

Selected Macro-Economic Forecasts (as of 21st December 2018)

Table 1: Real GDP (% Annual Change at PPP Exchange Rates)

| | World Share⁽¹⁾ | Average 2005–2014 | 2015 | 2016 | 2017 | Forecasts | | |
|--------------------------------------|----------------------------------|--------------------------|-------------|-------------|-------------|------------------|-------------|-------------|
| | | | | | | 2018 | 2019 | 2020 |
| World (CE China estimate) | 100 | 3.7 | 2.9 | 2.8 | 3.6 | 3.7 | 3.3 | 3.0 |
| World (Official China data) | 100 | 3.9 | 3.5 | 3.3 | 3.9 | 3.9 | 3.7 | 3.4 |
| Advanced economies | 40.8 | 1.5 | 2.3 | 1.7 | 2.3 | 2.2 | 1.9 | 1.4 |
| US | 15.1 | 1.6 | 2.9 | 1.6 | 2.2 | 2.9 | 2.2 | 1.2 |
| Euro-zone | 11.7 | 0.8 | 2.1 | 1.9 | 2.6 | 2.0 | 1.8 | 1.5 |
| - Germany | 3.2 | 1.5 | 1.5 | 2.2 | 2.5 | 1.5 | 1.8 | 1.5 |
| - France | 2.2 | 1.0 | 1.0 | 1.1 | 2.3 | 1.8 | 2.0 | 2.0 |
| - Italy | 1.8 | -0.4 | 1.0 | 1.1 | 1.6 | 1.0 | 1.2 | 0.5 |
| Japan | 4.2 | 0.6 | 1.4 | 1.0 | 1.7 | 0.7 | 1.0 | 0.3 |
| UK | 2.2 | 1.3 | 2.3 | 1.9 | 1.7 | 1.3 | 2.2 | 2.0 |
| Canada | 1.4 | 1.9 | 1.0 | 1.4 | 3.0 | 2.0 | 1.5 | 1.7 |
| Australia | 1.0 | 2.8 | 2.5 | 2.6 | 2.2 | 2.9 | 2.5 | 2.5 |
| Emerging Economies ⁽³⁾ | 59.3 | 6.0 | 3.0 | 3.5 | 4.5 | 4.5 | 4.2 | 4.0 |
| Emerging Asia ⁽³⁾ | 36.3 | 7.5 | 4.4 | 5.0 | 5.7 | 5.6 | 5.0 | 4.8 |
| - China (CE estimate) ⁽²⁾ | 18.7 | 9.5 | 4.2 | 5.0 | 5.8 | 5.3 | 4.5 | 4.5 |
| - China (Official data) | 18.7 | 10.0 | 6.9 | 6.7 | 6.9 | 6.6 | 6.5 | 6.5 |
| - India | 7.7 | 7.3 | 5.5 | 5.7 | 6.2 | 7.7 | 7.2 | 6.5 |
| - S. Korea | 1.6 | 3.7 | 2.8 | 2.9 | 3.1 | 2.8 | 2.5 | 2.5 |
| Emerging Europe | 7.4 | 3.6 | 0.7 | 1.7 | 3.9 | 3.0 | 2.0 | 2.5 |
| - Russia | 3.1 | 3.5 | -2.5 | -0.2 | 1.5 | 1.5 | 2.3 | 1.8 |
| - Turkey | 1.7 | 5.5 | 6.1 | 3.2 | 7.4 | 3.0 | -0.5 | 3.5 |
| Latin America | 7.3 | 3.5 | 0.2 | -0.4 | 2.0 | 2.5 | 3.0 | 2.3 |
| - Brazil | 2.5 | 3.5 | -3.5 | -3.6 | 1.0 | 1.2 | 2.0 | 2.0 |
| - Mexico | 1.9 | 2.2 | 3.3 | 2.9 | 2.1 | 2.5 | 3.0 | 1.5 |
| MENA | 4.5 | 4.5 | 3.8 | 2.7 | 1.3 | 3.3 | 2.8 | 2.8 |
| - Saudi Arabia | 1.4 | 4.1 | 4.1 | 1.7 | -0.9 | 3.0 | 1.3 | 1.0 |
| - Egypt | 1.0 | 4.6 | 3.9 | 3.9 | 5.0 | 5.5 | 5.8 | 6.0 |
| Sub-Saharan Africa | 2.3 | 5.6 | 2.9 | 0.7 | 2.4 | 2.9 | 3.1 | 3.3 |
| - Nigeria | 0.9 | 6.9 | 2.7 | -1.6 | 0.8 | 2.2 | 2.0 | 2.0 |
| - South Africa | 0.6 | 3.1 | 1.3 | 0.6 | 1.3 | 0.5 | 1.5 | 1.8 |

(1) % of world GDP in 2018 PPP terms. (2) Estimates based on our China Activity Proxy (CAP). (3) We use CAP-derived GDP estimates for China in aggregates for emerging Asia, emerging economies, and the world.

Selected Macro-Economic Forecasts (Continued)

Table 2: Other Main Forecasts (Inflation and world trade are year average, market forecasts are end period)

| | Latest (21 st Dec.) | Average 2005–2014 | 2015 | 2016 | 2017 | 2018 | Forecasts 2019 2020 | |
|----------------------------------|-----------------------------------|----------------------|----------|----------|----------|----------|------------------------|----------|
| Inflation | | | | | | | | |
| World ⁽¹⁾ | 2.9 | 3.0 | 1.9 | 2.2 | 2.6 | 2.7 | 2.3 | 2.3 |
| G7 | 2.4 | 1.9 | 0.2 | 0.8 | 1.8 | 2.1 | 1.3 | 1.6 |
| US | 2.2 | 2.3 | 0.1 | 1.3 | 2.1 | 2.4 | 1.4 | 1.8 |
| Euro-zone | 2.0 | 1.9 | 0.0 | 0.2 | 1.5 | 1.7 | 1.0 | 1.5 |
| - Germany | 2.2 | 1.6 | 0.1 | 0.4 | 1.7 | 1.8 | 1.3 | 1.5 |
| - France | 2.2 | 1.7 | 0.1 | 0.3 | 1.2 | 2.0 | 1.0 | 1.3 |
| - Italy | 1.6 | 2.0 | 0.1 | -0.1 | 1.3 | 1.2 | 1.0 | 0.7 |
| Japan | 0.8 | 0.2 | 0.8 | 0.0 | 0.5 | 1.0 | 0.8 | 1.7 |
| UK | 2.4 | 2.7 | 0.0 | 0.7 | 2.7 | 2.5 | 2.1 | 2.1 |
| Brazil | 4.1 | 5.5 | 9.0 | 8.8 | 3.5 | 3.3 | 4.3 | 4.0 |
| China | 2.2 | 2.9 | 1.4 | 2.0 | 1.6 | 2.1 | 2.0 | 1.5 |
| India | 2.3 | 8.3 | 4.9 | 5.0 | 3.3 | 4.0 | 4.0 | 4.5 |
| Russia | 3.8 | 9.2 | 15.5 | 7.1 | 3.7 | 2.8 | 4.5 | 3.8 |
| World Trade⁽²⁾ | | | | | | | | |
| | -- | 4.8 | 2.8 | 2.2 | 5.2 | 3.5 | 2.5 | 2.0 |
| Interest Rates | | | | | | | | |
| US ⁽³⁾ | 2.25-2.50 | 1.9 | 0.25-0.5 | 0.5-0.75 | 1.25-1.5 | 2.25-2.5 | 2.75-3.0 | 2.0-2.25 |
| Euro-zone ⁽⁴⁾ | -0.4 | 1.0 | -0.3 | -0.4 | -0.4 | -0.4 | 0.0 | 0.75 |
| Japan ⁽⁵⁾ | -0.1 | 0.2 | 0-0.1 | -0.1 | -0.1 | -0.1 | -0.1 | -0.1 |
| UK ⁽⁶⁾ | 0.75 | 2.0 | 0.5 | 0.25 | 0.5 | 0.75 | 1.50 | 2.00 |
| China ⁽⁷⁾ | 2.55 | - | 2.30 | 2.30 | 2.50 | 2.55 | 1.95 | 1.95 |
| India ⁽⁸⁾ | 6.50 | 7.02 | 6.75 | 6.25 | 6.00 | 6.50 | 6.00 | 6.00 |
| Russia ⁽⁹⁾ | 7.75 | 6.51 | 11.00 | 10.00 | 7.75 | 7.75 | 8.00 | 7.00 |
| Brazil ⁽¹⁰⁾ | 6.50 | 11.84 | 14.25 | 13.75 | 7.00 | 6.50 | 7.75 | 8.50 |

(1) Excludes Venezuela. (2) Volume of trade in goods. (3) Fed funds target range. (4) ECB deposit rate. (5) Interest rate on excess reserves. (6) Bank Rate. (7) 7-day reverse repo rate. (8) Repo rate. (9) 1-week repo rate. (10) Selic rate.