

Global Economy Forecasts

AIB Treasury Economic Research Unit



July 2018

GLOBAL ECONOMY: KEY FORECASTS

Annual Average (Unless stated)	2017	2018(f)	2019f)	2020(f)
Economic Growth (% Change)				
World	3.7	3.8	3.7	3.5
US	2.3	3.0	2.7	2.2
Euro	2.4	2.1	1.8	1.7
UK	1.7	1.2	1.6	1.7
Japan	1.7	0.9	1.0	0.8
Inflation - CPI (% Change)				
US	2.1	2.4	2.2	2.0
Euro	1.5	1.6	1.6	1.7
UK	2.7	2.5	2.2	2.0
Japan	0.5	1.0	0.5	0.5
Official Interest Rates (% End Period)				
US (Fed Funds)	1.375	2.375	2.875	3.125
Euro (Refi Rate)	0.0	0.0	0.1	0.4
Euro (Deposit Rate)	-0.4	-0.4	-0.2	0.15
UK (Bank Rate)	0.50	0.75	1.0	1.25
Japan (Overnight Call Rate)	-0.1	-0.1	-0.1	-0.1
Exchange Rates (Period Average)				
US Dollar-Euro	1.13	1.19	1.22	1.25
Sterling-Euro	0.88	0.88	0.86	0.85
US Dollar-Sterling	1.28	1.35	1.42	1.47
Crude Oil Prices (Brent \$/b)	43	74	77	80

Forecasts prepared by AIB's ERU, historical data sourced from Thomson Datastream

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