

# Why economists always being right creates volatility

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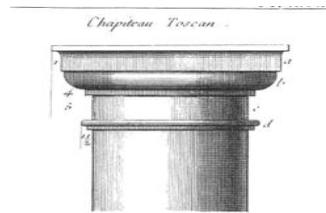
# Economists, markets and volatility

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- The three pillars of central bank policy (and why that causes confusion)
- The collapse of globalisation and other issues
- Divorcing the markets – why economics is different
- Why economists are always right (even if the data doesn't think so)

# The three pillars of central bank wisdom

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**Quantitative Policy**



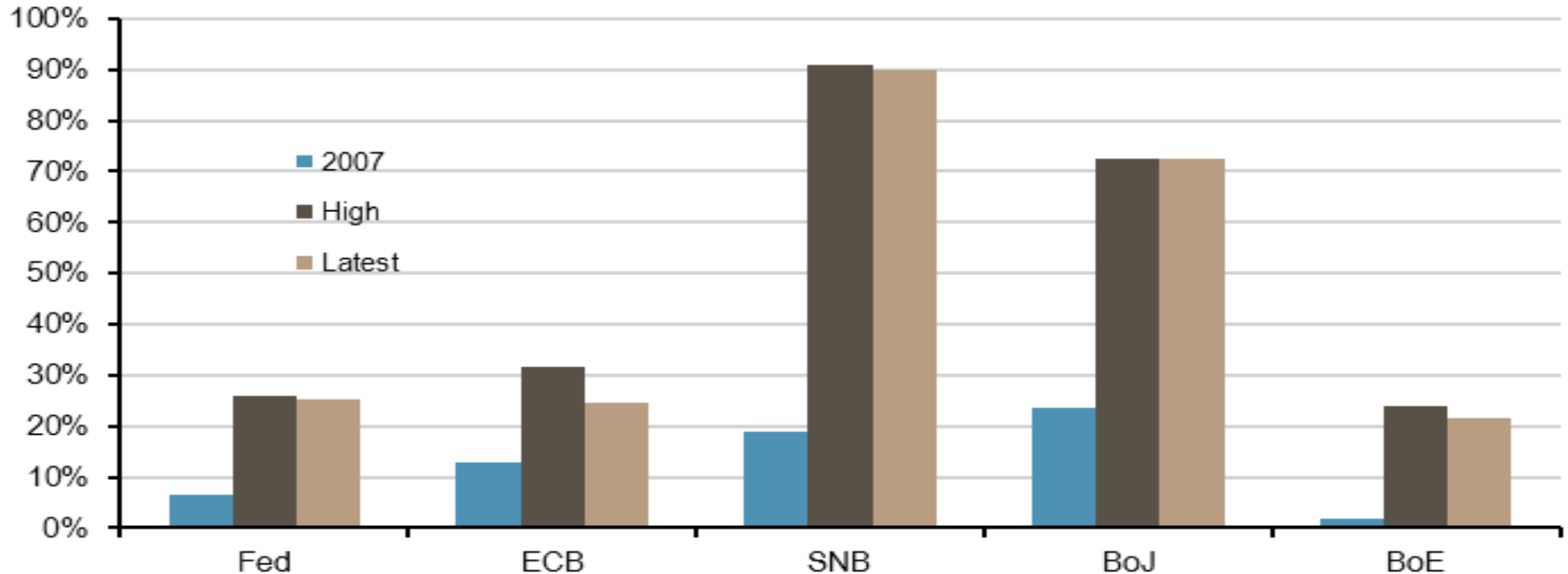
**Regulatory Policy**



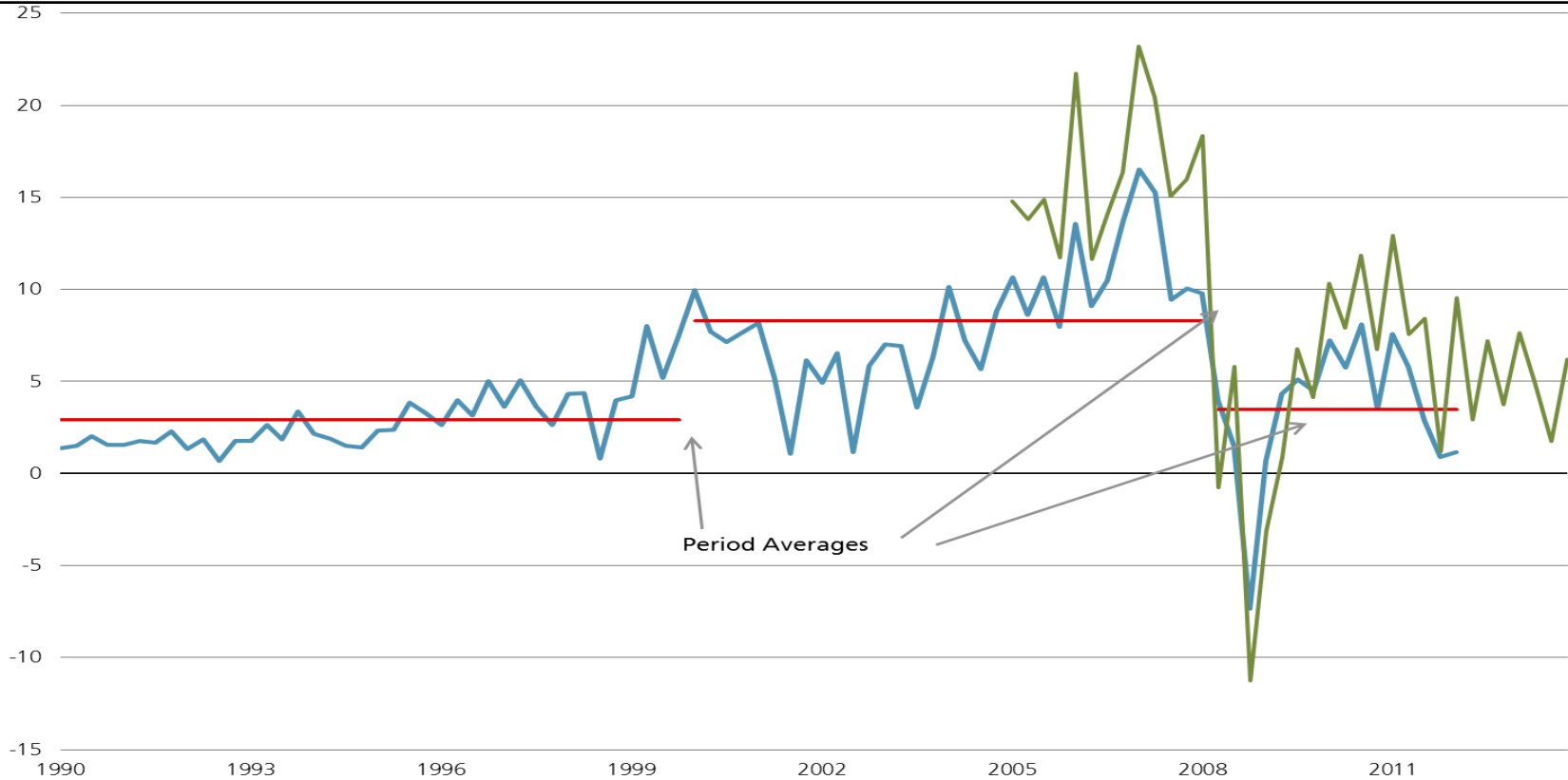
**Monetary Policy**

# Central bank liquidity – the power of the printing press?

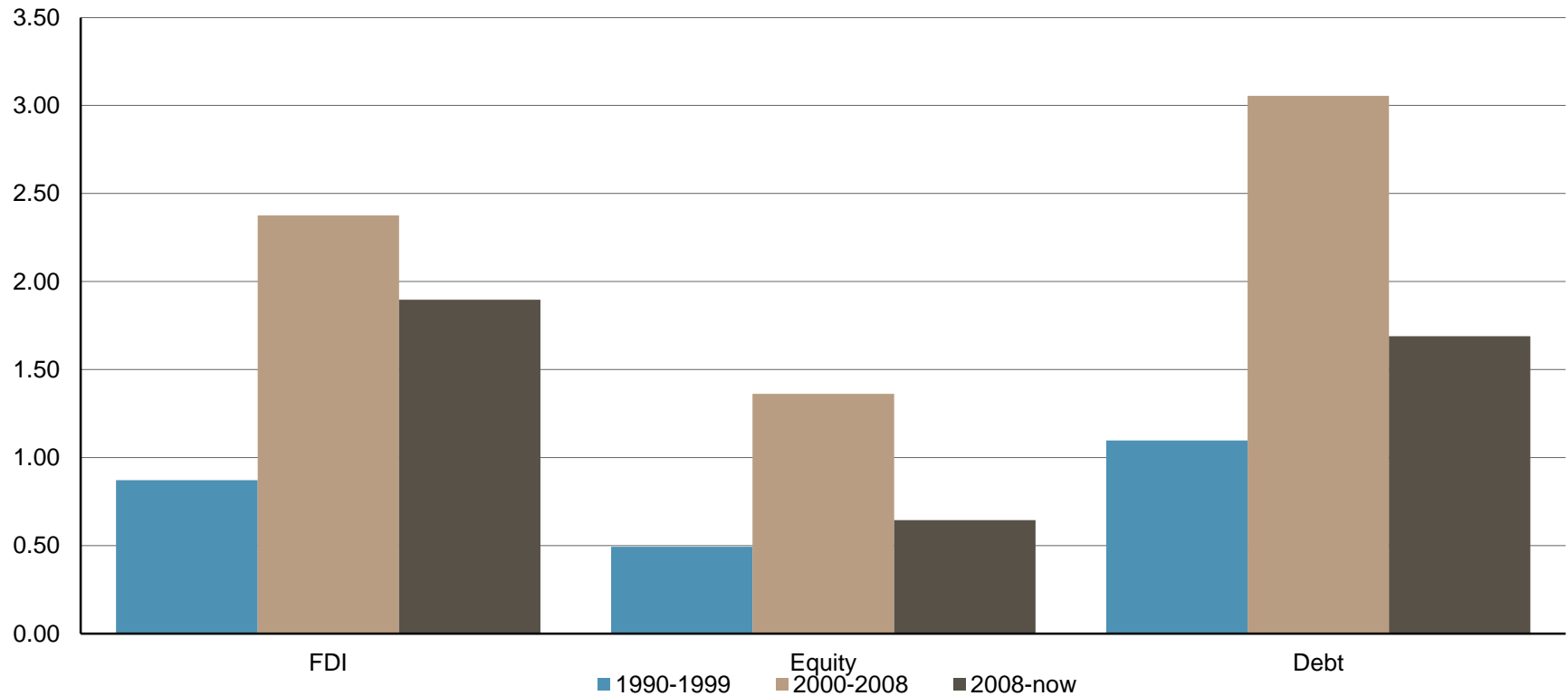
Central bank balance sheet as % GDP



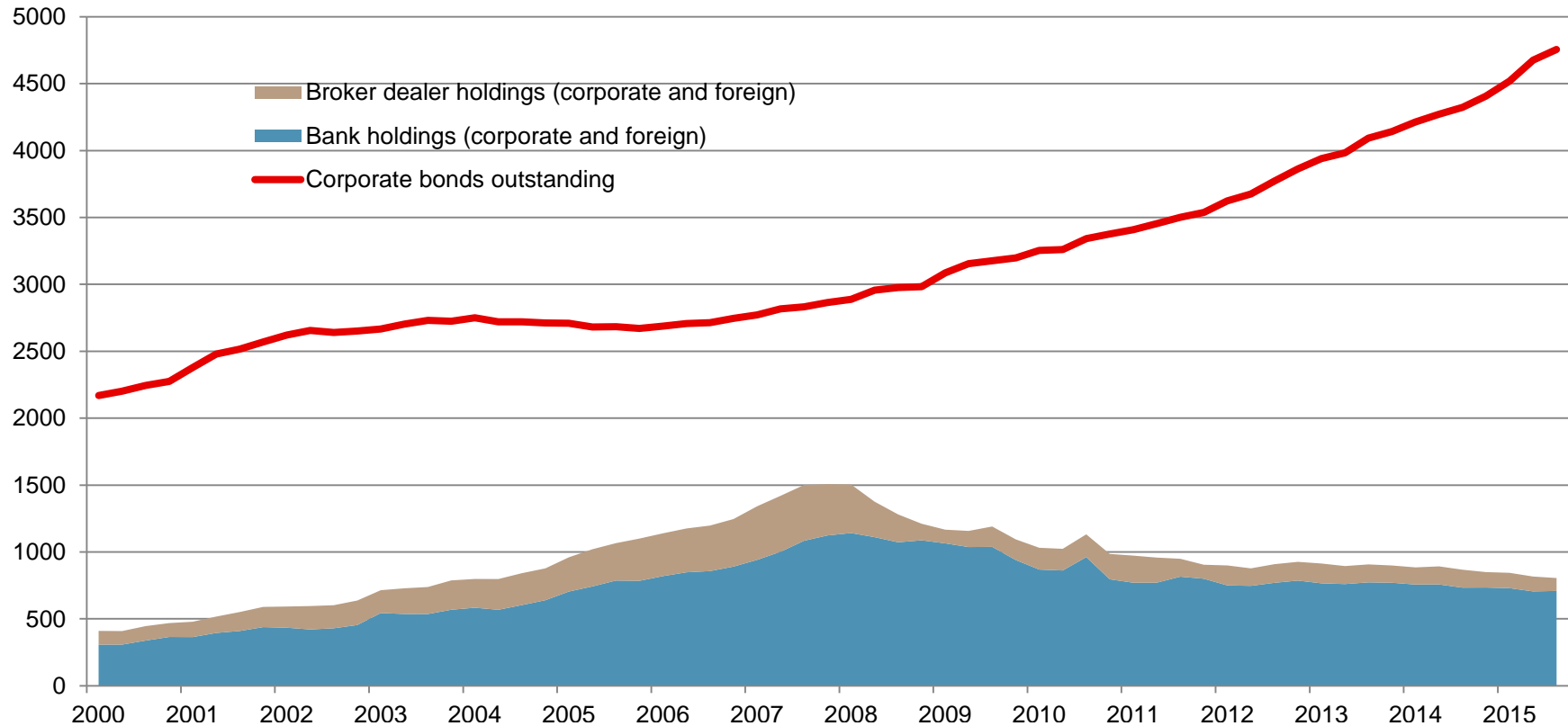
# Capital inflows as % GDP – the reversal of globalisation?



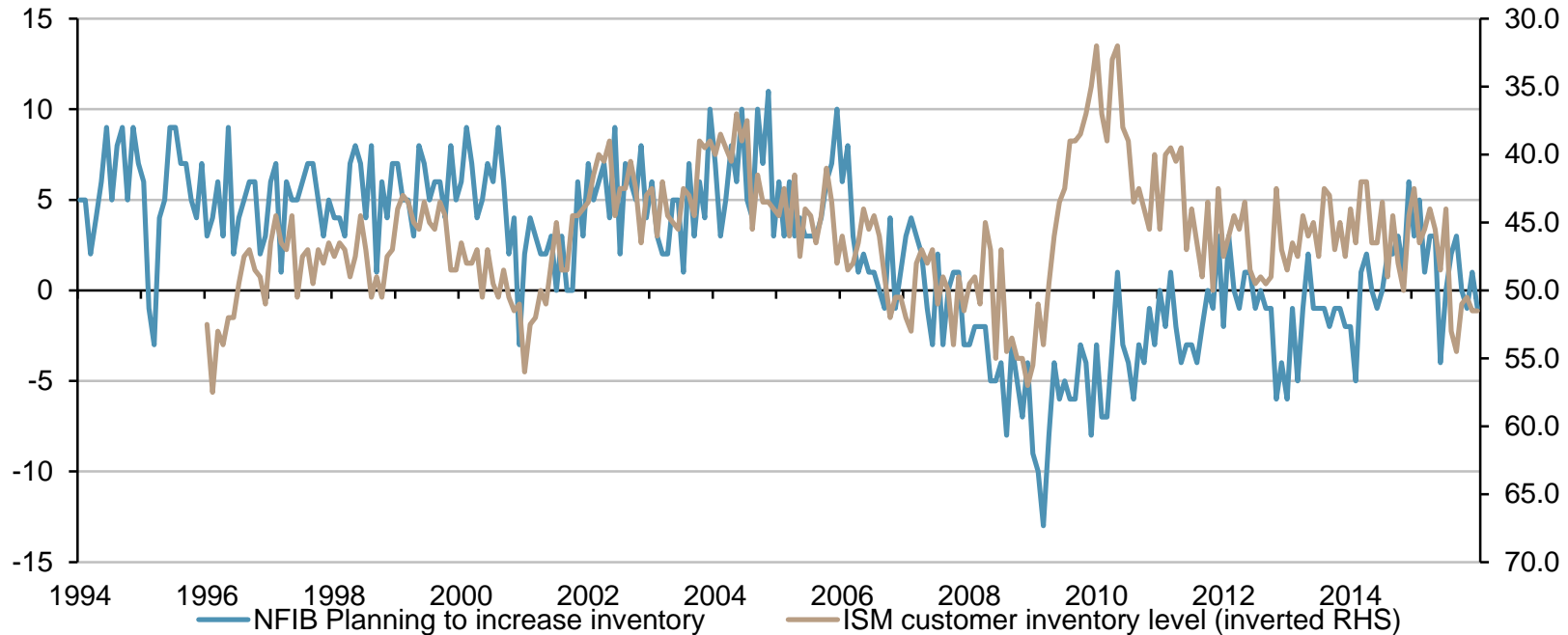
# Breakdown of capital flows



# US dollar corporate bonds and inventory

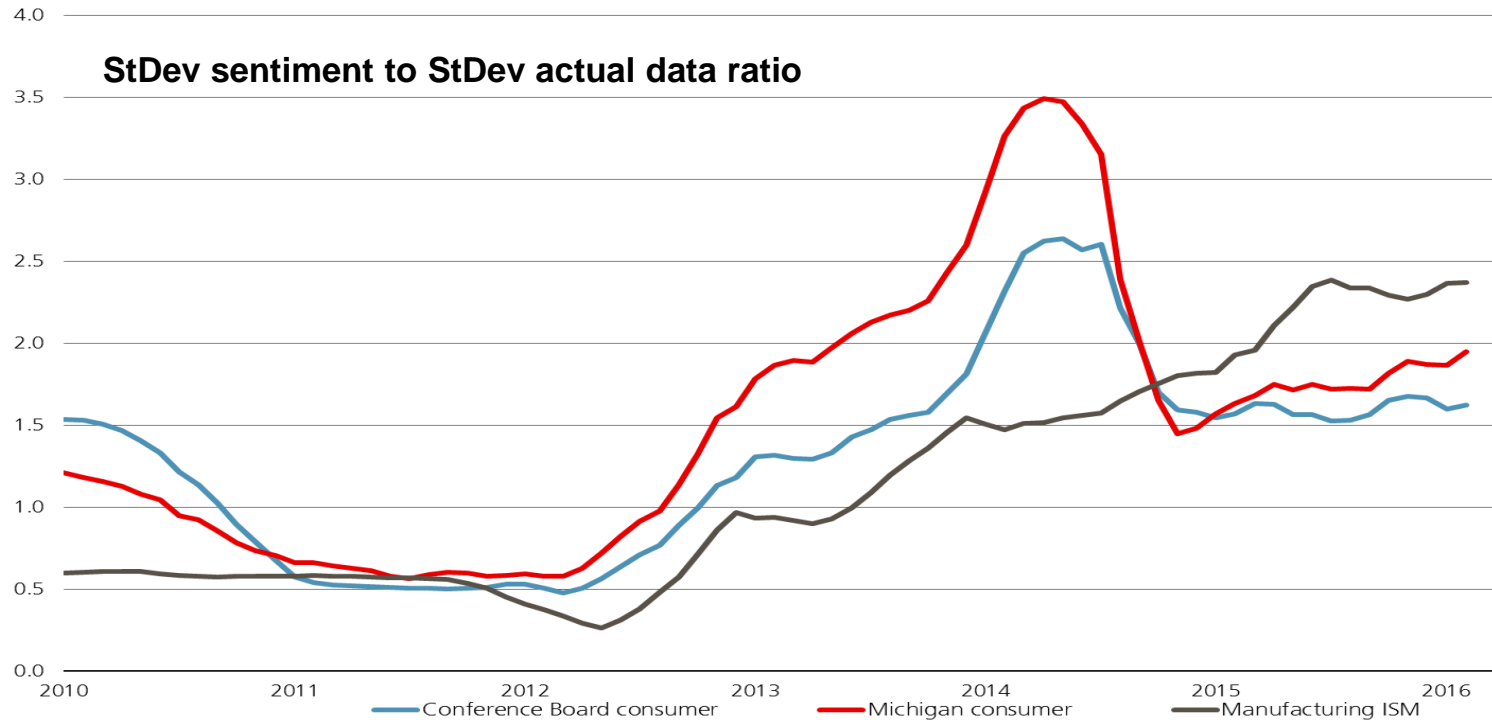


# Ending the hidden credit crunch consequences (US)?

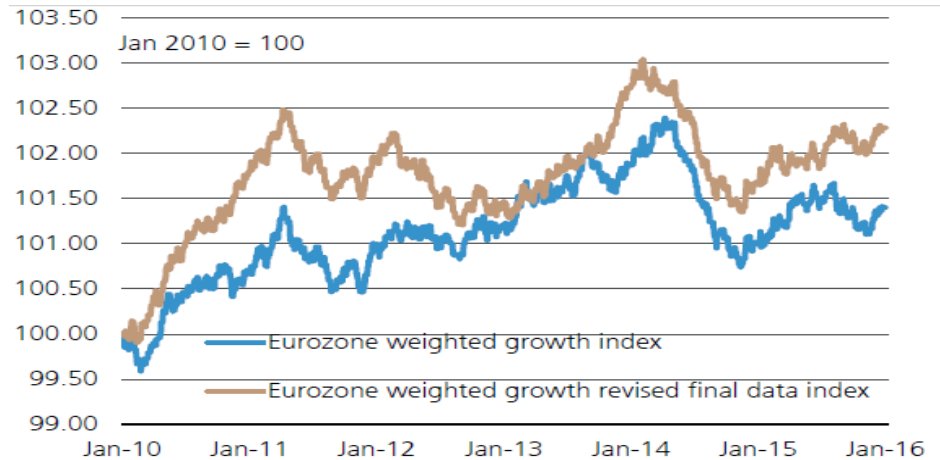
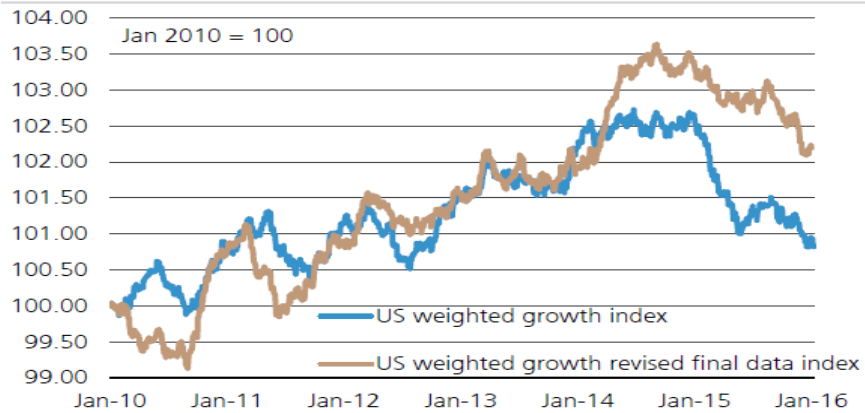




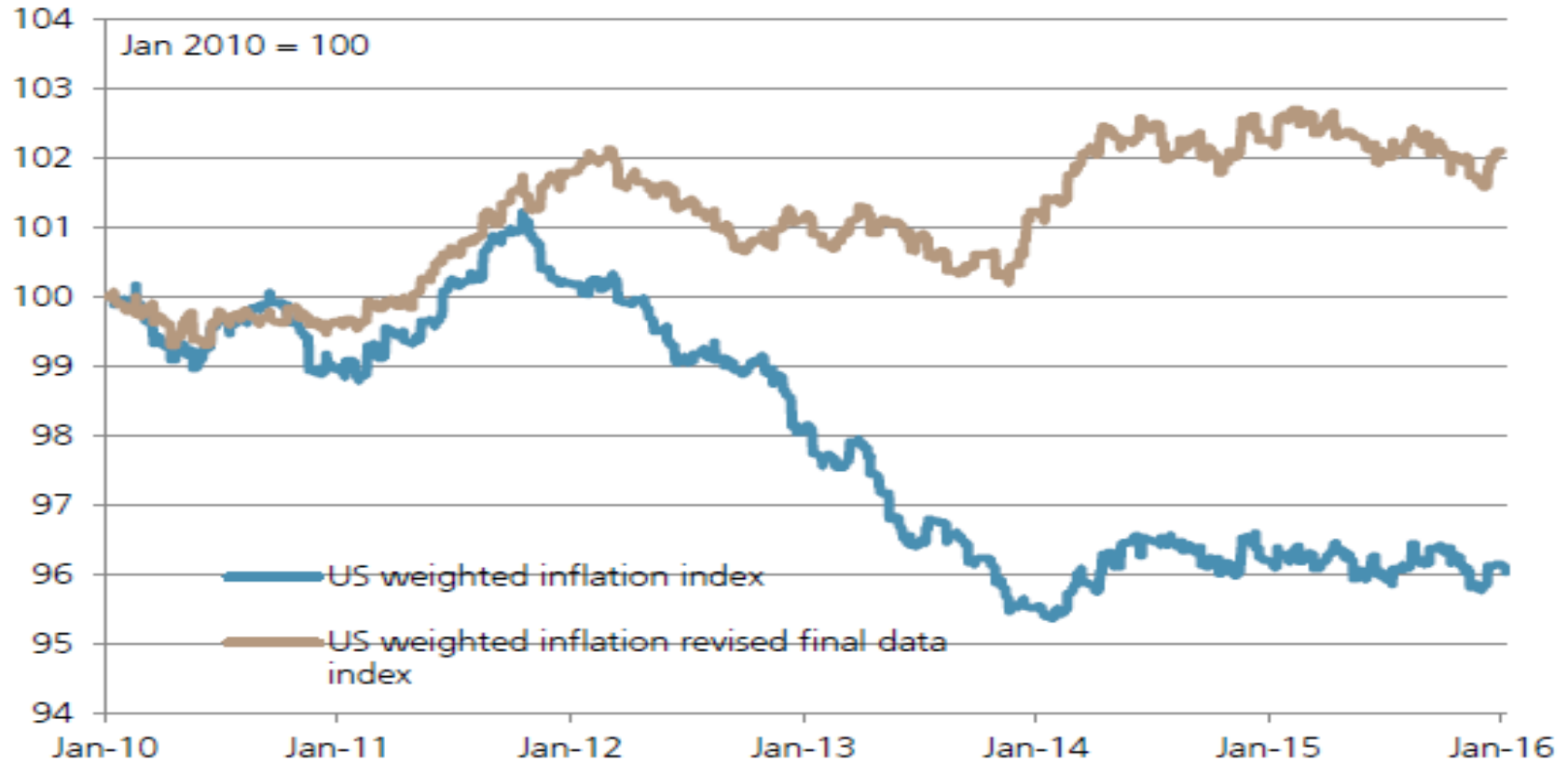
# UBS Blasé barometer



# Growth surprises and revisions



# US Inflation – Proof economists are always right



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