



forecasts for 2016 and 2017, our China growth forecasts are a few tenths above alternatives over this same timeframe. The Chinese government may clarify in the coming weeks its growth target for 2016, and forecasts for growth below 6.5% may be revised higher if, as seems likely, the government's target is at least that high. Meanwhile, our outlook for growth to remain near 1.5% in the euro area is close to alternative forecasts from the IMF, Bloomberg and Consensus Economics.

Figure 4: In-line global growth forecasts mask regional differences

Consensus Forecast table, GDP growth, %

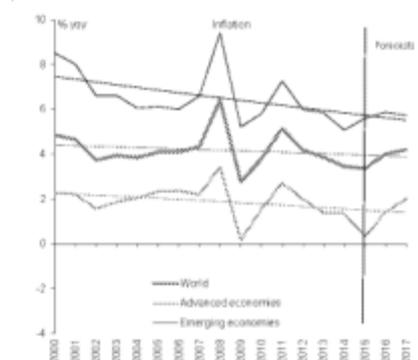
		2016F	2016F	2017F
Global	DB (Jun'15 WO)	3.3	3.8	n.a
	DB (Current)	3.1	3.3	3.6
	Bloomberg (Nov Survey)	3.0	3.4	3.4
	Bloomberg (DB aggregation)	3.0	3.4	3.7
	IMF (Oct'15)	3.1	3.6	3.8
	IMF (DB aggregation)	3.0	3.4	3.6
US	DB (Jun'15 WO)	2.2	3.0	2.8
	DB (Current)	2.4	2.1	2.1
	Bloomberg (Nov Survey)	2.5	2.5	2.5
	IMF (Oct'15)	2.6	2.8	2.8
	Consensus Economics (Oct Survey)	2.5	2.6	2.5
Euro area	DB (Jun'15 WO)	1.4	1.6	1.6
	DB (Current)	1.5	1.6	1.5
	Bloomberg (Nov Survey)	1.5	1.7	1.8
	IMF (Oct'15)	1.5	1.6	1.7
	Consensus Economics (Oct Survey)	1.5	1.7	1.6
China	DB (Jun'15 WO)	7.0	6.7	6.7
	DB (Current)	7.0	6.7	6.7
	Bloomberg (Nov Survey)	6.9	6.5	6.3
	IMF (Oct'15)	6.8	6.3	6.0
	Consensus Economics (Oct Survey)	n.a	n.a	n.a

Note: June 15 World Outlook update forecasts have been recalculated using IMF WEO October -15 PPP weights  
 Source: Deutsche Bank Research, cited sources

Global inflation to accelerate after bottoming in 2015

Global inflation is projected to rebound strongly over the next two years after falling to its lowest level since the financial crisis. Both the decline and the anticipated rebound are driven primarily by the sharp decline in global commodity prices over the past 18 months and our expectation that prices will be roughly stable in the coming year. But inflation dynamics are varied across regions. In advanced economies, headline inflation fell about 1 percentage point this year, leaving price increases only a few tenths above deflationary territory. The sharp drop in headline inflation was driven by the 60% decline in oil prices since mid-2014. Meanwhile, inflation in Latin America and EMEA economies rose this year, due mostly to sharp currency depreciations. Weak currencies don't seem to have had the same effect in emerging Asia, though.

Figure 5: Global inflation to rebound strongly



Note: Trend period: 2000-2017  
 Source: IMF, Haver Analytics LP, Deutsche Bank Research