

Global Economy Forecasts

AIB Treasury Economic Research Unit



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GLOBAL ECONOMY: KEY FORECASTS

Annual Average (Unless stated)	2016	2017 (f)	2018(f)	2019(f)
Economic Growth (% Change)				
World	3.2	3.5	3.6	3.5
US	1.5	2.1	2.3	2.3
Euro	1.8	2.1	1.9	1.8
UK	1.8	1.6	1.2	1.6
Japan	1.0	1.2	1.0	1.0
Inflation - CPI (% Change)				
US	1.3	2.3	2.0	2.2
Euro	0.2	1.4	1.3	1.5
UK	0.7	2.8	2.8	2.4
Japan	-0.1	0.2	0.3	0.4
Official Interest Rates (% End Period)				
US (Fed Funds)	0.625	1.375	1.875	2.375
Euro (Refi Rate)	0.00	0.00	0.00	0.25
Euro (Deposit Rate)	-0.4	-0.4	-0.4	0.00
UK (Bank Rate)	0.25	0.50	0.50	0.75
Japan (Overnight Call Rate)	-0.1	-0.1	-0.1	-0.1
Exchange Rates (Period Average)				
US Dollar-Euro	1.11	1.13	1.17	1.15
Sterling-Euro	0.82	0.88	0.87	0.84
US Dollar-Sterling	1.36	1.28	1.34	1.37
Crude Oil Prices (Brent \$/b)	45	52	55	60

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

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