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The latest Global Economic Conditions Survey (GECS) released today from [ACCA](#) (the Association of Chartered Certified Accountants) and IMA (Institute of Management Accountants) found that global economic confidence bounced back in Q4 2019 to around its level in mid-2019, with a particularly strong improvement in North America.

While the global poll of 2,560 accountants reported a recovery in economic confidence in all key regions, it also found that global confidence is below its long-run average and forecast continued modest expansion in the world economy in early 2020.

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Warner Johnston, Head of ACCA USA, said, "In 2019, the global economy expanded at close to 3%, the slowest rate since the financial crisis ten years ago. The GECS foreshadowed this slowdown, which continued steadily throughout last year. Looking ahead, the GECS points to steady growth early this year, with no strong pick up but no global recession either. Many risks to the global economy in 2020 are the same as in 2019."

Raef Lawson, Ph.D., CMA, CPA, IMA vice president of research and policy, said, "There are downside risks to the economy, the main one being a re-escalation of US-China trade tensions. But on the upside, last year's monetary easing by the US Federal Reserve and many other central banks will support growth in coming months. It is also a year in which we are encountering a US presidential election, which often coincides with a buoyant economy. A global recession is very unlikely, but it will be another year of sluggish growth."

The US GECS confidence measure improved significantly in Q4, to its highest level since 2018 Q2. Progress in the trade negotiations with China and the third ¼ percentage point cut in the US Federal Funds rate since July are likely to have been factors in improved sentiment. In other findings relating to the US:

- Growth in the US slowed last year as expected but did not come close to the recession forecast by many analysts.
- The GECS orders index consistently pointed to slowdown and not recession.
- For the year as a whole GDP growth in 2019 will be close to 2.3% compared with 2.9% in 2018: weaker investment and trade were the main causes;
- The GECS capital expenditure index reflected a weaker investment climate last year, but did recover in Q4;
- Consumer spending held up well through much of 2019, supported by a buoyant jobs market and rising wages;

Added Lawson, “Many of the risks to the global economy in 2020 are the same as

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2019 and attracted responses from 2,560 ACCA and IMA members around the world, including more than 200 CFOs

Accounting

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