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## GLOBAL GDP TRACKER

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## KEY TAKEAWAYS

The market continues to expect that global GDP growth will accelerate in 2015 and 2016, aided by lower oil prices and stimulus from two of the three leading central banks in the world.

The consensus has been raising its estimate for 2015 growth for developed economies and sharply lowering its estimate for emerging markets.

The drop in oil and other commodity prices over the past year or so has played a key part in the progression of global GDP forecasts.

### The top 25 global economies make up 90% of global gross domestic product (GDP).

Through Friday, February 13, 2015, 13 of these economies (including countries and political unions) have already reported Q4 2014 GDP results, including the four largest economies (U.S., Eurozone, China, and India). As this commentary was being prepared for publication, Japan, the world's fifth-largest economy, released Q4 GDP results. Between now and the end of February 2015, Thailand, Mexico, and South Africa will report Q4 2014 GDP; and in the first half of March 2015, reports are due out from Canada, Australia, Switzerland, and Sweden. In late March and early April 2015, key emerging market economies, Brazil and Russia, will report Q4 2014 GDP results.

See our infographic on page 2, "Global GDP at a Glance" for a breakdown of developed and emerging markets' contributions to global GDP.

Our infographic and the following table, arranged in order of Q4 2014 GDP report date, indicate:

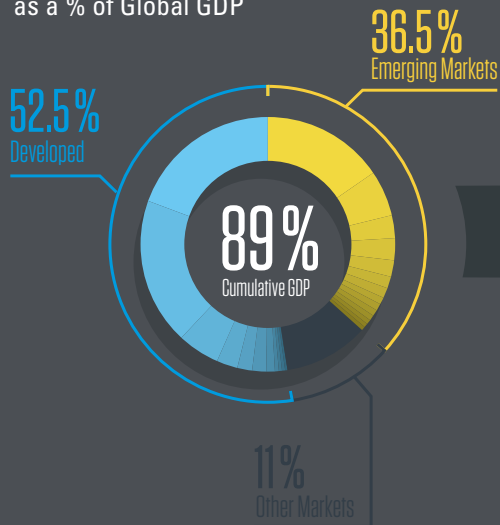
- Whether a country is a developed or emerging market economy
- The size and relative size of the economy compared to global GDP
- The result (if available) and consensus estimate (as compiled by Bloomberg News)

Unless otherwise indicated, the actual GDP readings and forecasts in the graphic are year-over-year readings.

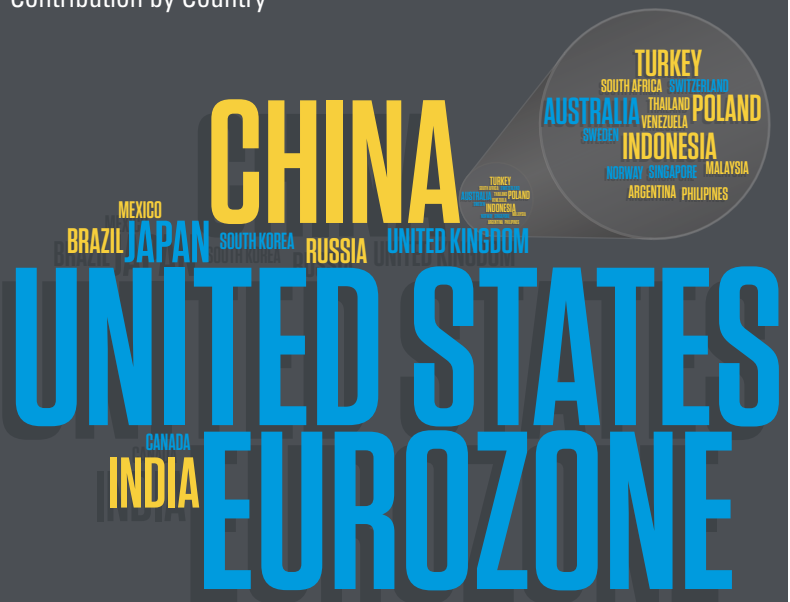
In the table following the infographic, we've also included a comment on the economy as it relates to oil, indicating, where pertinent, whether the country is a net importer or exporter of oil, how the oil price decline is likely to impact the economy in 2015, and for the larger economies (the top 10 or so), a general comment on how the GDP outlook is shaping up for 2015. We derive these comments from the January 26, 2015, *Weekly Economic Commentary*, "Gauging Global Growth: An Update for 2015 and 2016." As we noted in that commentary, the market continues to expect that global GDP growth will accelerate in both 2015 and 2016, aided by lower oil prices and stimulus from two of the three leading central banks in the world; but, in a twist on recent history, the consensus has been raising its estimate for growth in 2015 for developed economies and sharply lowering its estimate for emerging markets. We also noted that even though other factors are in play (inflation, war, sanctions, weather, fiscal and monetary policy, longer-term secular trends like demographics, etc.), the drop in oil and other commodity prices over the past year or so has played a key part in the progression of GDP forecasts across the globe. ■

# GLOBAL GDP AT A GLANCE

Developed vs. Emerging Markets  
as a % of Global GDP

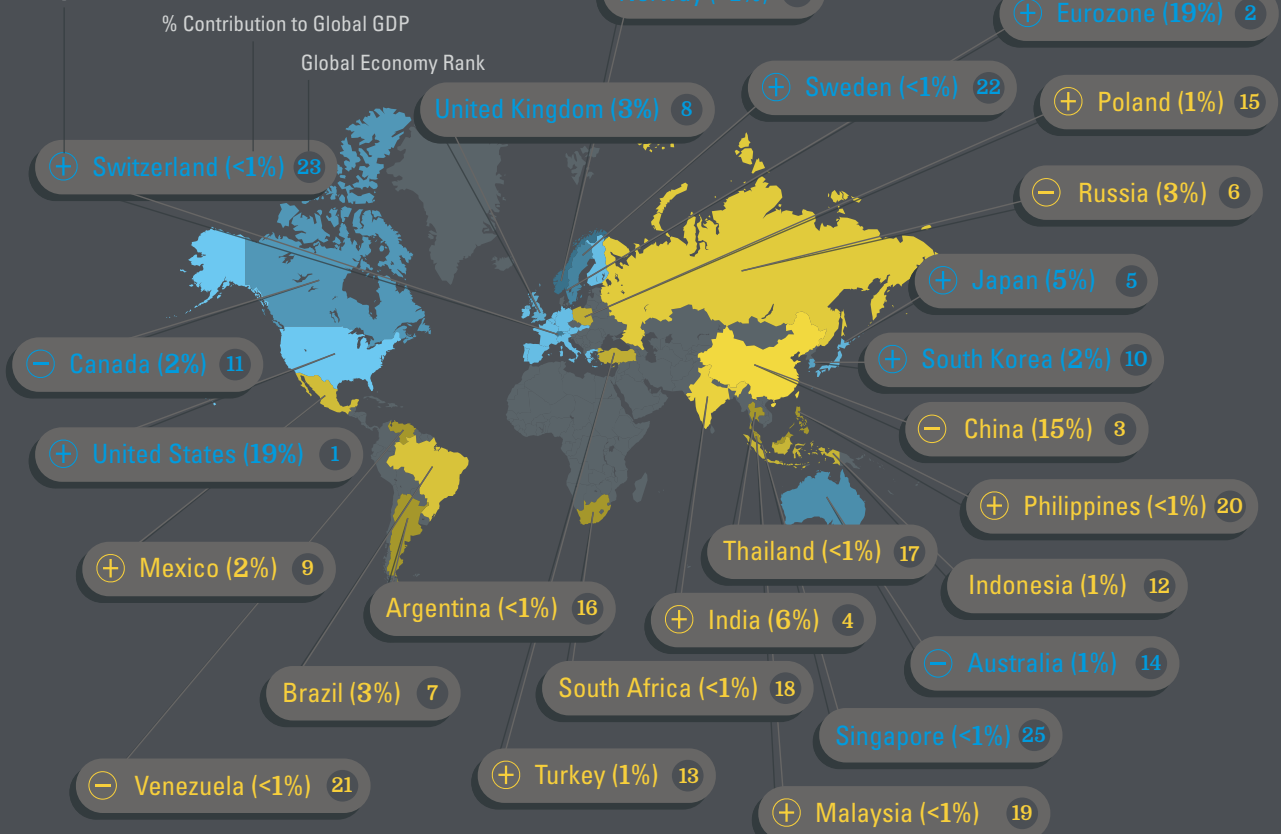


Contribution by Country



Economic Size Relative to Global GDP

- + Economy May Be Boosted in 2015
- Economy May Be Hit in 2015



Source: LPL Financial Research, Bloomberg 02/17/15

For more details on actual GDP reporting, please refer to the accompanying table.

| Q4 GDP Report Date | Economy          | Rank | Q4 or 2014 Result | Consensus Estimate | Comment   |
|--------------------|------------------|------|-------------------|--------------------|---|
| 1/1/15             | ● Singapore      | 25   | +1.6%             | +3.0%              | Eighth-largest net importer of oil  |
| 1/19/15            | ● China          | 3    | +7.3%             | +7.2%              | Second-largest net importer of oil (after U.S.); economy likely to slow further in '15 despite boost from lower oil   |
| 1/22/15            | ● South Korea    | 10   | +2.7%             | +2.8%              | Fifth-largest net importer of oil; should benefit from lower oil in '15   |
| 1/27/15            | ● United Kingdom | 8    | +0.5% (Q/Q)       | +0.6% (Q/Q)        | Largest oil producer in European Union, but still a net importer of oil; economy not as energy intensive as it once was   |
| 1/28/15            | ● Philippines    | 20   | +6.9%             | +6.0%              | Should benefit from lower oil in '15  |
| 1/30/15            | ● United States  | 1    | +2.6% (Q/Q Ann)   | +3.0% (Q/Q Ann)    | Oil drop could add around 0.5% to GDP growth in '15   |
| 2/4/15             | ● Indonesia      | 12   | +5.0%             | +4.9%              | Net importer of oil   |
| 2/9/15             | ● India          | 4    | +7.5%             | +7.5%              | Fourth-largest net importer of oil and economy should accelerate in '15   |
| 2/11/15            | ● Norway         | 24   | +0.9% (Q/Q)       | +0.6% (Q/Q)        | Continental Europe's biggest producer of crude oil  |
| 2/11/15            | ● Malaysia       | 19   | +5.8%             | +5.0%              | Solid gain in GDP despite being a regional hub for energy production  |
| 2/12/15            | ● Venezuela      | 21   | N/A               | -3.6%              | Large oil producer; prospects for economy grim in wake of oil price collapse  |
| 2/13/15            | ● Poland         | 15   | +3.0%             | +3.1%              | Big coal producer and net importer of oil and gas   |
| 2/13/15            | ● Eurozone       | 2    | +0.9%             | +0.8%              | Eurozone is a large net oil importer so oil price drop will help economy in '15; European Central Bank's (ECB) quantitative easing (QE) program also a boost, along with easing Ukraine/Russia tensions |
| 2/15/15            | ● Japan          | 5    | +2.2% (Q/Q Ann)   | +3.7% (Q/Q Ann)    | Large net oil importer and Bank of Japan QE should boost economy in '15   |
| 2/15/15            | ● Thailand       | 17   | +2.2%             | +2.5%              | Net importer of oil   |
| 2/20/15            | ● Mexico         | 9    | N/A               | +2.7%              | Net exporter of oil; economy closely tied to U.S.   |
| 2/24/15            | ● South Africa   | 18   | N/A               | +1.4%              | Net oil importer and has an energy intensive economy tied to commodities  |
| 3/3/15             | ● Canada         | 11   | N/A               | +2.4%              | Developed economy, but big oil/commodity producer; GDP growth likely to decelerate in '15   |
| 3/3/15             | ● Australia      | 14   | N/A               | +2.7%              | Developed economy, but big commodity producer; GDP growth likely to decelerate in '15   |
| 3/3/15             | ● Switzerland    | 23   | N/A               | +1.9%              | Oil importer; economy closely tied to Eurozone and global banking system  |
| 3/3/15             | ● Sweden         | 22   | N/A               | +1.9%              | Oil importer; closely tied to Eurozone economy  |
| 3/20/15            | ● Argentina      | 16   | N/A               | -1.5%              | Oil importer  |
| 3/27/15            | ● Brazil         | 7    | N/A               | +0.1%              | Largest producer of petroleum in liquids in South America, but still a net importer of oil  |
| 3/31/15            | ● Turkey         | 13   | N/A               | +3.0%              | Net importer of oil; economy should get a lift in '15 from lower oil prices as well as easing tensions in Ukraine and ECB QE  |
| 4/1/15             | ● Russia         | 6    | N/A               | +0.5%              | Large net exporter of oil and price drop will hit economy hard in '15; easing of tensions in Ukraine and ECB actions are boosts   |

Source: LPL Financial Research, Bloomberg 02/17/15

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Commodity-linked investments may be more volatile and less liquid than the underlying instruments or measures, and their value may be affected by the performance of the overall commodities baskets as well as weather, geopolitical events, and regulatory developments.

Gross domestic product (GDP) is the monetary value of all the finished goods and services produced within a country's borders in a specific time period, though GDP is usually calculated on an annual basis. It includes all of private and public consumption, government outlays, investments, and exports less imports that occur within a defined territory.

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