Schroders

A snapshot of the world economy in Q3 2025

Marketing material

Schroders' latest growth and inflation forecasts

		2025	2026
UK	Growth	1.3%	1.1%
	Inflation	3.5%	3.0%
US	Growth	1.9%	2.2%
	Inflation	2.8%	3.0%
World	Growth	2.5%	2.6%
	Inflation	2.7%	2.4%
Eurozone	Growth	1.3%	2.0%
	Inflation	2.0%	1.7%
BRICs (Brazil, Russia, India, China)	Growth	4.5%	4.2%
	Inflation	1.4%	1.2%
China	Growth	4.6%	4.3%
	Inflation	0.0%	-0.2%

Source: Schroders Economics Group, September 2025

Dollar down?

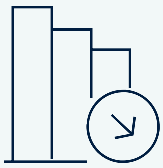
Investor concerns over US policy may reduce demand for US assets, causing a weaker dollar

This could lead to:

- **Higher** US borrowing costs
- **Lower** inflation and interest rates in emerging markets, boosting growth

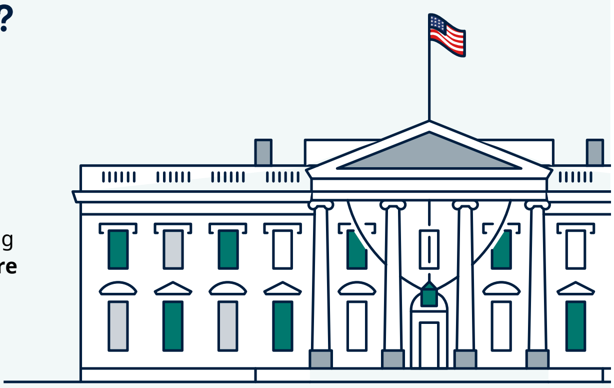
Will the US economy suffer a soft patch?

We forecast US GDP growth of **1.9%** in **2025**



But **uncertainty** could see companies pause hiring and investment, **while consumers may save more**

This could cause **growth to stagnate**



Source: Schroders as at Q3 2025.