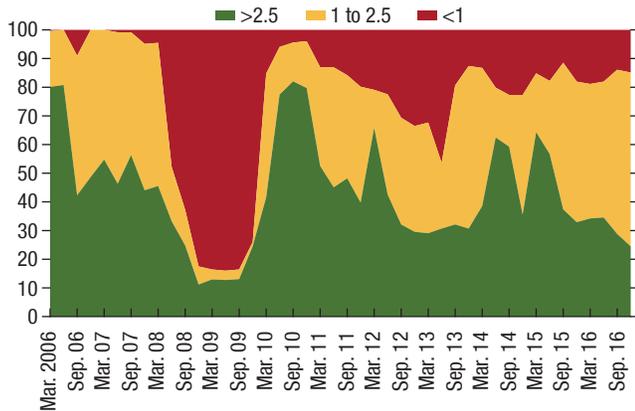


Figure 1.6. Global Growth Momentum and Interest Rates

Much of the world economy has mediocre or falling growth ...

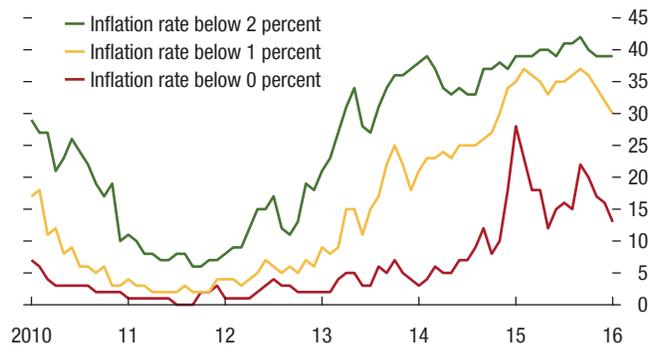
1. Distribution of Level of Real GDP Growth
(Growth rate over previous four quarters, share of total GDP in each growth bracket; percent)



Sources: Bloomberg L.P.; and IMF staff estimates.

... persistent deflationary pressures ...

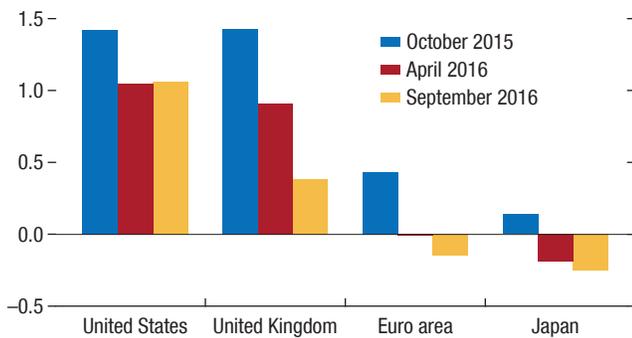
2. Headline Consumer Price Index Inflation: Number of Countries with Low Inflation Rates



Sources: Haver Analytics; and IMF staff estimates.

... and ever lower expected terminal rates ...

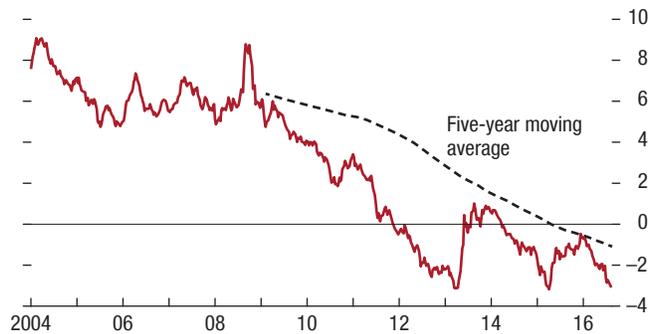
3. Expected Policy Rate, End-2020 (Percent)



Sources: Bloomberg L.P.; and IMF staff estimates.

... as the real global bond yield falls.

4. Global Real Rates
(First principal component of inflation-linked securities, percent)



Sources: Barclays; and IMF staff estimates.

Note: The principal component analysis is based on the yield of inflation-linked securities from 16 developed and emerging market economies. The first principal component is transformed to have the same mean and variance as the sample.