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1. Moody's cuts India's economic growth projections to 7% for 2022 as world recession looms (Nov. 11, 2022)

Moody's cuts India's economic growth projections to 7%

Moody's Investors Service on 11 November 2022 has cut India's GDP growth projections for 2022 to **7 per cent** from its earlier forecast of 7.7 per cent as the global slowdown and rising domestic interest rates will adversely affect the economic growth. Moody considers calendar years (January-December) for its forecast while India's financial year is from April-March.

This is the second time that Moody's Investors Service has cut India's growth estimates. In September, it had cut projections for the current year to 7.7 per cent from 8.8 per cent estimated in May.

In its **Global Macro Outlook 2023-24** released on 11 November 2022 Moody highlighted "higher inflation, high-interest rates in India and slowing global growth" as a factor that has led it to revise the Indian growth rate to 7 % in 2022.

Moody's expects growth to decelerate to **4.8 per cent in 2023** and then to rise to around **6.4 per cent in 2024**.

Grim outlook for Global economy

It said the global economy is on the verge of a downturn amid extraordinarily high levels of uncertainty amid persistent inflation, monetary policy tightening, fiscal challenges, geopolitical shifts and financial market volatility.

Global growth will slow in 2023 and remain sluggish in 2024. Still, a period of relative stability could emerge by 2024 if governments and central banks manage to navigate their economies through the current challenges.

Recession

When there is a negative growth in the economy for the two consecutive quarters then the economy is declared to be in recession.

Forecast for Indian Economy Growth Rate by various agencies (till 11 November 2022)

Agency /Institutions	Forecast for 2022-23
RBI	7.0%
World Bank	6.5%
International Monetary Fund	6.8%
Asian Development Bank	7.0% (2022)
SBI	6.8%

Moody Investor Service	7.0%(2022)
India Rating	6.9%
Standard and Poor Rating	7.3%
UNCTAD	5.7 %(2022)
OECD	6.9%
Fitch rating	7%