

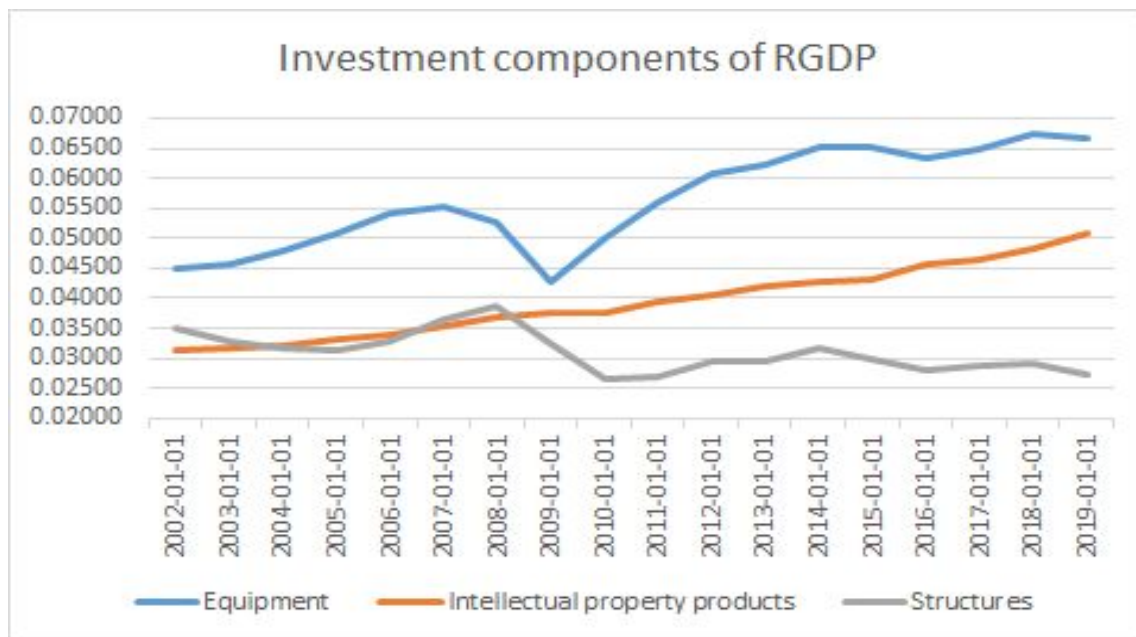
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Investment



From the graph we can see a few interesting pieces of information. Looking at intellectual property we can see that it clearly has had linear growth during this sample period. Also, we can see that from the beginning of the sample to the end of the sample, both intellectual property products and equipment increased overall whereas structures saw a decrease. Another trait to notice is that intellectual property rarely fluctuated but equipment and structures both had periods of growth and decline through the period of the sample. During the Great Recession, the only component impacted immediately was equipment which saw a steep decline during that period but was already starting to

recover in 2010. Structures were impacted as well but the decline was not as fast as equipment's and lasted till 2010. "The vicious circle of a stronger dollar, weaker emerging market growth and lower commodity prices caused spending on certain types of capital goods to plummet starting in mid-2015" (Irwin, 2018). Economic growth slowed but remained in positive territory. The national unemployment rate kept falling. Anyone who didn't work in energy, agriculture or manufacturing could be forgiven for not noticing it at all. In 2015, Chinese leaders were concerned that their economy was experiencing a credit bubble, and they began imposing policies to restrain growth. Given falling prices and high debt loads among energy producers in the United States, the markets for stocks and riskier corporate bonds came under stress, especially in early 2016. That generated losses for investors and fears about the overall stability of the financial system a lot of that caused the fall in equipment and structures and not intellectual property products.

References

Irwin, N. (2018, September 29). The Most Important Least-Noticed Economic Event of the Decade. Retrieved from <https://www.nytimes.com/2018/09/29/upshot/mini-recession-2016-little-known-big-impact.html>