



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



## **UNCTAD estimates India's output growth at 6.6% for 2023 and 6.2% for 2024**

According to the **UNCTAD's Trade and Development Report 2023 "Growth, Debt, and Climate: Realigning the Global Financial Architecture 2023**, the growth of the world economic output is expected to decelerate to 2.4 per cent in 2023, before registering a small uptick to 2.5 per cent in 2024. (table I.1). These are among the lowest growth rates of the last four decades, outside of crisis years. Moreover, the figure for 2023 is below the conventional threshold of 2.5 per cent which marks recession in the global economy.

So far in 2023, four main factors have shaped the global outlook. Each introduces considerable uncertainty into near-term projections:

1. International prices of oil, gas and food have returned to late 2021 levels eliminating a powerful driver of inflation. However, retail prices in many countries remain higher than pre-pandemic averages, putting pressure on household budgets.
2. The United States, comprising a quarter of the world economy, has displayed resilience throughout two years of rising consumer price inflation (April 2020–June 2022), despite a year of blanket disinflation policies (11 interest rate hikes in 18 months) and sporadic financial market disruptions.
3. In China, lifting of the remaining COVID-19-related restrictions has helped sustain the recovery which began in 2022 and which enabled a revamp of industrial production. However, persistent weaknesses in the real estate sector pose challenges, including potential financial stress, reduced job creation, constrained consumer spending and delayed investments.
4. Concern over growth prospects in China risks overshadowing the deteriorating economic health of the European economy. While growth in China has now decreased approximately 30 per cent compared to the pre-COVID-19 average of 2015–2019, growth in Europe has decreased approximately 70 per cent.

**Table I.1 World output growth, 1991–2024**

(Annual percentage change)

Country groups	1991–1999*	2000–2009*	2010–2014*	2015–2019*	2019	2020	2021	2022	2023*	2024*	Revision for 2023*
<b>World</b>	2.9	3.3	3.2	3.0	2.5	-3.2	6.1	3.0	2.4	2.5	+0.3
<b>Africa</b>	2.4	5.5	2.7	3.0	2.6	-2.4	4.5	3.1	2.7	3.0	+0.2
North Africa (incl. South Sudan)	2.7	5.3	-1.9	4.1	2.3	-3.3	4.8	1.9	2.9	3.0	+0.1
South Africa	2.7	4.0	2.5	1.0	0.3	-6.0	4.7	2.0	0.0	1.0	+0.3
Sub-Saharan Africa (excl. South Africa and South Sudan)	2.0	6.4	6.3	2.9	3.4	-0.9	4.2	4.0	3.2	3.4	+0.2
<b>America</b>	3.4	2.5	2.4	1.9	1.7	-3.8	6.0	2.5	2.0	1.8	+0.9
Latin America and the Caribbean	3.2	3.5	3.4	0.1	-0.3	-7.1	6.7	3.9	2.3	1.8	+1.0
Central America (excl. Mexico) and the Caribbean	2.8	4.4	3.6	3.0	2.2	-8.6	8.2	4.8	2.9	2.9	+0.4
Mexico	3.0	1.9	3.2	2.1	-0.2	-8.0	4.7	3.0	3.2	2.1	+1.4
South America	3.4	3.9	3.4	-0.9	-0.7	-6.6	7.2	4.0	1.9	1.6	+0.9
Argentina	4.6	3.8	2.7	-0.3	-2.0	-9.9	10.4	5.0	-2.4	-0.6	-1.9
Brazil	2.9	3.6	3.2	-0.4	1.2	-3.3	5.0	2.9	3.3	2.3	+2.4
North America	3.4	2.3	2.1	2.3	2.3	-3.0	5.9	2.2	1.9	1.8	+0.9
Canada	2.8	2.3	2.6	2.0	1.9	-5.1	5.0	3.4	1.3	1.0	-0.8
United States	3.5	2.3	2.1	2.3	2.3	-2.8	6.0	2.1	2.0	1.9	+1.1
<b>Asia (excl. Cyprus)</b>	4.3	5.6	5.7	4.8	3.7	-0.9	6.5	3.6	3.9	3.9	-0.0
Central Asia	-4.4	8.3	6.8	3.4	3.8	-1.2	5.3	4.5	4.5	3.8	+0.1
East Asia	4.4	5.6	5.8	4.8	4.0	0.4	6.7	2.4	3.8	3.8	-0.1
China	11.0	10.6	8.6	6.8	6.0	2.2	8.4	3.0	4.6	4.8	-0.2
Japan	1.2	0.9	1.4	0.9	-0.4	-4.3	2.2	1.0	2.3	0.9	+0.7
Republic of Korea	6.8	4.9	3.6	2.9	2.2	-0.7	4.2	2.6	0.9	2.1	-1.0
South Asia	4.7	6.3	5.4	6.0	3.7	-3.8	7.7	5.8	5.2	5.2	+0.1
India	5.9	7.2	6.6	7.0	4.6	-6.0	8.9	6.7	6.6	6.2	+0.6
South-East Asia	5.3	5.4	5.6	5.0	4.3	-3.9	4.0	5.4	3.9	4.2	-0.1
Indonesia	4.8	5.2	5.8	5.1	5.0	-2.1	3.7	5.2	4.2	4.1	-0.4
Western Asia (excl. Cyprus)	4.1	5.0	5.5	2.9	1.4	-3.2	6.3	6.6	3.3	2.7	+0.2
Saudi Arabia	1.7	4.0	5.8	1.9	0.8	-4.3	3.9	8.7	2.5	2.9	-1.0
Türkiye	3.9	5.0	7.6	4.3	0.8	1.9	11.4	5.6	3.7	1.9	+1.1
<b>Europe (incl. Cyprus)</b>	1.3	2.2	1.2	2.1	1.8	-6.0	5.8	2.9	0.6	1.2	+0.1
European Union (27 Members)	1.9	1.8	0.8	2.2	1.8	-5.7	5.6	3.4	0.4	1.2	-0.3
Euro area	1.9	1.6	0.6	2.0	1.6	-6.1	5.4	3.4	0.4	1.2	-0.3
France	1.8	1.6	1.1	1.7	1.8	-7.8	6.8	2.5	0.9	1.2	-0.1
Germany	1.6	1.0	2.0	1.8	1.1	-3.7	2.6	1.8	-0.6	1.1	-0.6
Italy	1.5	0.7	-0.8	1.1	0.5	-9.0	7.0	3.7	0.6	0.8	-0.1
Russian Federation	-5.9	6.2	3.1	1.2	2.2	-2.7	5.6	-2.1	2.2	1.9	+3.6
United Kingdom	2.3	2.0	1.8	2.1	1.6	-11.0	7.6	4.1	0.4	0.4	+0.4
<b>Oceania</b>	3.7	3.2	2.8	2.7	2.1	-1.8	5.1	3.5	1.8	1.5	-0.1
Australia	3.7	3.3	2.8	2.5	1.9	-1.8	5.2	3.7	1.9	1.5	+0.0
<b>Memorandum items:</b>											
Developed countries	2.3	2.2	1.7	2.1	1.8	-4.2	5.4	2.4	1.4	1.5	+0.4
Developing countries	4.9	6.4	5.8	4.4	3.6	-1.6	7.1	3.9	3.9	4.0	+0.1

**Source:** UNCTAD calculations, based on United Nations Global Policy Model; United Nations, Department of Economic and Social Affairs, National Accounts Main Aggregates database, and World Economic Situation and Prospects (WESP); Update as of Jun-2023; ECLAC, 2023; Organisation for Economic Co-operation and Development (OECD), 2023; International Monetary Fund (IMF), World Economic Outlook, spring 2023; Economist Intelligence Unit, EIU CountryData database; JP Morgan, Global Data Watch; and national sources.

**Note:** The composition of the five geographical regions follows the M49 standard of the United Nations Statistics Division. The distinction between developed and developing countries is based on the updated M49 classification of May 2022. Calculations for country aggregates are based on GDP at constant 2015 dollars.

- \* Average.
- \* Forecasts.

## Outlook for India

In India, the external sector – alongside the private and government sector – has contributed to domestic growth, partly helped by many countries redirecting trade flows away from the Russian Federation, with which India maintains a direct relationship. Growth in 2022 moved back in line with pre-pandemic rates and is expected to continue into next year. However, other indicators still suggest caution: with rates of unemployment still standing at 8.5 per cent in June 2023, employment remains disappointingly low by historical standards. Inequality has also significantly increased – as suggested by data on real wages and the labour share – which could hinder growth.

**Table I.2 Developing countries have been generating critical global demand**

Growth of demand stance of institutional sectors, G20 countries, 2022

(Annual percentage change)

	GNI	Private	Government	External
<b>Developed countries</b>				
Australia	3.6	2.8	0.7	0.0
Canada	3.2	0.0	0.8	2.4
France	2.2	0.8	-0.3	1.7
Germany	2.1	0.0	0.0	2.1
Italy	3.3	0.7	-0.4	3.0
Japan	2.1	-0.4	-1.8	4.3
Republic of Korea	2.7	-0.4	0.6	2.5
Russian Federation	-1.8	-0.2	2.4	-4.0
United Kingdom	3.8	2.2	-1.6	3.2
United States	2.0	0.8	0.1	1.1
<b>Developing countries</b>				
Argentina	5.3	1.9	2.5	1.0
Brazil	2.9	0.1	0.6	2.2
China	3.3	1.3	2.0	0.0
India	6.7	3.5	1.7	1.5
Indonesia	4.7	-1.3	0.4	5.6
Mexico	2.7	0.3	-0.1	2.5
Saudi Arabia	8.2	-1.8	1.8	8.2
South Africa	2.2	2.6	1.9	-2.3
Türkiye	6.1	5.3	0.8	0.0

Source: UNCTAD calculations based on the United Nations Global Policy Model and database.

Note: GNI: gross national income.

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

<https://unctad.org/publication/trade-and-development-report-2023>

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