



PHD Research Bureau
PHD Chamber of Commerce and Industry



IMF estimates India's GDP growth rate at 8.9% in FY2022 and projects growth at 8.2% in FY2023 & 6.9% in FY 2024

According to World Economic Outlook 2022: War Sets Back The Global Recovery, April 2022, the war in Ukraine has triggered a costly humanitarian crisis that demands a peaceful resolution. At the same time, economic damage from the conflict will contribute to a significant slowdown in global growth in 2022 and add to inflation. Fuel and food prices have increased rapidly, hitting vulnerable populations in low-income countries hardest.

Global growth is projected to slow from an estimated 6.1% in 2021 to 3.6% in 2022 and 2023. This is 0.8 and 0.2 percentage points lower for 2022 and 2023 than projected in January. Beyond 2023, global growth is forecast to decline to about 3.3% over the medium term. War-induced commodity price increases and broadening price pressures have led to 2022 inflation projections of 5.7% in advanced economies and 8.7% in emerging market and developing economies—1.8 and 2.8 percentage points higher than projected last January. Multilateral efforts to respond to the humanitarian crisis, prevent further economic fragmentation, maintain global liquidity, manage debt distress, tackle climate change, and end the pandemic are essential.

Overview of the World Economic Outlook Projections

	2021	Projections		Difference from January 2022 WEO Update ¹		Difference from October 2021 WEO ¹	
		2022	2023	2022	2023	2022	2023
World Output	6.1	3.6	3.6	-0.8	-0.2	-1.3	0.0
Advanced Economies	5.2	3.3	2.4	-0.6	-0.2	-1.2	0.2
United States	5.7	3.7	2.3	-0.3	-0.3	-1.5	0.1
Euro Area	5.3	2.8	2.3	-1.1	-0.2	-1.5	0.3
Germany	2.8	2.1	2.7	-1.7	0.2	-2.5	1.1
France	7.0	2.9	1.4	-0.6	-0.4	-1.0	-0.4
Italy	6.6	2.3	1.7	-1.5	-0.5	-1.9	0.1
Spain	5.1	4.8	3.3	-1.0	-0.5	-1.6	0.7
Japan	1.6	2.4	2.3	-0.9	0.5	-0.8	0.9
United Kingdom	7.4	3.7	1.2	-1.0	-1.1	-1.3	-0.7
Canada	4.6	3.9	2.8	-0.2	0.0	-1.0	0.2
Other Advanced Economies ²	5.0	3.1	3.0	-0.5	0.1	-0.6	0.1
Emerging Market and Developing Economies	6.8	3.8	4.4	-1.0	-0.3	-1.3	-0.2
Emerging and Developing Asia	7.3	5.4	5.6	-0.5	-0.2	-0.9	-0.1
China	8.1	4.4	5.1	-0.4	-0.1	-1.2	-0.2
India ³	8.9	8.2	6.9	-0.8	-0.2	-0.3	0.3
ASEAN-5 ⁴	3.4	5.3	5.9	-0.3	-0.1	-0.5	-0.1
Emerging and Developing Europe	6.7	-2.9	1.3	-6.4	-1.6	-6.5	-1.6
Russia	4.7	-8.5	-2.3	-11.3	-4.4	-11.4	-4.3
Latin America and the Caribbean	6.8	2.5	2.5	0.1	-0.1	-0.5	0.0
Brazil	4.6	0.8	1.4	0.5	-0.2	-0.7	-0.6
Mexico	4.8	2.0	2.5	-0.8	-0.2	-2.0	0.3
Middle East and Central Asia	5.7	4.6	3.7	0.3	0.1	0.5	-0.1
Saudi Arabia	3.2	7.6	3.6	2.8	0.8	2.8	0.8
Sub-Saharan Africa	4.5	3.8	4.0	0.1	0.0	0.0	-0.1
Nigeria	3.6	3.4	3.1	0.7	0.4	0.7	0.5
South Africa	4.9	1.9	1.4	0.0	0.0	-0.3	0.0
Memorandum							
World Growth Based on Market Exchange Rates	5.8	3.5	3.1	-0.7	-0.3	-1.2	0.0
European Union	5.4	2.9	2.5	-1.1	-0.3	-1.5	0.2
Middle East and North Africa	5.8	5.0	3.6	0.6	0.2	0.9	0.1
Emerging Market and Middle-Income Economies	7.0	3.8	4.3	-1.0	-0.3	-1.3	-0.3
Low-Income Developing Countries	4.0	4.6	5.4	-0.7	-0.1	-0.7	-0.1

World Trade Volume (goods and services)	10.1	5.0	4.4	-1.0	-0.5	-1.7	-0.1
Imports							
Advanced Economies	9.5	6.1	4.5	-0.2	0.0	-1.2	0.4
Emerging Market and Developing Economies	11.8	3.9	4.8	-1.7	-0.9	-3.2	-0.9
Exports							
Advanced Economies	8.6	5.0	4.7	-1.1	0.0	-1.6	0.7
Emerging Market and Developing Economies	12.3	4.1	3.6	-1.7	-1.5	-1.7	-1.4
Commodity Prices (US dollars)							
Oil ¹	67.3	54.7	-13.3	42.8	-5.5	56.5	-8.3
Nonfuel (average based on world commodity import weights)	26.8	11.4	-2.5	8.3	-0.6	12.3	-1.0
Consumer Prices							
Advanced Economies	3.1	5.7	2.5	1.8	0.4	3.4	0.6
Emerging Market and Developing Economies ²	5.9	8.7	6.5	2.8	1.8	3.8	2.2

Source: IMF staff estimates.

Note: Real effective exchange rates are assumed to remain constant at the levels prevailing during February 7, 2022–March 7, 2022. Economies are listed on the basis of economic size. The aggregated quarterly data are seasonally adjusted. WEO = *World Economic Outlook*.

¹Difference based on rounded figures for the current, January 2022 WEO *Update*, and October 2021 WEO forecasts.

²Excludes the Group of Seven (Canada, France, Germany, Italy, Japan, United Kingdom, United States) and euro area countries.

³For India, data and forecasts are presented on a fiscal year basis, and GDP from 2011 onward is based on GDP at market prices with fiscal year 2011/12 as a base year.

Outlook for India

IMF has estimated India's GDP to grow at 8.9% in FY2022 and projects the growth for FY2023 at 8.2% & 6.9% in FY2024. Developments in China continue to dominate the outlook for Asia, especially for emerging Asia. For the Asia region more broadly, limited direct trade links to Russia and Ukraine mean that spillover effects will be limited to the commodity price channel and to indirect impacts via weaker demand from key trading partners, such as the euro area. As such, external positions are generally expected to deteriorate—particularly for net oil importers. Notable downgrades to the 2022 forecast include Japan (0.9 percentage point) and India (0.8 percentage point), reflecting in part weaker domestic demand—as higher oil prices are expected to weigh on private consumption and investment—and a drag from lower net exports.

Please find appended the link to access the detailed document on the same.

<https://www.imf.org/en/Publications/WEO/Issues/2022/04/19/world-economic-outlook-april-2022>

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Warm Regards,

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