Monetary policy under uncertainty

Remarks at FAROS Institutional Investors Forum

Frankfurt, 19 November 2015
EA: real GDP, composite purchasing managers' index

quarter-on-quarter percentage growth; index; diffusion index

Source: Markit, EuroStat, ECB staff calculation.
Euro area real GDP over various cycles and compared with the current US cycle

(index: business cycle peak = $Q = 100$)

Sources: Eurostat, September 2015 MPE, United States Census Bureau and ECB calculations.
Euro area investment developments over previous cycles and the current cycle

Euro area real investment over various cycles

index: business cycle peak = pre-crisis peak = 100

Source: Eurostat and ECB staff calculations
Potential GDP growth

Note: counterfactual potential GDP assumes that potential GDP continued to grow at its 2007 growth rate. I.e. it reflects the observation that potential growth has already slowed down before the crisis.
5 years ahead growth expectations for the euro area

% p.a.

Source: Consensus.