

DOCUMENTATIEBLAD

CONJUNCTUUR: DE ALGEMENE TENDENSEN**Jozef Kortleven****Adviseur-generaal van Financiën*****Abstract of the article “Conjunctuur: de algemene tendensen”***

In its most recent World economic outlook of October 2006, the International Monetary Fund is forecasting above-trend growth for the world economy for this and next year. World GDP would expand by 5,1 per cent in 2006 and 4,9 per cent in 2008. Its outlook is even slightly more optimistic than the previous spring forecast, notwithstanding the fact that the forecasted oil price level would, according to the IMF, be higher than in its previous outlook. The United States and China would remain the two locomotives of world output growth.

It is to be noted however that both the American and the Chinese economy are showing signs of a deceleration and the critical question is how far and how long this will go. The weakness of the most recent indicators point at a critical juncture of the Japanese economy as well.

However, there is also an upside surprise. The eurozone economy is performing up till now much better than anticipated. Third quarter growth came in somewhat weaker than anticipated but this should be attributed to technical factors. The most recent indicators continue to point to ongoing strong cyclical momentum, especially in Germany.

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