

Global growth to slow next yr: OECD

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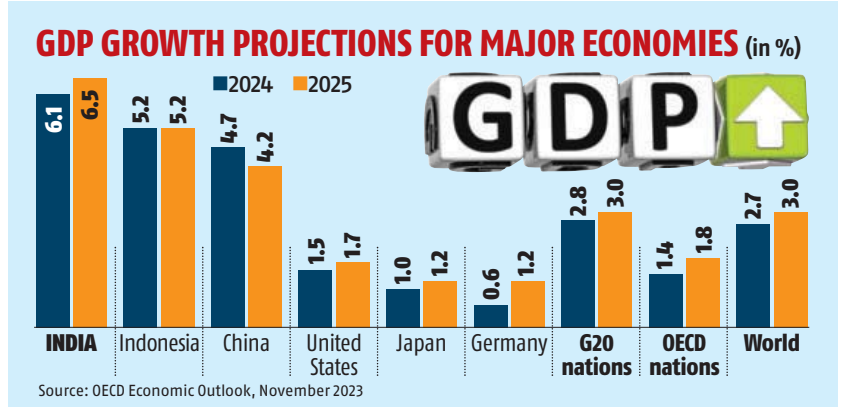
Paris, 29 November

The global economy will slow slightly next year but the risk of a hard landing has subsided despite high levels of debt and uncertainty over interest rates, the Organisation for Economic Cooperation and Development (OECD) said on Wednesday.

Global growth is set to moderate from 2.9 per cent this year to 2.7 per cent in 2024 before picking up in 2025 to 3.0 per cent, the Paris-based policy forum said in its latest Economic Outlook.

Growth in advanced economies that make up the OECD's 38 members was seen headed for a soft landing, with the United States holding up better than expected so far. "Our central projections are for a soft landing, but that cannot be taken for granted," OECD chief economist Clare Lombardelli told a news conference.

Monetary policy needs careful calibration to bring inflation to targets while mini-



misising the impact on growth.

These judgements are now harder than earlier in the cycle and the risks of policy errors are greater, she added.

The OECD forecast US growth would slow from 2.4 per cent this year to 1.5 per cent next year, revising up its estimates from

September when it predicted U.S. growth of 2.2 per cent in 2023 and 1.3 per cent in 2024.

Though the risk of a hard landing in the United States and elsewhere had eased, the OECD said that the risk of recession was not off the table given weak housing markets, high oil prices and sluggish lending.