



By: TA | AP Brief

IMF raises its forecast for world growth this year



The International Monetary Fund on Tuesday slightly upgraded its outlook for the world economy for this year, while warning of growing risks from rising debt, including borrowing related to artificial intelligence.

The IMF says it expects the global economy to grow at a 3.1% pace this year. That's up from its July forecast for 3.0% growth and well below the 3.5% expansion in 2025. Growth in 2027 should rebound to 3.4%, it said in its latest Economic Outlook.

The report, released as world economic and financial leaders gather in Bangkok for the fall meetings of the IMF and World Bank, predicts that growth in the United States will remain steady at 2.3% in 2026 and 2027.

Collectively, advanced economies will grow 2.1% this year, up from 2.0% in 2025. But growth is forecast to slow to 1.9% next year, it said.

The **forecasts** are based on a nearly 41% increase in oil prices this year, at an average of \$96 a barrel.

Global inflation is foreseen at 4.7% in 2026, falling to 4.1% next year. They also are based on the assumption that shipments of oil and gas through the **Strait of Hormuz** will resume by March, and that the boom in AI demand will moderate.

AI has uneven impacts

The boom in artificial intelligence is offsetting damage from sharply higher prices for oil and gas, IMF economists say, but it also carries risks.

Its benefits are not shared equally: the U.S. and China account for more than three-quarters of net demand for imports of computer chips and other AI-related equipment, the report said.

"The outlook is highly uneven," Silvana Tenreyro, the IMF's director of research, told reporters in Bangkok.

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Growth is increasingly concentrated, with 32 countries accounting for 95% of global growth, the report said. That compares with 54 countries as of April.

"The global economy is not simply slowing or accelerating; rather, growth is being reallocated across countries according to their exposure to the war-induced supply shock and AI-related demand strength," it says.

Athanasios Vamvakidis, deputy director at the IMF's Monetary and Capital Markets Department, said an AI-related correction in stock markets is just one of the risks. Rising bond yields are another evolving problem, along with cyberthreats that could disrupt financial systems, he said.

AI's effects on employment are another key focus of the meetings in Bangkok, which IMF Managing Director Kristalina Georgieva described during an event Monday as "a slow moving tsunami, but a tsunami nonetheless."

"The impact over time on jobs globally we estimate to be around 40% — jobs either augmented or downgraded or eliminated. And we are already seeing some of this impact," she said.