

- The significance of the mining and tourism industries makes the Territory economy particularly reliant on exports and susceptible to developments in key export markets.
- Demand for Territory-produced goods and services comes from the rest of the world and from other Australian States and Territories.
- The global economic recovery continued to gain momentum in 2003, led by the United States and China.
- Global growth has been supported by expansionary monetary and fiscal policy settings in many of the world's major economies.
- Despite weaker exports, the Australian economy has maintained a solid pace in recent years due to strong domestic demand and weak Australian dollar.
- Solid growth, nationally and internationally, in coming years is expected to boost demand for Territory exports, including tourism-related exports.

Table 3: Australian and Overseas Real GDP Growth Forecasts (percentage change, calendar year)

	1998	1999	2000	2001	2002	2003	2004e	2005f
United States	4.3	4.1	3.8	0.3	2.4	3.1	4.6	3.7
Japan	-1.1	0.2	2.8	0.4	0.3	2.7	2.8	1.6
European Union	2.9	2.8	3.5	1.6	1.0	0.8	2.0	2.2
Australia	5.5	4.4	3.2	2.8	3.8	3.0	3.9	3.3
China	7.8	7.1	8.0	7.3	8.0	9.1	8.3	7.6
Hong Kong	-5.3	3.0	10.4	0.2	1.5	3.1	5.5	4.5
Indonesia	-13.1	0.8	4.8	3.3	3.5	4.1	4.6	4.7
Malaysia	-7.4	6.1	8.3	0.5	3.5	5.2	6.0	5.7
New Zealand	-0.2	3.9	3.8	2.5	3.0	3.5	3.1	2.4
Philippines	-0.6	3.4	4.4	3.2	4.0	4.5	4.2	4.3
Singapore	-0.1	6.9	10.3	-2.0	3.6	1.1	5.3	4.5
South Korea	-6.7	10.9	9.3	3.0	6.3	2.8	5.3	5.4
Taiwan	4.6	5.4	5.9	-1.9	3.3	3.2	5.2	4.5
Thailand	-10.5	4.4	4.6	1.8	3.5	6.7	7.0	6.2

e: estimate; f: forecast.

Source: Consensus Economics, IMF, OECD