

IMF lowers global growth forecast to 3.3 pct in 2013

WASHINGTON, April 16 (Xinhua) -- The Washington-based International Monetary Fund (IMF) on Tuesday lowered its global economic growth rate forecast to 3.3 percent in 2013, 0.2 percentage point lower than its earlier estimate in January. The global economy is forecast to expand 4.0 percent in 2014, the same as its earlier prediction, noted the IMF's latest World Economic Outlook (WEO) report. "Global economic prospects have improved again but the road to recovery in the advanced economies will remain bumpy," the global lender said before the upcoming Spring Meetings of the IMF and the World Bank scheduled to kick off on April 19. Advanced economies will grow by 1.2 percent this year and 2.2 percent next year respectively, 0.1 percent lower and 0.1 percent higher than its earlier estimates respectively, said the IMF. Emerging market and developing economies will grow 5.3 percent this year and 5.7 percent next year respectively, 0.2 percent lower and 0.1 percent lower than its earlier forecasts respectively. Advanced economy policymakers have successfully defused two of the biggest threats to the global recovery, a breakup of the euro area and a sharp fiscal contraction in the United States caused by a plunge off the "fiscal cliff," said the report. The IMF predicted that the U.S. economy would expand 1.9 percent this year before firming to a 3.0-percent growth next year. The Chinese economy was expected to grow 8.0 percent in 2013 and 8.2 percent in 2014, respectively. The eurozone economy was predicted to contract 0.3 percent this year before picking up steam to grow 1.1 percent in 2014. However, "old dangers remain and new risks have come to the fore." In the short term, risks mainly relate to developments in the eurozone, including uncertainty about the fallout from events in Cyprus and politics in Italy as well as vulnerabilities in the peripheral eurozone nations, cautioned the IMF.