

Global Economy Forecasts

AIB Treasury Economic Research Unit



January 2019

GLOBAL ECONOMY: KEY FORECASTS

Annual Average (Unless stated)	2017	2018(e)	2019(f)	2020(f)
Economic Growth (% Change)				
World	3.6	3.7	3.3	3.3
US	2.2	2.9	2.7	2.0
Euro	2.5	1.8	1.3	1.5
UK	1.7	1.4	1.5	1.7
Japan	1.9	0.7	0.8	0.8
Inflation - CPI (% Change)				
US	2.1	2.4	1.7	2.0
Euro	1.5	1.7	1.5	1.5
UK	2.7	2.5	1.7	2.0
Japan	0.5	1.0	1.3	1.5
Official Interest Rates (% End Period)				
US (Fed Funds)	1.375	2.375	2.875	2.875
Euro (Refi Rate)	0.0	0.0	0.0	0.25
Euro (Deposit Rate)	-0.4	-0.4	-0.3	0.00
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	1.18	1.18	1.22
Sterling-Euro	0.88	0.88	0.87	0.85
US Dollar-Sterling	1.28	1.34	1.36	1.41
Crude Oil Prices (Brent \$/b)	43	71	60	63

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

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