

Moody's Forecasts Strong Growth for India in 2024 Amid Global Challenges

Moody's projects a robust 7.2% growth for the Indian economy in 2024, driven by a rebound in household consumption and moderating inflation, according to its latest Global Macro Outlook report for 2025-26. Household consumption is expected to rise due to strong festive demand and increased rural spending, supported by favourable rainfall patterns.

Despite intermittent food price pressures causing inflationary volatility, Moody's anticipates inflation to align with the Reserve Bank of India's (RBI) target. The RBI is expected to maintain tight monetary policies into the next year to ensure economic stability. However, Moody's highlighted potential risks from geopolitical tensions and extreme weather events.

Looking further, India's growth is forecasted to moderate to 6.6% in 2025 and 6.5% in 2026, reflecting a steady but slightly decelerating trajectory. Globally, G-20 economies are projected to grow by 2.8% in 2024, a slight dip from 3.0% in 2023, with growth expected to continue moderating through 2026.

Moody's notes that the U.S. economy is currently outperforming other developed nations but is likely to face a slowdown, while Europe's recovery remains sluggish but steady. In contrast, China's growth is expected to decelerate despite its stimulus efforts.

India's economic resilience positions it as a global bright spot, showcasing strong domestic demand and controlled inflation amid worldwide uncertainties. For detailed insights, visit [Economicstaan Explainers](#).