

Macro Poverty Outlook Update

June 8, 2020

TABLE 2 Cabo Verde / Macro poverty outlook baseline scenario

(annual percent change unless indicated otherwise)

	2017	2018	2019e	2020f	2021f	2022f
Real GDP growth, at constant market prices	3.7	4.5	5.7	-5.5	5.0	6.4
Private Consumption	7.1	1.5	5.9	-1.5	5.5	5.5
Government Consumption	7.7	2.2	4.8	8.5	4.9	6.5
Gross Fixed Capital Investment	12.3	5.8	-4.0	3.1	-1.4	1.6
Exports, Goods and Services	7.5	11.9	8.6	-31.9	19.3	13.5
Imports, Goods and Services	16.4	6.7	0.9	-12.9	9.7	7.2
Real GDP growth, at constant factor prices	2.0	2.4	5.8	-5.5	5.0	6.4
Agriculture	-12.5	-19.0	-5.0	2.0	3.0	3.0
Industry	11.9	8.1	5.0	-5.9	3.4	3.4
Services	1.5	3.4	7.1	-6.0	5.7	7.6
Inflation (Consumer Price Index)	0.8	1.3	1.1	1.3	1.4	1.8
Current Account Balance (% of GDP)	-7.9	-5.3	-0.2	-14.7	-8.6	-4.7
Net Foreign Direct Investment (% of GDP)	5.6	4.1	4.2	0.8	2.6	4.0
Fiscal Balance (% of GDP)	-3.0	-2.8	-1.8	-8.8	-4.1	-1.4
Debt (% of GDP)	125.9	124.0	124.2	137.4	132.0	122.5
Primary Balance (% of GDP)	-0.4	-0.3	0.7	-6.1	-2.0	0.7
International poverty rate (\$1.9 in 2011 PPP)^{a,b}	3.0	2.9	2.8	3.0	2.9	2.7
Lower middle-income poverty rate (\$3.2 in 2011 PPP)^{a,b}	14.2	13.9	13.4	14.1	13.7	13.1
Upper middle-income poverty rate (\$5.5 in 2011 PPP)^{a,b}	39.7	39.1	38.3	39.5	38.8	37.9

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

Notes: e = estimate, f = forecast.

(a) Calculations based on 2001-IDRF and 2015-IDRF. Actual data: 2015. Nowcast: 2016-2019. Forecast are from 2020 to 2022.

(b) Projection using point-to-point elasticity (2001-2015) with pass-through = 0.7 based on GDP per capita in constant LCU.