



Bullard Discusses Whether Low Interest Rates Punish Savers

From the President

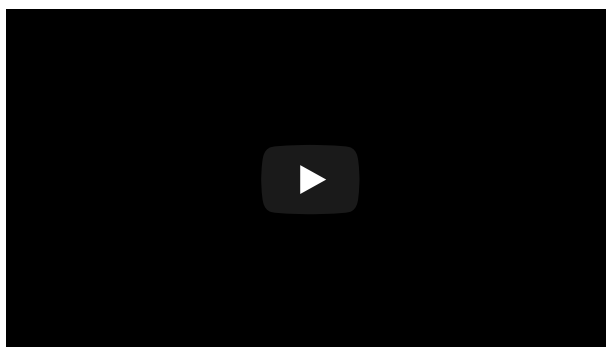
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July 3, 2017



St. Louis Fed President James Bullard delivered a presentation titled "[Does a Low-Interest-Rate Regime Punish Savers?](#)" at the Applications of Behavioural Economics and Multiple Equilibrium Models to Macroeconomic Policy Conference in London. In this short video, he highlighted the key ideas from his academic talk on July 3, 2017.

He noted that advanced economies have had very low interest rates since the financial crisis and that low interest rates will probably continue for the foreseeable future. "We shouldn't view that as necessarily punishing savers or helping borrowers. We should view this as an equilibrium rate of return that's necessary to equate the supply of credit with the demand for credit," he said. "If we think about things that way, we might get a more fruitful analysis of monetary policy going forward."

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President and Chief Executive Officer

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Amerigo Vespucci

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