

India to be 3rd-largest economy by '30: S&P

PRESS TRUST OF INDIA

New Delhi, 17 October

India is poised to become the third-largest global economy by 2030, but its rising population presents mounting challenges in providing basic services and meeting growing investment needs to maintain productivity, S&P Global Ratings said on Thursday.

Emerging economies have high ambitions for the next decade and beyond, with India aiming to become a \$30 trillion economy by 2047, up from the current \$3.6 trillion. India is currently the fifth-largest economy. "Its 2024 entry into JP Morgan's Government Emerging Market Bond Index could provide additional government funding and unlock significant resources in domestic capital markets. This is only a first step—investors will continue to look for improved market access and settlement procedures," S&P said.

In its report titled Look Forward Emerging Markets: A Decisive Decade, S&P stated that emerging markets will play a crucial role in shaping the global economy over the next decade, averaging 4.06 per cent GDP growth through 2035, compared to 1.59 per cent for advanced economies.

By 2035, emerging markets will contribute about 65 per cent of global economic growth, primarily driven by economies in the Asia-Pacific region, including China, India, Vietnam, and the Philippines.

"By 2035, India will be cemented as the

Expanding economy, population to fuel carbon product demand: Moody's

Moody's Ratings stated on Thursday that while India has made rapid progress in building its renewable energy capacity, its fast-growing economy and expanding population will drive up demand for carbon-intensive products. Moody's expects India to remain one of the fastest-growing economies in the world, with real GDP projected to grow by 7.2 per cent in 2024 and 6.6 per cent in 2025. The country is likely to sustain similarly high growth rates over the next decade. "Rising household incomes will bolster demand for energy-intensive products such as automobiles," Moody's Ratings noted. **PTI**

world's third-largest economy, with Indonesia and Brazil ranking eighth and ninth, respectively," S&P said. India has taken measures to improve its weak fiscal flexibility by boosting capital expenditure, further supporting long-term growth. However, the challenges posed by its growing population are significant, with the country expected to have the world's largest population by 2035. This presents mounting challenges in basic service coverage and increasing investment needs to maintain productivity, S&P noted.

