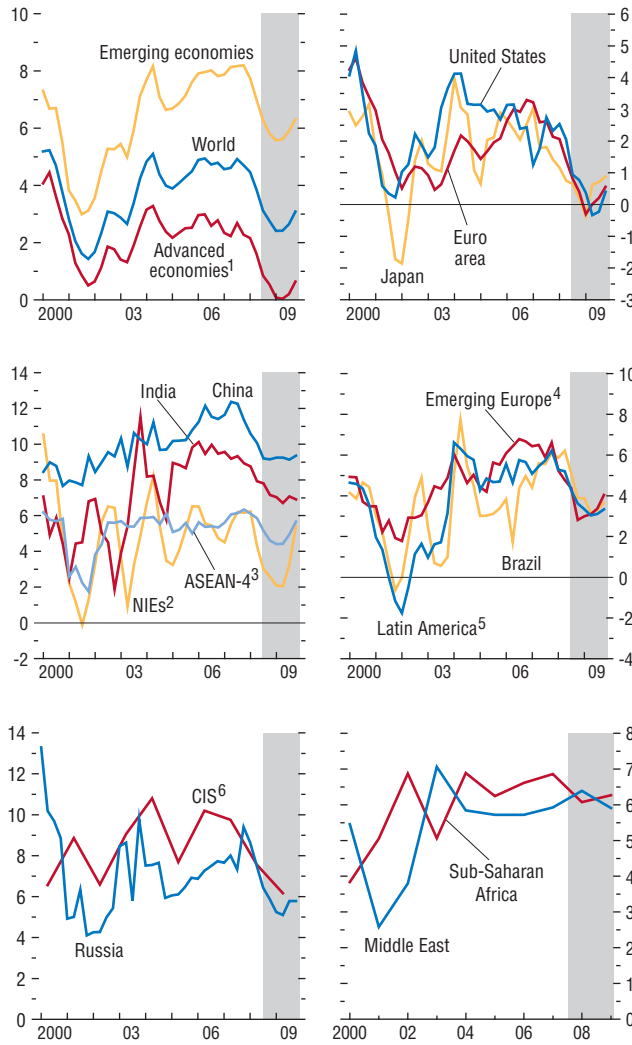


Figure 1.11. Global Outlook
(Real GDP; percent change from a year earlier)

The global economy is projected to slow further in the second half of 2008 and early 2009, and then to start a gradual recovery. The advanced economies will be most affected by the downturn and will be close to recession. Growth will also moderate in the emerging economies, particularly those in Asia, emerging Europe, and Latin America with close trade links.



Sources: Haver Analytics; and IMF staff estimates.

¹Australia, Canada, Denmark, euro area, Japan, New Zealand, Norway, Sweden, Switzerland, United Kingdom, and United States.

²Newly industrialized Asian economies (NIEs) comprise Hong Kong SAR, Korea, Singapore, and Taiwan Province of China.

³Indonesia, Malaysia, Philippines, and Thailand.

⁴Czech Republic, Estonia, Hungary, Latvia, Lithuania, and Poland.

⁵Argentina, Brazil, Chile, Colombia, Mexico, Peru, and Rep. Bolivariana de Venezuela.

⁶Commonwealth of Independent States.