

KIEL INSTITUTE **ECONOMIC OUTLOOK**

World Economy
Autumn 2017

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Forecasting Center

WORLD ECONOMY IN FULL SWING

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

In the second quarter of 2017, global output has reaccelerated after a somewhat muted start into the year. For the first time in a number of years, there is substantial economic momentum in almost all major economies at the same time. We expect world GDP growth on a PPP basis to rise to 3.7 percent and 3.8 percent in 2017 and 2018, respectively, up from a meagre 3.2 percent last year, representing an upward revision from our June forecast by 0.1 percentage points for both years. For 2019 we expect a deceleration of global growth to 3.6 percent.

The world economy has firmed further in the course of 2017. Advanced economies which had picked up steam during 2016 maintained their growth momentum; growth in the emerging economies continued to improve.

Investment has been particularly buoyant following a period of sluggish growth. The upturn of investment has contributed to a significant acceleration of world trade.

For the first time in a number of years almost all major economies are in an upturn at the same time. This does not mean, however, that the global business cycle is synchronized as the economies are in different phases of the cycle. Hence, a prolonged strong expansion in the world economy is unlikely to develop.

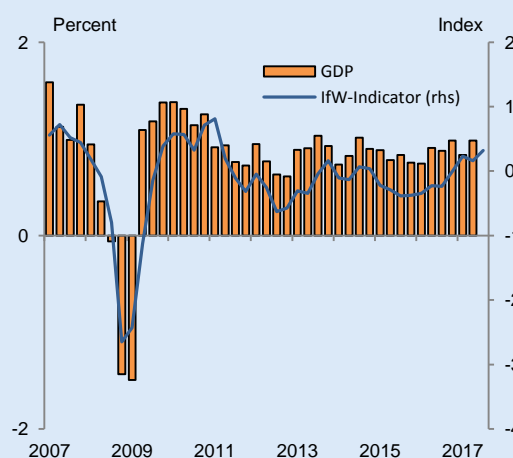
Inflation remains subdued for the time being.

In the advanced economies inflation slowed in recent months, mainly due to reduced upward pressure from energy prices. In the emerging economies the deceleration of inflation has been even more pronounced, partly as a result of the stabilization of exchange rates.

In the low inflation environment, monetary policy is set to remain easy despite the improved global outlook. Expectations for further tightening of monetary policy in the US have been moderated, and with the Fed Funds Rate projected to remain below 2 percent over the forecast horizon short-term real interest rates will remain in negative territory. In Japan and in the euro area, policy rates will not be raised before 2019 and tapering of bond purchases in the euro area is assumed to be slow.

The global growth momentum will remain high for the time being, but decelerate in the course of 2018 and 2019. We expect world GDP growth on a PPP-basis to rise to 3.7 percent in 2017, up from just 3.2 percent last year. Growth will rise further to 3.8 percent in 2018, although the pace of growth will start to slow already in the course of next year as the expansion in the US and in China which currently is to a large extent driven by accumulation of debt will lose steam. For 2019, we expect global growth of 3.6 percent.

Figure 1:
World Economic Activity, 2007–2017



Quarterly data, seasonally adjusted. Indicator is based on business expectations in 42 economies. GDP: price adjusted, change over previous quarter, 46 countries.

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

Euro area economy to stay in high gear. Supported by monetary policy, GDP growth in the euro area will remain robust over the next couple of years. With growth rates of 2.2 percent this year and 2.1 percent and 1.9 percent in 2018 and 2019, respectively, GDP is expected to continue to outpace potential output until the end of the forecast horizon.

The risks for the outlook have shifted but remain substantial. While political risks remain substantial, concerns that drastic shifts in US policies towards protectionism or irresponsible fiscal stimulus could derail the world economy have declined with the new administration experiencing serious difficulties in developing and implementing policy initiatives. Also, policy risks in Europe seem diminished after recent election results. Meanwhile financial risks associated with the necessary process of normalization of monetary policies in the advanced economies are significant. 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, notably China.

Table 1:
Real GDP and consumer prices in selected countries and regions, 2017–2019

	Gross domestic product			Consumer prices		
	2017	2018	2019	2017	2018	2019
United States	2.1	2.3	1.9	1.9	2.2	2.2
Japan	1.8	1.2	1.3	0.5	0.7	0.8
Euro Area	2.2	2.1	1.9	0.0	1.5	1.6
United Kingdom	1.6	1.4	0.9	2.7	2.0	2.2
Advanced economies total	2.3	2.1	1.9	1.7	1.8	1.9
China	6.7	6.4	6.1	1.6	2.1	2.3
Latin America	1.4	2.0	2.3	6.5	5.4	4.9
India	6.4	7.3	7.0	4.8	5.1	5.0
East Asia	5.1	5.0	4.8	3.1	3.3	3.4
Russia	1.2	1.5	1.5	5.5	4.2	4.4
World economy total	3.7	3.8	3.6	3.2	3.3	3.4
<i>Addendum:</i>						
World trade volume	4.3	4.0	3.8	.	.	.
Oil price (Brent in US\$)	50.4	52.8	53.1	.	.	.
World economy total (weighted according to GDP at market exchange rates)	3.2	3.2	3.0	2.7	2.8	2.8

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

Source: IfW forecast.

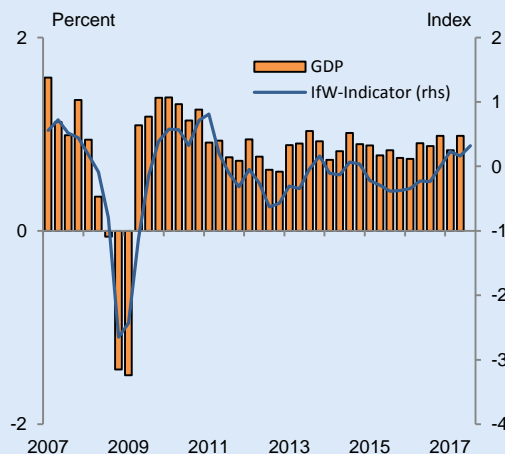
Data annex

CONTENTS

1. World Economy	5
2. United States	6
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

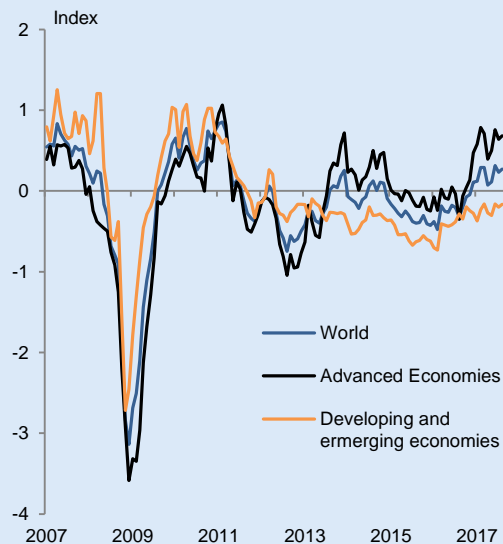
Figure 1.1:
Business expectations by groups of countries, 2007–2017



Quarterly data, seasonally adjusted. Indicator is based on business expectations in 42 economies. GDP: price adjusted, change over previous quarter, 46 countries.

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

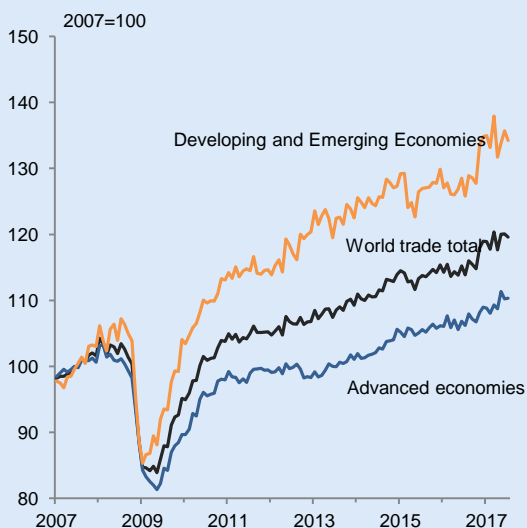
Figure 1.2:
Business expectations by groups of countries, 2007–2017



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 1.3:
World economic activity, 2007–2017

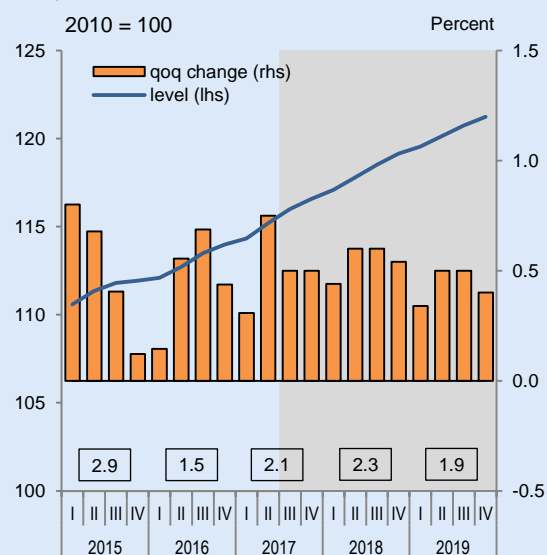


Monthly Data.

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

2. United States

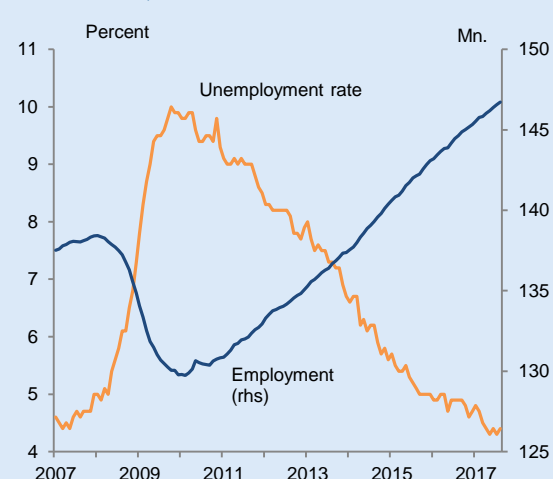
Figure 2.1:
GDP, 2015–2019



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*.

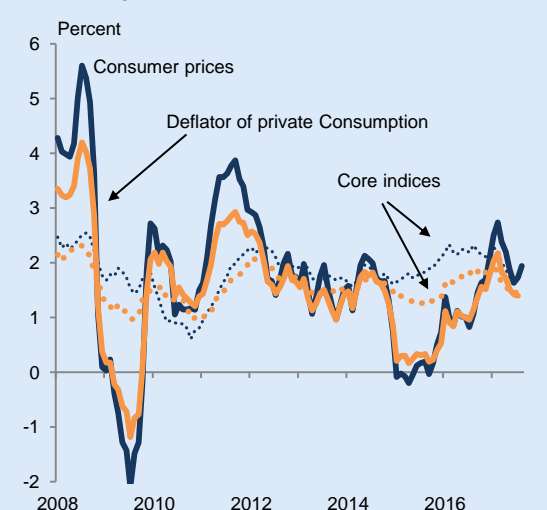
Table 2.1:
Key indicators United States, 2017–2019

	2017	2018	2019
Gross Domestic Product	2.1	2.3	1.9
Domestic expenditure	2.1	2.1	2.0
Private consumption	2.7	2.3	2.1
Government consumption	0.1	0.8	0.8
Gross fixed capital formation	4.0	3.9	3.0
Machinery and equipment	3.5	4.5	2.6
Intellectual property rights	4.1	3.9	3.5
Structures	6.7	3.3	2.7
Residential investment	2.7	3.6	3.1
Inventories	-0.1	0.2	0.0
Net exports	-0.2	-0.2	-0.2
Exports	3.2	2.9	2.8
Imports	4.2	4.1	3.7
Consumer prices	1.9	2.2	2.2
Unemployment rate	4.4	4.3	4.4
Current account balance	-2.6	-2.7	-2.7
Government budget balance	-3.4	-3.5	-3.6

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.

Figure 2.3:
Consumer prices, 2008–2017

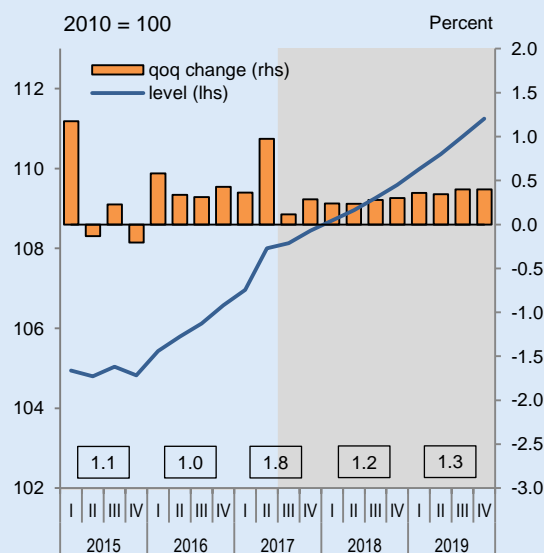


Monthly data; change over previous year. Core index: consumer prices excluding energy and food.

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

3. Japan

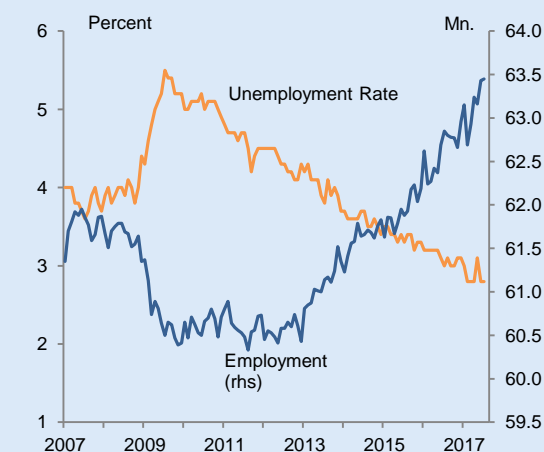
Figure 3.1:
GDP, 2015–2019



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.

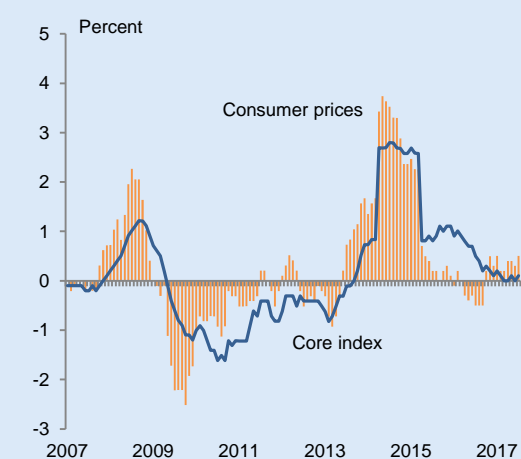
Figure 3.2:
Labor market, 2007–2017



Monatsdaten; saisonbereinigt.

Quelle: Department of Labor.

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, 2016–2019

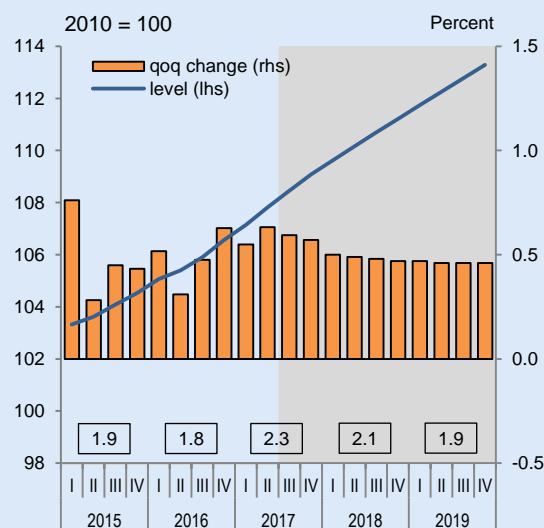
	2016	2017	2018	2019
Gross Domestic Product	1.0	1.8	1.2	1.3
Domestic expenditure	0.4	1.5	1.1	1.3
Private consumption	0.4	1.5	0.9	1.1
Government consumption	1.3	0.2	1.2	1.2
Gross fixed capital formation	1.0	3.9	1.3	1.8
Enterprises	1.4	4.9	2.0	1.8
Residential Investment	5.5	4.8	2.4	2.0
Public investment	-2.9	0.0	-1.6	1.8
Change in inventories	-0.3	-0.4	0.0	0.0
Net exports	0.4	0.3	0.1	0.0
Exports	1.1	5.7	2.8	2.4
Imports	-2.3	3.7	2.4	2.2
Consumer prices	-0.1	0.5	0.7	0.8
Unemployment rate	3.1	2.9	2.8	2.8
Current account balance	3.7	3.8	4.2	4.2
Government budget balance	-4.6	-5.0	-4.5	-4.2

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

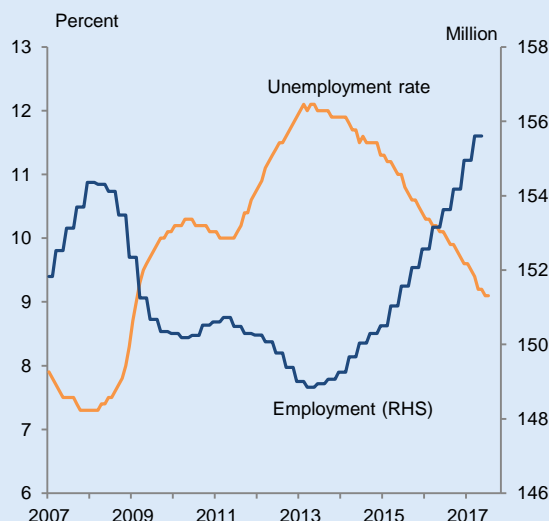
Figure 4.1:
GDP, 2015–2019



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.

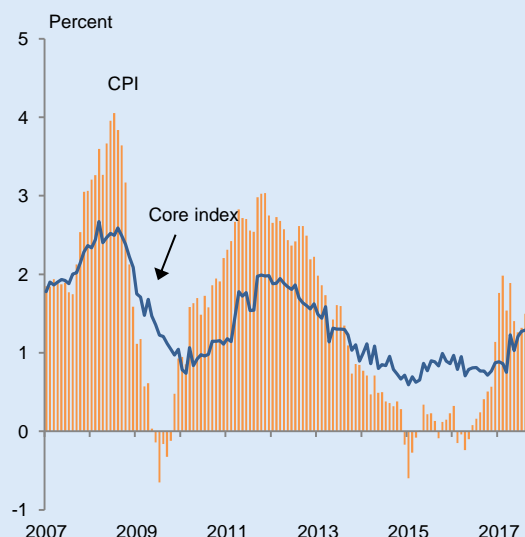
Figure 4.2:
Labor market, 2007–2017



Monthly data; seasonally adjusted.

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

Figure 4.3:
Consumer prices, 2007–2017



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

Source: Eurostat, *Price Statistics*.

Table 4.1:
Key indicators Euro Area, 2016–2019

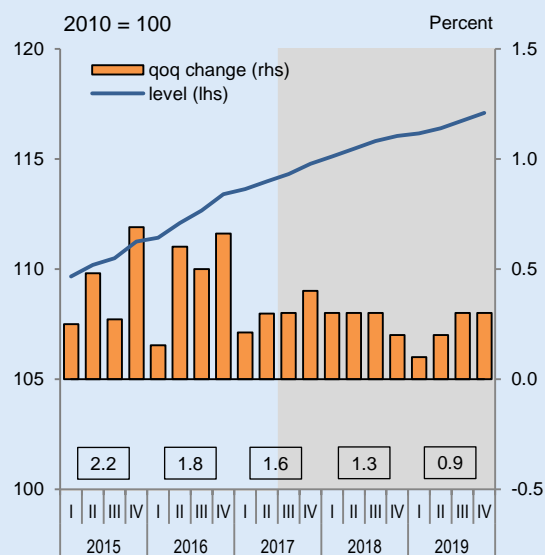
	2016	2017	2018	2019
Gross Domestic Product	1.8	2.2	2.1	1.9
Domestic expenditure	2.3	2.0	2.3	2.1
Private consumption	2.0	1.8	1.9	1.7
Government consumption	1.7	1.4	1.7	1.5
Gross fixed capital formation	4.3	2.6	3.8	3.4
Inventories	-0.1	0.1	0.0	0.0
Net exports	-0.5	0.3	-0.0	-0.1
Exports	3.2	4.6	4.4	4.4
Imports	4.6	4.3	4.8	4.9
Consumer prices	0.2	1.5	1.5	1.6
Unemployment rate	10.0	9.2	8.6	8.0
Current account balance	3.4	3.1	2.9	2.7
Government budget balance	-1.5	-1.2	-1.1	-1.0

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.

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

5. United Kingdom

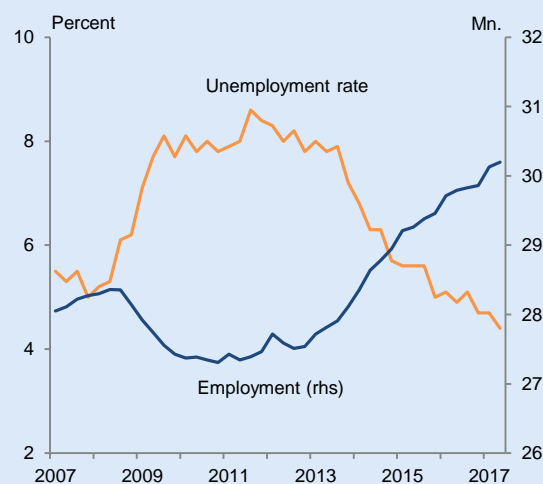
Figure 5.1:
GDP, 2015–2019



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.

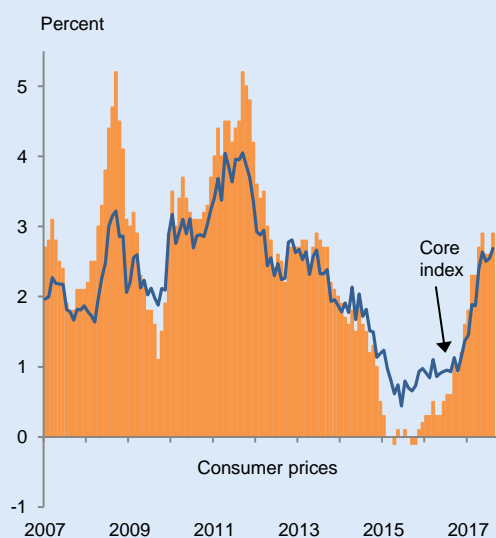
Figure 5.2:
Labor market, 2007–2017



Quarterly data, seasonally adjusted.

Source: Office of 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, 2016–2019

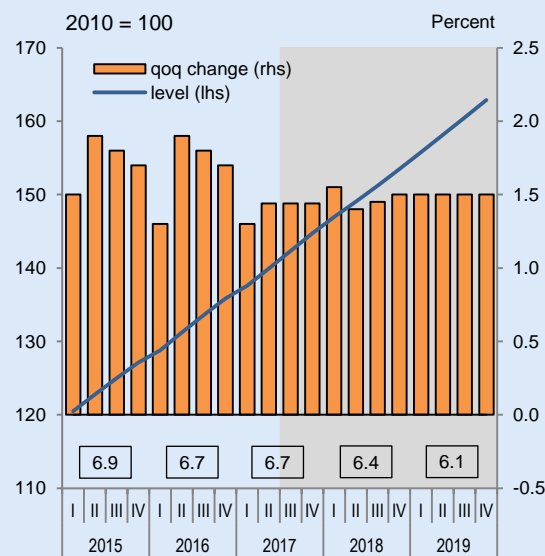
	2016	2017	2018	2019
Gross Domestic Product	1.8	1.6	1.4	0.9
Domestic expenditure	2.5	1.2	0.8	0.8
Private consumption	2.8	1.5	1.0	1.2
Government consumption	0.8	1.3	1.5	0.5
Gross fixed investment	0.5	0.5	-0.8	-0.2
Inventories	-0.5	0.2	0.0	0.0
Net exports	-0.4	0.1	0.6	0.1
Exports	1.8	2.4	2.7	2.3
Imports	2.8	1.8	0.9	1.5
Consumer prices	0.7	2.7	2.0	2.2
Unemployment rate	4.8	4.4	4.3	4.4
Current account balance	-4.4	-4.5	-4.0	-3.5
Government budget balance	-3.3	-3.5	-3.8	-3.2

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

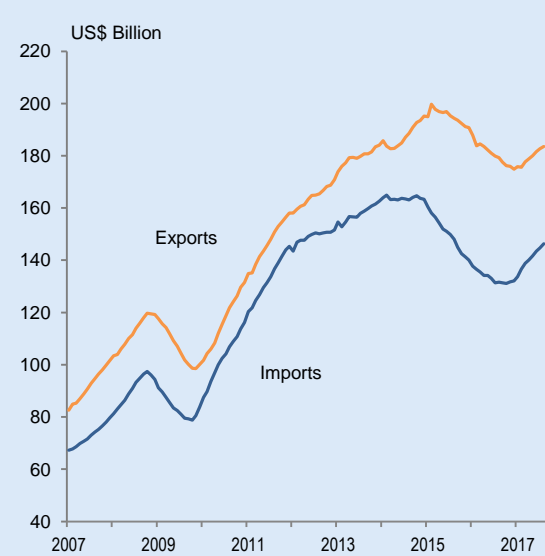
Figure 6.1:
GDP, 2015–2019



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.

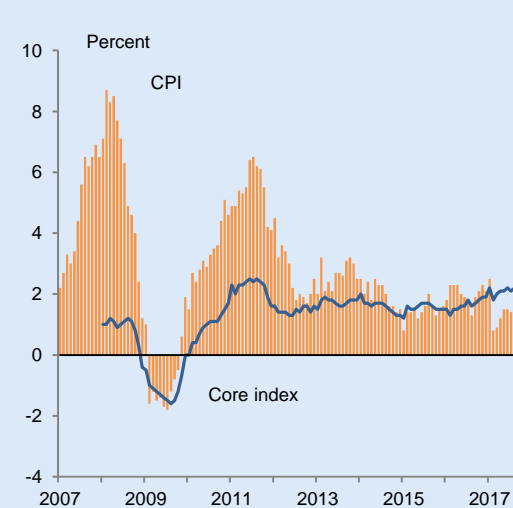
Figure 6.2:
Exports and imports, 2007–2017



Monthly data, 12-month moving average.

Source: General Administration of Customs, IfW calculations.

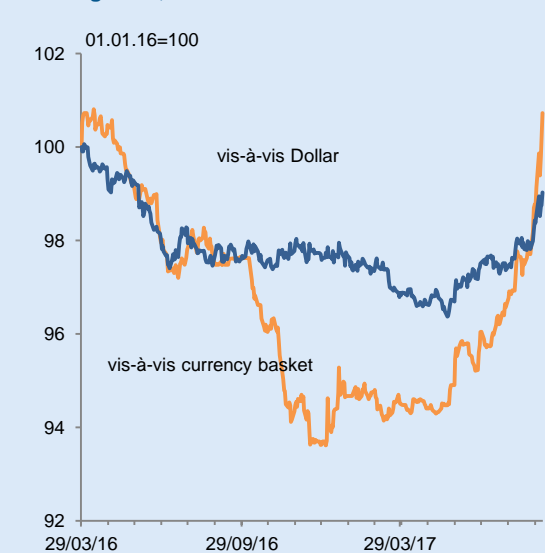
Figure 6.3:
Consumer prices, 2007–2017



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

Source: National Bureau of Statistics.

Figure 6.4:
Exchange rate, 2016–2017

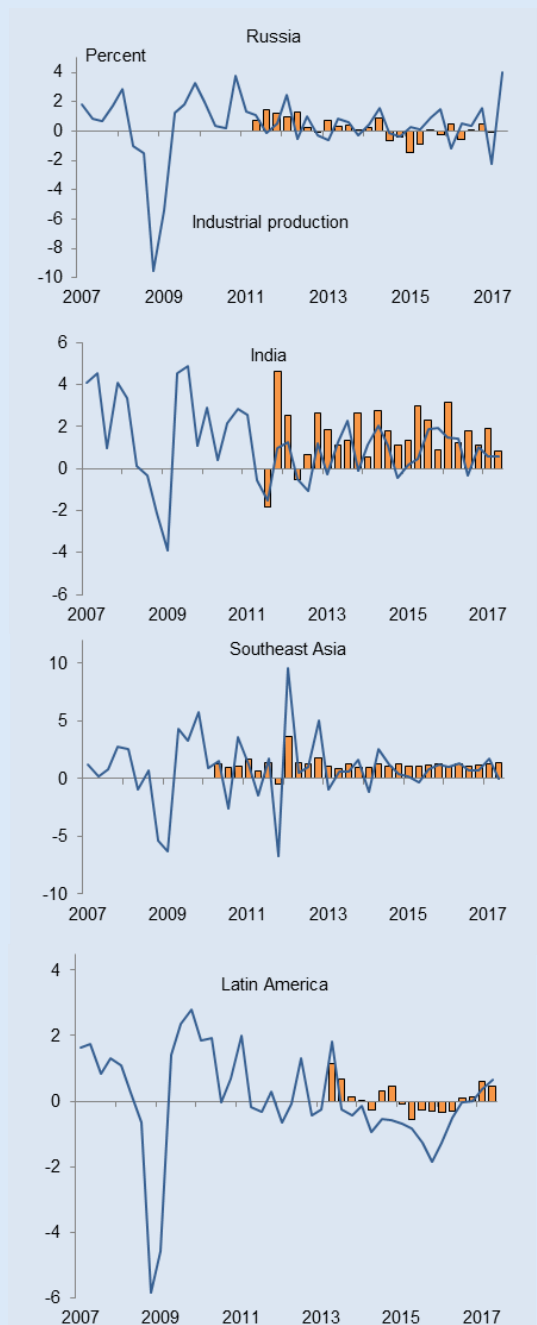


Daily data.

Source: China Foreign Exchange Trade System; Kiel Institute calculations.

7. Emerging Economies

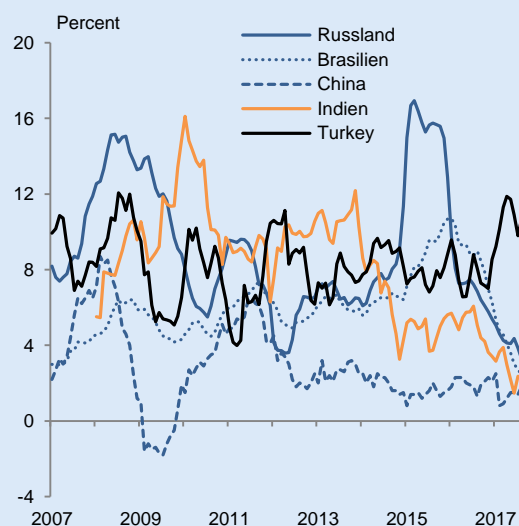
Figure 7.1:
GDP and industrial production in emerging economies
2007–2017



Quarterly data; volumes; seasonally 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.

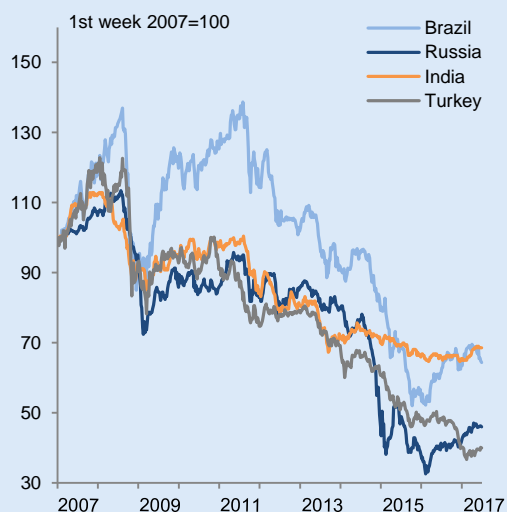
Figure 7.2:
Consumer prices, 2007–2017



Monthly data; change over previous year.

Source: Federal State Statistics Service, *Russia*; Instituto Brasileiro de Geografia e Estatística (IBGE), *Brazil*; National Bureau of Statistics, *China*; Labour Bureau, *India*.

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



Weekly data. Last value: September 4th, 2017.

Source: Thomson Financial Datastream.

8. Forecast summary

Table 8.1:
Key assumptions, 2017–2019

	2017				2018				2019			
	I	II	III	IV	I	II	III	IV	I	II	III	IV
Key interest rate												
United States	0.8	1.0	1.0	1.3	1.3	1.3	1.5	1.5	1.5	1.8	1.8	1.8
Japan	-0.1	-0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.3
Euro area	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.3	0.3
Exchange rates												
US-dollar/euro	1.07	1.10	1.17	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20
Yen/US-dollar	113.6	111.1	111.0	111.0	111.0	111.0	111.0	111.0	111.0	111.0	111.0	111.0
Oil price (Brent, US-dollar)	54.7	50.8	50.9	52.2	52.4	52.6	52.8	53.0	53.2	53.4	53.6	53.8
HWWI-Index indust. commodities	123.1	110.4	121.5	135.0	141.8	147.4	153.3	159.4	164.2	169.2	172.5	176.0

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, 2017–2019

	Weights	Real GDP			Consumer prices			Unemployment rate		
		2017	2018	2019	2017	2018	2019	2017	2018	2019
European Union	36.4	2.3	2.1	1.8	1.8	1.7	1.9	8.0	7.4	7.0
Euro area	26.3	2.2	2.1	1.9	1.5	1.5	1.6	9.2	8.6	8.0
United Kingdom	5.9	1.6	1.4	0.9	2.7	2.0	2.2	4.4	4.3	4.4
Sweden	1.1	3.4	2.4	2.0	1.6	1.8	2.0	4.8	4.0	3.8
Poland	1.1	4.3	2.8	2.8	1.5	2.0	2.5	4.8	4.0	3.8
Switzerland	1.5	1.4	1.1	1.4	0.4	0.4	0.5	4.6	4.5	4.3
Norway	0.8	1.2	1.5	1.6	3.5	2.0	2.0	4.8	4.7	4.6
United States	41.2	2.1	2.3	1.9	1.9	2.2	2.2	4.9	4.8	4.6
Canada	3.4	3.1	2.4	2.0	2.0	2.1	2.1	7.0	6.6	6.2
Japan	11.0	1.8	1.2	1.3	0.5	0.7	0.8	2.9	2.8	2.8
South Korea	3.1	2.9	2.8	2.5	1.8	2.0	2.0	3.7	3.7	3.6
Australia	2.7	2.3	2.7	2.4	2.0	2.4	2.5	5.7	5.6	5.5
Total	100.0	2.3	2.2	1.9	1.8	1.9	2.0	6.0	5.7	5.4

Based on GDP at prices and exchange rates of 2016 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 2016.

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, 2017–2019

	Weights	Real GDP			Consumer prices			Unemployment rate		
		2017	2018	2019	2017	2018	2019	2017	2018	2019
Germany	21.2	2.2	2.2	2.0	1.7	1.6	1.8	3.8	3.4	3.1
France	15.0	1.7	1.9	1.7	1.2	1.2	1.4	9.6	9.1	8.6
Italy	11.3	1.5	1.4	1.3	1.4	1.3	1.4	11.3	10.9	10.4
Spain	7.5	3.1	2.5	2.0	2.1	1.8	1.8	17.4	16.0	15.1
Netherlands	4.7	3.3	2.5	2.0	1.2	1.2	1.3	5.0	4.5	4.1
Belgium	2.8	1.7	1.8	1.8	2.2	2.0	2.2	7.4	6.9	6.4
Austria	2.4	2.7	2.2	1.8	2.1	1.8	1.9	5.5	5.2	5.0
Ireland	1.9	5.0	4.3	4.1	0.4	0.3	0.6	6.3	5.0	4.2
Finland	1.5	2.9	2.5	2.1	1.0	1.1	1.2	8.8	8.5	8.3
Portugal	1.2	2.7	2.1	1.9	1.4	1.4	1.6	9.2	7.9	7.0
Greece	1.2	0.9	1.9	2.0	1.3	1.3	1.4	22.0	20.5	19.0
Slovak Republic	0.5	3.5	3.8	3.7	1.2	1.4	1.9	7.6	6.1	5.5
Luxembourg	0.4	3.3	3.4	3.2	2.1	2.2	2.6	5.9	5.6	5.4
Slovenia	0.3	4.6	3.2	3.2	1.6	1.7	2.0	7.1	6.5	6.1
Latvia	0.3	4.1	3.8	3.7	3.6	3.9	3.8	7.4	6.9	6.5
Lithuania	0.2	5.0	4.5	3.9	2.8	2.7	3.1	8.7	8.1	7.6
Estonia	0.1	4.8	3.7	3.3	3.6	3.7	3.9	6.1	5.5	5.0
Cyprus	0.1	3.0	3.0	2.9	0.9	1.4	1.8	11.5	10.0	9.0
Malta	0.1	3.9	3.6	3.2	1.2	1.4	1.7	4.1	3.7	3.5
United Kingdom	15.9	1.6	1.4	0.9	2.7	2.0	2.2	4.4	4.3	4.4
Sweden	3.1	3.4	2.4	2.0	1.6	1.8	2.0	4.8	4.0	3.8
Poland	2.9	4.3	2.8	2.8	1.5	2.0	2.5	4.8	4.0	3.8
Denmark	1.9	2.4	1.8	1.5	1.1	1.3	1.4	5.8	5.6	5.5
Czech Republic	1.2	4.6	3.4	2.5	2.1	2.5	2.7	3.0	2.4	2.0
Romania	1.1	5.6	4.0	3.4	1.3	1.6	2.5	5.1	4.8	4.6
Hungary	0.8	3.7	2.5	2.0	2.8	2.9	3.2	4.2	3.9	3.8
Bulgaria	0.3	3.5	3.1	2.8	1.5	1.8	2.3	6.2	5.3	4.9
Croatia	0.3	2.9	2.5	2.4	1.2	1.8	2.0	10.7	9.0	8.2
European Union	100.0	2.3	2.1	1.8	1.7	1.6	1.8	7.7	7.1	6.8
<i>Addendum:</i>										
European Union 15	91.6	2.2	2.0	1.7	1.7	1.6	1.7	8.1	7.6	7.2
Accession countries	8.4	4.2	3.1	2.8	-0.2	1.7	2.1	5.5	4.9	4.5
Euro Area	72.5	2.2	2.1	1.9	1.5	1.5	1.6	9.2	8.6	8.0
Euro Area without Germany	51.4	2.2	2.1	1.9	1.5	1.4	1.5	11.2	10.4	9.8

Based on GDP at prices and exchange rates of 2016 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 2016. 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, 2016–2019

	Weights	Real GDP				Consumer prices			
		2016	2017	2018	2019	2016	2017	2018	2019
Indonesia	6.0	5.0	5.1	5.4	5.3	3.5	3.9	4.0	4.0
Thailand	2.3	3.2	3.9	3.7	3.0	0.2	0.6	2.0	2.0
Malaysia	1.7	4.2	5.5	4.7	4.4	2.1	3.7	3.0	3.0
Philippines	1.6	6.9	6.4	6.0	5.7	1.8	3.1	3.4	3.5
Total	11.6	4.8	5.1	5.0	4.8	2.4	3.1	3.3	3.4
China	42.0	6.9	6.7	6.4	6.1	2.0	1.6	2.1	2.3
India	17.1	7.8	6.4	7.3	7.0	4.9	4.8	5.1	5.0
Asian countries	70.7	6.5	6.3	6.4	6.1	2.8	2.6	3.0	3.1
Brazil	6.2	-3.6	0.7	1.6	2.1	8.7	3.7	4.5	4.5
Mexico	4.6	2.0	2.6	2.3	2.4	2.8	5.2	3.3	3.1
Argentina	1.7	-2.2	3.0	3.9	2.7	25.0	25.6	18.7	14.8
Colombia	1.4	2.0	1.4	2.3	3.1	7.5	4.0	3.0	3.0
Venezuela	0.8	-18.0	-4.5	-3.0	-1.0	254.9	.	.	.
Chile	0.9	1.5	1.1	2.7	2.8	3.8	2.3	3.0	3.0
Peru	0.8	4.0	2.7	3.7	3.5	3.6	3.0	2.5	2.5
Latin American countries total	16.4	-1.5	1.4	2.0	2.3	8.2	6.5	5.4	4.9
Russia	7.5	-0.2	1.2	1.5	1.5	15.5	5.5	4.2	4.4
Turkey	3.9	2.9	3.1	3.0	3.5	7.8	10.1	10.0	9.0
South Africa	1.5	0.3	0.8	1.6	2.2	6.3	6.2	6.1	5.8
Total	100.0	4.6	4.9	5.1	5.0	4.9	3.8	3.8	3.8

Based on 2016 GDP at purchasing power parities; in percent.

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