



We would like to share the Global Economic Outlook that has been released by Kearney. It has been summarized that headwinds to global growth are expected to increase in coming quarters. Global leading indicators point to weakening momentum and global purchasing manager indices are sliding and nearing contractionary territory. Indeed, The Conference Board now expects mild recessions to occur in the US and Europe later in 2022 and into early 2023, is possible. Given continued supply chain bottlenecks, rising interest rates, record inflation, and declining consumer sentiment, the macroeconomic outlook has certainly declined since the beginning of the year. The estimated suggest global growth this year will be 2.9% compared with the March forecast of 3.7%. Growth is projected to drop further to 1.7% in 2023 before rebounding to 3.2% in 2024, averaging 2.6% over the three-year forecast period.

The analysis finds that **Asia and Australasia** will continue to lead the world output growth over the next three years, averaging 4.0%. The Americas along with the Europe and Eurasia regions are projected to have comparatively lower output over the next three years, with respective average growth rates for 2022–2024 of 1.4 and 1.6%. In Europe, the continued economic uncertainties surrounding the conflict in Ukraine, especially those associated with reduced energy supplies from Russia, will dampen the region's economic outlook for the foreseeable future. **Italy** become the second position in the average annual GDP growth with the countries ranked in order of fastest average growth by average growth **1.5%** in form of Europe and Eurasia.

The global economy is facing persistent headwinds, many of which are likely to continue well beyond the forecast period. At present, supply chain disruptions and record inflation are fueling consumer pessimism in the economic outlook. Indeed, the reassessment finds that much of this pessimism is well-founded: there have been precipitous drops in the projections for global output at the global, regional, and country level. Navigating such a challenging environment makes it imperative for businesses to anticipate and plan for a range of potential economic futures. For these reasons, observer continue to believe as reflected in the analysis last March, that organizational agility and a capacity to reassess supply chain exposure remain top priorities for businesses with strategic perspectives, by:

- Prioritize Organizational Agility
- Reassess Supply Chain Exposure
- Anticipate an Even Stronger Dollar
- Boost Flexibility Amid Lasting Inflation
- Commit to Transparency with Consumers

For your reference, please check the Global Business Policy Council in “Persistent Headwinds: Global Economic Outlook 2022-2024, 2H 2022 Update” in the link [here](#).

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