

Macro Poverty Outlook Update

June 8, 2020

TABLE 2 Madagascar / Macro poverty outlook baseline scenario

(annual percent change unless indicated otherwise)

	2017	2018	2019e	2020f	2021f	2022f
Real GDP growth, at constant market prices	3.9	4.6	4.9	-1.2	4.0	5.6
Private Consumption	1.2	3.0	3.6	1.8	2.4	3.1
Government Consumption	13.9	-6.2	4.1	4.3	4.6	5.2
Gross Fixed Capital Investment	-1.8	-2.3	11.0	-3.7	8.8	13.1
Exports, Goods and Services	45.4	4.6	4.2	-9.6	4.8	6.4
Imports, Goods and Services	23.7	-4.1	5.3	-4.3	5.0	6.6
Real GDP growth, at constant factor prices	3.9	3.7	4.8	-1.2	4.0	5.6
Agriculture	1.3	3.7	3.8	2.2	3.2	3.4
Industry	5.8	8.1	8.6	-1.8	5.4	6.5
Services	4.6	2.4	4.0	-2.6	3.9	6.4
Inflation (Consumer Price Index)	8.3	7.3	5.6	4.8	6.1	6.3
Current Account Balance (% of GDP)	-0.4	0.7	-2.1	-2.8	-3.0	-3.1
Fiscal Balance (% of GDP)	-2.1	-1.3	-1.3	-5.1	-4.6	-4.1
Debt (% of GDP)	40.0	39.9	38.4	43.6	45.3	45.6
Primary Balance (% of GDP)	-1.4	-0.6	-0.6	-4.3	-3.7	-3.2
International poverty rate (\$1.9 in 2011 PPP)^{a,b}	76.3	75.5	74.5	76.5	75.7	75.2
Lower middle-income poverty rate (\$3.2 in 2011 PPP)^{a,b}	90.3	89.8	89.3	89.7	88.9	88.2
Upper middle-income poverty rate (\$5.5 in 2011 PPP)^{a,b}	96.6	96.1	95.5	95.9	95.1	94.3

Source: World Bank, Poverty & Equity and Macroeconomics, Trade & Investment Global Practices.

Notes: e = estimate, f = forecast.

(a) Calculations based on 2005-EPM and 2012-ENSOMD. Actual data: 2012. Nowcast: 2013-2019. Forecast are from 2020 to 2022.

(b) Projection using point to point elasticity at regional level with pass-through = 0.87 based on GDP per capita in constant LCU.

Poverty projections for 2020-2022 are adjusted upward to reflect the asymmetric impacts of crises on the poor, as demonstrated in the post 2009 period.