

Life on the edge

Balancing recovery with economic imbalances

Paul Donovan

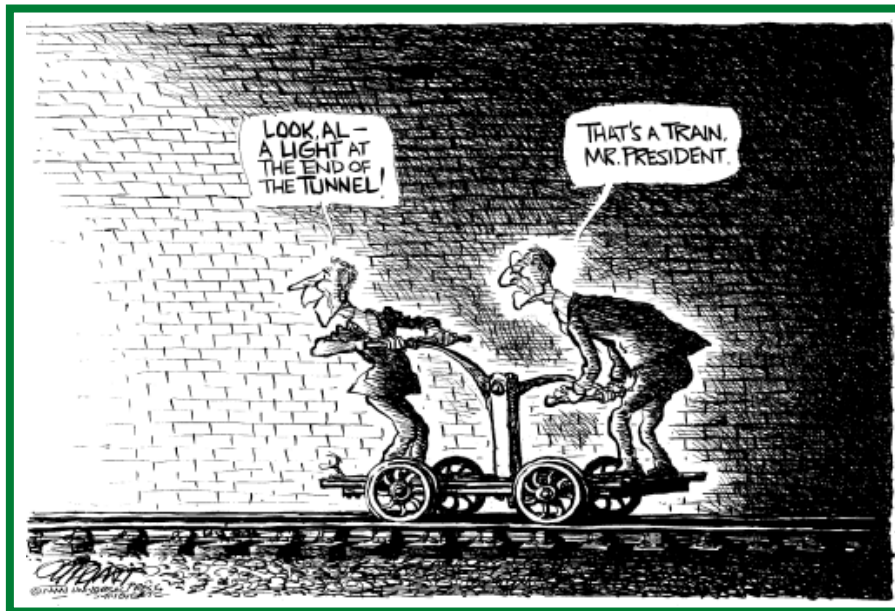
Global Economics

Three themes

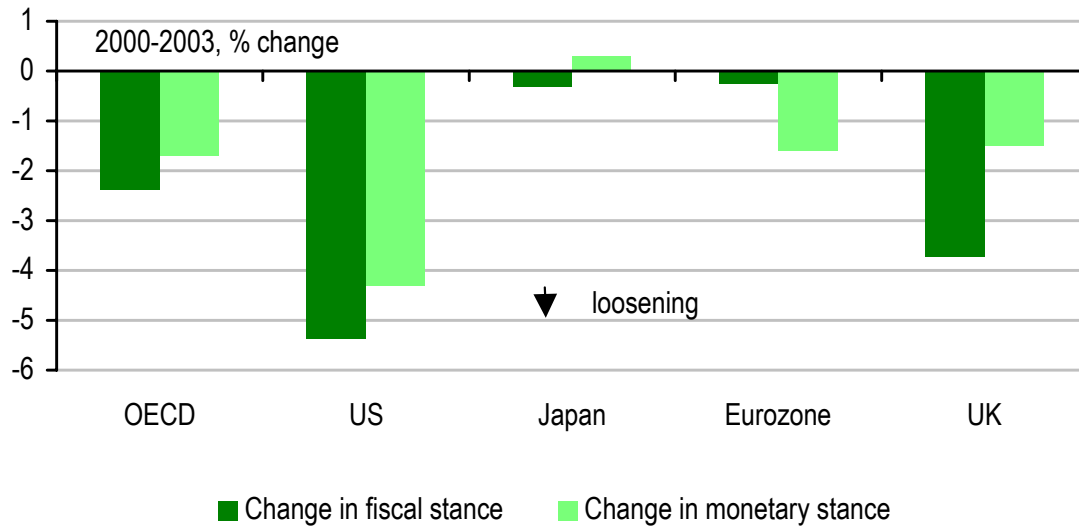
- ◆ Synchronised growth, decelerating towards trend
- ◆ Heavy dependence on the corporate sector
- ◆ No resolution of global imbalances

Generating global growth

From consumer to corporate

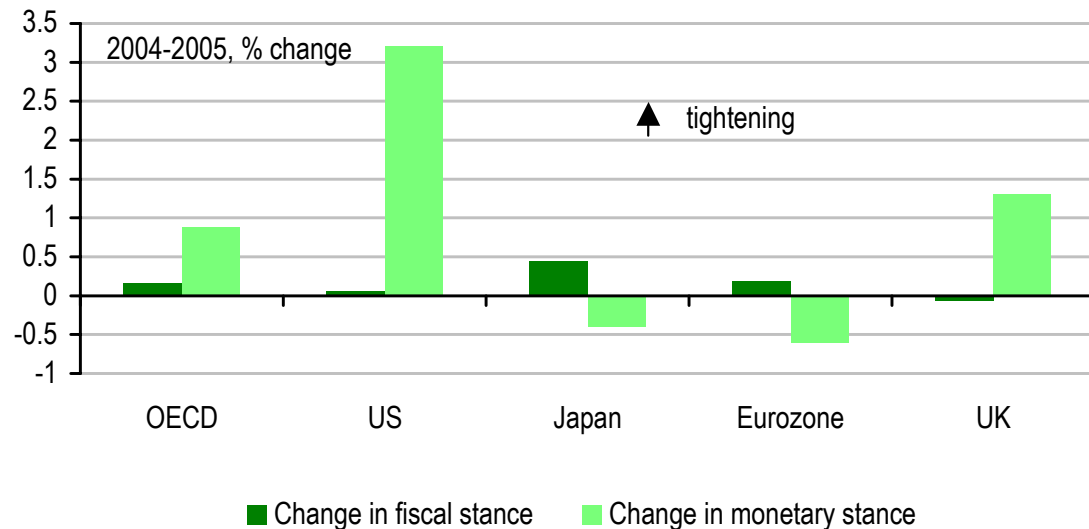


The end of stimulus

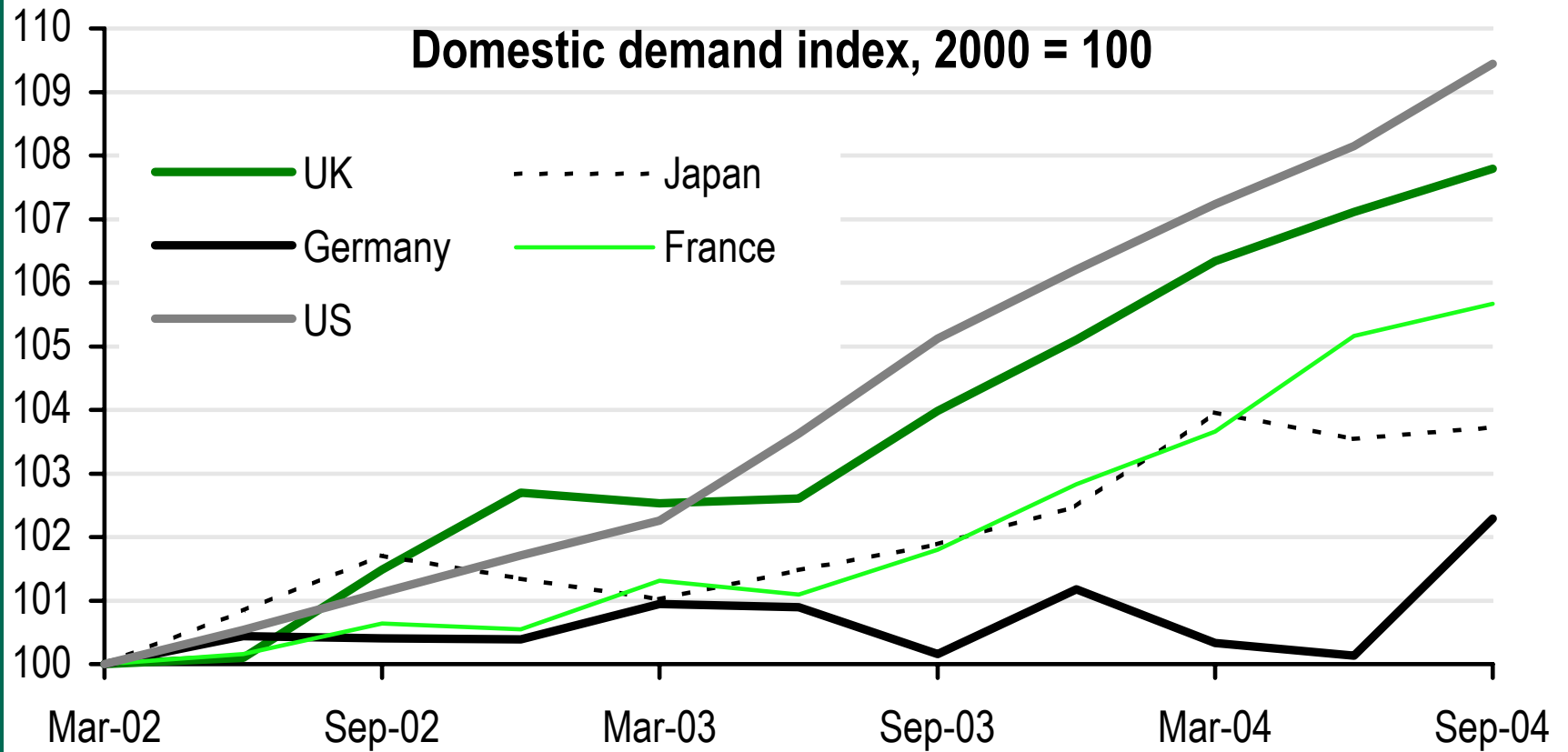


Three years of easy monetary and fiscal policies...

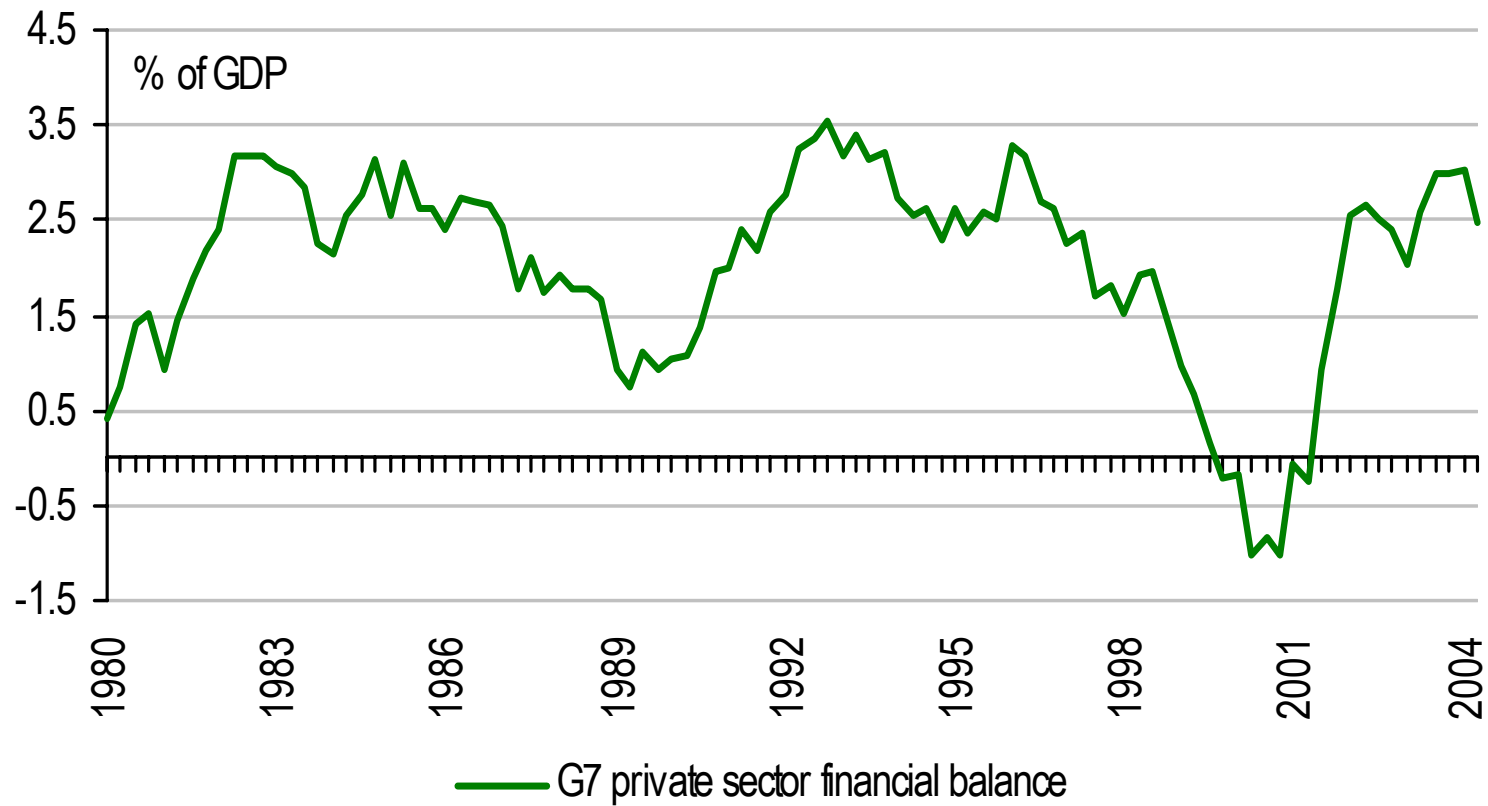
...replaced by removal of policy support



Imbalances that arise geographically



The private sector has the power to push growth

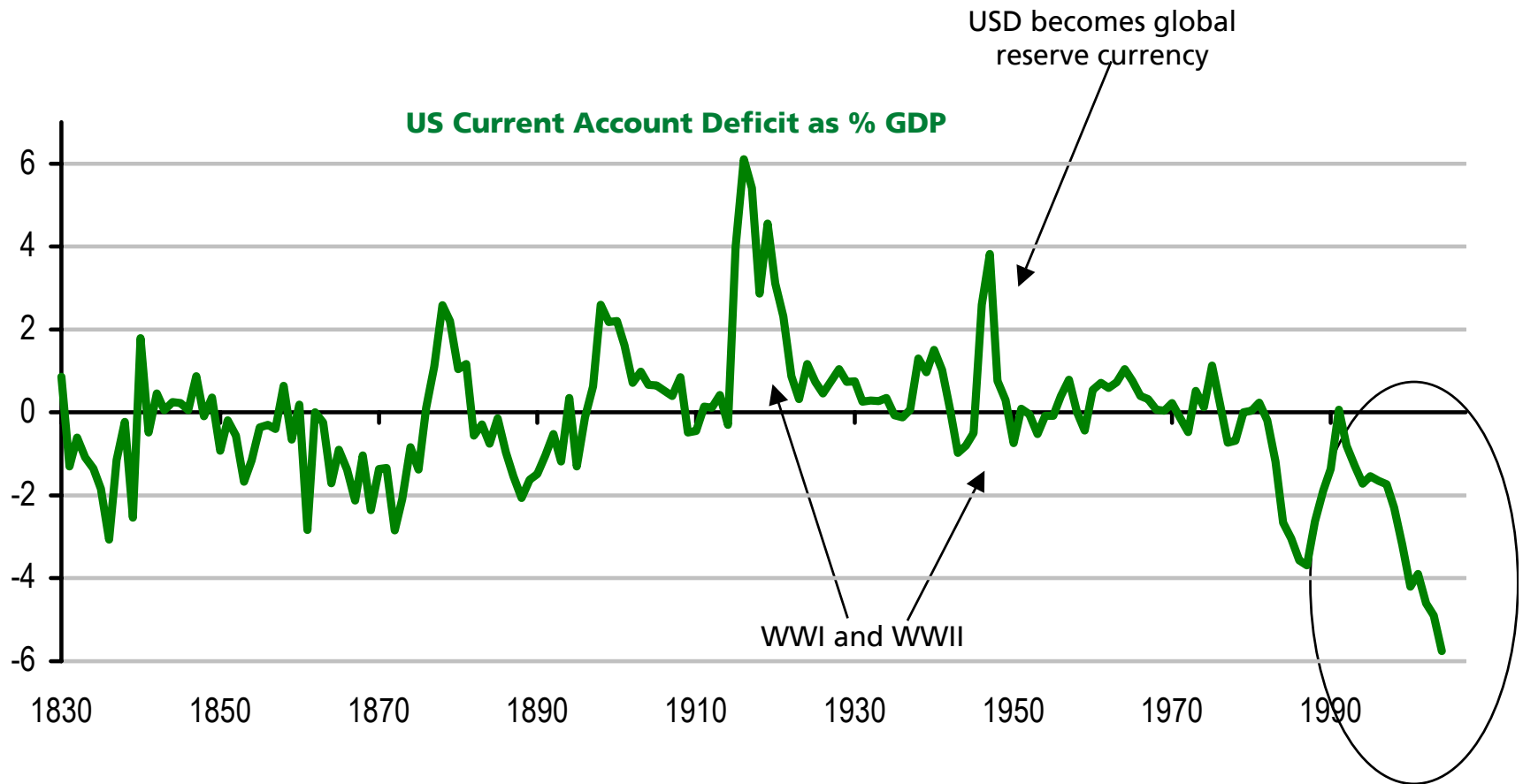


Currencies, current accounts, capital and crises

Is there still time to sell the dollar?

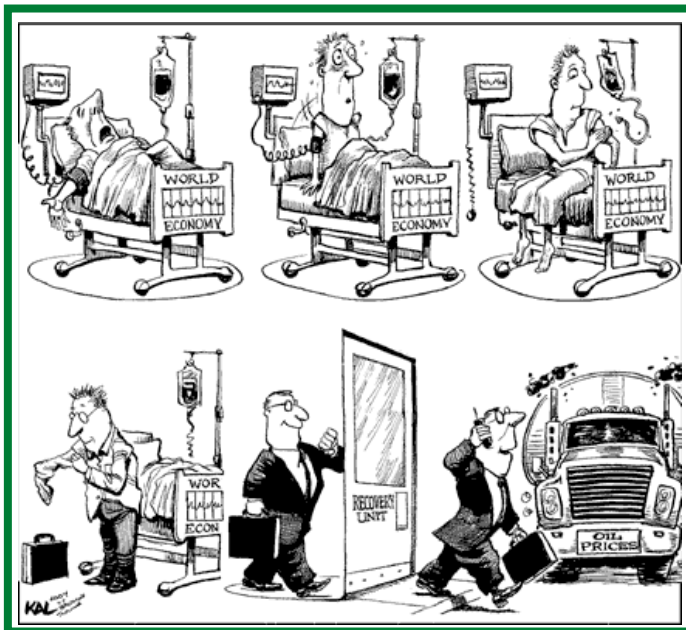


USD1.26m a minute (and it must be found)



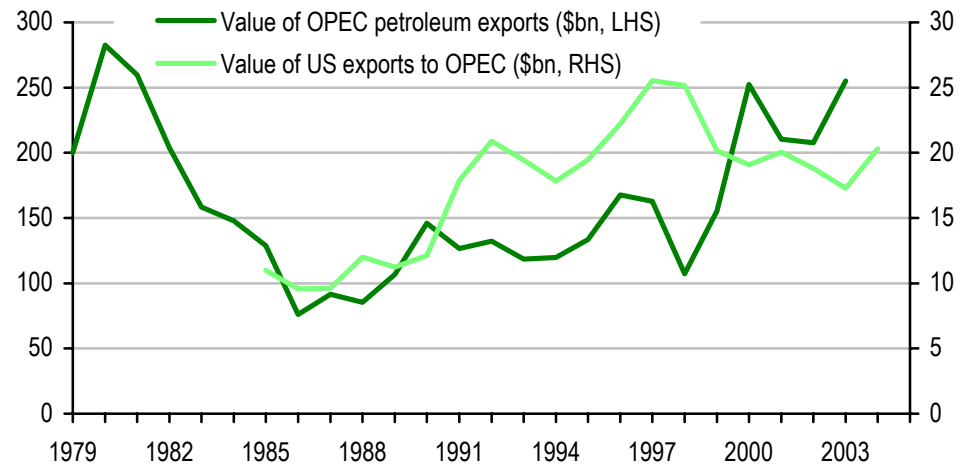
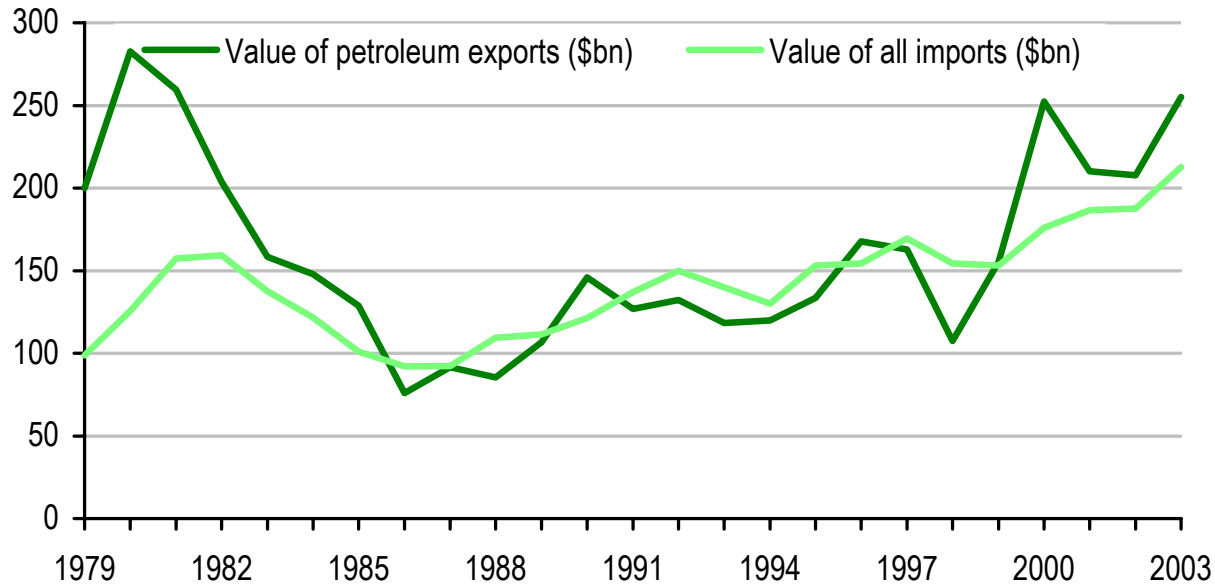
Oil – no reason for growth to slip up

“This time it is different”



Oil price – why it may not be a big growth negative

OPEC spending the petrodollars (selectively)



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