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Article

World Economy Summer 2017 - Sustained acceleration of the world economy

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KIEL INSTITUTE **ECONOMIC OUTLOOK**

World Economy
Summer 2017

Finalized June 14, 2017



No. 31 (2017|Q1)

*Klaus-Jürgen Gern, Philipp Hauber,
Stefan Kooths, and Ulrich Stolzenburg*

SUSTAINED ACCELERATION OF THE WORLD ECONOMY

Klaus-Jürgen Gern, Philipp Hauber, Stefan Kooths, and Ulrich Stolzenburg

In the middle of 2017, the world economy is experiencing robust growth. Especially in the advanced economies economic sentiment is upbeat, despite considerable economic policy uncertainty. We have increased our forecast for global GDP growth—on PPP basis—by 0.1 percentage points both in 2017 and 2018 to 3.6 percent and 3.7 percent, respectively. In the US, output growth is expected to strengthen to 2.2 percent this year and 2.5 percent next year, in part reflecting significant fiscal stimulus. The recovery in the euro area should continue at the current pace of around 2 percent per year. While growth in most emerging economies will likely increase, we expect China's economy to gradually decelerate. Major risks for the forecast emanate from political uncertainties and potential financial disruptions in the process of the normalization of monetary policy, which is already underway in the US and will be increasingly on the agenda in other economies such as the euro area.

The world economy is on track. The IfW-Indicator for World Economic Activity, which is based on economic sentiment indicators from 42 countries, suggests that underlying global growth has kept the momentum gained in the course of last year, despite somewhat lower GDP figures in the statistics for the first quarter.

In the advanced economies demand has shifted from private consumption to investment. Private consumption lost steam after the turn of the year, mainly as a result of higher energy prices biting into real disposable incomes. At the same time investment picked up reflecting reduced slack in the economies, recovery of activity in the US oil industry, and support from an upturn in the IT-cycle.

Uncertainty about the future course of economic policy is large, but seems to have limited effect on economic activity so far. One reason may be that policy uncertainty has been associated with the expectation of substantial policy stimulus (especially in the US). Moreover, there seems to be the conception that the political process will ultimately prevent policy decisions that would severely affect international economic relations, such as a decisively protectionist policy in the US or an uncoordinated exit of the UK from the European Union, one reason being the substantial economic interests of influential lobby groups (see [IfW-Box 2017.3](#)).

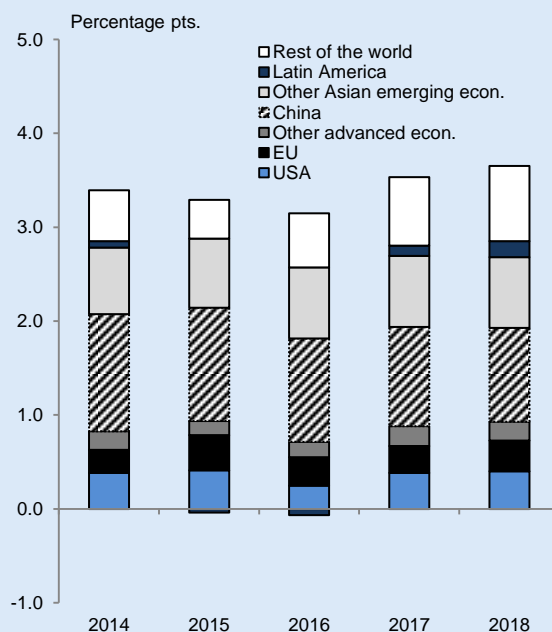
Outlook: Upturn in the world economy

Global growth, on PPP-basis, will accelerate from 3.1 percent last year to 3.6 percent and 3.7 percent in 2017 and 2018, respectively. We have revised up slightly our forecast from March by 0.1 percentage points for both years. The acceleration of growth in 2017 stems from higher output growth in both advanced economies and emerging economies to a similar extent, whereas the latter group is responsible for the gradual further increase of growth in 2018 (Figure). World trade has picked up after a prolonged period of very slow growth and is expected to rise by 4.5 percent this year and by 4 percent in 2018 (Table).

- **Monetary policy** continues to diverge, but generally remains expansive. The US central bank's key interest rate is expected to rise to 1.75 percent by the end of next year, implying still extremely low real interest rates by historical standards. At the same time, we expect no interest rate increases during the forecast period for the euro area and Japan.

- **Fiscal policy** will generally be stimulative, especially in the US where a significant tax cut will probably be implemented.
- In the **US**, output growth is expected to accelerate to 2.2 percent and 2.5 percent this year and next, respectively, up from 1.6 percent in 2016.
- The **euro area** will continue to expand at rates of close to 2 percent leading to further significant declines in unemployment.
- Output in the **UK** is projected to slow to 1.6 percent this year, mainly reflecting lower consumption growth in response to the loss in purchasing power associated with the devaluation of Sterling triggered by the Brexit decision last year.
- Economic growth in **China** is forecast to decelerate to 6.5 percent this year and 6 percent next year, reflecting a stronger focus on reducing longer-term financial risks by reigning in the build-up of debt in the economy.
- The outlook for the **other emerging economies** has improved with the stabilization of commodity prices.

Figure:
 Contribution to Global growth by region in percentage points, 2014–2018



Annual data, volumes. Rate of increase of GDP weighted according to share in global output at Purchasing Power Parities.

Source: IMF, *World Economic Outlook Database*; OECD, *Main Economic Indicators*; Eurostat; own calculations; 2015–2017: IfW forecast.

Major risks for the forecast emanate from political uncertainties and potential financial disruptions in the process of the normalization of monetary policy. Concerns about a potential burst of protectionism and a tendency towards political and economic disintegration on a global or regional basis remain but seem to have decreased in recent months, partly due to benign outcomes in elections in a number of European countries. The risk persists that progress in the process of normalization of monetary policies in the advanced economies will lead to turbulence on financial markets, with adjustments of elevated asset prices potentially impacting negatively on private sector demand and fiscal positions. Financial risks are also prominent in some emerging economies which in recent years have experienced strong growth in debt of private households or private corporations.

Table:
Real GDP and consumer prices in selected countries and regions, 2016–2018

	Gross domestic product			Consumer prices		
	2016	2017	2018	2016	2017	2018
United States	1.6	2.2	2.5	1.3	2.2	2.4
Japan	1.0	1.2	1.1	-0.1	0.4	0.6
Euro Area	1.7	2.0	1.9	0.2	1.5	1.3
United Kingdom	1.8	1.6	1.7	0.7	2.7	2.5
Advanced economies total	1.7	2.2	2.1	0.7	1.6	1.8
China	6.7	6.5	6.0	2.0	2.2	2.2
Latin America	-1.5	1.2	2.0	8.2	6.8	5.4
India	6.8	7.2	7.7	4.9	4.8	5.1
East Asia	4.8	4.9	5.0	2.4	3.3	3.5
Russia	-0.2	1.2	1.5	7.0	4.2	4.4
World economy total	3.1	3.6	3.7	2.9	3.3	3.4
<i>Addendum:</i>						
World trade volume	2.4	4.5	4.0	.	.	.
Oil price (Brent in US-\$)	44.7	52.8	53.1	.	.	.
World economy total (weighted according to GDP at market exchange rates)	2.6	3.1	3.1	2.2	2.7	2.9

Weighted according to GDP at PPP rates. East Asia: Emerging Asia excluding China and India. Shaded: IfW forecast.

Source: IfW forecast.

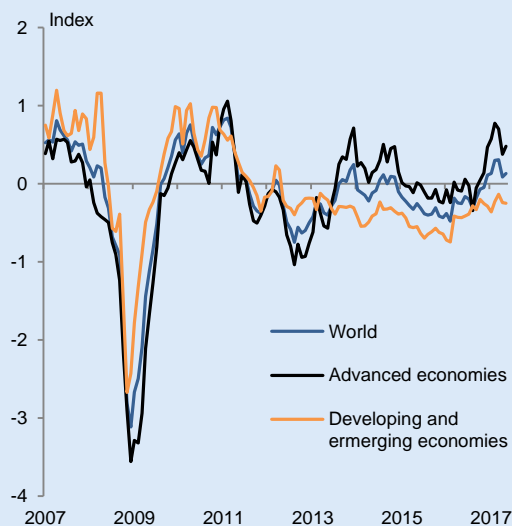
Data annex

CONTENTS

1. World Economy	6
2. United States	7
3. Japan.....	8
4. Euro Area	9
5. United Kingdom.....	10
6. China.....	11
7. Emerging Economies	12
8. Forecast summary	13

1. World Economy

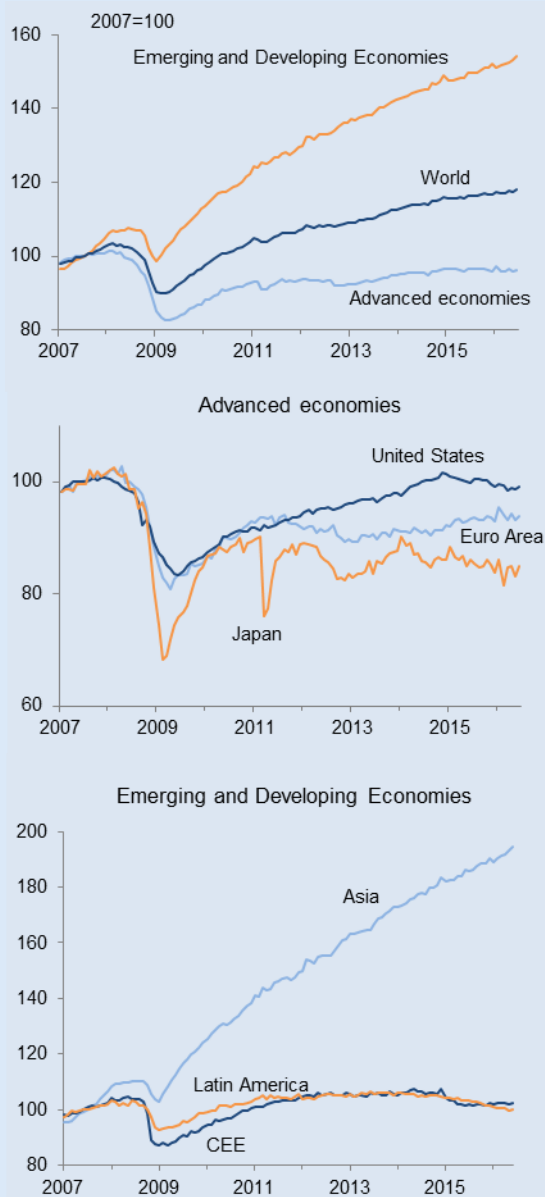
Figure 1.1:
Business expectations by groups of countries, 2007–2017



Monthly data, seasonally adjusted. Indicators are based on business expectations in 42 countries (34 advanced economies and 8 emerging economies).

Source: OECD, Main Economic Indicators; national sources; own calculations.

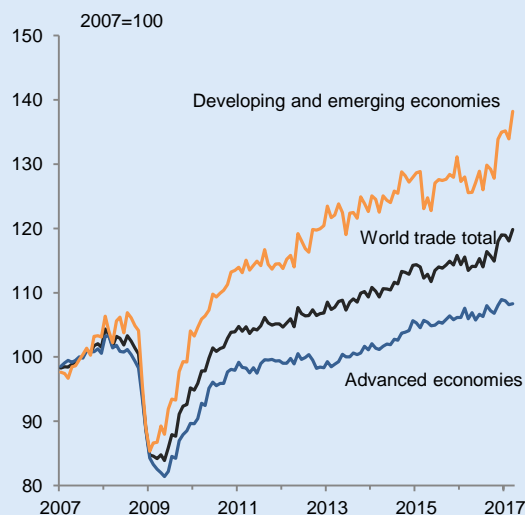
Figure 1.2:
Industrial production by groups of countries and regions, 2007–2017



Monthly Data.

Source: CPB, World Trade Monitor.

Figure 1.3:
World economic activity, 2007–2017

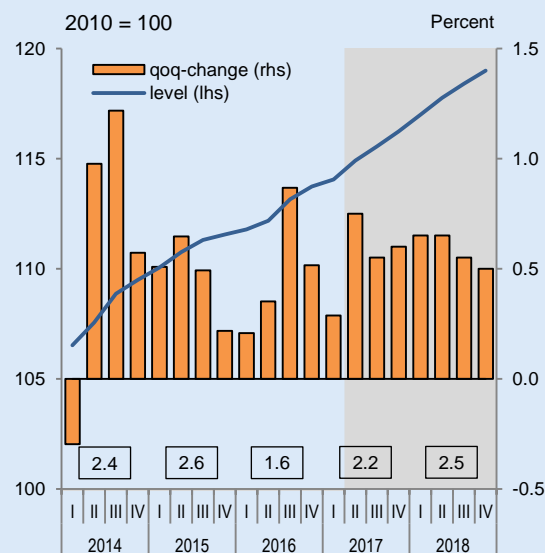


Monthly Data.

Source: CPB, World Trade Monitor; own calculated.

2. United States

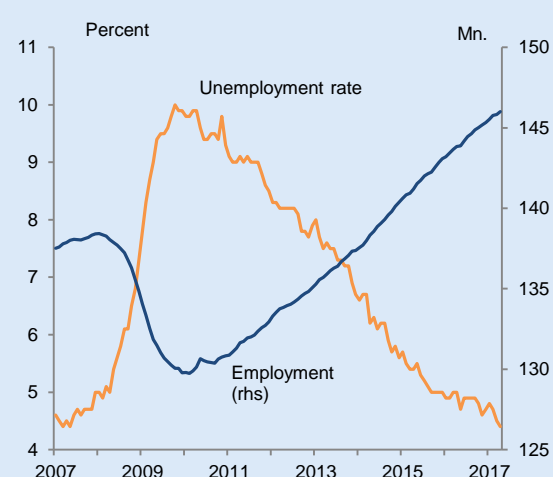
Figure 2.1:
GDP, 2014–2018



Quarterly data, price, seasonally and calendar adjusted, qoq-change. Annual data: price adjusted, annual rate of change (boxes).

Source: Bureau of Economic Analysis, *National Income and Product Accounts*; shaded: ifw forecast.

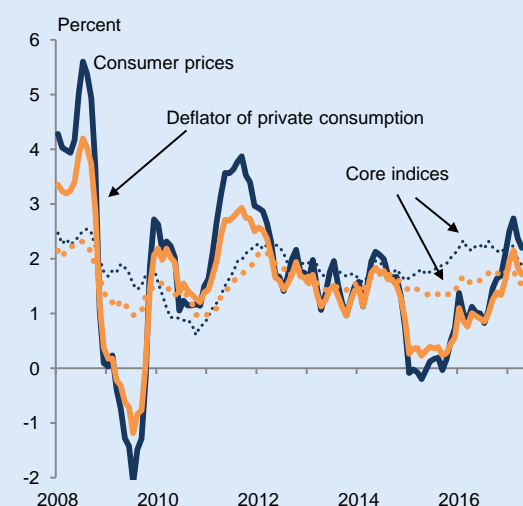
Figure 2.2:
Labor market, 2007–2017



Monthly data; seasonal adjusted.

Source: US Department of Labor, *Employment Situation*.

Figure 2.3:
Consumer prices, 2008–2017



Monthly data; change over previous year. Core index: consumer prices excluding energy and food.

Source: US Department of Labor, *Consumer Price Index*.

Table 2.1:
Key indicators United States, 2015–2018

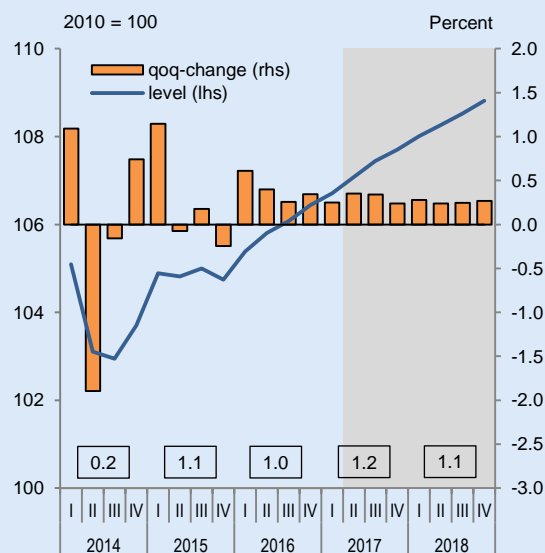
	2015	2016	2017	2018
Gross Domestic Product	2.6	1.6	2.2	2.5
Domestic expenditure	3.2	1.7	2.5	2.8
Private consumption	3.2	2.7	2.5	2.8
Government consumption	1.8	0.8	0.6	2.0
Gross fixed capital formation	4.0	0.7	4.9	4.0
Machinery and equipment	3.5	-2.9	2.7	3.6
Intellectual property rights	4.8	4.7	4.1	3.2
Structures	-4.4	-2.9	8.8	5.0
Residential investment	11.7	4.9	6.5	4.5
Inventories	0.2	-0.4	-0.1	0.0
Net exports	-0.7	-0.1	-0.3	-0.3
Exports	0.1	0.4	2.9	2.7
Imports	4.6	1.2	5.1	5.4
Consumer prices	0.1	1.3	2.2	2.4
Unemployment rate	5.3	4.9	4.4	4.3
Current account balance	-2.6	-2.4	-2.8	-3.1
Government budget balance	-2.4	-3.2	-3.6	-4.0

GDP: volumes, change over previous year, percent. Net exports, inventories: contribution to growth, percentage points. Unemployment rate: unemployed in relation to labor force, percent. Current account balance, government budget balance: percent of nominal GDP. Budget balance: fiscal year.

Source: US Department of Commerce, *National Economic Accounts*; US Department of Labor, *Employment Situation and Consumer Price Index*; US Department of the Treasury, *Monthly Treasury Statement*; own calculations; shaded: ifw forecast.

3. Japan

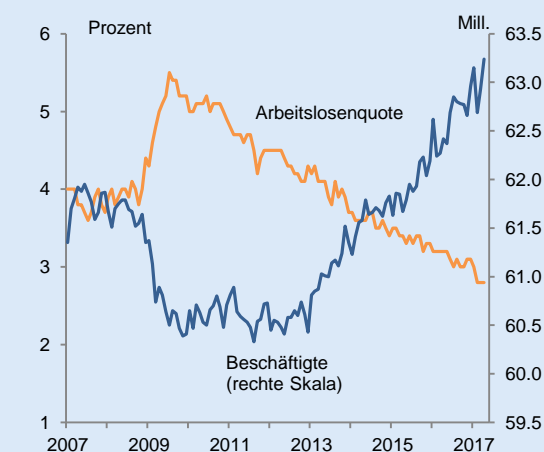
Figure 3.1:
GDP, 2014–2018



Quarterly data, price, seasonally and calendar adjusted, qoq-change. Annual data: price adjusted, annual rate of change (boxes).

Source: Cabinet Office, *National Accounts*; shaded: IFW forecast.

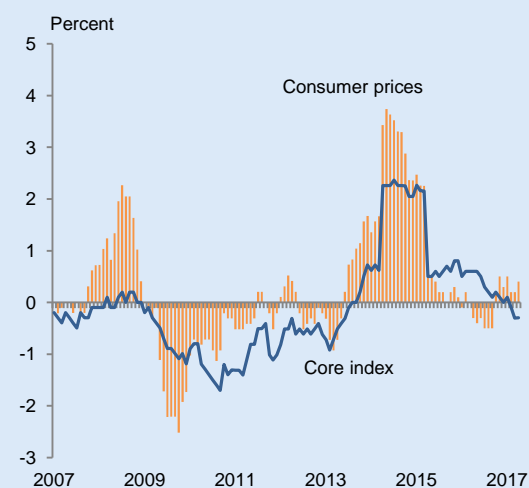
Figure 3.2:
Labor market, 2007–2017



Monatsdaten; saisonbereinigt.

Quelle: Department of Labor, *Labor Force Survey*.

Figure 3.3:
Consumer prices, 2007–2017



Monthly data. change over previous year. Core index: Consumer prices excluding energy and fresh food.

Source: Statistics Bureau of Japan, *Consumer Price Index*.

Table 3.1:
Key indicators Japan, 2015–2018

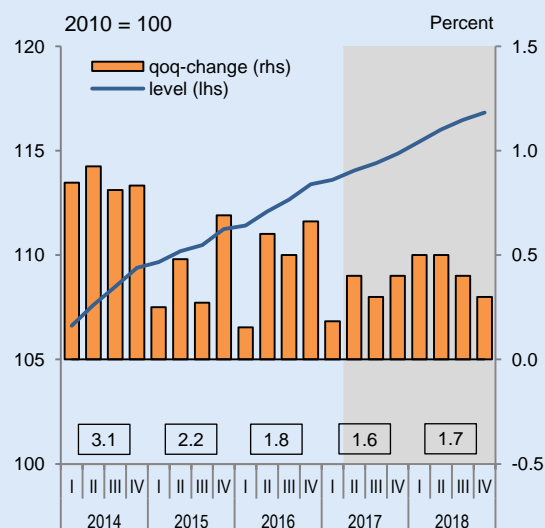
	2015	2016	2017	2018
Gross Domestic Product	1.1	1.0	1.2	1.1
Domestic expenditure	0.8	0.4	0.6	0.9
Private consumption	-0.4	0.3	0.9	0.8
Government consumption	1.7	1.3	0.2	1.2
Gross fixed capital formation	0.1	1.0	1.8	0.9
Enterprises	1.1	1.4	3.3	1.6
Residential investment	-1.8	5.5	2.6	1.6
Public investment	-1.7	-2.9	-3.6	-1.8
Change in inventories	0.6	-0.3	-0.4	0.0
Net exports	0.3	0.4	0.5	0.1
Exports	3.0	1.1	6.9	3.1
Imports	0.7	-2.3	3.0	2.1
Consumer prices	0.8	-0.1	0.4	0.6
Unemployment rate	3.4	3.1	2.8	2.6
Current account balance	3.1	3.9	4.1	4.2
Government budget balance	-5.4	-5.1	-4.8	-4.5

Percent. GDP: volumes, change over previous year, percent. Net exports, inventories: contribution to growth, percentage points. Unemployment rate: unemployed in relation to labor force. Current account balance, government budget balance: percent of nominal GDP.

Source: Cabinet Office, *National Accounts*; OECD, *Main Economic Indicators*; own calculations; shaded: IFW forecast.

4. Euro Area

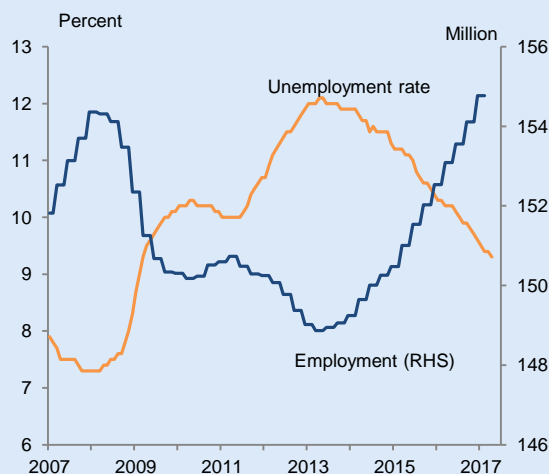
Figure 4.1:
GDP, 2014–2018



Quarterly data, price, seasonally and calendar adjusted, qoq-change. Annual data: price adjusted, annual rate of change (boxes).

Source: Eurostat, *National Accounts*; shaded: IfW forecast.

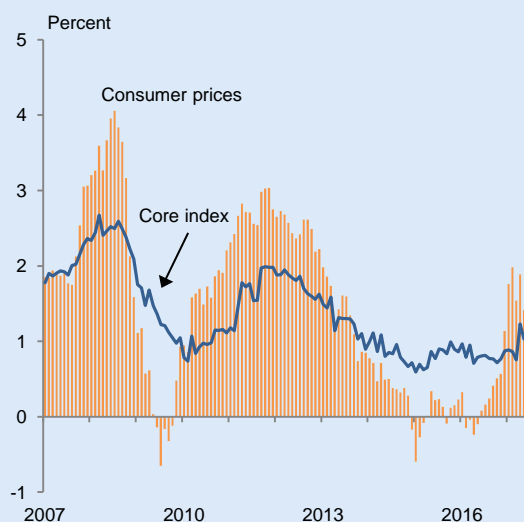
Figure 4.2:
Labor market, 2007–2017



Monthly data; seasonally adjusted.

Source: Eurostat, *Labor Statistics*; ECB, *Monthly Bulletin*.

Figure 4.3:
Consumer prices, 2007–2017



Monthly data; yoy change. HICP; Core index: HICP without Energy and Unprocessed Food.

Source: Eurostat, *Price Statistics*.

Table 4.1:
Key indicators Euro Area, 2015–2018

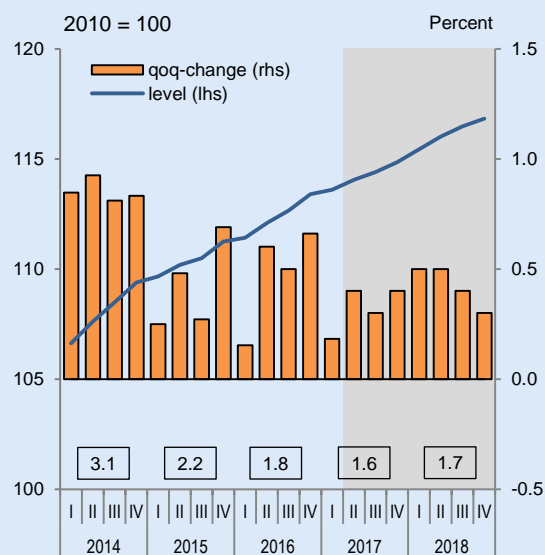
	2015	2016	2017	2018
Gross Domestic Product	1.9	1.7	2.0	1.9
Domestic expenditure	1.8	2.2	2.1	2.1
Private consumption	1.8	2.0	1.6	1.6
Government consumption	1.3	1.8	1.5	1.5
Gross fixed capital formation	3.0	3.4	4.4	3.7
Inventories	-0.1	-0.0	-0.1	0.0
Net exports	0.2	-0.4	-0.0	-0.1
Exports	6.0	2.9	4.6	3.9
Imports	6.1	4.2	5.0	4.6
Consumer prices	0.0	0.2	1.5	1.3
Unemployment rate	10.9	10.0	9.2	8.6
Current account balance	3.2	3.3	3.3	3.1
Government budget balance	-2.1	-1.5	-1.3	-1.3

GDP: volumes, change over previous year, percent. Net exports, inventories: contribution to growth, percentage points. Unemployment rate: unemployed in relation to labor force, percent. Current account balance, government budget balance: percent of nominal GDP.

Source: Eurostat, *National Accounts*; own calculations; shaded: IfW forecast.

5. United Kingdom

Figure 5.1:
GDP, 2014–2018



Quarterly data, price, seasonally and calendar adjusted, qoq-change. Annual data: price adjusted, annual rate of change (boxes).

Source: Eurostat, *National Accounts*; shaded: IFW forecast.

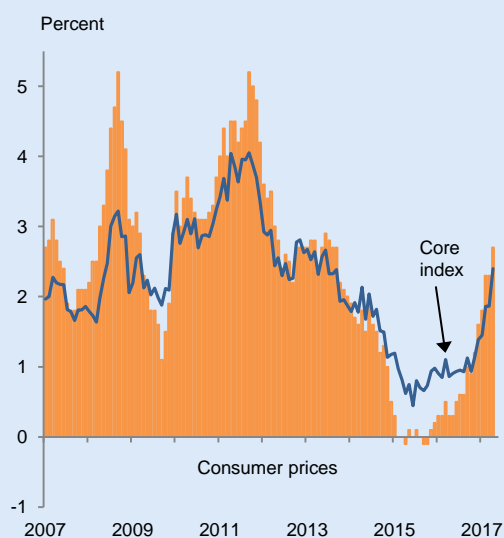
Figure 5.2:
Labor market, 2007–2017



Quarterly data, seasonally adjusted.

Source: Office for National Statistics, *Economy*.

Figure 5.3:
Consumer prices, 2007–2017



Monthly data. Change over previous year. Core rate: consumer prices excluding energy and fresh food.

Source: Office for National Statistics, *Economy*.

Table 5.1:
Key indicators United Kingdom, 2015–2018

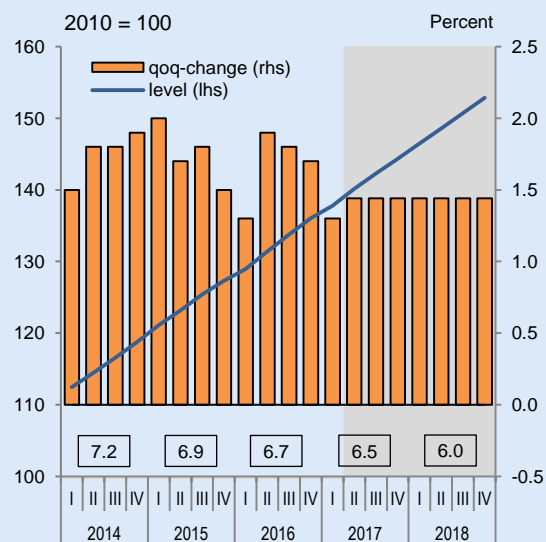
	2015	2016	2017	2018
Gross Domestic Product	2.2	1.8	1.6	1.7
Domestic expenditure	2.5	1.2	1.3	1.1
Private consumption	2.5	3.1	1.5	1.3
Government consumption	1.3	0.8	1.5	1.5
Gross fixed investment	3.4	0.5	1.0	0.5
Inventories	0.0	-0.5	-0.1	0.0
Net exports	-0.5	0.4	0.3	0.5
Exports	6.1	1.4	2.3	2.8
Imports	5.5	2.5	1.0	1.0
Consumer prices	0.1	0.7	2.7	2.5
Unemployment rate	5.3	4.8	4.3	4.2
Current account balance	-4.3	-4.4	-4.0	-3.8
Government budget balance	-4.3	-3.0	-3.3	-3.8

Percent. GDP: volumes, change over previous year, percent. Net exports, inventories: contribution to growth, percentage points. Unemployment rate: unemployed in relation to labor force. Current account balance, government budget balance: percent of nominal GDP.

Source: Office for National Statistics, *Economy*; shaded: IFW forecast.

6. China

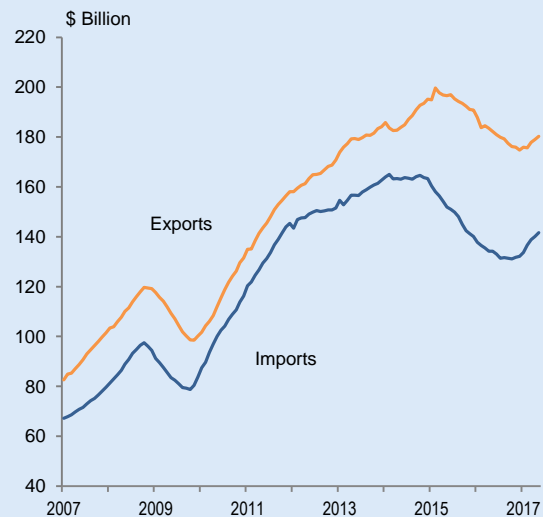
Figure 6.1:
GDP, 2014–2018



Quarterly data, price, seasonally and calendar adjusted, qoq-change. Annual data: price adjusted, annual rate of change (boxes).

Source: National Bureau of Statistics China; shaded: IfW forecast.

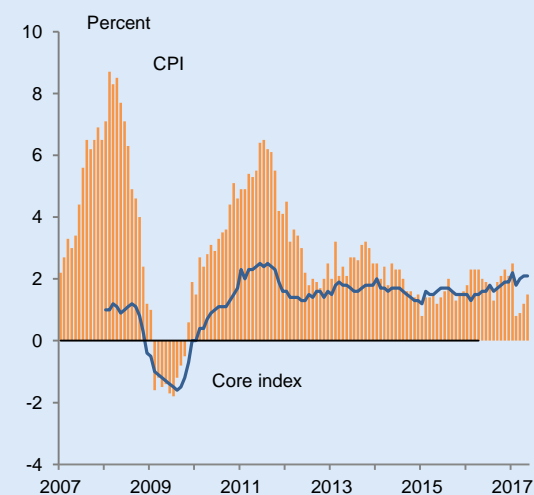
Figure 6.2:
Exports and imports, 2007–2017



Monthly data, 12-month moving average.

Source: General Administration of Customs; own calculations.

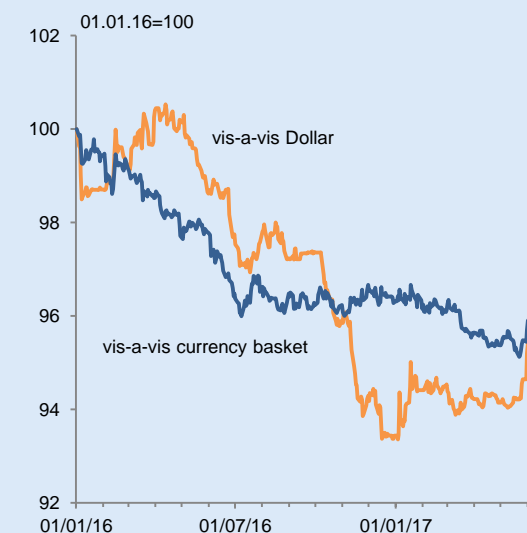
Figure 6.3:
Consumer prices, 2007–2017



Monthly data; y-o-y growth rate. Core index: CPI excluding food.

Source: National Bureau of Statistics.

Figure 6.4:
Exchange rate, 2016–2017

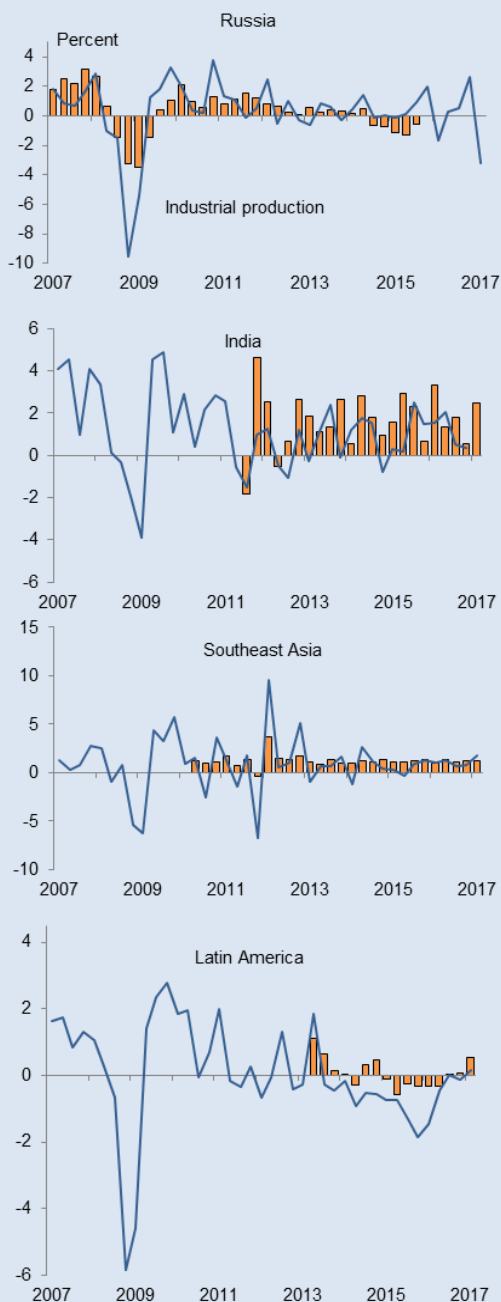


Daily data.

Source: China Foreign Exchange Trade System; own calculations.

7. Emerging Economies

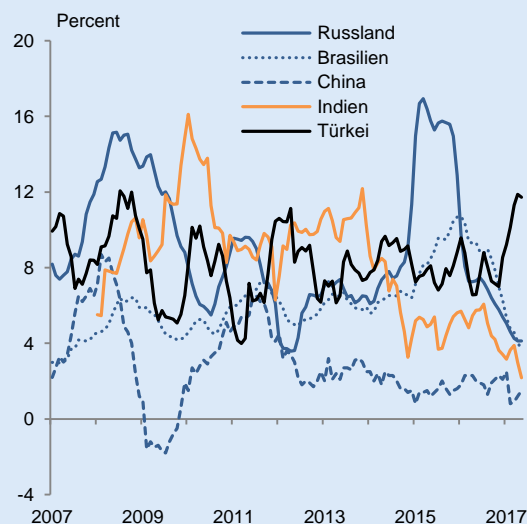
Figure 7.1:
GDP and industrial production in emerging economies
2007–2017



Quarterly data; volumes; seasonal adjusted; change over previous quarter; Southeast Asia: GDP-weighted average of Indonesia, Thailand, Malaysia and the Philippines; Latin America: Q4 2015 to Q2 2016 partly estimated.

Source: IMF, *International Financial Statistics*; national statistical offices; own calculations.

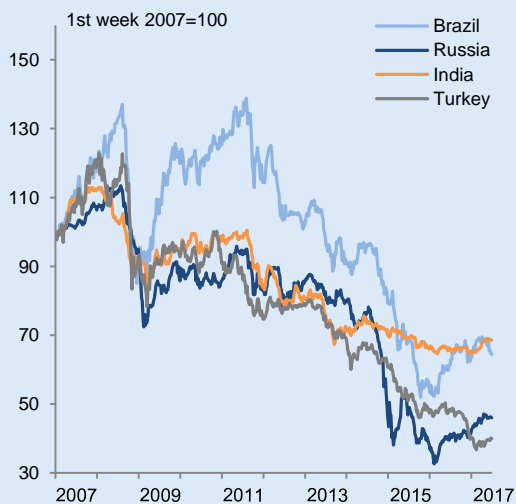
Figure 7.2:
Consumer prices, 2007–2017



Monthly data; change over previous year.

Source: Federal State Statistics Service, *Russia*; IBGE, *Brazil*; National Bureau of Statistics, *China*; Labour Bureau, *India*.

Figure 7.3:
US-dollar exchange rates, 2007–2017



Weekly data. Last value: June 12th, 2017.

Source: Thomson Financial Datastream.

8. Forecast summary

Table 8.1:
Key assumptions, 2016–2018

	2016				2017				2018			
	I	II	III	IV	I	II	III	IV	I	II	III	IV
Key interest rate												
United States	0.3	0.3	0.3	0.5	0.8	1.0	1.0	1.3	1.3	1.5	1.8	1.8
Japan	0.0	-0.1	-0.1	-0.1	-0.1	-0.1	0.0	0.0	0.0	0.0	0.0	0.1
Euro area	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Exchange rates												
US-dollar/euro	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1
Yen/US-dollar	115.3	108.8	102.5	109.4	113.6	111.5	112.0	112.0	112.0	112.0	112.0	112.0
Oil price (Brent, US-dollar)	35.3	46.8	47.0	49.5	54.7	51.9	52.2	52.4	52.7	52.9	53.2	53.4
HWWI-Index indust. commodities	87.7	95.2	97.5	108.8	123.1	111.6	113.3	116.1	119.0	121.2	123.0	124.8

Key interest rate: Fed Funds Rate (United States, since December 2015 between 0.25 to 0.5 percent; overnight rate (Japan); main refinancing operations (euro area).

Source: HWWI, *Commodity Price Index*; IMF, *International Financial Statistics*; Federal Reserve Bank, *Intended Federal Funds Rate*; ECB, *Monthly Bulletin*; shaded: IfW forecast or assumption.

Table 8.2:
Real gross domestic product, consumer prices and unemployment rate in advanced economies, 2016–2018

	Weights	Real GDP			Consumer prices			Unemployment rate		
		2016	2017	2018	2016	2017	2018	2016	2017	2018
European Union	37.0	1.9	2.1	1.9	0.3	1.7	1.6	8.6	7.8	7.4
Euro area	26.8	1.7	2.0	1.9	0.2	1.5	1.3	10.1	9.2	8.6
United Kingdom	6.0	1.8	1.6	1.7	0.7	2.7	2.5	4.8	4.3	4.2
Sweden	1.1	3.1	2.1	1.8	1.0	1.6	1.6	7.0	6.7	6.6
Poland	1.1	2.8	3.9	2.9	-0.7	2.5	2.4	6.2	4.7	4.3
Switzerland	1.5	1.3	1.1	1.4	-0.4	0.4	0.5	4.6	4.5	4.3
Norway	0.9	1.0	1.5	1.6	3.5	2.0	2.0	4.8	4.7	4.6
United States	40.9	1.6	2.2	2.5	1.3	2.2	2.4	4.9	4.8	4.6
Canada	3.5	1.4	2.8	2.5	1.4	2.0	2.1	7.0	6.6	6.2
Japan	9.9	1.0	1.2	1.1	-0.1	0.4	0.6	3.1	2.8	2.6
South Korea	3.1	2.8	3.0	2.7	1.0	1.9	1.8	3.7	3.7	3.6
Australia	3.0	2.5	2.2	2.7	1.3	2.0	2.4	5.7	5.6	5.5
Total	100.0	1.7	2.2	2.2	0.8	1.9	1.9	6.3	5.9	5.6

Based on GDP at prices and exchange rates of 2015 in percent. Change over previous year in percent. European Union and Norway: Harmonized Index of Consumer Prices (HICP). Standardized unemployment rate in percent (ILO); country groups weighted according to the size of the labor force in 2015.

Source: Eurostat, *National Accounts*; OECD, *Main Economic Indicators*; IMF, *World Economic Outlook Database*; Statistics Canada, *Canadian Economic Account*; shaded: IfW forecast.

Table 8.3:
Real gross domestic product, consumer prices and unemployment rates in the European Union, 2016–2018

	Weights	Real GDP			Consumer prices			Unemployment rate		
		2016	2017	2018	2016	2017	2018	2016	2017	2018
Germany	20.6	1.8	2.0	2.1	0.4	1.6	1.5	4.1	3.7	3.5
France	14.8	1.1	1.5	1.5	0.3	1.3	1.1	10.1	9.5	9.1
Italy	11.1	1.0	1.3	1.2	-0.1	1.2	0.9	11.7	11.2	10.9
Spain	7.4	3.2	2.9	2.1	-0.3	2.2	2.0	19.7	17.4	16.0
Netherlands	4.6	2.1	2.2	1.9	0.1	1.2	1.0	6.0	5.0	4.5
Belgium	2.8	1.2	1.8	1.7	1.8	2.4	2.0	7.9	6.8	6.6
Austria	2.3	1.6	2.1	1.7	1.0	1.8	1.6	6.0	5.8	5.6
Ireland	1.7	5.2	5.2	4.0	-0.3	0.4	0.5	7.9	6.2	5.0
Finland	1.4	1.5	2.8	1.9	0.4	1.2	1.0	8.8	8.8	8.5
Portugal	1.2	1.4	2.8	2.0	0.6	1.3	1.2	11.2	9.6	8.8
Greece	1.2	0.0	0.7	1.8	0.0	1.3	1.1	23.6	22.2	20.7
Slovak Republic	0.5	3.3	3.3	3.8	-0.5	1.1	1.3	9.7	8.2	7.0
Luxembourg	0.4	4.2	4.3	3.2	0.0	2.3	2.2	6.3	5.9	5.6
Slovenia	0.3	2.7	4.9	3.5	-0.2	1.9	1.9	8.0	7.3	6.7
Lithuania	0.3	2.2	4.4	3.9	0.7	2.6	2.5	7.9	7.4	6.9
Latvia	0.2	1.3	4.6	4.0	0.1	2.7	2.7	9.6	8.7	8.1
Estonia	0.1	1.7	4.4	3.7	0.8	2.6	2.5	6.8	5.6	5.0
Cyprus	0.1	2.8	3.0	3.1	-1.2	1.2	1.2	13.1	12.1	11.0
Malta	0.1	5.0	3.9	3.6	0.9	1.4	1.5	4.7	4.1	4.0
United Kingdom	17.5	1.8	1.6	1.7	0.7	2.7	2.5	4.8	4.3	4.2
Sweden	3.0	3.1	2.1	1.8	1.0	1.6	1.6	7.0	6.7	6.6
Poland	2.9	2.8	3.9	2.9	-0.7	2.5	2.4	6.2	4.7	4.3
Denmark	1.8	1.1	2.0	1.7	0.3	1.1	1.2	6.2	6.0	5.8
Czech Republic	1.1	2.3	3.0	3.0	0.7	2.1	2.2	4.0	3.1	2.9
Romania	1.1	4.8	4.8	3.9	-1.1	1.3	1.5	5.9	5.2	4.9
Hungary	0.7	1.4	3.2	2.2	0.4	2.8	2.9	5.1	4.1	3.8
Bulgaria	0.3	3.4	3.4	3.1	-1.1	1.5	2.2	7.6	6.5	6.1
Croatia	0.3	2.6	2.9	2.3	-0.6	1.2	1.3	13.3	10.8	9.0
European Union	100.0	1.9	2.1	1.9	0.3	1.7	1.6	8.6	7.8	7.4
<i>Addendum:</i>										
European Union 15	91.9	1.8	1.9	1.8	0.4	1.7	1.5	9.0	8.2	7.8
Accession countries	8.1	2.8	3.7	3.1	0.0	0.2	0.3	6.7	5.6	5.2
Euro Area	71.2	1.7	2.0	1.9	0.2	1.5	1.3	10.1	9.2	8.6
Euro Area without Germany	50.5	1.7	2.0	1.8	0.2	1.5	1.3	12.2	11.1	10.5

Based on GDP at prices and exchange rates of 2015 in percent. Change over previous year in percent. Harmonized Index of Consumer Prices (HICP). Standardized unemployment rate in percent (ILO); country groups weighted according to the size of the labor force in 2015. Accession countries since 2004.

Source: Eurostat, *National Accounts*; shaded: IfW forecast.

Table 8.4:
Real gross domestic product and consumer prices in selected emerging market economies, 2015–2018

	Weights	Real GDP				Consumer prices			
		2015	2016	2017	2018	2015	2016	2017	2018
Indonesia	6.0	4.9	5.0	5.1	5.4	6.4	3.5	4.1	4.3
Thailand	2.3	3.0	3.2	3.5	3.5	-0.9	0.2	0.6	2.0
Malaysia	1.7	5.0	4.2	5.2	4.7	2.1	2.1	4.2	3.0
Philippines	1.6	6.1	6.9	6.0	6.0	1.4	1.8	3.3	3.5
Total	11.6	4.7	4.8	4.9	5.0	3.6	2.4	3.3	3.5
China	42.0	6.9	6.7	6.5	6.0	1.4	2.0	2.2	2.2
India	17.1	7.9	6.8	7.2	7.7	4.9	4.9	4.8	5.1
Asian countries	70.7	6.8	6.4	6.4	6.2	2.6	2.8	3.0	3.1
Brazil	6.2	-3.8	-3.6	0.6	1.6	9.0	8.7	4.4	4.5
Mexico	4.6	2.7	2.0	2.5	2.2	2.7	2.8	5.0	3.3
Argentina	1.7	2.6	-2.3	2.7	3.9	25.0	25.0	25.6	18.7
Colombia	1.4	3.1	2.0	1.0	2.1	5.0	7.5	4.4	3.1
Venezuela	0.8	-6.2	-18.0	-4.5	-3.0	121.7	254.9	-	-
Chile	0.9	2.2	1.5	0.9	2.6	4.3	3.8	2.8	3.0
Peru	0.8	3.3	3.9	2.7	3.7	3.5	3.6	3.0	2.5
Latin American countries total	16.4	-0.2	-1.5	1.2	2.0	8.0	8.2	6.8	5.4
Russia	7.5	-2.8	-0.2	1.2	1.5	15.5	7.0	4.2	4.4
Turkey	3.9	6.1	3.1	3.0	3.5	7.7	7.8	10.0	9.0
South Africa	1.5	1.3	0.3	0.8	1.6	4.6	6.3	6.1	5.8
Total	100.0	4.8	4.4	5.0	5.0	4.7	4.2	4.0	3.9

Based on 2015 GDP at purchasing power parities; in percent.

Source: IMF, *International Financial Statistics*; OECD, *Main Economic Indicators*; national statistics; own calculations; shaded: IfW forecast.