

# Global Economy Forecasts

AIB Treasury Economic Research Unit



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## GLOBAL ECONOMY: KEY FORECASTS

| Annual Average (Unless stated)                | 2019  | 2020  | 2021 (f) | 2022 (f) |
|-----------------------------------------------|-------|-------|----------|----------|
| <b>Economic Growth (% Change)</b>             |       |       |          |          |
| World                                         | 2.8   | -3.3  | 5.5      | 4.5      |
| US                                            | 2.2   | -3.5  | 6.0      | 3.5      |
| Euro                                          | 1.3   | -6.6  | 3.5      | 4.5      |
| UK                                            | 1.2   | -9.9  | 4.5      | 5.8      |
| Japan                                         | 0.3   | -4.8  | 3.2      | 2.5      |
| <b>Inflation - CPI (% Change)</b>             |       |       |          |          |
| US                                            | 1.8   | 1.3   | 2.2      | 2.2      |
| Euro                                          | 1.2   | 0.3   | 1.5      | 1.2      |
| UK                                            | 1.7   | 0.5   | 2.0      | 2.0      |
| Japan                                         | 0.5   | 0.0   | 0.2      | 0.6      |
| <b>Official Interest Rates (% End Period)</b> |       |       |          |          |
| US (Fed Funds)                                | 1.625 | 0.125 | 0.125    | 0.25     |
| Euro (Refi Rate)                              | 0.0   | 0.0   | 0.0      | 0.0      |
| Euro (Deposit Rate)                           | -0.50 | -0.50 | -0.50    | -0.50    |
| UK (Bank Rate)                                | 0.75  | 0.10  | 0.10     | 0.25     |
| Japan (Overnight Call Rate)                   | -0.1  | -0.1  | -0.1     | -0.1     |
| <b>Exchange Rates (Period Average)</b>        |       |       |          |          |
| US Dollar-Euro                                | 1.12  | 1.14  | 1.20     | 1.22     |
| Sterling-Euro                                 | 0.88  | 0.89  | 0.87     | 0.88     |
| US Dollar-Sterling                            | 1.27  | 1.28  | 1.38     | 1.39     |
| Crude Oil Prices (Brent \$/b)                 | 65    | 35    | 63       | 63       |

Forecasts prepared by AIB's ERU. Historical data sourced from Refinitiv

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