



# World Economy

## Winter 2015

**Kiel Institute Economic Outlook No. 13 (2015 | Q4)**

## Stubborn weakness in the world economy

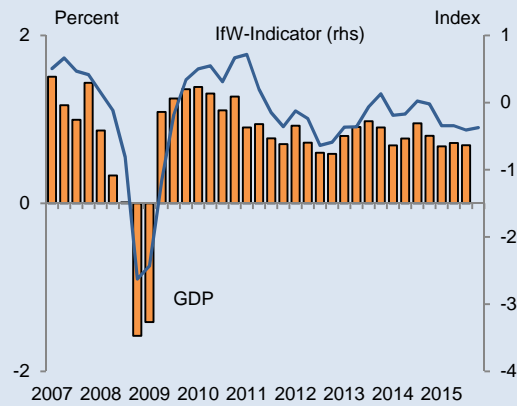
Klaus-Jürgen Gern, Philipp Hauber, Nils Jannsen, Stefan Kooths and Ulrich Stolzenburg

*Global growth slowed in 2015. While we forecast the world economy to gradually gain momentum over the coming two years, the upturn is expected to be slow. PPP-weighted global GDP is expected to increase by 3.1 per cent this year followed by 3.4 and 3.8 per cent in 2016 and 2017, respectively. Thus we have reduced our September forecast for 2015 and 2016 by a quarter of a percentage point, whereas the outlook for 2017 has improved slightly. The expansion in advanced economies continues to strengthen gradually as accommodative monetary policies, a pick-up in wages and higher real incomes due to cheaper oil will boost private consumption and investment against the background of improved financial balances in the private sector. In emerging economies, lower commodity prices and structural problems will continue to weigh on growth, although we expect growth in this group of countries to pick up somewhat over the forecast horizon.*

- **Global growth slowed in 2015 but a global recession did not materialize.** Although the world economy did not deteriorate substantially further in the second half of the year – as had been feared by some during the summer amid rising concerns about the stability of the Chinese economy – with global GDP growth of 3.1 per cent we expect the weakest turnout since the financial crisis. While the moderate expansion in the advanced economies continued, growth in emerging markets slowed markedly.
- **Notwithstanding potentially severe political ramifications, the terror attacks on 13 November in Paris should not impact significantly on economic activity in France nor the European Union.** Experience from previous attacks in New York (2001), Madrid (2004) and London (2005) suggests that associated setbacks in the real economy and financial markets will be minor and temporary. In the absence of further attacks, consumers will soon revert to their usual patterns with the fear of terror attacks having no lasting impact on their consumption behavior. To the extent that higher spending on security leads to higher taxes or crowds out more productive public expenditures, the long-run level of consumption could, however, fall.
- **The expected stimulus from cheaper oil for world economic activity is not visible so far.** One reason is that part of the drop in oil prices is due to weaker global demand and can therefore not be expected to be associated with an increase in economic activity. Secondly, the redistribution of income from oil-exporting to oil-importing countries, while pushing private consumption of net importers, weighs on growth of net exporters and via trade linkages reduces earnings expectations and investment in at least some industries also in oil importing countries. In addition, the dramatic fall in corporate investment in the commodities sector has taken a direct toll on capital formation in some advanced economies.

- **Monetary policies in advanced economies are increasingly diverging.** The Federal Reserve is expected to start raising rates before the end of this year, terminating the zero-interest-rate policy which was in place since the end of 2009. The European Central Bank (ECB) on the other hand has recently expanded the duration of its asset purchases and lowered the deposit rate to -0.3 per cent. With monetary policies moving in different directions there is the risk of significant exchange rate adjustments over the forecast horizon, potentially leading to turbulences in financial markets.
- **A risk to growth in emerging markets is the substantial increase in private sector debt in recent years.** In particular the rise in dollar-denominated debt could make tighter monetary policies a necessity to prevent exchange rates from depreciating excessively and avoid rising debt burdens. At the same time, the effectiveness of monetary policy could be reduced significantly as households and firms reduce their long-run growth expectations and start to deleverage.
- **Outlook: The world economy will expand by 3.1 per cent this year (at purchasing power parity) followed by 3.4 and 3.8 per cent in 2016 and 2017, respectively.** World trade is expected to grow by a mere 2 per cent, mainly due to a declining trade intensity of production in emerging markets. For the next two years, we expect a moderate acceleration to 3 and 4.5 per cent, respectively.
- **The expansion in advanced economies will gradually strengthen in the coming years.** Expansive monetary policies and cheaper oil continue to provide stimuli amid a private sector that has largely stopped deleveraging. For the United States we expect growth of 2.8 and 3 per cent in 2016 and 2017, respectively, after 2.5 per cent this year.
- **Economic activity in the euro area will pick up, expanding by 1.7 and 2 per cent in 2016 and 2017, respectively.** Inflation remains muted growing by 1.0 per cent next year before picking up to 1.7 per cent in 2017 as the deflationary impact from cheaper oil fades out. The unemployment rate is forecast to fall gradually over the forecast horizon, reaching 10.4 and 9.8 per cent in 2016 and 2017, respectively.
- **Lower commodity prices and structural problems continue to weigh on growth in emerging economies.** We nevertheless expect economic activity to stabilize going forward. The Chinese government has implemented a number of measures to prop up demand. While these policies might be detrimental to the official aim of rebalancing the economy financially and ecologically, they should support the economy in the short term. The grim economic situation in Brazil and Russia is expected to improve only slowly.
- **Geopolitical tensions and financial market turbulences are key risks to our outlook.** Geopolitical instability remains a major risk for the world economy. Furthermore, financial market distress – possibly in relation to the Fed’s monetary tightening – could severely impact on the real sector, in particular as in many countries financial sectors have still not fully recovered from the financial crisis. Also, a strengthening of tendencies towards protectionism could reduce momentum in the world economy.

**Figure 1:**  
World economic activity, 2007–2014



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.

**Table 1:**  
Real GDP and consumer prices in selected countries and regions, 2015–2017

	Gross domestic product			Consumer prices		
	2015	2016	2017	2015	2016	2017
United States	2.5	2.8	3.0	0.2	2.1	2.4
Japan	0.7	1.0	0.5	0.7	0.3	1.4
Euro Area	1.5	1.7	2.0	0.0	1.0	1.7
United Kingdom	2.4	2.3	2.3	0.1	1.1	1.7
<b>Advanced economies total</b>	2.1	2.3	2.5	0.3	1.4	1.9
China	6.8	6.5	6.3	1.5	1.7	2.0
Latin America	-0.7	0.6	2.4	10.6	11.5	8.6
India	7.2	7.2	7.5	5.0	5.5	5.5
East Asia	4.5	4.5	4.7	4.0	4.7	5.1
Russia	-3.8	-0.5	2.6	15.0	9.5	7.0
<b>World economy total</b>	3.1	3.4	3.8	3.5	3.9	4.0
<i>Addendum:</i>	2.0	3.0	4.5	.	.	.
World trade volume						
Oil price (Brent in US-\$)	52.8	48.5	58.3	.	.	.
World economy total (weighted according to GDP at market exchange rates)	2.6	2.9	3.2	2.6	3.2	3.4

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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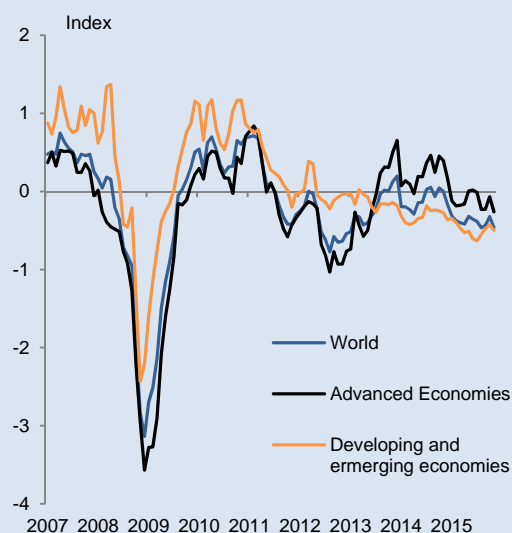
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## 1. World economy

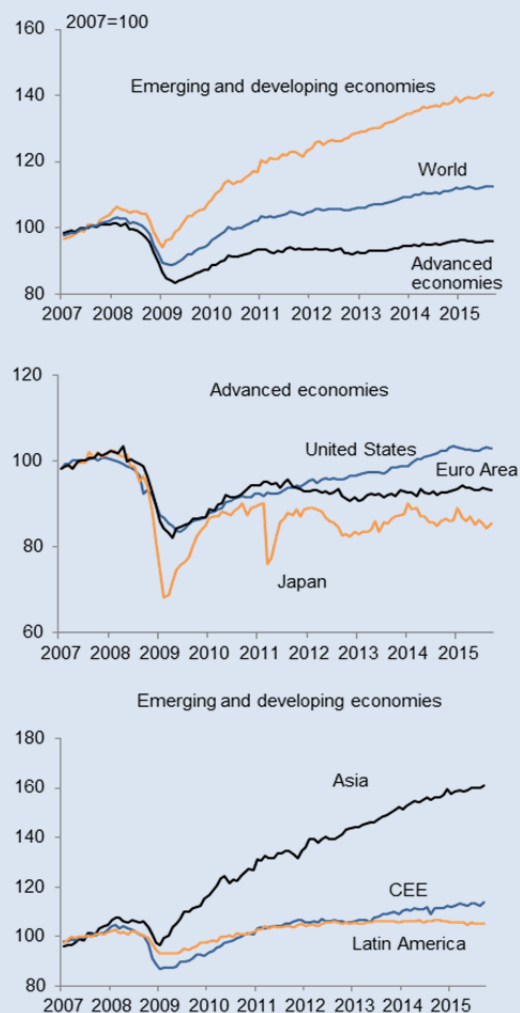
**Figure 1.1:**  
Business expectations by groups of countries, 2007–2015



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.

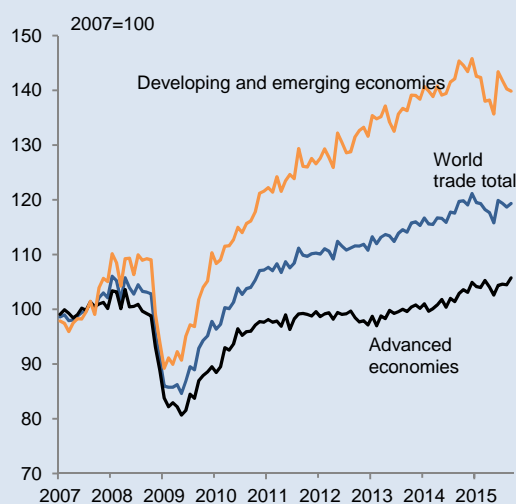
**Figure 1.2:**  
Industrial production by groups of countries and regions, 2007–2015



Monthly Data.

Source: CPB, World Trade Monitor.

**Figure 1.3:**  
World economic activity, 2007–2015



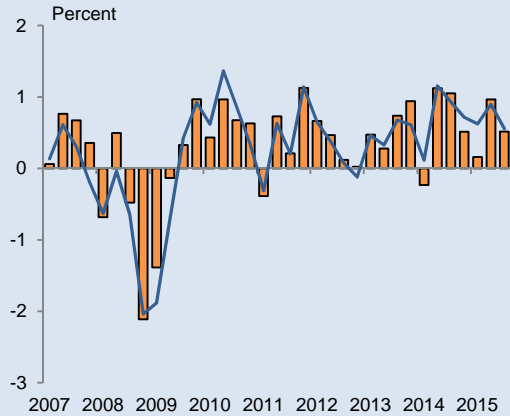
Monthly Data.

Source: CPB, World Trade Monitor; own calculations.



## 2. United States

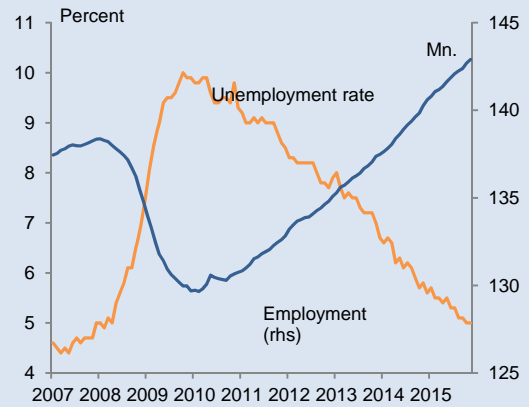
**Figure 2.1:**  
GDP and domestic expenditure, 2007–2015



Quarterly data; volumes; seasonal adjusted, change over previous quarter.

Source: US Department of Commerce, *National Economic*.

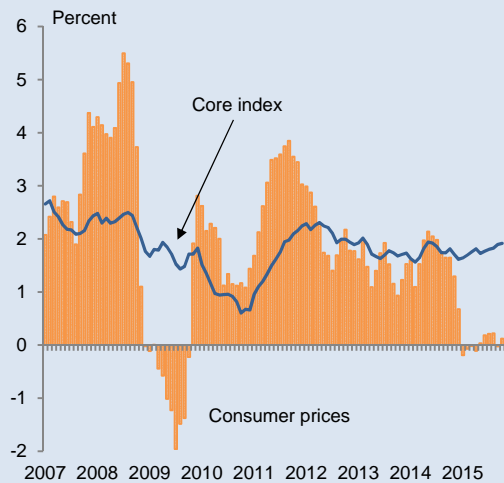
**Figure 2.2:**  
Labor market, 2007–2015



Monthly data; seasonally adjusted.

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

**Figure 2.3:**  
Consumer prices, 2007–2015



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, 2014–2017

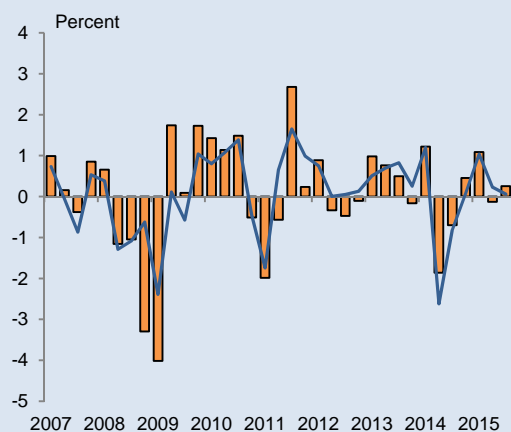
	2014	2015	2016	2017
Gross Domestic Product	2.4	2.5	2.8	3.0
Domestic expenditure	2.5	3.1	3.0	3.2
Private consumption	2.7	3.1	2.8	3.0
Government consumption	-0.6	0.8	1.8	1.7
Gross fixed capital formation	5.3	4.3	5.8	6.3
Machinery and equipment	5.8	3.5	6.4	4.4
Intellectual property rights	5.2	6.0	4.5	7.0
Structures	8.1	-0.9	4.2	7.0
Residential investment	1.8	8.6	7.8	7.2
Inventories	0.1	0.2	-0.1	0.0
Net exports	-0.2	-0.6	-0.2	-0.2
Exports	3.4	1.5	4.0	5.8
Imports	3.8	5.2	4.6	6.7
Consumer prices	1.6	0.2	2.1	2.4
Unemployment rate	6.2	5.3	5.0	4.7
Current account balance	-2.2	-2.5	-2.8	-3.0
Government budget balance	-2.8	-2.5	-2.8	-2.8

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

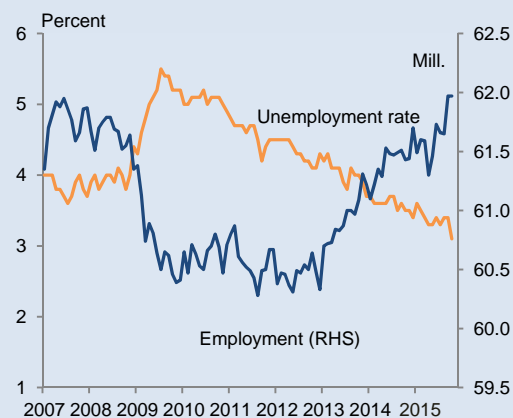
**Figure 3.1:**  
GDP and domestic expenditure, 2007–2015



Quarterly data; volumes; seasonal adjusted; change over previous quarter.

Source: Cabinet Office, *Quarterly Estimates of GDP*.

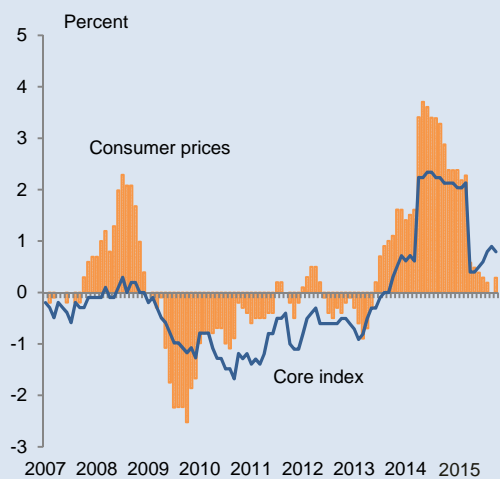
**Figure 3.2:**  
Labor market, 2007–2015



Monthly data; seasonal adjusted.

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

**Figure 3.3:**  
Consumer prices, 2007–2015



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, 2014–2017

	2014	2015	2016	2017
Gross Domestic Product	-0.1	0.7	1.0	0.5
Domestic expenditure	-0.4	0.3	1.0	0.4
Private consumption	-1.0	-0.8	0.8	0.1
Government consumption	0.1	1.1	1.1	0.8
Gross fixed capital formation	1.2	0.2	1.4	0.8
Enterprises	2.8	1.0	1.9	1.0
Residential Investment	-5.0	-2.1	4.2	0.7
Public investment	0.2	-0.8	-1.8	0.2
Change in inventories	0.2	0.5	0.0	0.0
Net exports	0.2	0.3	0.0	0.0
Exports	8.3	3.1	2.3	2.5
Imports	7.2	0.7	2.0	2.2
Consumer prices	2.7	0.7	0.3	1.4
Unemployment rate	3.6	3.4	3.3	3.2
Current account balance	0.5	2.8	2.8	2.5
Government budget balance	-7.3	-6.0	-5.5	-4.7

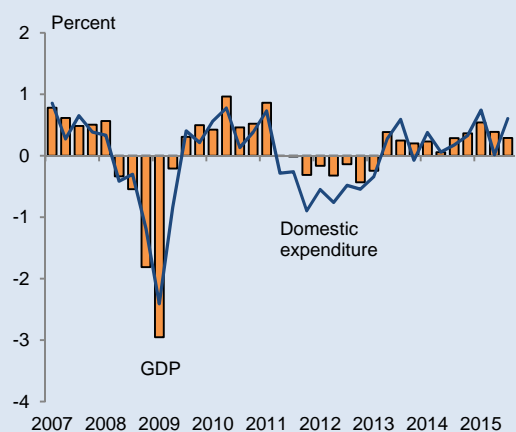
Percent. GDP: volumes, change over previous year, percent. Net exports, inventories: contribution to growth, percentage points. Unemployment rate: unemployed in relation to labor force. Current account balance, government budget balance: percent of nominal GDP.

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



## 4. Euro Area

**Figure 4.1:**  
GDP and domestic expenditure, 2007–2015



Quarterly data; volumes; seasonal adjusted, change over previous quarter.

Source: Eurostat, *National Accounts*.

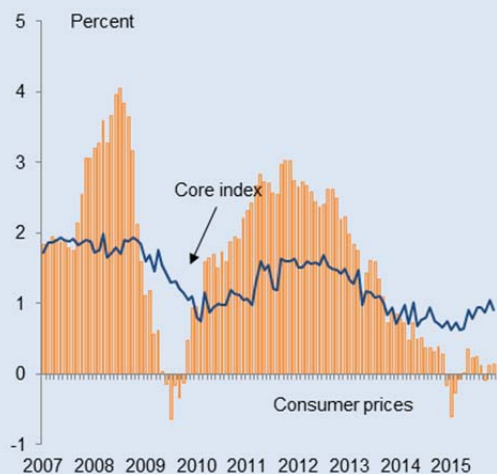
**Figure 4.2:**  
Labor market, 2007–2015



Monthly data; seasonal adjusted.

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

**Figure 4.3:**  
Consumer prices, 2007–2015



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

Source: Eurostat, *Price Statistics*.

**Table 4.1:**  
Key indicators Euro Area, 2014–2017

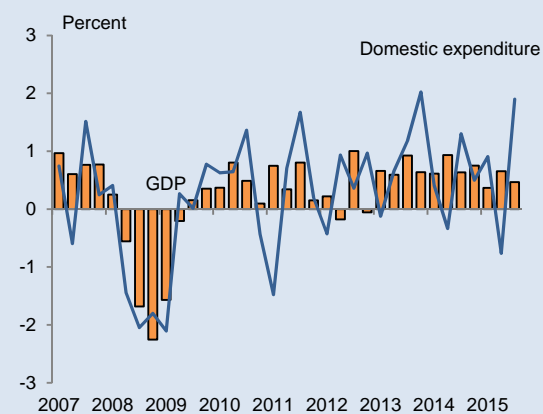
	2014	2015	2016	2017
Gross Domestic Product	0.9	1.5	1.7	2.0
Domestic expenditure	0.8	1.5	1.7	2.1
Private consumption	0.9	1.7	1.6	1.9
Government consumption	0.8	1.5	1.9	1.8
Gross fixed capital formation	1.3	2.3	2.5	3.3
Inventories	-0.1	-0.2	-0.2	-0.1
Net exports	0.1	0.1	0.1	0.0
Exports	3.9	4.9	4.7	5.0
Imports	4.1	5.3	4.9	5.4
Consumer prices	0.4	0.1	1.0	1.7
Unemployment rate	11.6	11.0	10.4	9.8
Current account balance	2.4	3.0	3.1	3.0
Government budget balance	-2.6	-2.0	-1.9	-1.7

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 and domestic expenditure, 2007–2015



Quarterly data; volumes; seasonal adjusted; change over previous quarter.

Source: Office for National Statistics, *Economy*.

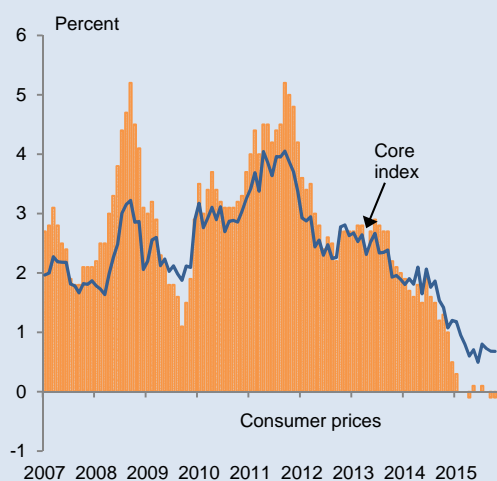
**Figure 5.2:**  
Labor market, 2007–2015



Quarterly data; seasonally adjusted.

Source: Office of National Statistics, *Economy*.

**Figure 5.3:**  
Consumer prices, 2007–2015



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, 2014–2017

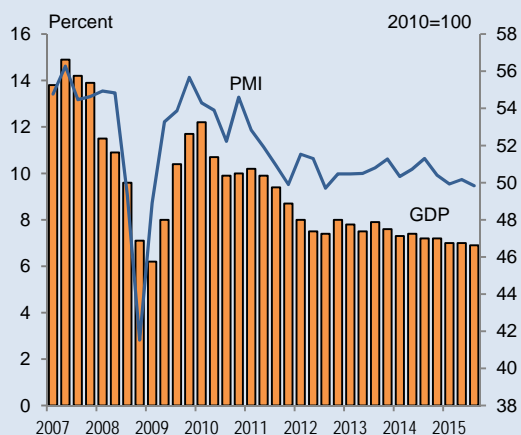
	2014	2015	2016	2017
Gross Domestic Product	3.0	2.4	2.3	2.3
Domestic expenditure	2.4	2.0	2.5	2.2
Private consumption	2.6	3.0	2.4	2.2
Government consumption	1.6	1.6	0.8	0.9
Gross fixed investment	8.6	4.2	4.5	4.5
Inventories	0.3	-0.8	-0.3	-0.1
Net exports	-0.6	-0.4	-0.1	0.1
Exports	0.5	3.0	3.0	3.5
Imports	2.4	1.2	2.8	3.0
Consumer prices	1.5	0.1	1.1	1.7
Unemployment rate	6.2	5.4	5.0	4.7
Current account balance	-5.5	-4.0	-3.5	-3.5
Government budget balance	-5.8	-4.0	-3.1	-2.5

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

## 6. China

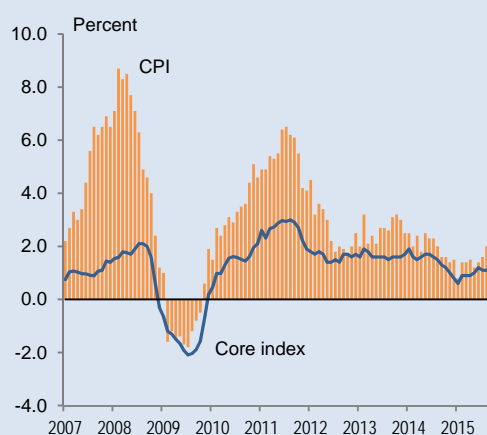
**Figure 6.1:**  
GDP and PMI, 2007–2015



Quarterly data, seasonally and working-day adjusted; y-o-y growth rates.

Source: National Bureau of Statistics of China; own calculations.

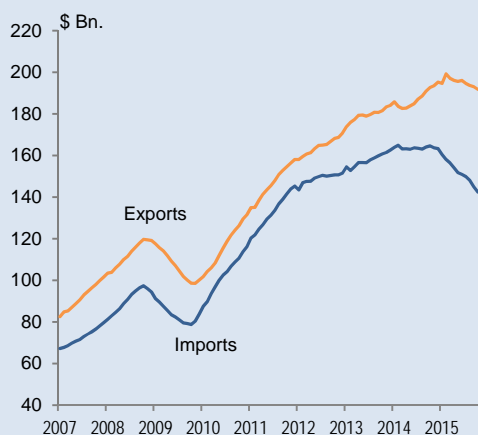
**Figure 6.2:**  
Consumer prices, 2007–2015



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

Source: National Bureau of Statistics of China.

**Figure 6.3:**  
Exports and imports, 2007–2015



Monthly data, 12-month moving average.

Source: China Customs; own calculations.

**Table 6.1:**  
Key indicators for China, 2014–2017

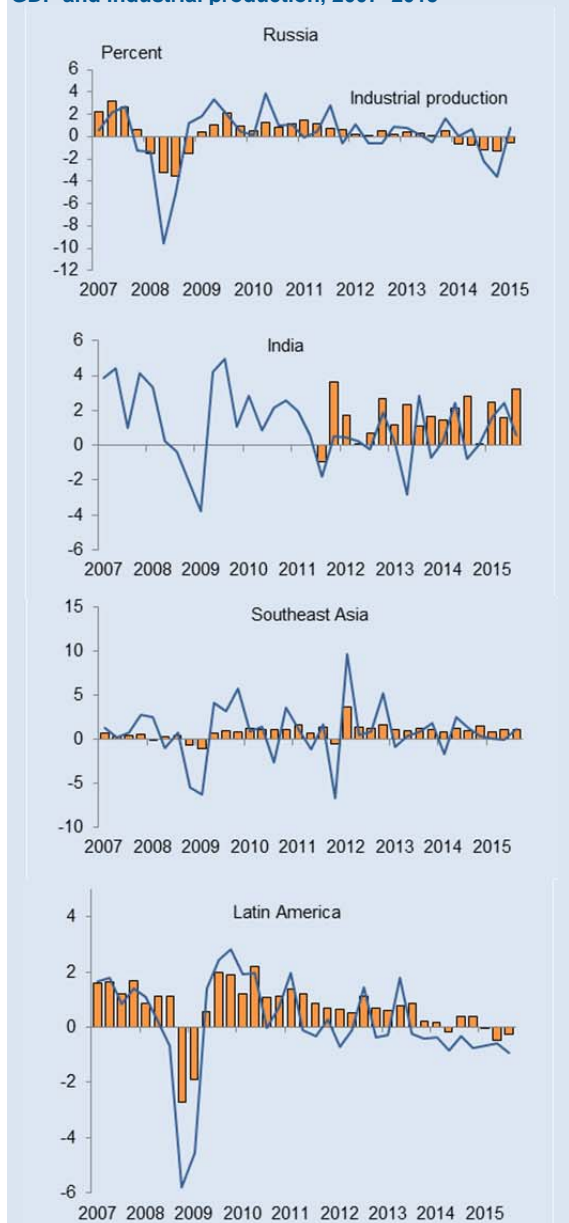
	2014	2015	2016	2017
Gross Domestic Product	7.3	6.8	6.5	6.3
Consumer prices	2.0	1.5	1.7	2.0
Unemployment rate	4.1	4.1	4.1	4.1
Current account balance	2.1	2.8	3.0	2.5
Government budget balance	-1.2	-2.5	-2.5	-2.0

GDP: volumes, change over previous year, percent. Consumer prices: index, change over previous year, percent. Unemployment rate: unemployed in relation to labor force, percent. Current account balance, government budget balance: percent of nominal GDP.

Source: IWF, *World Economic Outlook*, April 2015; shaded: IWF forecast.

## 7. Emerging Economies

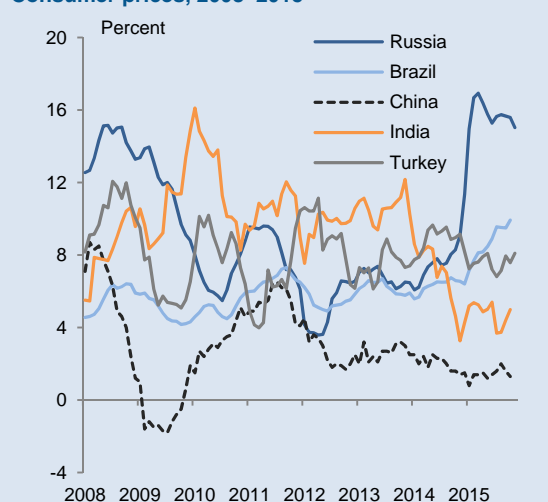
**Figure 7.1:**  
GDP and industrial production, 2007–2015



Quarterly data; volumes; seasonal adjusted; change over previous quarter; Southeast Asia: GDP-weighted average of Indonesia, Thailand, Malaysia and the Philippines; Latin America: Q4 2014 and Q1 2015 partly estimated.

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

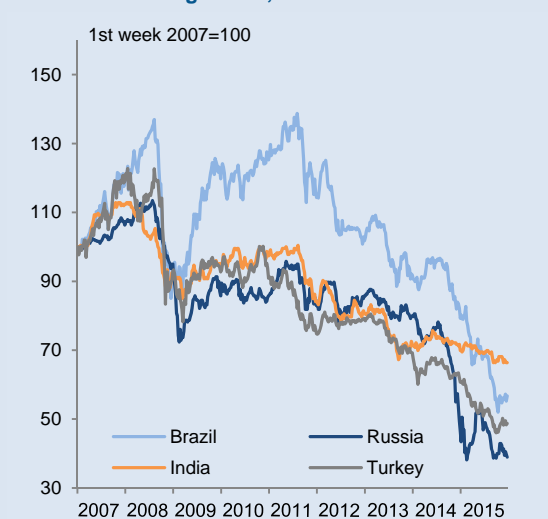
**Figure 7.2:**  
Consumer prices, 2008–2015



Monthly data; change over previous year.

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

**Figure 7.3:**  
US-dollar exchange rates, 2007–2015



Weekly data. Last value: December 7, 2015.

Source: Thomson Financial Datastream.

## 8. Forecast summary

**Table 8.1:**  
Key assumptions, 2015–2017

	2015				2016				2017			
	I	II	III	IV	I	II	III	IV	I	II	III	IV
Key interest rate												
United States	0.0	0.0	0.0	0.3	0.3	0.3	0.5	0.8	0.8	1.0	1.0	1.3
Japan	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.3
Euro area	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Exchange rates												
US-dollar/euro	1.13	1.10	1.12	1.09	1.09	1.09	1.09	1.09	1.09	1.09	1.09	1.09
Yen/US-dollar	119.1	122.2	122.3	121.8	123.0	123.0	123.0	123.0	123.0	123.0	123.0	123.0
Oil price (Brent, US-dollar)	54.1	62.1	49.9	45.0	45.1	47.0	50.0	52.0	54.0	57.0	60.0	62.0
HWWI-Index indust. commodities	76.2	74.2	67.0	67.0	68.3	69.7	71.1	73.2	76.2	79.2	83.2	87.3

Key interest rate: Fed Funds Rate (United States, since December 2008 between 0 to 0.25 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, 2015–2017

	Weights	Real GDP			Consumer prices			Unemployment rate		
		2015	2016	2017	2015	2016	2017	2015	2016	2017
European Union	40.8	1.9	2.0	2.2	0.2	1.0	1.7	9.5	8.9	8.4
Euro area	29.6	1.5	1.7	2.0	0.1	1.0	1.7	11.0	10.4	9.9
United Kingdom	6.5	2.4	2.3	2.3	0.1	1.1	1.7	5.4	5.0	4.7
Sweden	1.3	3.5	3.3	2.8	0.5	1.3	1.7	7.5	6.9	6.2
Poland	1.2	3.6	3.8	4.0	-0.7	0.4	1.1	7.6	6.8	6.3
Switzerland	1.5	0.9	1.7	2.0	-0.8	0.0	0.8	4.5	4.5	4.3
Norway	1.1	0.9	1.2	1.8	2.0	2.4	2.2	4.3	4.6	4.4
United States	38.7	2.5	2.8	3.0	0.2	2.1	2.4	6.2	5.3	5.0
Canada	3.9	1.3	2.1	2.3	1.1	1.8	2.1	6.9	6.8	6.6
Japan	10.7	0.7	1.0	0.5	0.7	0.3	1.4	3.6	3.4	3.3
Australia	3.2	2.0	2.0	2.5	1.7	2.1	2.4	6.2	6.3	6.0
South Korea	2.9	2.8	3.3	3.7	0.7	1.4	1.6	3.7	3.6	3.4
Total	100.0	2.1	2.4	2.6	0.4	1.5	2.1	7.2	6.7	6.3

Based on GDP at prices and exchange rates of 2013 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 2013.

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, 2015–2017**

	Weights	Real GDP			Consumer prices			Unemployment rate		
		2015	2016	2017	2014	2015	2016	2014	2015	2016
Germany	20.9	1.8	2.2	2.3	0.3	1.2	1.8	4.6	4.3	4.0
France	15.3	1.2	1.2	1.4	0.2	1.1	1.7	10.6	10.5	10.0
Italy	11.6	0.7	1.4	1.7	0.1	0.8	1.6	12.0	11.5	10.9
Spain	7.6	3.1	2.6	2.6	-0.5	0.6	1.4	22.3	20.6	19.5
Netherlands	4.7	1.9	1.2	1.8	0.3	1.2	1.9	6.9	6.5	6.2
Belgium	2.9	1.4	1.3	1.5	0.6	1.5	1.9	8.7	8.4	7.9
Austria	2.4	0.9	1.4	1.6	0.9	1.5	2.2	5.6	5.3	4.9
Finland	1.5	0.2	0.8	1.4	0.0	0.9	1.5	9.4	9.4	9.1
Greece	1.3	0.0	0.7	2.1	-1.2	0.1	0.9	25.2	23.9	21.9
Portugal	1.2	1.5	1.3	1.6	0.5	1.0	1.7	12.7	11.5	10.9
Ireland	1.3	6.5	3.9	3.3	-0.3	0.9	1.8	9.4	8.2	7.4
Slovak Republic	0.5	3.4	3.5	3.6	-0.2	0.9	1.5	11.4	10.1	8.8
Luxembourg	0.3	3.9	2.8	2.9	0.1	1.2	2.0	5.8	5.5	5.3
Slovenia	0.3	2.5	2.6	2.8	-0.6	0.6	1.4	9.2	8.8	8.5
Latvia	0.3	1.7	2.6	3.5	-0.6	0.7	1.6	9.2	7.9	7.1
Lithuania	0.2	2.9	3.8	3.7	0.3	1.2	2.1	9.8	9.0	8.5
Estonia	0.1	1.2	2.1	3.2	0.1	1.1	2.0	6.0	5.5	4.9
Cyprus	0.1	1.5	2.3	2.4	-1.4	0.1	0.9	15.5	14.8	13.9
Malta	0.1	5.1	3.6	3.2	1.1	1.7	2.6	5.3	4.9	4.6
United Kingdom	16.0	2.4	2.3	2.3	0.1	1.1	1.7	5.4	5.0	4.7
Sweden	3.1	3.5	3.3	2.8	0.5	1.3	1.7	7.4	6.8	6.2
Poland	3.0	3.6	3.8	4.0	-0.7	0.4	1.1	7.5	6.7	6.3
Denmark	1.8	1.3	1.4	1.8	0.2	0.8	1.3	6.2	5.9	5.2
Czech Republic	1.1	4.5	3.5	3.0	0.3	1.0	1.6	5.1	4.5	4.1
Romania	1.1	3.6	3.5	3.7	-0.3	0.5	1.5	6.8	6.5	6.2
Hungary	0.7	2.6	2.7	3.0	-0.1	2.0	2.6	6.9	6.5	6.2
Croatia	0.3	1.9	2.3	2.0	-0.2	0.4	0.9	16.1	13.5	12.4
Bulgaria	0.3	2.7	2.8	3.0	-1.2	-0.3	0.5	9.7	8.6	7.9
European Union	100.0	1.9	2.0	2.2	0.2	1.0	1.7	9.5	8.9	8.4
<i>Addendum:</i>										
European Union 15	91.8	1.8	1.9	2.0	0.1	1.0	1.7	9.7	9.2	8.6
Accession countries	8.2	3.3	3.3	3.4	0.0	0.1	0.2	8.1	7.3	6.8
Euro Area	72.6	1.5	1.7	2.0	0.1	1.0	1.7	11.0	10.4	9.8
Euro Area without Germany	51.7	1.5	1.6	1.9	0.1	0.9	1.7	13.2	12.5	11.8

Based on GDP at prices and exchange rates of 2014 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 2013. 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, 2014–2017**

	Weights	Real GDP				Consumer prices			
		2014	2015	2016	2017	2014	2015	2016	2017
Indonesia	6.1	5.0	4.7	4.7	4.7	6.4	7.0	6.5	6.5
Thailand	2.2	0.7	2.9	3.2	3.7	1.9	-1.0	2.0	3.0
Philippines	1.6	6.1	5.5	5.5	5.7	4.2	1.5	3.0	4.0
Malaysia	1.7	6.0	4.7	4.5	4.8	3.2	2.5	3.5	4.0
Total	11.5	4.5	4.5	4.5	4.7	4.8	4.0	4.7	5.1
China	39.9	7.4	6.8	6.5	6.3	2.0	1.5	1.7	2.0
India	16.7	7.2	7.2	7.2	7.5	6.4	5.0	5.5	5.5
Asian countries	68.1	6.9	6.5	6.3	6.3	3.5	2.8	3.1	3.4
Brazil	7.4	0.1	-3.6	-1.2	1.8	7.2	9.0	8.2	7.1
Mexico	4.8	2.1	2.3	3.0	3.0	4.0	3.0	3.5	3.5
Argentina	2.1	0.5	1.9	-0.3	1.5	20.0	15.0	25.0	15.0
Colombia	1.4	4.6	2.7	3.3	3.7	2.9	4.4	4.0	3.5
Chile	0.9	1.8	2.2	2.7	3.5	4.4	4.4	4.0	3.5
Peru	0.8	2.4	2.8	3.5	3.5	3.2	3.5	3.0	3.0
Venezuela	1.2	-4.0	-8.0	-4.0	2.0	57.0	60.0	60.0	40.0
Latin American countries total	18.8	0.9	-0.7	0.6	2.4	10.4	10.6	11.5	8.6
Russia	8.1	0.4	-3.8	-0.5	2.6	7.8	15.0	9.5	7.0
Turkey	3.4	2.9	3.0	3.0	3.8	8.9	7.5	7.0	7.0
South Africa	1.6	1.5	1.5	1.5	2.0	6.1	5.0	5.8	5.7
Total	100.0	5.0	4.1	4.5	5.1	5.4	5.4	5.4	4.8

Based on 2014 GDP at purchasing power parities; in percent.

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