US Monetary Policy Forum
Global Central Banks and the Global Capital Markets
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Quantitative Easing has been a Global Phenomenon

Central Bank Balance Sheets

- UK
- Japan
- Eurozone
- U.S.
- Total

Billions (12-Month Change)

- $2,500
- $2,000
- $1,500
- $1,000
- $500
- $0
- $-500
- $-1,000


Dotted line estimates future central bank assets: Federal Reserve to roll off balance sheet assets by lesser of stated caps or total bonds maturing each month; European Central Bank and Bank of England to maintain constant balance sheets in 2019; Bank of Japan to purchase at annualized rate of average purchases over last 12 months; Source: Haver Analytics, Fidelity Investments (AART), as of 11/30/18.
Foreign Buying Boom of US Corporates that Surged with Negative Rates in Europe and Japan Began to End in 2018
QE Unwind Is Challenging Global Liquidity Growth and Riskier Credits

Fed, ECB, BOJ, BOE Balance Sheets and Asset Flows

Dotted line estimates future central bank assets: Federal Reserve to roll off balance sheet assets by lesser of stated caps or total bonds maturing each month; European Central Bank (ECB) and Bank of England to maintain constant balance sheets in 2019; Bank of Japan to purchase at annualized rate of average purchases over last 12 months; Source: EPFR, Haver Analytics, Fidelity Investments (AART), as of 12/31/18.
Global Quantitative Easing Has Allowed China a Dramatic Credit Expansion

China Private Sector Credit as % of GDP


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