

How the Global Economy Will Impact Your Business

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1

A New Global Order: 2025

	<u>Total GDP</u>	<u>% of Global</u>
China	\$41 trillion	20%
United States	\$30	14%
European Union	\$29	14%
India	\$18	9%
Russia	\$7	3%
Brazil	\$5	2%
Global total:	\$207	

Source: IMF

2

The Wealth of Nations

	<u>GDP per capital</u>
United States	\$89,000
European Union	\$65,000
Russia	\$49,000
China	\$29,000
Mexico	\$25,000
Brazil	\$23,000
India	\$2,700

3

Will the US Succeed in Confronting the Axis of Evil?

4

Why Some Nations Prosper and Others Fail:
Economic Freedom

Classical Economic Principles:

1. Rule of Law
2. Low tax rates
3. Limits on government spending & regulations
4. Free markets
5. Stable monetary policy

5

Economic Freedom & the Wealth of Nations

Figure 1.4: Economic Freedom and Income Per Capita (Averaged over Quartile)



6

Why has America been so Successful?

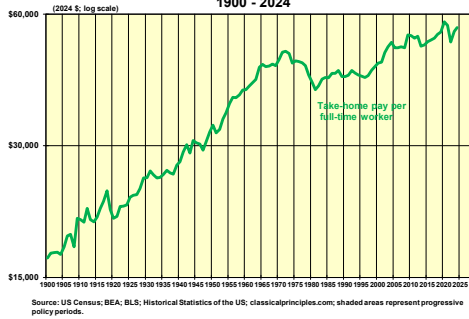
Founding Fathers' fundamental concepts:

a belief in God and His Divine Providence

a belief all individuals have a God-given right to the maximum amount of freedom and control over their lives

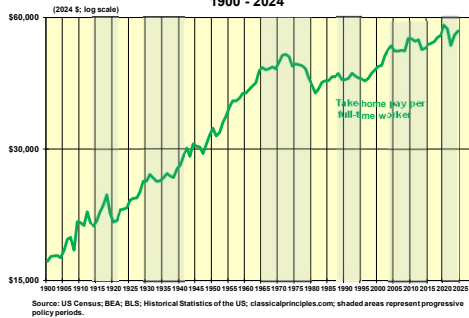
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US Worker Take-home Pay
1900 - 2024



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US Worker Take-home Pay:
1900 - 2024



9

Current Policies and Economic Freedom

Are Current Policies consistent with economic freedom?

Tariffs?

Are there signs current policies are working?

10

A Golden Age for Banks and Your Clients

Banking

Crypto-Currencies, Stable coins

*The Genius Act allows insured depository institutions
(banks and credit unions) to obtain Federal Reserve
approval to issue stablecoins*

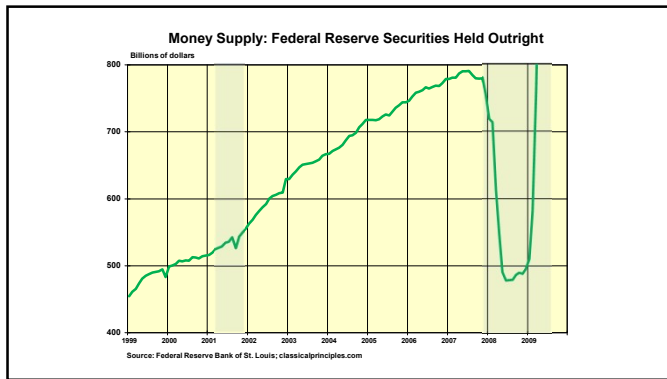
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The Federal Reserve's Role in the Golden Age of Prosperity

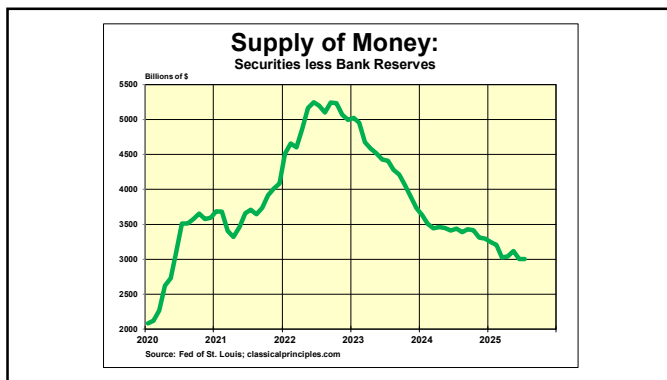
The Federal Reserve and the Money Supply

The Supply and Demand for Money

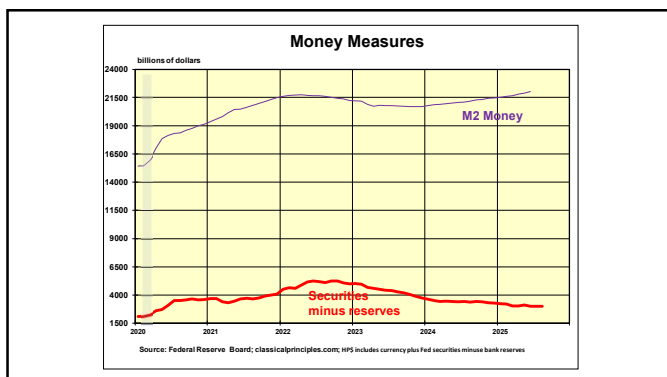
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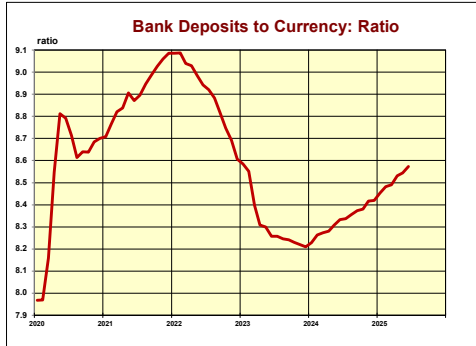
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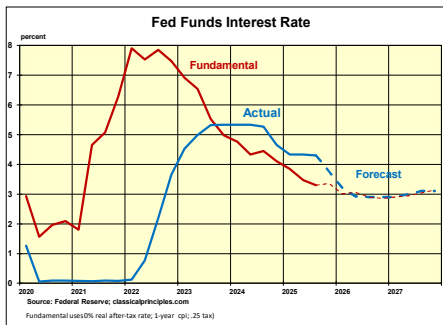
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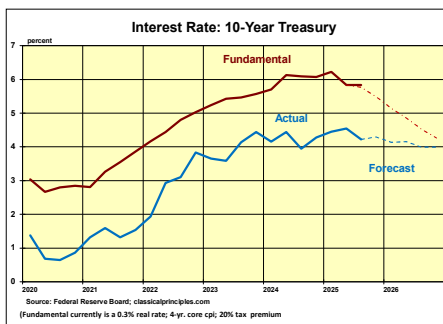
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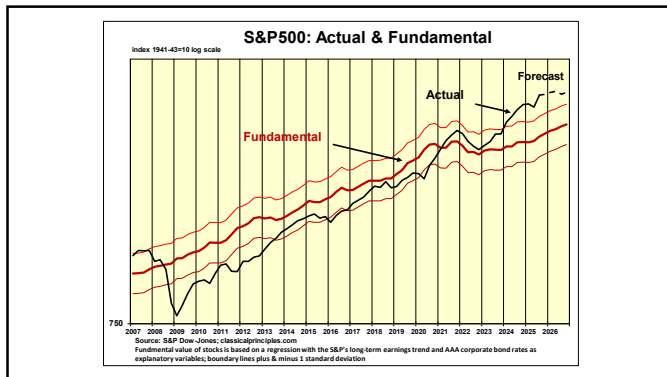
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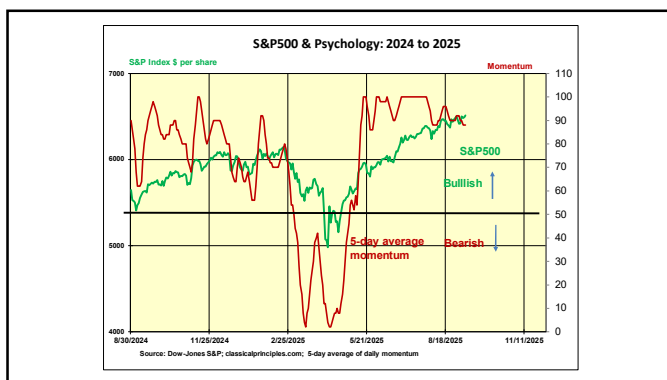
17



18



19



20

Takeaways

1. Global Order is changing US vs. China
2. US economic strength will reshape global order
3. US economic success depends on Economic Freedom
4. Overall Current policies will lead to real growth of 3% or more
5. Inflation will fall to 2% or less
6. Interest rates will decline further
7. Stock prices will remain elevated
8. Main risk to the future is a shift in policies away from econ freedom

21
