



Euromonitor  
International

# New Economic Reality: Navigating High Interest Rates

December 2023

## INTRODUCTION

Scope

Key takeaways

High interest rates matter to economies, businesses and consumers

Uncovering the new interest rate regime

## HIGHER FOR LONGER

An era of largely loose monetary policy is giving way to higher-for-longer interest rates

US monetary policy plays central role in higher-for-longer global interest rate environment

Numerous inflation risks could lead to an even more extended higher for longer

## BUSINESS AND CONSUMER IMPACTS

Businesses face slowing economies in 2024 in view of elevated borrowing costs

Consumers suffer from increased debt payments and economic uncertainty

Case study: Klarna offers affordable borrowing alternative amid surging credit card costs

Case study: Santander and AutoFi adjust to new interest rate reality in vehicle finance

Navigating increased borrowing costs high on business agenda in 2024-2025

## NAVIGATING HIGH BORROWING COSTS

Companies focus on freeing up cash and keeping costs in check...

...while restructuring debts and seeking alternative financing options

Consumers further adjust their budget and capitalise on higher savings return

Case study: Intel employs cost-cutting measures to preserve capital

Case study: Apple offers no-fee, high-yield savings account in the US

## CONCLUSION

Key takeaways

Strategies to win in a high interest rate environment

Questions we are asking

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For more information on this report, further enquiries can be directed via this link [www.euromonitor.com/new-economic-reality-navigating-high-interest-rates/report](https://www.euromonitor.com/new-economic-reality-navigating-high-interest-rates/report).