

Table 1.1 The global outlook in summary*Percentage change from previous year, except interest rates and oil prices*

	2002	2003	2004e	Forecast	
				2005	2006
<i>Global Conditions</i>					
World Trade Volume	3.7	5.5	10.2	8.4	7.8
Consumer Prices					
G-7 Countries ^{a,b}	1.0	1.6	1.7	1.4	1.2
United States	1.6	2.3	2.7	2.2	1.7
Commodity Prices (USD terms)					
Non-oil commodities	5.3	10.2	17.0	-3.1	-4.2
Oil Price (World Bank average) ^c	24.9	28.9	39.0	36.0	32.0
Oil price (percent change)	2.4	15.9	35.0	-7.7	-11.1
Manufactures unit export value ^d	-1.3	7.4	5.2	-0.8	-0.3
Interest Rates					
\$, 6-month (percent)	1.8	1.2	1.6	3.5	4.7
€, 6-month (percent)	3.3	2.3	2.1	2.4	3.6
<i>Real GDP growth^e</i>					
World	1.7	2.7	4.0	3.2	3.2
Memo item: World (PPP weights) ^f	2.9	3.9	4.9	4.2	4.1
High income	1.3	2.1	3.5	2.7	2.7
OECD Countries ^g	1.3	2.0	3.5	2.6	2.6
Euro Area	0.9	0.5	1.8	2.1	2.3
Japan	-0.3	2.5	4.3	1.8	1.6
United States	1.9	3.0	4.3	3.2	3.3
Non-OECD countries	2.2	3.1	5.9	4.6	4.4
Developing countries	3.4	5.2	6.1	5.4	5.1
East Asia and Pacific	6.7	7.9	7.8	7.1	6.6
Europe and Central Asia	4.6	5.9	7.0	5.6	5.0
Latin America and the Caribbean	-0.6	1.6	4.7	3.7	3.7
Middle East and North Africa	3.2	5.7	4.7	4.7	4.5
South Asia	4.6	7.5	6.0	6.3	6.0
Sub-Saharan Africa	3.1	3.0	3.2	3.6	3.7
<i>Memorandum items</i>					
Developing countries					
excluding transition countries	3.2	5.1	5.9	5.4	5.1
excluding China and India	2.1	3.8	5.4	4.6	4.3

Note: PPP = purchasing power parity; e = estimate.

a. Canada, France, Germany, Italy, Japan, the United Kingdom, and the United States.

b. In local currency, aggregated using 1995 GDP weights.

c. The World Bank average is the unweighted mean of one barrel of West Texas Intermediate, Brent, and Dubai oil.

d. Unit value index of manufactured exports from major economies, expressed in U.S. dollars.

e. GDP in constant dollars at 1995 prices and market exchange rates.

f. GDP measured at 1995 PPP weights.

g. Now excludes the Republic of Korea, which has been reclassified as high-income OECD.

Source: World Bank.

countries to achieve rapid and sustained per capita growth at a level of 3.5 percent per annum between 2006 and 2015—double the growth rate of the 1990s. Such growth would enable many developing countries to halve the incidence of extreme poverty by 2015, which is a key development goal. However, even if the higher growth of recent periods were sustained, some regions, notably Sub-Saharan

Africa, will fail to reduce poverty to this degree. In Sub-Saharan Africa, per capita growth has been slow, and progress to reduce poverty has been minimal. It would take implausibly high growth rates during the next 10 years to achieve the poverty target along with substantial enhancements to pro-poor policies and significantly more assistance. Finally, even if many regions are expected to