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

Article

World Economy Autumn 2016 - World economic growth to pick up only gradually

Kiel Institute Economic Outlook, No. 21

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KIEL INSTITUTE FOR THE WORLD ECONOMY

KIEL INSTITUTE ECONOMIC OUTLOOK

World Economy
Autumn 2016

Finalized September 7, 2016

No. 21 (2016|Q3)

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

Forecasting Center

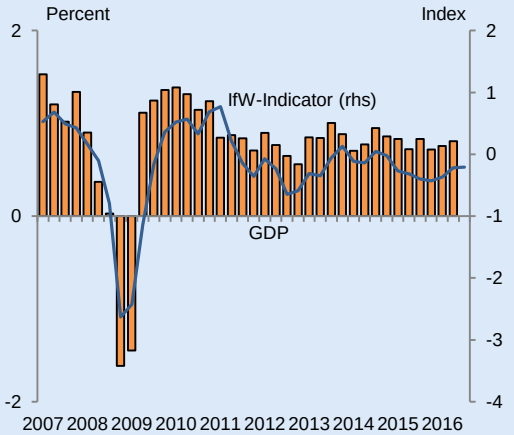
WORLD ECONOMIC GROWTH TO PICK UP ONLY GRADUALLY

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

During the first half of the year global growth remained sluggish. While activity in emerging economies stabilized, growth in advanced economies softened. Over the next two years, we expect the world economy to pick up pace gradually, although without turning into a strong synchronized global upturn. World GDP at PPP exchange rates is set to expand by 3.1 percent this year, the same rate as in 2015. For next year, we continue to expect the world economy to grow by 3.5 percent; for 2018, we expect a further acceleration of global growth to 3.7 percent. Monetary policy remains accommodative in advanced economies and fiscal policy is getting more expansive. But structural impediments to growth as well as political uncertainty in the wake of rising protectionist and isolationist tendencies—as manifested, for example, in the UK's decision to leave the EU—stand in the way of a more dynamic economic expansion. With commodity prices firming and China's economy stabilizing, the outlook for many emerging economies has improved. However, we do not expect a swift recovery due to structural reasons as well as weak growth in advanced economies.

- **Global growth remained sluggish.** The global economy accelerated only slightly from the low growth rates recorded last winter. Advanced economies even saw growth rates fall during the first half of the year. In the US, the expected recovery from a weak first quarter failed to materialize, while growth slowed markedly in the euro area and in Japan. At the same time, the outlook for the emerging economies has started to improve with the Chinese economy picking up in response to renewed government stimulus.

Figure 1:
World economic activity, 2007–2016



Quarterly data, seasonally adjusted. Indicator is based on business expectations in 42 economies. GDP: price adjusted, change over previous quarter.

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

- **The vote for Brexit will slow growth in the United Kingdom markedly and affect the outlook for the rest of the world, mainly via trade linkages.** While financial market volatility increased only briefly after the shock of the vote to leave the EU, we nevertheless expect growth in the UK to be substantially affected by the uncertainty regarding the future institutional framework. Via trade linkages this will spread to other countries, although the overall impact should be moderate in most countries. However, there is a risk that the British vote to leave the EU will trigger discussion about EU membership in other countries as well, and if a break-up of the EU became a realistic scenario, business and consumer confidence could be severely hit resulting in lower economic growth on a wider scale.
- **Isolationist and protectionist ideas are gaining ground.** The vote for Brexit is part of a broader trend towards increased emphasis of national sovereignty. This is reflected in growing support for protectionist and structurally conservative policies threatening the foundations of the multilateral trade architecture and, more generally, complicating international cooperation to solve global problems. Uncertainty regarding future economic policies may already be weighing on investment today and could become a serious threat to the world economy further down the road.

- **Macroeconomic policies remain conducive to growth.** Oil prices have stabilized and look set to increase moderately over the forecast horizon. Monetary policy in advanced economies has effectively been loosened further over recent months, in part as an effort to calm markets after the Brexit vote. Long-term interest rates have fallen further. The Fed is expected to be extremely slow in further tightening her policy, and other central banks will over the forecast horizon stick to their expansionary course. Fiscal policy will also provide stimulus: after the reduction of structural budget deficits have already come to a standstill in the recent past, fiscal policy looks to become more and more expansionary over the coming years.
- **Outlook: Growth will accelerate but economic momentum should remain subdued.** The world economy—measured at PPP exchange rates—will expand by 3.1 percent this year. Over the next two years growth will accelerate to 3.5 and 3.7 percent, respectively. At market exchange rates, growth rates will be roughly three quarters of a percentage point lower. Growth in world trade will slow yet again this year before accelerating slightly in 2017 and 2018 to 2.5 and 3 percent, respectively.
- **Growth in advanced economies will pick up gradually.** In the remainder of 2016 the US economy is expected to overcome the recent soft patch with private investment returning to growth and consumption continuing to rise solidly. We expect US GDP to grow by 2.4 and 2.5 percent in 2017 and 2018, respectively, after expanding by 1.6 percent this year. The expansion of the Japanese economy will temporarily accelerate to 1.2 percent next year on the back of significant fiscal stimulus. Growth in Europe will decrease slightly to 1.6 percent in 2017 mainly due to the ramifications of Brexit. For 2018, we forecast an acceleration to 1.9 percent.
- **The outlook for emerging economies is improving but growth is still being held back by structural impediments.** The Chinese government has undertaken sizeable measures to support demand. While they may increase the risks to stability in the longer term, the policy stimulus should stabilize growth above 6 percent in the short term. Latin American economies are set to benefit from recent increases in commodity prices. The Russian economy will continue to recover, although growth rates should remain moderate given the prevailing weaknesses in the domestic institutional environment.

Table 1:
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	2.4	2.5	1.2	2.2	2.4
Japan	0.7	1.2	0.8	-0.2	0.5	0.8
Euro Area	1.6	1.7	1.8	0.0	1.2	1.4
United Kingdom	1.6	0.6	1.6	0.9	2.4	2.0
Advanced economies total	1.6	2.0	2.1	0.7	1.7	1.8
China	6.5	6.2	5.8	2.0	2.0	2.3
Latin America	-0.9	1.5	2.3	8.6	5.8	5.1
India	7.5	7.4	7.2	5.3	5.5	5.5
East Asia	4.8	4.9	5.1	2.5	3.2	3.2
Russia	-0.8	1.3	2.0	8.4	6.5	5.0
World economy total	3.1	3.5	3.7	3.1	3.2	3.3
Addendum:						
World trade volume	1.5	2.5	3.0	.	.	.
Oil price (Brent in US-$)	44.4	51.5	54.8	.	.	.
World economy total (weighted according to GDP at market exchange rates)	2.4	2.9	3.0	2.5	2.8	2.9

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

Source: Forecast of the Kiel Institute for the World Economy.

Data annex

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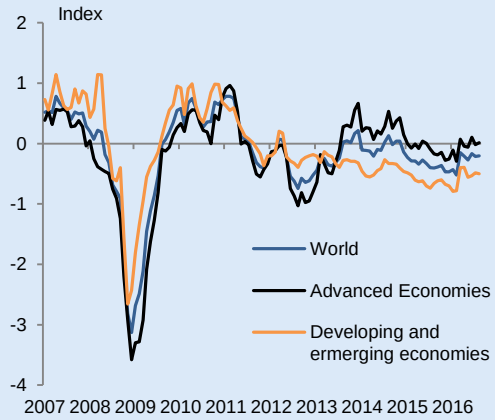
1. World Economy

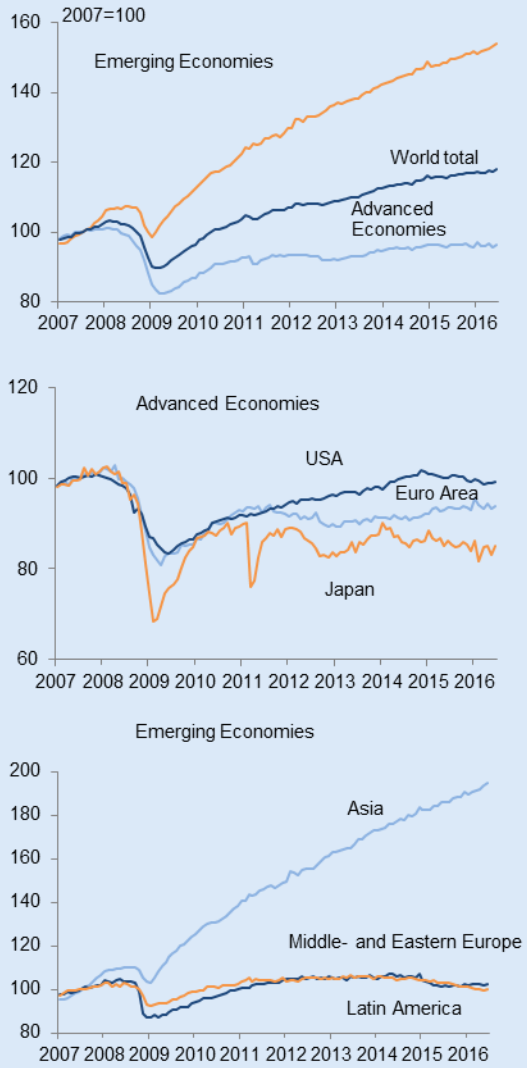
Figure 1.1:
Business expectations by groups of countries, 2007–2016



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

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

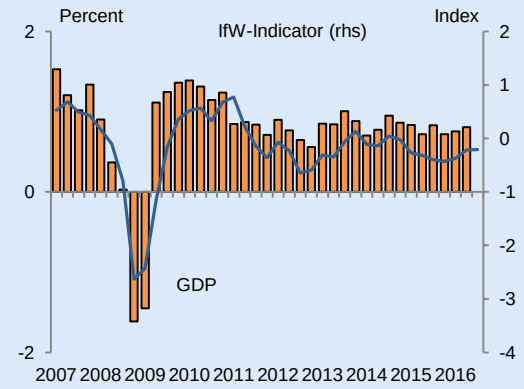
Figure 1.2:
Industrial production by groups of countries and regions, 2007–2016



Monthly data; price and seasonally adjusted.

Source: CPB, *World Trade Monitor*; own calculations.

Figure 1.3:
World economic activity, 2007–2016

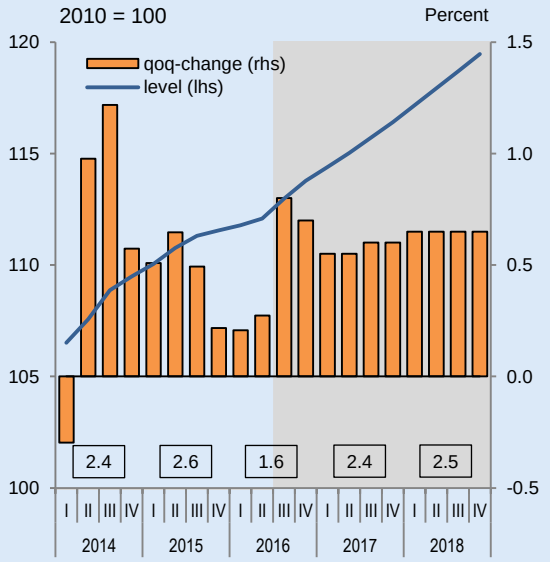


Quarterly data, seasonally adjusted. Indicator is based on business expectations in 42 economies. GDP: price adjusted, change over previous quarter.

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

2. United States

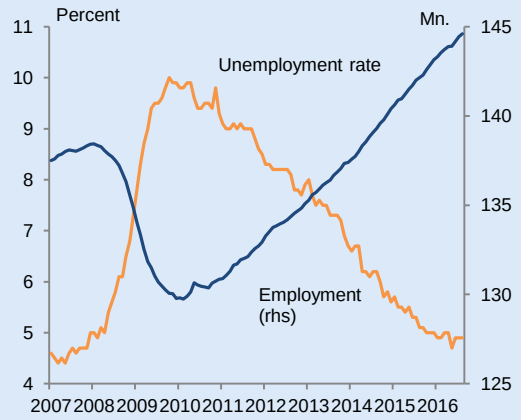
Figure 2.1:
GDP, 2014– 2018



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

Source: Federal Statistical Office, *Fachserie 18, Series 1.3*; shaded: IfW forecast.

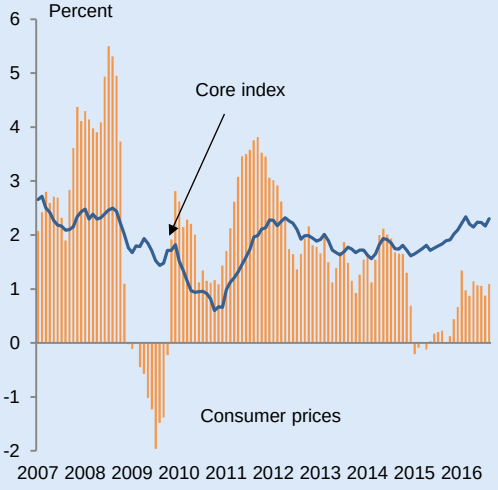
Figure 2.2:
Labor market, 2007–2016



Monthly data; seasonal adjusted.

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

Figure 2.3:
Consumer prices, 2007–2016



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

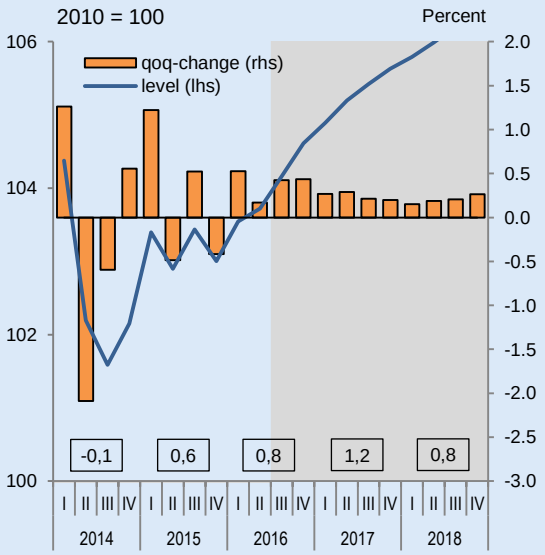
	2015	2016	2017	2018
Gross Domestic Product	2.6	1.6	2.4	2.5
Domestic expenditure	3.1	2.1	2.7	2.7
Private consumption	3.2	2.7	2.8	2.6
Government consumption	1.8	0.9	1.2	1.2
Gross fixed capital formation	4.0	0.7	3.6	4.9
Machinery and equipment	3.5	-2.4	3.1	5.7
Intellectual property rights	4.8	4.7	3.3	3.1
Structures	-4.4	-5.5	0.8	3.0
Residential investment	11.7	6.2	6.6	6.9
Inventories	0.2	-0.4	-0.1	0.0
Net exports	-0.5	-0.5	-0.2	-0.2
Exports	0.1	-0.2	3.7	5.4
Imports	4.6	0.9	4.7	6.3
Consumer prices	0.1	1.2	2.2	2.4
Unemployment rate	5.3	4.9	4.7	4.7
Current account balance	-2.6	-2.6	-2.7	-2.8
Government budget balance	-2.5	-2.9	-3.0	-3.0

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

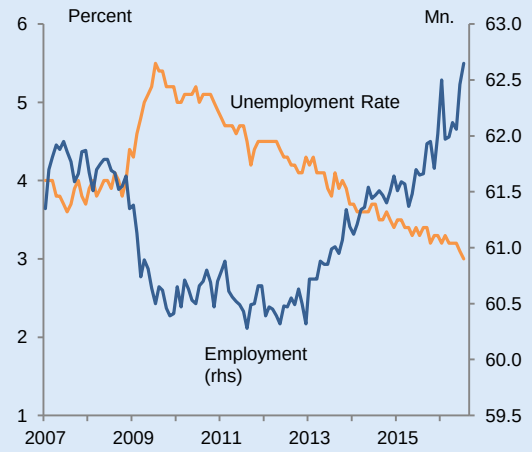
Figure 3.1:
GDP, 2014–2018



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

Source: Federal Statistical Office, *Fachserie 18, Series 1.3*; shaded: IfW forecast.

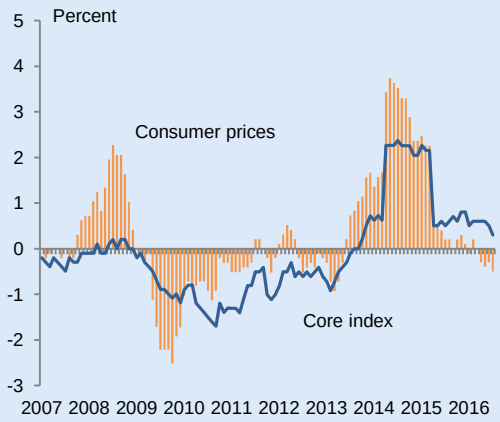
Figure 3.2:
Labor market, 2007–2016



Monatsdaten; saisonbereinigt.

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

Figure 3.3:
Consumer prices, 2007–2016



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

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

Table 3.1:
Key indicators Japan, 2015–2018

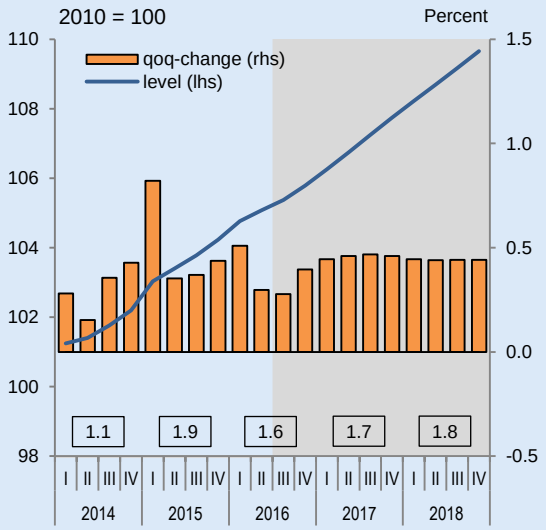
	2015	2016	2017	2018
Gross Domestic Product	0.6	0.7	1.2	0.8
Domestic expenditure	0.2	0.8	1.5	0.7
Private consumption	-1.2	0.5	1.1	0.8
Government consumption	1.2	2.2	1.2	1.1
Gross fixed capital formation	0.3	1.0	2.8	-0.1
Enterprises	1.6	0.3	2.0	0.1
Residential Investment	-2.7	4.3	4.4	2.3
Public investment	-2.0	1.6	4.4	-2.2
Change in inventories	0.5	-0.2	0.0	0.0
Net exports	0.3	-0.1	-0.2	0.1
Exports	2.8	-1.0	1.2	2.5
Imports	0.3	-0.4	2.9	2.1
Consumer prices	0.8	-0.2	0.5	0.8
Unemployment rate	3.4	3.2	3.0	3.0
Current account balance	2.9	3.7	3.5	3.5
Government budget balance	-5.4	-5.7	-6.0	-5.0

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

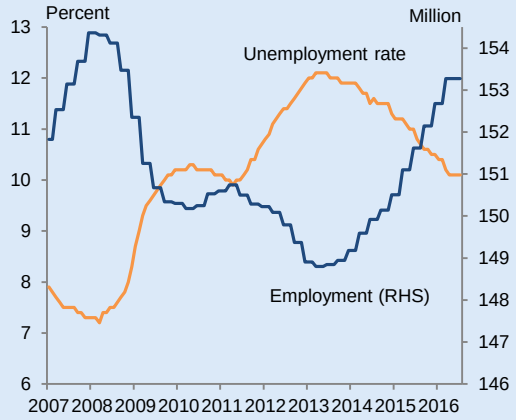
Figure 4.1:
GDP, 2014–2018



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

Source: Federal Statistical Office, *Fachserie 18, Series 1.3*; shaded: IfW forecast.

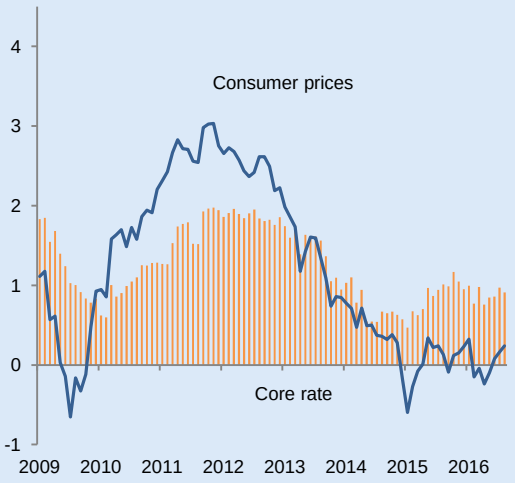
Figure 4.2:
Labor market, 2007–2016



Monthly data; seasonal adjusted.

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

Figure 4.3:
Consumer prices, 2007–2016



Monthly data; yoy. Total Index without Energy.

Source: ECB, *Monthly Bulletin*; own calculations.

Table 4.1:
Key indicators Euro Area, 2015–2018

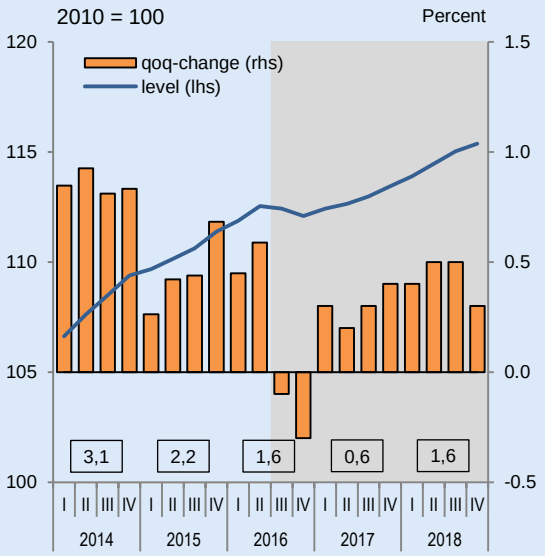
	2015	2016	2017	2017
Gross Domestic Product	1.9	1.6	1.7	1.8
Domestic expenditure	1.8	1.6	1.7	2.0
Private consumption	1.7	1.6	1.5	1.6
Government consumption	1.4	1.7	1.4	1.6
Gross fixed capital formation	2.9	2.2	2.7	3.3
Inventories	-0.1	-0.1	-0.0	0.0
Net exports	0.2	0.0	0.1	-0.1
Exports	6.1	2.6	4.3	4.6
Imports	6.1	2.8	4.5	5.1
Consumer prices	0.0	0.2	1.2	1.4
Unemployment rate	10.9	10.1	9.6	9.2
Current account balance	3.2	3.3	3.2	3.0
Government budget balance	-2.1	-1.9	-1.7	-1.5

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).

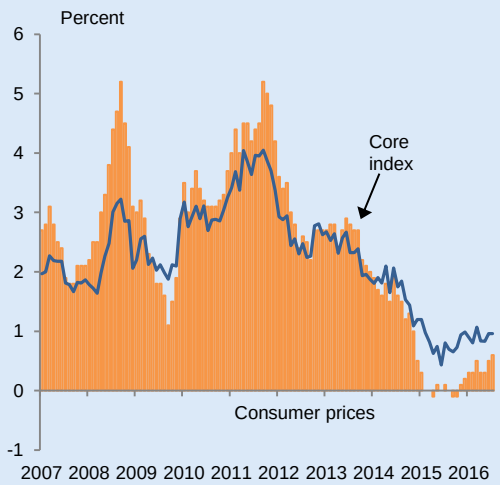
Source: Federal Statistical Office, *Fachserie 18, Series 1.3*; shaded: IfW forecast.

Figure 5.2:
Labor market, 2007–2016

Quarterly data, seasonally adjusted.

Source: Office of National Statistics, *Economy*.

Figure 5.3:
Consumer prices, 2007–2016



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

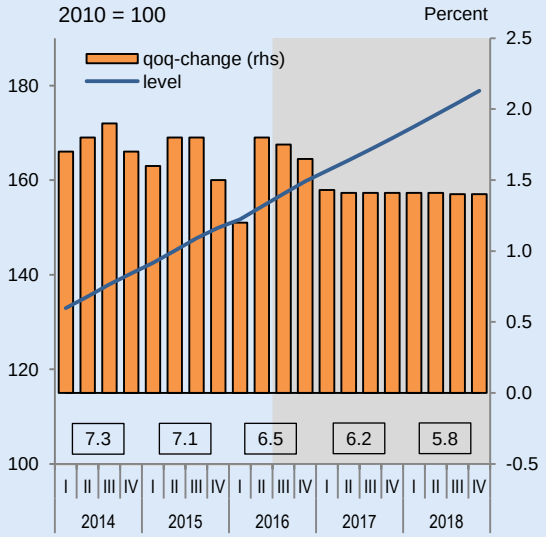
	2015	2016	2017	2018
Gross Domestic Product	2.2	1.6	0.6	1.6
Domestic expenditure	2.5	1.2	-0.4	1.0
Private consumption	2.8	2.2	0.5	0.9
Government consumption	1.4	1.0	1.6	0.5
Gross fixed investment	3.3	-1.2	-4.0	2.5
Inventories	0.0	-0.2	-0.3	0.0
Net exports	-0.5	0.3	0.9	0.5
Exports	4.8	1.7	3.0	3.6
Imports	5.8	1.0	-1.2	0.4
Consumer prices	0.1	0.9	2.4	2.0
Unemployment rate	5.3	5.0	5.4	5.5
Current account balance	-5.4	-5.9	-4.2	-2.8
Government budget balance	-3.7	-3.5	-4.1	-3.6

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

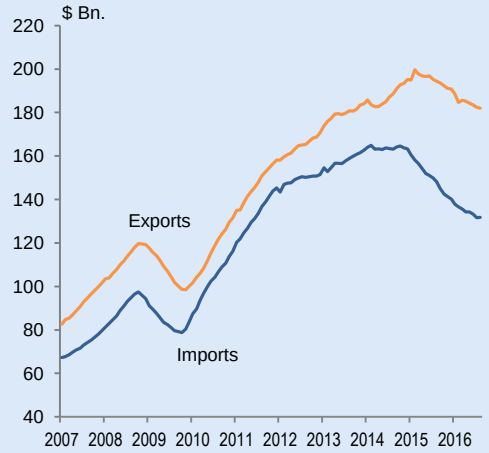
Figure 6.1:
GDP, 2014–2018



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

Source: Federal Statistical Office, *Fachserie 18, Series 1.3;* shaded: IfW forecast.

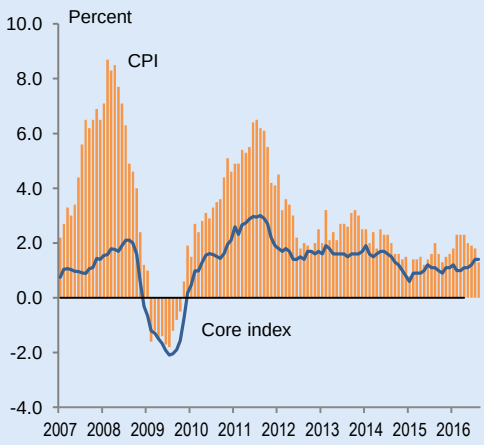
Figure 6.2:
Exports and imports, 2007–2016



Monthly data, 12-month moving average.

Source: General Administration of Customs; own calculations.

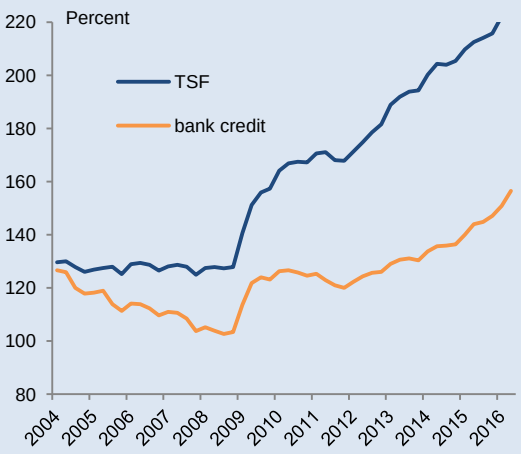
Figure 6.3:
Consumer prices, 2007–2016



Monthly data; yoy growth rate. Core index: CPI excluding food.

Source: National Bureau of Statistics.

Figure 6.4:
Outstanding credit, 2004–2016

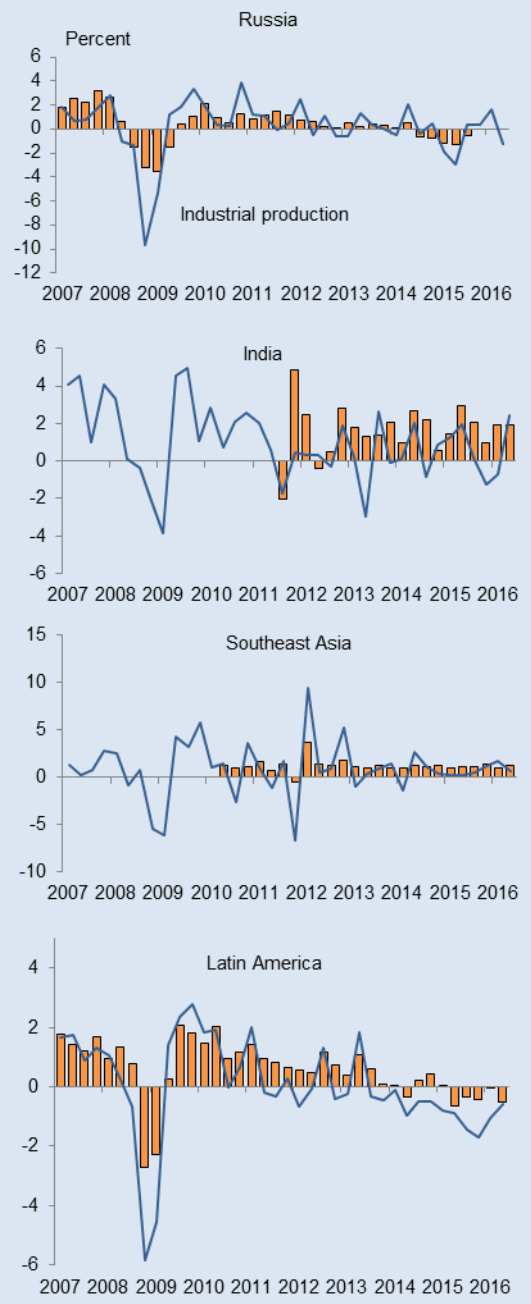


Quarterly data. As a percentage of nominal gross domestic product.

Source: People's Bank of China (PBOC) via Thomson Financial Datastream; own calculations.

7. Emerging Economies

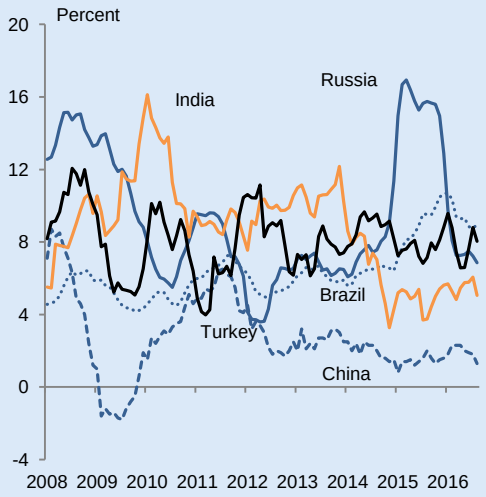
Figure 7.1:
GDP and Industrial production in Emerging Economies 2007–2015



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.

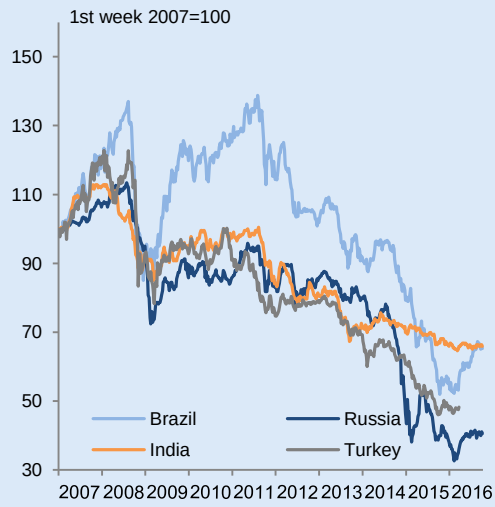
Figure 7.2:
Consumer prices, 2008–2016



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, 2007–2016



Weekly data. Last value: September 19th, 2016.

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	0.5	0.5	0.5	0.8	0.8	0.8	0.8	1.0
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	1.10	1.13	1.12	1.12	1.12	1.12	1.12	1.12	1.12	1.12	1.12	1.12
Yen/US-dollar	115.3	108.8	102.5	102.0	102.0	102.0	102.0	102.0	102.0	102.0	102.0	102.0
Oil price (Brent, US-dollar)	35.3	46.9	52.0	49.4	50.5	51.6	52.4	53.1	53.8	54.5	55.1	55.6
HWWI-Index indust. commodities	87.7	95.2	97.1	99.0	101.0	103.0	105.1	107.2	109.3	111.5	114.3	117.7

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	38.4	1.7	1.6	1.9	0.3	1.4	1.5	8.7	8.2	7.8
Euro area	27.8	1.6	1.7	1.8	0.2	1.2	1.4	10.2	9.5	8.8
United Kingdom	6.2	1.6	0.6	1.6	0.9	2.4	2.0	5.0	5.4	5.5
Sweden	1.2	2.9	1.7	1.8	1.1	1.7	1.6	6.9	6.7	6.6
Poland	1.1	2.6	2.9	3.0	-0.3	1.1	1.5	6.3	5.7	5.5
Switzerland	1.6	0.9	1.3	1.5	-0.4	0.5	0.8	4.7	4.6	4.4
Norway	0.9	1.0	1.5	1.8	3.8	3.0	2.5	4.6	4.6	4.5
United States	42.5	1.6	2.4	2.5	1.2	2.2	2.4	4.9	4.7	4.7
Canada	3.7	1.5	1.9	2.1	1.3	1.9	2.0	7.1	6.9	
Japan	9.8	0.7	1.2	0.8	-0.2	0.5	0.8	3.2	3.0	3.0
Australia	3.2	2.5	3.0	3.0	2.1	2.4	2.5	5.8	5.6	5.3
South Korea	3.3	2.8	3.0	2.9	1.3	2.2	2.1	3.5	3.4	3.3
Total	100.0	1.7	2.1	2.3	0.8	1.9	2.0	6.4	6.1	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	1.3	1.6	4.3	3.8	3.3
France	14.8	1.3	1.4	1.6	0.3	1.2	1.5	10.1	9.8	9.4
Italy	11.1	0.8	0.8	1.2	-0.1	0.9	1.0	11.5	10.8	10.0
Spain	7.4	3.1	2.4	1.9	-0.6	0.7	1.0	19.7	18.0	17.0
Netherlands	4.6	1.6	1.6	1.9	0.1	1.1	1.3	6.2	5.9	5.5
Belgium	2.8	1.4	1.5	1.7	1.7	2.2	2.4	8.4	8.3	8.2
Austria	2.3	1.4	1.3	1.6	0.8	1.6	1.8	5.8	5.7	5.6
Finland	1.7	1.9	2.5	2.8	-0.3	1.2	1.7	8.3	7.6	7.0
Greece	1.4	1.0	1.6	1.6	0.4	1.4	1.6	9.1	8.7	8.2
Portugal	1.2	1.0	1.1	1.4	0.7	1.4	1.6	11.6	10.4	9.5
Ireland	1.2	-0.3	1.2	1.8	0.1	1.1	1.3	23.5	21.9	20.0
Slovak Republic	0.5	3.7	3.7	3.7	-0.4	1.2	1.7	9.8	8.2	7.0
Luxembourg	0.4	4.0	3.0	2.8	-0.2	1.1	1.5	6.2	6.0	5.8
Slovenia	0.3	2.1	2.7	2.8	-0.3	1.1	1.5	8.1	7.5	7.0
Latvia	0.3	2.4	3.1	3.2	0.5	1.6	2.2	8.1	7.1	6.5
Lithuania	0.2	1.1	2.7	3.2	-0.2	0.9	1.4	9.7	9.0	8.5
Estonia	0.1	1.6	2.0	2.6	0.5	1.3	1.7	6.2	5.8	5.5
Cyprus	0.1	2.9	3.0	2.8	-1.1	0.7	1.1	11.8	10.0	8.9
Malta	0.1	3.1	2.7	3.1	1.0	2.0	2.5	4.4	4.5	4.5
United Kingdom	17.5	1.6	0.6	1.6	0.9	2.4	2.0	5.0	5.4	5.5
Sweden	3.0	2.9	1.7	1.8	1.1	1.7	1.6	6.9	6.7	6.6
Poland	2.9	2.6	2.9	3.0	-0.3	1.1	1.5	6.3	5.7	5.5
Denmark	1.8	0.9	1.5	1.7	0.5	1.2	1.3	6.0	5.6	5.1
Czech Republic	1.1	2.6	2.7	3.0	0.5	1.5	1.7	4.1	3.5	3.2
Romania	1.1	4.8	4.1	4.0	-1.0	1.5	2.0	6.2	6.0	6.0
Hungary	0.7	1.3	2.0	2.1	0.5	2.0	2.3	5.3	5.2	5.1
Croatia	0.3	3.0	3.2	3.1	-0.7	0.8	1.0	7.5	7.0	6.7
Bulgaria	0.3	1.8	2.0	2.3	-0.4	0.9	1.0	13.8	12.5	11.5
European Union	100.0	1.7	1.6	1.9	0.3	1.4	1.5	8.7	8.2	7.8
Addendum:										
European Union 15	91.9	1.6	1.4	1.7	0.4	1.4	1.5	9.0	8.6	8.1
Accession countries	8.1	2.7	2.9	3.0	0.0	0.2	0.2	6.9	6.3	6.0
Euro Area	71.2	1.6	1.7	1.8	0.2	1.2	1.4	10.1	9.4	8.8
Euro Area without Germany	50.5	1.5	1.5	1.7	0.1	1.1	1.3	12.2	11.4	10.7

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	4.8	5.0	5.2	5.4	6.4	3.6	3.7	3.6
Thailand	2.3	2.8	3.4	3.6	4.0	-0.9	0.3	2.1	2.4
Philippines	1.7	5.0	4.0	4.4	4.9	2.1	2.1	3.1	2.8
Malaysia	1.6	5.9	6.5	6.1	6.0	1.4	1.9	2.9	3.0
Total	11.6	4.6	4.8	4.9	5.1	3.6	2.5	3.2	3.2
China	41.0	7.1	6.5	6.2	5.8	1.4	2.0	2.0	2.3
India	16.8	7.3	7.5	7.4	7.2	4.9	5.3	5.5	5.5
Asian countries	69.5	6.7	6.4	6.3	6.1	2.6	2.9	3.0	3.2
Brazil	6.8	-3.9	-3.1	0.7	2.2	9.0	9.1	4.6	3.6
Mexico	4.7	2.5	1.8	2.6	3.0	2.4	2.8	2.8	3.0
Argentina	2.1	1.2	-1.0	2.8	2.9	25.0	25.0	19.9	17.4
Colombia	1.4	3.1	1.9	2.4	2.8	5.0	8.1	4.8	3.7
Chile	0.9	2.3	1.7	2.1	2.7	4.3	4.1	3.1	2.5
Peru	0.8	3.3	3.8	4.0	3.7	3.5	3.5	2.8	2.5
Venezuela	1.1	-5.7	-8.0	-4.5	-3.0	121.7	-	-	-
Latin American countries total	17.7	-0.5	-0.9	1.5	2.3	8.2	8.6	5.6	5.1
Russia	7.9	-3.7	-0.8	1.3	2.0	15.5	8.4	6.5	5.0
Turkey	3.4	3.8	2.9	3.2	4.1	7.7	9.0	8.8	7.3
South Africa	1.5	1.3	0.6	1.2	2.0	4.6	6.5	6.3	5.6
Total	100.0	4.4	4.4	4.8	4.9	6.1	9.8	21.9	35.2

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.