

Infographic:

A snapshot of the world economy in September 2019

Global economy: teetering on the edge[Read article here](#) **Escalation of US-China trade war leads to cuts in our global growth outlook**
 New tariffs include wide range of consumer goods; households will notice

 Business will **delay spending** for longer thus weakening growth

 US imposes tariffs on remaining **\$300bn** of Chinese imports
Escalation of trade war and weaker growth will likely lead to rate cuts
 We now forecast **rates of 1.25%** in US by 2020 end
In China, we expect more **fiscal easing*** than before

Lower rates expected from European Central Bank and Bank of Japan

Bank of England likely to **maintain rates** until late 2020**An ill trade wind that blows nobody any good**[Read article here](#) **BRAZIL**
Fixing the roof before the next downpour

Positive news as pension reform advances; larger savings from the bill than expected

 Yet, weaker global backdrop means **growth expectation downgrades**
RUSSIA
Steady as she goesRedesign of fiscal and monetary policy will **reduce sensitivity to oil price swings**
 However, **there's geopolitical risk** as the US imposed sanctions
**CHINA**
Brace for impactUS-China trade war continues: **renminbi weakened** to beyond 7.0 to the dollarAnd, **inflation has been pushed higher** by food price stresses
 However, People's Bank of China should still have **room for stimulus**
INDIA**Credit system struggles on**Prime Minister Modi's first **budget disappointed** those expecting pro-growth stimulus
 But, **fiscal restraint*** leaves room for **spending** when global growth slows next year
¹Brazil, Russia, India, China**View at a glance: Schroders' GDP forecast**[Visit our Insights page here](#) 

Source: Schroders, Thomson Datastream, Consensus Economics, September 2019

*Fiscal policy is the use of government spending and taxation to influence economic conditions.

Important Information: Schroders has expressed its own views in this document and these may change. This document is intended to be for information purposes only and it is not intended as promotional material in any respect. The material is not intended as an offer or solicitation for the purchase or sale of any financial instrument. The material is not intended to provide, and should not be relied on for, accounting, legal or tax advice, or investment recommendations. Information herein is believed to be reliable but Schroders does not warrant its completeness or accuracy. No responsibility can be accepted for errors of fact or opinion. Reliance should not be placed on the views and information in the document when taking individual investment and/or strategic decisions. Past performance is not a reliable indicator of future results, prices of shares and the income from them may fall as well as rise and investors may not get back the amount originally invested. Issued by Schroder Investment Management Limited, 1 London Wall Place, London EC2Y 5AU, which is authorised and regulated by the Financial Conduct Authority. For your security, communications may be taped or monitored. Schroder Investment Management Limited, First Floor, Gate Village Six, Dubai International Financial Centre, PO Box 506612, Dubai, United Arab Emirates and is regulated by the Dubai Financial Services Authority ("DFSA") and entered on the DFSA register under Firm Reference Number: F000513. This document is not subject to any form of regulation or approval by the Dubai Financial Services Authority ("DFSA"). The DFSA has no responsibility for reviewing or verifying any Prospectus or other documents in connection with this Fund. Accordingly, the DFSA has not approved any associated documents nor taken any steps to verify the information set out in the Prospectus for the fund, and has no responsibility for it. This document is intended for professional investors only as defined by the DFSA rules which can be accessed from their website www.dfsa.ae. The Emirates Securities and Commodities Authority assumes no liability for the accuracy of the information set out in this document, nor for the failure of any persons engaged in the investment fund in performing their duties and responsibilities. The relevant parties whose names are listed in the relevant documents shall assume such liability, each according to their respective roles and duties. If you do not understand the contents of this document, you should consult an authorized financial advisor. CS1900.

Source: Schroders as at September 2019.