



BNY MELLON

# ForeSight

## LUNCHEON



SYDNEY, AUSTRALIA

28 JULY 2015

### **Should the world economy resign itself to subpar, mediocre growth? Or might four of the world's biggest economies\* - Japan, America, China and India (G4) - pleasantly surprise us?**

The financial panics of recent years have thankfully subsided. But the economic mood remains somber. Some commentators warn that the world economy faces “secular stagnation” or a “new mediocre” of subpar growth.

But what if this glum consensus is wrong? In forecasting the future, people are always prone to overextrapolate from the present. Just as the pre-crisis boom tempted people into overconfidence, the post-crisis slump may have lured people into premature pessimism. It may be too early to say that the underwhelming growth of recent years constitutes a new trend. There is still a lot to play for.

In particular, in four of the world's biggest economies\* - Japan, America, China and India (the G4) - a more optimistic case can be made. All four are in the midst of economic reform, revival, or both. Japan, China and India all have secure, self-confident governments committed, at least in word, to economic reform. And in America, despite another harsh winter, a sustained recovery has created many badly needed jobs if not yet much improvement in wages.

The past few years have not been easy for any of these four economies. But recent economic weakness has left each of them with substantial room to recover before they have to worry about capacity constraints. Thanks to incremental reforms and stronger demand, each of these four economies might therefore begin to fire on all cylinders over the next year or two.

If these four economies were all to flourish in unison, the implications would be far-reaching. The conference will therefore examine the ripple effects of this optimistic scenario on commodity prices, financial markets, and the rest of the Asia-Pacific region, including Australia. It has invested heavily in supplying Asia's growing giants. How might economic revival in the G4 help or hinder its own efforts to rebalance its economy?

At this conference, BNY Mellon, a global investments company, will gather policy makers, economists, and leaders from our industry to exchange their views and insights on the economic prospects for the G4 economies and the implications for Australia. At the end of the conference, the audience will be in a better position to decide for themselves whether the world economy can do better than muddle through in the years ahead.

\*In terms of GDP measured at purchasing-power parity

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11:45 am Registration

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12:05 pm Opening Remarks  
**Steve Lackey**, Chairman of Asia Pacific, BNY Mellon

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12:10 pm **On the G4: Should we resign ourselves to a “new mediocre”? Can the G4 save us?**  
**Presented by:**  
**Simon Cox**, Investment Strategist of BNY Mellon Investment Management, Asia Pacific

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1:00 pm **Panel Discussion: The implications of G4 growth for the rest of the world.**  
Is optimism about the G4 economies (Japan, America, China and India) defensible or utopian?  
If these four economies do prosper, how will that help Australia, which has invested heavily in supplying Asia’s growing giants? And is it possible to feel similarly optimistic now about Europe?

**Panelists:**  
**Ron Mehmet**, Head of Sector Portfolio Management, BT Investment Solutions, BT Financial Group  
**Richard Yetsenga**, Global Head of Financial Markets Research, ANZ  
**James Coleman**, Head of Research, Australia, Insight Pareto

**Moderator:**  
**Simon Cox**, Investment Strategist of BNY Mellon Investment Management, Asia Pacific

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1:55 pm Closing Remarks  
**Alan Harden**, CEO of BNY Mellon Investment Management, Asia Pacific

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