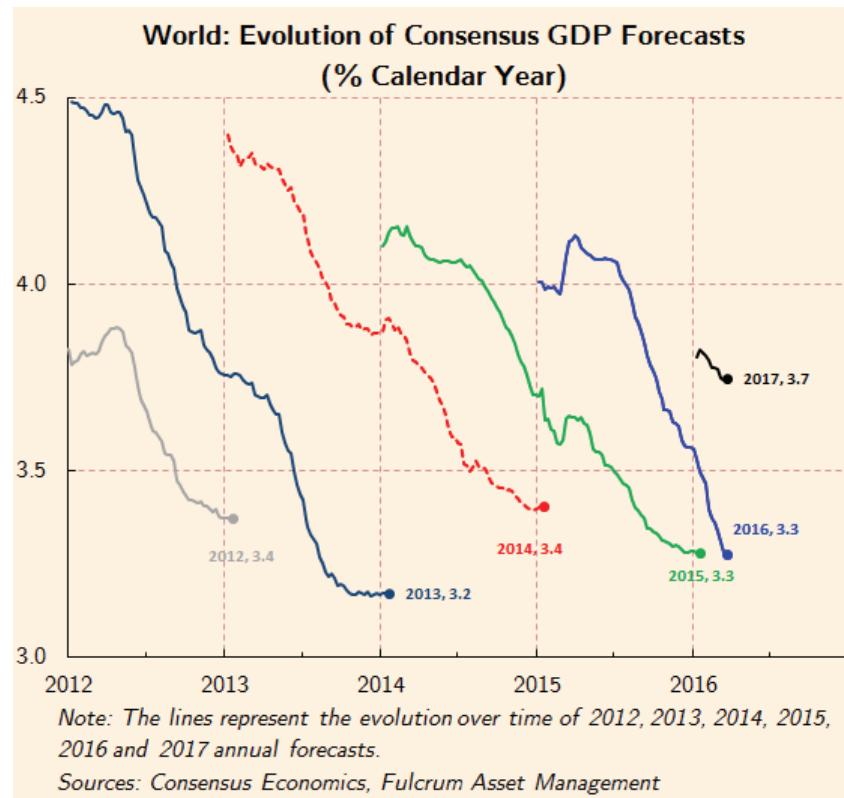
Auckland, 17 May, 2016

Looks like my former boss is winning the debate



*Note: Potential Output is Average of IMF and OECD estimates. PPP weighted average.  
Source: Fulcrum Asset Management*

## It's downward revision time yet again

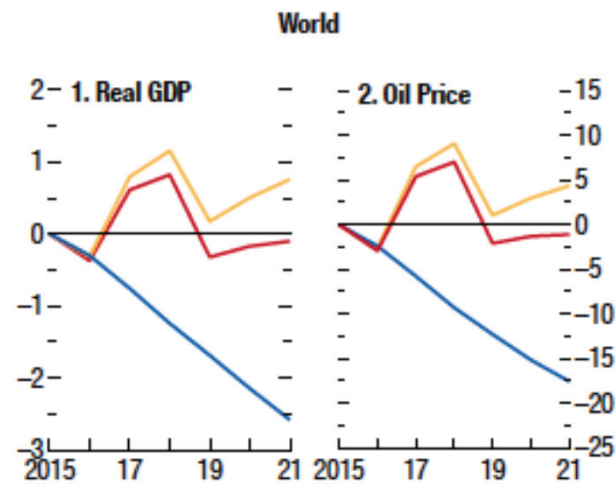


# Secular stagnation fears are up

## Scenario Figure 3. Secular Stagnation and Reform

(Percent difference, unless noted otherwise)

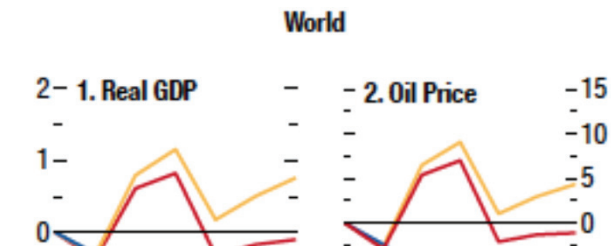
— Secular stagnation scenario — Add fiscal response  
— Add structural reform



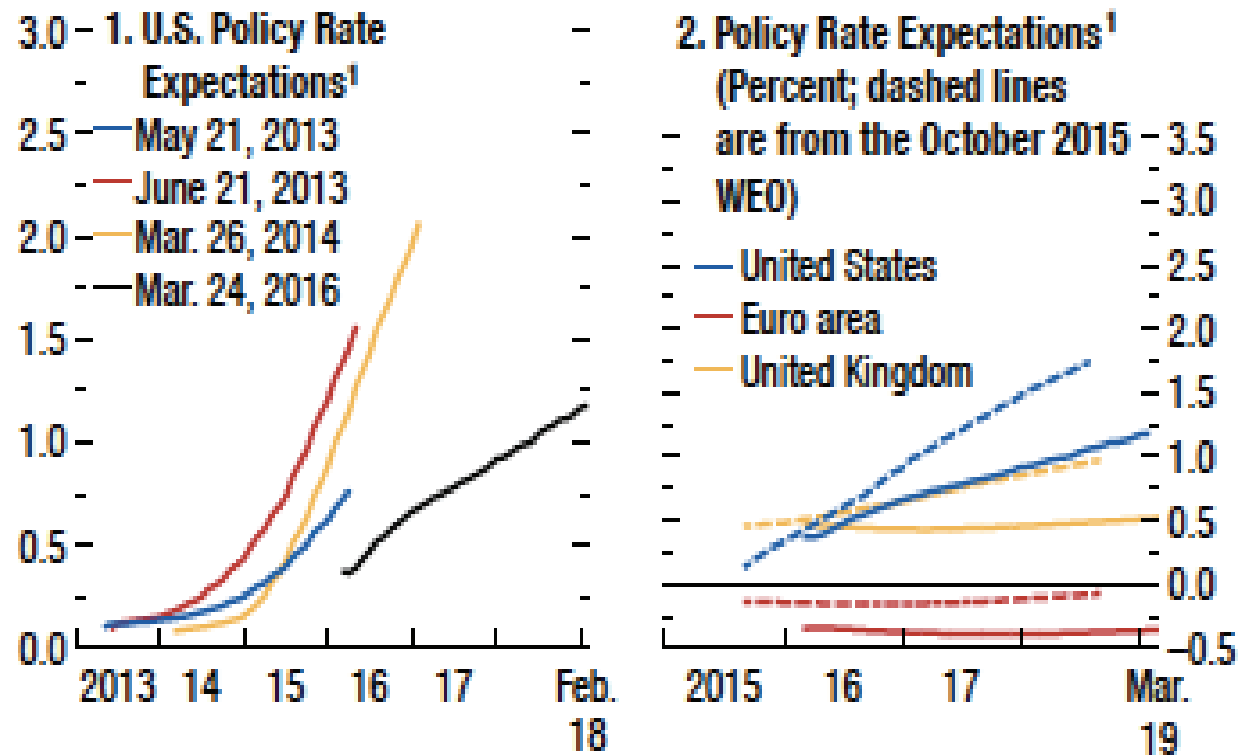
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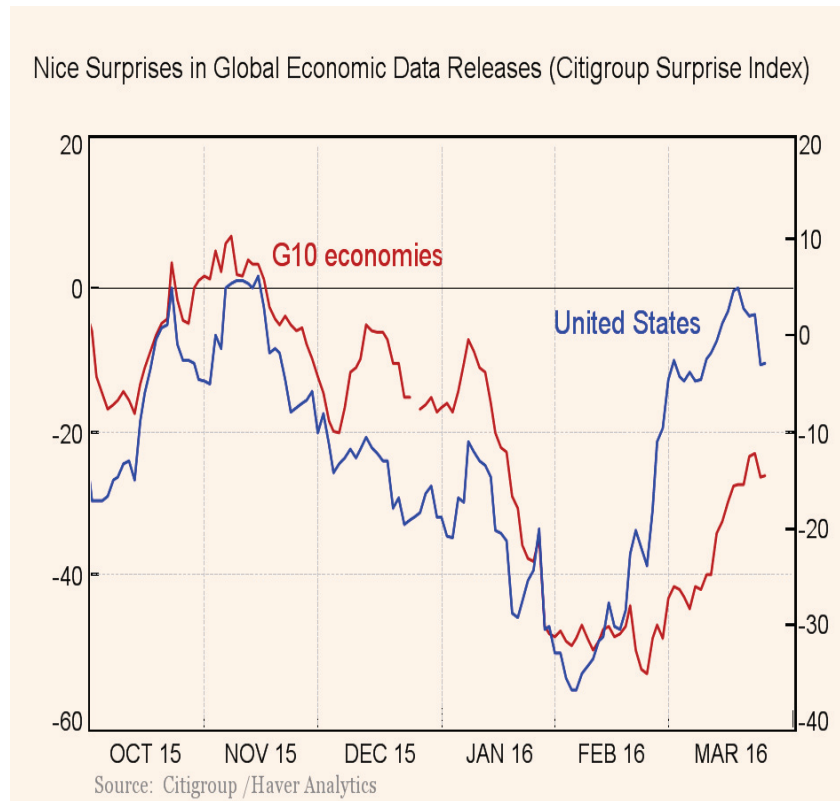
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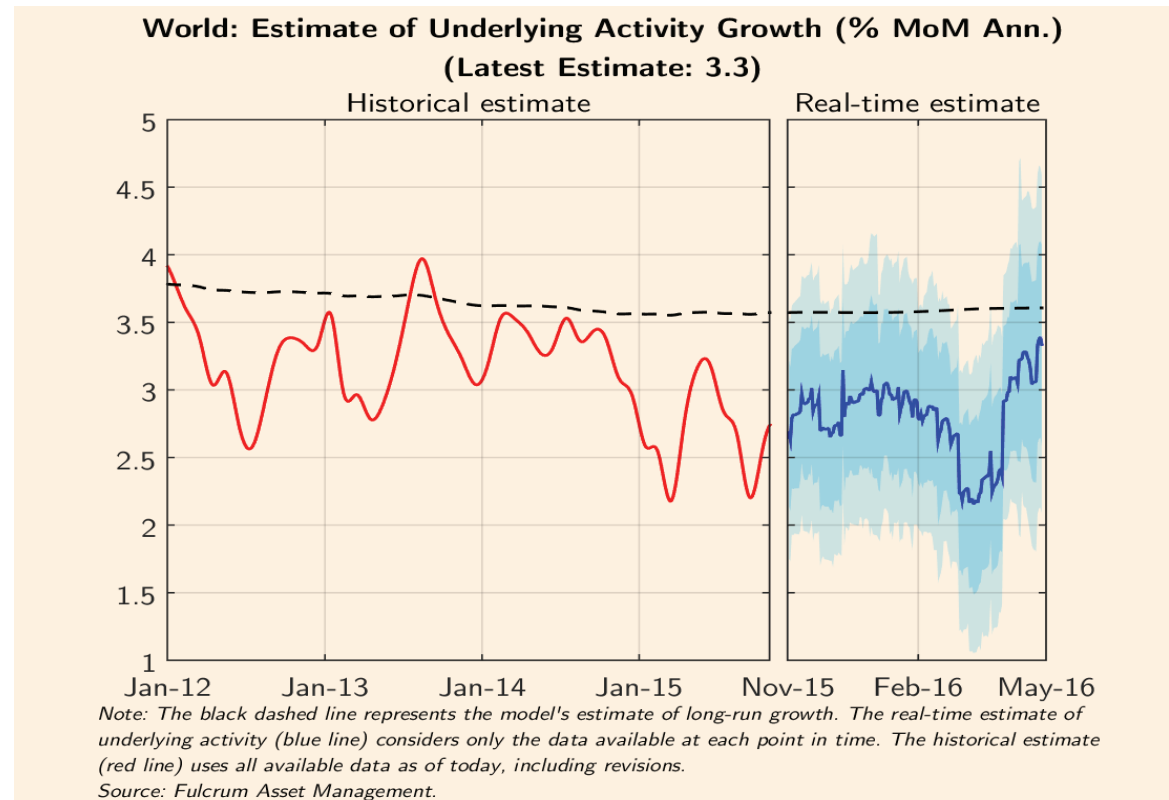
## Monetary policy is expected to ease again



## But are we missing a decisive turn?

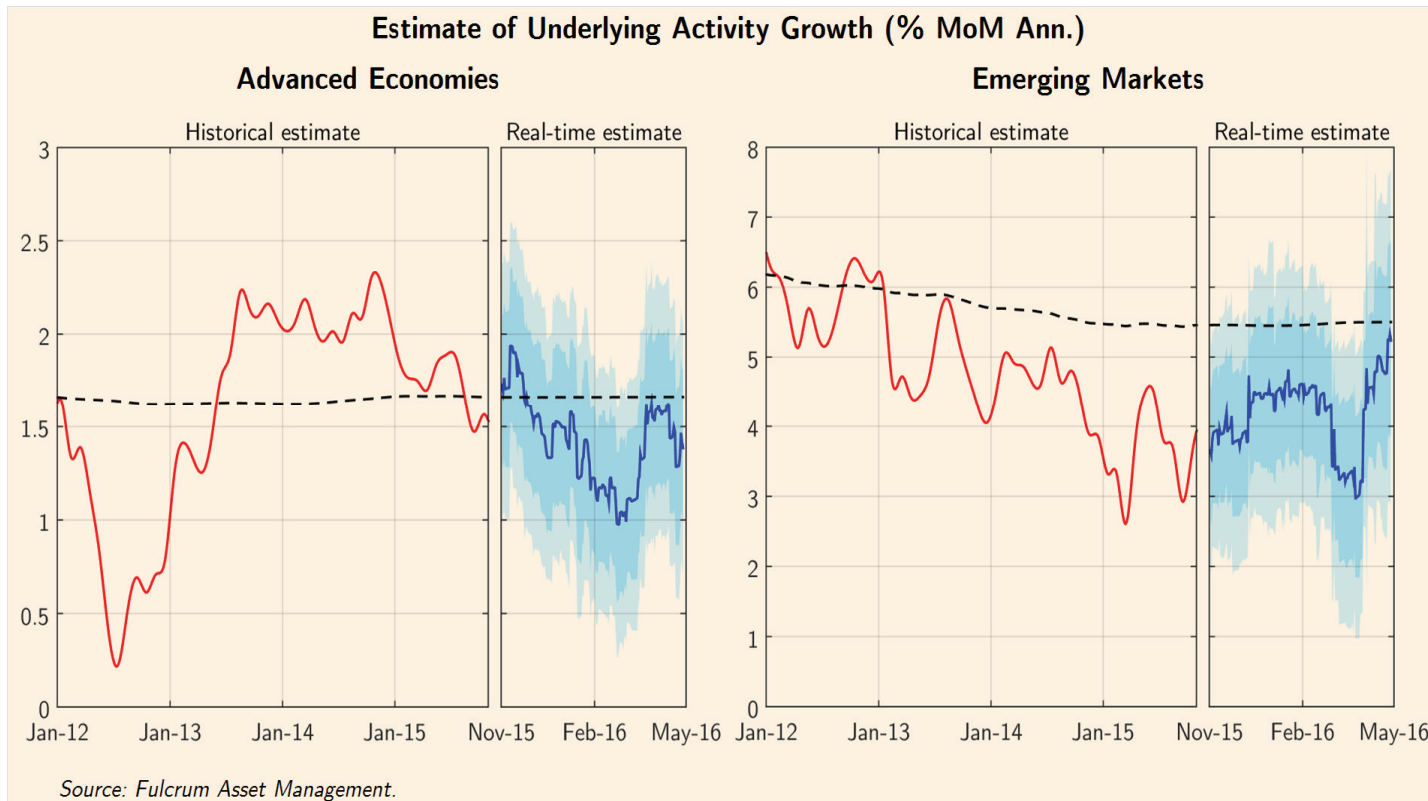


## There are signs of life in real-time data

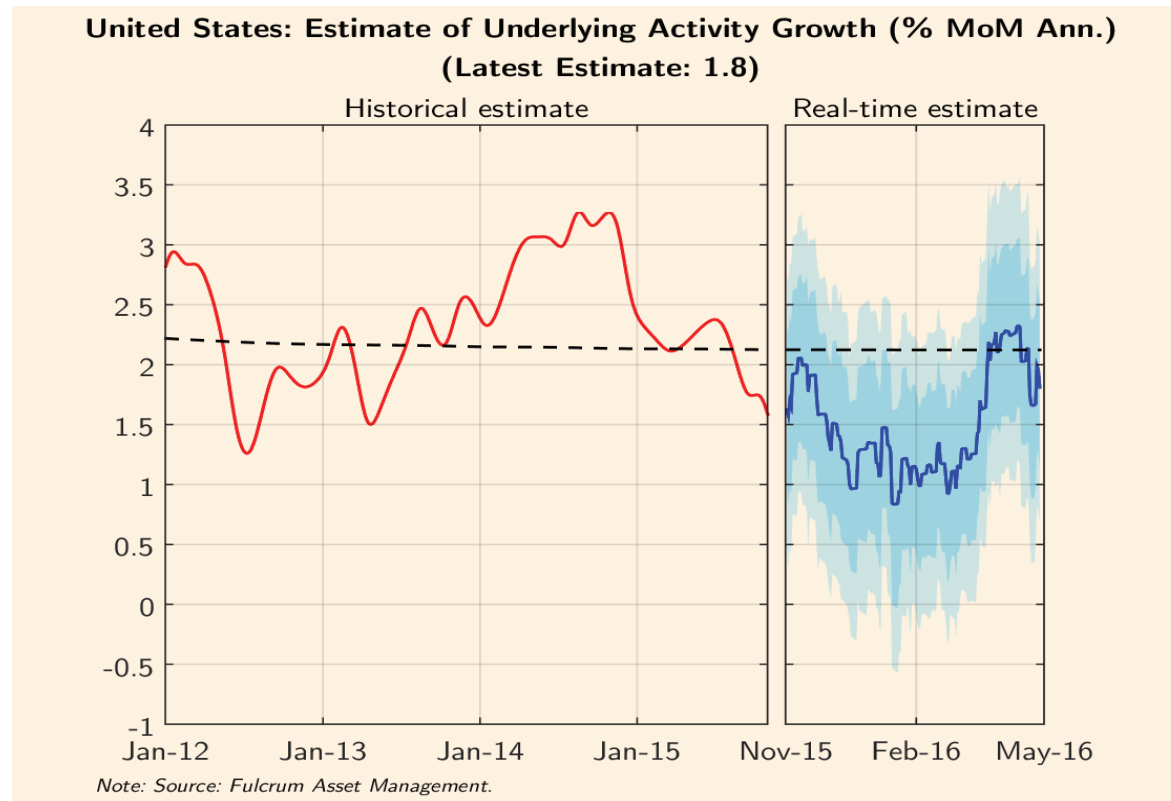




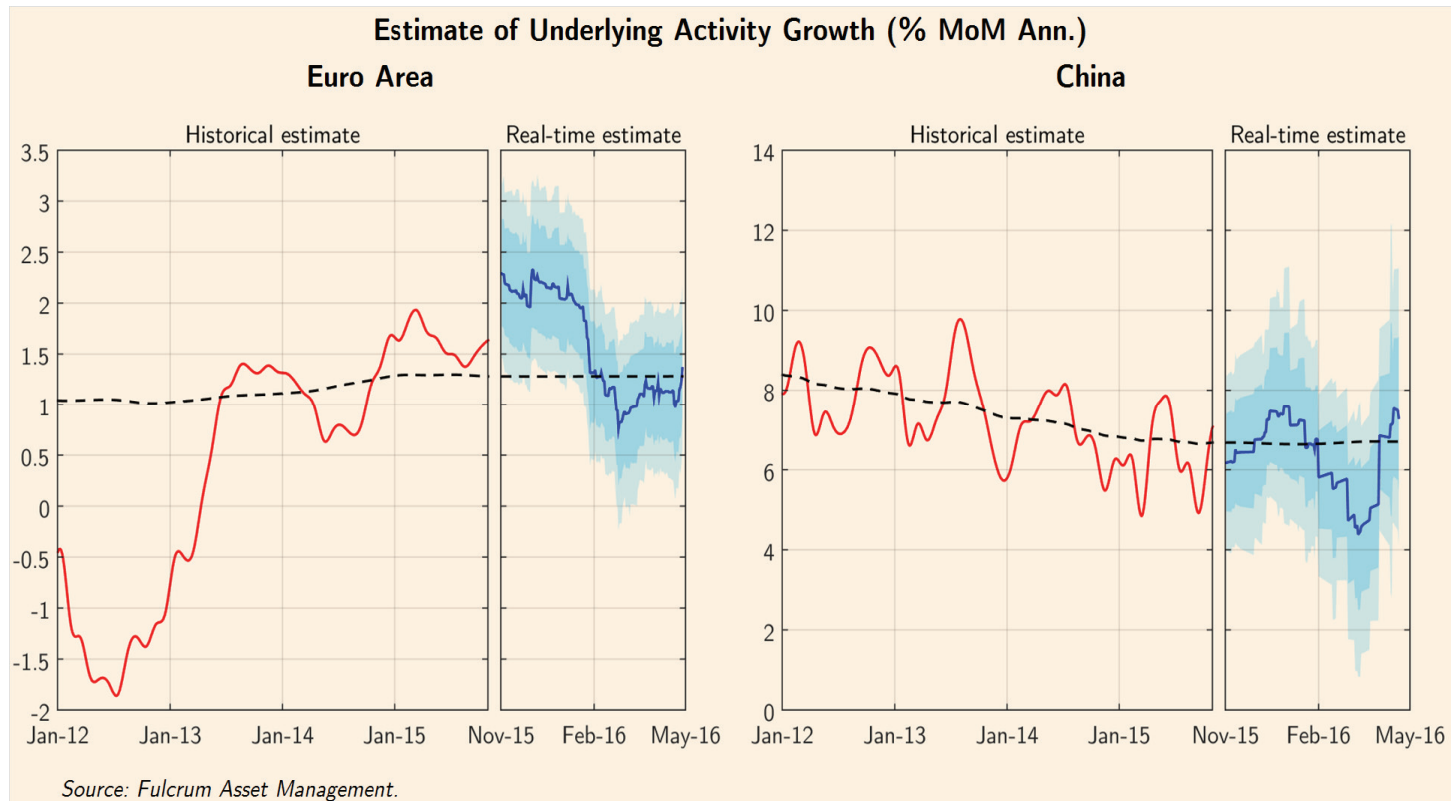
# Though the picture is mixed



# For the U.S., February was the trough

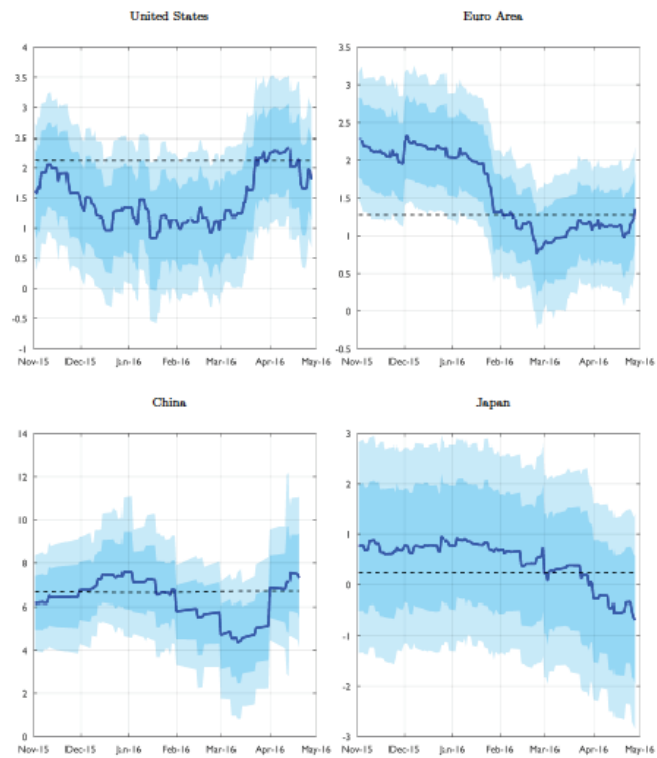


# For the Eurozone and China too



# Only Japan didn't bounce after February

Figure 2: Underlying Activity Growth (% MoM Ann.) for Main Economies



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