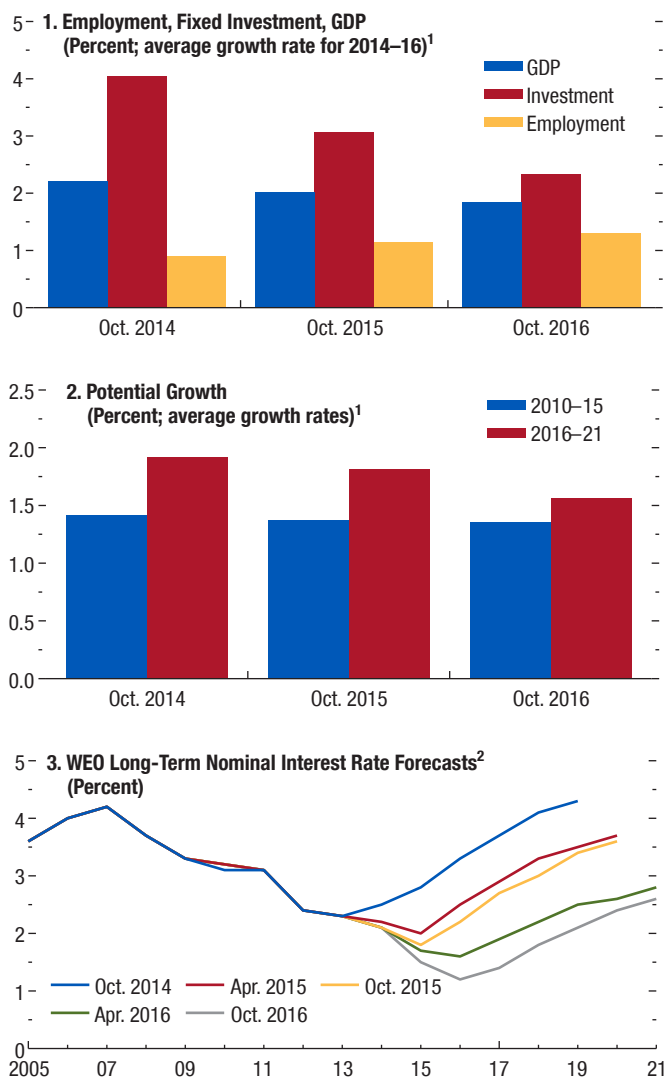


Figure 1.12. Advanced Economies: Growth, Investment, and Employment in Recent WEO Vintages

In advanced economies, GDP and investment have in recent years grown more slowly than projected, whereas employment has grown faster, pointing to weaker-than-expected labor productivity growth. Persistent weakness in productivity growth has contributed to lower estimates of potential growth. Long-term interest rates are also expected to be lower than previously projected, reflecting a possible decline in the real interest rate and weaker inflation forecasts.



Source: IMF staff estimates.

¹Simple averages of annual growth rates calculated for each respective *World Economic Outlook* (WEO) forecast vintage.

²Weighted average of long-term nominal interest rates for advanced economies using a three-year moving average of GDP in U.S. dollars as weights.