SOUTH ASIA

Growth in South Asia (SAR) is projected to moderate to 6.2 percent in 2026 before picking up to 6.5 percent in 2027. In the region excluding India, growth is expected to accelerate to 5 percent in 2026 and 5.6 percent in 2027, primarily on account of a projected recovery in Bangladesh. However, the pace of job creation in the region will likely remain subdued. Risks to the outlook are tilted to the downside and include further increases in trade restrictions and global trade policy uncertainty, a tightening of financial conditions amid banking sector vulnerabilities, increased social unrest, and extreme weather events. Upside risks include possible progress in bilateral trade negotiations; faster technology-led investment growth, particularly in India; and potential benefits from more resilient political environments after elections in several economies.

Recent developments

Growth in South Asia (SAR) is estimated to have strengthened to 7.1 percent in 2025, mainly because of resilient activity in India, which helped offset the effects of rising trade tensions and heightened policy uncertainty. In India, growth is estimated to increase to 7.2 percent in fiscal year (FY) 2025/26 (April 2025 to March 2026), as domestic demand has remained robust, reflecting strong private consumption, supported by earlier tax reforms and improvements in real household earnings in rural areas. Alongside resilient services exports, merchandise exports rose in November, despite increases in U.S. import tariffs on many Indian goods (refer to figure 2.5.1.A). This partly reflects buoyant demand from the United States and other trading partners, supported by efforts to diversify export markets to increase resilience.

Growth in SAR excluding India is estimated to have stabilized in 2025 at 4.2 percent. In Bangladesh—which accounts for more than three-quarters of GDP in the region when India is excluded—the recovery from earlier political turmoil continued in the second half of FY2024/25 (July 2024 to June 2025), though it lost some momentum, due in part to sluggish investment.

In contrast, activity in several other economies has been solid (refer to figure 2.5.1.B). In Maldives, the performance of the tourism sector has remained resilient. The commissioning of a new hydropower plant and the construction of new power plants have supported growth in Bhutan. However, in Nepal, political instability and economic policy uncertainty have been heightened following recent unrest and the subsequent formation of an interim government in September.

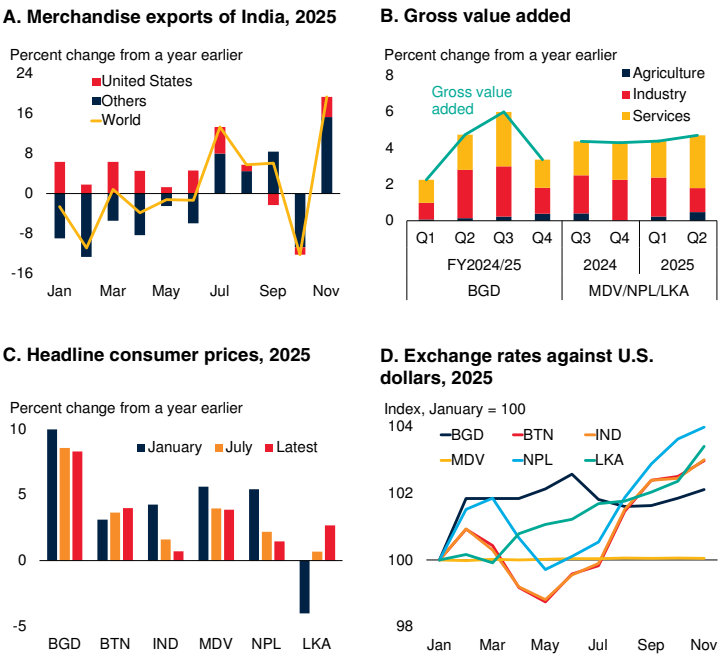
Headline inflation has declined in most economies (refer to figure 2.5.1.C). Policy rates have since been lowered in several economies, including India and Sri Lanka. However, in Bangladesh, inflation has remained above the target, and monetary policy has been tight. Inflation in Maldives has stayed high, particularly food price inflation, reflecting the impact of foreign exchange pressures.

Despite easier global financial conditions, the growth in credit to the private sector has been restrained in several economies in the region, either by policies designed to contain financial risks or on account of weakened demand. Credit growth has continued to be moderated in India by macroprudential policies aimed at containing banking sector risks, despite increases in financing from non-bank sources. In Bangladesh, demand for credit has been reduced amid subdued business

Note: This section was prepared by Naotaka Sugawara. As a result of the World Bank's regional reclassification effective July 1, 2025, Afghanistan and Pakistan are no longer included in the South Asia region.

FIGURE 2.5.1 SAR: Recent developments

Merchandise exports in India increased in November, despite a rise in U.S. import tariffs, partly reflecting resilient demand from the United States and other trade partners. In Bangladesh, the continued recovery from earlier political turmoil has lost some momentum, whereas activity in several other economies has remained firm. Inflation in most economies in SAR has moderated. In India, currency pressures have led to a depreciation of the rupee since May, whereas in Bangladesh the adoption of a more flexible currency regime has contributed to the stabilization of the exchange rate.



Sources: Haver Analytics; World Bank.

Note: BGD = Bangladesh; BTN = Bhutan; IND = India; LKA = Sri Lanka; MDV = Maldives; NPL = Nepal; SAR = South Asia.

A. Percent change in non-seasonally adjusted merchandise export values, measured in U.S. dollars, from a year earlier, with contributions of respective export destinations, expressed in percentage points. Last observation is November 2025.

B. Percent change in real gross value added from a year earlier, with sectoral contributions of the change, expressed in percentage points. The aggregate is computed as weighted averages, using gross value added at 2019 prices and market exchange rates as weights.

C. Percent changes in the headline consumer price index from a year earlier. Data for the latest month, as shown in red bars, refer to November for Bangladesh and India, and October for Bhutan, Maldives, Nepal, and Sri Lanka.

D. Nominal exchange rates with respect to the U.S. dollar, presented with a value in January 2025 equal to 100. An increase (decrease) in values reflects depreciation (appreciation) of local currency. Last observation is November 2025.

activity and heightened borrowing costs. Credit growth has also decelerated in Maldives, especially in fishing, construction, transport, and communications sectors. In contrast, in Sri Lanka, recovering domestic demand contributed to an expansion of credit.

External positions have strengthened in most economies in the region. Solid inflows of remittances and international tourists have contributed to improved current account balances and increased foreign exchange reserves. In contrast, India's currency has depreciated since May in the face of capital outflows amid higher U.S. tariffs and heightened trade-related uncertainty (refer to figure 2.5.1.D). In Bangladesh, the exchange rate has stabilized since mid-2025, partly reflecting the adoption of a more flexible currency regime in May.

Outlook

Growth in SAR is expected to slow to 6.2 percent in 2026, mainly reflecting the impact of increased U.S. import tariffs on India's export growth (refer to figure 2.5.2.A; refer to table 2.5.1). The forecast for this year has been downgraded by 0.2 percentage point compared with June projections. The revision reflects higher U.S. import tariffs than previously assumed and updated assumptions about the timing of the tariff effects—from 2025 to early- to mid-2026—and of subsequent recovery. Growth in the region is then set to increase to 6.5 percent in 2027, with firming domestic demand and recovering exports partly supported by strong services activity, as the effects of political uncertainty in several economies dissipate.

Growth in India is projected to slow to 6.5 percent in FY2026/27. This assumes that the 50-percent import tariffs by the United States remain in place throughout the forecast horizon. Even so, India is expected to maintain the fastest growth rate among the world's largest economies (refer to table 2.5.2). Despite higher tariffs on certain exports to the United States—which accounts for about 12 percent of India's merchandise exports—the growth forecast has remained unchanged relative to June projections, primarily because adverse impacts of higher tariffs will be offset by stronger momentum in domestic demand and more resilient exports than previously anticipated. Growth is set to inch up to 6.6 percent in FY2027/28, underpinned by robust services activity, as well as a recovery in exports and a pickup in investment.

Excluding India, growth in the region is forecast to strengthen to 5 percent in 2026 and 5.6 percent in 2027. Compared with June projections, growth is 0.3 percentage point higher for 2027, primarily reflecting an upward revision for Bangladesh. In

Bangladesh, growth is expected to increase to 4.6 percent in FY2025/26 and 6.1 percent in the following fiscal year, with private consumption strengthening alongside easing inflationary pressures. Reduced political uncertainty related to the general election in early 2026 and the expected implementation of structural reforms by a new government are projected to support stronger industrial activity in FY2026/27 (World Bank 2025r). These factors are also anticipated to lead to faster public spending and investment growth than previously projected.

Excluding Bangladesh and India, regional growth is expected to slow further in 2026, to 3.6 percent, and remain at that pace in 2027. Growth in Sri Lanka is expected to decelerate to 3.5 percent in 2026 and 3.1 percent in 2027, reflecting structural impediments to growth, including factor and product market inefficiencies, the scarring effects of the economic crisis, and global economic uncertainty hurting demand for exports.[1]

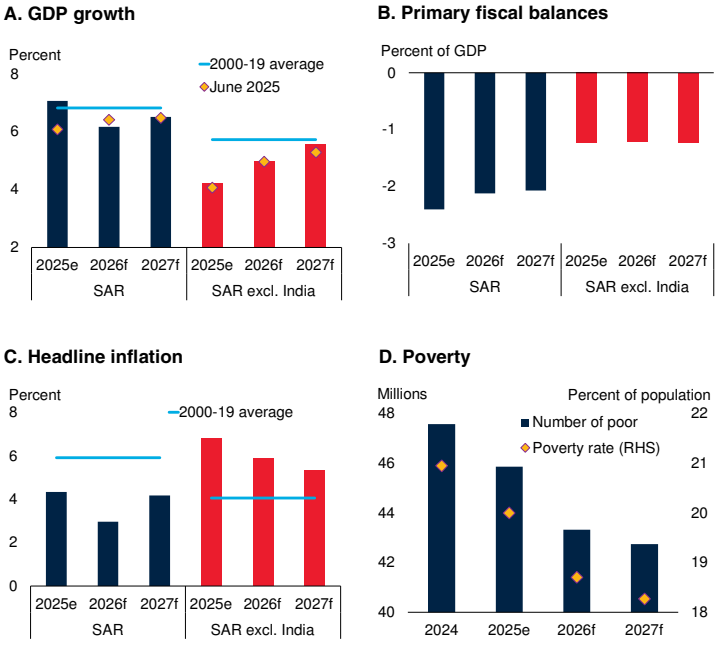
In Nepal, growth is projected to weaken in FY2025/26 (mid-July 2025 to mid-July 2026) to 2.1 percent, amid heightened political instability and policy uncertainty. The outlook is 3.1 percentage points below June projections, with expected sharp declines in tourist arrivals and services activity. In addition, subdued investor sentiment and heightened uncertainty are expected to lead to a slowdown in industrial output. Growth is then forecast to recover in FY2026/27, mainly reflecting progress in reconstruction and a rebound in the services sector, but the forecast is subject to heightened uncertainty (World Bank 2025s).

Growth in Bhutan will continue benefiting from the commissioning and construction of hydropower plants, strengthening to 7.3 percent in FY2025/26 (July 2025 to June 2026). Growth is projected to remain robust in FY2026/27, primarily because of strong electricity production and increased construction activity. Growth in Maldives is also expected to remain solid, averaging 4 percent a year in 2026–27, supported by increased tourist arrivals facilitated by the full opening of a new international airport terminal.

Fiscal policy is anticipated to vary across the region. Fiscal consolidation is set to continue in India over the forecast horizon, with the effects of tax cuts outweighed by a decline in current spending, resulting in a gradual reduction in the public debt-to-GDP ratio. Elsewhere in the region, primary deficits are forecast to be steady (refer to figure 2.5.2.B). In Bangladesh, an expected reform-driven increase in revenue collection is projected to offset a rise in expenditure following the formation of a new government. Strong revenue performance in Sri Lanka is

FIGURE 2.5.2 SAR: Outlook

Growth in SAR is expected to slow to 6.2 percent in 2026, mainly reflecting the impact of increased tariffs on India, and then recover to 6.5 percent in 2027, partly supported by strong growth in services activity as political uncertainty eases in several economies. Fiscal consolidation in India is forecast to continue, whereas primary deficits are set to be steady, on average, in the rest of the region. Inflation is projected to remain moderate over the forecast horizon. Steady per capita income growth, aided by solid remittance inflows, is expected to help reduce poverty.



Source: World Bank.
Note: e = estimate; f = forecast. SAR = South Asia.
A. Aggregates are calculated as weighted averages, using GDP at average 2010–19 prices and market exchange rates as weights. Diamonds for June 2025 refer to the rates computed with data in the June 2025 edition of the *Global Economic Prospects* report.
B. Aggregates are calculated as weighted averages, using nominal GDP in U.S. dollars as weights.
C. Aggregates are calculated as weighted geometric averages, using nominal GDP in U.S. dollars as weights.
D. Poverty is defined using the lower-middle-income poverty threshold of 4.20 international dollars per day in 2021 purchasing power parity. Sample includes Bangladesh, Bhutan, Nepal, and Sri Lanka.

[1] In the growth projections, the impacts of Cyclone Ditwah in late 2025 have yet to be taken into account, given an ongoing assessment of its damage to the economy.

forecast to lead to reductions in fiscal deficits and public debt (World Bank 2025t). In contrast, Bhutan's fiscal deficit is anticipated to widen, reflecting the implementation of infrastructure projects despite expected tax reforms.

Current account deficits in the region are projected to remain moderate. In India, surpluses in services trade are expected to partly offset merchandise trade deficits. Elsewhere in the region, trade deficits are generally anticipated to widen in 2026–27, with some current account balances turning to deficit, reflecting strong growth in domestic investment. Current account deficits are projected to widen in Bhutan and Maldives, mainly because of increases in imports for investment. In Maldives, high external financing needs, including debt service requirements, are anticipated to sustain pressure on the balance of payments and official reserves. In contrast, Nepal and Sri Lanka are forecast to run current account surpluses, primarily reflecting lower global oil prices and resilient remittance inflows, particularly from member countries of the Gulf Cooperation Council, where activity is anticipated to remain robust.

Inflation in India is expected to converge to the target set by the central bank in FY2026/27, assuming stable seasonal conditions contain food price inflation. Excluding India, inflation in the region is set to decline over the forecast horizon (refer to figure 2.5.2.C). Inflation in Nepal is forecast to remain below the central bank's ceiling, given projections of weak global commodity prices and moderate inflation in India. Inflationary pressures are anticipated to soften in Bangladesh, leading to monetary policy easing, whereas rising demand and tight supplies of food are likely to contribute to price pressures in Maldives (World Bank 2025u).

Poverty is expected to decline in the region over the forecast horizon, supported by steady per capita income growth amid slowing population growth, moderate inflationary pressures, and solid remittance inflows (refer to figure 2.5.2.D). However, job creation, particularly in the non-agricultural sector, is anticipated to remain subdued in the region, likely insufficient for the youth who are expected to reach working age over the forecast horizon. In several economies, including Bhutan and Sri Lanka, emigration pressures are projected to remain heightened, especially among the young and highly skilled population.

Risks

Risks to the regional outlook are tilted to the downside. Further increases in trade restrictions or trade policy uncertainty could lower external demand relative to the baseline. Tighter-than-expected financial conditions amid heightened financial vulnerabilities, elevated violence and social unrest, or more frequent or intense disasters due to natural hazards could also reduce regional growth. However, there are multiple upside risks. Growth could exceed the baseline forecast if bilateral tariffs are, even partially, reversed in several economies in the region. Another upside risk is that new technologies could generate faster productivity and employment growth than assumed, particularly in India. In addition, the stabilization of the political environment in some economies could lead to growth-enhancing structural reforms.

A further rise in tariffs or other trade restrictions, or heightened uncertainty about global trade policies, could dampen export demand and economic activity in the region. Although openness to global trade is relatively limited in the region's economies, the risk is higher in those with larger exposure to the United States, including Bangladesh and Sri Lanka, than in other regional economies. Increases in tariffs, including through the removal of exemptions relating, for example, to electronics, or extensions to services, could directly weaken growth.

Tighter financial conditions in the region, resulting, for example, from a sudden shift in risk appetite, could weigh on private investment and raise public debt service burdens. It could also reduce access to foreign borrowing and trigger capital outflows from the region, particularly from frontier market economies with elevated debt levels and large external financing needs, including Maldives (refer to figure 2.5.3.A; refer to chapter 4, forthcoming).

Further increases in banking sector vulnerabilities could reduce the availability of credit to the private sector. In economies with weakened commercial bank balance sheets, further shocks to their financial systems could trigger financial disruptions. In Bhutan, the materialization of contingent liabilities associated with hydropower projects could disrupt the financial market and worsen the fiscal position (World Bank 2025v).

Increased violence and social unrest, as well as a surge in political instability—for example, surrounding elections—could disrupt economic activity and worsen investor confidence, reducing investment and capital inflows. This is more likely to occur in economies with weaker socioeconomic conditions, including in the provision of education and the promotion of employment (refer to figure 2.5.3.B).

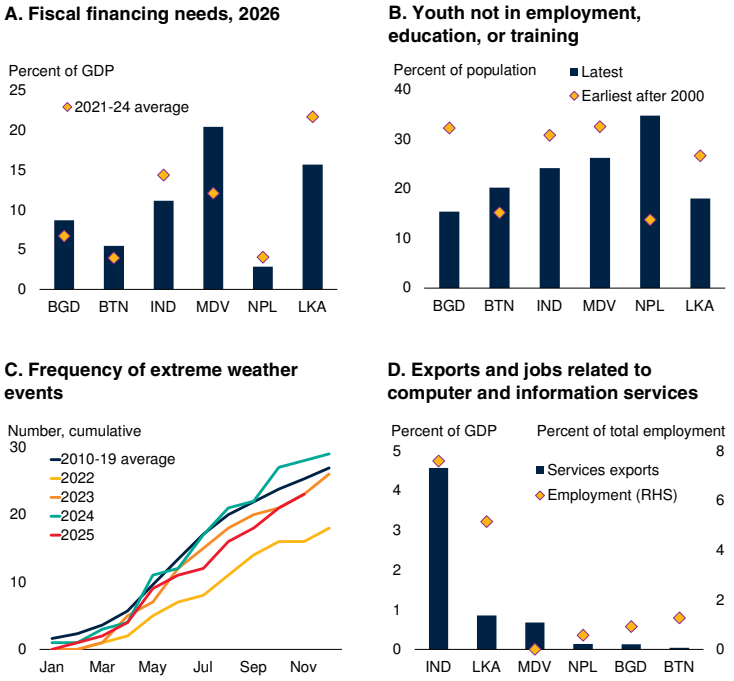
More frequent or severe extreme weather events could result in substantial humanitarian and economic losses. The region is exposed to weather-related risks and has experienced a number of such events in recent years (refer to figure 2.5.3.C; Damania et al. 2025). Extreme weather events could also reduce food production, which could increase food inflation and households' living expenses.

In contrast, an upside risk to the outlook is the possible resolution of trade disputes, including a partial reversal of U.S. tariffs, in several economies, including India. Progress on bilateral negotiations to lower trade barriers and restrictions could lead to faster export growth and attract more foreign capital than assumed in the baseline. Business and consumer confidence could also be boosted, which would support stronger-than-expected increases in investment and consumption.

Another upside risk is that further investment in new technologies, including artificial intelligence, could enhance productivity at a faster pace than expected, especially in economies better prepared to adopt them, such as India (refer to figure 2.5.3.D). It could also raise potential growth and strengthen the economy's resilience to external shocks. However, the materialization of the benefits will likely require the implementation of reskilling initiatives (World Bank 2025w). It also hinges on the development of physical and human capital in neighboring economies. Investment to advance technological capacity and support digital transformation could help absorb skilled workers domestically.

FIGURE 2.5.3 SAR: Risks

Economies in SAR with large government financing needs, alongside elevated debt, are more prone to adverse shifts in global financial conditions. The share of youth not in employment, education, or training has risen in some countries, which could be a flashpoint for increased social unrest. Economic activity in the region could be disrupted by more frequent or severe weather events. Further investment in new technologies could lead to faster-than-expected productivity growth in economies that are better prepared to adopt such technologies.



Sources: EM-DAT (database); International Labour Organization; International Monetary Fund; Kose et al. (2022); World Bank.

Note: BGD = Bangladesh; BTN = Bhutan; IND = India; LKA = Sri Lanka; MDV = Maldives; NPL = Nepal; SAR = South Asia.

A. A fiscal financing need is defined as the sum of the fiscal deficit and short-term central government debt. For Maldives and Sri Lanka, data refer to the 2026 projections, and for Bangladesh, Bhutan, India, and Nepal, the forecasts for FY2025/26 are presented. For the four economies where data are reported on a fiscal year basis, diamonds show averages of FY2020/21 to FY2023/24.

B. Percent of the youth, defined as the population aged 15–24, who are not in employment, education, or training, which is computed by the International Labour Organization with survey data from national sources. The latest year refers to: 2024 for Bangladesh, Bhutan, and India; 2022 for Sri Lanka; 2019 for Maldives; and 2017 for Nepal. The earliest year after 2000 refers to: 2006 for Bangladesh; 2008 for Nepal; 2009 for Maldives; 2010 for Sri Lanka; and 2018 for Bhutan and India.

C. Cumulative number of extreme weather events, including droughts, extreme temperatures, floods, storms, wildfires, and landslides. Last observation for 2025 is November. Sample includes six countries.

D. Bars show exports of computer and information services, as a percent of GDP. For Maldives, telecommunications are also included. Data are for 2024 in all countries except in Bhutan, where data refer to FY2023/24. Diamonds show the percent of employment in computer programming, consultancy and related activities, and information service activities—defined as codes 62 and 63 in the fourth revision of the International Standard Industrial Classification of All Economic Activities—among workers with advanced education. Data are computed by the International Labour Organization with survey data from national sources for the latest year: 2024 for Bangladesh, Bhutan, and India; 2022 for Sri Lanka; 2019 for Maldives; and 2017 for Nepal.

Finally, political transitions following the scheduled elections in Bangladesh and Nepal in early 2026 could improve economic stability, with better predictability in growth-enhancing reform efforts. If these transitions are accompanied by stronger macroeconomic management and a greater commitment to structural reforms, investor confidence and economic activity could be materially boosted.

TABLE 2.5.1 South Asia forecast summary

(Real GDP growth at market prices in percent, unless indicated otherwise)

						Percentage-point differences from June 2025 projections		
	2023	2024	2025e	2026f	2027f	2025e	2026f	2027f
EMDE South Asia, GDP[1]	**8.0**	**6.3**	**7.1**	**6.2**	**6.5**	**1.0**	**-0.2**	**0.0**
GDP per capita (U.S. dollars)	7.1	5.4	6.1	5.2	5.6	1.0	-0.3	0.0
(Average including countries that report expenditure components in national accounts)[2]								
EMDE South Asia, GDP[2]	8.0	6.4	7.1	6.2	6.5	1.0	-0.2	0.0
PPP GDP	8.1	6.4	7.1	6.2	6.5	1.0	-0.2	0.0
Private consumption	5.4	6.5	7.1	7.1	7.0	0.3	0.4	0.2
Public consumption	6.9	4.0	4.1	5.3	7.4	-0.7	-0.1	1.9
Fixed investment	7.5	6.9	6.5	6.6	6.8	0.3	0.0	0.1
Exports, GNFS	3.1	4.6	5.8	4.7	5.4	-0.5	-1.5	-1.5
Imports, GNFS	7.4	0.8	6.5	7.6	7.5	1.1	0.1	0.0
Net exports, contribution to growth	-1.4	0.8	-0.5	-1.0	-0.9	-0.4	-0.4	-0.4
Memo items: GDP								
	2023/24	2024/25	2025/26e	2026/27f	2027/28f	2025/26e	2026/27f	2027/28f
India[3]	9.2	6.5	7.2	6.5	6.6	0.9	0.0	-0.1
	2023	2024	2025e	2026f	2027f	2025e	2026f	2027f
South Asia excluding India	3.7	4.2	4.2	5.0	5.6	0.1	0.0	0.3
Excluding Bangladesh	-0.5	4.7	4.3	3.6	3.6	0.2	-0.3	-0.2

Source: World Bank.
Note: e = estimate; f = forecast. EMDE = emerging market and developing economy; GNFS = goods and non-factor services; PPP = purchasing power parity. World Bank forecasts are frequently updated based on new information and changing global circumstances. Consequently, projections presented here may differ from those in other World Bank documents, even if basic assessments of countries' prospects do not differ at any given moment in time.
1. GDP and expenditure components are measured in average 2010–19 prices and market exchange rates. Aggregates are presented in calendar year terms. Because of the World Bank's regional reclassification effective July 1, 2025, aggregated growth rates based on the June 2025 edition of the *Global Economic Prospects* report are recomputed without data for Afghanistan and Pakistan and therefore do not necessarily match those reported in the June 2025 publication.
2. Aggregate excludes Maldives, for which data limitations prevent the forecasting of GDP components.
3. Fiscal year runs from April 1 through March 31.

TABLE 2.5.2 South Asia country forecasts

(Real GDP growth at market prices in percent, unless indicated otherwise)

						Percentage-point differences from June 2025 projections		
	2023	2024	2025e	2026f	2027f	2025e	2026f	2027f
Calendar year basis								
Maldives	4.9	3.5	4.2	3.9	4.0	-1.5	-1.4	-0.7
Sri Lanka[1]	-2.3	5.0	4.6	3.5	3.1	1.1	0.4	0.0
Fiscal year basis[2]	2023/24	2024/25	2025/26e	2026/27f	2027/28f	2025/26e	2026/27f	2027/28f
India	9.2	6.5	7.2	6.5	6.6	0.9	0.0	-0.1
	2022/23	2023/24	2024/25e	2025/26f	2026/27f	2024/25e	2025/26f	2026/27f
Bangladesh	5.8	4.2	3.7	4.6	6.1	0.4	-0.3	0.4
Bhutan	4.9	6.1	7.0	7.3	6.1	0.4	-0.3	0.8
Nepal	2.0	3.7	4.6	2.1	4.7	0.1	-3.1	-0.8

Source: World Bank.
Note: e = estimate; f = forecast. World Bank forecasts are frequently updated based on new information and changing global circumstances. Consequently, projections presented here may differ from those in other World Bank documents, even if basic assessments of countries' prospects do not significantly differ at any given moment in time.
1. The impacts of Cyclone Ditwah in late 2025 have yet to be incorporated due to an ongoing damage assessment.
2. Fiscal year runs from April 1 to March 31 in India; from July 1 to June 30 in Bangladesh and Bhutan; and from July 16 to July 15 in Nepal.

References

ACLED (Armed Conflict Location & Event Data) database. Accessed on September 30, 2025. https://acleddata.com/data-export-tool/.

Arias, O., D. Fukuzawa, D. T. Le, and A. Mattoo. 2025. *Future Jobs: Robots, Artificial Intelligence, and Digital Platforms in East Asia and Pacific. East Asia and Pacific Development Studies*. Washington, DC: World Bank.

Arroyo Marioli, F., and G. Vasishtha. 2025. "Fiscal Policy Procyclicality and Volatility in Commodity-Exporting Emerging and Developing Economies: Determinants and Implications for Growth." Policy Research Working Paper 11037, World Bank, Washington, DC.

Arroyo Marioli, F., and C. A. Vegh. 2023. "Fiscal Procyclicality in Commodity Exporting Countries: How Much Does it Pour and Why?" NBER Working Paper 31431, National Bureau of Economic Research, Cambridge, MA.

Bakker, B. B., S. Chen, D. Vasilyev, O. Bespalova, M. Chin, D. Kolpakova, A. Singhal, and Y. Yang. 2024. *What Can Artificial Intelligence Do for Stagnant Productivity in Latin America and the Caribbean?* Washington, DC: International Monetary Fund.

BCRP (Banco Central de Reserva del Perú). 2025. *Nota de Prensa: Programa Monetario de Setiembre 2025*. Lima: Banco Central de Reserva del Perú.

Bolhuis, M., H. Mighri, H. Rawlings, I. Reyes, and Q. Zhang. 2024. "How Vulnerable Is Sub-Saharan Africa to Geoeconomic Fragmentation?" IMF Working Paper 24/83, International Monetary Fund, Washington, DC.

Cardell, L., Y. A. Zereyesus, K. Ajewole, J. Farris, M. E. Johnson, J. Lin, C. Valdes, and W. Zeng. 2024. *International Food Security Assessment, 2024–34 (GFA-35)*. Washington, DC: U.S. Department of Agriculture, Economic Research Service.

Cazzaniga M., F. Jaumotte, L. Li, G. Melina, A. J. Panton, C. Pizzinelli, E. J. Rockall, and M. M. Tavares. 2024. "Gen-AI: Artificial Intelligence and the Future of Work." IMF Staff Discussion Note 2024/001, International Monetary Fund, Washington, DC.

Cerutti, E., A. Garcia Pascual, Y. Kido, L. Li, G. Melina, M. M. Tavares, and P. Wingender. 2025. "The Global Impact of AI: Mind the Gap." IMF Working Paper 25/76, International Monetary Fund, Washington, DC.

Chattha, M. K., A. N. Maseeh, A. Barone, A. Graupp, H. Youssef, D. Alsaleh, D. Richani, et al. 2025. *Gulf Economic Update: The Gulf's Digital Transformation—A Powerful Engine for Economic Diversification*. December. Washington, DC: World Bank.

Chen, W., M. Fornino, V. Maheshwari, H. Mighri, A. Sacco, and C. Sever. 2025. "Pushed to the Brink: Fragility and Conflict in Sub-Saharan Africa." IMF Note 2025/002, International Monetary Fund, Washington, DC.

Combes, J., and C. Ebeke. 2011. "Remittances and Household Consumption Instability in Developing Countries." *World Development* 39 (7): 1076–89.

Damania, R., E. Ebadi, K. Mayr, J. Russ, and E. Zaveri. 2025. *Reboot Development: The Economics of a Livable Planet*. Washington, DC: World Bank.

EBRD (European Bank for Reconstruction and Development). 2025. *Regional Economic Prospects: Under Pressure*. September. London: European Bank for Reconstruction and Development.

EM-DAT (Emergency Events Database). *EM-DAT: The International Disaster Database*. Centre for Research on the Epidemiology of Disasters (CRED), UCLouvain, Brussels. Accessed on December 17, 2025. https://www.emdat.be.

Essl, S. M., S. K. Celik, P. Kirby, and A. Proite. 2019. "Debt in Low-Income Countries: Evolution, Implications, and Remedies." Policy Research Working Paper 8794, World Bank, Washington, DC.

Estevao, M., V. Bonifacio, M. Castellano, M. P. Figueroa, and N. Raman. 2025. "U.S. Migration Shocks and Remittances." IIF Deep Dive, Institute of International Finance, Washington, DC.

FAO, IFAD, UNICEF, WFP, and WHO. 2025. *The State of Food Security and Nutrition in the World 2025. Addressing High Food Price Inflation for Food Security and Nutrition.* Rome: FAO.

Fitzgerald, D., S. Haller, and Y. Yedid-Levi. 2024. "How Exporters Grow." *The Review of Economic Studies* 91 (4): 2276–306.

Gatti, R., C. Ozden, J. Torres, L. Baghdadi, E. Sergenti, A. M. Islam, I. Gaddis, et al. 2025a. *Jobs and Women: Untapped Talent, Unrealized Growth. Middle East, North Africa, Afghanistan, and Pakistan Economic Update*. October. Washington, DC: World Bank.

Gatti, R., H. Onder, A. M. Islam, J. Torres, G. Mele, F. Bennett, S. Chun, R. Lotfi, and I. Suvanov. 2025b. *Shifting Gears: The Private Sector as an Engine of Growth*

in the Middle East and North Africa. *Middle East and North Africa Economic Update*. April. Washington, DC: World Bank.

Gatti, R., J. Torres, N. Elmallakh, G. Mele, D. Faurès, M. E. Mousa, and I. Suvanov. 2024. *Growth in the Middle East and North Africa*. *Middle East and North Africa Economic Update*. October. Washington, DC: World Bank.

Kassa, W., H. Edjigu, and S. Hakobyan. 2025. Uncertainty in Preferential Trade Agreements: Impact of the African Growth and Opportunity Act (AGOA) Suspension on Exports. *Journal of African Economies* 34 (5): 569–83.

Kohn, D., E. Luttini, M. Szkup, and S. Zhang. 2024. "International Trade Finance and Learning Dynamics." Working Paper 1031, Central Bank of Chile.

Kunaka, C., A. M. Abera, L. T. Bougna, and M. K. Haile. 2025. *Transport Connectivity for Food Security in Africa: Strengthening Supply Chains.* Washington, DC: World Bank.

Hassan, G. M., and M. J. Holmes. 2016. "Do Remittances Facilitate a Sustainable Current Account?" *The World Economy* 39 (11): 1834–53.

IEA (International Energy Agency). 2025. *Oil Market Report*. December. Paris: International Energy Agency.

IMF (International Monetary Fund). 2025a. *Colombia: 2025 Article IV Consultation.* Washington, DC: International Monetary Fund.

IMF (International Monetary Fund). 2025b. *Mexico: 2025 Article IV Consultation.* Washington, DC: International Monetary Fund.

IMF (International Monetary Fund). 2025c. *Press Briefing Transcript: Regional Economic Outlook for the Western Hemisphere, Annual Meetings 2025*. Washington, DC: International Monetary Fund.

Kose, M. A., S. Kurlat, F. Ohnsorge, and N. Sugawara. 2022. "A Cross-Country Database of Fiscal Space." *Journal of International Money and Finance* 128 (November): 102682.

Loungani, P., E. Luttini, and H. Pallan. 2025. "Buffering Recessions: Labor Market Asymmetries and the Role of Self-Employment." Policy Research Working Paper Series 11089, The World Bank.

Mulabdic, A., and M. Ruta. 2018. *Effects of a Deeper Central European Free Trade Agreement.* Washington, DC: World Bank.

Mulabdic, A., and Y. V. Yotov. 2025. "Geopolitical Risks and Trade." Policy Research Working Paper 11219, World Bank, Washington, DC.

OECD (Organization for Economic Cooperation and Development). 2025. "Cuts in Official Development Assistance: OECD Projections for 2025 and The Near Term." *OECD Policy Brief No. 26.* Paris: OECD Publishing.

Rotunno L., S. Roy, A. Sakakibara, and P.-L. Vezina. 2024. "Trade Policy and Jobs in Vietnam: The Unintended Consequences of US-China Trade Tensions." IMF Working Paper 24/263, International Monetary Fund, Washington, DC.

World Bank. 2014. *Turn Down the Heat: Confronting the New Climate Normal.* Washington, DC: World Bank.

World Bank. 2025a. *Viet Nam Economic Update: Taking Stock. Special Focus: Nurturing Viet Nam's High-tech Talents*. September. Washington, DC: World Bank.

World Bank. 2025b. *Myanmar Economic Monitor: Economic Aftershocks*. June. Washington, DC: World Bank.

World Bank. 2025c. *Mongolia Economic Update: Building Resilience Amid Risks. Special focus: Strengthening Disaster Risk Management for Future Challenges*. May. Washington, DC: World Bank.

World Bank. 2025d. *Commodity Markets Outlook*. October. Washington, DC: World Bank.

World Bank. 2025e. *Europe and Central Asia: Jobs and Prosperity*. October. Washington, DC: World Bank.

World Bank. 2025f. *Towards Better Jobs. Western Balkans Regular Economic Report 28*. October. Washington, DC: World Bank.

World Bank. 2025g. *Unlivable: How Cities in Europe and Central Asia Can Survive and Thrive in a Hotter Future*. Washington, DC: World Bank.

World Bank. 2025h. *Libya Economic Monitor: Setting the Path towards Accountability and Transparency in Public Financial Management*. Fall. Washington, DC: World Bank.

World Bank. 2025i. *Impacts of the Conflict in the Middle East on the Palestinian Economy*. *World Bank Economic Monitoring Report*. September. Washington, DC: World Bank.

World Bank. 2025j. *Algeria Economic Update: Responding to Climate Challenges and Supporting*

Sustainable Development. Fall. Washington, DC: World Bank.

World Bank. 2025k. *Pakistan Development Update: Staying the Course for Growth and Jobs*. October. Washington, DC: World Bank.

World Bank. 2025l. *Tunisia Economic Monitor: Strengthening Social Safety Nets for Increased Efficiency and Equity*. Fall. Washington, DC: World Bank.

World Bank. 2025m. *Yemen Economic Monitor: Navigating Increased Hardship and Growing Economic Fragmentation*. Fall. Washington, DC: World Bank.

World Bank. 2025n. *Afghanistan Development Update: Sustaining Returns—Challenges and Opportunities*. November. Washington, DC: World Bank.

World Bank. 2025o. *Unlocking Potential: Legal Pathways to Boost Women's Labor Force Participation in the Middle East and North Africa Region*. Washington, DC: World Bank.

World Bank. 2025p. *Lebanon Economic Monitor: Turning the Tide?* Spring. Washington, DC: World Bank.

World Bank. 2025q. *International Debt Report 2025*. Washington, DC: World Bank.

World Bank. 2025r. *Bangladesh Development Update: Special Focus—Urbanization as a Pathway to Boost Job Growth*. October. Washington, DC: World Bank.

World Bank. 2025s. *Nepal Development Update: Reforms to Accelerate Public Investment*. November. Washington, DC: World Bank.

World Bank. 2025t. *Sri Lanka Development Update: Better Spending for All*. October. Washington, DC: World Bank.

World Bank. 2025u. *Maldives Development Update*. October. Washington, DC: World Bank.

World Bank. 2025v. *Bhutan Development Update: Bridging the Future—Addressing Challenges and Harnessing Opportunities of Migration*. Spring. Washington, DC: World Bank.

World Bank. 2025w. *Jobs, AI, and Trade*. *South Asia Development Update*. October. Washington, DC: World Bank.

World Bank. 2025x. *Food Security Update*. June. Washington, DC: World Bank.

World Bank. 2025y. *Africa's Pulse: Pathways to Job Creation in Africa.* October. Washington, DC: World Bank.

World Bank. 2025z. *Africa's Pulse: Improving Governance and Delivering for People in Africa*. April. Washington, DC: World Bank.

World Bank. 2025aa. *Jobs in A Changing Climate; Insights from World Bank Group Country Climate and Development Reports Covering 93 Economies*. Washington, DC: World Bank.

World Bank. 2025ab. *South Sudan Economic Monitor: A Pathway to Overcome the Crisis.* April. Washington, DC: World Bank.