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Article
"Private consumption remains the main driver": Seven questions to Ferdinand Fichtner

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5. How are exports doing? Overall, the global environment is not bad for German exports. World economic growth is not spectacular, but the global economy is advancing at a consistent pace in the industrialized nations as well as the emerging countries. German exports will profit from this, even if they won’t increase at the same pace as they did in previous years.

6. Will the improvement in exports lead to an increase in investment? We expect that the positive developments on the export front will increasingly spur investment. The financing conditions – especially the very low interest rates – remain extremely favorable for investors. Nevertheless, the investment dynamic is more subdued than it has been in previous phases of economic growth. The political uncertainty in the wake of the Brexit vote, the recent U.S. elections, and the latent crisis in the euro area are all at play here.

7. Will the election of Donald Trump as the next U.S. president have an impact on the economy? In the short term, the effects might actually be positive, because Trump has promised to implement an expansive fiscal policy with increased spending in infrastructure, among other things. As for the long-term prognosis, we did not factor the possible negative consequences of restricted trade relations into this forecast because the implementation of any such protectionist measures will take a long time.