World Economic Outlook, 2025

Prelims– *Economic and Social Development*

Mains (GS - III) – *Indian Economy and issues relating to planning, mobilization, of resources, growth, development and employment.*

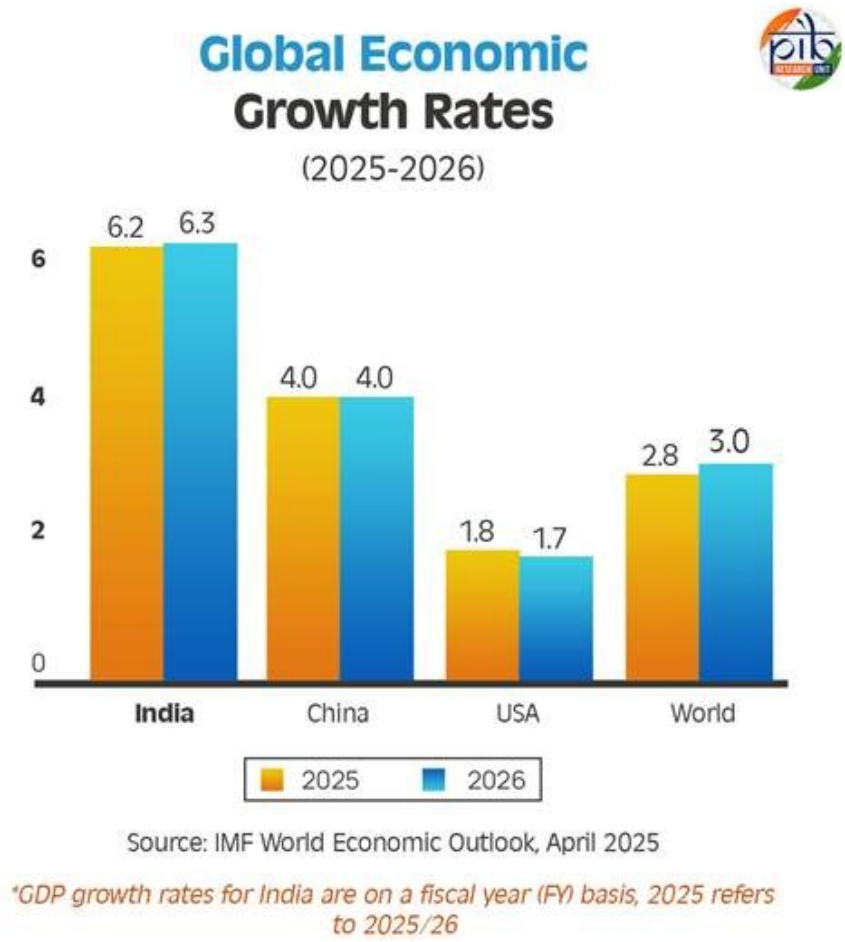
Why in News?

India is poised to lead the global economy once again, with the World Economic Outlook projecting it to remain the fastest growing major economy over the next two years.

- **Released by -** International Monetary Fund (IMF).
- **Duration -** Published twice a year.
- It provides projections for the near and medium term, covering advanced, emerging, and developing economies.
- The report supports the IMF's economic surveillance and guides discussions on policy among member countries.

Recent Findings of the Report

- **Global Findings -** IMF projects global economic growth to be much lower, at 2.8% in 2025 and 3.0% in 2026.
- China's GDP growth forecast for 2025 has been downgraded to 4.0%, down from 4.6% in the January 2025 edition of the World Economic Outlook.
- Similarly, the United States is expected to see a slowdown, with its growth revised downward by 90 basis points to 1.8%.
- Despite these revisions, India's robust growth trajectory continues to set it apart on the global stage.



- **Findings For India -** The growth outlook is relatively more stable. The IMF projects steady expansion for the Indian economy, supported by firm private consumption, particularly in rural areas.
- In a global environment marked by uncertainty and subdued growth, India's resilience stands out, reinforcing its role as a key driver of global economic activity.
- India's economy is expected to grow by 6.2% in 2025 and 6.3% in 2026, maintaining a solid lead over global and regional peers.
- India is projected to remain the fastest-growing large economy for 2025 and 2026, reaffirming its dominance in the global economic landscape.

Reference

PIB | India: Fastest-Growing Major Economy

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