

# KERATAN AKHBAR

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## World Bank expects global economic growth to slow to 2.1 pc

**LATEST 2023 FORECAST**

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**WASHINGTON:** High interest rates and the Russia-Ukraine war continue to significantly slow global economic growth, said the World Bank, according to German news agency dpa.

The global economy posted a 3.1 per cent growth last year but this would slow to 2.1 per cent this year, said the World Bank in its latest forecast on Tuesday.

The figure for this year was, however, 0.4 percentage points higher than an estimate released by the bank in January.

But it remained one of the weakest growth rates in the past five decades, said World Bank chief economist Indermit Gill.

"The world economy is in a precarious position," he said.

The global economy should re-

cover slightly and grow 2.4 per cent next year, according to the report.

However, growth could also be lower than expected.

High global inflation was expected to decline gradually as demand eased and commodity prices weakened, said the report.

It could also lead to further tightening of monetary policy.

Widespread bank stress could lead to much weaker growth outcomes.

"It's important to keep in mind that growth forecasts are not destiny," said World Bank president Ajay Banga.

"We have a chance to turn the tide, but it will take us all working together." **Bernama**



*The World Bank headquarters in Washington. World Bank chief economist Indermit Gill (inset) says the global economy is in a precarious position. AFP PIC*