

How the World Is Changing: The Secular Picture

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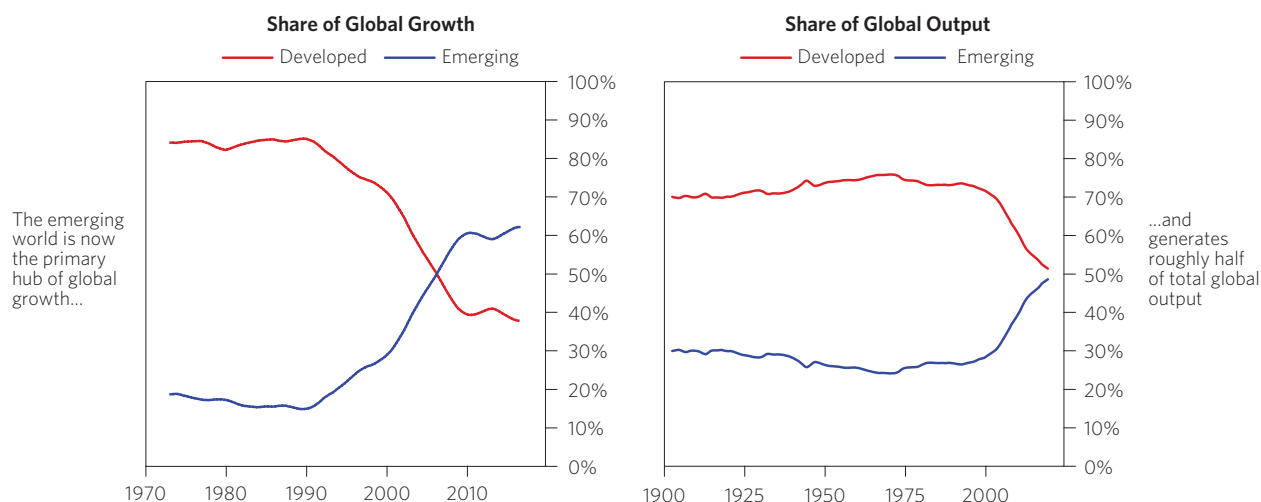
BILLY PRINCE

As we begin a new year, we wanted to step back and take stock of how unusually fast the global economy has changed over the past 15 years or so. Where growth is occurring and where wealth is held have moved so radically that relying on past market experiences to determine what is important to the global economy is particularly dangerous. The following illustrates those gradual shifts in economic power that have compounded into a transformed economic world.

- For most of the 20th century, about 60–70% of global output was created in the developed world. Over the past 15 years, that composition has rapidly changed. Now, the emerging world is responsible for 60% of the world's growth. And, as a result of that growth, the composition of global output is now almost evenly split between developed and emerging countries.
- The emerging world is now responsible for the vast majority of global fixed investment. Roughly 15 years ago, 60% of global fixed investment was still happening in the developed world, but now about 70% is occurring in the EM.
- The pattern of commodity consumption has undergone an equally dramatic shift, with the EM now consuming about 60% of global commodities. That shift is largely driven by China. The shift that's happened so far is skewed toward commodities like copper that are more critical to infrastructure development. China alone now accounts for 50% of copper consumption. US and European demand accounted for upward of 40% of the market for many decades, but now that share has been cut in half.
- Big shifts in the global composition of financial assets are also occurring. Global debt and equity markets are still dominated by developed world countries, but emerging market financial issuance is accelerating rapidly and becoming increasingly investable and liquid in the process. Over the past 15 years, the EM share of global debt has tripled (to about 25%) and its share of global equity market cap has doubled (to about 15%). And as EM financial markets deepen, trillions of dollars of new securities will come online.

Two major implications come to mind when thinking through the ongoing shift in global output and assets toward the EM. The first is that the world has rapidly become one in which the developed and emerging countries have roughly the same impact on the global economy, so the world we are in today is fundamentally different from world we've previously experienced. And the second is that EM assets now constitute a large and increasingly investable set of assets that should only grow as the global shift toward EM markets catches up with the shift toward EM economies.

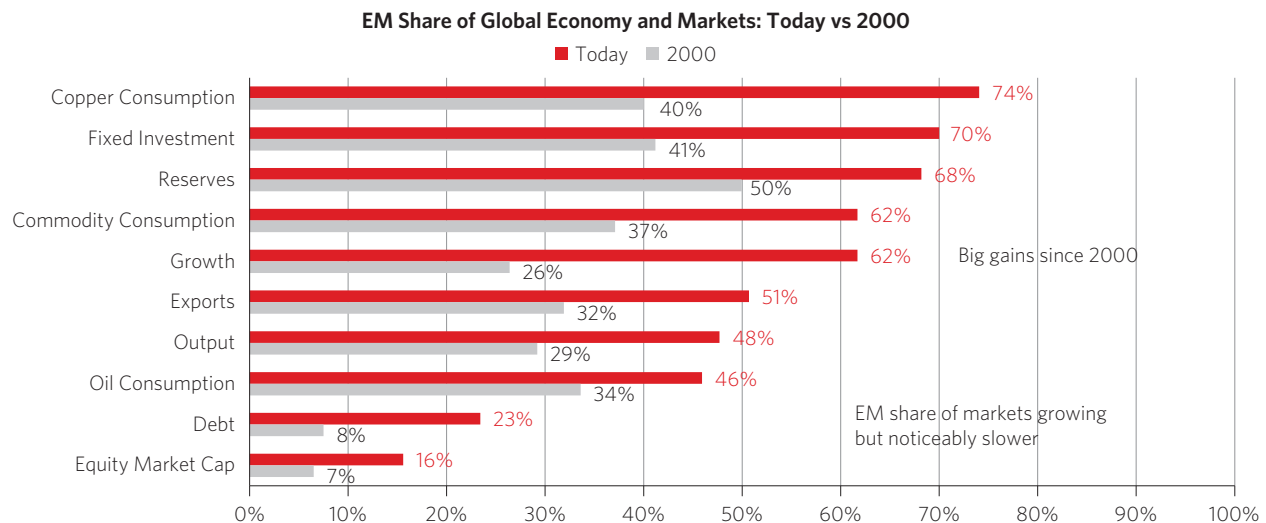
The charts below show the ongoing shift to a world that is equally impacted by emerging and developed economies alike. The emerging world now drives a majority of global growth, and total output in the emerging world is now on par with that in the developed world.



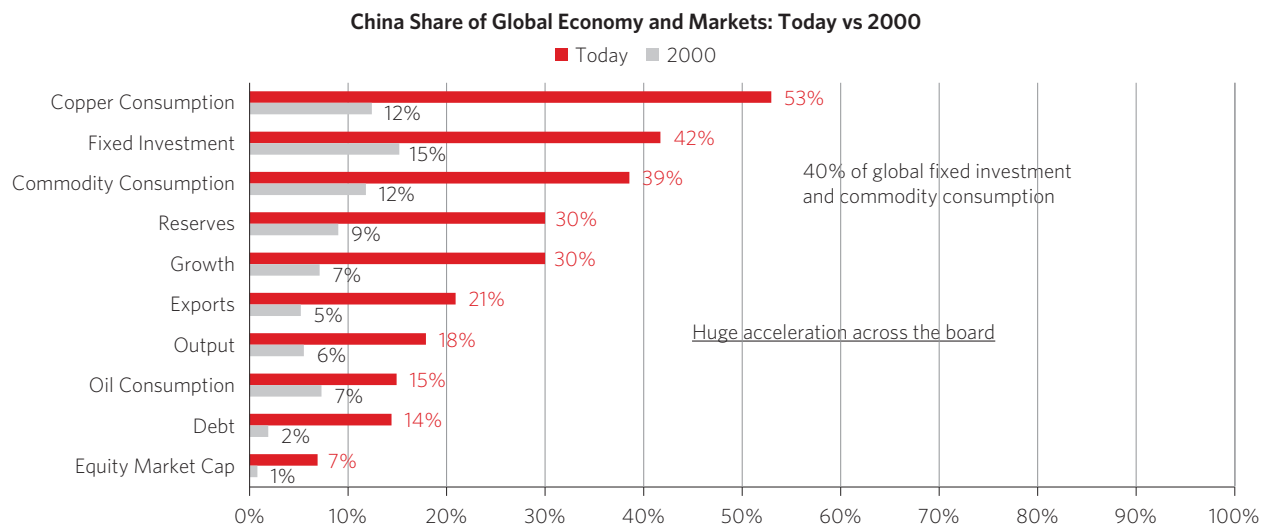
Over the past 15 years, the shift has largely been driven by China, but other EMs (India in particular) are similarly gaining importance in the global economy and are set to take on increasing importance over the next 10 years. The table below shows the aggregate impact on global economic activity (e.g., growth, output, commodity consumption, imports, etc.) since 1970 and on a forward-looking basis based on our 10-year growth estimates. According to our rough estimates, the EM will be driving almost two-thirds of global economic activity in 10 years' time.

| Impact on Global Economy | | | | | | | |
|--------------------------|------------|------------|------------|------------|------------|------------|-------------|
| | 1970 | 1980 | 1990 | 2000 | 2010 | Today | In 10 Years |
| Dev World | 72% | 69% | 67% | 65% | 50% | 44% | 37% |
| Emerging World | 28% | 31% | 33% | 35% | 50% | 56% | 63% |
| China | 4% | 5% | 7% | 11% | 21% | 27% | 29% |
| United States | 32% | 25% | 25% | 24% | 22% | 18% | 15% |
| India | 3% | 3% | 4% | 5% | 7% | 8% | 13% |
| Euroland | 23% | 24% | 18% | 18% | 15% | 12% | 9% |
| Brazil | 2% | 4% | 3% | 3% | 3% | 4% | 6% |
| Russia | 5% | 5% | 5% | 1% | 4% | 4% | 4% |
| Japan | 9% | 11% | 12% | 10% | 5% | 5% | 4% |
| Mexico | 2% | 3% | 2% | 2% | 2% | 2% | 3% |
| South Korea | 0% | 1% | 2% | 3% | 3% | 3% | 2% |
| United Kingdom | 4% | 4% | 3% | 4% | 3% | 3% | 2% |
| Argentina | 1% | 1% | 1% | 1% | 1% | 1% | 2% |
| Thailand | 0% | 1% | 1% | 1% | 1% | 1% | 2% |

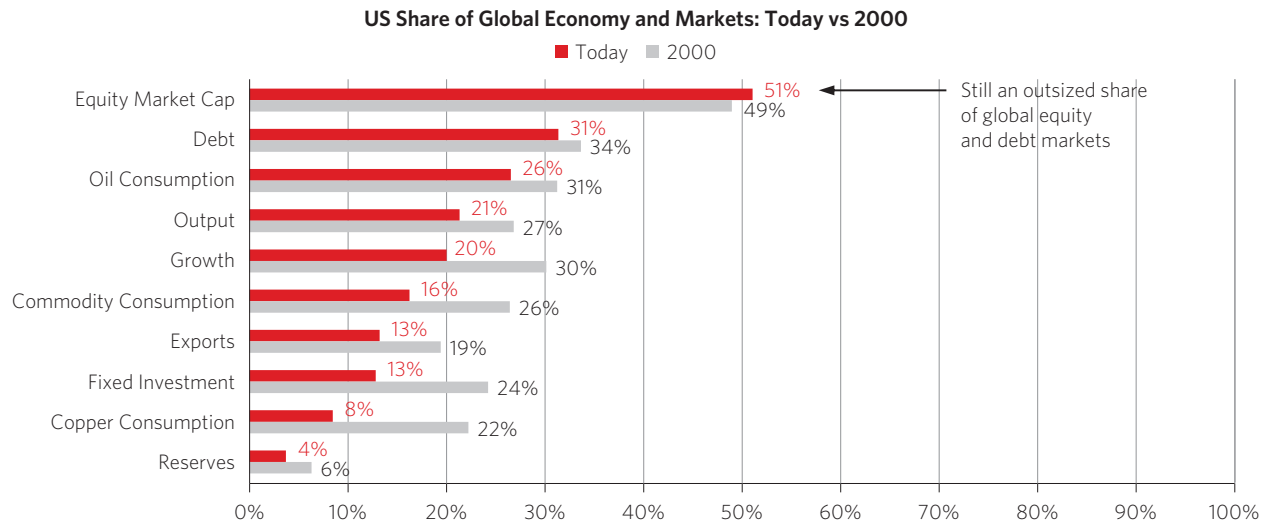
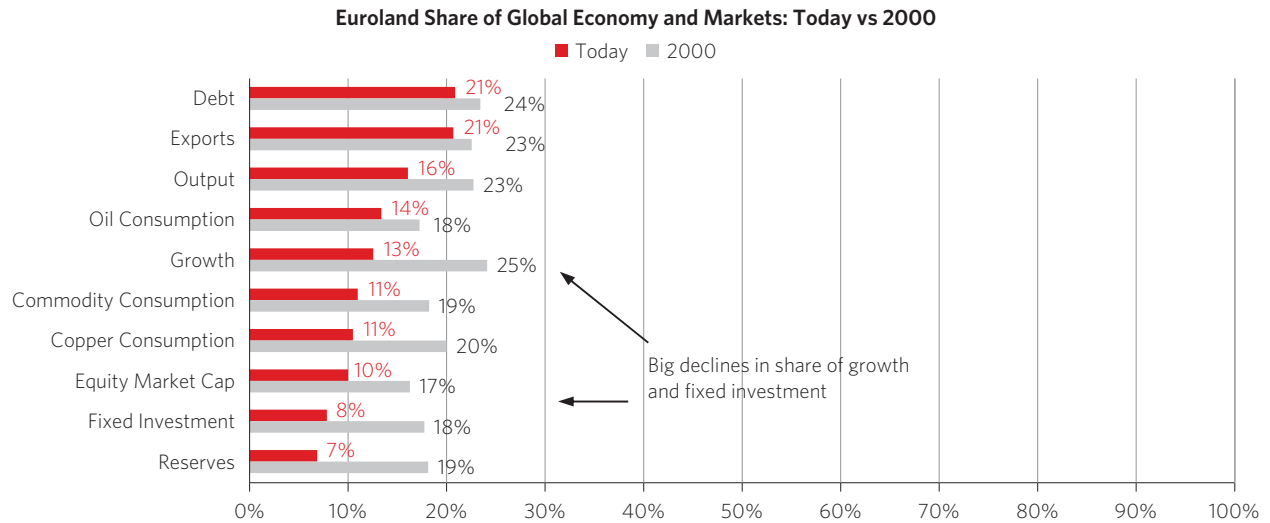
The EM now accounts for about half of global output, and its share across a number of important aspects (growth, investment, commodity consumption, and reserves) has increased rapidly since 2000. Its shares of global equity market capitalization and global debt have also experienced material increases, but at this point, the EM share of financial markets is noticeably smaller than its share of the global economy.



A good deal of this shift is because of China. The increase in its impact on global growth, commodity demand, and global investment has been dramatic.



And most of those gains have come at the expense of the developed world. The charts below illustrate the shifts for Euroland and the US, both of which have lost a lot of ground to the EM.



In the following section, we provide a more secular and more detailed scan of how the compositions of the global economy and markets have shifted over the past several decades.

Global Output

In the decades after 1970, the emerging world's share of global output increased moderately, but since 2000, the pace of those gains accelerated, and now global output is almost evenly divided between the developed and emerging worlds. A large share of the recent gain is because of rapid growth in China, which on its own now accounts for about one-fifth of global output. Since 1990, China has basically managed to double its share of global output every decade. EM Asia beyond China has also made steady gains over the past several decades. Latin America's share of global output has, on the other hand, actually been pretty steady over the past 50 years. Emerging Europe has improved since 2000 but has actually lost ground over the past 50 years.

| | Share of Global Output | | | | | |
|----------------------------|------------------------|--------------|--------------|--------------|--------------|--------------|
| | 1970 | 1980 | 1990 | 2000 | 2010 | Today |
| Developed World | 75.8% | 73.3% | 73.1% | 70.8% | 59.0% | 52.3% |
| United States | 31.9% | 27.0% | 26.8% | 26.8% | 23.4% | 21.3% |
| Euroland | 25.1% | 26.2% | 23.8% | 23.2% | 18.8% | 16.4% |
| Japan | 7.8% | 9.6% | 12.2% | 10.8% | 7.1% | 6.0% |
| United Kingdom | 4.3% | 4.0% | 4.2% | 4.3% | 3.9% | 3.3% |
| Canada | 2.6% | 2.6% | 2.4% | 2.2% | 2.1% | 1.9% |
| Australia | 1.4% | 1.3% | 1.3% | 1.3% | 1.4% | 1.4% |
| Switzerland | 0.9% | 0.9% | 0.9% | 0.8% | 0.7% | 0.7% |
| Sweden | 1.0% | 0.9% | 0.9% | 0.8% | 0.7% | 0.6% |
| Norway | 0.4% | 0.5% | 0.4% | 0.5% | 0.6% | 0.5% |
| New Zealand | 0.3% | 0.2% | 0.2% | 0.2% | 0.2% | 0.2% |
| Emerging World | 24.2% | 26.7% | 26.9% | 29.2% | 41.0% | 47.7% |
| China | 2.4% | 2.4% | 3.1% | 5.5% | 12.4% | 17.9% |
| EM Asia ex-China | 5.1% | 6.1% | 8.1% | 10.1% | 12.4% | 13.9% |
| India | 2.7% | 2.4% | 2.7% | 3.2% | 4.6% | 5.7% |
| South Korea | 0.3% | 0.6% | 1.3% | 1.9% | 2.0% | 1.9% |
| Indonesia | 0.5% | 0.8% | 1.1% | 1.3% | 1.9% | 2.2% |
| Taiwan | 0.3% | 0.5% | 0.9% | 1.2% | 1.0% | 1.0% |
| Thailand | 0.4% | 0.5% | 0.7% | 0.8% | 0.9% | 0.9% |
| Malaysia | 0.2% | 0.3% | 0.3% | 0.4% | 0.6% | 0.7% |
| Philippines | 0.5% | 0.5% | 0.4% | 0.5% | 0.5% | 0.6% |
| Singapore | 0.1% | 0.1% | 0.2% | 0.3% | 0.4% | 0.4% |
| Hong Kong | 0.2% | 0.3% | 0.4% | 0.5% | 0.4% | 0.4% |
| Latin America | 6.9% | 8.3% | 7.3% | 7.5% | 8.3% | 7.8% |
| Brazil | 1.7% | 2.9% | 2.3% | 2.9% | 3.3% | 3.2% |
| Mexico | 1.9% | 2.4% | 2.0% | 2.2% | 2.2% | 2.1% |
| Argentina | 1.7% | 1.3% | 1.5% | 0.9% | 1.0% | 0.8% |
| Colombia | 0.4% | 0.5% | 0.5% | 0.5% | 0.5% | 0.6% |
| Venezuela | 0.4% | 0.5% | 0.4% | 0.3% | 0.5% | 0.3% |
| Chile | 0.2% | 0.2% | 0.2% | 0.3% | 0.4% | 0.4% |
| Peru | 0.4% | 0.4% | 0.2% | 0.2% | 0.3% | 0.3% |
| Ecuador | 0.1% | 0.2% | 0.1% | 0.1% | 0.1% | 0.1% |
| Central and Eastern Europe | 8.7% | 7.8% | 7.0% | 4.8% | 5.9% | 6.4% |
| Russia | 4.9% | 4.0% | 3.6% | 1.9% | 2.9% | 2.9% |
| Turkey | 0.8% | 1.1% | 1.5% | 1.3% | 1.4% | 1.8% |
| Poland | 1.1% | 1.0% | 0.8% | 0.8% | 0.9% | 1.0% |
| Czech Republic | 0.5% | 0.4% | 0.3% | 0.3% | 0.3% | 0.3% |
| Hungary | 0.4% | 0.4% | 0.3% | 0.3% | 0.3% | 0.3% |
| Bulgaria | 1.0% | 0.9% | 0.5% | 0.1% | 0.1% | 0.1% |
| South Africa | 0.7% | 0.8% | 0.7% | 0.6% | 0.7% | 0.7% |
| Saudi Arabia | 0.3% | 1.3% | 0.7% | 0.7% | 1.3% | 1.2% |
| Euroland | | | | | | |
| Germany | 7.8% | 7.4% | 7.1% | 6.7% | 5.2% | 4.8% |
| France | 5.3% | 5.3% | 5.0% | 4.6% | 3.8% | 3.4% |
| Italy | 4.0% | 4.3% | 4.6% | 4.2% | 3.2% | 2.6% |
| Spain | 2.0% | 2.1% | 2.2% | 2.4% | 2.2% | 1.8% |
| Netherlands | 1.3% | 1.5% | 1.3% | 1.4% | 1.2% | 1.1% |
| Belgium | 0.9% | 0.9% | 0.8% | 0.8% | 0.7% | 0.6% |
| Greece | 0.6% | 0.6% | 0.5% | 0.6% | 0.5% | 0.3% |
| Ireland | 0.2% | 0.2% | 0.2% | 0.3% | 0.3% | 0.5% |
| Portugal | 0.4% | 0.4% | 0.4% | 0.5% | 0.4% | 0.3% |

Global output is now almost evenly split between developed and emerging countries

China has significantly increased its share each decade

Growing share across EM Asia, particularly India

Share for Latin America basically stable

Euroland broadly losing share

Global Growth

The shifts in the composition of global growth over the past 15 years are even greater than those in global output, and now roughly 60% of global growth is created by the emerging world. Much of the shift is because of strong conditions in China, which on its own is now creating about 30% of global growth, but other EMs such as India are gaining share as well.

| | Share of Global Growth | | | | | |
|----------------------------|------------------------|--------------|--------------|--------------|--------------|--------------|
| | 1970 | 1980 | 1990 | 2000 | 2010 | Today |
| Developed World | 87.2% | 82.5% | 84.5% | 73.6% | 42.9% | 38.3% |
| United States | 32.5% | 27.1% | 29.0% | 30.1% | 20.8% | 19.6% |
| Euroland | 29.8% | 29.8% | 23.6% | 24.6% | 12.8% | 12.8% |
| Japan | 12.2% | 12.9% | 20.6% | 6.2% | 0.7% | 0.7% |
| United Kingdom | 4.6% | 4.9% | 5.5% | 5.4% | 2.7% | 1.7% |
| Canada | 3.0% | 2.9% | 2.1% | 2.6% | 1.8% | 1.2% |
| Australia | 1.8% | 1.6% | 1.2% | 1.8% | 1.9% | 1.1% |
| Switzerland | 1.2% | 1.1% | 1.1% | 0.8% | 0.7% | 0.4% |
| Sweden | 1.4% | 1.1% | 0.9% | 0.8% | 0.6% | 0.6% |
| Norway | 0.5% | 0.8% | 0.3% | 1.0% | 0.8% | -0.1% |
| New Zealand | 0.3% | 0.2% | 0.2% | 0.3% | 0.2% | 0.2% |
| Emerging World | 12.8% | 17.5% | 15.5% | 26.4% | 57.1% | 61.7% |
| China | 2.8% | 2.2% | 2.4% | 7.1% | 22.5% | 29.6% |
| EM Asia ex-China | 3.2% | 5.5% | 7.7% | 7.8% | 15.1% | 17.7% |
| India | 1.6% | 1.7% | 1.3% | 1.7% | 5.4% | 7.7% |
| South Korea | 0.4% | 0.8% | 2.2% | 2.2% | 2.5% | 2.1% |
| Indonesia | -- | 1.0% | 0.7% | 0.8% | 2.7% | 2.6% |
| Taiwan | 0.3% | 0.5% | 1.3% | 1.2% | 1.1% | 1.3% |
| Thailand | 0.3% | 0.3% | 0.7% | 0.4% | 0.9% | 1.2% |
| Malaysia | -- | 0.3% | 0.3% | 0.4% | 0.9% | 0.9% |
| Philippines | 0.3% | 0.3% | 0.2% | 0.3% | 0.5% | 0.7% |
| Singapore | 0.1% | 0.2% | 0.3% | 0.3% | 0.7% | 0.7% |
| Hong Kong | 0.2% | 0.4% | 0.7% | 0.4% | 0.5% | 0.5% |
| Latin America | 5.0% | 6.3% | 3.6% | 7.6% | 9.7% | 5.8% |
| Brazil | 1.8% | 2.4% | 0.3% | 3.4% | 4.5% | 2.2% |
| Mexico | 1.9% | 2.2% | 1.3% | 2.1% | 1.9% | 1.9% |
| Argentina | 1.3% | 0.5% | 1.3% | 0.8% | 1.0% | 0.4% |
| Colombia | 0.4% | 0.4% | 0.3% | 0.3% | 0.6% | 0.5% |
| Venezuela | 0.3% | 0.3% | 0.1% | 0.3% | 0.5% | -0.3% |
| Chile | 0.2% | 0.2% | 0.2% | 0.3% | 0.6% | 0.5% |
| Peru | 0.2% | 0.2% | 0.0% | 0.3% | 0.4% | 0.4% |
| Ecuador | -- | 0.2% | 0.1% | 0.1% | 0.2% | 0.1% |
| Central and Eastern Europe | 1.0% | 0.9% | 1.3% | 2.8% | 6.6% | 7.9% |
| Russia | -- | -- | -- | 0.7% | 3.3% | 2.1% |
| Turkey | 0.8% | 0.7% | 1.3% | 0.7% | 1.6% | 3.6% |
| Poland | -- | -- | 0.2% | 1.1% | 1.2% | 1.3% |
| Czech Republic | -- | -- | 0.0% | 0.4% | 0.3% | 0.4% |
| Hungary | 0.2% | 0.2% | 0.1% | 0.3% | 0.2% | 0.3% |
| Bulgaria | -- | -- | -0.3% | 0.1% | 0.1% | 0.2% |
| South Africa | 0.7% | 0.7% | 0.3% | 0.5% | 0.9% | 0.5% |
| Saudi Arabia | -- | 2.9% | 0.2% | 0.6% | 2.3% | 0.2% |
| Euroland | | | | | | |
| Germany | 10.2% | 8.1% | 8.2% | 4.8% | 4.0% | 5.0% |
| France | 6.7% | 5.9% | 5.0% | 5.2% | 2.6% | 2.8% |
| Italy | 4.5% | 5.0% | 5.2% | 3.8% | 1.1% | 1.5% |
| Spain | 2.2% | 2.0% | 2.4% | 2.7% | 1.6% | 1.2% |
| Netherlands | 1.8% | 1.7% | 1.3% | 1.8% | 0.9% | 0.9% |
| Belgium | 1.2% | 1.0% | 0.8% | 0.8% | 0.5% | 0.6% |
| Greece | 0.6% | 0.5% | 0.4% | 0.7% | 0.1% | -0.1% |
| Ireland | 0.2% | 0.2% | 0.2% | 0.9% | 0.3% | 1.0% |
| Portugal | 0.4% | 0.3% | 0.4% | 0.6% | 0.2% | 0.2% |

2/3 of global growth is now from EM

Japan now contributing very little to global growth

China alone now accounts for 30% of global growth

India rapidly increasing share of global growth

Latin America share falling a bit post CMD sell-off

Strong growth in CEE; increasingly large share

Business Fixed Investment

About 70% of the world's fixed investment now occurs in the emerging world. China has been the biggest driver of the shift. Until recently, it had almost doubled its share of global fixed investment each decade, and on its own it now accounts for 40% of the total. The share of fixed investment across the developed world has been declining, and some of the sharpest declines have been in Euroland, the UK, and Japan. Among developed economies, Australia has been an exception, as its share of fixed investment has remained steady. Latin America has seen its share remain about flat since 2000.

| | Share of Global BFI | | | | | |
|----------------------------|---------------------|--------------|--------------|--------------|--------------|--------------|
| | 1970 | 1980 | 1990 | 2000 | 2010 | Today |
| Developed World | 70.2% | 63.8% | 61.9% | 58.8% | 34.7% | 30.2% |
| United States | 21.2% | 23.8% | 20.4% | 24.2% | 13.6% | 12.8% |
| Euroland | 28.0% | 20.6% | 19.6% | 18.1% | 10.8% | 8.0% |
| Japan | 12.0% | 11.1% | 14.0% | 8.9% | 4.9% | 4.5% |
| United Kingdom | 2.7% | 2.5% | 2.7% | 2.9% | 1.6% | 1.3% |
| Canada | 1.8% | 2.3% | 1.8% | 1.8% | 1.2% | 1.1% |
| Australia | 1.8% | 1.4% | 1.4% | 1.3% | 1.4% | 1.3% |
| Switzerland | 1.2% | 0.8% | 0.9% | 0.6% | 0.4% | 0.4% |
| Sweden | 0.8% | 0.6% | 0.6% | 0.5% | 0.4% | 0.3% |
| Norway | 0.5% | 0.5% | 0.3% | 0.3% | 0.3% | 0.3% |
| New Zealand | 0.3% | 0.2% | 0.2% | 0.2% | 0.1% | 0.1% |
| Emerging World | 29.8% | 36.2% | 38.1% | 41.2% | 65.3% | 69.8% |
| China | 2.5% | 3.7% | 5.5% | 15.2% | 34.2% | 41.7% |
| EM Asia ex-China | 4.0% | 6.9% | 11.1% | 12.5% | 15.4% | 14.4% |
| India | 1.4% | 1.8% | 3.0% | 3.9% | 6.4% | 5.5% |
| South Korea | 0.4% | 0.9% | 2.0% | 2.6% | 2.2% | 1.8% |
| Indonesia | 0.5% | 0.9% | 1.5% | 1.4% | 3.0% | 3.2% |
| Taiwan | 0.3% | 0.7% | 1.0% | 1.3% | 0.9% | 0.7% |
| Thailand | 0.5% | 0.7% | 1.6% | 1.0% | 1.1% | 1.1% |
| Malaysia | 0.2% | 0.4% | 0.6% | 0.6% | 0.6% | 0.8% |
| Philippines | 0.5% | 0.8% | 0.5% | 0.6% | 0.5% | 0.5% |
| Singapore | 0.1% | 0.3% | 0.4% | 0.5% | 0.4% | 0.4% |
| Hong Kong | 0.2% | 0.4% | 0.5% | 0.5% | 0.4% | 0.4% |
| Latin America | 6.9% | 9.7% | 7.3% | 6.5% | 7.1% | 6.3% |
| Brazil | 2.0% | 4.4% | 3.7% | 2.6% | 2.9% | 2.5% |
| Mexico | 0.6% | 0.8% | 0.7% | 1.6% | 1.5% | 1.4% |
| Argentina | 3.1% | 2.7% | 1.6% | 0.8% | 0.9% | 0.7% |
| Colombia | 0.3% | 0.3% | 0.3% | 0.4% | 0.5% | 0.5% |
| Venezuela | 0.5% | 0.8% | 0.4% | 0.4% | 0.4% | 0.2% |
| Chile | 0.1% | 0.2% | 0.3% | 0.3% | 0.3% | 0.4% |
| Peru | 0.3% | 0.4% | 0.2% | 0.2% | 0.3% | 0.4% |
| Ecuador | 0.1% | 0.1% | 0.1% | 0.1% | 0.2% | 0.2% |
| Central and Eastern Europe | 15.4% | 13.8% | 12.9% | 5.9% | 6.8% | 5.8% |
| Russia | 11.3% | 9.4% | 8.2% | 2.8% | 4.2% | 3.4% |
| Turkey | 1.1% | 1.6% | 2.3% | 1.1% | 1.1% | 1.3% |
| Poland | 1.5% | 1.4% | 1.5% | 1.1% | 0.9% | 0.6% |
| Czech Republic | 0.9% | 0.7% | 0.5% | 0.5% | 0.4% | 0.3% |
| Hungary | 0.7% | 0.7% | 0.4% | 0.4% | 0.2% | 0.2% |
| Bulgaria | -- | -- | -- | -- | -- | -- |
| South Africa | 0.8% | 1.0% | 0.6% | 0.5% | 0.6% | 0.5% |
| Saudi Arabia | 0.2% | 1.2% | 0.7% | 0.7% | 1.3% | 1.0% |
| Euroland | | | | | | |
| Germany | 16.2% | 8.8% | 7.1% | 5.3% | 2.9% | 2.3% |
| France | 3.6% | 3.6% | 4.1% | 3.2% | 2.2% | 1.8% |
| Italy | 1.3% | 3.0% | 3.5% | 3.6% | 2.1% | 1.4% |
| Spain | 2.3% | 2.4% | 2.4% | 2.6% | 1.6% | 1.1% |
| Netherlands | 3.1% | 1.7% | 1.3% | 1.2% | 0.7% | 0.5% |
| Belgium | 1.3% | 0.9% | 0.8% | 0.7% | 0.5% | 0.4% |
| Greece | 0.1% | 0.1% | 0.3% | 0.5% | 0.3% | 0.2% |
| Ireland | 0.1% | 0.2% | 0.1% | 0.3% | 0.1% | 0.1% |
| Portugal | 0.1% | 0.2% | 0.5% | 0.6% | 0.3% | 0.2% |

Share of fixed investment in big developed economies has fallen materially in recent years

EM now 70% of global investment
Until recently, China almost doubled its share each decade; now over 40% of global investment

Latin America share of fixed investment peaked in 1980s

CEE share has fallen, driven in large part by Russia

Commodity Consumption

EM demand for commodities has already surpassed that of the developed world. The EM now accounts for about 60% of total global commodity consumption. China's share of commodity consumption alone is about 40%, and it has rapidly accelerated since 2000. The US and Euroland are the next largest consumers of commodities, but their share of global consumption has been declining, roughly in line with the whole developed world.

| | 1970 | 1980 | 1990 | 2000 | 2010 | Today |
|----------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Developed World | 75.4% | 67.7% | 65.1% | 63.0% | 42.4% | 37.6% |
| United States | 33.4% | 27.5% | 25.1% | 26.4% | 17.5% | 16.2% |
| Euroland | 20.8% | 19.8% | 19.0% | 18.6% | 13.3% | 11.2% |
| Japan | 10.6% | 11.8% | 12.4% | 9.4% | 5.8% | 5.1% |
| United Kingdom | 5.7% | 3.6% | 3.1% | 2.7% | 1.4% | 1.2% |
| Canada | 3.1% | 2.9% | 2.6% | 2.9% | 2.1% | 2.0% |
| Australia | -- | 1.5% | 1.6% | 1.7% | 1.3% | 1.1% |
| Switzerland | 0.7% | 0.5% | 0.5% | 0.4% | 0.3% | 0.3% |
| Sweden | 1.0% | 0.9% | 0.7% | 0.7% | 0.5% | 0.4% |
| New Zealand | 0.2% | 0.2% | 0.2% | 0.2% | 0.2% | 0.1% |
| Emerging World | 24.0% | 32.3% | 35.2% | 37.1% | 57.3% | 62.4% |
| China | 2.2% | 3.8% | 5.5% | 11.8% | 31.6% | 38.5% |
| EM Asia ex-China | 2.5% | 4.3% | 8.5% | 13.4% | 14.2% | 13.4% |
| India | 1.3% | 1.4% | 2.1% | 2.9% | 4.4% | 4.1% |
| South Korea | 0.3% | 1.0% | 2.5% | 4.4% | 3.9% | 3.6% |
| Indonesia | 0.3% | 0.5% | 0.8% | 1.1% | 1.5% | 1.6% |
| Taiwan | 0.3% | 0.7% | 1.6% | 2.7% | 1.8% | 1.6% |
| Thailand | 0.2% | 0.3% | 0.7% | 1.1% | 1.3% | 1.4% |
| Malaysia | 0.1% | 0.1% | 0.4% | 0.8% | 1.0% | 0.8% |
| Philippines | 0.2% | 0.2% | 0.3% | 0.4% | 0.2% | 0.2% |
| Latin America | 3.2% | 5.0% | 5.3% | 6.4% | 6.1% | 5.6% |
| Brazil | 1.2% | 2.2% | 2.2% | 2.8% | 3.0% | 2.9% |
| Mexico | 0.9% | 1.6% | 2.0% | 2.5% | 1.9% | 1.7% |
| Argentina | 0.7% | 0.7% | 0.6% | 0.6% | 0.6% | 0.6% |
| Venezuela | 0.3% | 0.5% | 0.5% | 0.5% | 0.6% | 0.5% |
| Central and Eastern Europe | 15.5% | 18.4% | 15.1% | 4.6% | 4.5% | 4.2% |
| Russia | 13.8% | 16.0% | 13.5% | 2.9% | 3.1% | 3.1% |
| Poland | 1.3% | 1.6% | 1.1% | 1.0% | 0.9% | 0.8% |
| Czech Republic | 0.1% | 0.2% | 0.1% | 0.3% | 0.2% | 0.2% |
| Hungary | 0.6% | 0.6% | 0.4% | 0.3% | 0.2% | 0.2% |
| South Africa | 0.7% | 0.8% | 0.8% | 0.9% | 0.9% | 0.7% |

US and Euroland are largest consumers outside of China but are losing share
Japan peaked in 1990s and declined since

Chinese demand has continued to increase rapidly
Broadly stable share across EM Asia ex-China

Decreasing since 1980s

Copper Consumption

About three-quarters of global demand for copper is coming from the emerging world. It is the market where China has shifted the composition of demand the most—and at this point, China on its own demands 50% of the world's copper consumption. Compared to that growth, the shifts across the rest of the world aren't very notable. The emerging countries outside of China account for a somewhat smaller share than they did in 2000. The developed world's share of demand is dropping across the board.

| | 1970 | 1980 | 1990 | 2000 | 2010 | Today |
|----------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Developed World | 76.9% | 68.6% | 66.7% | 59.7% | 32.8% | 25.9% |
| United States | 28.1% | 23.3% | 21.9% | 22.2% | 10.2% | 8.4% |
| Euroland | 21.7% | 20.6% | 21.6% | 20.4% | 13.9% | 10.7% |
| Japan | 12.1% | 14.4% | 15.8% | 9.8% | 5.9% | 5.0% |
| United Kingdom | 8.1% | 4.8% | 3.1% | 2.4% | 0.2% | 0.1% |
| Canada | 3.3% | 2.7% | 1.9% | 2.0% | 0.9% | 0.8% |
| Australia | 1.6% | 1.5% | 1.2% | 1.2% | 0.8% | 0.3% |
| Switzerland | 0.6% | 0.2% | 0.0% | 0.1% | 0.0% | 0.0% |
| Sweden | 1.3% | 1.2% | 1.2% | 1.4% | 0.9% | 0.6% |
| New Zealand | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Emerging World | 23.1% | 31.4% | 33.3% | 40.3% | 67.2% | 74.1% |
| China | 2.7% | 4.3% | 5.6% | 12.4% | 40.5% | 52.9% |
| EM Asia ex-China | 1.1% | 3.0% | 9.6% | 15.5% | 15.0% | 11.2% |
| India | 0.8% | 0.8% | 1.4% | 1.9% | 3.0% | 2.0% |
| South Korea | 0.1% | 1.2% | 3.1% | 6.0% | 5.1% | 3.5% |
| Indonesia | 0.0% | 0.0% | 0.5% | 0.5% | 1.2% | 1.2% |
| Taiwan | 0.1% | 0.9% | 3.3% | 4.7% | 3.0% | 2.2% |
| Thailand | 0.0% | 0.0% | 0.5% | 1.0% | 1.4% | 1.2% |
| Malaysia | 0.0% | 0.0% | 0.6% | 1.2% | 1.2% | 1.0% |
| Philippines | 0.1% | 0.0% | 0.2% | 0.3% | 0.2% | 0.2% |
| Latin America | 2.8% | 5.0% | 3.9% | 6.7% | 4.8% | 3.6% |
| Brazil | 1.1% | 2.5% | 1.7% | 2.4% | 2.3% | 1.8% |
| Mexico | 0.9% | 1.3% | 1.3% | 3.2% | 1.7% | 1.3% |
| Argentina | 0.5% | 0.6% | 0.3% | 0.4% | 0.2% | 0.1% |
| Colombia | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Venezuela | 0.0% | 0.0% | 0.1% | 0.1% | 0.0% | 0.0% |
| Chile | 0.3% | 0.5% | 0.5% | 0.6% | 0.6% | 0.4% |
| Central and Eastern Europe | 16.0% | 18.2% | 13.6% | 5.2% | 6.5% | 6.1% |
| Russia | 14.2% | 15.3% | 10.3% | 1.4% | 3.0% | 2.6% |
| Turkey | 0.2% | 0.3% | 1.0% | 1.6% | 2.1% | 2.2% |
| Poland | 1.3% | 2.3% | 2.1% | 1.9% | 1.4% | 1.4% |
| Czech Republic | 0.0% | 0.0% | 0.0% | 0.1% | 0.0% | 0.0% |
| Hungary | 0.3% | 0.3% | 0.2% | 0.1% | 0.0% | 0.0% |
| South Africa | 0.6% | 1.0% | 0.7% | 0.6% | 0.5% | 0.2% |

Developed world is losing market share
US and Euroland shares have declined significantly since 1970

Most of that share is going to China, which is now 1/2 of the world's copper demand

Oil Consumption

The shifts so far in the composition of demand for oil have been a bit more muted than those for copper. Most of the gains are still coming from increases in Chinese demand, but the shift has been smaller and a bit more broad-based across the EM.

| | 1970 | 1980 | 1990 | 2000 | 2010 | Today |
|----------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Developed World | 77.4% | 68.6% | 64.8% | 66.4% | 57.8% | 54.1% |
| United States | 36.0% | 31.6% | 30.0% | 31.2% | 27.8% | 26.5% |
| Euroland | 22.0% | 19.5% | 17.1% | 17.6% | 15.2% | 13.6% |
| Japan | 8.7% | 8.9% | 9.0% | 8.9% | 6.5% | 6.0% |
| United Kingdom | 5.1% | 3.2% | 3.1% | 2.8% | 2.4% | 2.1% |
| Canada | 3.7% | 3.4% | 3.0% | 3.2% | 3.3% | 3.3% |
| Australia | -- | 1.1% | 1.3% | 1.4% | 1.5% | 1.5% |
| Switzerland | 0.7% | 0.5% | 0.5% | 0.4% | 0.4% | 0.4% |
| Sweden | 1.0% | 0.9% | 0.6% | 0.6% | 0.5% | 0.4% |
| New Zealand | 0.2% | 0.2% | 0.2% | 0.2% | 0.2% | 0.2% |
| Emerging World | 22.6% | 31.4% | 35.2% | 33.6% | 42.2% | 45.9% |
| China | 1.3% | 3.2% | 4.1% | 7.3% | 12.4% | 14.9% |
| EM Asia ex-China | 2.9% | 4.6% | 7.2% | 12.1% | 14.4% | 15.2% |
| India | 0.9% | 1.2% | 2.0% | 3.3% | 4.7% | 5.1% |
| South Korea | 0.4% | 0.9% | 1.7% | 3.3% | 3.2% | 3.2% |
| Indonesia | 0.8% | 0.8% | 1.1% | 1.6% | 2.1% | 2.5% |
| Taiwan | 0.4% | 0.6% | 0.9% | 1.4% | 1.4% | 1.4% |
| Thailand | 0.3% | 0.4% | 0.7% | 1.2% | 1.5% | 1.7% |
| Malaysia | 0.2% | 0.3% | 0.4% | 0.7% | 0.9% | 1.0% |
| Philippines | 0.3% | 0.4% | 0.4% | 0.6% | 0.4% | 0.4% |
| Latin America | 4.1% | 5.8% | 6.9% | 8.2% | 8.9% | 9.0% |
| Brazil | 1.3% | 2.0% | 2.4% | 3.4% | 3.8% | 4.2% |
| Mexico | 1.2% | 2.1% | 3.0% | 3.2% | 3.1% | 2.7% |
| Argentina | 1.0% | 0.9% | 0.8% | 0.8% | 1.0% | 1.1% |
| Venezuela | 0.6% | 0.7% | 0.7% | 0.8% | 1.0% | 1.1% |
| Central and Eastern Europe | 13.7% | 17.3% | 16.3% | 5.3% | 5.7% | 6.0% |
| Russia | 12.7% | 15.8% | 15.1% | 4.1% | 4.4% | 4.8% |
| Poland | 0.5% | 0.7% | 0.5% | 0.7% | 0.8% | 0.7% |
| Czech Republic | 0.3% | 0.4% | 0.3% | 0.3% | 0.3% | 0.3% |
| Hungary | 0.4% | 0.4% | 0.3% | 0.2% | 0.2% | 0.2% |
| South Africa | 0.6% | 0.5% | 0.6% | 0.7% | 0.8% | 0.8% |

Developed world share of oil demand is falling, while the EM share is rising

Again, China accounts for much of EM increase

India's share steadily increasing

Global Exports

Global exports are now about equally split between the developed and the emerging worlds, and what really jumps out is that almost the entire shift toward the emerging world over the past 15 years is coming from China's increased share. EM Europe's share has increased since 1990 but remained roughly flat since 2010, and the share in Latin America and EM Asia outside of China has been pretty steady since 2000.

| Share of Global Non-Commodity Exports | | | | | | | |
|---------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--|
| | 1970 | 1980 | 1990 | 2000 | 2010 | Today | |
| Developed World | 87.8% | 83.2% | 78.2% | 68.1% | 53.1% | 49.3% | Developed world broadly losing market share to EM |
| United States | 20.2% | 18.2% | 17.6% | 19.4% | 12.7% | 13.2% | US and Euroland losing market share |
| Euroland | 32.7% | 32.8% | 26.9% | 23.0% | 22.7% | 21.1% | |
| Japan | 11.7% | 13.6% | 15.8% | 10.4% | 7.4% | 5.6% | Japan peaked in the 1990s |
| United Kingdom | 10.9% | 8.5% | 7.7% | 5.9% | 3.6% | 3.3% | |
| Canada | 6.0% | 4.0% | 4.2% | 4.8% | 2.4% | 2.3% | |
| Australia | 0.4% | 0.5% | 0.6% | 0.6% | 0.5% | 0.4% | |
| Switzerland | 2.8% | 2.5% | 2.5% | 1.8% | 1.9% | 1.8% | |
| Sweden | 2.8% | 2.4% | 2.1% | 1.7% | 1.4% | 1.0% | |
| Norway | 0.1% | 0.6% | 0.5% | 0.4% | 0.3% | 0.2% | |
| New Zealand | 0.2% | 0.2% | 0.2% | 0.1% | 0.1% | 0.1% | EM share has risen to roughly half of global exports |
| Emerging World | 12.2% | 16.8% | 21.8% | 31.9% | 46.9% | 50.7% | China's share has increased dramatically |
| China | 0.9% | 1.0% | 2.0% | 5.2% | 17.2% | 20.9% | India's share still small, but increasing |
| EM Asia ex-China | 4.0% | 8.1% | 14.5% | 18.8% | 19.7% | 19.2% | |
| India | 0.0% | 0.2% | 0.3% | 0.6% | 1.3% | 1.4% | |
| South Korea | 0.4% | 1.5% | 2.9% | 3.3% | 4.4% | 4.3% | |
| Indonesia | 0.1% | 0.5% | 0.7% | 0.8% | 0.9% | 0.9% | |
| Taiwan | 0.9% | 1.9% | 3.1% | 3.0% | 2.4% | 2.2% | |
| Thailand | 0.2% | 0.3% | 0.8% | 1.3% | 1.6% | 1.6% | |
| Malaysia | 0.3% | 0.5% | 0.9% | 1.9% | 1.7% | 1.4% | |
| Philippines | 0.2% | 0.3% | 0.3% | 0.8% | 0.5% | 0.5% | |
| Singapore | 0.5% | 1.1% | 1.8% | 2.7% | 3.0% | 2.7% | |
| Hong Kong | 1.3% | 1.8% | 3.7% | 4.4% | 4.0% | 4.2% | |
| Latin America | 2.0% | 2.9% | 2.9% | 4.6% | 4.0% | 4.4% | Share for Latin America basically stable |
| Brazil | 0.5% | 1.2% | 1.1% | 0.8% | 0.9% | 0.8% | |
| Mexico | 0.5% | 0.6% | 1.3% | 3.2% | 2.5% | 3.1% | |
| Argentina | 0.1% | 0.3% | 0.2% | 0.2% | 0.3% | 0.2% | |
| Colombia | 0.1% | 0.1% | 0.1% | 0.1% | 0.1% | 0.1% | |
| Venezuela | 0.4% | 0.4% | 0.2% | 0.0% | 0.0% | 0.0% | |
| Chile | 0.0% | 0.0% | 0.1% | 0.1% | 0.2% | 0.1% | |
| Peru | 0.4% | 0.2% | 0.1% | 0.0% | 0.1% | 0.1% | |
| Ecuador | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | |
| Central and Eastern Europe | 4.6% | 3.1% | 1.9% | 2.9% | 5.4% | 5.6% | Big gains in EM Europe, stable recently |
| Russia | 0.2% | 0.2% | 0.2% | 0.5% | 0.6% | 0.5% | |
| Turkey | 0.2% | 0.2% | 0.4% | 0.5% | 0.9% | 1.0% | |
| Poland | 1.1% | 0.7% | 0.4% | 0.6% | 1.5% | 1.6% | |
| Czech Republic | 2.4% | 1.2% | 0.6% | 0.6% | 1.3% | 1.4% | |
| Hungary | 0.5% | 0.6% | 0.3% | 0.6% | 1.0% | 0.9% | |
| Bulgaria | 0.2% | 0.2% | 0.1% | 0.1% | 0.1% | 0.2% | |
| South Africa | 0.5% | 0.6% | 0.3% | 0.3% | 0.3% | 0.3% | |
| Saudi Arabia | 0.1% | 1.0% | 0.2% | 0.1% | 0.3% | 0.3% | |
| Euroland | | | | | | | |
| Germany | 19.2% | 18.1% | 17.2% | 13.3% | 13.7% | 12.1% | Euroland broadly losing share |
| France | 9.6% | 10.3% | 8.5% | 7.2% | 5.2% | 4.2% | |
| Italy | 7.0% | 7.1% | 6.7% | 5.3% | 4.4% | 3.8% | |
| Spain | 1.0% | 1.4% | 1.8% | 2.3% | 2.2% | 2.1% | |
| Netherlands | 5.1% | 5.3% | 4.2% | 4.2% | 4.5% | 4.0% | |
| Belgium | 4.8% | 4.5% | 3.8% | 3.5% | 3.5% | 2.9% | |
| Greece | 0.3% | 0.3% | 0.3% | 0.2% | 0.1% | 0.1% | |
| Ireland | 0.6% | 0.7% | 0.9% | 1.8% | 1.2% | 1.1% | |
| Portugal | 0.5% | 0.4% | 0.6% | 0.5% | 0.5% | 0.4% | |

Reserves

About 70% of the world's reserve assets are now held in the emerging world. In 2000, the world's largest holders of reserves were Euroland and Japan, together accounting for about 35% of reserves. Today, China is by far the largest holder, accounting for close to one-third of total reserves—though this share has leveled off given their intervention over the past few years.

| Share of Global Reserves | | | | | | | |
|----------------------------|--------------|--------------|--------------|--------------|--------------|--------------|---|
| | 1970 | 1980 | 1990 | 2000 | 2010 | Today | |
| Developed World | 87.9% | 80.3% | 73.1% | 50.5% | 30.7% | 31.8% | <p>Nearly 70% of global reserves now held in EM</p> <p>Japan's reserve share has fallen</p> |
| United States | 21.4% | 23.9% | 15.6% | 6.3% | 4.7% | 3.7% | |
| Euroland | 40.0% | 34.8% | 33.0% | 18.5% | 7.9% | 7.0% | |
| Japan | 6.6% | 4.5% | 8.1% | 16.5% | 12.9% | 11.8% | |
| United Kingdom | 4.0% | 4.2% | 4.1% | 1.7% | 0.6% | 1.0% | |
| Canada | 5.1% | 0.6% | 1.6% | 1.5% | 0.6% | 0.7% | |
| Australia | 2.4% | 1.0% | 1.8% | 0.9% | 0.5% | 0.5% | |
| Switzerland | 6.0% | 9.5% | 5.7% | 2.9% | 2.4% | 6.9% | |
| Sweden | 1.0% | 0.8% | 1.4% | 0.8% | 0.3% | 0.3% | |
| Norway | 1.0% | 0.9% | 1.5% | 1.3% | 0.6% | 0.6% | |
| New Zealand | 0.4% | 0.1% | 0.3% | 0.2% | 0.2% | 0.2% | |
| Emerging World | 12.1% | 19.7% | 26.9% | 49.5% | 69.3% | 68.2% | <p>China's share high, but leveling off</p> <p>EM Asia very large reserve holders</p> |
| China | -- | 1.4% | 1.7% | 9.0% | 31.7% | 30.4% | |
| EM Asia ex-China | 6.4% | 6.5% | 17.6% | 26.7% | 21.4% | 22.7% | |
| India | 1.3% | 1.3% | 0.5% | 2.0% | 3.5% | 3.6% | |
| South Korea | 0.7% | 0.5% | 1.5% | 4.3% | 3.3% | 3.6% | |
| Indonesia | 0.1% | 0.9% | 0.6% | 1.4% | 1.0% | 1.1% | |
| Taiwan | 0.7% | 0.7% | 8.2% | 5.8% | 4.5% | 4.4% | |
| Thailand | 1.3% | 0.6% | 1.3% | 1.7% | 1.8% | 1.8% | |
| Malaysia | 0.8% | 0.8% | 0.9% | 1.6% | 1.3% | 0.9% | |
| Philippines | 0.3% | 0.6% | 0.2% | 0.8% | 0.6% | 0.8% | |
| Singapore | 1.3% | 1.2% | 2.5% | 4.0% | 2.5% | 2.5% | |
| Hong Kong | -- | -- | 2.7% | 5.3% | 3.0% | 4.0% | |
| Latin America | 4.7% | 6.6% | 4.5% | 7.5% | 6.6% | 6.9% | |
| Brazil | 1.2% | 1.6% | 0.9% | 1.9% | 3.2% | 3.6% | |
| Mexico | 1.0% | 0.6% | 1.0% | 1.9% | 1.3% | 1.7% | |
| Argentina | 0.8% | 1.3% | 0.4% | 1.2% | 0.6% | 0.4% | |
| Colombia | 0.3% | 0.8% | 0.5% | 0.5% | 0.3% | 0.4% | |
| Venezuela | 1.3% | 1.4% | 1.0% | 0.8% | 0.4% | 0.1% | |
| Chile | 0.4% | 0.6% | 0.5% | 0.8% | 0.3% | 0.4% | |
| Peru | 0.4% | 0.3% | 0.2% | 0.5% | 0.5% | 0.6% | |
| Ecuador | 0.1% | 0.1% | 0.1% | 0.1% | 0.0% | 0.0% | |
| Central and Eastern Europe | 0.4% | 0.6% | 1.4% | 5.1% | 8.8% | 7.5% | |
| Russia | -- | -- | -- | 1.1% | 5.5% | 3.8% | |
| Turkey | 0.4% | 0.2% | 0.6% | 1.2% | 1.0% | 1.1% | |
| Poland | -- | -- | 0.4% | 1.4% | 1.1% | 1.1% | |
| Czech Republic | -- | -- | 0.2% | 0.7% | 0.5% | 1.1% | |
| Hungary | -- | 0.4% | 0.2% | 0.6% | 0.5% | 0.3% | |
| Bulgaria | -- | -- | 0.1% | 0.2% | 0.2% | 0.3% | |
| South Africa | -- | 1.0% | 0.2% | 0.4% | 0.5% | 0.4% | |
| Saudi Arabia | 1.0% | 4.3% | 1.5% | 0.9% | -- | -- | |

Global Debt

The emerging world's share of global debt has tripled over the past 15 years, but the developed world still accounts for the vast majority (about 80%) of the world's debt. China has seen its share multiply by seven since 2000. In the developed world, Australia has actually increased its share the most—doubling since 2000.

| Share of Global Total Debt | | | | | | |
|----------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 1970 | 1980 | 1990 | 2000 | 2010 | Today |
| Developed World | 96.2% | 91.6% | 93.7% | 92.4% | 86.7% | 76.6% |
| United States | 81.1% | 55.8% | 43.9% | 33.9% | 29.7% | 31.3% |
| Euroland | -- | -- | -- | 24.0% | 28.8% | 21.3% |
| Japan | 15.1% | 31.3% | 38.4% | 23.0% | 13.0% | 9.8% |
| United Kingdom | -- | 6.7% | 6.7% | 5.7% | 6.9% | 6.2% |
| Canada | -- | -- | 3.9% | 2.1% | 2.5% | 2.6% |
| Australia | -- | -- | 2.2% | 1.1% | 2.1% | 2.3% |
| Switzerland | -- | -- | -- | 1.0% | 1.1% | 1.2% |
| Sweden | -- | -- | -- | 1.2% | 1.3% | 1.0% |
| Norway | -- | -- | -- | 0.7% | 1.1% | 0.7% |
| New Zealand | -- | -- | -- | -- | 0.3% | -- |
| Emerging World | 3.8% | 8.4% | 6.3% | 7.6% | 13.3% | 23.4% |
| China | -- | 2.1% | 1.3% | 1.9% | 6.1% | 14.4% |
| EM Asia ex-China | 1.9% | 3.3% | 3.3% | 3.5% | 4.1% | 4.7% |
| India | 1.6% | 1.4% | 0.9% | 0.6% | 1.1% | 1.5% |
| South Korea | -- | 0.8% | 1.3% | 1.3% | 1.7% | 1.9% |
| Indonesia | -- | 0.3% | 0.3% | 0.2% | 0.2% | 0.4% |
| Taiwan | -- | -- | -- | 0.3% | 0.2% | 0.2% |
| Thailand | 0.1% | 0.2% | 0.3% | 0.3% | 0.2% | 0.6% |
| Malaysia | 0.1% | 0.3% | 0.2% | 0.2% | 0.2% | 0.4% |
| Philippines | 0.1% | 0.3% | 0.1% | 0.1% | 0.1% | 0.2% |
| Singapore | -- | -- | -- | -- | -- | -- |
| Hong Kong | -- | -- | 0.6% | 0.5% | 0.4% | 0.5% |
| Latin America | 1.2% | 2.2% | 1.0% | 1.7% | 2.0% | 2.1% |
| Brazil | -- | -- | -- | 0.7% | 1.2% | 1.5% |
| Mexico | 1.2% | 1.6% | 0.7% | 0.5% | 0.5% | 0.5% |
| Argentina | 0.0% | 0.2% | 0.2% | 0.3% | 0.1% | 0.1% |
| Colombia | -- | -- | 0.1% | 0.1% | 0.1% | 0.2% |
| Venezuela | -- | -- | -- | -- | -- | -- |
| Chile | -- | 0.2% | 0.1% | 0.1% | 0.1% | 0.1% |
| Peru | 0.0% | 0.1% | 0.1% | 0.0% | 0.0% | 0.1% |
| Ecuador | -- | -- | -- | -- | -- | -- |
| Central and Eastern Europe | -- | 0.2% | 0.3% | 0.3% | 0.9% | 1.9% |
| Russia | -- | -- | -- | 0.4% | 0.8% | 0.7% |
| Turkey | -- | 0.2% | 0.2% | 0.2% | 0.4% | 0.5% |
| Poland | -- | -- | -- | -- | 0.4% | 0.4% |
| Czech Republic | -- | -- | -- | -- | -- | 0.2% |
| Hungary | -- | -- | 0.1% | 0.1% | 0.2% | 0.1% |
| Bulgaria | -- | -- | -- | -- | -- | -- |
| South Africa | 0.8% | 0.6% | 0.3% | 0.1% | 0.2% | 0.3% |
| Saudi Arabia | -- | -- | -- | -- | -- | -- |
| Euroland | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | -- |
| Germany | 12.9% | 17.6% | 9.9% | 6.7% | 5.7% | 4.4% |
| France | 11.4% | 11.8% | 7.1% | 3.7% | 4.8% | 4.2% |
| Italy | 7.9% | 7.0% | 6.1% | 3.2% | 4.1% | 3.0% |
| Spain | 2.7% | 3.4% | 2.4% | 1.3% | 3.2% | 2.0% |
| Netherlands | -- | -- | -- | -- | 3.5% | 2.8% |
| Belgium | -- | -- | -- | 0.9% | 1.1% | 1.0% |
| Greece | -- | -- | -- | 0.2% | 0.5% | 0.3% |
| Ireland | -- | -- | -- | -- | 1.3% | 1.1% |
| Portugal | -- | -- | -- | 0.3% | 0.5% | 0.4% |

Developed world still has majority of the world's debt, although its share has fallen

Japan share of debt peaked in the 1990s

EM share of debt is still low, but rising quickly

China's share of total debt has increased dramatically

Latin America share of debt increasing a bit

EM Europe share of debt also rising somewhat

Global Equity Market Capitalization

The developed world continues to account for an outsized share of world equity market capitalization. Through 2000, the developed world accounted for more than 90% of global equity market cap. China's market capitalization has significantly increased and is now comparable in size to the UK and Japan's. EM Asia's shares have increased since 2000 but decreased modestly more recently. In Latin America, Brazil's share of equity market capitalization has decreased significantly since 2010. Over the same period, in the developed world, Australia and Canada have also seen notable declines.

| Share of Global Equity Market Capitalization | | | | | | |
|--|--------------|--------------|--------------|--------------|--------------|--------------|
| | 1970 | 1980 | 1990 | 2000 | 2010 | Today |
| Developed World | 99.5% | 98.0% | 94.6% | 93.5% | 83.2% | 84.4% |
| United States | 66.9% | 50.1% | 32.5% | 48.9% | 42.2% | 51.0% |
| Euroland | 10.6% | 11.6% | 11.8% | 16.6% | 12.1% | 9.9% |
| Japan | 4.4% | 17.2% | 33.8% | 10.9% | 8.6% | 7.6% |
| United Kingdom | 9.2% | 9.1% | 9.2% | 9.4% | 8.3% | 6.3% |
| Canada | 4.9% | 4.7% | 2.6% | 2.1% | 4.3% | 3.0% |
| Australia | 1.9% | 2.3% | 1.4% | 1.2% | 3.2% | 2.3% |
| Switzerland | 1.0% | 2.4% | 1.8% | 2.9% | 3.1% | 3.0% |
| Sweden | 0.5% | 0.5% | 1.0% | 1.2% | 1.1% | 0.9% |
| Norway | 0.1% | 0.2% | 0.3% | 0.2% | 0.3% | 0.2% |
| New Zealand | -- | 0.1% | 0.1% | 0.1% | 0.0% | 0.1% |
| Emerging World | 0.5% | 2.0% | 5.4% | 6.5% | 16.8% | 15.6% |
| China | -- | -- | -- | 0.8% | 5.2% | 6.9% |
| EM Asia ex-China | 0.5% | 2.0% | 4.5% | 3.9% | 6.5% | 5.9% |
| India | -- | -- | -- | 0.4% | 0.9% | 0.8% |
| South Korea | -- | -- | 0.9% | 0.6% | 1.7% | 1.5% |
| Indonesia | -- | -- | 0.0% | 0.1% | 0.3% | 0.3% |
| Taiwan | -- | -- | 1.4% | 1.0% | 1.4% | 1.2% |
| Thailand | -- | -- | 0.2% | 0.1% | 0.2% | 0.2% |
| Malaysia | -- | -- | 0.4% | 0.3% | 0.4% | 0.3% |
| Philippines | -- | -- | 0.0% | 0.1% | 0.1% | 0.1% |
| Singapore | 0.2% | 0.7% | 0.6% | 0.4% | 0.6% | 0.4% |
| Hong Kong | 0.3% | 1.4% | 0.9% | 1.0% | 1.0% | 1.1% |
| Latin America | -- | -- | 0.9% | 1.3% | 2.9% | 1.4% |
| Brazil | -- | -- | 0.3% | 0.5% | 1.9% | 0.7% |
| Mexico | -- | -- | 0.3% | 0.5% | 0.6% | 0.4% |
| Argentina | -- | -- | 0.1% | 0.1% | 0.0% | 0.0% |
| Colombia | -- | -- | -- | 0.0% | 0.1% | 0.0% |
| Venezuela | -- | -- | -- | -- | -- | -- |
| Chile | -- | -- | 0.2% | 0.2% | 0.2% | 0.1% |
| Peru | -- | -- | -- | 0.0% | 0.1% | 0.0% |
| Ecuador | -- | -- | -- | -- | -- | -- |
| Central and Eastern Europe | -- | -- | 0.1% | 0.4% | 1.3% | 0.7% |
| Russia | -- | -- | -- | 0.1% | 0.8% | 0.4% |
| Turkey | -- | -- | 0.1% | 0.1% | 0.2% | 0.1% |
| Poland | -- | -- | -- | 0.1% | 0.2% | 0.1% |
| Czech Republic | -- | -- | -- | 0.0% | 0.1% | 0.0% |
| Hungary | -- | -- | -- | 0.1% | 0.1% | 0.0% |
| Bulgaria | -- | -- | -- | -- | -- | -- |
| South Africa | -- | -- | -- | 0.5% | 0.9% | 0.7% |
| Saudi Arabia | -- | -- | -- | -- | -- | -- |
| Euroland | -- | 0.0% | 0.0% | 0.0% | 0.0% | -- |
| Germany | 3.0% | 4.7% | 3.6% | 4.1% | 3.2% | 2.9% |
| France | 2.3% | 2.4% | 3.1% | 4.7% | 4.0% | 3.2% |
| Italy | 1.2% | 1.0% | 1.5% | 2.0% | 1.2% | 0.7% |
| Spain | 1.2% | 0.8% | 1.0% | 1.3% | 1.5% | 1.1% |
| Netherlands | 1.8% | 1.6% | 1.5% | 2.5% | 1.0% | 1.0% |
| Belgium | 0.7% | 0.7% | 0.7% | 0.5% | 0.4% | 0.4% |
| Greece | -- | -- | 0.1% | 0.3% | 0.1% | 0.0% |
| Ireland | -- | -- | 0.1% | 0.2% | 0.1% | 0.1% |
| Portugal | -- | -- | 0.1% | 0.2% | 0.1% | 0.0% |

Developed world still has majority of market cap; US has half of global share alone

China share is comparable to UK
EM Asia ex-China share grew since 2000, but modestly shrunk over the last five years

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