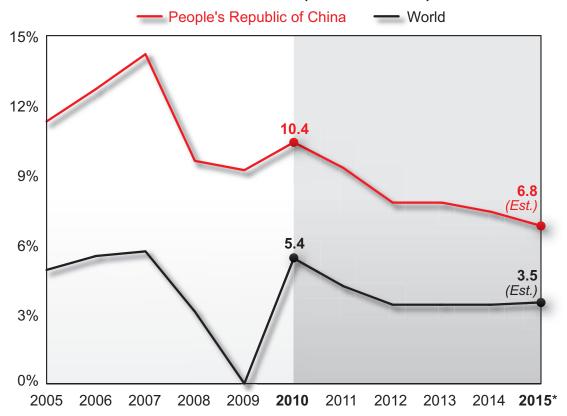
## The Slowdown In Global Growth Is A Hot Topic Of Late

## Real GDP Growth (World & China)



Source: International Monetary Fund (IMF). \*World Economic Outlook (April 2015)

## View from the Observation Deck

- 1. The goal of today's blog post is to lend a little bit of perspective to the discussion surrounding the slowdown in economic growth around the globe.
- 2. We included China's real GDP growth trajectory in the chart because of its rising influence on global growth. China became the world's second-largest economy at the midpoint of 2010, according to Bloomberg.
- 3. What some investors may not know is that China's government publicly announced in early 2012 that it was scaling back its minimum real GDP growth target rate to 7.5%, according to *The New York Times*.
- 4. In other words, the tempering of economic growth in China was intentional. At the time it was set, the 7.5% minimum target growth rate qualified as the slowest pace in 22 years.
- 5. The IMF is forecasting a real GDP growth rate of 6.8% for China in 2015, which may be fueling some of the concern of late.
- 6. With respect to world economic output, while there has been a notable decline from the 5.4% growth rate posted in 2010, growth has hovered near the 3.5% level since 2012.
- 7. While global growth has certainly slowed since 2010, current levels do not suggest that a recession is looming, in our opinion.

This chart is for illustrative purposes only and not indicative of any actual investment.

