



NEWS RELEASE

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World Economic League Table 2020

Highlights

- The USA in 2019 reached 24.8% of world GDP, its largest share of the world economy since 2007. And the US is now expected to remain the world's largest economy throughout the 2020s and is to be overtaken by China only in 2033, three years later than we forecast two years ago.
- We do not expect China to go into recession in 2020 and, although Chinese growth will slow as a result of demographics and greater concentration on quality of life, we expect China to become the world's largest economy in 2033.
- India has decisively overtaken both France and the UK to become the world's fifth largest economy in 2019. It is expected to overtake Germany to become fourth largest in 2026 and Japan to become the third largest in 2034. India is also set to reach a GDP of \$5 trillion by 2026 – 2 years later than the current government target.
- The latest revised data suggests that despite Brexit, the French economy failed to overtake the UK economy in the 2016-19 period. We now expect that by 2034 the UK economy will be a quarter larger than the French economy.
- Two 'Western' economies with particular success in attracting skilled migrants, Canada and Australia, should continue to rise in the rankings. By 2034 Canada is predicted to be the 8th largest economy and Australia the 13th largest.
- Because of its success in diversifying into tech, Russia is expected to do far better than any other energy dependent economy in a world of weak oil prices, falling only one place from 11th to 12th by 2034.
- Korea is set to become one of the world's top ten economies in 2027.
- Indonesia is set to be on the verge of entering the group of the world's top ten economies by 2034, reaching 11th place in the table.
- Three rapidly growing Asian economies are the fastest risers in the table amongst the larger economies. The Philippines rises from 38th place in 2019 to 22nd place in 2034; Bangladesh from 41st to 26th and Malaysia from 35th to 28th.
- Poland enters the world's top 20 economies in 2031, reaching 19th place.
- Weakening oil prices through the 2020s will push Saudi Arabia out of the world's 20 largest economies by 2028, eventually sinking to 21st in the rankings by 2034.

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The latest edition of the World Economic League Table, the WELT 2020, is produced by international economic forecasters, the London-based Centre for Economics and Business Research (Cebr) at a time of significant change in the world order and increasing global economic uncertainty. It is Cebr's 11th annual world economic outlook report.

This edition of the World Economic League Table (WELT) shows some interesting moves as the world's richest powers jockey for position.

The WELT tracks the size of different economies across the globe and projects changes over the next 15 years, up to 2034.

The past year, 2019, has been a bad year for the world economy with the weakest GDP growth since the recession year of 2009. But the clouds started to lift towards the end of the year and we predict that expansionary fiscal and monetary policy around the world will cause growth to accelerate in 2020.

In 2019, any lingering 'feel-good factor' from the upswing of the global economy in 2017 has largely dispersed and has been replaced by renewed volatility and uncertainty. Trade tensions have come to the fore with the US and China imposing substantial tariffs on each other's export sectors.

Perhaps the most unexpected element in this report is the ongoing strength of the US economy, though we expect that 2019 will prove the high water mark as the problems of the trade war and the deficit impinge. But in 2011 the US economy was 21.2% of world GDP. In 2019 its share had risen to 24.8%, its highest share since 2007. And it is now forecast to remain the world's largest economy throughout the 2020s, only being overtaken by China in 2033.

China, on the other hand, has had a particularly difficult 2019 with growth slowing and Beijing property prices falling. At the end of the year, however, growth seems to have started to recover and the prospects for 2020 are improving. Where China has been particularly successful is in reorienting policy – its success in virtually abolishing extreme poverty over the past two decades deserves to be applauded while the focus of policy has now shifted onto improved environmental performance. We still expect China to become the world's largest economy in 2033.

Indian data revisions mean that 2019 was the year when the country's economy finally overtook the UK and France (as predicted in WELT 2019). But slow growth during the year has increased pressure for more radical economic reforms. Our prediction that India will overtake Germany and then Japan to become the world's third largest economy in 2034 assumes success in implementing such reforms.

In Europe, revised data means that even after the sharp fall in sterling after the Brexit referendum, the United Kingdom just managed to stay ahead of France. We now predict that by 2034 the UK economy will be a quarter larger than the French economy.

One of the persistent themes of this report is that countries that are successful in attracting skilled migrants tend to grow faster. And reflecting this, Canada and Australia, which are two of the most successful countries at attracting inward migration, are predicted to rise in the rankings, Canada to 8th and Australia to 13th by 2034.

We have had a chance this year to conduct an in-depth study of the prospects for the Russian economy. Our conclusion is that they are having some success in diversifying from energy to tech and as a result, despite our prediction of weak oil prices in the late 2020s and 2030s, we expect Russia only to drop one place in the rankings to 12th by 2034.

Poland is expected to join the ranks of the world's top 20 economies, reaching 19th position in 2031.

In the long run, many Asian economies will rise through the ranks of the WELT as these countries cash in on their demographic dividends. The two most prominent examples are the Philippines, which will enter the top 25 largest economies reaching 22nd place in 2034, and Bangladesh, which will rise to 25th.

Cebr Deputy Chairman Douglas McWilliams said: “The World Economic League Table 2020 tracks relative economic progress. The biggest surprise is how well the US economy has managed to do, reaching its highest share of world GDP for 12 years. Though our view is that it has reached its high water mark and moving forward the deficit and its trade disputes will start to hold it back. Still, this is a remarkable performance for an old world economy. ”

“The battle for the top spots in the WELT league table remains fiercely contested,” said Kay Daniel Neufeld, Head of Macroeconomics at Cebr. He added: “In December, the US and China agreed on a de-escalation in trade tensions between the two economic juggernauts. Whether the conflict, which has been weighing heavily on global growth, can be entirely solved in 2020 remains to be seen. We expect growth in China to slow further throughout the year as the country manages not only the fallout from the trade war but also its transition towards a consumption-driven economy offering a higher standard of living. This has delayed its ascensions to the top spot in the league table until 2033. Meanwhile, Japan, Germany and India will battle for third position over the next 15 years.”

“Despite the rapid ascent of countries such as India and Indonesia, it is striking how little an impact this will have on the US and China’s dominant roles in the global economy. Indeed, their share of world GDP is forecast to rise to 42% by 2034. The 2020s are set to be a decade marked by continued tensions between the US and China on multiple fronts ranging from trade to tech, which will cast a long shadow over the rest of the global economy.” said Pablo Shah, Senior Economist at Cebr.

Ranking out of 193	2004	2009	2014	2019	2020	2024	2029	2034
Afghanistan	131	117	110	115	117	115	110	107
Albania	118	118	130	121	120	120	118	114
Algeria	49	50	50	55	56	58	67	78
Angola	76	64	59	65	68	69	70	71
Antigua and Barbuda	168	172	175	173	173	173	176	175
Argentina	36	29	23	29	29	34	38	42
Armenia	139	134	136	129	130	131	132	131
Aruba	150	157	163	163	164	167	169	169
Australia	15	13	13	14	14	13	14	13
Austria	22	26	28	27	28	27	32	35
Azerbaijan	114	78	70	88	90	92	94	95
The Bahamas	109	126	139	133	134	139	139	142
Bahrain	97	98	98	96	96	97	100	101
Bangladesh	53	57	57	41	40	30	26	25
Barbados	142	150	154	153	154	155	155	158
Belarus	77	71	68	76	79	84	92	99
Belgium	20	20	25	25	25	26	30	32
Belize	163	169	171	169	170	172	174	176
Benin	124	127	128	126	125	121	111	106
Bhutan	173	173	170	164	163	162	162	160
Bolivia	111	108	99	92	92	89	86	80
Bosnia and Herzegovina	105	107	115	113	114	113	116	115
Botswana	110	124	122	116	115	119	122	129
Brazil	13	8	7	9	9	8	9	9

Brunei Darussalam	113	119	118	136	135	140	140	146
Bulgaria	70	69	79	74	76	76	75	75
Burkina Faso	135	137	133	124	123	123	115	109
Burundi	169	164	162	160	159	160	161	162
Cabo Verde	164	166	169	168	168	169	167	166
Cambodia	130	123	120	105	103	101	99	96
Cameroon	84	93	97	95	94	94	91	86
Canada	9	10	11	10	10	9	8	8
Central African Republic	160	162	168	166	166	166	165	163
Chad	134	131	126	140	138	133	136	132
Chile	47	47	43	43	43	44	44	44
China	6	3	2	2	2	2	2	1
Colombia	42	39	32	40	42	41	40	37
Comoros	174	175	178	179	179	178	177	177
Democratic Republic of the Republic of Congo	102	104	95	87	88	88	87	87
Costa Rica	82	89	83	78	78	79	79	81
Côte d'Ivoire	86	96	96	90	89	85	81	77
Croatia	61	65	77	79	81	83	85	85
Cyprus	85	94	106	107	107	106	108	112
Czech Republic	41	43	51	47	48	47	47	47
Denmark	27	31	34	39	39	40	41	40
Djibouti	167	168	167	162	160	159	159	156
Dominica	181	184	185	184	184	184	185	185
Dominican Republic	79	75	71	67	66	64	63	64
Ecuador	63	66	64	61	62	65	69	72
Egypt	50	44	39	42	41	42	35	31
El Salvador	94	106	108	104	104	105	106	111
Equatorial Guinea	126	111	109	137	139	143	150	154
Eritrea	171	170	165	167	167	168	168	167
Estonia	98	102	103	99	102	100	102	104
Eswatini	146	154	157	155	156	156	158	161
Ethiopia	106	86	81	66	64	62	60	59
Fiji	144	156	153	149	150	152	152	151
Finland	30	36	42	45	46	48	51	52
France	5	5	6	7	7	7	7	7
Gabon	116	115	116	118	118	122	121	116
The Gambia	165	167	176	172	172	170	170	171
Georgia	132	122	121	119	119	118	113	108
Germany	3	4	4	4	4	4	5	5
Ghana	81	85	82	73	75	75	74	74
Greece	28	30	46	52	52	54	55	60
Grenada	175	178	180	178	178	179	179	178
Guatemala	74	81	76	69	69	67	66	66
Guinea	133	139	143	130	129	127	123	123
Guinea-Bissau	177	177	179	177	177	175	171	170
Guyana	161	163	161	157	147	136	135	126
Haiti	140	140	144	143	144	148	148	148
Honduras	112	112	113	106	106	108	109	113

Hong Kong SAR	35	40	40	34	35	37	36	36
Hungary	45	51	60	56	57	56	56	58
Iceland	93	113	117	110	108	111	120	124
India	12	11	10	5	5	5	4	3
Indonesia	23	18	18	16	16	15	13	11
Islamic Republic of Iran	33	25	29	26	27	25	29	38
Iraq	62	56	47	51	51	49	49	48
Ireland	31	38	44	33	33	35	34	34
Israel	39	42	38	32	32	29	31	29
Italy	7	7	8	8	8	10	11	14
Jamaica	104	116	127	120	122	124	130	135
Japan	2	2	3	3	3	3	3	4
Jordan	100	97	94	91	91	91	90	91
Kazakhstan	59	55	49	57	55	53	48	46
Kenya	83	83	74	64	63	61	58	53
Kiribati	189	190	191	190	190	190	189	189
Korea	10	14	12	12	12	11	10	10
Kosovo	138	144	148	146	146	144	141	139
Kuwait	57	58	58	59	59	59	61	63
Kyrgyz Republic	151	148	147	144	143	145	143	144
Lao P.D.R.	147	142	129	114	113	107	105	103
Latvia	90	92	100	97	97	99	101	102
Lebanon	80	84	88	82	82	81	82	83
Lesotho	158	160	164	165	165	165	166	168
Liberia	170	165	160	161	162	163	163	164
Libya	66	72	105	98	98	102	103	105
Lithuania	78	82	87	85	84	87	89	92
Luxembourg	64	70	72	71	73	77	78	82
Macao SAR	101	100	80	83	86	90	96	100
North Macedonia	128	129	137	132	132	132	134	134
Madagascar	137	136	140	134	131	130	124	122
Malawi	141	143	149	147	148	147	142	140
Malaysia	38	41	36	35	34	32	28	27
Maldives	162	159	159	148	149	150	149	145
Mali	129	125	124	117	116	114	112	110
Malta	125	135	138	123	124	125	128	130
Marshall Islands	187	189	190	189	189	189	190	190
Mauritania	156	153	150	150	152	151	151	147
Mauritius	119	132	131	125	127	128	127	128
Mexico	11	15	15	15	15	16	15	15
Micronesia	185	186	188	187	187	187	187	187
Moldova	143	141	141	138	137	137	138	138
Mongolia	148	149	134	128	128	126	126	127
Montenegro	153	151	155	152	153	153	153	153
Morocco	56	62	62	60	60	60	59	61
Mozambique	120	121	119	122	121	117	104	97
Myanmar	99	87	73	75	72	70	68	65
Namibia	121	133	132	127	126	129	131	133
Nauru	190	191	192	191	191	191	191	191

Nepal	117	114	111	103	100	96	95	88
Netherlands	14	16	17	17	17	18	18	18
New Zealand	46	52	54	53	53	52	52	51
Nicaragua	127	138	135	135	136	141	145	150
Niger	145	146	145	142	142	138	133	125
Nigeria	40	32	22	28	26	33	27	28
Norway	24	28	27	30	30	36	42	45
Oman	72	74	66	70	70	74	76	79
Pakistan	44	49	45	44	44	46	46	50
Palau	186	188	189	188	188	188	188	188
Panama	88	91	86	72	71	72	71	70
Papua New Guinea	122	120	107	111	109	112	119	120
Paraguay	107	99	93	93	93	93	93	94
Peru	54	53	53	50	50	50	50	49
Philippines	48	48	41	38	36	28	25	22
Poland	26	21	24	22	21	21	21	19
Portugal	32	37	48	49	49	51	53	55
Puerto Rico	51	61	63	63	65	71	80	90
Qatar	67	60	52	54	54	55	54	54
Romania	52	46	55	48	47	45	45	41
Russia	16	12	9	11	11	12	12	12
Rwanda	152	145	146	141	141	135	129	121
Samoa	180	183	183	182	182	182	182	182
San Marino	157	161	172	175	175	177	178	179
São Tomé and Príncipe	188	187	187	186	186	185	184	184
Saudi Arabia	25	23	19	18	19	19	20	21
Senegal	103	109	112	109	105	103	97	89
Serbia	73	77	90	86	85	82	77	76
Seychelles	172	176	174	174	174	174	175	174
Sierra Leone	159	158	152	156	157	157	157	157
Singapore	43	45	37	36	37	38	39	39
Slovak Republic	60	63	65	62	61	63	65	69
Slovenia	65	73	84	84	83	86	88	93
Solomon Islands	183	182	177	176	176	176	173	172
Somalia	n/a	n/a	158	154	155	154	154	155
South Africa	29	33	35	37	38	39	43	43
South Sudan	n/a	n/a	123	159	161	161	164	165
Spain	8	9	14	13	13	14	16	16
Sri Lanka	75	76	67	68	67	66	64	62
St. Kitts and Nevis	179	179	181	180	180	180	180	181
St. Lucia	166	171	173	170	169	171	172	173
St. Vincent and the	178	180	184	183	183	183	183	183
Sudan	69	67	75	100	101	104	107	117
Suriname	155	152	151	158	158	158	160	159
Sweden	19	22	21	24	24	24	24	26
Switzerland	18	19	20	20	20	20	19	20
Syria	71	68	n/a	n/a	n/a	n/a	n/a	n/a
Taiwan Province of China	21	27	26	21	22	22	22	23
Tajikistan	154	147	142	145	145	146	144	143

Tanzania	87	90	85	77	77	73	72	68
Thailand	34	34	30	23	23	23	23	24
Timor-Leste	176	174	166	171	171	164	156	149
Togo	149	155	156	151	151	149	146	141
Tonga	184	185	186	185	185	186	186	186
Trinidad and Tobago	96	103	101	112	111	110	117	118
Tunisia	68	79	89	94	95	98	98	98
Turkey	17	17	16	19	18	17	17	17
Turkmenistan	91	101	91	89	87	78	73	67
Tuvalu	191	192	193	192	192	192	192	192
Uganda	115	105	104	101	99	95	84	73
Ukraine	55	54	61	58	58	57	57	57
United Arab Emirates	37	35	31	31	31	31	33	33
United Kingdom	4	6	5	6	6	6	6	6
United States	1	1	1	1	1	1	1	2
Uruguay	95	88	78	81	80	80	83	84
Uzbekistan	89	80	69	80	74	68	62	56
Vanuatu	182	181	182	181	181	181	181	180
Venezuela	n/a	24	33	n/a	n/a	n/a	n/a	n/a
Vietnam	58	59	56	46	45	43	37	30
Yemen	92	95	92	102	112	109	114	119
Zambia	123	110	102	108	110	116	125	136
Zimbabwe	108	128	114	131	133	134	137	137

NOTES TO EDITORS

The World Economic League Table (WELT) is an annual calculation by Cebr jointly published by Cebr and Global Construction Perspectives. The base data for 2019 is taken from the IMF World Economic Outlook and the GDP forecast draws on Cebr's Global Prospects model to forecast growth, inflation and exchange rates.

Please refer to this in copy when quoting as *The World Economic League Table*.

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