

OECD raises US, eurozone growth targets as world economy 'resilient'

Trade barriers, political uncertainty and declining investment affect growth

● For the eurozone, the OECD now forecasts 1.3% growth

● US growth will taper off to 1.7% next year

● China is set for 5.0% growth in 2025

AFP | Paris, France



Massimo Geloso Grosso, Head of the Organisation for Economic Co-operation and Development (OECD) Office Jakarta

The world economy has been "surprisingly resilient" in the face of adversity this year, the OECD said Tuesday, raising its growth estimates for key economies, notably the US and the eurozone.

The gradual implementation of new trade policy barriers, political uncertainty and declining investment had put the brakes on growth, but demand had held up astonishingly well, it said in its latest world economic outlook report.

Easier global financial conditions, supportive macroeconomic policies, real income growth, and strong demand for new AI-related investments, particularly in the US, was supporting demand, the organisation said.

American gross domestic product (GDP) growth is now

estimated at 2.0% in 2025, 0.2 points more than in the OECD's previous outlook, published in September.

For the eurozone, the OECD now forecasts 1.3% growth, 0.1 points more than in September.

The world economy overall is on course for 3.2% growth in 2025, down from 3.3% last year, before slowing to 2.9% next year, and rebounding again in 2027, when a 3.1% expansion is forecast.

US growth will taper off to 1.7% next year, while eurozone growth is likely to come in at 1.0%. Both estimates are better than what was forecast in September.

China is set for 5.0% growth in 2025, 0.1 points above the

September estimate.

"The global economy has shown surprising resilience in 2025," the OECD said.

Growth is, however, expected to soften during the second half of this year, as higher tariffs translate into higher costs for businesses and consumers, and elevated geopolitical and policy uncertainty continues to weigh on domestic demand.

Global growth is then expected to recover through 2026, helped by the fading impact of higher tariff rates, favourable financial conditions, supportive macroeconomic policies and lower inflation, with emerging-market economies in Asia continuing to account for the majority of global growth.

But there are downside risks, as the outlook "remains fragile", the OECD cautioned.

"A further rise in trade barriers, especially around critical inputs, could inflict significant damage on supply chains and global output," it said.

"High asset valuations based on optimistic expectations of AI-driven corporate earnings pose a risk of potentially abrupt price corrections," it said, also warning that fiscal vulnerabilities may push long-term sovereign yields higher, tightening financial conditions and hampering growth.



The Organisation for Economic Co-operation and Development (OECD) currently has 38 member countries, all committed to promoting policies that improve economic growth, trade, and global development.

Samsung unveils first 'special edition' triple-folding phone



Visitors look at Samsung Galaxy Z TriFold smartphones during a launch event at a Samsung store in Seoul

AFP | Seoul, South Korea

Samsung launched its first triple-folding phone on Tuesday, a special-edition product with an eye-watering price tag placing it out of the reach of the average consumer.

The Galaxy Z TriFold will go on sale on December 12 and costs more than twice as much as the new iPhone 17 at \$2,443.

Super thin, it unfolds to a 10-inch (25.4 centimetre) display, offering "increased possibilities for creating and working", the South Korean tech giant said. The triple fold function is not world-first -- China's Huawei beat Samsung to the punch last year with a phone at a similarly exorbitant price.

Growth has been patchy in the competitive smartphone market, pushing makers to find new, eye-catching ways to differentiate their products.

Offered solely in a black design, Samsung's new device comes in at 309 grams (10.9 ounces) and at its thinnest

point measures less than 0.2 inches.

Generative artificial intelligence features are integrated into the phone, which can give real-time help through screen or camera sharing.

Samsung admitted the Galaxy Z TriFold was "not intended for mass sales".

Alex Lim, executive vice president at Samsung Electronics said it was a "special edition" product.

The launch comes as recent industry numbers suggest Apple is on track to overtake Samsung for the first time in 14 years as the world's top smartphone maker through 2029.

Apple has also long been rumored to be planning a foldable iPhone, possibly as early as next year. The US company's smartphone shipments are expected to reach a global share of 19.4% in 2025 while Samsung is expected to hold 18.7% -- with Apple effectively dethroning its rival for the first time, according to research firm Counterpoint.

Apple AI chief leaving as iPhone maker plays catch-up

San Francisco, United States

Apple on Monday said the head of its artificial intelligence team is stepping down, and the effort is to be led by a veteran engineer from Google and Microsoft.

The plan for Apple senior vice president of Machine Learning and AI Strategy John Giannandrea to retire early next year comes after the tech giant



stumbled in efforts to show it was not being left behind on the technology.

Giannandrea will serve as an advisor to Apple during his remaining time with the company.

Subramanya was most recently a corporate vice president at Microsoft, prior to that spending 16 years at Google where he was head of engineering for the Gemini digital assistant before leaving, Apple said.

Apple cited Subramanya's experience integrating AI into features and products as "important to Apple's ongoing innovation and future Apple Intelligence features."

Giannandrea joined Apple in 2018, heading the company's AI efforts. Apple early this year delayed the release of an improved

company, according to the iPhone maker.

"We are thankful for the role John played in building and advancing our AI work," Apple chief executive Tim Cook said in a post announcing the news.

Researcher Amar Subramanya has joined Apple as a vice president and will lead in "critical areas," including AI foundation models and machine learning, according to the company.

Subramanya was most recently a corporate vice president at Microsoft, prior to that spending 16 years at Google where he was head of engineering for the Gemini digital assistant before leaving, Apple said.

Apple cited Subramanya's experience integrating AI into features and products as "important to Apple's ongoing innovation and future Apple Intelligence features."

Giannandrea joined Apple in 2018, heading the company's AI efforts. Apple early this year delayed the release of an improved

Siri digital assistant and is now promising it for next year.

Meanwhile, Google, Microsoft, OpenAI and other tech rivals have been releasing ever-improved AI models and features in a fierce race to lead in the technology.

Apple has been under pressure to show it is not being left behind when it comes to artificial intelligence, with the potential to change how people engage with the internet and computers.

Cook cited AI as "central to Apple's strategy" and said Sub-

ramanya will bring "extraordinary AI expertise" to his role reporting to senior vice president of Software Engineering Craig Federighi.

"Craig has been instrumental in driving our AI efforts, including overseeing our work to bring a more personalized Siri to users next year," Cook said.

On a recent earnings call, Cook touted the latest Apple devices and the tech giant's custom chips and efforts to enhance products and services with artificial intelligence.

Amazon unveils new AI chip in battle against Nvidia

San Francisco, United States

Amazon Web Services launched its in-house-built Trainium3 AI chip on Tuesday, marking a significant push to compete with Nvidia in the lucrative market for artificial intelligence computing power.

The move intensifies competition in the AI chip market, where Nvidia currently dominates with an estimated 80- to 90-percent market share for products used in training large language models that power the likes of ChatGPT.

Google last week caused tremors in the industry when it was reported that Facebook parent Meta would employ Google AI chips in data centers, signaling new competition for Nvidia, currently the world's most valuable company and a bellwether



Representative picture

for the AI investment frenzy.

This followed the release of Google's latest AI model last month that was trained using the company's own in-house chips, not Nvidia's.

AWS, which will make the technology available to its cloud computing clients, said its new chip delivers over four times the computing performance of its predecessor while using 40 percent less energy.

Energy consumption is one of the major concerns about the AI revolution, with major tech companies having to scale back or pause their net-zero emissions commitments as they race to keep up on AI.

"Training cutting-edge models now requires infrastructure investments that only a handful of organizations can afford," AWS said, positioning Trainium3 as a way to democratize access

to high-powered AI computing.

AWS said several companies are already using the technology, including Anthropic, maker of the Claude AI assistant and a competitor to OpenAI, the maker of ChatGPT.

AWS also announced it is already developing Trainium4, expected to deliver at least three times the performance of Trainium3 for standard AI workloads.

The next-generation chip will support Nvidia's technology, allowing it to work alongside that company's servers and hardware.

Amazon's in-house chip development reflects a broader trend among cloud providers seeking to reduce dependence on external suppliers while offering customers more cost-effective alternatives for AI workloads.

OpenAI declares ChatGPT 'code red' over stiff competition: report

Washington, United States

OpenAI CEO Sam Altman has declared a company-wide "code red" as its ChatGPT technology faces stiff competition from other big tech rivals, especially Google, US media reported.

In a memo to staff on Monday, Altman told employees that the company was "at a critical time for ChatGPT," and that resources must be devoted to fending off the new competition to its chatbot, the reports said. Altman said that other projects would now be delayed, including a plan to introduce advertising to the chatbot.

According to the memo reported in The Information and Wall Street Journal, Altman

said "code red" meant OpenAI would also delay progress with other products such as AI agents, which aim to automate tasks related to shopping and health. With a half-a-trillion-dollar valuation, OpenAI is the world's most valuable private company. Major investors are eager to take shares in the company, but questions are growing on how it can generate revenues that will match the huge costs of delivering AI to its hundreds of millions of users, the vast majority of whom use the service for free.

Google last month debuted its latest Gemini AI model, capping a dramatic turnaround since it was caught off guard by ChatGPT's launch three years ago and mocked for early blunders in its chase of OpenAI.