

S&P Global Publishes a Series of Reports on the Impact of Negative Interest Rates on the World's Financial Markets and Economies

Nearly 500 Million People Now Live in Countries with Negative Interest Rate Policies

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NEW YORK, Aug. 18, 2016 /PRNewswire/ -- **S&P Global** (NYSE: SPGI) announced today that it has published an in-depth look into negative interest rates – how they have become a primary tool of choice for central banks and governments to stimulate economies where growth seems largely immune to the efforts of traditional fiscal and monetary initiatives and the potential consequences of their ubiquitous arrival.

The complete report, with contributions from senior analysts and economists across three of the S&P Global divisions: S&P Global Market Intelligence, S&P Global Ratings, and S&P Dow Jones Indices, can be found by clicking [here](#).

For a brief video overview of the paper, please click [here](#).

"Negative interest rates were once considered by many economists as a radical strategy or even a mathematical impossibility. But, with other stimulus tools either having limited impact or being labeled as 'politically unfeasible', some of the world's most significant economies are now turning to negative interest rates to arouse moribund economies," says **John Kingston, Director of Global Market Insights at S&P Global and project director for the report**. "However, moving to a negative rate environment, in every circumstance that we've looked at, is a clear sign of desperation with the list of potential economic damage from these policies substantial."

The paper concentrates on five primary themes that emerged from S&P Global's examination:

1. The rationale for using negative interest policies to spur economic growth
2. The impact that such policies are having on the European economy
3. The ramification of a negative rate environment on European and Japanese Banks
4. The challenges facing insurance and money managers
5. High risk-taking by asset managers to generate returns and yield for clients

"Central banks' implementation of negative policy rates is at an unprecedented scale, reflecting both the limits of previous unconventional monetary policies and a general inability to utilize fiscal stimulus to jump start economic growth," concludes Kingston. "However, we believe that this extreme policy approach will have consequences, both intended and unintended, for markets, macroeconomic balances, investors, consumers, and policymakers."

S&P Global will continue its examination of negative interest rates with an academic roundtable in London, England on September 27. Here S&P Global analysts will team with academic professionals to discuss the ramifications of these policies.

About S&P Global

S&P Global (NYSE: SPGI) is a leading provider of transparent and independent ratings, benchmarks, analytics and data to the capital and commodity markets worldwide. The Company's divisions include S&P Global Ratings, S&P Global Market Intelligence, S&P Dow Jones Indices and S&P Global Platts. S&P Global has approximately, 20,000 employees in 31 countries. For more information visit: www.spglobal.com.

S&P Global Media Contact

David R. Guarino
Head of External Communications
New York, USA
(+1) 212 438 1471
dave.guarino@spglobal.com

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