



**PHD Research Bureau**  
PHD Chamber of Commerce and Industry



## **OECD estimates India's GDP growth rate at 6.3% for 2023, 6.0% in 2024, the pick-up in global growth in the first half of 2023 may prove short-lived**

According to the OECD Economic Outlook, Interim Report September 2023, Global GDP is likely to decline after a stronger-than-expected start to 2023, aided by reduced energy prices and China's reopening. Global GDP growth is expected to remain subpar in 2023 and 2024, at 3% and 2.7%, respectively, due to the tightening of macroeconomic policies required to control inflation.

The report stated, annual GDP growth in the United States is predicted to fall to 1.3% in 2024, from 2.2% this year, as tighter financial conditions dampen demand pressures. In the eurozone, where demand is already weak, GDP growth is expected to slow to 0.6% in 2023 before rising to 1.1% in 2024 as the negative impact of high inflation on real incomes diminishes. Growth in China is predicted to slow to 5.1% in 2023 and 4.6% in 2024 due to sluggish domestic demand and structural difficulties in property markets.

Governments are facing significant economic challenges as a result of rising debt burdens and increased spending on aging populations, climate transition, and defense. To improve growth prospects, structural policy efforts must be re-energized. Reduced obstacles in labor and product markets, as well as improved skill development, would raise investment, productivity, and labor force participation, as well as make growth more inclusive, said the report.

# Real GDP growth, year-on-year, per cent

	2022	2023		2024	
		Interim EO projections	Difference from June EO	Interim EO projections	Difference from June EO
World	3.3	3.0	0.3	2.7	-0.2
G20 <sup>1</sup>	3.1	3.1	0.3	2.7	-0.2
Australia	3.7	1.8	0.0	1.3	-0.1
Canada	3.4	1.2	-0.2	1.4	0.0
Euro area	3.4	0.6	-0.3	1.1	-0.4
Germany	1.9	-0.2	-0.2	0.9	-0.4
France	2.5	1.0	0.2	1.2	-0.1
Italy	3.8	0.8	-0.4	0.8	-0.2
Spain <sup>2</sup>	5.5	2.3	0.2	1.9	0.0
Japan	1.0	1.8	0.5	1.0	-0.1
Korea	2.6	1.5	0.0	2.1	0.0
Mexico	3.9	3.3	0.7	2.5	0.4
Türkiye	5.5	4.3	0.7	2.6	-1.1
United Kingdom	4.1	0.3	0.0	0.8	-0.2
United States	2.1	2.2	0.6	1.3	0.3
Argentina	5.0	-2.0	-0.4	-1.2	-2.3
Brazil	3.0	3.2	1.5	1.7	0.5
China	3.0	5.1	-0.3	4.6	-0.5
India <sup>3</sup>	7.2	6.3	0.3	6.0	-1.0
Indonesia	5.3	4.9	0.2	5.2	0.1
Russia	-2.0	0.8	2.3	0.9	1.3
Saudi Arabia	8.8	1.9	-1.0	3.1	-0.5
South Africa	1.9	0.6	0.3	1.1	0.1

Note: Difference from June 2023 Economic Outlook in percentage points, based on rounded figures. World and G20 aggregates use moving nominal GDP weights at purchasing power parities (PPPs). Based on information available up to 15 September 2023.

1. The European Union is a full member of the G20, but the G20 aggregate only includes countries that are also members in their own right.

2. Spain is a permanent invitee to the G20.

3. Fiscal years, starting in April.

Source: Interim Economic Outlook 114 database; and Economic Outlook 113 database.

## Outlook for India

GDP growth is predicted to be 6.3% in FY 2023, and maintained at 6.0% in FY 2024. As per the report the Headline consumer price inflation is declining steadily in India. It will be 5.3% in FY 2023, and maintained at 4.8% in FY 2024. India's growth among the G20 developing market economies have been largely favorable so far this year. There are indications of significant cross-country divergence, with August PMIs in several emerging-market nations, particularly India, showing notable strength. The report also said that policy rates have stayed steady in several large economies, including India.

To read the complete note, Please click the below link:

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Warm Regards,

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