World Economic League Table 2019

A world economic league table with forecasts for 193 countries to 2033

December 2018, 10th edition

Authorship and acknowledgements
This report has been produced by Cebr, an independent economics and business research consultancy established in 1992. The views expressed herein are those of the authors only and are based upon independent research by them.

The report does not necessarily reflect the views of the Chartered Institute of Building. London, December 2018

Contents

Foreword

The World Economic League Table 2019 is published by the renowned Centre for Economics and Business Research at a time of great uncertainty about how global economies will perform and the effects on the construction and infrastructure sector globally.

The world economy has had an unusually protracted, if shallow, upswing since the financial crisis of 2008/09 and the global construction sector has played a major part in driving this.

Mega projects like the $100 billion Delhi Mumbai Industrial Corridor; the $82 billion Chuo Shinkansen Maglev High Speed Rail project in Japan; the $80 billion Jubail II in Saudi Arabia; the $67 billion California High Speed Rail Project and the $62 billion South to North Water Transfer Project in China are helping to drive world GDP.

The forecasts make it clear that construction is likely to be the most important driving force for world growth in the coming years. Because of this, it is vital not just for the industry but also for the world economy that this construction is well managed. This highlights the importance of the Chartered Institute of Building, which is the world's largest and most influential professional body for construction management and leadership with around 45,000 members in more than 100 countries.

As we move forward the world economy faces headwinds from tightening monetary policy, trade tensions, the weaknesses of the Euro and Brexit. These are likely to enhance the importance of the construction sector. Indeed the Cebr forecasts in WELT 2019 suggest that by 2033, with the Belt and Road Initiative by then well underway, global mega projects will contribute significantly to world GDP.

The skills needed to carry out this scale of opportunity are already scarce, particularly in emerging and fast growing economies. Construction will need to raise productivity by adopting the benefits of the digital revolution.

I am delighted that we are the Global Sponsor of this World Economic League Table 2019 which provides a wealth of insight and forecasts for 193 economies globally through to 2033.

Chris Blythe OBE
Chief Executive
The Chartered Institute of Building

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Along with its presence in major infrastructure works, Ghella is involved in the renewable energies sector, with more than 482MW already built.

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Introduction – The World Economy

The past year has been a transitional one for the world economy. In the early part of the year, the strong growth from 2017 continued. But as the year drew on, most indicators deteriorated. At the beginning of 2019 it seems likely that there will have to be expansionary policies announced during the year to prevent the world economy from sliding into recession. For the medium term we are roughly as optimistic as we were a year ago, but suspect the route to growth will be more bumpy than we had assumed twelve months ago.

What we have updated from last year

Most emerging market economies have had and are expected to have weaker currencies than we had predicted. As a result we have had to delay the timing of when India overtakes the UK and France, when China overtakes the US and even when Brazil overtakes Italy.

We now expect India to overtake the UK and France probably in 2019 (but possibly 2020) rather than in 2018 as we predicted a year ago.

We now expect China to overtake the US in 2032 rather than in 2030 as we forecast a year ago, reflecting weaker growth from trade tensions as well as a weaker currency.

We now expect Brazil to overtake Italy in 2020 rather than in 2018 as we expected a year ago.

Argentina and Iran are the countries which have done least well relative to expectations in 2018. A year ago we expected Argentina to be the world's 20th largest economy in 2018. It now looks as though it will be 26th. And Iran was expected to rank 27th but now looks likely to rank 30th. In both cases falls in their currencies (for different reasons) have been the causes.

We now expect that fiscal action to sustain growth will emerge in 2019 and 2020. A significant proportion of this will be infrastructural spend which will boost the construction share of GDP.

The increasing links between Russia and OPEC will probably enable OPEC to keep energy prices higher in the short term than we expected. Despite this we predict falls in prices in the medium term as we projected a year ago to reflect the fact that renewables and other sources of increased supply will come on stream.

The chances of a recession

The technical IMF definition of a global recession is a contraction of Purchasing Power Parity adjusted World GDP per capita accompanied by a decline in at least one additional global macroeconomic indicator such as per-capita investment, per-capita consumption, industrial production or trade flows. Since World War II, the world has seen only four global recessions on this definition, in 1975, 1982, 1991 and 2009.

There are five downside risks to the world economy that might lead it into recession:

First, the two biggest economic powers of our times are entangled in a trade dispute that risks escalating into a full-blown trade war. Alibaba's founder Jack Ma said recently that the conflict may last 20 years, as both sides seem unable to back down or compromise. Since most of the tariffs have only been in place for a few months, most of the consequences are yet to show in official data. Still, recent indicators such as the Caixin Manufacturing PMI are already starting to show the impacts on China's productive sector. And Cebr analysis has shown that knock-on effects will hurt economies worldwide.

Second, in Europe, the battle between the Eurozone establishment and the government coalition in Italy is warming up. The Coalition is budgeting for an annual deficit of 2.4% over the next three years, even on what in Cebr's view are overoptimistic growth assumptions. This at its best would stabilise the debt-to-GDP ratio at its current level of 132% - more likely the ratio will rise. Following the announcement in June, the spread between Italian 10-year bonds and German bunds has been more than 230 basis points, partly reflecting slower ECB purchases of Italian bonds to put pressure on the government. Although a compromise has been reached we still believe that a crunch between Italy and Brussels will happen at some point in 2019 or 2020.

Third, international equity markets are looking very fully priced, with a market downturn on the cards, which would affect confidence and spending (see below). There is a risk that having overreacted on the upside, markets could overreact in the opposite direction impacting corporate funding and spending generally through the wealth effects.

Fourth, monetary data is indicating a contraction in the world's money supply as interest rates rise. US M1 growth has fallen gradually from 9.5% at the beginning of 2017 to a low point of 3.9% in the year to August, though the September figure shows a slight recovery to 4.6%; China's M2 growth fell to 6.6% in June, half its rate a year earlier but has edged up to 8.0% in November; Eurozone M3 growth has fallen from around 5% in 2016 and 2017 to 3.9% in October 2018.

Finally, emerging markets across the world are struggling, partly because of the monetary tightening in the US and the knock-on effect of the surging US dollar. At the beginning of 2018, Cebr expected a decline in GDP in the year in only four countries – Venezuela, Puerto Rico, Equatorial Guinea and North Korea. It now looks as if South Africa, Iran and Argentina at least will join them with growth in countries like Turkey trending towards stagnation. A price of oil that peaked at over $80 as a result of the sanctions on Iran exacerbated the squeeze on living standards in oil importing countries via currency weakness, while the price of oil has fallen since, the currency weakness remains.

With debt high and many of the structural problems that caused the great recession still in existence, a global recession could be more difficult to resolve than its predecessors. The scope for fiscal and monetary activism is limited. And there is a risk that recession could boost populist and nationalist policies that in turn will exacerbate the economic problems.

The overvaluation of global equities

Despite the sharp falls in global equities in November/December, we believe that this is essentially a market correction. We at Cebr have run our longstanding stock market valuation model for the Dow and this indicates that the par value for the Dow should be 17,100 to 21,600. The centre of this range is 20% down on the 24,000 Dow value at time of writing. So further market corrections remain probable. And of course such corrections risk overshooting, particularly if they trigger margin calls and through their knock on effects in the derivatives markets.

We expect that the Fed's interest rate policy which has led to nine rate rises since the policy started in 2015 will moderate during 2019 and beyond.

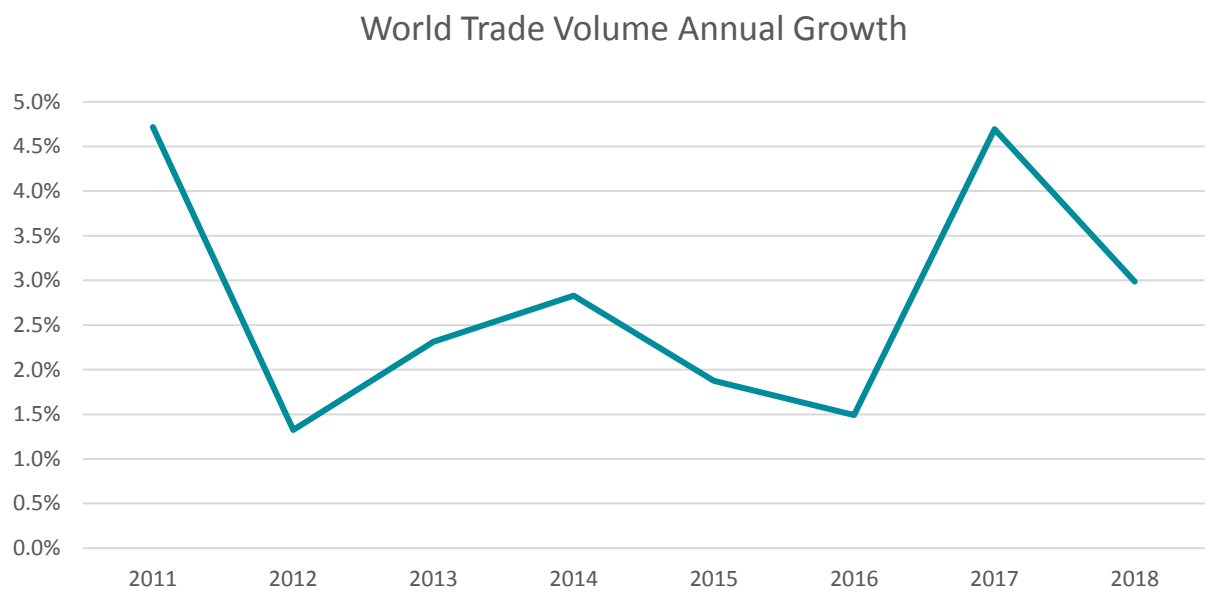
While it is our view that the period of ultra-loose monetary policy has led to asset-price bubbles, key in preventing a major global downturn will be achieving a gradual correction rather than a collapse. Although monetary tightening is necessary in the medium term, markets have sent a clear signal that a more temperate approach from policy makers would be welcomed, to provide time to adjust to a new tightening cycle.

World trade slowdown

After strong world trade growth in 2017, growth slowed sharply in 2018. Our latest estimate is that the volume of world trade growth on the Netherlands Central Planning Bureau data is likely to be up 2.99% this year (see Figure 1) less than two thirds of the increase in 2017.

We see world trade growth slowing not only in response to the economic uncertainty but also reflecting more autarchic trade policies around the world.

Figure 1 World trade growth has slowed with the slowing world economy



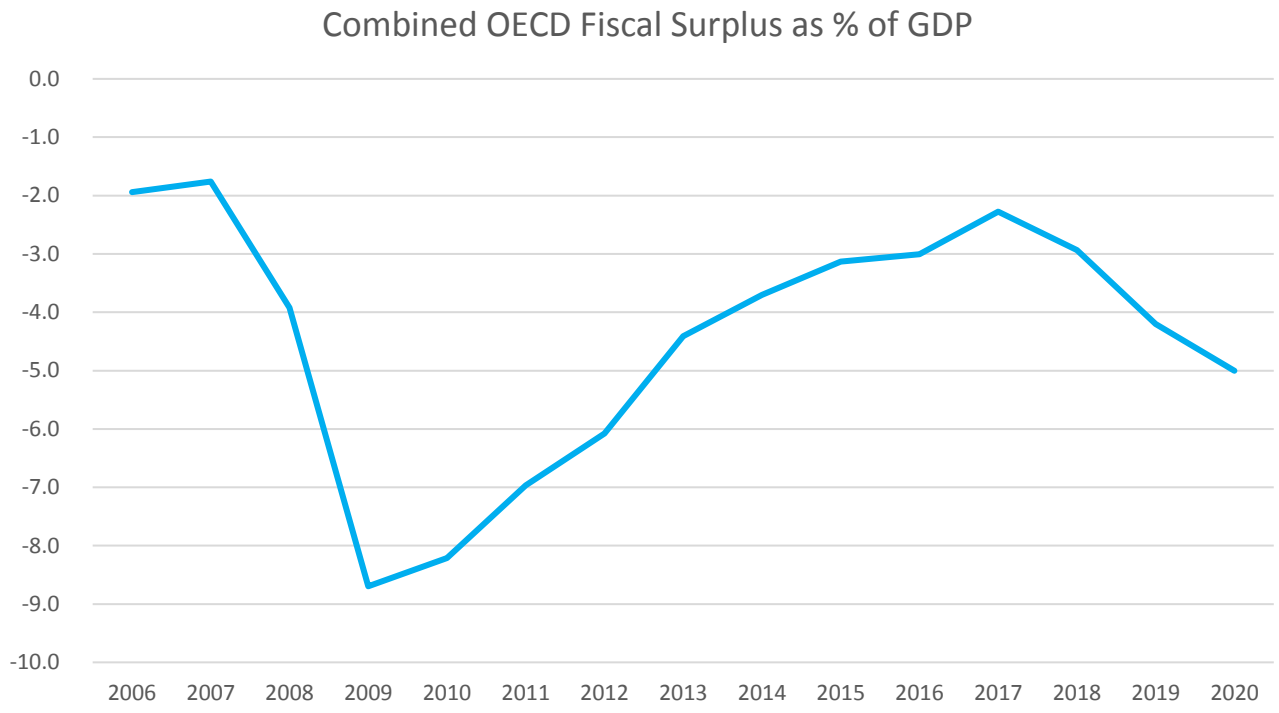
Source: Netherlands Central Planning Bureau (Cebr estimate for 2018)

Will there be a crash?

We are expecting substantial fiscal action to keep the world economy growing particularly in China and the ASEAN economies. The US is already planning for a deficit of around 8% of GDP by 2021. And we think that despite the pressure in the Eurozone it will be impossible to prevent deficits in the area from widening.

Our forecast is that the combined OECD fiscal deficit by 2020 will be 5% of GDP compared with just over 2% last year (see Figure 2).

Figure 2 Pace of fiscal consolidation OECD

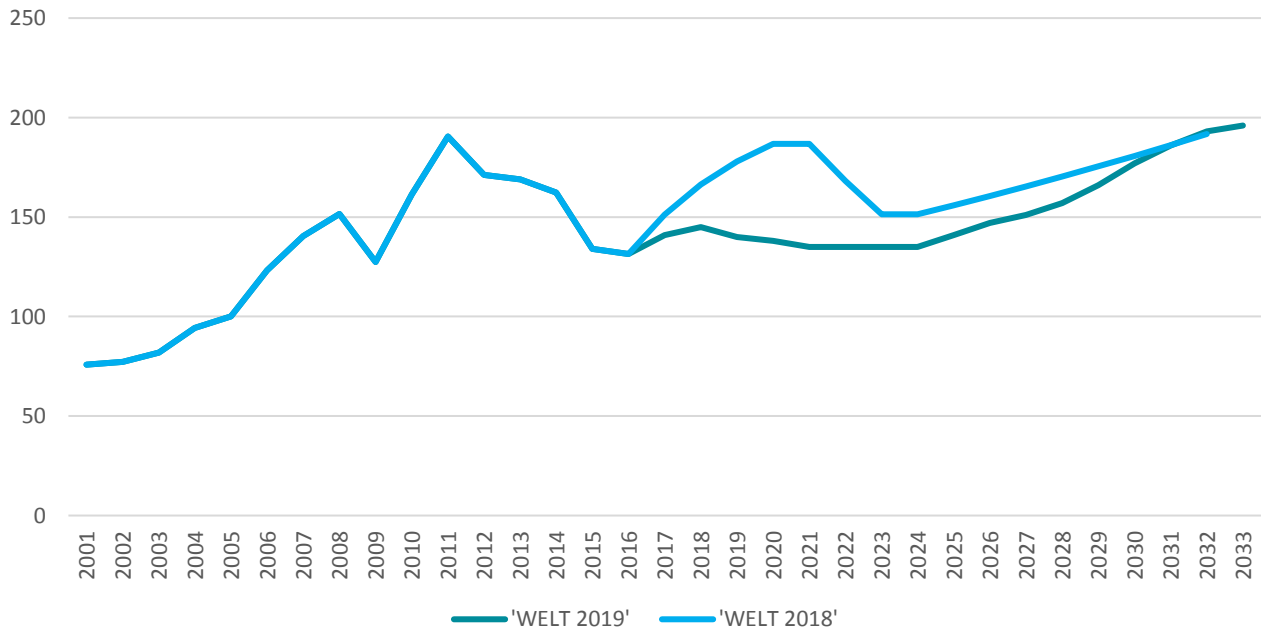


Source: OECD Economic Outlook Statistical Annex, forecasts for 2018-20 from Cebr

Oil and Commodity Prices

We have revised our oil and commodity price forecasts. These are shown in Figures 3 and 4 below.

Figure 3 World commodity prices



Commodity prices have been generally weaker than we had expected a year ago reflecting the weaker world economy particularly in the commodity-intensive Asian countries. So, although we expect that they will ultimately catch up with world GDP growth (see Figure 3) our forecast path there is slower. This is bad news for the main commodity producers.

In late November Russia announced it was cooperating with OPEC while Qatar announced that after 50 years it was leaving OPEC and was planning to increase its exports of Liquefied Natural Gas (LNG) to 110 million tons a year, a rise of 50%.

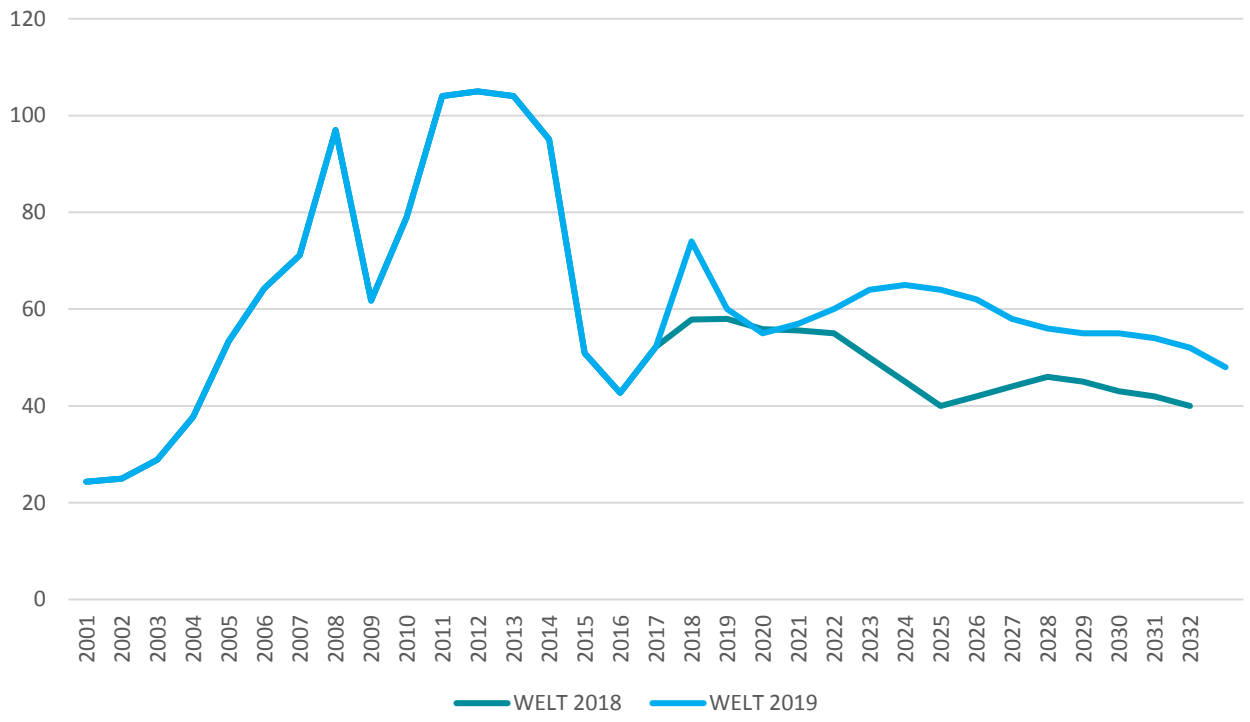
A year ago we made an aggressive forecast for oil prices that had them falling to $40 by 2032. In retrospect that was probably too aggressive and it now seems likely that growth of demand in some non-OECD countries will be more robust than had been assumed when we made the forecast. Nevertheless, though energy price forecasting is a dangerous game, it seems clear that at some point the competition from cheaper energy and suppression of oil demand by regulation will push prices down.

Although we have used the price of oil as a proxy for a generalised cost of energy, it seems increasingly clear that the price is fragmenting both between regions and between sources of energy. For most of the 2015-2017 period there was little price difference between Brent Crude and West Texas Intermediate, the two benchmark oil prices in Europe and the US. But increasing US supply, a surplus of US coastal shipping capacity and weaker European supplies have led to a gap of nearly $6/barrel emerging between the two. This gap is expected to persist for the next two years. Meanwhile the price of LNG, which historically ran at about 75% of the price of crude oil on an energy equivalent basis, has in the past 10 years varied from 10% to 200% of the price of oil and is currently close to its 10 year average of about 35%. Increased supplies from a range of sources including fracking in the US have been responsible for this.

With increasing interconnection of the global gas market and growing complexity of the energy sector, it is likely that both price fluctuations and divergences will increase.

We now forecast that the price of oil will cycle around $60 until the mid to late 2020s before the effects of conservation and increased renewables start pushing the price down (See Figure 4).

Figure 4 Cebr forecasts for the price of oil per barrel (average of WTI. Brent Crude and Dubai Fateh)



The global construction market

We estimate that global construction spending in 2018 was $11,448 billions which represented 13.5% of global GDP. This share, which is already one of the highest on record other than at times of post-war recovery, is likely to edge upwards for a range of reasons.

First, there is a wide range of mega projects underway starting with the Chinese Belt and Road initiative. These mega projects account for an increasing proportion of world GDP.

Second, in many economies there is an infrastructure backlog. In the coming years this will need to be made up so that planned GDP growth can take place.

Third, new technologies will require new investment in a wide range of construction activities.

Finally, with growth tailing off in the short term we are expecting governments around the world to boost growth with additional infrastructural spending.

As a result we project that construction spending will rise from $11.5 billion to $27.4 billion or 15.5% of world GDP by 2033.

The risks

As usual the biggest risks to the forecast are military and political. We are assuming no major wars or political disruption even though both remain a possibility. Bear in mind that much warfare of the future could be in cyberspace and major cyber accidents or incidents might even be the biggest risks. It is clear that in many parts of the world cyber attacks are being planned, sometimes with government support or acquiescence.

We are assuming that trade disruption, though persistent, will be limited. But there could be a less favourable outcome.

We are assuming that the environment can cope with the forecast growth. But even that assumption is at risk – there is likely to be a significant rise in sea levels during the forecast period which will impose some direct costs.

Besides these there are economic risks. As we pointed out above, growth forever is not a given even though the history of the past three centuries might encourage us to believe that it is. Integration of economies means that risks can be larger than before. We believe that there is enough ammunition in governments' and central banks' lockers to fight off one more major recession. But beyond that the world will need to make structural changes to reduce the deflationary bias in the world economic system. If not there is a risk that there will be a recession that could have to wait until the natural stabilisers come into operation before it ends. Such a recession could set back the world economy as much as a decade.

Conclusions

The world is at an interesting phase. Globalisation as a process is largely under way. The world economy has coped surprisingly well with some of the stresses and strains that it imposes on it. The process has perhaps another half century to follow through which will end up with many of the previously less developed economies at a much higher state of development than the traditionally advanced economy. Until economies mature to the point where they are all growing at roughly the same pace we are likely to continue to see ups and downs in the World Economic League Table which is what makes this analysis so fascinating.

World Economic League Table

1.1 League Table by 2033 ranking

Ranking out of 193	2003	2008	2013	2018	2019	2023	2028	2033
China	6	3	2	2	2	2	2	1
United States	1	1	1	1	1	1	1	2
India	12	12	10	7	5	5	4	3
Japan	2	2	3	3	3	3	3	4
Germany	3	4	4	4	4	4	5	5
United Kingdom	4	5	6	5	7	6	6	6
France	5	6	5	6	6	7	7	7
Brazil	14	9	7	9	9	8	8	8
Canada	9	11	11	10	10	9	9	9
Korea	11	15	14	11	11	11	10	10
Australia	15	14	12	14	13	13	12	11
Indonesia	23	18	17	16	16	16	14	12
Italy	7	7	9	8	8	10	11	13
Mexico	10	13	15	15	15	15	16	14
Spain	8	10	13	13	14	14	15	15
Russia	16	8	8	12	12	12	13	16
Turkey	21	17	16	19	21	18	18	17
Netherlands	13	16	18	17	17	17	17	18
Taiwan	20	26	27	21	20	21	20	19
Poland	26	20	23	23	22	20	19	20
Thailand	35	33	29	25	25	24	22	21
Philippines	47	48	41	40	39	28	25	22
Saudi Arabia	27	22	19	18	18	19	21	23
Bangladesh	53	60	59	43	41	36	27	24
Malaysia	39	40	35	37	35	32	26	25
Sweden	18	23	22	22	23	23	24	26

Pakistan	44	50	48	41	44	44	37	27
Switzerland	17	19	20	20	19	22	23	28
Egypt	46	51	38	45	43	40	34	29
Vietnam	59	59	58	47	46	45	40	30
Hong Kong	33	42	40	35	33	33	32	31
United Arab Emirates	38	32	31	29	27	27	29	32
Nigeria	40	31	26	31	29	31	30	33
Islamic Republic of Iran	34	27	30	30	40	42	33	34
Argentina	36	28	21	26	30	26	31	35
Israel	37	43	37	34	32	34	35	36
Belgium	19	21	25	24	24	25	28	37
South Africa	29	35	33	32	31	35	39	38
Norway	24	24	24	28	28	30	36	39
Singapore	42	45	36	38	36	37	41	40
Austria	22	25	28	27	26	29	38	41
Colombia	43	39	32	39	38	39	42	42
Chile	51	47	39	42	42	43	44	43
Romania	54	44	54	48	48	46	46	44
Ireland	32	37	44	33	34	38	43	45
Kazakhstan	63	55	45	56	56	52	48	46
Denmark	25	30	34	36	37	41	45	47
Peru	55	57	52	51	50	49	47	48
Iraq	83	56	46	50	47	48	49	49
New Zealand	49	54	55	53	53	51	51	50
Finland	30	36	42	44	45	47	50	51
Czech Republic	41	41	51	46	49	50	52	52
Qatar	68	58	53	55	54	54	53	53
Portugal	31	38	49	49	51	53	54	54
Algeria	52	49	50	54	55	56	55	55

Kenya	82	82	77	67	65	61	59	56
Hungary	45	52	61	57	57	57	57	57
Ukraine	57	46	56	59	59	59	58	58
Greece	28	29	43	52	52	55	56	59
Morocco	56	63	62	60	60	60	60	60
Myanmar	92	84	72	72	72	67	64	61
Ethiopia	106	94	85	68	68	65	62	62
Sri Lanka	72	79	68	66	66	63	63	63
Kuwait	58	53	57	58	58	58	61	64
Slovak Republic	61	61	64	63	61	62	65	65
Panama	88	97	86	74	73	71	67	66
Tanzania	87	92	91	81	79	75	70	67
Dominican Republic	73	77	70	70	69	68	66	68
Guatemala	69	81	78	71	71	70	68	69
Turkmenistan	96	102	93	91	91	86	74	70
Côte d'Ivoire	84	100	99	87	89	85	73	71
Uzbekistan	100	87	74	89	86	87	80	72
Costa Rica	81	85	82	77	76	77	76	73
Ecuador	62	68	65	62	63	66	69	74
Uruguay	91	86	75	76	77	78	79	75
Oman	71	69	66	69	70	73	72	76
Bolivia	111	112	100	95	93	91	87	77
Bulgaria	76	73	76	75	75	74	77	78
Luxembourg	65	71	71	73	74	76	78	79
Angola	80	64	60	61	62	64	71	80
Ghana	90	89	84	85	83	79	81	81
Lebanon	77	88	87	80	81	83	86	82
Macao	109	103	81	83	82	82	85	83
Serbia	75	75	90	86	88	88	89	84

Croatia	60	66	73	78	78	81	84	85
Libya	67	65	80	90	87	80	82	86
Cameroon	85	95	98	98	98	96	90	87
Belarus	79	70	67	79	80	84	88	88
Puerto Rico	50	62	63	64	64	69	75	89
Uganda	116	110	104	104	103	100	96	90
Tunisia	66	80	89	96	96	97	95	91
Venezuela	48	34	47	65	67	72	83	92
Senegal	105	111	112	108	109	103	100	93
Jordan	99	101	95	93	95	94	94	94
Lithuania	78	78	88	84	85	90	92	95
Slovenia	64	72	83	82	84	89	91	96
Nepal	118	119	111	102	101	102	99	97
Paraguay	112	98	94	94	94	92	93	98
Cambodia	131	126	120	109	107	104	102	99
Zimbabwe	108	142	121	116	113	110	106	100
Azerbaijan	115	76	69	88	90	93	97	101
Democratic Republic of the Congo	103	105	96	92	92	95	98	102
Latvia	94	83	101	99	100	101	103	103
Iceland	97	109	118	105	105	105	105	104
Lao P.D.R.	147	141	132	118	117	113	108	105
Yemen	93	93	92	103	99	98	101	106
Estonia	101	99	105	101	102	106	107	107
Afghanistan	132	127	110	114	115	115	113	108
Zambia	128	108	102	107	108	107	109	109
Sudan	74	67	79	100	104	108	110	110
Bahrain	98	96	97	97	97	99	104	111
Mali	130	131	126	119	119	119	114	112

Trinidad and Tobago	95	90	103	112	112	111	112	113
Georgia	134	118	117	121	120	120	118	114
Botswana	113	123	123	117	118	117	116	115
El Salvador	89	107	107	106	106	109	111	116
Mongolia	152	144	130	133	130	124	121	117
Bosnia and Herzegovina	107	106	114	115	116	116	117	118
Cyprus	86	91	106	110	110	112	115	119
Albania	120	117	128	123	123	123	122	120
Burkina Faso	133	136	133	126	125	122	123	121
Papua New Guinea	121	120	109	113	114	118	120	122
Mozambique	122	122	119	125	124	125	124	123
Honduras	110	115	113	111	111	114	119	124
Benin	135	137	141	141	141	137	129	125
Namibia	127	135	129	128	129	128	126	126
Gabon	117	114	116	120	121	121	125	127
Madagascar	123	132	138	135	133	130	127	128
Rwanda	153	149	146	143	142	140	132	129
Niger	144	145	145	144	144	141	139	130
Chad	141	125	127	140	140	135	131	131
Mauritius	119	129	131	129	127	126	128	132
Brunei Darussalam	114	113	115	124	126	131	136	133
Jamaica	102	116	124	122	122	127	130	134
FYR Macedonia	126	130	136	136	136	136	138	135
Nicaragua	125	134	135	130	132	132	133	136
Armenia	143	121	134	134	134	134	135	137
Eritrea	167	168	159	150	147	143	141	138
Guinea	129	139	144	137	138	133	137	139
Moldova	145	138	140	139	137	139	140	140
Malta	124	133	139	127	128	129	134	141

Kosovo	138	143	148	146	146	145	144	142
Equatorial Guinea	136	104	108	131	135	142	143	143
Togo	149	155	157	152	151	151	148	144
The Bahamas	104	124	137	132	131	138	142	145
Republic of Congo	137	128	125	138	139	146	145	146
Malawi	139	146	151	149	150	150	147	147
Somalia	n/a	n/a	149	147	148	149	150	148
Guyana	159	162	162	161	160	152	151	149
Tajikistan	157	148	142	148	149	148	152	150
Kyrgyzstan	151	147	147	145	145	147	149	151
Maldives	162	160	160	156	156	155	153	152
Haiti	142	140	143	142	143	144	146	153
Fiji	146	154	158	153	153	153	154	154
Montenegro	154	151	156	151	152	154	155	155
Mauritania	156	152	150	154	154	156	156	156
South Sudan	n/a	n/a	122	158	158	159	158	157
Bhutan	174	172	168	166	166	164	162	158
Liberia	170	165	161	163	163	163	160	159
Eswatini	148	156	155	157	157	158	159	160
Barbados	140	150	154	155	155	157	157	161
Central African Republic	161	161	171	167	167	166	163	162
Suriname	155	153	152	159	159	160	161	163
Djibouti	172	174	173	168	168	167	164	164
Timor-Leste	177	171	166	173	172	170	168	165
Lesotho	160	164	165	164	164	165	166	166
Burundi	169	167	164	162	162	161	165	167
Guinea-Bissau	176	176	178	177	177	173	171	168
Cabo Verde	164	163	167	169	169	169	169	169
Sierra Leone	158	159	153	160	161	162	167	170

Solomon Islands	183	182	177	178	178	178	173	171
Aruba	150	157	163	165	165	168	170	172
The Gambia	166	166	174	175	174	172	172	173
Seychelles	171	175	175	176	176	176	175	174
Belize	163	169	170	170	170	171	174	175
Antigua and Barbuda	168	170	176	174	175	177	177	176
San Marino	n/a	158	169	172	173	175	178	177
St. Lucia	165	173	172	171	171	174	176	178
Grenada	173	177	179	179	179	179	179	179
Vanuatu	182	181	181	181	181	180	180	180
St. Kitts and Nevis	178	178	182	180	180	181	181	181
São Tomé and Príncipe	188	188	188	187	186	185	185	182
Comoros	181	183	184	184	184	184	184	183
Samoa	180	180	180	182	182	182	182	184
St. Vincent and the Grenadines	175	179	183	183	183	183	183	185
Dominica	179	184	185	185	185	186	186	186
Tonga	185	185	186	186	187	187	187	187
Palau	186	187	189	189	189	188	188	188
Micronesia	184	186	187	188	188	189	189	189
Kiribati	189	190	191	191	191	191	191	190
Marshall Islands	187	189	190	190	190	190	190	191
Nauru	n/a	191	192	192	192	192	192	192
Tuvalu	190	192	193	193	193	193	193	193

1.2 League Table by 2019 ranking

Ranking out of 193	2003	2008	2013	2018	2019	2023	2028	2033
United States	1	1	1	1	1	1	1	2
China	6	3	2	2	2	2	2	1
Japan	2	2	3	3	3	3	3	4
Germany	3	4	4	4	4	4	5	5
India	12	12	10	7	5	5	4	3
France	5	6	5	6	6	7	7	7
United Kingdom	4	5	6	5	7	6	6	6
Italy	7	7	9	8	8	10	11	13
Brazil	14	9	7	9	9	8	8	8
Canada	9	11	11	10	10	9	9	9
Korea	11	15	14	11	11	11	10	10
Russia	16	8	8	12	12	12	13	16
Australia	15	14	12	14	13	13	12	11
Spain	8	10	13	13	14	14	15	15
Mexico	10	13	15	15	15	15	16	14
Indonesia	23	18	17	16	16	16	14	12
Netherlands	13	16	18	17	17	17	17	18
Saudi Arabia	27	22	19	18	18	19	21	23
Switzerland	17	19	20	20	19	22	23	28
Taiwan	20	26	27	21	20	21	20	19
Turkey	21	17	16	19	21	18	18	17
Poland	26	20	23	23	22	20	19	20
Sweden	18	23	22	22	23	23	24	26
Belgium	19	21	25	24	24	25	28	37
Thailand	35	33	29	25	25	24	22	21
Austria	22	25	28	27	26	29	38	41
United Arab Emirates	38	32	31	29	27	27	29	32

Norway	24	24	24	28	28	30	36	39
Nigeria	40	31	26	31	29	31	30	33
Argentina	36	28	21	26	30	26	31	35
South Africa	29	35	33	32	31	35	39	38
Israel	37	43	37	34	32	34	35	36
Hong Kong	33	42	40	35	33	33	32	31
Ireland	32	37	44	33	34	38	43	45
Malaysia	39	40	35	37	35	32	26	25
Singapore	42	45	36	38	36	37	41	40
Denmark	25	30	34	36	37	41	45	47
Colombia	43	39	32	39	38	39	42	42
Philippines	47	48	41	40	39	28	25	22
Islamic Republic of Iran	34	27	30	30	40	42	33	34
Bangladesh	53	60	59	43	41	36	27	24
Chile	51	47	39	42	42	43	44	43
Egypt	46	51	38	45	43	40	34	29
Pakistan	44	50	48	41	44	44	37	27
Finland	30	36	42	44	45	47	50	51
Vietnam	59	59	58	47	46	45	40	30
Iraq	83	56	46	50	47	48	49	49
Romania	54	44	54	48	48	46	46	44
Czech Republic	41	41	51	46	49	50	52	52
Peru	55	57	52	51	50	49	47	48
Portugal	31	38	49	49	51	53	54	54
Greece	28	29	43	52	52	55	56	59
New Zealand	49	54	55	53	53	51	51	50
Qatar	68	58	53	55	54	54	53	53
Algeria	52	49	50	54	55	56	55	55
Kazakhstan	63	55	45	56	56	52	48	46

Hungary	45	52	61	57	57	57	57	57
Kuwait	58	53	57	58	58	58	61	64
Ukraine	57	46	56	59	59	59	58	58
Morocco	56	63	62	60	60	60	60	60
Slovak Republic	61	61	64	63	61	62	65	65
Angola	80	64	60	61	62	64	71	80
Ecuador	62	68	65	62	63	66	69	74
Puerto Rico	50	62	63	64	64	69	75	89
Kenya	82	82	77	67	65	61	59	56
Sri Lanka	72	79	68	66	66	63	63	63
Venezuela	48	34	47	65	67	72	83	92
Ethiopia	106	94	85	68	68	65	62	62
Dominican Republic	73	77	70	70	69	68	66	68
Oman	71	69	66	69	70	73	72	76
Guatemala	69	81	78	71	71	70	68	69
Myanmar	92	84	72	72	72	67	64	61
Panama	88	97	86	74	73	71	67	66
Luxembourg	65	71	71	73	74	76	78	79
Bulgaria	76	73	76	75	75	74	77	78
Costa Rica	81	85	82	77	76	77	76	73
Uruguay	91	86	75	76	77	78	79	75
Croatia	60	66	73	78	78	81	84	85
Tanzania	87	92	91	81	79	75	70	67
Belarus	79	70	67	79	80	84	88	88
Lebanon	77	88	87	80	81	83	86	82
Macao	109	103	81	83	82	82	85	83
Ghana	90	89	84	85	83	79	81	81
Slovenia	64	72	83	82	84	89	91	96
Lithuania	78	78	88	84	85	90	92	95

Uzbekistan	100	87	74	89	86	87	80	72
Libya	67	65	80	90	87	80	82	86
Serbia	75	75	90	86	88	88	89	84
Côte d'Ivoire	84	100	99	87	89	85	73	71
Azerbaijan	115	76	69	88	90	93	97	101
Turkmenistan	96	102	93	91	91	86	74	70
Democratic Republic of the Congo	103	105	96	92	92	95	98	102
Bolivia	111	112	100	95	93	91	87	77
Paraguay	112	98	94	94	94	92	93	98
Jordan	99	101	95	93	95	94	94	94
Tunisia	66	80	89	96	96	97	95	91
Bahrain	98	96	97	97	97	99	104	111
Cameroon	85	95	98	98	98	96	90	87
Yemen	93	93	92	103	99	98	101	106
Latvia	94	83	101	99	100	101	103	103
Nepal	118	119	111	102	101	102	99	97
Estonia	101	99	105	101	102	106	107	107
Uganda	116	110	104	104	103	100	96	90
Sudan	74	67	79	100	104	108	110	110
Iceland	97	109	118	105	105	105	105	104
El Salvador	89	107	107	106	106	109	111	116
Cambodia	131	126	120	109	107	104	102	99
Zambia	128	108	102	107	108	107	109	109
Senegal	105	111	112	108	109	103	100	93
Cyprus	86	91	106	110	110	112	115	119
Honduras	110	115	113	111	111	114	119	124
Trinidad and Tobago	95	90	103	112	112	111	112	113
Zimbabwe	108	142	121	116	113	110	106	100

Papua New Guinea	121	120	109	113	114	118	120	122
Afghanistan	132	127	110	114	115	115	113	108
Bosnia and Herzegovina	107	106	114	115	116	116	117	118
Lao P.D.R.	147	141	132	118	117	113	108	105
Botswana	113	123	123	117	118	117	116	115
Mali	130	131	126	119	119	119	114	112
Georgia	134	118	117	121	120	120	118	114
Gabon	117	114	116	120	121	121	125	127
Jamaica	102	116	124	122	122	127	130	134
Albania	120	117	128	123	123	123	122	120
Mozambique	122	122	119	125	124	125	124	123
Burkina Faso	133	136	133	126	125	122	123	121
Brunei Darussalam	114	113	115	124	126	131	136	133
Mauritius	119	129	131	129	127	126	128	132
Malta	124	133	139	127	128	129	134	141
Namibia	127	135	129	128	129	128	126	126
Mongolia	152	144	130	133	130	124	121	117
The Bahamas	104	124	137	132	131	138	142	145
Nicaragua	125	134	135	130	132	132	133	136
Madagascar	123	132	138	135	133	130	127	128
Armenia	143	121	134	134	134	134	135	137
Equatorial Guinea	136	104	108	131	135	142	143	143
FYR Macedonia	126	130	136	136	136	136	138	135
Moldova	145	138	140	139	137	139	140	140
Guinea	129	139	144	137	138	133	137	139
Republic of Congo	137	128	125	138	139	146	145	146
Chad	141	125	127	140	140	135	131	131
Benin	135	137	141	141	141	137	129	125
Rwanda	153	149	146	143	142	140	132	129

Haiti	142	140	143	142	143	144	146	153
Niger	144	145	145	144	144	141	139	130
Kyrgyzstan	151	147	147	145	145	147	149	151
Kosovo	138	143	148	146	146	145	144	142
Eritrea	167	168	159	150	147	143	141	138
Somalia	n/a	n/a	149	147	148	149	150	148
Tajikistan	157	148	142	148	149	148	152	150
Malawi	139	146	151	149	150	150	147	147
Togo	149	155	157	152	151	151	148	144
Montenegro	154	151	156	151	152	154	155	155
Fiji	146	154	158	153	153	153	154	154
Mauritania	156	152	150	154	154	156	156	156
Barbados	140	150	154	155	155	157	157	161
Maldives	162	160	160	156	156	155	153	152
Eswatini	148	156	155	157	157	158	159	160
South Sudan	n/a	n/a	122	158	158	159	158	157
Suriname	155	153	152	159	159	160	161	163
Guyana	159	162	162	161	160	152	151	149
Sierra Leone	158	159	153	160	161	162	167	170
Burundi	169	167	164	162	162	161	165	167
Liberia	170	165	161	163	163	163	160	159
Lesotho	160	164	165	164	164	165	166	166
Aruba	150	157	163	165	165	168	170	172
Bhutan	174	172	168	166	166	164	162	158
Central African Republic	161	161	171	167	167	166	163	162
Djibouti	172	174	173	168	168	167	164	164
Cabo Verde	164	163	167	169	169	169	169	169
Belize	163	169	170	170	170	171	174	175
St. Lucia	165	173	172	171	171	174	176	178

Timor-Leste	177	171	166	173	172	170	168	165
San Marino	n/a	158	169	172	173	175	178	177
The Gambia	166	166	174	175	174	172	172	173
Antigua and Barbuda	168	170	176	174	175	177	177	176
Seychelles	171	175	175	176	176	176	175	174
Guinea-Bissau	176	176	178	177	177	173	171	168
Solomon Islands	183	182	177	178	178	178	173	171
Grenada	173	177	179	179	179	179	179	179
St. Kitts and Nevis	178	178	182	180	180	181	181	181
Vanuatu	182	181	181	181	181	180	180	180
Samoa	180	180	180	182	182	182	182	184
St. Vincent and the Grenadines	175	179	183	183	183	183	183	185
Comoros	181	183	184	184	184	184	184	183
Dominica	179	184	185	185	185	186	186	186
São Tomé and Príncipe	188	188	188	187	186	185	185	182
Tonga	185	185	186	186	187	187	187	187
Micronesia	184	186	187	188	188	189	189	189
Palau	186	187	189	189	189	188	188	188
Marshall Islands	187	189	190	190	190	190	190	191
Kiribati	189	190	191	191	191	191	191	190
Nauru	n/a	191	192	192	192	192	192	192
Tuvalu	190	192	193	193	193	193	193	193

1.3 League table A to Z

Ranking out of 193	2003	2008	2013	2018	2019	2023	2028	2033
Afghanistan	132	127	110	114	115	115	113	108
Albania	120	117	128	123	123	123	122	120
Algeria	52	49	50	54	55	56	55	55
Angola	80	64	60	61	62	64	71	80
Antigua and Barbuda	168	170	176	174	175	177	177	176
Argentina	36	28	21	26	30	26	31	35
Armenia	143	121	134	134	134	134	135	137
Aruba	150	157	163	165	165	168	170	172
Australia	15	14	12	14	13	13	12	11
Austria	22	25	28	27	26	29	38	41
Azerbaijan	115	76	69	88	90	93	97	101
Bahrain	98	96	97	97	97	99	104	111
Bangladesh	53	60	59	43	41	36	27	24
Barbados	140	150	154	155	155	157	157	161
Belarus	79	70	67	79	80	84	88	88
Belgium	19	21	25	24	24	25	28	37
Belize	163	169	170	170	170	171	174	175
Benin	135	137	141	141	141	137	129	125
Bhutan	174	172	168	166	166	164	162	158
Bolivia	111	112	100	95	93	91	87	77
Bosnia and Herzegovina	107	106	114	115	116	116	117	118
Botswana	113	123	123	117	118	117	116	115
Brazil	14	9	7	9	9	8	8	8
Brunei Darussalam	114	113	115	124	126	131	136	133
Bulgaria	76	73	76	75	75	74	77	78
Burkina Faso	133	136	133	126	125	122	123	121
Burundi	169	167	164	162	162	161	165	167

Cabo Verde	164	163	167	169	169	169	169	169
Cambodia	131	126	120	109	107	104	102	99
Cameroon	85	95	98	98	98	96	90	87
Canada	9	11	11	10	10	9	9	9
Central African Republic	161	161	171	167	167	166	163	162
Chad	141	125	127	140	140	135	131	131
Chile	51	47	39	42	42	43	44	43
China	6	3	2	2	2	2	2	1
Colombia	43	39	32	39	38	39	42	42
Comoros	181	183	184	184	184	184	184	183
Costa Rica	81	85	82	77	76	77	76	73
Côte d'Ivoire	84	100	99	87	89	85	73	71
Croatia	60	66	73	78	78	81	84	85
Cyprus	86	91	106	110	110	112	115	119
Czech Republic	41	41	51	46	49	50	52	52
Democratic Republic of the Congo	103	105	96	92	92	95	98	102
Denmark	25	30	34	36	37	41	45	47
Djibouti	172	174	173	168	168	167	164	164
Dominica	179	184	185	185	185	186	186	186
Dominican Republic	73	77	70	70	69	68	66	68
Ecuador	62	68	65	62	63	66	69	74
Egypt	46	51	38	45	43	40	34	29
El Salvador	89	107	107	106	106	109	111	116
Equatorial Guinea	136	104	108	131	135	142	143	143
Eritrea	167	168	159	150	147	143	141	138
Estonia	101	99	105	101	102	106	107	107
Eswatini	148	156	155	157	157	158	159	160
Ethiopia	106	94	85	68	68	65	62	62

Fiji	146	154	158	153	153	153	154	154
Finland	30	36	42	44	45	47	50	51
France	5	6	5	6	6	7	7	7
FYR Macedonia	126	130	136	136	136	136	138	135
Gabon	117	114	116	120	121	121	125	127
Georgia	134	118	117	121	120	120	118	114
Germany	3	4	4	4	4	4	5	5
Ghana	90	89	84	85	83	79	81	81
Greece	28	29	43	52	52	55	56	59
Grenada	173	177	179	179	179	179	179	179
Guatemala	69	81	78	71	71	70	68	69
Guinea	129	139	144	137	138	133	137	139
Guinea-Bissau	176	176	178	177	177	173	171	168
Guyana	159	162	162	161	160	152	151	149
Haiti	142	140	143	142	143	144	146	153
Honduras	110	115	113	111	111	114	119	124
Hong Kong	33	42	40	35	33	33	32	31
Hungary	45	52	61	57	57	57	57	57
Iceland	97	109	118	105	105	105	105	104
India	12	12	10	7	5	5	4	3
Indonesia	23	18	17	16	16	16	14	12
Iraq	83	56	46	50	47	48	49	49
Ireland	32	37	44	33	34	38	43	45
Islamic Republic of Iran	34	27	30	30	40	42	33	34
Israel	37	43	37	34	32	34	35	36
Italy	7	7	9	8	8	10	11	13
Jamaica	102	116	124	122	122	127	130	134
Japan	2	2	3	3	3	3	3	4
Jordan	99	101	95	93	95	94	94	94

Kazakhstan	63	55	45	56	56	52	48	46
Kenya	82	82	77	67	65	61	59	56
Kiribati	189	190	191	191	191	191	191	190
Korea	11	15	14	11	11	11	10	10
Kosovo	138	143	148	146	146	145	144	142
Kuwait	58	53	57	58	58	58	61	64
Kyrgyzstan	151	147	147	145	145	147	149	151
Lao P.D.R.	147	141	132	118	117	113	108	105
Latvia	94	83	101	99	100	101	103	103
Lebanon	77	88	87	80	81	83	86	82
Lesotho	160	164	165	164	164	165	166	166
Liberia	170	165	161	163	163	163	160	159
Libya	67	65	80	90	87	80	82	86
Lithuania	78	78	88	84	85	90	92	95
Luxembourg	65	71	71	73	74	76	78	79
Macao	109	103	81	83	82	82	85	83
Madagascar	123	132	138	135	133	130	127	128
Malawi	139	146	151	149	150	150	147	147
Malaysia	39	40	35	37	35	32	26	25
Maldives	162	160	160	156	156	155	153	152
Mali	130	131	126	119	119	119	114	112
Malta	124	133	139	127	128	129	134	141
Marshall Islands	187	189	190	190	190	190	190	191
Mauritania	156	152	150	154	154	156	156	156
Mauritius	119	129	131	129	127	126	128	132
Mexico	10	13	15	15	15	15	16	14
Micronesia	184	186	187	188	188	189	189	189
Moldova	145	138	140	139	137	139	140	140
Mongolia	152	144	130	133	130	124	121	117

Montenegro	154	151	156	151	152	154	155	155
Morocco	56	63	62	60	60	60	60	60
Mozambique	122	122	119	125	124	125	124	123
Myanmar	92	84	72	72	72	67	64	61
Namibia	127	135	129	128	129	128	126	126
Nauru	n/a	191	192	192	192	192	192	192
Nepal	118	119	111	102	101	102	99	97
Netherlands	13	16	18	17	17	17	17	18
New Zealand	49	54	55	53	53	51	51	50
Nicaragua	125	134	135	130	132	132	133	136
Niger	144	145	145	144	144	141	139	130
Nigeria	40	31	26	31	29	31	30	33
Norway	24	24	24	28	28	30	36	39
Oman	71	69	66	69	70	73	72	76
Pakistan	44	50	48	41	44	44	37	27
Palau	186	187	189	189	189	188	188	188
Panama	88	97	86	74	73	71	67	66
Papua New Guinea	121	120	109	113	114	118	120	122
Paraguay	112	98	94	94	94	92	93	98
Peru	55	57	52	51	50	49	47	48
Philippines	47	48	41	40	39	28	25	22
Poland	26	20	23	23	22	20	19	20
Portugal	31	38	49	49	51	53	54	54
Puerto Rico	50	62	63	64	64	69	75	89
Qatar	68	58	53	55	54	54	53	53
Republic of Congo	137	128	125	138	139	146	145	146
Romania	54	44	54	48	48	46	46	44
Russia	16	8	8	12	12	12	13	16
Rwanda	153	149	146	143	142	140	132	129

Samoa	180	180	180	182	182	182	182	184
San Marino	n/a	158	169	172	173	175	178	177
São Tomé and Príncipe	188	188	188	187	186	185	185	182
Saudi Arabia	27	22	19	18	18	19	21	23
Senegal	105	111	112	108	109	103	100	93
Serbia	75	75	90	86	88	88	89	84
Seychelles	171	175	175	176	176	176	175	174
Sierra Leone	158	159	153	160	161	162	167	170
Singapore	42	45	36	38	36	37	41	40
Slovak Republic	61	61	64	63	61	62	65	65
Slovenia	64	72	83	82	84	89	91	96
Solomon Islands	183	182	177	178	178	178	173	171
Somalia	n/a	n/a	149	147	148	149	150	148
South Africa	29	35	33	32	31	35	39	38
South Sudan	n/a	n/a	122	158	158	159	158	157
Spain	8	10	13	13	14	14	15	15
Sri Lanka	72	79	68	66	66	63	63	63
St. Kitts and Nevis	178	178	182	180	180	181	181	181
St. Lucia	165	173	172	171	171	174	176	178
St. Vincent and the Grenadines	175	179	183	183	183	183	183	185
Sudan	74	67	79	100	104	108	110	110
Suriname	155	153	152	159	159	160	161	163
Sweden	18	23	22	22	23	23	24	26
Switzerland	17	19	20	20	19	22	23	28
Syria	70	74	n/a	n/a	n/a	n/a	n/a	n/a
Taiwan	20	26	27	21	20	21	20	19
Tajikistan	157	148	142	148	149	148	152	150
Tanzania	87	92	91	81	79	75	70	67

Thailand	35	33	29	25	25	24	22	21
The Bahamas	104	124	137	132	131	138	142	145
The Gambia	166	166	174	175	174	172	172	173
Timor-Leste	177	171	166	173	172	170	168	165
Togo	149	155	157	152	151	151	148	144
Tonga	185	185	186	186	187	187	187	187
Trinidad and Tobago	95	90	103	112	112	111	112	113
Tunisia	66	80	89	96	96	97	95	91
Turkey	21	17	16	19	21	18	18	17
Turkmenistan	96	102	93	91	91	86	74	70
Tuvalu	190	192	193	193	193	193	193	193
Uganda	116	110	104	104	103	100	96	90
Ukraine	57	46	56	59	59	59	58	58
United Arab Emirates	38	32	31	29	27	27	29	32
United Kingdom	4	5	6	5	7	6	6	6
United States	1	1	1	1	1	1	1	2
Uruguay	91	86	75	76	77	78	79	75
Uzbekistan	100	87	74	89	86	87	80	72
Vanuatu	182	181	181	181	181	180	180	180
Venezuela	48	34	47	65	67	72	83	92
Vietnam	59	59	58	47	46	45	40	30
Yemen	93	93	92	103	99	98	101	106
Zambia	128	108	102	107	108	107	109	109
Zimbabwe	108	142	121	116	113	110	106	100

Country forecasts

2.1 Afghanistan

Afghanistan is a landlocked and mountainous country in Southern Asia, located to the east of Iran and northwest of Pakistan. Its GDP per capita reached $2,020 in 2018 measured in purchasing power parity terms, making it one of the poorest countries in the region.

Afghanistan's economic development has been severly stunted by more than three decades of political instability and conflict. Services account for more than half of GDP (56%), making it the most important sector in the economy ahead of agriculture, which accounts for 23% of the country's GDP. Official estimates of economic output only deliver a partial image as the black market production and sale of opium are not accounted for.

The country has seen healthy growth rates from around 2003 to 2013 as the economy benefitted from international aid and the presence of international troops. After a massive reduction in the number of troops on the ground, economic growth suffered as much of the country's economic activity has been geared towards support services for international forces. US President Trump's strategy for the US military presence in Afghanistan does not forsee major changes in the number of troops in the country in the near future.

For the time being, the economy depends to a large extent on international aid. According to Oxfam and the Swedish Committee of Afghanistan, two thirds of the budget in the year ending February 2018 was funded through aid and international donor organisations.

We expect growth to moderate in 2018 falling back to 2.3%, down from 2.7% the previous year. Over the medium to long-term, growth should pick up to around 5.0% provided improvements in the security situation can be achieved and maintained. The country will move from 115th in the World Economic League Table in 2019 to 108th in the 2033.

Afghanistan	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	198.7	277.5	465.4	517.9	533.5	630.5	805.2	1028.2
GDP, USD bn (constant prices)	6.0	11.8	21.4	19.9	20.2	24.5	32.0	41.8
GDP, USD bn (current prices)	4.6	10.3	20.2	20.4	21.1	27.6	39.6	57.0
Rank	132	127	110	114	115	115	113	108

2.2 Albania

Albania is a country located in south-east Europe, on the Balkan Peninsula. It borders Montenegro, Kosovo, the Republic of Macedonia and Greece. It has a GDP per capita of $13,333 in international PPP dollars, making it one of Europe's poorest countries. Albania is currently applying for membership of the European Union and received an official European Commission recommendation to open EU accession negotiations in April 2017.

The Albanian economy struggled with the transition from communism to an open market economy in the 1990s. Efforts of economic liberalisation and structural reforms were marred by the collapse of a pyramid scheme in 1997. Throughout the 2000s, Albania's economy has grown steadily and it withstood the initial adverse effects of the 2008 Financial Crisis. However, as the EU sovereign debt crisis unfolded and Greece's economy collapsed, growth almost came to a halt between 2012 and 2014. Between 2015 and 2017, economic growth rebounded strongly, making Albania one of the fastest growing countries in the region. For 2018, growth of 4.0% is expected, the fastest in a decade.

Despite the faster growth rates of recent years, the country faces some serious structural issues, which prevent the government from delivering more noteable improvements to living standards. Among the challenges are weak property rights and an inefficient and often corrupt judiciary, as well as the poor state of infrastructure, high informality and low average educational attainment.

Albania is investing heavily in its energy grid, often with the help of multilateral organisations such as the IMF or the European Bank for Reconstruction and Development (EBRD). One of the largest projects is a €1.2bn EBRD loan for the construction of the Trans Adriatic Pipeline (TAP), which will transport natural gas from Greece through Albania to Italy and other parts of Western Europe.

From a fiscal point of view, the country has so far made moderate progress in addressing its high debt-to-GDP ratio, which stood at 71% of GDP at the end of 2017. Fiscal consolidation is required, given that the working-age population in the country is expected to decrease by more than 15% by 2040, driven by lower birth rates and emigration, according to projections from the EBRD.

We expect growth to fall back over the next couple of years, as the country maintains close economic links with Italy, which is facing difficult times ahead. In the medium term, growth should bounce back towards the 4% mark. Albania will improve its standing in the WELT league table from 123rd place in 2019 to 120th place by 2033.

Albania	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	467.5	628.1	707.1	821.1	851.6	993.7	1206.6	1465.1
GDP, USD bn (constant prices)	7.3	14.8	13.6	14.8	15.0	18.7	25.3	34.1
GDP, USD bn (current prices)	5.6	12.9	12.8	15.1	15.6	21.1	31.4	46.5
Rank	120	117	128	123	123	123	122	120

2.3 Algeria

Algeria is a country in Northwest Africa on the Mediterranean coast, bordering Tunisia, Morocco, Libya, Niger, Mauritania and Mali. It is the largest country on the African continent and had a per capita income of $15,610 in international PPP dollars in 2018, making it an upper-middle income country. The economy is heavily reliant on the extraction and export of hydrocarbons (i.e. oil and natural gas), which accounted for more than a third of government revenues in 2017.

Over large parts of the past two decades, high global oil prices have led to macroeconomic stability in the country, as the government could afford to amass significant foreign currency reserves, maintain low debt and maintain generous public subsidies on education and housing among other areas. The state remains a major economic actor in the country.

When oil prices began to decline in 2014, the Algerian government reacted by drawing down its monetary reserves while maintaining spending levels, allowing the currency to depreciate. However, as fiscal buffers melted away quickly, a fiscal consolidation programme was passed in 2016. Economic pressures keep mounting though, with the rate of unemployment rising from 10.5% in 2016 to 12.3% in 2017. Growth faltered and slowed from 3.7% year-on-year in 2015, to just 1.4% in 2017 despite the recovery in oil prices. Measures including import licensing and a more expansionary monetary policy have had only limited success in stimulating demand while inflation has also started to creep up.

One of the key issues in the country is the shift away from an economic model that is almost exclusively state-driven and based on hydrocarbon industries. A more forceful effort to diversify the economy and implement reforms to help the private sector would be required to help the country reach a higher growth path. Business conditions also need to improve to attract more investment, with businesses currently citing concerns surrounding corruption, limited access to finance and strict labour market laws.

We expect annual rates of GDP growth 2.5% in 2018 and 2.7% in 2019. Given the reluctance to borrow abroad and the insistence on financing the budget deficit through printing money, we expect inflation to rise sharply after 2019, reducing real growth rates.

Algeria	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	4785.1	5686.7	6544.7	7556.5	7761.1	8092.6	8632.3	9299.5
GDP, USD bn (constant prices)	88.7	195.8	222.5	184.1	191.5	202.9	227.2	253.9
GDP, USD bn (current prices)	67.9	171.0	209.8	188.3	200.2	228.5	281.6	346.3
Rank	52	49	50	54	55	56	55	55

2.4 Angola

Angola is a country on the Atlantic Ocean in the southwest of Africa. It borders Namibia to the south, Zambia to the east and the Democratic Republic of Congo to the north. Its per capita income in PPP international dollars stood at $6,780 in 2018. Angola's economy is dominated by the oil industry and supporting activities, which account for around a third of GDP and 70% of government revenues. Besides oil, Angola also exports a large volume of diamonds. 85% of the labour force is employed in agriculture, which accounts for around 10% of GDP.

After Angola's 27 year civil war ended in 2002, its economy expanded rapidly on the back of oil and diamond exports. Angola registered some of the world's highest growth rates in the run up to the financial crisis, with GDP expanding at an average rate of 12.5% between 2004 and 2008. The 2014 slump in oil prices hit the country hard, leading the government to curb spending and allow the currency to depreciate against the dollar. Despite these measures, the fiscal position of the country has deteriorated significantly. Debt doubled from around 40% of GDP in 2014 to an estimated 80% in 2018. Inflation has moderated from its peak of 30% in 2016 but remains elevated at 20% in 2018.

In 2017, Angola elected a new president – João Lourenço – heralding the end of the 38-year rule of his predecessor Jose Eduardo dos Santos. Lourenço promised new reforms to diversify the economy and stimulate the private sector. However, so far efforts have had only limited success. The economy shrank in 2016 and 2017 and the most recent data suggest that the receccsion has continued throughout 2018 as oil production declined. Faced with rising unemployment and high inflation, large parts of the city population turned towards black market activities, further undermining the revenue basis of the state. However, for the coming years the outlook is improving, supported by improving domestic demand as inflation subsides and a better investment climate due to the ongoing reforms. Continued low oil prices could, however, pose further challenges for the economy.

We expect annual rates of GDP growth to accelerate to 3.1% in 2019 and remain above 3% until at least 2022. Given the structural challenges the economy faces and the long-term price outlook for oil, we expcect Angola to slide down the global ranking from 62nd place in 2018 to 80th place in 2033.

Angola	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	685.3	1236.5	1541.5	1547.4	1594.7	1828.8	2203.4	2654.7
GDP, USD bn (constant prices)	23.3	101.4	145.0	111.9	105.4	114.8	99.6	91.7
GDP, USD bn (current prices)	17.8	88.5	136.7	114.5	110.2	129.3	123.5	125.1
Rank	80	64	60	61	62	64	71	80

2.5 Antigua and Barbuda

Antigua and Barbuda are small Caribbean Islands with a GDP per capita in 2018 of $27,540 in PPP international dollars. Nearly 80% of economic activity on the islands can be attributed to the services sector, with tourism playing an especially important role. Financial services and banking also make up a significant part of the economy.

Given the outsized importance of the tourism industry, the country is exposed to cycles in international tourism demand. The twin islands were hit hard by the decline in tourism following the 2008 Financial Crisis. Furthermore, the country is located in a geographical area where devastating tropical stroms occur on a regular basis. In 2017, Hurricane Irma devastated the northern island of Barbuda, damaging 95% of structures on the island. The southern island of Antigua was largely spared and received many of the inhabitants of Barbuda who were left homeless after the storm.

One year after the hurricane, rebuilding efforts on Barbuda have been slow with many essential services on the island such as electricity, water and telecommunications still not functioning. In 2018, China has come forward as an unexpected source of support for Barbudans, donating around $2 million in aid for repairs. Earlier this year, China and Antigua and Barbadu signed a memorandum of understanding, which spelled out the cooperation between the two nations within the framework of the Chinese Belt and Road Initiative.

Despite the impact of Hurricane Irma, tourism arrivals in 2018 recovered strongly, predominantly driven by an increase in the number of North American visitors.

We expect annual rates of GDP growth of 2.8% and 3.5% in 2018 and 2019, respectively. Over the remainder of our 15 year forecast horizon, we project GDP growth to average 2% per year, which means the country will slide only one place in the global ranking from 175th in 2019 to 176th in 2033.

Antigua and Barbuda	**2003**	**2008**	**2013**	**2018**	**2019**	**2023**	**2028**	**2033**
GDP, local currency bn (constant prices)	2.5	3.4	2.8	3.5	3.6	3.9	4.3	4.7
GDP, USD bn (constant prices)	1.1	1.6	1.3	1.6	1.6	1.8	2.0	2.2
GDP, USD bn (current prices)	0.9	1.4	1.2	1.6	1.7	2.0	2.4	3.0
Rank	168	170	176	174	175	177	177	176

2.6 Argentina

Argentina is a high income economy (based on the World Bank classification) in South America. Its GDP per capita in 2018 international dollars was $20,610. The economy is broadly based, with a significant natural resources sector andan export oriented agricultural sector, while 15% of GDP emanates from manufacturing. Literacy rates are high. The population is currently 44.6 million and is one of the slowest growing in Latin America at 0.93% per annum.

After a strong economic recovery between 2002 and 2011, the economy has been remarkably volatile in recent years, continuing a longer term trend of volatility. GDP has been on a two year rollercoaster for 6 years, with rises in GDP in 2013, 2015 and 2016 more than balanced by declines in 2012, 2014, 2016 and 2018. We estimate a decline in real GDP in 2018 of 2.6% with (after a break in the cycle) a further decline of 1.9% next year as the government's austerity programme starts to bite. This marks the worst economic crisis for Argentina for a decade.

Unusually for Argentina, the difficulties during 2018 follow the country's acceptance of international advice on promoting growth. Business taxes have been cut while foreign exchange controls have been relaxed. The IMF review of the economy in November 2018 was complimentary, pointing out progress in reducing the budget deficit, and predicted that growth will resume sometime during 2019. The IMF has released $7.6 billion of a $56 billion financing deal.

But despite this, the currency virtually halved in value against the dollar between April and November and inflation surged to 45%. The initial phases of relaxing foreign exchange controls were followed by currency flight and it took 6 months to stabilise the currency.

Fiscal policy is to eliminate the primary government budget deficit and the aim is to achieve this during 2019. Meanwhile, the forecast total deficit is predicted to have fallen from 6.7% of GDP in 2017 and to be close to zero by 2020. Taxes on incomes have been raised, while those on businesses have been cut in an attempt to encourage inward investment.

Because of the scale of the crisis this year and the difficulties that the economy will have in extricating itself from its current mix of high inflation and negative growth, we have had to revise down our forecasts for the real exchange rate sharply from last year. As a result the economy this year has fallen back to 26th largest in the world from 21st last year and is predicted to fall to 30th in 2019. Over the period to 2033 the economy is predicted to be overtaken by a range of faster growing economies, mainly from Asia.

We expect annual rates of GDP growth of 1.9% from 2018-23, 2.9% from 2023-28 and 2.8% from 2028-33. These are faster rates of real GDP growth than we were previously predicting, driven by the impact of the lower forecast real exchange rate on exports and import substitutes.

Argentina	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	444.9	647.2	720.4	709.3	697.8	777.8	898.6	1034.3
GDP, USD bn (constant prices)	180.6	416.2	648.7	464.6	390.5	480.0	510.1	569.0
GDP, USD bn (current prices)	138.2	363.5	611.5	475.4	408.0	540.7	632.1	775.9
Rank	36	28	21	26	30	26	31	35

2.7 Armenia

Armenia is a landlocked country situated in Eurasia, bordering Turkey to the west, Azerbaijan to the east, Georgia to the north and Iran in the south. It's GDP per capita in 2018 stood at $10,270 in international PPP dollars.

During Soviet rule, Armenia was a highly industrialised country, producing chemicals, electronics, machinery and synthetics in exchange for raw materials and energy imports. After the fall of the Soviet Union, the country went through a painful transition period during which GDP fell by 60%. During the 1990s, subsistence farming became increasingly important for the country's economy. Since then, progress has been made to introduce privatisation and competition, but the Armenia's competitiveness has been inhibited by its lack of scale. Armenia's relative geographical isolation is compounded by closed borders with neighbouring Turkey and Azerbaijan, as a result of ongoing conflicts. The country is heavily reliant on remittances from Russia, which account for around 13% of GDP, as well as commodities exports, including copper, gold and diamonds. Armenia's dependence on Russia is deepened by the fact that Russia is Armenia's largest export market. Moreover, much of the country's infrastructure is Russian owned and managed. Armenia has been a member of the Russia-led Eurasian Economic Union since 2015. However, the country also sought closer contact with the European Union leading it to sign a Comprehensive and Enhanced Partnership Agreement with the union in late 2017. Armenia is working towards supporting new economic industries, such as IT and high-tech, which currently account for around 4% of economic output.

Political tensions erupted in early 2018 with thousands of people taking to the streets and peacefully demanding the resignation of the head of government, Serzh Sargsyan. In the culmination of what has been called the 'velvet revolution' the leader of the opposition movement, Nikol Pashinyan, was put in power as acting Prime Minister in May. In October, Pashinyan resigned in order to force a snap election so that a new parliament could be elected to reflect the new political realities in the country.

Despite these political tensions, growth has been strong for the first two quarters of the year, although Q3 saw agricultural output plunge. After very strong growth of 7.5% in 2017, we see GDP expanding by 6.0% in 2018, before growth moderates to an average rate of 4.5% from 2020. In the global league table, Armenia will yield three places, sliding from 134th place in 2018 to 137th in 2033.

Armenia	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	1779.2	3088.6	3140.0	3835.8	4019.9	4793.8	5973.9	7444.6
GDP, USD bn (constant prices)	3.7	13.4	11.8	12.2	12.7	14.9	18.3	22.5
GDP, USD bn (current prices)	2.8	11.7	11.1	12.5	13.3	16.8	22.7	30.6
Rank	143	121	134	134	134	134	135	137

2.8 Aruba

Auba is a small island nation in the Caribbean Sea just off the coast of Venezuela. The country seceded from the Netherlands Antilles in 1986 but to this day remains an autonomous member of the Kingdom of the Netherlands. With a per capita GDP of $38,440 (international PPP dollars) it is one of the wealthiest nations in the Carribean.

The main focus of Aruba's economic activity has changed several times over the past century. Throughout most of the 19th century, the main industry on the island was gold mining. However, supplies ran out in the early 20th century and the economy soon shifted to refining oil products. Aruba's proximity to oil-rich Venezuela and the fast rising demand from the United States during World War II made the island a prime destination for refineries. In the 1950s, one of the main refinieries closed down, leading the government to push tourism as an alternative industry for the country. Today, tourism accounts for a larger share of economic activity than any other sector. In 2017, Aruba received over 2 million tourists, largely from the United States. In a bid to diversify the economy, the government is supporting the further development of financial services on the island as well a re-opening of the Lago refinery owned by the Valero Energy Corporation. Due to its poor soil and arid climate, agriculture does not play a large role in the Aruban economy with the exception of the export of aloe.

As a part of the Kingdom of the Netherlands, Aruba remains under the financial supervision of the Dutch government. The island remains in a difficult fiscal position, with a debt-to-GDP ratio that has more than doubled from 42% in 2008 to 86% in 2017. The budget deficit is expected to stand at more than 3% in 2018, though the government has pledged to exert more fiscal discipline in coming years. Unemployment stands at around 7% and has declined substantially from the 11% recorded in 2009.

We expect the economy to expand at an average rate of 1.2% over the years from 2020 to 2033. This will not be enough to prevent Aruba from falling from its current place at 165th in the World Economic League Table to 172nd place in 2033.

Aruba	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	3.2	3.6	3.3	3.4	3.4	3.6	3.8	4.0
GDP, USD bn (constant prices)	2.6	3.1	2.7	2.7	2.7	2.8	2.8	2.9
GDP, USD bn (current prices)	2.0	2.7	2.6	2.8	2.9	3.2	3.5	4.0
Rank	150	157	163	165	165	168	170	172

2.9 Australia

With a GDP per capita of $52,360 in international dollars, Australia is a high income country, ranked 20th in the world when measured by GDP per capita.

Although the economy has strengths in a wide range of sectors and (like most advanced economies) its service sector accounts for the dominant shares of employment (80%) and GDP (60%), Australia stands out for its abundant mineral reserves. With an estimated value of more than US$20 trillion of natural resource, Australia has the eighth largest natural endowment of resources in the world. In addition, it has a thriving agricultural sector. Its manufacturing sector has declined sharply, however, as the economy has liberalised.

Educational quality is high. The population is currently 25.0 million and is one of the fastest growing in the developed world at 1.7% per annum despite an official cap on inward migration of 190,000. The population is forecast to reach 37.1 million on central assumptions by 2050 mainly because Australia is one of the most popular destinations for migration.

Australia has now had the longest period of continuous economic growth ever recorded in any country in the world. It has managed 27 consecutive years without a technical recession (defined as two quarters of negative growth). Our models suggest that a recession is a possibility in the coming years especially if the world economy weakens, the property market enters a cyclical downturn and skills shortages become a supply constraint. However, we are not in our central forecasts actually predicting a recession.

Fiscal policy is to reduce the federal government deficit as a share of GDP by 0.5% each year for the near future. If growth continues as in our central forecast this should allow scope for some reductions in personal taxation. The total government (including states and local authorities) is roughly in balance already. The planned deficit reduction should reduce the government debt-to-GDP ratio from 43.6% in 2017 (up from 20% in 2010) to a planned 39.8% in 2020. The policy interest rate has remained at a record low of 1.5% for two years and is likely to remain low since inflation remains close to 2%.

The mining sector is now poised for growth after a period of declining investment. Some of Australia's service sector businesses are world class and likely to continue to grow. There are three highly visible risks to growth – the prolonged drought is likely to damage growth in the agricultural sector; the cyclical downturn in the property sector could impact on construction; and if the Chinese economy slows dramatically this will feed through into the demand for natural resources.

Our central forecast is for annual rates of GDP growth of 2.4% from 2018-23, 2.5% from 2023-28 and 2.5% from 2028-33. These are slightly slower than we predicted a year ago reflecting a weaker international outlook for natural resources. Nevertheless we expect that Australia will overtake Russia, Italy and Spain to become the world's 11th largest economy.

Australia	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	1157.8	1367.3	1555.1	1768.6	1814.5	1995.1	2254.2	2542.9
GDP, USD bn (constant prices)	705.3	1206.9	1608.1	1393.5	1397.2	1574.8	1845.8	2163.5
GDP, USD bn (current prices)	539.4	1054.1	1515.9	1425.8	1460.1	1773.7	2287.5	2950.3
Rank	15	14	12	14	13	13	12	11

2.10 Austria

Austria had a GDP per capita of $52,220 in International dollars in 2018, making it the 21st richest economy in the world measured by GDP per capital at PPP values. Austria's economy is closely integrated with fellow European Union countries, in particular its close neighbour Germany, which is the destination of 30% of Austria's exports and the source of 43% of its imports.

Austria is a service based economy, and tourism in particular provides a strong source of revenues, accounting for approximately 6% of both GDP and employment. Austria's ski resorts draw tourists from around the world over the winter, while the capital city Vienna attracts visitors all year round. The country is also famed for its music and its orchestras and music festivals also attract international support. Finance is also a particular strength with the country's geographical position on the doorstep of Eastern Europe allowing Austria's banking and legal sectors to link closely with the fast growing states to its East.

Economic performance picked up in 2017, in line with the wider Eurozone's recovery. The strengthening of Austria's economy has been broad-based, driven by growth in private consumption, government expenditure and domestic investment. The European Central Bank's accommodative monetary policy will have supported this strong performance through 2017.

Meanwhile, Austria has reduced its budget deficit from a peak of 2.7% of GDP in 2014 to an insignificant 0.2% of GDP in 2018. Reflecting this the debt GDP ratio fell from 59.2% of GDP to 51.0% over the same period.

Following the rise in migration from Southern and Eastern Europe in recent years which boosted the population to 8.8 million, the rate of population growth has fallen to 0.2% in 2018. On current projections the population is predicted to peak around 2035 and to be lower than today by 2060. Slower population growth is likely to affect the pace of growth of the economy.

Our central forecasts suggest GDP growth at an annual rate of 1.7% from 2018-23, slowing down to 1.5% from 2023-33. Austria is expected to fall 14 places in the World Economic League Table by 2033, as it is overtaken by fast growing developing economies.

Austria	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	264.0	301.9	306.7	335.9	342.0	364.9	392.2	421.5
GDP, USD bn (constant prices)	342.8	495.0	456.4	449.0	439.9	452.9	480.4	509.7
GDP, USD bn (current prices)	262.1	432.3	430.2	459.4	459.7	510.1	595.3	695.0
Rank	22	25	28	27	26	29	38	41

2.11 Azerbaijan

Azerbaijan is a former Soviet republic in the South Caucasus. It borders the Caspian Sea to the east, Russia and Georgia to the north, Armenia to the west and Iran to the south. Azebraijan is an oil rich country with a per capita GDP of $17,950 in international dollars.

Oil and its derivatives have been the driving economic force in the country for well over a century. During Soviet rule, Azerbaijan developed its oil exploration and production capacities that still shape the country's largest sector many years later. Due to its oil wealth, Azerbaijan has managed the transition from a Soviet-style command economy to a market based economy relatively well, though the country struggles with some issues seen in other former Soviet republics. The economy remains heavily focused on oil and gas exports, as efforts to diversify the economic base and build up the manufacturing sector have seen only limited success. Moreover, corruption in the country is widespread and the government has been accused of authoritarianism.

Due to the sharp fall in oil prices, Azerbaijan's economy has struggled in recent years, shrinking by 3.1% in 2016 and growing by just 0.1% in 2017. For 2018, growth of 0.1% is forecast. The headwinds of recent years were not only due to the lower oil price but also due to weakened economic performance among Azerbaijan's major trading partners, including Italy and Turkey. Both inflation and public debt shot up in 2016 and 2017 as the government let the currency, the Azerbaijani manat, depreciate against the US dollar.

As a result of the oil price shock, the government implemented fiscal consolidation measures, let the currency depreciate and reigned in spending. These policies, together with growth of the non-hydrocarbon sector, mean that the country has a positive growth outlook for the coming years, although challenges remain.

The recession of 2016-2017 has revealed siginifcant imbalances in the financial system. The banking sector needs reforming and a strategy to deal with non-performing loans should be implemented in order to encourage credit flows. If these issues are addressed, stabilising oil prices and strengthening demand in neighbourhing Russia should help to support Azerbaijan's return to growth in 2019.

We expect Azerbaijan's economy to expand by 3.6% in 2019, though in the long run, growth is likely to moderate to around 2.0% due to the slow progress of economic diversification. As a result, Azerbaijan is expected to fall from 90th place in 2019 to 101st place in the 2033 global ranking.

Azerbaijan	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	9.0	23.4	28.4	28.9	29.9	33.0	36.4	40.3
GDP, USD bn (constant prices)	9.5	56.1	78.7	44.6	46.0	48.5	51.7	55.4
GDP, USD bn (current prices)	7.3	49.0	74.2	45.6	48.1	54.6	64.1	75.6
Rank	115	76	69	88	90	93	97	101

2.12 The Bahamas

The Bahamas is a country consisting of over 700 islands situated to the north of Cuba and to the southeast of Florida in the United States. It has a per capita GDP of $33,520 in PPP international dollars.

Since gaining independence from the UK, the Bahmian economy has expanded its tourism and offshore banking sectors. Tourism accounts for 45% of economic output and employs around half of the country's labour force.

In 2014, a record number of 6.3 million visitors came to the island, 76% of which were cruise arrivals. The US and the international cruise industry are the most important sources of visitors. Since 2014, visitor numbers have declined somewhat, standing at 6.1 million in 2017.

Partly due to this decline in visitor numbers, the Bahamian economy has been struggling to gain momentum in recent years. In five out of ten years since the 2008 financial crisis, growth on the archipelago has been negative. Other shocks to the economy were damages sustained by a series of tropical storms, starting with Hurricane Joaquin in 2015, followed by Hurricane Matthew in 2016 and Hurricane Irma in 2017. The three stroms are estimated to have caused damages of nearly $1 billion in the Bahamas alone. Subsequent increases in unemployment and debt have constrained household spending, further weighing on the economy.

The phased opening of the Baha Mar resort, a multi-billion dollar project operated by the Hong Kong based Chow Tai Fook conglomerate, and the strong US economy have helped to spur growth in the Bahamas over the past twelve months. We expect the economy to have expanded by 2.3% over 2018 and forecast a similarly good performance for 2019, with growth of 2.1% expected.

Between 2020 and 2033, we forecast that annual GDP growth will average 1.8%, which will cause the Bahamas to drop 13 places in the World Economic League Table to 145th place by 2033.

The Bahamas	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	10.0	10.6	10.7	11.0	11.2	11.9	12.8	13.8
GDP, USD bn (constant prices)	11.6	12.1	11.3	12.6	13.1	13.7	14.1	14.6
GDP, USD bn (current prices)	8.9	10.5	10.6	12.9	13.7	15.4	17.5	20.0
Rank	104	124	137	132	131	138	142	145

2.13 Bahrain

Bahrain is country consisting of a group of islands in the Persian Gulf connected to Saudi Arabia by the King Fahd Causeway. Bahrain Island – the main landmass – lies between Saudi Arabia in the northwest and Qatar in the southeast. The country has a GDP per capita of $50,750 in PPP international dollars, making it a high-income economy.

Hydrocarbons play a major role in the economy, with oil accounting for more than two-thirds of budget revenues. Other important sectors in the economy are the finance and construction sectors as well as aluminium production. Aware of the limitations of its oil supplies, Bahrain has pushed for economic diversification with more urgency than other countries in the region. As one of the first Gulf States, Bahrain signed a free trade agreement with the US, which allowed for the privatisation of key industries in the economy including banks, utilities and telecommunications. These efforts have paid off in recent years, as the drop in oil prices starting in 2014 was partially offset by strong performance in other economic sectors. According to IMF figures, GDP attributable to the hydrocarbon sector contracted by 0.3% on average each year from 2015 to 2017. Non-oil GDP, on the other hand, expanded by an average annual rate of 4.1% during these three years.

Despite the positive growth in non-oil GDP, the decline in revenue from the oil industry following the price collapse in 2014 and 2015 has put a strain on the public finances. The budget deficit stood at 17.6% of GDP in 2016 and 14.2% in 2017. As a result, debt as a share of GDP has doubled within just three years and now stands at 88% of GDP. In order to restore the health of the public finances, Bahrain agreed a $10 billion package of financial support from Saudi Arabia, Kuwait and the United Arab Emirates. The government further plans to implement further reforms to help close the budget deficit, including the introduction of a value-added tax and changes to the pension system. Spending cuts, higher utility tariffs and the prospect of growing revenues from the non-oil sector further support the view that Bahrain is on the way to bringing its public finances back under control.

We expect the economy to grow 3.2% in 2018, down from the 3.8% growth recorded in 2017. Given the recent renewed weakness in the oil price and the tighter fiscal policy of the government, we expect growth to moderate further to 2.6% in 2019. As a result, Bahrain will fall 14 places in the global rankings to stand at 111th place in 2033.

Bahrain	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	6.5	9.0	10.8	12.8	13.2	14.5	16.5	18.8
GDP, USD bn (constant prices)	14.5	29.4	34.5	38.4	39.8	42.4	41.5	40.5
GDP, USD bn (current prices)	11.1	25.7	32.5	39.3	41.6	47.8	51.4	55.3
Rank	98	96	97	97	97	99	104	111

2.14 Bangladesh

Bangladesh is a South Asian country sharing land borders with India and Myanmar. With a population of over 163 million, it is the eighth most populous country in the world. The country has seen robust growth averaging 6.3% per year over the past decade. Its GDP per capita stands at $4,600 in PPP international dollars, making it a lower-middle income country by the World Bank's definition.

Garments are the main export good of the Bangladeshi economy, accounting for over 80% of total exports in the financial year ending 2017. Remittances are a further important source of income for the country. Around 43% of Bangladeshis work in the agriculture sector, mostly producing rice and jute. Maize, vegetables and wheat play a smaller albeit growing role in the country.

Bangladesh's economy is expected to have grown by 7.3% over 2018, just shy of the 7.4% recorded in 2017. The country has benefitted from a strong increase in remittances in the financial year ending 2018, after declines in the previous two years. Moreover, the export sector benefitted from the duty free access to the Indian market, pushing exports to $375 million in the three months to September. Indian clothing retailers, as well as global retailers opening Indian outlets, increasingly import from Bangladesh due to the competitive prices of their products. Bangladesh's competitiveness relative to India was further boosted by the introduction of a General Sales Tax in India, a step that is still outstanding in Bangladesh.

Growth in Bangladesh's economy is driven by domestic consumption expenditure, government spending, remittances and exports. While the country has made important steps towards modernising its economy in recent years, significant challenges remain. On the political side, high-level corruption and tension between the main parties could lead to instability surrounding the parliamentary elections at the end of 2018. As for the economy, Bangladesh runs the risk of negating gains from its successful export sector through its growing appetite for imports. The current account tipped into a deficit in 2017, and this is expected to widen in 2018. The government will also need to explore options on how to increase revenues in order to finance upgrades for infrastructure while maintaining the social safety net. The country is further grappling with the Rohingya refugee crisis.

We expect annual rates of GDP growth to average 7.0% between 2018 and 2033. This will see the country climb 19 places in the World Economic League Table to become the world's 24th largest economy by 2033.

Bangladesh	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	4143	5612	7520	10557	11306	14820	20786	29153
GDP, USD bn (constant prices)	82.6	111.1	171.1	279.8	300.0	395.7	552.7	772.6
GDP, USD bn (current prices)	63.2	97.1	161.3	286.3	313.5	445.6	685.0	1053.6
Rank	53	60	59	43	41	36	27	24

2.15 Barbados

Barbados is a small Caribbean island with a GDP per capita of $18,870 PPP international dollars and a population of 293,000. Barbados lies to the north of Trinidad and Tobago and to the east of St Vincent and the Grenadines. The island does not lie in the direct path of most hurricanes and the last tropical storm to cause significant damage was Hurricane Janet in 1955.

The economy of Barabdos is based on two main sectors, tourism and financial services. Tourism generates over 50% of the country's foreign exchange income and has seen healthy growth over the past three years. The sector underwent a painful contraction in 2012 and 2013. In 2017, the Grantley Adams International Airport saw 663,000 visitor arrivals, up 5% on the previous year. The country also saw around 819,000 cruise arrivals – a 13% increase on 2016. Given the commonwealth status of Barbados, it is particularly popular with British tourists, who make up 34% of visitors.

The macroeconomic imbalances that have been building over the past years have led to an unsustainable situation, which culminated with the government announcing in June that it would stop servicing its external debt until a restructuring was agreed with the creditors. The announcement of the technical default came after the newly elected Prime Minister Mia Mottley disclosed previously uncovered financial obligations which led the country's debt-to-GDP ratio to skyrocket from an already high base of 135% to 175%. As part of the Barbados Economic Recovery Transformation (BERT) plan, the government has asked the IMF for support with their debt restructuring efforts. The plan will entail fiscal adjustments aimed at curbing state expenditure and maximising revenue with the goal of achieving a primary surplus of 6% by 2019/20.

We expect that the adjustment programme will lead to a contraction in the economy in 2018 and 2019 of 0.5% and 0.1%, respectively. Once the fiscal position of the country has improved, we expect that growth will converge towards 1.8% by 2022. As a result, we expect Barbados to lose six places in the global rankings, slipping from 155th place to 161st place by 2033.

Barbados	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	8.5	9.7	8.9	9.2	9.2	9.7	10.6	11.7
GDP, USD bn (constant prices)	4.2	5.5	5.0	5.1	5.0	5.3	6.0	6.7
GDP, USD bn (current prices)	3.2	4.8	4.7	5.2	5.2	6.0	7.4	9.1
Rank	140	150	154	155	155	157	157	161

2.16 Belarus

Belarus is a former Soviet republic in Eastern Europe. The country declared independence in 1991 following the dissolution of the former Soviet Union, however it has maintained very close relations to Russia since the early 1990s. Its PPP-adjusted GDP per capita stood at $20,180 in 2018, making it one of the poorest countries in Europe.

The economy is characterised by two features: its heavy dependence on Russia and the large role of the state, which accounts for 70% to 75% of economic activity. Nearly half of Belarusian exports are destined for Russia, whilst 12% go to bordering Ukraine. As a result of these close links, Russia's recent recession – driven by the decline in oil prices and tough economic sanctions – has had a significant knock on effect on the Belarusian economy, which contracted by 3.8% in 2015 and 2.5% in 2016. Due to the recovery in the oil price and other commodities markets, as well as stronger growth in Russia and the resolution of a dispute about gas prices between the two countries, the Belarussian economy returned to growth in 2017, expanding by 2.4%.

The country's industrial base was counted among the most developed in the Soviet Union. Now however, large parts of the industrial sector are outdated, inefficient and not competitive in the international market. The government continues to subsidise state-owned enterprises at a great economic cost, in order to avoid the social unrest which could result from a disruptive modernisation programme. As a result, Belarus relies on Russia for imports of cheap raw materials as well as a market for its export goods.

A more positive example of recent times has been the development of the IT sector, which provides a template for how economic liberalisation can foster growth elsewhere in Belarus. Most companies in the sector have settled in the Hi-Tech Park (HTP) near the capital Minsk. This special enterprise zone guarantees tax reliefs or complete exemption from certain types of taxation, visa-free entry and 180-day work visas for foreigners, as well as legal acceptance of cryptocurrencies. Exports generated in the HTP exceeded $1 billion in 2017, and are expected to pass the $2 billion mark by 2021.

The population of Belarus declined by 0.5% in 2018. With this trend set to continue in the medium term, a shrinking population will constrain growth in the longer term.

We expect annual GDP growth of 4.0% in 2018, dipping to 2.1% annual growth by 2022. As a result, Belarus will fall eight places in the global rankings, slipping to place 88th place by 2033.

Belarus	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	42.2	67.7	79.3	80.4	82.9	90.3	100.2	111.3
GDP, USD bn (constant prices)	23.3	69.6	80.1	55.6	57.4	62.8	71.4	81.6
GDP, USD bn (current prices)	17.8	60.7	75.5	56.9	60.0	70.8	88.4	111.3
Rank	79	70	67	79	80	84	88	88

2.17 Belgium

Situated in Western Europe, Belgium is a small and high-income country with a GDP per capita in international dollars of $48,180, making it the 25th richest country in the world. Endowed with relatively few natural resources, Belgium has utilised its excellent infrastructure network and central geographic location to establish itself in a diverse range of industries, including famously chocolate. The Belgian economy is dominated by services, which account for almost 80% of GDP. Belgium is also the capital of the EU and benefits heavily from EU spending and the spending by lobbyists.

Belgium is heavily reliant on international trade and its main trading partners are fellow EU countries. Therefore, Belgium will have benefitted from the improvement in performance seen by many European countries in 2017 and the first half of 2018. Since the 2008 global financial crisis and the ensuing recession in 2009, Belgium has seen growth generally fluctuate from between 0% and 1.5%.

Over the course of 2017, the euro has strengthened considerably, appreciating by over 12% relative to the US dollar. While this has exerted downward pressure on prices across the Eurozone, it has also had a negative effect on the competitiveness of European exports. Although most of Belgium's trade takes place within Europe, the US is the world's 5th largest purchaser of Belgian goods. The fall in export competitiveness could explain why Belgium has performed worse than its European partners in 2016 and 2017. The UK is currently an even larger market for Belgium, and the possibility of trade restrictions following Brexit represents a downside risk for the country in the medium term.

Monetary policy is set by the ECB. However, the Belgians do not have the same tradition of borrowing as the English speaking world and so monetary tapering has rather less impact.

Public debt is set to fall slightly to 101% of GDP in 2018, however, this remains among the highest rates of government debt in Europe. That being said, the government ran a small primary surplus in 2017, which brought the fiscal deficit down to less than 2% of GDP.

Population growth is driven by migration and is running at around 0.5% per annum.

We forecast GDP growth of 1.5% in 2018, continuing at the same rate of 1.5% between 2018 and 2033. Belgium is forecast to fall by thirteen places in the World Economic League Table from 24th in 2018 to 37th in 2033.

Belgium	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	344	389	399	430	436	463	499	538
GDP, USD bn (constant prices)	418	597	553	524	512	515	540	566
GDP, USD bn (current prices)	320	521	521	536	535	580	669	772
Rank	19	21	25	24	24	25	30	37

2.18 Belize

Belize is a small country in Central America, bordering Mexico and Guatemala. The country gained independence from the British Empire in 1981 though a territorial conflict with its neighbour Guatemala remains unresolved to this date. Its GDP per capita in PPP adjusted international dollars was $8,470 in 2018.

The main exports of the country are raw sugar, bananas and citrus fruits. However, the primary earner of foreign currency is the country's flourishing tourism industry. The Belize Barrier Reef is the longest reef in the Western Hemisphere and a large draw for international visitors. Plentiful opportunities for scuba diving, snorkling, fishing as well as a number of Mayan ruins among a rich jungle flora and fauna make the country an attractive tourism destination.

Belize's economy has struggled in recent years due to falling oil prices hitting export revenues, damage caused by Hurricane Earl, and disease affecting fish and citrus production. As a result, the economy shrank by 0.5% in 2016. The country managed to return to growth in 2017, although at just 0.8% the expansion remained weak. Throughout the first half of 2018, the economic recovery has been strengthening as income from tourism picked up. However, as the government and the Central Bank of Belize have undertaken steps to bring the public finances back in order, domestic consumption seems to have suffered as higher fuel and import duties and a general sales tax weigh on households' budgets.

The debt-to-GDP ratio improved slightly over 2018, but is still estimated to stand at 98%. Coupled with the large current account deficit of 6% and the dependence of the economy on international markets, the country remains highly exposed to external shocks.

We expect growth to accelerate to 2.0% in 2019 before converging towards 1.7% in the long run. Given that the population is expected to grow at a rate of 2.5% - 2.7% over the next decade, we expect GDP per capita to decline. Belize is expected to move from 170th in the World Economic League Table in 2018 to 175th place by 2033.

Belize	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	2.0	2.4	2.6	2.9	2.9	3.1	3.4	3.7
GDP, USD bn (constant prices)	1.3	1.6	1.7	1.9	1.9	2.0	2.2	2.3
GDP, USD bn (current prices)	1.0	1.4	1.6	1.9	2.0	2.3	2.7	3.2
Rank	163	169	170	170	170	171	174	175

2.19 Benin

Benin is a small, West African country with sea access to the Gulf of Guinea. It borders Nigeria to the east, Niger and Burkina Faso to the north and Togo to the west. Its GDP per capita in 2017 was $2,410 PPP adjusted international dollars.

Agriculture and subsistence farming play a major role in the Beninese economy with cotton being the most important cash crop. Growth has accelerated over the past couple of years; the economy expanded by 4.0% and 5.6% in 2016 and 2017, respectively. This acceleration was due to the rising price of cotton and increasing demand from neighbouring Nigeria, Benin's most important export market.

Growth was further bolstered by a public investment programme under the 2016-21 Government Action Plan, also known as Benin Revealed, which aims to improve infrastructure, agriculture, tourism and basic services. The poor state of the electricity grid in particular has been a bottleneck for growth in recent years, making upgrades urgently necessary.

Government debt has increased in recent years as additional expenditure for the Government Action Plan has made more borrowing necessary. We expect the debt-to-GDP ratio to have peaked in 2018 at 57%. The government has announced it would curb spending somewhat in the future in order to maintain fiscal stability. The budget deficit fell from 5.9% in 2016, to 4.8% in 2018. Over the medium term, the government has pledged to bring the deficit down to 3% in line with the target set by the West African Economic and Monetary Union, of which Benin is a member.

In April 2017, Benin and the IMF arranged a $151 million, three-year programme under the Extended Credit Facility. The credit line will allow for further investments in Benin's infrastructure and enhance the country's economic potential. The programme is also likely to make the country more attractive to foreign investors, as the IMF regularly reviews progress of reforms and the macroeconomic stability of the country.

While we are optimistic about the outlook for Benin, downside risks remain, mainly due to the high degree of dependence on external market conditions, such as the price of cotton and the health of the Nigerian economy.

We expect the economy to grow by 6.0% in 2018, accelerating to an average of 6.2% over the following five years. This rapid rate of economic expansion will see Benin climb to 125th in the World Economic League Table by 2033.

Benin	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	2445	3001	3627	4586	4877	6281	8485	11463
GDP, USD bn (constant prices)	5.1	8.2	9.7	10.3	10.9	14.1	19.6	27.2
GDP, USD bn (current prices)	3.9	7.2	9.2	10.5	11.4	15.9	24.3	37.1
Rank	135	137	141	141	141	137	129	125

2.20 Bhutan

The Kingdom of Bhutan is a small and mountainous country in the Eastern Himalayas, sharing a border with India and Tibet. The country's small economy mostly consists of hydropower, agriculture, forestry and some tourism. In 2017, per capita GDP stood at $9,550 PPP adjusted international dollars.

Bhutan's economy is closely linked to India's, due to the historical ties of the two countries. Bhutan depends on India for financial assistance and migrant labour for development projects. India is also Bhutan's most important trading partner.

Bhutan's approach to development is firmly rooted in its traditions and culture. Progress is measured in the country's own barometer of Gross National Happiness, which encompasses health and well-being of the population as well as security and sovereignity of the nation. The country has made significant progress in reducing poverty among its population in recent years, with the share of people living in extreme poverty falling to 1.5% in 2018.

Due to its mountaineous terrain and small land area, traditional industrialisation strategies are not well suited for Bhutan. The country has, however, vast potential to harness hydropower to sustain growth. Currently, hydropower exports make up around 20% of Bhutan's GDP. However, the Asian Development Bank estimates that currently only 5% of the 30,000 megawatt hydropower potential has been realised.

The fiscal situation of the country is largely dictated by the progress of hydropower-related projects. In the past, Imports required to build hydropower plants have led to large current account deficits of around 28% of GDP. The current account deficit is expected to fall substantially when the hydropower projects become operational. The fiscal deficit reached 3.3% in 2017, though it is expected to shrink to 1% in 2018. Debt-to-GDP peaked at 114% in 2016 and has since fallen to 103% in 2018. Looking ahead, the coming on stream of three new hydropower plants is expected to boost growth and have a positive effect on public finances.

We expect annual GDP growth to slow to 5.8% in 2018 and further decelerate to 4.8% in 2019. In the medium term, growth should pick up to 7.5%. Bhutan will climb eight places in the global rankings between 2018 and 2033, reaching 158th place by 2033.

Bhutan	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	24.6	37.2	52.1	70.0	73.4	95.4	136.7	196.0
GDP, USD bn (constant prices)	0.8	1.5	2.0	2.6	2.7	3.5	5.0	7.2
GDP, USD bn (current prices)	0.6	1.3	1.8	2.6	2.8	3.9	6.2	9.9
Rank	174	172	168	166	166	164	162	158

2.21 Bolivia

Bolivia is a landlocked country in South America, bordering Brazil in the northeast, Peru in the northwest, Chile in the West, Argentina in the south and Paraguay in the southeast. Its GDP per capita in 2017 was $7,940 in PPP adjusted international dollars. The country has a variety of natural resources including natural gas, silver, zinc and lithium.

Bolivia enjoyed strong economic growth in the ten years to 2014, supported by high commodities prices, especially for gas and oil. According to the government's estimates, the country's natural gas reserves are estimated to stand at 27.6 trillion cubic feet. In South America, only Venezuela has higher proven natural gas reserves.

The decline in the global oil price in 2015-2016 also affected Bolivia through depressed prices for natural gas. In response, the government implemented spending programmes to boost growth, leading to only a mild dip in GDP growth figures in 2015 and 2016, to just under 5%.

Financing these spending programmes has led to a swing in the budget position from a small surplus in 2013, to a deficit of 7.8% in 2017. After successive budget surpluses reduced the debt-to-GDP ration to as low as 35% during the commodities boom in 2011, debt rose to 50% of GDP in 2018. Bolivia's fiscal prudence in previous years has given the government the headroom necessary to increase borrowing when commodity prices are low. Fiscal consolidation measures to control public debt are likely to act as a drag on growth in the near term. Rising prices for the country's lithium reserves due to the increasing popularity of electric cars and the associated demand for lithium batteries, could present an opportunity for growth in the future.

While the population increase of 1.6% per annum will contribute to economic growth, it will also impose pressures on public services and infrastructure.

We expect Bolivia's economy to expand by 4.3% in 2018 before converging to an annual GDP growth rate of 3.7% by 2020, as a result of subdued energy prices.

Bolivia	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	23.9	30.3	38.5	48.2	50.2	58.3	69.9	83.8
GDP, USD bn (constant prices)	10.6	19.2	32.8	40.9	43.1	54.2	72.2	96.3
GDP, USD bn (current prices)	8.1	16.8	30.9	41.8	45.0	61.0	89.5	131.3
Rank	111	112	100	95	93	91	87	77

2.22 Bosnia and Herzegovina

With a per capita GDP of $13,510 in international dollars, Bosnia and Herzegovina is among the poorest countries in Europe. Encouragingly, GDP growth has accelerated recently from 1.2% in 2014 to 3.0% in 2017, with the 2018 expectation at 3.2%. The growth pick-up has been supported by public infrastructure investment and the implementation of structural reforms.

The Balkan country has also enjoyed a rise in personal remittances since 2015, although this underlines the fact that many people have chosen to emigrate in search of higher wages and better employment opportunities. Job creation in the country has stalled, unemployment remains high (18% in 2018) and average earnings are far behind the European average.

The political picture also remains fragile. Bosnia is led by a three-member collective presidency (Croat, Bosnian Muslim (Bosniak) and Serb), following a system established as part of the 1995 Dayton peace deal. The autumn 2018 election saw Milorad Dodik elected as the Serb's leader, with Sefik Dzaferovic as the Bosniak representative and Zeljko Komsic elected to the Croat presidential seat. International election observers noted that the country's politics remain largely based on divisive, ethic-based rhetoric rather than on addressing key economic questions. Economic areas in need of attention include institutional weaknesses, the quality of public infrastructure and reforms of state enterprises. Still, recent efforts to modernise the banking sector and raise tax funds to finance various infrastructure projects should help generate FDI and private investment opportunities in the coming years.

We expect GDP growth of 3.2% in 2018, and an average annual growth rate of 3.9% between 2019 and 2033. This will see Bosnia and Herzegovina move from 115th in the World Economic League Table in 2018 to 118th place by 2033.

Bosnia and Herzegovina	**2003**	**2008**	**2013**	**2018**	**2019**	**2023**	**2028**	**2033**
GDP, local currency bn (constant prices)	19.4	25.4	26.0	29.7	30.8	35.9	43.6	53.1
GDP, USD bn (constant prices)	11.1	21.4	19.3	19.5	19.8	23.9	29.2	34.8
GDP, USD bn (current prices)	8.5	18.7	18.2	20.0	20.7	26.9	36.2	47.5
Rank	107	106	114	115	116	116	117	118

2.23 Botswana

Since its independence in 1966, Botswana has achieved rapid economic growth and become one of the strongest economies in Africa. Sound macroeconomic policies and capitalisation on its large mineral wealth have allowed Botswana to reach a GDP per capita of $17,890 in international dollars. The economy is driven by tourism, agriculture and the diamond trade.

Botswana presently runs a current account surplus of 8.7% of GDP. This is driven by Botswana's diamond trade: 89% of exports by value were diamonds in 2018. Botswana's economic position has been attributed to its ability to exploit its mineral wealth, unlike many other Sub-Saharan countries. However, a lack of export diversification and an overreliance on diamonds have left Botswana vulnerable to economic shocks, like the diamond price slump in 2015.

Unemployment remains a challenge in 2018 despite high levels of spending on social programmes. Botswana's spending on education remains one of the highest in the world at approximately 9% of GDP, but it has not reduced poverty or unemployment by as much as anticipated. Relatively high levels of poverty and unemployment pose a challenge to sustained long-term growth.

The public finances are faring well; debt stands at 13.2% of GDP, down approximately 1% from last year. It is projected to fall further in the coming years. However, large reliance on diamonds leaves Botswana vulnerable to commodity shocks. Population growth remains low with an average annual growth forecast of 1.8% between 2018 and 2023. We estimate 2018 GDP growth to be 4.6%, with annual growth forecast to average 4.5% between 2018 and 2033. This will see Botswana move from 118th in the World Economic League Table in 2019 to 115th by 2033.

Botswana	**2003**	**2008**	**2013**	**2018**	**2019**	**2023**	**2028**	**2033**
GDP, local currency bn (constant prices)	50.8	68.0	84.1	96.2	99.6	118.7	149.3	187.0
GDP, USD bn (constant prices)	9.9	12.6	15.8	18.6	18.9	22.8	29.2	37.9
GDP, USD bn (current prices)	7.5	11.0	14.9	19.1	19.8	25.7	36.2	51.7
Rank	113	123	123	117	118	117	116	115

2.24 Brazil

Brazil is a country in South America with a GDP per capita of $16,110 in international dollars. Despite the severe recession which saw Brazil's economy contract by nearly 8% over 2015 and 2016, the country remains the largest economy in South America. However, a weakening of the Brazilian real against the US dollar has pushed Brazil down from 8th in the World Economic League Table in 2017 to 9th in 2018, as Italy overtook. The service sector accounts for 73% of Brazil's GDP. Brazil is also one of the most competitive agricultural exporters in the world as well as being heavily industrialised.

In recent years, Brazil has seen considerable economic and political instability, including the impeachment of former President Dilma Rouseff and a two year recession in 2015 and 2016. The economy has since recovered slowly, recording growth of 1% in 2017 and an expected 2% in 2018, supported by accommodative monetary and fiscal policy. Brazil's economy continues to be held back by low levels of productivity. This is a symptom of a relatively poor business environment, low investment in infrastructure and a closed-off approach to international trade.

A new president – Jair Bolsonaro – is due to take office on 1st January 2019, after winning the presidential elections in October. While the new president's inflammatory rhetoric on social issues has been concerning, the change of leadership does have the potential to deliver much needed reforms to the Brazilian economy. Indeed, the new finance minister – Paulo Guedes – has advocated reforms to the pensions system, which are necessary for fiscal sustainability in the medium to long term, as well as the privatisation of state-owned companies, which would help to improve Brazil's competitiveness.

The public finances are in bad shape. Gross government debt now stands at 88% of GDP, while the fiscal deficit came in at 8.6% of GDP in 2018. While the government has committed to keeping federal expenditures constant in real terms at the 2016 level, further fiscal consolidation will be necessary if the debt burden is to be brought down in the coming years.

Cebr forecasts that the economy will expand by 2.3% in 2019, rising to 2.6% by 2022, assuming the implementation of structural reforms to make the economy more efficient. Brazil is set to regain 8th spot in the World Economic League Table from Italy in 2020. However, the meagre growth prospects will limit any further rises ahead of 2033.

Brazil	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	830	1049	1231	1186	1213	1343	1527	1736
GDP, USD bn (constant prices)	729	1940	2622	1876	1856	2126	2393	2715
GDP, USD bn (current prices)	558	1695	2472	1920	1939	2395	2966	3702
Rank	14	9	7	9	9	8	8	8

2.25 Brunei Darussalam

Brunei is a small country located on the north coast of Borneo in Southeast Asia. Apart from its coastal line with the South China Sea, the sultanate is completely surrounded by Malaysian landmass. A per capita GDP of $81,610 in PPP adjusted international dollars makes the country the fifth richest in the world according to this measure.

Brunei was a British protected state from the late 19th century, until it gained independence in 1984. Over the next 30 years the country industrialised rapidly. Most of its wealth stems from abundant oil and natural gas reserves. The hydrocarbon sector accounts for around 90% of GDP.

Given its dependency on the oil and gas sector, Brunei's economy suffered from the fall in global oil prices between 2014 and 2016. In 2017, the economy grew by 1.3%, having contracted for four consecutive years. Growth momentum is expected to have carried over into 2018 and we expect GDP to have increased by 2.3%. The recovery is not only due to higher oil and gas prices, but also due to the reform programme launched by the Bruneian government in 2015, with the aim of ensuring long-term fiscal sustainability and economic diversification.

So far, fiscal consolidation measures have had less of a negative effect on growth than feared, which should lend further support for the government's strategy. With the fall of the oil price, the government's budget slipped from a large surplus into an equally significant deficit, reaching 22% in 2016. It has since decreased to an estimated 7.1% in 2018.

China has emerged as a new and powerful partner for Brunei and the two countries have deepened their relationship in recent years. Bilateral trade has nearly doubled in 2018 compared to the previous year. They Hengyi Refinery and pretrochemical plant is one of the most visible elements of the Chinese-Bruneian cooperation and is expected to start operations in the second quarter of 2019.

After years of rapid demographic growth, which led to the population quadrupling over the past 50 years, the rate of population growth has slowed to 1.4%. This trend is set to continue in the medium term.

Downside risks to the economic outlook include a prolonged period of low oil prices as well as production issues association with Brunei's ageing oil fields. We forecast the economy to expand by 5.1% per year in in the long term.

Brunei Darussalam	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	17.9	18.5	19.2	18.8	19.8	24.4	30.9	39.5
GDP, USD bn (constant prices)	9.5	18.3	19.2	14.4	14.5	15.4	18.3	22.9
GDP, USD bn (current prices)	7.3	16.0	18.1	14.7	15.2	17.4	22.7	31.2
Rank	114	113	115	124	126	131	136	133

2.26 Bulgaria

Bulgaria is a Balkan nation in South Eastern Europe on the coast of the Black Sea. The country been a member of the European Union since 2007, though its per capita GDP of $23,210 stands at just under half the EU average.

Services account for around two thirds of GDP, with industry contributing 28% while agriculture plays a minor role and contributes less than 5%.

After the dissolution of the Soviet Union, the newly liberated country went on to implement significant structural economic reforms to initiate its transformation from a Soviet-style command economy, to a liberal market economy. This change led to the privatisation of state-owned enterprises, market liberalisation and the strengthening of property rights.

After some difficult times during the 1990s, the economy picked up noticeably in the 2000s. In the nine years leading up to the Great Recession, growth averaged 6% in Bulgaria as the country became attractive for foreign direct investment. After a contraction in 2009, the country quickly returned to modest growth in 2010. Bulgaria's economy has performed well since 2015, consistently recording annual growth rates in excess of 3%. The long but shallow recovery in the EU has led Bulgaria to achieve an unemployment rate below 6% in Q2 2018, the lowest rate in a decade. The strong labour market boosts domestic demand while EU structural funding ensures substantial fixed investment spending in the country.

Bulgaria's main industrial sectors are metallurgy, electricity and the production of electronics, machinery and equipment. However, the services sector offers better growth perspectives going forward, in particular IT services and tourism. Similar to other Eastern European countries, Bulgaria struggles with high emigration, leading to labour shortages in key sectors. Over the past 10 years Bulgaria has lost, on average, 0.8% of its population per year. Rising wages and improving economic prospects could have the potential to at least slow this stream of emigrants and perhaps even reverse it in the future.

Downside risks to the economic outlook are the prevalent corruption and inefficient governance practices still widespread in the country. Bulgaria has a weak judiciary and a low productivity workforce which might dispel potential investors. Moreover, it is highly dependent on Russia for its energy imports.

Fiscal consolidation measures resulted in a small fiscal surplus in 2016 and 2017. For 2018, the country is expected to run a small deficit of 0.9% of GDP. With debt at just 24% of GDP, the country remains on a solid fiscal footing.

We expect annual GDP growth of 3.6% in 2018. In the long run growth is forecast to converge towards 2.8%. This will see Bulgaria fall three places in the World Economic League Table between 2018 and 2033.

Bulgaria	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	55.2	76.5	76.9	90.0	92.8	103.7	119.0	136.6
GDP, USD bn (constant prices)	27.4	62.3	59.2	62.2	63.4	74.3	86.0	95.6
GDP, USD bn (current prices)	21.0	54.4	55.8	63.7	66.2	83.7	106.5	130.4
Rank	76	73	76	75	75	74	77	78

2.27 Burkina Faso

Burkina Faso is a landlocked country in West Africa. With a GDP per capita in 2017 of $2,000 in PPP adjusted international dollars, it is one of the poorest countries in the world.

The economy is dominated by agriculture, with subsistence farming the main activity for over 80% of the population. Cotton is one of the few agricultural exports of Burkina Faso, which has to contend with poor soil quality and irregular rain patterns. The exploration, mining and export of gold, has been another source of income of growing importance for the country.

Burkina Faso's economy has grown rapidly since the turn of the millennium, with annual growth rarely dipping below 4%. Whilst encouraging, it is worth noting that the high population growth rate in the country means that living standards have increased very slowly.

With the implementation of the 2016-20 National Economics and Social Development Plan underway, growth has received a noticeable boost in recent years, increasing from 5.9% in 2016 to 6.4% in 2017. The programme channels investment into hydro-agricultural developments, energy, road and telecommunications infrastructure. Further support to growth has come from higher global prices of cotton and gold.

The public investment programme lays the foundation for future, sustainable growth in the country. A potentially profitable, higher productivity activity would be to expand cotton processing. Despite being a regional leader in cotton production, Burkina Faso currently processes less than 1% of its production according to figures from the African Development Bank.

A significant downside risk to growth is the security situation in the country. The capital, Ouagadougou, suffered terrorist attacks in 2016 and 2017 and the deteriorating security situation in neighbouring Mali and Niger, continues to pose a threat for Burkina Faso. Higher military spending to ensure the safety of Burkina Faso's population will weigh on public finances, which is already strained due to the economic development plan.

The primary budget deficit rose from 3.5% in 2016 to 7.8% in 2017. Expectations are that the deficit will be reduced in the future, with government expenditure exceeding revenues by 3% in 2019.

In the long-term we forecast average annual GDP growth to converge towards 5.3%. The country will rise by five places to 121st in the World Economic League Table by 2033.

Burkina Faso	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	2266.7	3011.7	4038.2	5222.6	5537.5	6947.5	9211.0	12199.9
GDP, USD bn (constant prices)	5.5	9.6	12.7	14.0	14.7	19.1	25.2	33.2
GDP, USD bn (current prices)	4.2	8.4	12.0	14.3	15.4	21.5	31.2	45.3
Rank	133	136	133	126	125	122	123	121

2.28 Burundi

Burundi is a landlocked country in the East of Africa and one of the world's poorest nations, with a GDP per capita in PPP adjusted dollars of $733 in 2017. The economy is largely based on agriculture, which accounts for 40% of GDP and employs over 90% of Burundians.

Following President Nkurunziza's anouncement that he intended to run for a third term in office in 2015, Burundi's economy has seriously struggled. Nkurunziza won the election in the summer of 2015 in the absence of a working opposition party and after weeks of violent protests and a failed coup d'état. The violence has forced over 428,000 Burundians to flee the country as of February 2018, seeking refuge in neighbouring Tanzania and other countries.

Burundi's economy contracted by 4% and 1% in 2015 and 2016 respectively, due to the high political instability as well as severe drought and flooding. Furthermore, the civil unrest has led to a large withdrawal of foreign aid, which accounts for around half of the country's budget. The uncertainty has also discouraged investment, while private consumption growth has been subdued, partly because of a fall in employment opportunities as well as inflation outpacing wage growth.

There are some grounds for cautious optimism. Rising prices for tea and coffee, Burundi's main cash crops, could potentially boost economic growth going forward. Moreover, the country has made some progress in improving its education system, increasing the human capital of its population.

The downside risks for the economy are clear, however. Given its narrow export basis, the country remains highly exposed to volatile global prices for its main crops. The suspension of financial aid by international donor organisations hurts the economy, given that foreign aid represented around half of Burundi's national income in 2015.

Burundi has one of the fastest growing populations in the world with growth of 2.4%, almost double the average global rate. This means that stagnating GDP in the near term could cause income per capita to diminish further, which would have significant consequences given the reliance on humanitarian aid and relief efforts.

We expect Burundi's economy to return to growth of 0.1% in 2018, before annual GDP growth gradually picks up to 0.5% by 2020.

Burundi	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	1115.6	1381.7	1735.8	1726.5	1733.7	1768.7	1813.3	1859.1
GDP, USD bn (constant prices)	1.0	1.8	2.7	3.4	3.4	3.9	3.9	4.0
GDP, USD bn (current prices)	0.8	1.6	2.6	3.4	3.6	4.3	4.8	5.4
Rank	169	167	164	162	162	161	165	167

2.29 Cabo Verde

Cabo Verde is an island country off the West African coast, comprising an archipelago of 10 volcanic islands in the central Atlantic. In 2017, its GDP per capita in PPP adjusted international dollars was $7,400, making it a middle income economy.

Cabo Verde relies on tourism, foreign investment and international donors for income. Remittances also play a significant role, given that the diaspora population of Cabo Verdeans is slightly bigger than the 568,000 people living on the islands.

The islands have few natural resources. Due to frequent droughts and poor soil quality, there is limited potential for agriculture and 75% of food on the archipelago is imported. As a former Portuguese colony the country maintains close political and economic links to Portugal to this day. Main trading partners for Cabo Verde are Spain and Portugal, which account for over 85% of exports (mostly fish and shellfish) and the majority of imports.

Most of the economic activity in Cabo Verde takes place in the services sector, with commerce, tourism and transport being especially important. Most visitors to Cabo Verde come from European countries, which means the tourism sector on the archipelago is exposed to the economic situation on the continent. Cabo Verde's popularity among tourists has been rising and in the past two years the country has seen double-digit percentage growth in visitor numbers, reaching 717,000 in 2017.

The country boasts a stable government and ranks among the most developed African nations, with relatively high scores on the Human Development Index, the Press Freedom Index and the Democracy Index. A central challenge for the government is to diversify the economic base of the country, stimulate growth in the private sector and expand the manufacturing industry in order to increase resilience against external shocks.

The country faces some difficult decisions regarding its fiscal position. With debt approaching 130% of GDP and a large and persistent current account deficit resulting from large import bills, the government must look towards reducing government expenditure and debt consolidation.

After a sluggish first half of this decade, growth has picked up significantly in 2016 and 2017, reaching 4.7% and 4.0%, respectively. We expect Cabo Verde to remain at 169th place in the World Economic League Table throughout the 15 year forecast horizon.

Cabo Verde	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	92.2	130.1	138.1	159.3	165.7	193.6	235.5	286.6
GDP, USD bn (constant prices)	1.2	2.0	2.0	1.9	2.0	2.4	3.1	3.9
GDP, USD bn (current prices)	0.9	1.8	1.9	2.0	2.1	2.7	3.8	5.3
Rank	164	163	167	169	169	169	169	169

2.30 Cambodia

Cambodia is country in Southeast Asia located on the Gulf of Thailand and shares land borders with Vietnam, Laos and Thailand. A per capita GDP of $4,320 ranks it as one of the poorest countries in the region.

While the country still faces significant challenges in promoting development and raising its citizens' living standards, Cambodia's economy has grown consistently over the past 20 years, achieving an average growth rate of 7.9%. In 2018, we expect the economy to have expanded by 7.0%.

Cambodia is a large exporter of clothing, while tourism, construction and agriculture are also important sectors. Europe is one of Cambodia's main export markets, buying as much as 40% of Cambodian clothing exports. The strengthening economic recovery in the Eurozone in 2016 and 2017 has been a boost to garment makers in the country.

The dependence on the EU market could become a threat to the industry, however, as the European Commission has threatened to revoke Cambodia's tariff-free access to the market under the current "Everything But Arms" scheme, due to human rights violations. In 2017, the government and the judiciary dissolved the largest opposition party in 2017 to prevent its candidates running for office.

In order for the country to make the next step in its development, the economy needs to diversify and reduce its reliance on garment exports. Encouragingly, there are already signs of export diversification into higher value added products, such as electronics. However, further improvements are needed to infrastructure, human capital and the overall business environment for this progress to continue. Proposals laid out in the Industrial Development Policy for 2015-2025 have the potential to drive an economic shift towards a more skills based economy.

Cambodia has one of the fastest growing populations in Asia, with an annual growth rate of 1.5%. Because of its relatively young population, Cambodia's demographics offer potential for sustained growth in the medium to long term.

Increases in fiscal expenditure have let the budget deficit swell to 4% in 2018, which has driven an increase in gross debt to 32% of GDP. While the overall debt level is still manageable, the government needs to address the growing deficit by improving tax collection and promoting responsible public expenditure.

We expect annual GDP growth to gradually slow to 6.1% by 2022. This will see Cambodia climb 10 places in the world rankings, breaking into the world's top 100 largest economies by 2033.

Cambodia	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	17613	28668	37503	52567	56130	71367	96015	129380
GDP, USD bn (constant prices)	6.1	11.8	16.2	23.6	25.2	32.6	44.8	61.6
GDP, USD bn (current prices)	4.7	10.3	15.2	24.1	26.4	36.7	55.5	84.0
Rank	131	126	120	109	107	104	102	99

2.31 Cameroon

Cameroon is a lower-middle income country, located at the intersection of West and Central Africa. It borders Equatorial Guinea, Gabon and the Republic of the Congo to the south, the Central African Republic and Chad to the west and Nigeria to the northeast. Its GDP per capita in 2018 was £3,820 in international dollars.

While oil and gas account for around 40% of exports, the economy also sells a number of other goods and raw materials including oil, wood, cocoa and aluminium. The two largest export markets are China and India.

Driven by falling oil prices, economic mismanagement, endemic corruption and bad harvests, Cameroon endured a deep recession between 1986 and 1994, which caused the country to privatise large parts of its industry and rein in government spending. Since then, growth has been remarkably stable and Cameroon has developed into one of the most diversified and successful economies in the region.

Growth has been steady since the financial crisis and averaged 5.1% between 2011 and 2015. Due to the fall in oil prices, economic output from oil and gas extraction and related investments declined in 2016 and 2017, leading to slower growth of 4.6% in 2016 and 3.5% in 2017. Moreover, the country had to contend with economic headwinds stemming from the recession in neighbouring Nigeria, a deepening crisis in the Central African Economic and Monetary Community (CEMAC), of which Cameroon is a founding member, as well as unrest in the country's Anglophone regions.

Cameroon's debt-to-GDP ratio has tripled within a decade and now stands at 36%, after the country used commercial loans to finance large infrastructure projects. The government is currently working with the IMF to address the fiscal imbalances in the country. Increases in tax revenues and cuts to expenditure have been successful in bringing the budget deficit down rom 6.1% in 2016 to 2.6% in 2018.

Cameroon's population is growing at a rapid 2.5% per year. While this will contribute to economic growth, it also means that higher rates of growth are necessary in the future, in order to improve living standards.

We expect the Cameroonian economy to grow by 3.8% in 2018, before accelerating to 4.4% growth in 2019. The economy will benefit from higher infrastructure investment, especially into hydropower, and higher exports to the European Union, with which Cameroon has signed an Economic Partnership Agreement. We forecast that annual growth rates will reach 5.4% by 2022.

Cameroon	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	8688	10631	12893	16217	16931	20627	26800	34819
GDP, USD bn (constant prices)	19.0	30.4	34.3	37.6	38.4	47.2	62.6	82.7
GDP, USD bn (current prices)	14.6	26.5	32.4	38.4	40.1	53.2	77.6	112.8
Rank	85	95	98	98	98	96	90	87

2.32 Canada

Canada is one of the richer economies in the world. Its GDP per capita in 2018 was $49,940 in international dollars, making it the 24th richest country in the world by this measure. Its exports are diversified but there is a very strong dependence on natural resources including oil and gas and metals including zinc, iron and nickel. There are also large exports of agricultural produce and cars while there is a burgeoning tech sector.

Canada is one of the most popular countries for international immigration. As a result its population is growing at 1.2%, twice the rate of the US.

With a heavy dependence on trade with the US, Canada has been affected by President Trump's aggressive attitude to trade. A new trade deal was signed at the end of November but whether it will hold is at present uncertain, with tariffs on Canadian aluminium and steel exports not removed under the deal.

Canada's public finances got out of control in the early 1990s. Public spending reached 52% of GDP, the deficit was 9% of GDP and debt 100% of GDP. Reducing overspending, the deficit and ultimately the debt became a prime objective of public policy. Public spending was cut to about 40% of GDP by 2000 where it has remained stable since. The deficit was eliminated completely by 1997 and the government's budget remained in surplus for 5 years. As a result the debt ratio fell from 100.6% in 1996 to 66.8% pre financial crisis in 2007. But in recent years a modest deficit has emerged again reaching 1.2% of GDP, though the debt ratio has started to fall having reached 91% in 2016.

Given the high level of debt it is likely that future fiscal policy will be constrained.

Key for Canada's medium term growth is its ability to leverage its skilled labour force into the tech economy and the outlook for world demand for the country's natural resource exports.

We expect annual rates of GDP growth of 1.8% from 2018-23, 1.6% from 2023-28 and 1.6% from 2028-33. In the medium term these growth forecasts are lower than we had expected a year ago reflecting the slower growth predicted for the world economy. However, the prospect that the US-Canadian trade dispute will be less fractious than had been expected a year ago combined with a forecast of a less rapid decline in oil prices in the 2020s has caused us to revise up our forecast for the Canadian dollar. This in turn means that we predict Canada's position in the world league table will rise slightly to 9th place compared with last year's prediction that the country would fall back to 12th place.

Canada	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	1412.1	1589.3	1709.8	1897.1	1935.0	2076.1	2247.6	2433.3
GDP, USD bn (constant prices)	1166.9	1773.6	1954.8	1696.6	1743.5	2068.5	2285.3	2526.1
GDP, USD bn (current prices)	892.4	1549.1	1842.6	1736.0	1822.0	2329.7	2832.2	3444.7
Rank	9	11	11	10	10	9	9	9

2.33 Central African Republic

The Central African Republic is a landlocked country in Central Africa and a member of the Economic and Monetary Community of Central Africa. It is one of the poorest countries in the world with a GDP per capita of $712 in 2018 international dollars, though this may be understated due to the lack of measurement of the informal economy.

The country faces a number of structural problems that impede economic development including a lack of infrastructure, its landlocked geography, low levels of human capital, economic mismanagement and an adverse business climate. Political instability and violent coups have further stunted economic growth. In 2018, the country still finds itself submerged into a multi-sided civil war, which began in 2013 after the overthrow of President Bozize.

The country is rich in gold, diamonds and uranium reserves. However, the majority of the population engages in subsistence farming. The most common cash crops include cotton, coffee and timber. Main trading partners are former colonial power France, Burundi, China and Cameroon.

Debt currently stands at 47% of GDP, down from 53% in 2017 and the government is expected to achieve a small budget surplus of 0.9% in 2018. Inflationary pressures are contained as food production recovered in the safer parts of the country. Risks to the exchange rate are also limited as the country uses the Central African franc, a currency administerd by the Bank of the Central African States and pegged to the euro.

The country has a large potential for development but this is contingent upon the continued improvement of the security situation. Development aid may also go some way in boosting growth going forward. The population is expanding rapidly at 2% per year, which will drive growth in the long term.

We expect annual rates of GDP growth of 4.3% and 5.0% in 2018 and 2019, respectively. Cebr forecasts that the country will climb from 167th place in the World Economic League Table in 2018 to 162nd place by 2033.

Central African Republic	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	670.8	789.0	563.0	678.3	712.6	866.0	1107.3	1416.0
GDP, USD bn (constant prices)	1.5	2.3	1.6	2.3	2.4	3.2	4.6	6.7
GDP, USD bn (current prices)	1.1	2.0	1.5	2.3	2.5	3.6	5.7	9.1
Rank	161	161	171	167	167	166	163	162

2.34 Chad

Chad is a landlocked country in Central Africa with a GDP per capita of $2,430 international dollars in 2018. The Chadian economy relies heavily on its oil revenues and subsistence farming for large parts of the population.

The fall in oil prices since 2014 has led to a sharp slowdown in growth in recent years, as the economy contracted by 6.4% and 3.4% in 2016 and 2017, respectively. The economic problems were exacerbated by the cost of Chad's external debt service burden, which rose sharply due to oil-backed loans that Chad received in 2013 and 2014 from Glencore, a commodities firm.

Financial problems were further compounded by jihadist activities in the region that required Chadian security forces to intervene, adding to the pressures on public finances. Droughts and the resulting food insecurity, as well as a large number of refugees from neighbouring Sudan and the Central African Republic, present a further challenge to the government.

Chad has engaged heavily with international partners to consolidate its public finances and put the country back on a growth path. Longer term goals include diversifying the economy with the aim of reducing reliance on oil revenues, as well as improving the business climate in the private sector. Development partners and private-sector actors pledged nearly $20 billion to support Chad in its efforts. In early 2018, the Chadian government was able to negotiate a debt restructuring programme with Glenncore for an outstanding loan of $1.45 billion.

Chad achieved a small budget surplus of 1.3% in 2018, having run deficits for five consecutive years. This is partly due to efforts of fiscal consolidation as well as stronger non-oil sector revenues. The total debt-to-GDP ratio fell to 49.2% and is expected to decrease further in coming years. However, with energy prices falling again sharply in the fourth quarter of 2018, GDP growth is unlikely to return to pre-2015 levels, when the economy was expanding at a rate of between 5% and 10% per year.

Given that the population is growing at a rapid 2.5% per year, income per capita will not improve significantly under this growth scenario.

We expect GDP growth of 3.5% for 2018 and anticipate a slight acceleration to 3.6% in 2019.

Chad	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	2431	3769	5136	5243	5432	6635	8136	9978
GDP, USD bn (constant prices)	4.0	11.9	13.8	10.9	11.3	14.5	18.5	23.5
GDP, USD bn (current prices)	3.1	10.4	13.0	11.1	11.8	16.3	22.9	32.1
Rank	141	125	127	140	140	135	131	131

2.35 Chile

Chile is a country in South America, located between the Andes to the east and the Pacific Ocean to the west. The country shares land borders with Peru, Bolivia and Argentina. With a GDP per capita in 2018 of $25,890 in international dollars, it is classified as a high-income economy and one of the wealthiest countries in Latin America.

Chile's biggest export is copper, which accounted for 50% of all exports in 2017 and provided around 20% of the government's revenues. Fruit, wine, salmon and manufactured goods are other commonly exported goods.

Despite having an established industrial sector, the services sector accounts for 64% of GDP, with business services, retail and information technology among the key service industries. China, the US and Japan are Chile's most important trade partners, accounting for more than half of all exports.

Since the implementation of far reaching economic reforms in the late 1970s and 1980s, including trade liberalisation, privatisation of state industries and fiscal discipline, Chile's economy has outperformed most of its South American neighbours. Despite being relatively successful in achieving economic diversification, Chile's economic performance remains closely linked to commodity prices, in particular those for copper.

Correspondingly, growth has slowed considerably in recent years, averaging just 1.7% between 2014 and 2017 amid the decline in copper prices. Chile's government has reacted with countercyclical monetary and fiscal policy to bring the economy back on a growth path. The fiscal deficit stood at 2.6% in 2017 and debt has increased to 23.6% as a share of GDP in the same year, up from below 4% a decade earlier.

The economic stimulus programme and an improvement in external trading conditions have led to a strong recovery in growth in 2018, spurred by domestic consumption and private investment. Although export growth slowed in the second half of the year, we still expect the economy to expand by 4.0% this year.

Looking ahead, Chile can count on a solid state of its public finances and robust domestic demand. The largest threats to its growth outlook stem from the external sector. This includes a deterioration in international trading conditions due to more protectionist policies and growth slowdowns in the US and China, two key export markets for Chile.

We expect the economy to converge towards growth of 3.6% in the longer term, which will see Chile move from 42nd in the World Economic League Table in 2018 to 43rd place by 2033.

Chile	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	86910	113808	137858	153376	158600	178809	213590	254375
GDP, USD bn (constant prices)	98.9	205.5	295.3	293.1	292.4	335.4	406.6	491.6
GDP, USD bn (current prices)	75.6	179.5	278.4	299.9	305.6	377.7	504.0	670.4
Rank	51	47	39	42	42	43	44	43

2.36 China

China is (and will remain so until sometime into the 2020s, probably 2024) the world's most populous country. It has had a spectacular pace of growth in recent years, raising GDP per capita from $2,460 in international dollars twenty years ago to $18,120 in 2018. This means that China has now caught up with the world's average GDP per capita of $16,779. Rising GDP per capita and a huge population have also pushed up GDP meaning that China now is the world's second largest economy.

China's economy has a broad base although it is well known abroad for its exports of manufactured goods. In fact the largest sector is the service sector. With high quality telecoms links and reliable power supplies, the Chinese service sector and particularly information services are amongst the world's fastest growing.

The manufacturing sector is based on electronics and communications equipment, cars and metal goods, arms and machinery.

There is a thriving agricultural sector, though its share of GDP is falling dramatically, and it has the world's largest construction sector and a huge mining sector (mainly for domestic use) where all of the 150 minerals mined world worldwide are extracted in China.

Traditionally Chinese growth has been dominated by investment, public spending and exporting. But in the past decade domestic consumption has started to catch up. Cebr's estimate of the Chinese total savings ratio has fallen from 52.8% of GDP in 2008 to 44.5% in 2018.

The pace of Chinese population growth which slowed from an annual rate of 2.8% in 1970 to 0.5% in 2010 has slightly increased in 2017 to 0.6% and seems likely to remain stable around this level for the coming years.

Economic policy in recent years has involved trying to rein back on non bank credit and gradually eliminating non performing loans. However, it appears that the economy (despite the official figures which tend to be cyclically smoothed) has slowed sharply. This is best seen in the data for exports to China from its trading partners – Australia's exports to China, which grew by 21.8% in 2017, plateaued around the same level from April to August 2018.

As a result of the perceived slowdown, the People's Bank of China has reduced market interest rates and reserve requirements four times during 2018 in moves described by Central Bank Governor Yi Gang as a 'slow release of air'. There is talk now of an expansionary fiscal package as well. One of the consequences has been a much weaker exchange rate against the US dollar. The renminbi has weakened from 6.27 against the US dollar in February 2018 to 6.96 at the beginning of December. Obviously this has reduced the dollar value of Chinese GDP.

Although China's booming economy has generally kept public finances in good shape, there has been a gradual weakening in recent years. The government deficit grew from 0.9% of GDP to 4.1% of GDP from 2014 to 2018. This means that there is limited scope for fiscal expansion, though markets are talking of a 10 trillion yuan package (about 11% of GDP) of mainly infrastructural measures over 4 years. Since China's debt to GDP ratio has risen from 33.7% of GDP in 2010 to 50.1% in 2018, the authorities will clearly be trying to ensure that any boost to demand does not curtail future options.

The trade war with the United States is a major issue for China. About a fifth of Chinese exports are exported directly to the US. It seems likely that, including indirect exports, about a third of Chinese exports are ultimately purchased by US consumers. Unless this issue is resolved (and the meeting between Presidents Xi and Trump around the G20 summit in November 2018 hints that a resolution is possible) there is likely to be a cloud hanging over China's future prospects.

China's future economic policy priorities include developing Western China with a range of initiatives including the Belt and Road Initiative (BRI) to develop trading links across Asia to Europe and Africa; moving to high tech services, liberalising the financial sector and upgrading the manufacturing sector through the Made In China 2025 initiative.

We expect growth to slow as China's level of sophistication continues to rise and the economy matures.

We expect annual rates of GDP growth of 5.4% from 2018-23, 4.1% from 2023-28 and 4.0% from 2028-33 assuming that China avoids a hard landing and that the trade dispute with the US is satisfactorily resolved. Because of the assumption of a more lax monetary policy with a lower exchange rate, China is now forecast to overtake the US in 2032 as the world's largest economy, rather than in 2030 which we expected a year ago.

China	**2003**	**2008**	**2013**	**2018**	**2019**	**2023**	**2028**	**2033**
GDP, local currency bn (constant prices)	22921	39620	60949	84986	90255	110751	135654	165043
GDP, USD bn (constant prices)	2185.0	5271.5	10221.4	13152.5	13565.4	16971.1	21648.9	27650.8
GDP, USD bn (current prices)	1671.1	4604.3	9635.0	13457.9	14176.1	19114.4	26829.5	37706.2
Rank	6	3	2	2	2	2	2	1

2.37 Colombia

Colombia is a South American country in the northwest part of the continent. It shares a border with Panama to the north, Ecuador and Peru to the east and southeast, Brazil to the southwest and Venezuela to the west. In 2018, the country had a GDP per capita of $15,020 in international dollars, making it an upper-middle income economy.

Colombia is a resource-rich country and one of Latin America's most important oil producers. Further exports include coffee, coal and cut flowers. The country has made significant progress over the past 20 years in reducing poverty and building up domestic industries in various sectors such as shipbuilding, electronics and tourism. The strong economic performance since the 1990s has been accompanied by the creation of a sound macroeconomic framework.

Like most oil exporting countries, Columbia's economy has been badly hit by the fall in oil prices, with growth slowing to 1.8% in 2017. As a reaction to the oil price shock, the government let the Colombian peso float and sharply depreciate against the dollar, thereby offsetting most of the shock to the economy. The recovery in the oil price over the first three quartes of 2018 has helped Colombia to return to growth and we expect the economy to expand by 2.8% in 2018.

In late 2016, the Colombian government signed a peace agreement with the Fuerzas Armadas Revolucionarias de Colombia (FARC) guerrilla movement, ending over 50 years of armed conflict in the country. Although the newly elected President Ivan Duque, who took office in August 2018, ran on a platform opposing the peace deal, the new government so far seems to be implementing the accord. The peace deal should continue to boost confidence and thus investment.

Colombia has run a persistent budget deficit over the past years, which is expected to have narrowed only slightly from 3.0% in 2017 to 2.7% in 2018. Part of this deficit reduction is due to the higher oil price seen throughout the first three quarters of 2018. But given the renewed fall in the price of petroleum and a promised cut in the corporation tax rate, the government needs to find alternative ways to increase revenue or decrease expenditure, in order to comply with its fiscal rule that mandates a deficit of no more than 1% by 2022.

In the longer term, Colombia needs to address the inadequate quality of infrastructure in parts of the country, as well as high levels of labour market informality and income inequality, in order to increase productivity.

We forecast GDP growth to pick up to 3.6% in 2019, and expect Colombia to fall three places in the World Economic League Table to 42nd place by 2033.

Colombia	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	466270	605832	746302	858600	889458	1025117	1220462	1453030
GDP, USD bn (constant prices)	122.6	277.1	405.1	329.3	339.9	375.2	437.3	509.1
GDP, USD bn (current prices)	93.7	242.0	381.8	336.9	355.2	422.6	542.0	694.2
Rank	43	39	32	39	38	39	42	42

2.38 Comoros

Comoros is an archipelago in the Indian Ocean located off the coast of East Africa between Mozambique and Madagascar. It is one of the smallest African nations and has a population of around 821,000. With a GDP per capita in 2018 of $1,630 in international dollars, it is one of the world's poorer economies.

The economy is heavily reliant on subsistence farming. Agriculture including fishing, hunting and forestry accounts for nearly half of all economic output and is the main activity for the majority of Comorans. The country has a few exports and is best known for its high-quality vanilla, cloves and ylang-ylang, a perfume essence. Growing vanilla is by far the most important activity on the islands, accounting for 80% of all exports and employing around 45% of the workforce in production and sales.

Growth has accelerated over the past couple of years after particularly weak performances in 2014 and 2015. For 2018 we expect the economy to expand by 2.8%, just marginally above the 2.7% recorded in 2017. Population growth has outstripped economic growth in eight out of the ten previous years, underlining the demographic pressures the economy faces and leading to a deterioration of already low living standards.

Tailwinds for the economy include improvements in the electricity production on the islands after the purchase of new power stations. The flow of remittances has also increased substantially over recent years and now account for a quarter of GDP. Finally, the steep increase in the price of vanilla has been a boon for the island nation, as the per kilo price for its main export product rose from $60 in 2014 to $400-$500 in 2017.

Nevertheless, the country still faces large challenges beginning with the inadequate infrastructure and transportation networks, the low levels of human capital and fiscal problems, predominantly due to a high public sector wage bill. Comoros has a narrow tax base and revenue collection relies to a great extent on windfall returns and external help. Support grants from Saudi Arabia have helped to balance the books in various instances over the past years. Boosting revenue mobilisation will be a key challenge for the government in order to finance the required investment programmes for the country. Another challenge is to reduce population growth, which will be crucial in improving living standards.

We expect growth to remain unchanged at 2.8% in 2019 and to pick up to 3.3% in the medium term.

Comoros	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	118.9	127.0	143.8	159.7	164.1	185.6	218.4	256.9
GDP, USD bn (constant prices)	0.4	0.6	0.7	0.7	0.7	0.8	1.0	1.3
GDP, USD bn (current prices)	0.3	0.5	0.7	0.7	0.7	1.0	1.3	1.7
Rank	181	183	184	184	184	184	184	183

2.39 Democratic Republic of the Congo

The Democratic Republic of Congo is Africa's second largest country and one of the most resrouce rich nations on the planet. Despite this natural wealth, the country remains one of the world's poorest, with a per capita GDP of $816 international dollars in 2018.

Mining and mineral processing are the most important economic activities in the Democratic Republic of Congo, which exports substantial amounts of diamonds, copper, gold, cobalt, crude oil, coffee and wood products. The country is thought to hold a third of the world's cobalt, 70% of its tantalite, and 10% of its copper reserves. However, recurring conflicts and political instability have impeded the country's economic development for decades.

Growth averaged 7.7% between 2010 and 2015, though a fall in global commodity prices and weaker Chinese demand hit the Conoglese economy hard in 2016 and 2017. The economy expanded at a much more modest pace of 2.4% in 2016 due to lower export revenues from copper mining, which forced the government to cut expenditure. Currency depreciations in those two years led to a spike in inflation, reaching 55% in 2017. In 2018, the economy has somewhat stabilised, with inflation falling to 20% and the budget deficit narrowing to 0.6%. Because the country lacks creditworthiness, it has been unable to borrow and hence does not have a deficit, while its debt is relatively small.

A price recovery for commodities has helped to stimulate economic activity in 2018 with growth expected to stand at 3.8%, up from the 3.4% recorded in 2017. However, the political instability and the security situation in the country continue to pose major threats for the Democratic Republic of Congo and its economic recovery.

The population is growing rapidly – the current growth rate is 3%, which is putting pressure on living standards.

We expect annual GDP growth to accelerate gradually to 4.7% by 2023.

Democratic Republic of the Congo	**2003**	**2008**	**2013**	**2018**	**2019**	**2023**	**2028**	**2033**
GDP, local currency bn (constant prices)	5005	6741	9220	11864	12352	14730	18530	23310
GDP, USD bn (constant prices)	11.7	21.9	34.7	41.7	44.1	48.2	50.5	53.6
GDP, USD bn (current prices)	9.0	19.1	32.7	42.7	46.1	54.3	62.6	73.1
Rank	103	105	96	92	92	95	98	102

2.40 Republic of Congo

The Republic of the Congo is a central African country bordering Gabon to the west, Angola to the south, the Democratic Republic of the Congo to the southeast and east, and the Central African Republic and Cameroon to the north. Its per capita GDP stood at $6,880 in international dollars in 2018. The Republic of the Congo is a member of the Central African Economic and Monetary Community (CEMAC) and shares a common currency – the Central African Franc – with five other member states in the region.

The economy is highly dependent on the proceeds from oil extraction. Other export goods include plywood, lumber, sugar, cocoa, coffee and diamonds.

Due to the fall in oil prices starting in late 2014, the country faces major economic challenges. The economy contracted by 2.8% and 3.1% in 2016 and 2017, respectively. The government has started efforts to try and diversify the economy to reduce the reliance on the hydrocarbon sector, but amidst an environment of declining government revenues and a debt overhang, progress has been slow. Weak governance structures, endemic corruption and high levels of external debt have deterred not only foreign investors but also the IMF, who have made progress on all three issues a prerequisite for a future financial assistance programme.

Debt reached 130% of GDP in 2017 increasing the risk of debt distress. Achieving a budget surplus of 9% in 2018 has helped to reduce this ratio to 101% in 2018, allowing the government some breathing space. The recovery in oil prices during the first three quarter of 2018 has helped the Congo escape recession after two years. Nevertheless, the renewed decline in prices towards the end of the year has made it clear, that the country still needs to tackle structural reforms to increase resilience against external shocks.

The Republic of Congo's huge debt burden means that growth prospects are subdued in the medium term, despite strong increases in oil production following the opening of new oil fields in Moho Nord. With population growth of 2.5% per year, average incomes in the country are set to fall in the medium term.

We expect the Congolese economy to grow by 2.0% in 2018, before converging towards an average growth rate of 1.5% by 2023.

Republic of Congo	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	960.7	1182.4	1536.9	1617.7	1677.3	1664.0	1792.6	1931.2
GDP, USD bn (constant prices)	4.6	11.7	14.9	11.2	11.6	9.1	10.9	12.9
GDP, USD bn (current prices)	3.5	10.2	14.0	11.5	12.1	10.3	13.5	17.7
Rank	137	128	125	138	139	146	145	146

2.41 Costa Rica

Costa Rica is a Central American country located between Panama and Nicaragua. The country is renowned for its stable political environment and outstanding natural beauty. GDP per capita in 2018 stood at $17,640 in international dollars. Costa Rica is one of the few countries worldwide without a standing army.

The country has a broad economic base, exporting commodities such as bananas, coffee, sugar and beef, as well as industrialised goods such as medical devices. The nation's workforce is highly educated, given that Costa Rica invests a much larger share of its GDP in human capital compared to other countries on the same income level. Progressive environmental policies and affordable and accessible health care have helped Costa Rica score highly on the Human Development Index and other measures.

Given the skilled labour force and stable political climate, the country has attracted considerable foreign direct investment. With the establishment of Free Trade Zones, many international enterprises in the services and manufacturing industries have invested capital in the country and opened factories or offices. Morover, Costa Rica has made ecotourism an important part of its economy, in a bid to combine the economic benefits of tourism with a sustainable management of its natural resources.

Economic growth has been subdued in recent years, ecplising the 4% mark only once in 2016 in the past five years. A growing budget deficit and an increasing debt-to-GDP ratio have put the country in a difficult position in 2017, when the President had to acknowledge that Costa Rica faced a liquidity crisis and was having difficulties in meeting its financial obligations. Debt has reached 54% of GDP in 2018 and is expected to rise further. Meanwhile the budget deficit remains large at 7.2%, up from 6.2% in 2017, putting the country on an unsustainable fiscal path. The government announced that a fiscal reform would be undertaken, including spending cuts and ways to improve revenue collection. A more forceful effort will be necessary to improve the country's financial position in a sustainable way.

We expect the Costa Rican economy to expand by 3.3% per year over the medium term. This will help to push the country from 77th place to 73rd place in the World Economic League Table between 2018 and 2033.

Costa Rica	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	15637	20572	23902	28517	29458	33686	39893	47243
GDP, USD bn (constant prices)	22.5	35.3	53.4	59.4	61.2	71.4	86.3	104.4
GDP, USD bn (current prices)	17.2	30.8	50.3	60.8	63.9	80.4	106.9	142.4
Rank	81	85	82	77	76	77	76	73

2.42 Cote d'Ivoire

Côte d'Ivoire is a country located on Africa's west coast, bordering Ghana in the east, Burkina Faso in the northeast, Mali in the northwest, Guinea in the west, and Liberia in the southwest. In recent years the country has seen some of the highest growth rates in the world, with GDP expanding at an average annual rate of 8.9% between 2012 and 2017. Per capita GDP in 2018 stands at $4,170 in international dollars. Despite this rapid growth, it is estimated that nearly half of the population still lives in poverty.

In 2011, Côte d'Ivoire emerged from a decade long civil conflict, leading to a USD $4.4 billion debt relief in 2012 by the IMF and the World Bank, under the Highly Indebted Poor Countries Initiative.

The primary sector is the main economic driver in the country and is one of the world's leading exporters of cocoa beans. Coffee and tropical woods are further important export commodities for the country.

Côte d'Ivoire's recent success can be attributed to its political stability following years of unrest, as well as an excellent infrastructure network, which improves the countries attractiveness for businesses. Further government efforts to increase administrative efficiency and decrease the regulatory burden have led to the country gaining 17 places in the latest edition of the World Bank's Ease of Doing Business report, claiming 122nd place. The country recently announced that more than half of the taxes revenues collected in the first half of 2018 were paid online, showcasing the government's efforts in digitalising public services.

Growth has slowed further in 2018 and is expected to stand at 7.4%, down from 7.8% in 2017. The moderation is largely due to lower prices for cocoa beans, although higher domestic demand and a dynamic services sector have partially offset the effects on GDP. Nevertheles, the economy remains somewhat vulnerable to swings in commodity prices, in particular cocoa, and needs to diversify in order to safeguard future growth. Key to this will be investing in human capital, to ensure that the workforce has the skills required for the economy to transition to higher value-added sectors. Making growth more inclusive is a further challenge for the country in order to benefit from its demographic dividend, especially as the population continues to grow rapidly at an annual rate of 2.6%.

The budget deficit is estimated to have narrowed to 3.8% of GDP in 2018, down from 4.2% in 2017. External debt remains manageable at 48.8% of GDP and government efforts to maintain fiscal stability are generally rewarded as sufficent by international partners such as the IMF.

We expect GDP growth to be 7.0% in 2019 and then further moderate to 6.7% in the medium term.

Côte d'Ivoire	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	10178	11103	13479	20024	21432	27773	38303	52884
GDP, USD bn (constant prices)	20.0	27.7	33.2	44.8	47.3	62.7	89.5	127.2
GDP, USD bn (current prices)	15.3	24.2	31.3	45.9	49.4	70.7	111.0	173.5
Rank	84	100	99	87	89	85	73	71

2.43 Croatia

Situated in Eastern Europe, Croatia is the most recent country to have joined the European Union, which it did in 2013. Its GDP per capita of $26,220 in international dollars makes it one of the wealthier of the former Yugoslav republics. The service sector accounts for 70% of GDP, dominated by the healthy tourism industry which brings positive spill-over effects to a range of other sectors. Croatia also has a strong industrial base, exporting large volumes of electrical and vehicular products mainly to nearby European countries.

Croatia's economy contracted each year between 2009 and 2014. However, since joining the EU the economy has seen an uptick in annual growth. Over 2018, there have been positive trends in employment and wages, with the unemployment rate falling below 9% in late 2018, from 12.4% in 2017 and 15% in 2016.

The Croatian government a fiscal surplus of 3.4% of GDP in 2017, and is set to also record a surplus in 2018. This has been facilitated by strong growth in government revenues, on the back of a strong labour market and robust retail sector growth.

Household consumption will be positively affected by tax changes looking forward. In November 2018, the government confirmed that from January 2019, VAT on fresh meat and fish, fruit, vegetables, eggs and nappies will be 13% instead of 25%. Furthermore, the government plans to reduce the general VAT rate to 24% from 25%, from the beginning of 2020. The current rate of 25% is the highest VAT rate in the EU.

Croatia's economic performance could be threatened by a slowdown in its EU trading partners, with Italy and Germany being the two largest importers of Croatian goods and services. Croatia's population is expected to fall in the coming years due to emigration, which will act as an additional drag on growth in the longer term. We expect annual GDP growth of 2.8% in 2018, which will slow to 2.3% by 2021. Under this growth trajectory, Croatia will move from 78th in the World Economic League Table in 2018 to 85th by 2033.

Croatia	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	295.7	360.3	318.9	356.9	366.1	400.2	444.0	492.7
GDP, USD bn (constant prices)	45.3	80.7	61.7	58.6	58.9	66.1	75.4	85.3
GDP, USD bn (current prices)	34.7	70.5	58.2	60.0	61.6	74.5	93.4	116.3
Rank	60	66	73	78	78	81	84	85

2.44 Cyprus

Cyprus is an island nation in the Eastern Mediterranean Sea, located to the south of Turkey and to the west of Syria and Lebanon. The country is a member of the European Union and the Eurozone, and with a per capita GDP of $39,300 in international dollars, is classified as a high-income economy according to the World Bank.

The services sector accounts for the largest share of GDP, contributing 86%, though the economy also features some light manufacturing and agriculture. Cyprus has long been a prime tourist destination and logistically, is well placed as it connects Europe and Asia. More recently, Cyprus has also become a financial hub, especially for non-EU investors looking to invest in Europe.

Affected by the wider European debt crisis, Cyprus suffered from a deep financial crisis in 2012-13, requiring a bail-out programme by the European Central Bank, the European Commission and the IMF. As a result, the economy fell into a three-year long recession. The government enacted a number of reforms to consolidate the financial sector and restore investor confidence in the country. Since 2015, robust growth has returned and the economy is expected to have expanded by 4.0% in 2018, driven by tourism receipts, construction activity as well as higher domestic consumption.

Territorial tensions flared up again in 2018, as Turkey opposed plans by Greece, Cyprus and Egypt to tap natural gas fields in the Mediterranean Sea. Since 1974, Cyprus has been de facto partitioned in two parts, with the south controlled by the Republic of Cyprus and the northern part of the island administered by the self-declared Turkish Republic of Northern Cyprus, which is not recognised under international law. If an agreement can be reached, the exploration of gas fields off the coast of Cyprus could become an important source of revenue for the country and attract significant foreign investment.

Cyprus is expected to achieve a budget surplus of 2.1% in 2018, in line with its target to further consolidate public finances. High private and public sector debt remains an issue and the clean-up in the banking sector is still ongoing as evidenced by the state bail-out of the failing Cyprus Cooperative Bank in 2018. As a result of these measures, the debt-to-GDP ratio increased in 2018 to 112% of GDP, one of the highest in Europe.

We expect annual GDP growth of 4.2% in 2019 and a subsequent moderation of growth to around 2.8% by 2021. This will see Cyprus fall to 119th in the World Economic League Table by 2033.

Cyprus	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	13.7	16.9	15.4	17.2	18.0	20.0	22.7	25.9
GDP, USD bn (constant prices)	19.0	32.0	25.6	23.4	23.5	26.0	29.8	34.4
GDP, USD bn (current prices)	14.6	28.0	24.1	24.0	24.6	29.3	36.9	46.8
Rank	86	91	106	110	110	112	115	119

2.45 Czech Republic

The Czech Republic is a country in Central Europe and in 2018 had a per capita GDP of $37,420 in international dollars. The country's industrial base is highly diversified with exports playing an important role for the economy, accounting for around 80% of GDP. The country is a member of the European Union, its most important export market, but not of the Eurozone.

The country's transition from a command economy under communist rule, to a liberal, market-based economy, is generally seen as a success. Today, key industries include automotive and transportation equipment, electronics, steel production and machine building.

The Czech economy has been thriving in recent years boasting growth of 4.3% in 2017, with a slight moderation to 3.1% anticipated for 2018. The economy has benefitted from the general upswing seen across Europe in 2017, as well as strengthening domestic demand. At the end of 2018, unemployment stood at just 2.2%, the lowest rate in the EU. Labour shortages are pushing up wages and putting a constraint on growth as firms struggle to find adequately skilled workers.

A major challenge for the Czech Republic is its ageing population and an underfunded pension system. Reforms should aim to expand labour market participation of women and older workers to reduce the burden on public finances. The government also needs to maintain investment in its education system, to ensure that workers receive the required skills for better paying, higher productivity jobs. A weakness of the economy is its reliance on exports, which means that subdued demand in the EU could constrain growth. Potential US tariffs on Euopean automobiles also pose a threat to the economy.

At just 33% of GDP, Czech public debt levels are among the lowest in the EU. This is largely due to the fact that Czech banks had little exposure to the financial turmoil of the crisis of 2008. For 2018, a fiscal surplus of 1.5% is expected on the back of rising tax revenues.

We forecast that the Czech economy will expand by 3.0% in 2019, before slowing to 2.5% annual GDP growth in 2020.

Czech Republic	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	3142.9	4069.8	3981.3	4741.7	4886.2	5400.1	6120.5	6936.4
GDP, USD bn (constant prices)	130.3	270.2	222.1	239.0	238.0	248.8	272.4	298.4
GDP, USD bn (current prices)	99.7	236.0	209.4	244.5	248.8	280.2	337.6	406.9
Rank	41	41	51	46	49	50	52	52

2.46 Denmark

Denmark is a country in northern Europe which borders Germany to the south and Sweden and Norway to the north. The country is a member of the European Union but has negotiated an opt-out of Eurozone participation. In 2018, GDP per capita stood at $51,480, making Denmark one of the richest countries in the world. The country is known for its strong welfare state and high unionisation rates, which have led to very low income inequality and high wage floors.

Denmark has a strong industrial and manufacturing base, and is a large exporter of machinery, electrical goods and pharmaceuticals. Denmark also exports agricultural products, especially pork meat and oil and natural gas products. 75% of GDP comes from Denmark's service sector.

Growth has accelerated in the past couple of years with the economy expanding at a rate of 2.0% in 2016 and 2.3% in 2017. The synchronised upswing in global markets has boosted demand for Danish exports while low unemployment has boosted domestic demand.

The country is managing a transition towards a knowledge-based economy and boasts a high share of the workforce employed in the R&D sector. This makes the country attractive for foreign investment despite a high tax burden. In November 2018, Google announced it would invest EUR 600 million in a new data centre in Denmark. Other major tech companies such as Apple and Facebook have also planned to invest in the Nordic country.

The fiscal outlook for the country is stable with debt standing at 34.7% of GDP and a small deficit of 0.7% expected for 2018. The country's biggest lender, Danske Bank, is currently embroiled in a money laundering scandal via its Estonian branches. The bank, which is essential for the financial system, faces charges in Denmark, Estonia and the US and could be subjected to sizeable fines.

We expect annual GDP growth of 2.0% in 2019 followed by a gradual moderation to growth of 1.7% from 2022 onward. Based on this, Cebr forecasts that Denmark will fall from 36th in the World Economic League Table in 2018 to 47th by 2033.

Denmark	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	1705.5	1869.4	1856.5	2038.2	2077.8	2226.8	2424.7	2640.3
GDP, USD bn (constant prices)	285.2	404.6	364.5	346.6	341.6	353.2	381.5	412.2
GDP, USD bn (current prices)	218.1	353.4	343.6	354.7	357.0	397.8	472.8	562.1
Rank	25	30	34	36	37	41	45	47

2.47 Djibouti

Djibouti is a small African nation, located on the Horn of Africa. The country borders Eritrea in the north, Somalia in the southeast and Ethiopia in the west. It's GDP per capita in 2018 was $3,790 in international dollars.

Djibouti has limited natural resources and industrial capacity, and is therefore heavily reliant upon foreign assistance to fund its import needs. The arid climate limits agricultural activity. As a result of its strategic location between the Gulf of Aden and the Red Sea, the country's economy is dominated by shipping activities and related services. Djibouti's ports are important centres for refuelling and transshipment. Entrepot trade is a further important activity. For instance, Djibouti re-exports large volumes of coffee from landlocked Ethiopia.

Due to its important strategic location for shipment routes, Djibouti has also become a desirable location for military bases. The US, France, Italy, Japan and as of 2017, China, have military bases in the country. Rent payments by the various countries summed up to US$2.3 billion in 2017, around 5% of GDP.

Growth has remained robust last year as we expect the economy to have expanded by 6.7% in 2018, unchanged from the previous year. Growth is driven by investments in the port and shipping industries. While infrastructure spending is expected to rise at annual growth rates of 7% in the medium term, these projects are reliant on skilled foreign labour and have therefore done little to boost Djibouti's labour market. The unemployment rate stands at 40%, and 23% of the population remain in extreme poverty. Increased investment in education and skills training, as well as growth-friendly reforms to the business environment are necessary for Djibouti to achieve more inclusive economic growth in the long term.

The debt-finance investment projects have caused the country to run large and persistent budget deficits. In 2018, the deficit has narrowed somewhat to 4.4%, down from 6.1% in the previous year. Djibouti is heavily indebted to China and has considered selling off a port terminal to China to settle its obligations – a scenario that has alarmed US officials.

The population is growing rapidly at a rate of 2.8% per year. The country has benefitted from relative political stability and faces fewer safety risks than other countries in the region. However, public service delivery and governance issues continue to limit development efforts. Investment in human capital and fostering private sector led growth will be crucial in ensuring that the growing working age population can contribute positively to Djibouti's economic growth.

We expect annual rates of GDP growth of 6.7% in 2019 with a subsequent moderation towards 6.7% growth per year in the medium term. This would see Djibouti climb four places in the global rankings to 164th by 2033.

Djibouti	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	73.4	90.6	113.2	155.0	165.3	208.7	279.4	373.8
GDP, USD bn (constant prices)	0.8	1.1	1.5	2.1	2.3	3.0	4.1	5.6
GDP, USD bn (current prices)	0.6	1.0	1.5	2.2	2.4	3.3	5.0	7.6
Rank	172	174	173	168	168	167	164	164

2.48 Dominica

Dominica is a small island nation in the eastern Caribbean Sea. Its GDP per capita stood at $9,730 in 2018 in international dollars. Agriculture is the most important sector of the economy with bananas, soap, bay oil, vegetables, grapefruit and oranges accounting for the largest share of exports. Tourism has been on the rise as well. Although Dominica doesn't boast as many sand beaches as some of the other Caribbean islands, its carved out a niche in ecotourism thanks to its lush vegetation and mountainous terrain, which make it an attractive place for hiking. Due to its natural richness it has been nicknamed the "Nature Isle of the Caribbean".

The island was completely devastated in September 2017 by category 5 Hurricane Maria, causing damages of an estimated US$ 1.3 billion, equivalent to more than 200% of GDP. The hurricane destroyed large parts of the country's physical and transport infrastructure as well as much of the agriculture sector. This means the past year was almost entirely dedicated to reconstruction and recovery efforts. Only two years earlier, in August 2015, Tropical Storm Erika had already caused significant damages on the island.

Accordingly, GDP growth varied over the past years, with the economy contracting sharply in 2017 and 2018 by 4.7% and 14.1%, respectively. Recovery efforts are ongoing and expected to lift GDP growth into positive territory in 2019 at around 9.4%. Dominica receives international aid from international organisations and the European Union to help with rebuilding the island and investing in more resilient buildings and infrastructure. Another source of revenue for the government is its citizenship-by-investment programme, which is estimated to have accounted for 16% of government revenue.

Given the strain on its public finances, any revenue supporting measures are welcome for the island. Debt is estimated to have reached nearly 88% of GDP in 2018, driven by large current account deficits (over 30% in 2018) as the country requires high volumes of imported goods to continue its rebuilding efforts.

The rebuilding will continue over the coming years and drive growth, though it will take at least until 2022 before the economy recovers to its pre-hurricane size. That is assuming that no other tropical storm upsets rebuilding efforts in the meantime. By 2023 we expect growth to fall below 2% and stay there in the medium to long-run.

Dominica	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	1.0	1.2	1.2	1.0	1.1	1.3	1.4	1.5
GDP, USD bn (constant prices)	0.4	0.5	0.5	0.5	0.5	0.6	0.6	0.7
GDP, USD bn (current prices)	0.3	0.5	0.5	0.5	0.5	0.7	0.8	0.9
Rank	179	184	185	185	185	186	186	186

2.49 Dominican Republic

The Dominican Republic is located on the Hispaniola Island, which it shares with Haiti. The island is located in the Caribbean Sea between Cuba and Puerto Rico. The Dominican Republic has the largest economy among the nations in Central America and the Caribbean, and its GDP per capita in 2018 stood at $18,320 in international dollars.

The Dominican Republic has a diversified economy and has traditionally been known for its agricultural products including tobacco, coffee and sugar cane. Over the past decades, the country has also established itself as one of the prime tourist destinations in the Caribbean Sea and the services sector now not only employs the majority of the Dominican workforce but also accounts for more than 60% of GDP.

In 2012, gold and silver mining resumed at the Pueblo Viejo mine, the single largest investment project in the country. Exports from the mine reached US $700 million in 2017. Finally, the country also receives a substantial amount of remittances from its diaspora abroad. The money inflow amounted to $5.7 billion in 2017, equivalent to 7.4% of GDP.

The country has experienced some of the fastest growth among the countries in the region, with growth rates frequently exceeding 7% in recent years. For 2018, we expect growth to come in at 6.4%, up from 4.6% in the previous year. Conditions for the coming years are supportive of continued high growth. The tourism sector is performing well with visitor numbers rising to a historic high of 6.2 million in 2017 and further growth expected for 2018. The industry has turned its focus to the luxury end of the market with even higher profit potential.

Energy supply and transmissions remain a long-standing bottleneck to growth on the island. The country imports most of the fuel required for electricity generation and due to an outdated and inadequate grid, which causes losses of up to 30%, the bill is larger than it needs to be. A new coal-fired thermal electric plan is due to take up operations in 2019, which should dramatically increase the supply capacity of the system.

The main risks to the outlook are external. A higher oil price could further weigh on the country's import bills. A more pronounced downturn in the US, which could easily happen in the second half of 2019 or 2020, could also have a significant impact on the Dominican Republic, as it sells most of its exports to the US. The tourism sector is also exposed to swings in demand as well as public perception. The treatment of Haitian immigrants by the government of the Dominican Republic led to international criticism and calls for a boycott of the island as a tourist destination in 2015.

Given that the risk outlook is largely balanced, we expect growth to gradually converge towards the trend level of 5.1% by 2023. This growth path would drive the Dominican Republic to 68th place in the World Economic League Table by 2033.

Dominican Republic	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	1108.0	1505.2	1828.9	2499.2	2623.7	3199.1	4107.5	5273.8
GDP, USD bn (constant prices)	28.1	55.2	66.6	79.3	82.1	95.6	115.1	138.6
GDP, USD bn (current prices)	21.5	48.2	62.8	81.1	85.8	107.6	142.6	189.0
Rank	73	77	70	70	69	68	66	68

2.50 Ecuador

Ecuador is a country located in the north-west of South America with a GDP per capita in 2018 of $11,730 in international dollars. Ecuador's economy is heavily reliant on its oil revenues. Other exports include bananas, fish, coffee and cocoa. Remittances play an important role for the Ecuadorian economy with more than US$2.8 billion sent home by Ecuadorians living abroad in 2017.

Ecuador has experienced 15 years of healthy growth up until oil prices fell dramatically from late 2014. The long growth spell helped the country substantially in reducing poverty rates and income inequality. In 2017, growth rebounded in line with the oil price and the economy expanded at a rate of 2.4% after a recession in 2016 and flat growth in 2015. In 2016, Ecuador was also hit by a major earthquake that caused significant damage.

Ecuador's currency is the US dollar, meaning that its economic fortunes will be tied to the US Federal Reserve's monetary policy and the strength of the dollar. Stronger than expected US growth coupled with interest rate rises have seen the US dollar strengthen, harming the competiveness of Ecuadorian exports. On the other hand, Ecuador's economy does benefit significantly from remittances from the US as well as tourists, and a successful US economy is likely to boost these two sources of income.

Ecuador's main challenge is to engage the private sector to stimulate growth. A diversification of the economic base away from the reliance on the country's petroleum reserves is also a required step to bring the country on a sustainable and resilient growth path.

President Moreno, who was elected in 2017, has started a number of reform efforts to make the country more attractive to foreign investors and reduce its reliance on public sector spending programmes. Ecuador has posted large budget deficits from 2014 onwards, bringing its public finances into disarray. Therefore, part of the reform efforts aim to cut public spending and increase revenues in order to strengthen Ecuador's external position.

The budget deficit fell to 2.7% in 2018, down from 4.5% in the previous year. Meanwhile, debt as a share of GDP increased further to 51.9%. For 2019, we expect the economy to expand by 0.7%, down from the 1.1% expected for 2018. The strengthening of the dollar and the drop in the oil price in the fourth quarter of 2018 will put additional pressure on the government, but if it follows through on its reform programmes we see growth ticking up to 1.8% in the medium term. This will not be enough to stop an expected 12 place fall in the World Economic League Table between 2018 and 2033.

Ecuador	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	42.0	54.3	67.5	71.7	72.3	77.2	84.5	92.4
GDP, USD bn (constant prices)	42.4	70.7	100.9	104.8	103.7	105.7	105.3	104.4
GDP, USD bn (current prices)	32.4	61.8	95.1	107.3	108.4	119.0	130.6	142.3
Rank	62	68	65	62	63	66	69	74

2.51 Egypt

Egypt is a country covering the north-east corner of Africa as well as part of the south-west corner of Asia via the Sinai Peninsula. With a per capita GDP of $13,370 in international dollars Egypt classifies as a lower-middle income country.

Given the high fertility of the Nile valley, economic activity in Egypt used to be highly concentrated on agriculture in this part of the country. Over the past two decades, the economy has diversified significantly and Egypt has started to foster a number of industries including light manufacturing, petroleum and tourism. Oil, natural gas and precious metals are now the country's main exports, although textiles, electrical goods and a variety of agricultural produce are also exported. Service and industry account for 55% and 33% of GDP respectively, with key sectors including tourism, textiles and light manufacturing.

In 2011, the Egyptian people overthrew President Hosni Mubarak, who had been in power for 30 years. The ensuing political instability, including a coup d'état in 2013, have constrained economic growth and deterred foreign investment. The new government found it increasingly difficult to fund current expenditures and was running down reserves at an alarming rate. In 2016, Egypt and the IMF agreed on a 3-year, $12 billion loan programme to bring public finances back in order. One of the first measures was to float the currency, which led to an immediate sharp depreciation in the Egyptian pound and soaring inflation reaching more than 30% in the summer of 2017.

Looking ahead, inflation is expected to come under control in the next two years and there are encouraging signs that the IMF supported reform package is improving the fiscal outlook of the country and stimulating business investment. The weaker currency has also improved competitiveness of Egyptian exports and population growth of above 2% should also stimulate growth. Nevertheless, the stock of debt remains high and is estimated to stay above 80% of GDP until 2022. Moreover, the depreciation increased the value of dollar-denominated debt. Further downside risks to the economy are the fragile security situation in the northeast, which could delay the recovery of the tourism industry.

We expect GDP growth of 5.3% in 2018 and 5.5% in 2019. The rate expansion is then expected to accelerate towards 6.0% over the next years before converging towards the long-term trend of 5.4%. This will allow Egypt to break into the world's top 30 largest economies, reaching 29th place in the World Economic League Table in 2033.

Egypt	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	1085.2	1446.9	1711.3	2104.2	2219.2	2796.7	3654.8	4749.2
GDP, USD bn (constant prices)	111.4	195.5	305.5	243.8	285.3	368.3	495.1	662.8
GDP, USD bn (current prices)	85.2	170.8	288.0	249.5	298.2	414.8	613.5	903.8
Rank	46	51	38	45	43	40	34	29

2.52 El Salvador

El Salvador is a small country in Central America with a population of around 6.4 million, tucked in to the south of Honduras and to the east of Guatemala. In 2018, its GDP per capita was $8,390 in international dollars. El Salvador exports large volumes of textiles to the US and other Central American countries. Remittances from the US are a key source of income, accounting for 18% of GDP. The country also has an established telecommunications sector, which services North American markets.

Since 2015, annual economic growth has been around 2.3%, an uptick from the sub 2% annual growth rates seen since the 2008 global financial crisis. The slight acceleration can be attributed to falling oil prices and a surge in remittances. Despite the slight improvement, El Salvador's economy has been one of the slowest growing in Central America, and sluggish growth has slowed progress in poverty reduction efforts.

El Salvador has been a pioneer in regional trade agreements, being the first country to ratify the Dominican Republic – Central American Free Trade Agreement in 2006. In 2017, the country also joined Honduras and Guatemala in a cumstoms union. Strong growth in the neighbouring countries and a healthy US economy are tailwinds for El Salvador's economy in 2019.

The country has been held back by persistently high rates of crime and gang related violence, which has discouraged investment. Furthermore, El Salvador continues to suffer from high rates of outward migration. The new administration in the US also exposes the country to a number of downside risks. President Trump began to dismantle the Temporary Protected Status programme in 2017, which could lead to increased deportations of Salvadoran nationals. This, alongside proposals to tax or restrict remittances from the US could severely impact El Salvador's economy.

Last year, the government embarked on a path to improve its fiscal stance through developing new sources of revenue and limiting public sector wage increases and energy subsidies. These measures have resulted in a balanced primary budget in 2017, though high debt interest payments have dragged the overall budget into a 2.3% deficit. Government debt has risen to 67.9% of GDP and is expected to remain in this area and further fiscal consolidation will be required to halt the upward trajectory of public debt. Due to the low projected growth rates, the high level of national indebtedness is a cause for concern.

The population growth rate is 0.5% having fallen from 3.2% in 1960. This relatively low growth rate is in part a result of high levels of outward migration.

We expect average annual GDP growth rates of 2.4% between 2018 and 2020, with growth then falling slightly back to 2.2% per year. El Salvador is forecast to fall to 116th in the global rankings by 2033, from 106th place today.

El Salvador	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	14.2	16.0	17.4	19.6	20.0	21.9	24.4	27.2
GDP, USD bn (constant prices)	17.3	20.6	23.3	25.3	25.8	28.6	32.6	37.2
GDP, USD bn (current prices)	13.2	18.0	22.0	25.9	26.9	32.2	40.4	50.7
Rank	89	107	107	106	106	109	111	116

2.53 Equatorial Guinea

Equatorial Guinea is a small Central African country located on the coast of the Atlantic Ocean with a population of around 1.25 million. Equatorial Guinea's GDP per capita of $34,420 in international dollars is the highest among all African countries.

The country saw explosive economic growth following the discovery of oil in the 1990s with growth reaching 112% in 2000. The proceeds of the oil discovery have been distributed extremely unequally among the population. The country faces very high income inequality and despite its high GPD per capita figure, the country ranks 141st on the Human Development Index, five places worse than in 2010.

The oil sector accounts for roughly 85% of GDP, making Equatorial Guinea's economy among the most exposed to oil price fluctuations. As Equatorial Guinea's exports are dominated by oil and natural gas, the country has struggled with the decline in global oil prices since late 2014. The country has been in recession since 2015 and the economy is expected to have contracted by 7.7% in 2018 as falling oil production has outweighed increases in the oil price since 2017.

Economic diversification is paramount for Equatorial Guinea to continue its success in a world with lower oil prices. The potential for this is strengthened by a relatively good infrastructure network, a good security situation and the potential return of a highly skilled diaspora willing to invest in the country. Equatorial Guinea has entered a Staff-Monitored Program with the IMF in order to improve its public finances, diversify its economic base and strengthen governance and transparency efforts.

The ongoing recession has led to a surge in government borrowing, and public debt has risen from 6% of GDP in 2013 to 37% in 2018. Equatorial Guinea is a member of the Bank of Central African States, which means inflation is low but the country is unable to devalue it currency to stimulate exports.

The population growth rate is 2.7%, which will place growing pressure on standards of living given the struggling economy.

We expect the economy to contract in the next two years by 2.6% and 2.3%, respectively. Given the small size of the economy and the importance of the oil sector, growth will remain volatile in the country. In the longer term we expect trend growth of 3.4%.

Equatorial Guinea	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	3537.8	7162.4	7312.2	5449.5	5307.4	5196.1	6134.7	7242.9
GDP, USD bn (constant prices)	4.9	22.6	23.3	12.9	12.4	12.5	14.1	16.0
GDP, USD bn (current prices)	3.8	19.7	21.9	13.2	13.0	14.1	17.4	21.8
Rank	136	104	108	131	135	142	143	143

2.54 Eritrea

Situated in the Horn of Africa, Eritrea is a low income country with a GDP per capita in 2018 of $1,660 in international dollars. 80% of the labour force works in agriculture, although this sector makes up a relatively small share of total output. Mining is the most important sector in the economy with copper and gold the main commodities.

2018 was a stand-out year for Eritrea. The country signed a peace deal with neighbourhing Ethiopia ending a 20-year armed border conflict. Eritrea also re-started diplomatic relations with Djibouti and neighbourhing Somalia. As a result, a UN arms embargo and some moderate economic sanctions on the country's economy were lifted on 14 November.

Given that agriculture is one of the mainstays of the Eritrean economy, the country is vulnerable to adverse weather conditions, especially droughts. Dry weather has led to a slowdown in the economy in 2018. Growth is expected to come in at 4.2%, down from the 5.0% recorded in 2017.

Eritrea's sole political party, which has been in power since independence in 1993, runs a command economy and tightly controls most aspects of economic life. Private construction companies, for example, are banned. As a result, the country scored second-to-last out of 190 countries in the World Bank's Doing Business Indicator, underlining the difficult situation for private businesses.

The opening up of the country towards the international community is a welcome development and we expect the country to benefit from a peace dividend due to the resolution of the conflict with Ethiopia. However, major obstacles to economic development remain, including a largely unskilled workforce.

High military spending and maintenance of a social safety net has led to large budget deficits over the years, and also a shortfall in public investment in crucial infrastructure. The fiscal deficit still stands above 10% of GDP in 2018, and government debt, at 134% of GDP, is worryingly high.

Eritrea's population is growing at 3.3% per annum, driven by high fertility rates. With this demographic trend, economic growth will have to accelerate in order to deliver meaningful increases in standards of living.

We expect GDP growth to accelerate to 6.0% in 2019 and then gradually converge to the long term trend growth rate of 4.3%. This would see it move from 150th to 138th in the World Economic League Table between 2018 and 2033.

Eritrea	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	16.2	15.3	19.8	23.2	24.6	29.1	35.9	44.3
GDP, USD bn (constant prices)	1.1	1.6	3.7	6.6	7.5	11.5	16.0	22.5
GDP, USD bn (current prices)	0.9	1.4	3.5	6.7	7.9	12.9	19.9	30.6
Rank	167	168	159	150	147	143	141	138

2.55 Estonia

Estonia is a small country in Eastern Europe on the Baltic Sea with a GDP per capita of $33,550 in international dollars. The country features an advanced, open market economy and relies heavily on trade with Sweden and Finland. The country has well established electronics, communications and financial services sectors, and its major exports are electrical goods as well as vehicles.

Economic growth has been picking up since 2015 and reached 4.9% in 2017, more than twice the rate of the previous year. Growth in the country was driven by high private and public investment and a better absorbtion of structural funds by the European Union. As a small open economy, Estonia benefitted strongly from the EU-wide economic upswing in 2017 in combination with lower oil prices. Likewise, the slowdown in growth on the continent in 2018 has also had an effect on Estonia. The domestic sector, especially construction and real estate, offset some of the weaker international demand for exports.

Looking ahead, Estonia remains vulnerable to swings in external conditions and the health of its most important export markets. A further escalation in the EU-US trade conflict, for example, could have substantial impacts on growth in Estonia. An ageing society is further limiting the supply capacities of the Estonian economy going forward. In order to stimulate growth, the government has started several programmes to advance Estonia's technological and digital capabilities. It is one of the leading countries in digitising public services for citizens and since 2014 offers e-Residency to non-Estonians. The programme aims to attract inward investment and provide entrepreneurs with access to the country's services, such as company formation, banking and tax filing, independent of their residency status.

Estonia has one of the lowest debt-to-GDP ratios among all European countries standing at 8.8% in 2018. The country currently faces a small budget deficit of -0.8%.

The population has fallen from 1.6 million when the USSR collapsed to 1.3 million today. It is currently static with inward migration offsetting natural decline.

We expect annual rates of GDP growth of 3.7% in 2018. Between 2019 and 2023, we expect annual GDP growth to slow to 2.9%.

Estonia	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	12.9	16.9	16.8	19.5	20.2	22.6	26.0	30.0
GDP, USD bn (constant prices)	12.9	27.8	26.7	28.7	29.0	32.3	38.1	45.0
GDP, USD bn (current prices)	9.9	24.3	25.1	29.4	30.3	36.4	47.2	61.4
Rank	101	99	105	101	102	106	107	107

2.56 Eswatini

Eswatini is a small landlocked country in southern Africa, bordered by Mozambique and South Africa. It has a population of just under 1.2 million and a GDP per capita of $10,350 in international dollars. Eswatini is one of the world's last remaining absolute monarchies, and the country was formerly known as Swaziland before King Mswati III opted to change the name in 2018. Eswatini's main exports include sugar, soft drink concentrate and cotton, and the country relies heavily on neighbouring South Africa as both a market for exports and a source of imports. The domestic currency is also pegged to the South African rand.

The Swazi economy has been decelerating in recent years, and is expected to have recorded contracted in 2018. The economy has been hit by the abolition of the EU's sugar quotas as well as a weakening of demand from South Africa – a major buyer of Swazi exports. Lower than expected revenues from the Southern African Customs Union together with an uptick in the public sector wage bill have led to a deterioration of the public finances. The fiscal deficit has surged to more than 11% of GDP and government debt is rising at an alarming rate. This situation has forced a series of fiscal consolidation measures which have weighed on the economy. Monetary tightening has also been necessary to protect the peg to the South African rand. The new Prime Minister has announced a series of spending cuts, such as the banning of first class flights for top government officials and the requirement to use existing government vehicles rather than hiring cars. However, these measures that focus on a relatively small number of government officials will be not be sufficient on their own to address the fundamental fiscal challenges that Eswatini now faces.

Eswatini was re-admitted into the African Growth and Opportunities Act in December 2017, which should provide a boost for the textile industry in the medium term. However, the economy haces an array of structural issues such as high unemployment, low labour market participation and high rates of poverty. With the public finances in such a precarious state, these challenges will be hard to address in the short to medium term, and as such we expect GDP growth to be contrained to around 2% over the bulk of our 15 year forecast period. This will see Eswatini move from 157th in the World Economic League Table in 2018 to 160th by 2033.

Eswatini	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	26.5	32.5	39.0	41.7	41.8	43.7	48.2	53.2
GDP, USD bn (constant prices)	2.9	3.8	4.8	4.6	4.7	4.9	5.8	6.8
GDP, USD bn (current prices)	2.2	3.3	4.6	4.8	4.9	5.6	7.2	9.3
Rank	148	156	155	157	157	158	159	160

2.57 Ethiopia

Ethiopia is Africa's second most populous country and is situated in the Horn of Africa. It is a low income country, with a GDP per capita in 2018 of $2,340. Agriculture has long been the dominating sector in the country although the services sector recently overtook it in terms of GDP. The state is heavily involved with the economy, controlling telecommunications, banking and insurance and power distribution directly.

Ethiopia's economy is one of the fastest growing in the world, with average annual growth of over 10.5% since 2004. The economy remained resilient in 2017 despite outbreaks of drought and a fall in the price of Ethiopia's key exports on global commodity markets. These include coffee, legumes and gold.

The country has adopted an export-led industrialisation strategy and is trying to build up its manufacturing base via industrial parks. Public investment as well as foreign direct investment are driving growth in the sector, though exports are worth approximately 20% of imports. The government also invests heavily into energy generation – it has built three major dams and supports other renewable energy sources which should be a boon to the economy in coming years. The peace deal with neighbouring Eritrea should also free up resources that were tied up in the 20-year border dispute.

High public spending on infrastructure over several years has led to a high level of government debt, which currently stands at 58% of GDP. The fiscal deficit for 2018 is estimated to stand at 3.7% - lower than previously anticipated due to restrictions in government spending.

While the country boasts very low income inequality, progress towards reducing extreme poverty has been impaired by rapid population growth which currently stands at 2.5% per annum, as well as recurring droughts and a low starting point.

We expect the economy to expand by 7.5% in 2018, before growth accelerates again to 8.5% in 2019. In the longer run, our forecast converges towards annual growth of 7.5%. On this trajectory, Ethiopia would reach 62nd place in the global rankings by 2028.

Ethiopia	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	383.2	668.1	1081.7	1695.3	1839.3	2490.5	3574.3	5129.7
GDP, USD bn (constant prices)	11.3	30.7	50.6	81.9	84.4	112.2	147.7	196.6
GDP, USD bn (current prices)	8.6	26.8	47.7	83.8	88.2	126.4	183.0	268.1
Rank	106	94	85	68	68	65	62	62

2.58 Fiji

Fiji is an island nation in the South Pacific Ocean and home to just under 900,000 people. In 2018, it had a GDP per capita of $10,250 in international dollars, making it an upper-middle income country. The service sector accounts for around 70% of GDP with the tourism industry and remittances as the main revenue sources. Agriculture employs 70% of the workforce, and important exports include sugar products, coconuts, mahogany, ginger and fish. Bottled water is one of the most famous products from the island and widely sold in the US and other developed markets.

In 2016, Cyclone Winston made landfall in Fiji causing an estimated US$1 billion worth of damages. The storm destroyed large parts of Fiji's agriculture sector and disrupted tourism, causing growth to drop below 1%. In the two years since, the economy has recovered well with growth bouncing back to 3.0% in 2017 and an estimated 2.3% in 2018. Economic activity was boosted by the rebuilding efforts and tourism.

Growth prospects appear solid in the medium term, as rehabilitation work from Cyclone Winston and additional capital expenditures from the public and private sectors are set to boost investment. The National Development Plan pledges to invest US$50 billion in the next twenty years, with the aim of raising per capita income to $40,000.

Fiji remains vulnerable to extreme weather events, as demonstrated by Cyclones Josie and Keni which hit the island in May 2018 and caused some moderate damage. Further tightening of US monetary policy could also pose a challenge for the Fiji economy as it tries to attract more foreign investment.

The fiscal deficit in 2018 is projected to be 3.8% of GDP, while government debt stands at 50% of GDP. Fiscal consolidation may be required in the medium term to gradually reduce the debt burden.

We expect annual GDP growth to accelerate slightly in 2019 to 3.4% before slowing to a long term growth trend of 3.2%.

Fiji	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	5.2	5.5	6.1	7.2	7.4	8.4	9.9	11.6
GDP, USD bn (constant prices)	3.0	4.0	4.4	5.1	5.3	6.3	8.0	10.0
GDP, USD bn (current prices)	2.3	3.5	4.2	5.2	5.6	7.2	9.9	13.6
Rank	146	154	158	153	153	153	154	154

2.59 Finland

Finland is a country in the north-eastern corner of Europe, bordering Sweden to the northwest, Norway to the north and Russia to the east. With a GDP per capita in 2018 of $46,530 in international dollars it is one of the richest countries on the world. It is a member of the European Union and the Eurozone.

Finland's economy is reliant on international trade, and exports make up more than a third of GDP. The country has a strong manufacturing base, and exports high volumes of wood based products and electrical goods to Europe, the United States and China.

In 2018, Finland continued on its recovery from a double-dip recession between 2009 and 2015. The European Central Bank's accommodative monetary policy and strengthening global demand for Finnish exports have helped to boost the Finnish economy. Unemployment has decreased over the past three years from 9.4% in 2015 to 7.6% in 2018 and productivity growth has picked up, bolstering domestic demand.

In 2016, Finland rolled out its Competitiveness Pact, aimed at improving the standing of Finnish exporters relative to their international competitors by helping to reduce unit labour costs and bringing more flexibility to the wage bargaining process.

The Finnish economy faces some obstacles in the medium term, however. The population is ageing rapidly, which will soon begin to put a strain on the government's finances. Furthermore, labour force participation, although it has moderately increased in recent years, is lower than in other European economies. Finland's coalition government has already implemented major reforms to pensions and unemployment insurance, with good progress also being made on health care reforms. These policies will increase employment rates and reduce the burden of an ageing population on the public finances.

Public debt has started to fall back recently and Finland can hope to bring the debt-to-GDP burden below 60% by 2020 in line with the EU's Stability and Growth Pact critieria. The government is also expected to reduce the budget deficit from 0.9% in 2018 to 0.6% in 2019.

We expect the Finnish economy to expand by 2.6% in 2018, before slowing down to 2.3% growth in 2019 and 1.9% in 2020. From 2021-2023, we forecast annual GDP growth of 1.6% while the longer term trend sees growth decline to 1.4% annually. This will push Finland down to 51st place in the World Economic League Table by 2033.

Finland	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	168.2	198.0	187.7	202.0	206.6	220.8	236.7	253.8
GDP, USD bn (constant prices)	224.1	326.4	286.5	270.3	266.5	272.9	288.7	305.5
GDP, USD bn (current prices)	171.4	285.1	270.1	276.6	278.5	307.4	357.7	416.5
Rank	30	36	42	44	45	47	50	51

2.60 France

Located in Western Europe, France has a GDP per capita in 2018 of $45,600 in international dollars. France and the UK have shared 5th and 6th places in the league table throughout this century other than in 2017 when India split the two. It had previously been thought that the French economy had overtaken the UK economy after the sharp fall in the pound following Brexit. It now appears that this was not the case although the two economies remain so close to each other in size that minor changes in definition or measurement could easily reverse their order.

France's strengths include one of the best educational sectors in the world, a very well trained civil service that still attracts the elite, well financed and well run public services, good infrastructure and high productivity. Its weaknesses are high taxes, though President Macron has reduced some of the most extreme tax rates, labour market rigidity, and high social charges levied as employment taxes. Unemployment remains a problem with an unemployment rate of 8.9%. Moreover, labour market rigidities mean that this high rate of unemployment is especially concentrated on younger people with a youth unemployment rate of 20.5% in October 2018. France continues to attract more tourists than any other country in the world, with 86.9 million visits in 2017, partly because of its scenery and art heritage but also because of its reputation for good food and drink. France has started to catch up with the UK on technology – Paris is now third to London (in the European time zone) in its number of successful tech firms, though with 5 unicorns compared with Berlin's 8 and London's 36, it has some distance to go.

The French population is estimated at 65.1 million in 2018 and is growing at 0.4%. GDP growth accelerated in 2017 to 2.3% but has since fallen back to an estimated 1.6% in 2018.

President Macron has reformed the tax system (though taxes in aggregate remain high), and has attempted to reform the railways and adjusted labour laws a certain amount. Companies no longer have to prove that they are in economic difficulties to make people redundant though they can only declare redundancies with agreement with the trade unions. And they still need to obtain legal agreement. The President has other reforms in mind but his difficulties with the 'gilet jaune' motorists groups as he tried to levy fairly hefty increases in fuel duty are likely restrain his ability to change policies.

Policy is aimed at further liberalisation but will be restrained by the President's political difficulties and by a budget deficit which remains stubbornly high at 2.6% of GDP. A deeper threat to the economy is presented by the emerging problems of the Eurozone. We cover these in some detail in the introduction but the key point is the likely requirement for an agreement between the Italian government and the rest of the Eurozone to refinance the Italian government and the Italian banking system. French and German banks are heavily exposed to potential losses on this and the whole Eurozone is likely to have to face a period of fiscal retrenchment to adjust to these problems.

We expect annual rates of GDP growth of 1.4% from 2018-23, 1.5% from 2023-28 and 1.5% from 2028-33. France is projected to fall one position in the World Economic League Table, as it is set to be overtaken by India in 2019. But because we assume in these forecasts that the euro will be sustained at a stronger rate than we had assumed last year, we are not predicting that France gets overtaken by any country other than India during the period to 2033.

France	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	1896.5	2085.7	2129.4	2284.5	2316.5	2453.8	2643.5	2847.8
GDP, USD bn (constant prices)	2410.7	3357.1	2983.1	2732.2	2668.7	2692.7	2837.6	2991.2
GDP, USD bn (current prices)	1843.7	2932.2	2811.9	2795.7	2788.9	3032.8	3516.6	4079.0
Rank	5	6	5	6	6	7	7	7

2.61 FYR Macedonia

Macedonia is a landlocked country situated in the Balkan Peninsula in south-east Europe. The country borders Albania to the west, Kosovo to the northwest, Serbia to the north, Bulgaria to the east and Greece to the south. In 2018, its GDP per capita was $15,520 in international dollars, making it an upper-middle income country. Macedonia exports largely chemicals, machinery and clothing to Germany and other European markets.

The Macedonian economy suffered from the prolonged political crisis, which ended in May 2017 when a new government was formed. Growth averaged 3.5% between 2013 and 2015 but fell back to 0% in 2017. Supported by accommodative monetary policy, foreign direct investment inflows and export growth, the economy has started to grow again in 2018.

The Macedonian economy contracted in the first half of 2017, as the prolonged political crisis stifled investment. However, the outlook improved in May 2017 when a new government was finally formed, and the economy is now growing again.

Unemployment remains a significant issue, exceeding average rates across the EU at 21%, while the labour force participation rate is 65%, the fourth-lowest among OECD members. With an ageing population, it is critical for Macedonia to improve participation rates and job opportunities through tax and labour market reforms. Macedonia has a substantial informal sector, which goes some way to explaining the high rate unemployment suggested by official data. The prominence of the informal sector will constrain growth in the future, as it is generally associated with less skilled and lower productivity employment.

Macedonia is in the process of applying for NATO and EU membership. So far Greece has vetoed Macedonia's applications as it claims the name 'Macedonia' for a region in northern Greece. Parliament has approved a draft constitutional amendment to change the country's name to 'Republic of Northern Macedonia' with a final vote expected for January 2019. If the name change goes ahead, Macedonia hopes to benefit from greater integration with EU institutions and markets.

Macedonia is projected to record a fiscal deficit of 2.9% of GDP in 2018, slightly up from the 2.7% recorded in 2017. The government intends to reduce this to 2% of GDP in the medium term. At 41% of GDP, gross government debt is below that seen in many other European countries, although this is set to grow under current spending plans.

We project GDP growth of 1.6% in 2018, rising to 2.6% in 2019. Between 2020 and 2022, we forecast that annual GDP growth will average 3.0%. Macedonia's position in the global rankings look set to remain broadly stable over the 15 year forecast horizon.

FYR Macedonia	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	281.4	364.2	393.3	442.7	454.4	513.7	606.3	715.6
GDP, USD bn (constant prices)	6.5	11.3	11.5	12.1	12.2	14.5	18.1	22.6
GDP, USD bn (current prices)	4.9	9.9	10.8	12.4	12.8	16.3	22.5	30.9
Rank	126	130	136	136	136	136	138	135

2.62 Gabon

Gabon is a Central African country, located on the West coast of the continent and sharing borders with Equatorial Guinea, Cameroon and the Republic of Congo. Gabon is an oil-based economy with a GDP per capita of $18,650 in 2018 in international dollars.

Oil has accounted for around 80% of exports, 45% of GDP and 60% of revenues in recent years. Further exports goods are manganese and timber.

With the decline in oil prices, growth slowed considerably in Gabon from 4.4% in 2014 to just 0.5% in 2017 as both exports and fiscal revenues weakened. Diversification of the economy is an urgent task for the government as oil reserves could be depleted within the next decade. However, inefficient allocation of public resources and poor infrastructure make it hard to support growth in industry and the agriculture sector.

To overcome these challenges, the government signed up to a $655 million programme under the IMF's Extended Credit Facility in 2017. Public sector reforms aim to streamline the civil service and improve governance in the country and special economic zones are being created to attract private sector investment.

Restoring the health of the public finances is a challenge for the government in the coming years and part of its efforts to revitalize the economy. Due to the oil price shock, government debt has risen sharply to stand at 62.7% of GDP in 2017. Fiscal consolidation efforts have helped to achieve a small budget surplus of 1.3% in 2018 and to decrease the debt-to-GDP ratio to 57%.

We expect annual rates of GDP growth of 2.0% in 2018, followed by gradual acceleration towards trend growth of 4.5% in the medium term.

Gabon	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	3748.6	3990.6	4928.8	5595.0	5785.2	6880.4	8566.0	10664.6
GDP, USD bn (constant prices)	8.5	17.8	18.7	16.8	17.0	19.3	22.8	26.5
GDP, USD bn (current prices)	6.5	15.6	17.6	17.2	17.8	21.8	28.2	36.2
Rank	117	114	116	120	121	121	125	127

2.63 The Gambia

Located in West Africa, The Gambia is the smallest mainland country in Africa, surrounded almost entirely by Senegal except for an 80 km coastline on the Atlantic Ocean. The country covers a narrow stretch of land along the Gambia River and is less than 50 km wide at its widest point. It had a GDP per capita of $2,760 in international dollars in 2018.

In 2017, The Gambia saw a peaceful transition of power to the newly elected President Barrow. The new government took over a country whose economy had been largely devastated by 22 years of authoritarian rule and almost half of the population live in poverty. The agriculture sector and subsistence farming provide the livelihood for around three-quarters of the population and contributes around a quarter to GDP. With its beautiful beaches and rich wildlife, The Gambia has been an attractive tourism destination for decades and the industry has grown to be the second most important sector of the economy. Remittances also play a significant role in the economy, accounting for 10% of GDP.

The dependency on tourism and agriculture means that The Gambia is vulnerable to external shocks such as droughts or the West African Ebola crisis which led to a sharp decline in tourist numbers. Growth slowed to 0.4% in 2016 but has since picked up again to 4.6% in 2017 and is expected to stand at 5.4% in 2018.

Going forward the country will rely heavily on support by bilateral and multilateral lenders to address its financing needs and progress economic development. The new government managed to reduce the budget deficit from 5.4% in 2017 to 2.5% in 2018 and has also started to reduce the deb-to-GDP burden, estimated at 83% in 2018.

Demographic pressures pose a challenge to the government. The Gambia has a young population with a median age of 17.1 and youth unemployment of up to 70%. The high population growth rate of 3.1% puts further pressure on living standards in the country.

We expect annual rates of GDP growth to remain at 5.4% in 2019 and then fall back towards 5.0% in the medium term. This growth path would see The Gambia reached 173rd in the World Economic League Table in 2033, up from 175th place today.

The Gambia	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	34.9	40.9	49.2	57.0	60.1	73.0	93.1	118.7
GDP, USD bn (constant prices)	1.1	1.8	1.5	1.6	1.6	2.0	2.4	2.7
GDP, USD bn (current prices)	0.9	1.6	1.4	1.6	1.7	2.2	3.0	3.7
Rank	166	166	174	175	174	172	172	173

2.64 Georgia

Georgia is a small country in the Caucasus, bordering Russia to the north, Turkey and Armenia to the south, Azerbaijan to the southeast and the Black Sea to the west. In 2018, its GDP per capita stood at $11,600 in international dollars.

The agriculture sector employs more than half of the Georgian workforce though it contributes less than 8% of GDP. Wine making is one of the most important agricultural activities in the country. Other crops include citrus fruits, hazelnuts, tea and vegetables. Georgia has a mining industry and some reserves of manganese, copper and gold. Industry and manufacturing focus predominantly on metals, machinery and chemicals.

As a former member of the USSR, Georgia has had to completely reform its economic model after the 1990s. Today, the country is considered a relatively open and successful market economy and is led by a government that has shown great focus and determination in implementing far reaching structural reforms to improve the business climate. As a result, the World Bank's Ease of Doing Business Index 2019 ranks Georgia 6th out of 190 countries, ahead of most of its Asian and European peers.

Georgia is part of the European Union's Free Trade Area and since 2014 also has a bilateral free trade agreement with China. This makes Georgia the only country to freely trade with the EU and China.

Economic growth has accelerated noticeably in recent years and in 2017 the country's growth rate nearly doubled to 5.0%.

The country has invested heavily in its energy infrastructure in particular in oil pipelines and electricity generation through hydropower.

Longer term challenges for the country include upskilling its workforce and maintaining inclusive growth. Some progress has been made in reducing poverty and the country climbed seven places in the Human Development Index ranking between 2010 and 2017, more than all but four countries.

Georgia has been running a deficit in every year since 2008 with total debt rising from 25.5% to 41.6% of GDP in 2018.

For 2019, we expect GDP growth of 4.8% after which growth should pick up to around 5.5% in the medium term. This will see Georgia move up seven places in the global rankings between 2018 and 2033.

Georgia	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	7.4	10.9	13.1	16.1	16.9	20.6	26.6	34.2
GDP, USD bn (constant prices)	5.2	14.6	17.1	16.3	17.1	21.8	29.1	38.9
GDP, USD bn (current prices)	4.0	12.8	16.1	16.7	17.8	24.6	36.0	53.1
Rank	134	118	117	121	120	120	118	114

2.65 Germany

Germany is one of the founding members of the Eurozone and is the European Union's largest economy with a GDP per capita at international dollars of $52,900 in 2018, ranking 18th in the world according to the IMF.

While like most advanced economies, the bulk of German GDP (68.7%) and employment (71.5%) is in the service sector, Germany has a particularly large manufacturing sector based on the so-called Mittelstand of medium-sized mainly family-owned businesses which act as a supply base to the huge household names of Robert Bosch, Siemens, VW-Audi, BMW, Mercedes and others. German manufacturing has a good reputation for quality and for advanced technology. The service sector is now also rapidly embracing the Flat White Economy. Berlin is second to London only in its number of successful high tech companies, though the number of unicorns (companies with a market capitalisation of more than $1 billion) is 8 compared with London's 36.

It is interesting that Germany's speciality in the tech economy, the internet of things, reflects the country's manufacturing traditions.

The German population peaked at 82.01 million in 1998 and is estimated to have declined to 80.56 million in 2018. It is forecast to continue to decline slowly with the result that in 2049 the UK is predicted to overtake it as the largest Western European country by size of population.

Fiscal policy in Germany has been restrictive. The government has run a budget surplus since 2014. The surplus in 2018 was 1.5% of GDP. As a result of persistent surpluses the ratio of debt to GDP has fallen from 54.1% in 2014 to a forecast 38.3% in 2019.

The effect of German competitiveness combined with membership of the euro that has artificially held down the currency has boosted German exports and led to a balance of payments current account surplus of $330 billion, over 8% of GDP. The corollary of this has been loss of export market share and economic stagnation among the weaker Eurozone economies. Ultimately the weakening economies of many of Germany's trading partners pose a risk for Germany.

With trade wars emerging with the US under President Trump, with trade with the UK hampered by Brexit and with trade with China facing competition as the Chinese move into the more advanced areas of manufacturing that have previously been German specialities, the road ahead could be much more bumpy than the recent past.

We expect annual rates of GDP growth of 1.6% from 2018-23, 1.7% from 2023-28 and 1.7% from 2028-33. Germany currently ranks 4th in the World Economic League Table, but is forecast to be overtaken by India in 2025.

Germany	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	2380.0	2617.1	2699.2	2988.0	3038.8	3244.3	3529.7	3840.1
GDP, USD bn (constant prices)	3282.0	4316.5	3982.1	3941.1	3866.9	4027.8	4444.1	4905.1
GDP, USD bn (current prices)	2510.1	3770.1	3753.7	4032.6	4041.0	4536.5	5507.6	6688.8
Rank	3	4	4	4	4	4	5	5

2.66 Ghana

The Republic of Ghana is located in West Africa, where it shares land borders with Cote d'Ivoire, Burkina Faso and Togo, while its southern border sits on the Gulf of Guinea. It is Africa's second fastest growing economy and in 2018, its GDP per capita was $5,030 in international dollars.

With a population of 29 million people, more than half of the workforce is employed in agriculture, which accounts for approximately 20% of GDP. Gold, oil and cocoa exports, as well as personal remittances, are major sources of foreign exchange. Despite beginning production at the Jubilee field in 2010, Ghana's first offshore oilfield, falling oil prices since 2015 have reduced the government's revenue from this sector. Further fiscal burdens have arisen from the government's expenditure front-loading on goods and services. External pressures have also resulted in a depreciation of the Ghanian Cedi, as rising global interest rates and a decline in global trade increase the debt burden and place a strain on the country's fiscal deficit.

However, the outlook for growth is stable looking forward. Under President Nana Akufo-Addo, the government has remained dedicated to financial stability, as it nears the end of its $918 million Extended Credit Facility (ECF) programme with the IMF. Owing to the Bank of Ghana's (BoG) commitment to address financial sector weaknesses and stabilise monetary policy, Standard & Poor upgraded Ghana's credit rating from 'B-' to 'B' in September 2018. Indeed, Ghana's inflation is expected to be 9.5% in 2018, a significant improvement from previous years, which saw the measure reach double digits.

Having completed construction of a production well in August 2018, and with a second well expected in January 2019, Ghana's TEN oilfield is expected to increase its gross oil production to approximately 80,000 barrels per day in early 2019. Along with increasing gas production from Sankofa, which is expected to produce 180 million cubic feet of gas per day for at least 15 years, Ghana should see a marked increase in revenue from its energy sector should prices for the commodities stabilise. This would support the government's goal of public financial management, as it looks to continue the downward trajectory of government gross debt as a share of GDP, expected to stand at 61% by 2023.

The expansion of Terminal 3 at Kotoka International Airport in Ghana's capital city, Accra, presents an opportunity for the growth of its aviation sector. With the increased capacity to handle 5 million passengers per year and home to airlines offering regional, international and long-haul flights, the new terminal continues to signal that Ghana is open for business.

Cebr expects GDP growth of 6.3% in 2018, below the 8.4% growth achieved in 2017 but far above the average of 3.8% for 2014-2016. We anticipate annual rates of GDP growth of 5.3% from 2019-2023 and 5.1% from 2024-33. Cebr forecasts that Ghana will climb from 85th place to 81st place in the global rankings between 2018 and 2033.

Ghana	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	15.8	21.3	32.2	41.6	44.8	53.9	69.2	89.0
GDP, USD bn (constant prices)	16.2	32.7	50.7	50.6	54.8	66.5	77.8	91.0
GDP, USD bn (current prices)	12.4	28.5	47.8	51.8	57.2	74.9	96.4	124.1
Rank	90	89	84	85	83	79	81	81

2.67 Greece

Greece is the southernmost country of Europe, bordering Albania, Macedonia and Bulgaria to the north, Turkey to the northeast and the Mediterranean Sea to the south. In 2018, Greece's GDP per capita stood at $29,110 in international dollars. This is down from $31,570 a decade ago.

The country has become synonymous with the European debt crisis as Greece's nine-year recession saw its economy shrink by a quarter. The country returned to growth in 2017 (1.4%) and exited the last bailout programme in August 2018. The economic recovery continued in 2018 with growth expected to come in at 2.0% driven by strengthening domestic consumption.

Over the course of three international bail-out programmes starting in 2010, the Greek government has implemented numerous austerity measures which have helped the country achieve large primary budget surpluses of 6-7% since 2016. Given the high debt burden, the overall budget surplus in 2018 was much smaller at 0.5%. Debt as a share of GDP reached 188% in 2018 but is expected to fall back from 2019 on. European institutions and multilateral lenders continue to monitor the fiscal and financial situation in Greece and further support remains conditional on the implementation of reforms.

The outlook for the economy remains challenging as the legacy of the deep recession weighs on future performance. On the capital side, Greece still faces a negative net investment rate, i.e. depreciations and write-offs to the capital stock exceed new investments, which undermines the growth outlook. Neither the public sector nor banks can be a source of substantial increases in investment in Greece so the country needs to try and attract foreign direct investment to plug the gap. Meanwhile, the crisis has caused a large number of Greek people to emigrate, especially the younger and better educated ones, which further weighs on the growth potential.

We expect annual rates of GDP growth of 2.4% and 2.2% in 2019 and 2020 respectively. In the medium to long term, growth is expected to fall to around 1.2% per year. This will cause Greece to slide from 52nd to 59th in the World Economic League Table by 2033.

Greece	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	217.4	249.9	184.2	190.9	195.4	207.8	220.5	233.9
GDP, USD bn (constant prices)	264.5	407.7	254.5	212.2	208.2	209.5	215.7	222.2
GDP, USD bn (current prices)	202.3	356.1	239.9	217.2	217.6	236.0	267.4	303.0
Rank	28	29	43	52	52	55	56	59

2.68 Grenada

Grenada is a small island nation in the Southeast Caribbean Sea with a population of just over 100,000. It is located north of Venezuela and south of St Vincent and the Grenadines. Its GDP per capita in 2018 stood at $16,030 in international dollars.

The economy is dominated by the services sector with tourism accounting for the largest part of economic activity. Another source of revenue is St. George's University, which attracts a number of international students and stimulates supporting businesses on the island. The country also runs a 'citizenship by investment' programme to increase inward investment. Among the main exports are nutmeg and mace, giving the Grenada the nickname 'Spice Island', as well as cocoa, citrus fruits, bananas, cloves, and cinnamon.

The Grenadian economy continued to strengthen in 2017, expanding by 5.1% up from 3.7% in 2016. The country successfully completed a five-year fiscal structural adjustment programme with the IMF to consolidate its public finances and improve economic governance on the island. Grenada has achieved fiscal surpluses in the past two years after habitually posting deficits for the past two decades, helping to push the debt-to-GDP ratio down from 108% in 2013 to 64% in 2018.

The country continues to face some structural challenges, including a very high unemployment rate and a small manufacturing base that struggles to compete with its regional neighbours. Future growth will rely on the government's ability to improve the growth potential of the island by investing in human capital as well as infrastructure that is resilient to natural catastrophes, to which the country is prone.

We expect growth of 3.7% in 2018 and a subsequent moderation to around 2.7% in the medium term. Grenada is set to remain at 179th place in the global rankings throughout the 15 year forecast horizon.

Grenada	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	1.7	2.0	1.9	2.5	2.6	2.9	3.3	3.7
GDP, USD bn (constant prices)	0.8	0.9	0.9	1.2	1.2	1.4	1.6	1.8
GDP, USD bn (current prices)	0.6	0.8	0.8	1.2	1.3	1.5	2.0	2.5
Rank	173	177	179	179	179	179	179	179

2.69 Guatemala

Guatemala is a Central American country bordering Mexico to the north, Belize to the northeast, Honduras to the east and El Salvador to the southeast. Guatemala is the largest and also most populous country in Central America with a population of 16.6 million. Its GDP per capita in 2018 stood at $8,410 in international dollars.

Services account for more than 60% of economic output. The country is traditionally known as an exporter of bananas, coffee and sugar. Remittances play an outsize role in the economy. In 2017, the Guatemalan Central Bank reported that nearly US $7.5 billion have been sent from the US, equivalent to two-thirds of income from exports in that year.

Growth remained subdued in 2018 at 2.8%, unchanged from the previous year. The economy is struggling with deteriorating terms of trade, weak investment and political unrest related to ongoing investigations of corruption amongst high ranking politicians. While the economy is expected to accelerate, general elections in 2019 could cause further political turmoil and impede growth.

Over the medium term, the country should seek to better distribute the proceeds of what is generally a relatively stable economy. Inflation is under control and public debt stands at a manageable 25% of GDP. However, the country has some of the highest income inequality and poverty rates in Latin America. Child labour, under-nutrition and extreme poverty, especially among the indigenous populations, remain significant obstacles to growth and economic development.

The growth outlook is dependent on the momentum in Guatemala's main trading partners. Strong US growth and accelerating momentum in Central American economies could boost the country's economic performance further.

We expect growth to accelerate to 3.4% in 2019 and 3.8% in 2020 before converging towards trend growth of 3.5% in the longer term.

Guatemala	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	156.5	192.9	221.9	262.0	271.0	312.6	371.4	441.2
GDP, USD bn (constant prices)	28.7	44.8	57.1	77.3	79.2	92.8	112.3	135.7
GDP, USD bn (current prices)	21.9	39.1	53.9	79.1	82.8	104.5	139.2	185.1
Rank	69	81	78	71	71	70	68	69

2.70 Guinea

Guinea is a country on the western coast of Africa, with GDP per capita of $2,280 in 2018 in international dollars. The country depends largely on the agriculture sector and mining. Guinea benefits from fertile soil and ample rainfall but poor infrastructure has so far impeded larger projects of irrigated farming.

The country has a sizable mining sector with large reserves of bauxite and high-grade iron ore, the latter largely untapped. Other commodities include gold and diamonds.

The country has broadly recovered from the damage caused by Ebola in 2014 and 2015 when GDP growth slowed to under 4%. In 2016, the economy rebounded strongly growing at a rate of over 10%. Growth momentum has remained strong over recent years and the economy is expected to have expanded at a rate of 5.8% in 2018.

The Guinean government has announced an energy strategy that focuses on solar and hydroelectric power by taking advantage of the country's water supplies. Guinea could become a major exporter of electricity which would boost economic growth. To help realize the country's economic potential, the government has agreed to a three year programme under the IMF's Extended Credit Facility at the end of 2017 with the aim of strengthening resilience, scaling-up public investment in infrastructure, strengthening social safety nets, and promoting private sector development. Progress after one year has been mixed as some fiscal targets have been missed and public sector efficiency more generally poses a challenge for the implementation of reform programmes.

The debt to GDP ratio stood at 40% in 2018 and is expected to rise moderately over the next years.

The population is growing by 2.2% per annum, driven by a fertility rate of 5.9.

We expect annual rates of GDP growth of 6.0% from 2019-21, and a subsequent moderation to growth of around 5.0% from then on. Guinea is forecast to fall one place in the global rankings between 2019 and 2033.

Guinea	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	31912	38243	45625	62143	65829	81819	104429	133287
GDP, USD bn (constant prices)	6.2	8.0	8.9	11.2	11.9	14.9	18.3	22.2
GDP, USD bn (current prices)	4.8	7.0	8.4	11.5	12.5	16.8	22.6	30.2
Rank	129	139	144	137	138	133	137	139

2.71 Guinea Bissau

Guinea-Bissau is a small country in West Africa, bordering Senegal in the north and Guinea from the northeast to its Atlantic coastline in the south. The country is one of the poorest and least developed in the world with a per capita GDP of $1,950 in 2018 in international dollars.

The economy is strongly exposed to external factors and depends heavily on fishing and agriculture, with a strong focus on cashew nuts. More than three quarters of the workforce are employed in the agricultural sector. The country has substantial mineral reserves, including phosphates, bauxite, and mineral sands, that remain largely untapped. Due to the county's geography, weak institutions and high levels of corruption, Guinea-Bissau has become a transit point for illegal drugs being shipped from Latin America to Europe.

The IMF and the World Bank decided in 2010 to support $1.2 billion in debt relief, which helped bring down the debt to GDP ratio from 159% in 2009 to 55% in 2018. GDP growth has averaged 6.1% from 2015 to 2017, which has helped public finances to improve further. Nevertheless, according to the UN 80% of the population remain in multidimensional poverty and the country ranks among the bottom in Transparency International's Corruption Perceptions Index and the World Bank's Ease of Doing Business Index.

The country has been in political deadlock since 2015, when parliament was dissolved, and elections planned for late 2018 have repeatedly been delayed. A resolution of the crisis would be an important step to normalise relations between the country and its international partners and increase donor support.

We expect annual rates of GDP growth of 4.5% in 2018, followed by an acceleration to 5% in 2020.

Guinea-Bissau	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	288.9	337.5	400.3	504.5	529.7	643.9	821.8	1048.9
GDP, USD bn (constant prices)	0.6	1.0	1.1	1.4	1.5	2.0	2.8	3.9
GDP, USD bn (current prices)	0.5	0.9	1.0	1.5	1.6	2.2	3.4	5.3
Rank	176	176	178	177	177	173	171	168

2.72 Guyana

Guyana is the third smallest country on mainland South America, located on the northern Atlantic coast of the continent between Brazil, Venezuela and Suriname. The country had a GDP per capita of $8,520 in 2018 in international dollars. Guyana is part of the CARICOM Single Market and Economy and is the only South American nation in which English is the official language.

Guyana's economic success relies largely on agriculture and mining activities and is vulnerable to adverse weather and commodity price fluctuations. Its main export goods include sugar, rice, shrimp, timber, gold and bauxite.

Growth has moderated over recent years as global prices for most of Guyana's exports have fallen. While the country recorded growth of 5% in 2013, the rate of economic expansion dropped to 2.1% in 2017. Substantial oil reserves have been found off the coast of Guyana over the past couple of years. It is estimated that the oil field contains over 5 billion barrels of oil equivalent with production set to start in 2020.

Revenues from oil exports would considerably help improve the fiscal position of the country. In the early 2000s Guyana struggled with very high public debt. In 2007, Guyana and the Inter-American Development Bank negotiated a debt relief package whereby a total of $467 million of debt relief was granted. Government debt has fallen to 51% of GDP in 2016 but is expected to have risen again to 57% in 2018. Over the same period, the deficit rose from 4.3% to 5.4%.

The country has a sizeable investment backlog and would need to invest substantial amounts in infrastructure and human capital to ensure sustainable growth in the future. This would also help the private sector to diversify the economy and move towards higher value-added production.

We expect annual rates of GDP growth of 3.4% in 2018 and 4.8% in 2019. With oil production coming on stream, GDP growth should receive a significant boost from 2020 on, pushing growth to nearly 30%. High growth rates can be expected for the period from 2021 to 2026 after which we see growth returning to more sustainable levels. Cebr forecasts that Guyana will climb 12 places in the global rankings from 161st place today to 149th place by 2033.

Guyana	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	251.1	286.9	359.8	420.6	440.8	999.1	1630.0	1969.6
GDP, USD bn (constant prices)	1.6	2.2	3.2	3.6	3.7	6.5	10.3	12.0
GDP, USD bn (current prices)	1.2	1.9	3.0	3.6	3.9	7.3	12.7	16.4
Rank	159	162	162	161	160	152	151	149

2.73 Haiti

Located in the Caribbean Sea, Haiti is a low income country and shares the island of Hispaniola with the Dominican Republic. With a GDP per head of $1,880 in 2018 international dollars, Haiti is the poorest country in the Western hemisphere.

In 2010, Haiti was devastated by a catastrophic earthquake with an estimated death toll of 230,000 and damages of US$14 billion. The earthquake destroyed houses, schools and large parts of the country's infrastructure leading to a 5.5% contraction in GDP that year. The country's exposure to extreme weather and natural disasters was demonstrated once more in 2016 when Hurricane Matthew made landfall. Just as the country was starting to recover from the earthquake, the hurricane brought about a new humanitarian crisis.

Several agreements with the US and other states have aimed ato support the Haitian apparel industry by granting tariff free access to exported Haitian merchandise. The apparel sector exported around $850 million in 2016, equivalent to 90% of all exports from Haiti. A further important source of revenue is remittances from Haitians living abroad.

Growth picked up in 2018 and stood at 2.0%, up from 1.2% in the previous year. The country remains highly depended on financial and technical support from partners including the IMF and the World Bank. Efforts currently focus on providing Haitians with a reliable access to basic services, such as water and electricity. In the medium term, the country needs to find ways to rebuild infrastructure and housing in more resilient ways to prepare for future storms or earthquakes. The state of the infrastructure, a low-skilled labour force and the difficulty of doing business in the country all impede further progress and economic development.

The fiscal burden on the country was alleviated somewhat after the earthquake when large parts of the country's outstanding international debt was cancelled. However, due to the rebuilding efforts and the renewed destruction from Hurricane Matthew, debt levels have risen again in recent years to stand at 33% in 2018.

We expect GDP growth to accelerate to 2.5% in 2019 and 3.0% in 2020. High forecasted growth rates for countries close to Haiti in the World Economic League Table mean that it is set to fall to 153rd in the global rankings by 2033.

Haiti	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	13.0	13.6	15.0	16.4	16.8	18.9	21.9	25.4
GDP, USD bn (constant prices)	3.9	7.5	9.0	9.5	9.6	10.4	10.5	10.7
GDP, USD bn (current prices)	3.0	6.6	8.5	9.7	10.1	11.7	13.0	14.6
Rank	142	140	143	142	143	144	146	153

2.74 Honduras

Honduras is a low middle-income country in Central America, bordering Guatemala, El Salvador and Nicaragua. In 2018, its GDP per capita stood at $5,820 in international dollars.

The Honduran economy relies on agricultural exports and remittances from the US. Main export commodities include bananas, coffee and other fruit. In recent years, exports of clothing and automobile wire harnessing have also played an increasingly important role. However, with a dependence on agriculture exports, the country is exposed to commodity price volatility and adverse natural events such as droughts and hurricanes.

Growth exceeded expectations in 2017, standing at 4.8%. The economy's performance was boosted by public investment and private consumption, which benefitted from a record inflow of remittances estimated at US$4.3 billion or 18% of GDP.

The fiscal position of the country remains sound with debt remaining around 40% of GDP and a balanced budget in 2018.

The country struggles with issues of inequality, extreme poverty and crime. The country faces one of the highest levels of economic inequality in Latin America and ranks 133rd in the 2017 Human Development Index, two places worse than in the 2010 edition. Crime and gang violence are serious issues as the country has one of the highest homicide rates worldwide. Around 66% of the population live in poverty with one in five Hondurans living in extreme poverty which means they live on less than US$ 1.90 a day.

Looking ahead, the economy is vulnerable to tighter global monetary conditions as well as stricter US rules on immigration, which could hurt the flow of remittances to the country.

We expect annual GDP growth of 3.5% in 2018 and 3.6% in 2019. In the longer term, growth is expected to average 3.7% annually.

Honduras	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	118.8	157.9	177.6	213.8	221.5	255.8	306.4	366.9
GDP, USD bn (constant prices)	10.6	15.8	19.6	23.3	23.4	25.0	27.0	29.4
GDP, USD bn (current prices)	8.1	13.8	18.5	23.8	24.5	28.2	33.5	40.0
Rank	110	115	113	111	111	114	119	124

2.75 Hong Kong

Hong Kong is a Special Administrative Region of the People's Republic of China and is located at the south-eastern tip of China. In 2018, Hong Kong's GDP per capita stood at $64,790 in international dollars, classifying Hong Kong as a high-income country according to the World Bank.

Hong Kong has an open economy, characterized by a high degree of economic freedom, low government intervention and taxation and a strong focus on services. Moreover, Hong Kong is one of the world's leading financial centres.

As one of the busiest cargo hubs in the world, the value of goods and services traded exceeds Hong Kong's GDP by a multiple of four. China is by far Hong Kong's largest trading partner, meaning the economy is significantly exposed to the economic performance of its neighbour. The close relationship between China and Hong Kong was further cemented in 2018 with the opening of two major infrastructure projects, connecting Hong Kong and mainland China - the Hong Kong–Zhuhai–Macau Bridge and the Guangzhou–Shenzhen–Hong Kong Express Rail Link.

Hong Kong's public finances are healthy with the debt to GDP standing at below 1% and a predicted budget surplus of 3.6% in 2018.

Growth stood at 3.8% in 2017 but due to the knock-on effects of the US-China trade dispute, we expect Hong Kong's economy to slow to an expansion of 3.2% in 2018. As China is battling a slowdown of its economy, the consequences are felt in Hong Kong which relies on investment, trade and tourism flows from the mainland. Given our 2019 outlook for China, we expect growth in Hong Kong to slow further to 2.2% in 2019 before picking up again in 2020. In the medium term, we see growth at 3.1% per annum. This will push Hong Kong up to 31st place in the World Economic League Table by 2033.

Hong Kong	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	1490.3	2024.5	2317.2	2667.9	2726.6	3062.7	3571.2	4164.2
GDP, USD bn (constant prices)	211.0	251.1	292.5	350.2	359.9	418.4	506.3	613.4
GDP, USD bn (current prices)	161.4	219.3	275.7	358.3	376.1	471.2	627.5	836.4
Rank	33	42	40	35	33	33	32	31

2.76 Hungary

Hungary is a landlocked country located in central Europe with a GDP per capita of $31,560 in 2018 international dollars. After the fall of the Soviet Union, Hungary transitioned from a centrally planned command economy to a market economy. Hungary joined the European Union in 2004.

Around 65% of GDP can be attributed to the services sector with the industrial sector contributing a further 31%. The country predominantly exports machinery and equipment, food products and pharmaceuticals. Other important industries include IT, chemicals and tourism.

In line with the European upswing in 2017, growth in Hungary reached 4.0% in 2017, up from 2.2% in the previous year. Much of the growth momentum could be contained in 2018. The economy benefits from a low unemployment rate boosting domestic demand. Accommodative monetary policy and fiscal stimulus packages have further supported growth throughout the year. The government recently implemented a number of tax cuts including VAT for a number of goods and services, lower personal income tax and slashing the corporate tax rate to 9%. With the exception of tax havens such as the Cayman Islands and Bermuda, Hungary has one of the lowest corporate tax rates worldwide and the lowest in the EU.

In 2018, the government stressed that debt reduction and fiscal sustainability have taken a more central role in budgetary planning. At over 70%, Hungary's debt-to-GDP ratio is still one of the highest among European countries, though the ratio has declined slowly from around 80% in 2011. The budget deficit is estimated at 2.4% for 2018 due to higher spending in the election year. For 2019, we forecast a reduction in the deficit to around 2%.

There remain some risks to the economic outlook, such as a lack of skilled labour, youth unemployment and widespread poverty in rural areas. As a major exporter, Hungary is also vulnerable to changes in global demand, which means a global downswing would hit the country hard. A further risk factor is the strained relationship between the Hungarian government and the EU. In September 2018, the EU Commission voted to pass disciplinary actions against Hungary due to perceived injunctions on core European values such as freedom of the press and rule of law.

We expect Hungary's economy to grow by 4.0% in 2018 before slowing to growth of 3.3% in 2019. Subsequently, we see growth gradually converge towards 2.3%.

Hungary	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	20581	23732	22783	27133	28028	30757	34514	38746
GDP, USD bn (constant prices)	111.6	182.2	143.4	152.8	157.4	182.3	212.3	246.0
GDP, USD bn (current prices)	85.3	159.2	135.2	156.4	164.5	205.3	263.1	335.4
Rank	45	52	61	57	57	57	57	57

2.77 Iceland

Iceland is a small island nation in the North Atlantic Ocean. With a population of just over 300,000 it is one of the least populous countries in the world. Iceland's GDP per capita of $54,750 in 2018 international dollars makes it one of the richest countries in the world. Although Iceland is not a member of the European Union, the country is highly integrated with the EU through membership in the European Economic Area (EEA), the Schengen Area and the European Free Trade Association (EFTA).

The country has been diversifying its economy into manufacturing and services industries, with tourism, software production and biotechnology particularly important. The fishing industry accounts for a sizeable part of all exports, although the fishing territory enjoys strict protection.

Following a privatisation of the banking sector in the early 2000s, private banks expanded heavily into foreign markets and households were able to access credit easily. Consequently consumption soared and house prices rose. Between 2004 and 2007, annual GDP growth averaged 7.0%. In 2008, Iceland's banks collapsed and wiped out the savings of around 50,000 people, plunging homeowners into mortgage default.

Since the financial crisis, Iceland's economy has recovered and grew at an annual average rate of 2.7% between 2011 and 2015, driven by robust private consumption and a booming tourism industry. Since then, growth in tourist numbers has levelled off somewhat though activity in the construction sector continues to support growth. The economy expanded by 4.0% in 2017 with growth expected to have moderated to 3.7% in 2018.

Iceland ran a large budget surplus of 12% of GDP in 2016, helping the country to reduce its government debt to GDP ratio from 66% in 2015 to 37% in 2018. Debt is projected to fall further in the coming years. Given the fall in the currency over 2018 and high wage demands by labour unions, inflation could rise significantly in 2019.

We expect GDP growth of 2.9% in 2019 as the tourism boom fades followed by a further moderation to growth of around 2.5% in the medium term. Iceland is expected to hover around 105th place in the World Economic League Table throughout the 15 year forecast horizon.

Iceland	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	921.7	1243.1	1202.6	1484.8	1528.5	1693.9	1915.6	2166.4
GDP, USD bn (constant prices)	14.9	20.5	17.0	26.1	27.0	32.3	39.9	49.1
GDP, USD bn (current prices)	11.4	17.9	16.0	26.7	28.3	36.4	49.5	66.9
Rank	97	109	118	105	105	105	105	104

2.78 India

A year ago we predicted that 2018 would be the year of 'il sorpasso' where the Indian economy overtook two prominent Western economies – the UK and France.

But the sharp fall in the rupee against the dollar has prevented this from happening and so GDP in dollar terms for 2018 is estimated at $2,687 billion compared with the $2,932 billion which we forecast a year ago.

Does this mean that India's so far seemingly irresistible rise to economic superpower status has been reversed?

We think not. Our view is that the country's economic development strategy is still largely on track and that the hiccups should prove temporary. We explain why below.

The rupee averaged 67.8 to the dollar in 2017. During 2018 it has fallen to 73.3 after recovering slightly in mid October as oil prices fell back. There are four main factors that have been driving the rupee down. First has been the rise in the US dollar against most other currencies as a reaction to the Trump trade policy and to the tightening in US monetary policy. This has been particularly marked against emerging market economies – even China has had to let the RMB sink. Second has been the rise in oil prices in dollar terms as a result of the political tensions with first Iran and subsequently Saudi Arabia. Third has been the sluggishness of Indian exports of goods which has led to (combined with the other factors) a widening of the trade deficit. And fourth has been capital flows out of from the country which have exacerbated the other problems.

India has been particularly badly hit by the resumption of US sanctions on Iran. In theory, Indian oil imports from Iran were meant to come to a halt by 4 Nov 2018. Since India imports about 80% of the oil consumed in the country and about 10% of Indian oil imports in recent years have been from Iran, this has created a problem. Importers rushed to bring in oil before the deadline, with a corresponding impact on the trade deficit.

But our medium term view is that oil prices – which rose sharply during 2018 as a result of US trade and sanctions policies – are likely to fall eventually as renewable capacity grows exponentially. The rise in prices in 2018 has boosted energy investment and so, paradoxically made lower prices in the medium term more likely. Our prediction (see page 15) is that by 2024 the price of oil will fall below $50 as supply grows sharply.

Besides oil, the other worry about India's balance of payments reflects weak growth of exports of goods. India's exports of goods for the financial year 2017/18 were, at $302 billions, no higher in dollar terms than four years earlier. Meanwhile Vietnam, with a population only 7% of India's, has grown its goods exports from $100 billion to $250 billion over the same period. Admittedly India's exports of software and IT services are much more buoyant, reaching $111 billion in FY 2017/18 and growing by around 8% annually. The weaker currency should help boost exports eventually but the main impediment to growth is not price but red tape and problems with infrastructure (it is currently estimated that transport costs are 18% of total costs in India compared with about a quarter of that in advanced economies).

India liberalised its policy on inward investment both in 2017 and in January 2018 and mid-year data indicates that investors have responded with direct investment flows covering a quarter of the trade deficit, up 23 per cent on a year earlier. The additional capacity that this is generating, particularly in the IT sector (over half the inward investment is in the tech sector) - will boost exports in the coming years.

Meanwhile, despite the weaker currency, Indian domestic investment in 2018 has been strong – up 11% in measured in rupees. Eventually, strong growth in investment (and the government is predicting an

increase at an annual rate of 14%) should erode the infrastructure backlog that has held back growth for many years.

In 2018 India's population was estimated by the IMF at 1,334 million, just below China's at 1,397 million. But China's population has effectively plateaued while India's is still growing at an annual rate of 1.3%. India is set to become the world's most populous country in 2023 (a year later than we thought last year) and by 2050 to have a population of 1.7 billion. Meanwhile, just as the Chinese population of working age is falling, India is set to have a demographic dividend over the next quarter century with nearly half a billion additional people entering the labour force.

India's labour force dynamics are set to shape growth. There will be a massive need for more housing and infrastructure. Over the period to 2025 India plans to spend $1.3 trillion on new housebuilding.

Additionally, the combination of the growing labour force and an infrastructure backlog means that India has to spend on infrastructure of all kinds. In his budget in January 2018, Finance Minister Arun Jaitley boosted his planned infrastructure spending for the coming financial year by Rs one lakh crore to Rs 5.97 lakh crore and argued that India had a Rs 50 lakh crore ($680 billion) deficit in (mainly transport) infrastructure which he seeks to address over the next 10 years.

A feature of the planned investment is the rapid move to smart infrastructure. There are 83,000 km of roads currently either being planned or under construction. These will be smart roads with smart tolling possible.

There will also be spending on increased capacity for power, rail, telecoms, airports and ports. The objective is to bring down the frictional cost of transport from 18% (noted above) of costs close to the developed country norm of 4%. The target for such costs for 2025 is 6%.

There is a smart cities plan – a year ago 90 had been selected. This year the target number of 100 cities to be selected has been hit and the first 60 cities now have comprehensive plans for development.

We pointed out last year that because of the red tape and lack of infrastructure, India's economic development had had a different shape to that of any other economy with the tech sector in the lead. This is still the case, though the pressure on the exchange rate and the planned fall in transport costs is likely to cause some adjustment to a more traditional approach with exports of goods rising more quickly than hitherto.

We expect annual rates of GDP growth of 7.1% from 2018-23, 7.1% from 2023-28 and 7.1% from 2028-33. India is currently the world's 7th largest economy. The latest data suggests that India in fact overtook France in 2017 into 6th place but fell back again in 2018. Whereas we had expected India to reach 5th place in the World Economic League Table this year, it now looks as though this will happen in 2019. We expect further movement up the league table with India overtaking Germany in 2025 and Japan in 2030 to become the world's third largest economy.

India	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	46624	68493	98014	139476	149379	196355	276687	389884
GDP, USD bn (constant prices)	808.6	1401.5	1969.7	2626.5	2818.8	3734.9	5299.5	8002.7
GDP, USD bn (current prices)	618.4	1224.1	1856.7	2687.5	2945.7	4206.6	6567.7	10913.0
Rank	12	12	10	7	5	5	4	3

2.79 Indonesia

Indonesia is a populous and diverse country with over 300 ethnic groups and has a GDP per capita of $13,180 in 2018 international dollars. Although Indonesia remains below the world's average income, poverty reduction has been a major policy success and the proportion of the population estimated to be in poverty has fallen from 25% in 1998 to an estimated 9.8% in March 2018.

The service sector was 43.6% of GDP in 2017; industry 39.4% and agriculture 13.1%. Mining is a major sector with very large reserves of oil and gas, coal, gold, bauxite, copper and iron ore. Manufacturing products include automobiles, food and beverages, and electronics.

Indonesia's large and growing labour force is one of its key advantages. The country has a population of 268.0 million, the fourth largest in the world. It is growing annually at 1.1%, slightly more slowly than neighbouring countries like Malaysia and the Philippines.

Indonesia's economic strategy follows a 20-year development plan which is divided into five-year medium plans called Rencana Pembangunan Jangka Menengah Nasional (RPJMN). The current development programme focuses on infrastructure development and social assistance programmess related to education and healthcare.

Indonesia was able to reduce its debt to GDP ratio from around 87% of GDP in 2000 to 29% in 2018. It has kept its budget deficit below 3% of GDP so that although the debt ratio has edged up in recent years it remains low.

We expect annual rates of GDP growth of 5.3% from 2018-23, 5.2% from 2023-28 and 5.2% from 2028-33. As a result Indonesia is expected to rise from 16th place in the league table to 12th. This is a slightly less rapid rise than a year ago, reflecting the likely lower rupiah.

Indonesia	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	4605462	6162847	8156498	10421967	10955572	13457124	17464074	22664121
GDP, USD bn (constant prices)	334.0	639.5	972.4	982.5	1020.9	1284.2	1598.6	2003.7
GDP, USD bn (current prices)	255.4	558.6	916.6	1005.3	1066.8	1446.4	1981.2	2732.4
Rank	23	18	17	16	16	16	14	12

2.80 Islamic Republic of Iran

Iran has a GDP per capita of $20,070 in 2018 international dollars, slightly above the world average. Since the revolution in 1979 the country has had a problematic relationship with other major economies as well as its neighbours and has faced economic sanctions for much of the period. Because of both economic and currency instability, its dollar GDP has fluctuated dramatically – it reached $575 billion in 1990, fell back to $49 billion in 1992, gradually recovered to $577 billion in 2011 before falling back to $375 billion in 2015. After rising again to $430 billion in 2018 we predict a fall back to $334 billion in 2019.

Iran's population grew dramatically during the second half of the 20th century, from 18 million in 1950 to 65 million in 2000 and an estimated 84 million in 2018. Population growth has slowed dramatically, however, and now at 1.1% in 2017 is less than half the rate of neighbouring Turkey.

Iran is part way through its 6th five year plan since the revolution in 1979. The government has a 20-year vision programme involving market based reforms. The latest plan is composed of three pillars – the development of a resilient economy, progress in science and technology and the promotion of cultural excellence.

However the withdrawal of the US from the Joint Comprehensive Plan of Action (JCPOA) in May 2018 has created difficulties. After the official and parallel foreign exchange markets were unified in April 2018 the parallel market has re-emerged with an exchange rate of about a quarter of the rate a year ago. As a result inflation has soared and the economy has weakened. Unemployment has risen to 12.9% and is forecast to reach nearly 15% in 2019 while poverty, which had fallen at the beginning of the decade, appears to be rising again.

The budget deficit has risen from 1.8% of GDP in 2017 to a forecast 4.1% in 2019. For a country with limited access to capital markets this is likely to prove a difficulty and reports of unpaid government sector wages are rising.

Future growth depends on the extent to which Iran can evade the impact of sanctions. The EU has rejected the enforcement of US based sanctions but given the extent to which the US insists on extraterritorial powers it looks unlikely that these sanctions can be effectively avoided. We therefore expect the contraction of GDP to continue into 2019 and sluggish growth thereafter.

We expect average growth rates of 0.7% from 2018-2023, 1.9% from 2023-2028 and 1.9% from 2028-2033. This compares with a predicted growth rate in the 2020s of 3.9% before the US re-imposed sanctions. Iran will fall from 30th in the 2018 World Economic League Table to 34th by 2023.

Islamic Republic of Iran	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	4755696	5840481	5854329	6838456	6591520	7084533	8015499	9068801
GDP, USD bn (constant prices)	200.0	465.1	420.5	420.3	319.2	339.5	500.3	582.4
GDP, USD bn (current prices)	153.0	406.2	396.4	430.1	333.6	382.4	620.1	794.2
Rank	34	27	30	30	40	42	33	34

2.81 Iraq

Iraq is a country in the middle-east sharing borders with Turkey, Iran, Kuwait, Saudi Arabia, Jordan and Syria. In the southwast of the country it has access to the Persian Gulf. With a GDP per capita of $16,930 in 2018 international dollars, Iraq is classified as an upper-middle-income country.

The country faces ongoing security issues resulting from years of armed conflict. In late 2017, the Iraqi Army defeated the last remaining ISIS strongholds in the country after three years of fighting. The World Bank estimated the investment need for post-ISIS reconstruction efforts to stand at US$ 88 billion.

Iraq's largely state-run economy heavily depends on the oil sector, accounting for around 85% of government revenues and the economy remains vulnerable to oil price changes. The recovery of the oil price over the first half of 2018 has boosted growth in the country. However, a renewed slide in oil prices in Q4 2018 due to higher American oil production and the US government granting waivers for a number of key importers of Iranian oil has shown how fragile economic growth in Iraq still is, given its reliance on the oil sector.

The Iraqi economy needs to develop the non-oil sector and improve the climate for private sector businesses. Political gridlock further complicates the reconstruction and reform agenda. After elections were held in May 2018, ministerial positions remained vacant by the end of 2018.

After a contraction of 2.1% in 2017, we expect the economy to have grown modestly in 2018 at a rate of around 1.5%. Growth should accelerate substantially in 2019 on the back of higher oil production and reconstruction efforts. The government has received US$30 billion worth of commitments in the form of loans and guarantees at the International Conference for the Reconstruction of Iraq, which should support investment while maintaining a sustainable fiscal path.

The fight against ISIS and oil price shocks have undermined fiscal and external balances. The government's debt to GDP ratio rose from 35% in 2012 to 66% in 2016. It has since fallen back to around 52% of GDP in 2018, aided by a fiscal surplus of 5.6% in 2018.

We expect growth to accelerate to 6.5% in 2019 and then to moderate to 2.1% in the longer run. Iraq ranks 50th in the 2018 World Economic League Table and is expected to move up one place by 2033.

Iraq	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	66398	120627	174990	203255	216501	240479	266812	296029
GDP, USD bn (constant prices)	20.7	150.7	248.9	225.7	239.3	265.5	305.6	351.8
GDP, USD bn (current prices)	15.8	131.6	234.6	230.9	250.1	299.0	378.7	479.8
Rank	83	56	46	50	47	48	49	49

2.82 Ireland

The Republic of Ireland is one of the Eurozone's founding member states and is located in the North Atlantic Ocean to the west of Great Britain, occupying five-sixths of the island of Ireland. In 2018, Ireland's GDP per capita stood at $77,670 in international dollars making it one of the wealthiest countries in the world. However, economic statistics are somewhat distorted by the use of multinational tax schemes by US and UK firms.

Ireland is an open, knowledge-based economy largely relying on the services sector. Financial services, life science and high-tech are some of the most important industries in the country. Ireland experienced high growth rates between 1998 and 2006 with GDP rising at an average annual rate of 7%, causing the country to be dubbed the 'Celtic Tiger'. In the run-up to the financial crisis, both businesses and households were highly leveraged, buoyed by strong consumer confidence during the boom years. When credit dried up during the crisis, the Irish economy collapsed and the country's deficit rose to over 30% of GDP in 2010. With the help of a bailout, Ireland's economy recovered, although house prices are only just reaching pre-crisis levels again.

GDP growth reached 7.2% in 2017 and is expected to have moderated slightly in 2018 to around 4.7%. The economy is being driven by low levels of unemployment, which boosts domestic demand, as well as high levels of foreign investment. Large multinational corporations are attracted not only by the low tax rates but also by a well-educated and English-speaking workforce. Tech companies such as Google, Facebook and LinkedIn are among the largest employers in Dublin, Ireland's capital.

Public finances are improving and the government debt to GDP ratio has come down from a high of 120% in 2012 to 67% in 2018. The government recorded a small budget deficit of 0.2% of GDP in 2018.

Further decreasing unemployment and strong domestic fundamentals are projected to support the Irish economy in the coming years. For 2019, Ireland is projected to be among the fastest growing economies in the Eurozone. The largest downside risk stems from Brexit due to the high degree of integration between the Irish and Northern Irish economies. A disorderly Brexit or a return to a hard border on the island would have severe economic repercussions.

We predict that growth will average 3.5% over the next three years, slowing to an average of 2.9% per year over the remainder of the 15 year forecast horizon.

Ireland	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	157	188	191	306	318	358	413	478
GDP, USD bn (constant prices)	215.2	316.4	253.2	358.1	357.0	379.4	426.5	480.4
GDP, USD bn (current prices)	164.6	276.3	238.7	366.4	373.0	427.3	528.5	655.0
Rank	32	37	44	33	34	38	43	45

2.83 Israel

Located on the north shore of the Red Sea and the south eastern shore of the Mediterranean Sea, Israel is a densely-populated Middle Eastern country, bordering Lebanon, Syria, Jordan and Egypt. In 2018, Israel's per capita GDP stood at $37,860 in international dollars. The country ranks 22nd in the UN's 2017 edition of the Human Development Index, by far the best performing country in the Middle East.

Israel's economy is diversified and largely services based, with high-tech and industrial manufacturing also playing important roles. Its exports are mostly high value-added products such as cut diamonds, high-tech equipment, pharmaceuticals and refined petrochemicals. Due to its lack of natural resources however, Israel depends on the import of petroleum and other raw materials.

Israel has a long history of conflict with its Arab neighbours and the Israeli-Palestinian conflict, particularly focussed on the Gaza Strip, poses ongoing security risks. The United Nations still considers Gaza to be an occupied territory and said that the living conditions in the Palestinian enclave continue to deteriorate.

Israel's economy has fared well in recent years, posting growth of 4.0% in 2016 and 3.3% in 2017. The economy is supported by low unemployment, a continuous stream of foreign direct investment as well as accommodative monetary and fiscal policy. Moreover, Israel has discovered a number of large offshore natural gas fields in the past decade. The development of these gas fiels will further support Israel's growth in coming years by curbing energy imports and allowing the country to export gas. The strong economy caused the central bank of Israel to raise rates in late 2018 for the first time in more than seven years, signalling a gradual and cautious process of normalising monetary policy.

The government debt to GDP ratio has slowly fallen in recent years, reaching 61% in 2017. However, with an expected deficit of between 3-4% of GDP in the coming years, further reductions in the debt to GDP ratio will be difficult to achieve.

A slowing world economy and the uncertain security situation are downside risks to growth in future years. A low labour participation rate, income inequality and rising house and commodity prices are among other risks to Israel's economic outlook. However, due to its strong fundamentals we expect growth to stand at 3.6% in 2018 and 3.5% in 2019. In the long term growth should converge towards 3.0%.

Israel	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	723	913	1095	1293	1338	1511	1752	2032
GDP, USD bn (constant prices)	165.9	247.1	310.3	357.3	359.9	416.1	486.0	568.8
GDP, USD bn (current prices)	126.9	215.8	292.5	365.6	376.1	468.7	602.4	775.6
Rank	37	43	37	34	32	34	35	36

2.84 Italy

Italy is one of the poorer of the high income economies with GDP per capita in 2018 of $39,470 in international Dollars. This places it 33rd in the world, below Spain and Korea and above Cyprus, the Czech Republic and Portugal.

The country is divided between a prosperous North and an underdeveloped South. Economic conditions in the Southern part of the country are falling behind those in many emerging economies as Italy faces a prolonged slump which has been associated with and partly caused by its difficulties in remaining competitive while in the euro. Italian GDP in real terms only crept past its level in 2000 by 2015.

Italian economic policy has been driven by three factors – the need to retrench public finances to keep within Eurozone rules; the need to refinance failing banks and the need to free up much of an economy that has been ossified by heavy regulation. External pressure has forced the country to do the first of these but has failed to provide a long term solution for the banking system. And while labour market reforms have been introduced, notably in 2012 and 2015, Italian labour market laws remain less flexible than the OECD average.

A new government was formed in mid-year after the spring elections comprising a coalition of the Lega Nord northern separatists and the Five Stars movement. Both campaigned on their opposition to the constraints imposed by the European Commission. Whereas the previous government had introduced plans to bring down the budget deficit from 1.8% of GDP in 2018 to 0.8% in 2019, the new government announced a deficit target of 2.4% of GDP. This was rejected by the Commission on the grounds that it would make no progress in reducing the Italian debt-to-GDP ratio, currently running at 118.3%. However, the European Commission and the Italian government have since reached a compromise that will sustain the position in the short term though we remain sceptical about the medium term outlook.

Our calculations are based on the assumption that the compromise will hold up leaving the deficit around 2% which will continue to help a very gradual fall in the ratio of debt to GDP. On our central forecast for world and European growth, there is an arrangement that keeps Italy in the Euro with a small budget deficit and a falling debt GDP ratio. But if world growth slows sharply in the 2019-20 period, there will be little scope for such a compromise. This is now the key risk to the Italian economy.

And failure to agree could push Italy into a situation where it has no realistic option but to default.

As in other countries faced with economic difficulties, the Italian population is currently declining, having fallen by 0.1% in 2017. These figures probably do not take full account of illegal migration since Italy is one of the closest countries in Europe to the migrant routes from Africa.

Our forecasts are based on the assumption that the economy will 'muddle through' at very slow rates of growth. We expect average growth rates of 0.9% from 2018-2023, 1.0% from 2023-2028 and 1.0% from 2028-2033. Italy is predicted to fall from 9th in the 2018 World Economic League Table to 13th by 2033.

Italy	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	1589	1669	1541	1611	1625	1688	1774	1864
GDP, USD bn (constant prices)	2055.9	2750.2	2260.9	2036.0	1979.9	1943.2	1959.8	1946.1
GDP, USD bn (current prices)	1572.3	2402.1	2131.2	2083.3	2069.0	2188.7	2428.7	2653.8
Rank	7	7	9	8	8	10	11	13

2.85 Jamaica

Located to the south of Cuba and to the west of Haiti, Jamaica is a Caribbean island nation with a population of aroud 2.9 million. In 2018, its GDP per capita was $9,430 in international dollars, making Jamaica one of the poorest countries in the Caribbean.

Jamaica's economy is heavily reliant on the services sector, which accounts for over 70% of total GDP. Over a third of GDP stems from tourism and remittances alone. Agriculture has historically been important on the island and still accounts for roughly 7% of GDP, with bananas, sugar, and rum some of Jamaica's main export products. The country is also one of the largest exporters of bauxite and aluminium.

Jamaica has steadily accumulated debt over the years and the debt to GDP ratio reached 145% in 2012. It has also seen very slow economic growth, with GDP expanding at an average annual rate of less than 0.5% since 2010. In order to stabilise the economy, Jamaica's government embarked on a comprehensive programme of reforms, aided by international support from the World Bank and the Inter-America Development Bank worth US$510 million. Moreover, the International Monetary Fund has committed to a US$932 million funding programme. The government debt to GDP ratio is expected to have fallen to 97% in 2018. This would be the first time the ratio has stood below 100% since 2000. In line with the current IMF Stand-by-Agreement, the Jamaican government aims to achieve a primary annual surplus of 7% while reducing the debt burden to below 60% of GDP by 2025.

Jamaica still faces a number of economic and social issues. Crime and violence rates remain high and although the general rate of unemployment has fallen to just over 8% in 2018, joblessness among young people is an ongoing problem. Reconciling policies that reduce the deficit and debt burden while stimulating growth and investing in education, infrastructure and anti-crime efforts will be a difficult balancing act for the Jamaican authorities.

We expect growth to stand at 1.2% in 2018, up from the 0.7% recorded in 2017. Given the promising developments under the latest IMF programme, we expect growth to accelerate further in 2019 to 1.5%. In the medium term, growth is forecast to pick up to 2% per year. However, this will not be enough to prevent Jamaica from sliding from 122nd place in the World Economic League Table in 2018 to 134th place by 2033.

Jamaica	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	719.0	761.0	732.7	768.3	779.6	846.7	953.3	1073.3
GDP, USD bn (constant prices)	12.3	15.7	15.1	15.1	15.1	16.8	19.6	22.8
GDP, USD bn (current prices)	9.4	13.7	14.2	15.4	15.7	18.9	24.3	31.1
Rank	102	116	124	122	122	127	130	134

2.86 Japan

For many years Japan was the wealthiest country in Asia measured by GDP per capita but in recent years as it has stagnated it has been overtaken by Singapore, Hong Kong and Taiwan, with Korea (which used to be a Japanese colony) poised to overtake in the coming years. In 2018 it ranked 31st in the world with GDP per capita of $44,550 in International dollars.

The country faces numerous challenges – competition from neighbouring countries with much lower cost bases, a declining population of working age, a recent history of economic stagnation and the world's largest ratio of government debt to GDP which reached 238.2% in 2018.

Economic policy is based on trying to find a way round these challenges. The Bank of Japan has run a massive programme of quantitative easing for many years which has supported the domestic markets and led to a depreciation of the yen of about a third over 5 years. This has permitted modest export led growth. The Bank has tapered its pace of asset purchases modestly three times but is still purchasing about 5.8 trillion yen a year of assets, only slightly down from the peak of 6 trillion yen. It is planning to reduce this gradually to 3 trillion yen.

There are also gradual plans for reducing the fiscal deficit with a rise in the sales tax to 10% planned for October 2019. But even this will only reduce the government deficit from 3.7% of GDP in 2018 to 2.1% in 2020 and edge the debt to GDP ratio down marginally to 235%.

Japan's labour force should be a reason for being bearish about the future. The population is declining despite the highest longevity in the world. In 2017 it fell by 0.2%. The number of people of working age shrunk by 0.7% in the year to August 2018. However, the actual labour force has risen by 2% in the past year. The two main reasons are a very sharp rise in the female participation rate and an unexpected growth in migration. Given Japan's strict migration rules, it appears that most of these migrants are students who under Japanese law are permitted to work up to 28 hours a week. We have revised our labour force and growth projections to take account of the larger than expected labour force.

Japan's economic future depends on the increasingly uncertain outlook for world trade. In these circumstances the trade deal signed with the EU at the end of 2018 is a positive sign.

We are forecasting that Japan will grow at annual rates of 0.7% from 2018-23 and 0.8% from 2023-33 and that the Indian economy will overtake Japan into 3rd place in the world league table in 2030. This is 4 years later than we predicted a year ago, mainly reflecting a forecast of a less weak yen.

Japan	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	471228	499271	508781	538021	542325	558224	580913	604524
GDP, USD bn (constant prices)	5813.0	5768.0	5469.5	4958.6	4991.7	5291.9	5766.4	6285.7
GDP, USD bn (current prices)	4445.7	5037.9	5155.7	5073.8	5216.4	5960.3	7146.3	8571.5
Rank	2	2	3	3	3	3	3	4

2.87 Jordan

Jordan is an Arab Kingdom sharing borders with Saudi Arabia, Israel, Syria and Iraq. It is one of the smaller countries in the region, with a population of just under 7 million. In 2018, it had a per capita GDP of $9,410 in international dollars.

Jordan has few natural resources, little arable land and no developed oil, gas or hydropower resources. The country therefore relies heavily on imports of natural gas to cover its energy needs and is vulnerable to rising energy and commodity prices. The government plans to reduce its dependency on gas imports by developing renewable energy projects across the country, aiming to generate 20% of its power from green energy by 2020.

The United States is a key ally of Jordan and is working with the government towards creating strategies to improve economic development and stability. The country relies on remittances and a tourism income for hard currency.

Jordan's economy grew fast during the 2000s averaging growth of 6.9% between 2001 and 2008. The global recession of 2009 led to a slowdown in growth which became entrenched following the unrest caused by the Arab Spring in 2011. As a direct neighbour to Syria and Iraq, Jordan is vulnerable to destabilising regional developments. One of the biggest challenges for the country has been to manage the inflow of 660,000 Syrian refugees, which has placed a substantial strain on Jordan's public resources.

Growth remained stable in 2017 at 2.0%, unchanged from 2016. For 2018, we expect a small uptick to 2.3%, which will be insufficient to decisively push the economy ahead and reduce the high rate of unemployment. According to the latest official figures, unemployment stood at 18% though the number is likely skewed by the large informal sector, which is estimated to account for two-thirds of employment in the country.

The government debt to GDP ratio has been on the rise since 2009 and stood reached 96% in 2018. The budget deficit stood at 2.1% in 2018, down from 2.6% in 2017.

We expect growth to pick up to 2.5% in 2019 and then gradually rise towards 3.0% as the country reduces its energy dependency and the region stabilises. Jordan is forecast to move from 93rd in the World Economic League Table in 2018 to 94th by 2023.

Jordan	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	6	9	11	12	12	14	16	19
GDP, USD bn (constant prices)	13.3	25.1	35.7	40.9	42.1	48.3	57.6	68.7
GDP, USD bn (current prices)	10.2	22.0	33.6	41.9	44.0	54.4	71.4	93.6
Rank	99	101	95	93	95	94	94	94

2.88 Kazakhstan

Kazakhstan is located in Central Asia and is the world's largest landlocked country with a land area similar to that of Western Europe. With a population of just 17.8 million, its population density is among the lowest worldwide. The country had a GDP per capita of $27,490 in 2018 international dollars making it one of the richest countries in the region.

Kazakhstan's economy has benefitted from one of the world's largest oil reserves and the hydrocarbon sector accounts for large proportions of GDP and exports. In the early-2000s, Kazakhstan's economy expanded at annual rates of around 10%, similarly to other countries that depend on the oil sector. However, the sharp drop in petroleum prices resulted in a moderation of GDP growth from 4.3% in 2014 to just 1.2% in 2015.

The country has been able to reduce its poverty rate significantly and the share of the population below the international poverty line stands at just 2.8%, well below those of other countries in the region. Longer-term challenges include the transition away from a reliance on oil and other natural resources towards a more diversified economy. The country depends on external demand, especially from China and Russia and is therefore vulnerable to oil price volatility and economic and political conditions in its key trading partners.

Due to the fall in the oil price in 2015 and the economic downturn in Russia, Kazakhstan's economy has struggled with numerous headwinds in recent years. The country floated its currency in 2015 leading to a sharp deprecitation and a spike in inflation. Since then, rising oil prices, stable exchange rates as well as the start of oil production at the Kashagan field have helped to push growth to 4.0%.

The public finances are relatively stable, with government debt standing at 17% of GDP in 2018. Following three years of consecutive budget deficits, Kazakhstan achieved a surplus in 2018.

The growth outlook remains clouded by the economic problems of Russia and especially China, which is battling a downturn. Oil prices remain volatile with the US playing a greater role due to its shale production capacities. Moreover, international investors continue to be concerned by a business climate characterised by high levels of corruption and bureaucracy.

We expect GDP growth to decelerate to 3.1% in 2019, picking up only slowly to 3.3% by 2022. In the long run, the country has a higher growth potential of around 4.6%.

Kazakhstan	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	8866	13274	17246	19833	20454	23561	29451	36814
GDP, USD bn (constant prices)	40.3	152.8	251.0	180.0	187.3	232.1	315.6	428.7
GDP, USD bn (current prices)	30.8	133.4	236.6	184.2	195.7	261.4	391.1	584.6
Rank	63	55	45	56	56	52	48	46

2.89 Kenya

Kenya is an East African country with a GDP per capita of $3,690 in international dollars and a population of around 48 million. Agriculture remains the backbone of the economy, making up more than a third of GDP. The tourism sector has also been a key driver of growth, although this has been hampered by a number of terrorist attacks that took place between 2013 and 2015. Kenya is also a regional hub for financial, IT and transportation services.

The Kenyan economy performed well in 2018, following the restoration of political stability, which has buoyed confidence and strengthened the tourism sector. Indeed, over the first nine months of 2018, tourist arrivals were nearly 8% higher than during the same period the previous year. The announcement by Qatar Airways that it will begin operating four weekly flights direct to Mombasa is another boost for the tourism sector. Meanwhile, favourable weather conditions supported output in the agricultural sector.

Kenya has invested heavily in infrastructure in recent years. The railway line between the two major cities of Nairobi and Mombasa – opened in May 2017 – represents a major step forward in the country's internal connectivity. Meanwhile, the government has also expressed a commitment to stepping up investment in Kenya's aviation infrastructure, in order to consolidate the country's status as a hub for tourism and transport. This spending has led to an increase in government debt, which now stands at 56% of GDP. However, the government has met its targets for fiscal consolidation so far, and debt as a share of GDP is on course to return to a downward trajectory in the coming years.

Cebr forecasts that the economy will expand by 6.1% and 6.2% in 2019 and 2020 respectively, driven by the continued recovery of the tourism sector as well as the productivity gains facilitated by infrastructure investments. Between 2021 and 2033, we expect GDP growth to average 6.2% per year, supported by a young and fast growing population, as well as continued improvements to infrastructure and the business environment. This growth trajectory would see Kenya climb 11 places in the World Economic League Table from 67th in 2018 to 56th by 2033.

Kenya	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	2212	2772	3647	4779	5073	6475	8746	11837
GDP, USD bn (constant prices)	22.0	41.1	58.5	87.6	94.0	122.7	174.7	248.0
GDP, USD bn (current prices)	16.8	35.9	55.1	89.6	98.3	138.2	216.5	338.2
Rank	82	82	77	67	65	61	59	56

2.90 Kiribati

Kiribati is a remote island republic in the Pacific Ocean, made up of 33 atolls. The country gained independence from the United Kingdom in 1979 and has a population of just over 100,000, making it one of the world's smallest countries. Kiribati is one of the least developed nations in the Asian-Pacific and has a per capita GDP of $2,030 in 2018 international dollars.

The country has few natural resources and economic development is constrained by weak infrastructure, the dispersion of the country across 5,000km of ocean, remoteness from international markets and a shortage of skilled workers. It is vulnerable to the impacts of climate change such as drought and sea level rise.

Kiribati's economy used to be focussed on phosphate extraction but reserves were exhausted in 1979. Proceeds from phosphate mining were accumulated in the Revenue Equalisation Reserve Fund, Kiribati's sovereign wealth fund. Nowadays, the country relies on income from fishing licenses, foreign aid and seafarer remittances. Most islanders engage in subsistence farming and fishing. Copra and other coconut products as well as fish are the most common export products.

Economic growth has been variable due to the small size of the island. In recent years, the economy expanded by 10.3% in 2015, 1.1% in 2016 and 3.1% in 2017, driven by record-high fishing revenues and infrastructure investment financed through foreign aid.

The government has set out an ambitious long term development blueprint known as KV20, covering the period 2016-2036. The aim of the plan is to help Kiribati become a prosperous, healthy and peaceful nation by supporting areas such as fishing and tourism. The IMF has lauded progress on a number of reforms including tax administration and sound budgetary management. However, to reach the goals set out in the KV20, much work remains to be done. In particular, Kiribati needs to find a way to address its large investment gap especially in the areas of infrastructure, climate change preparedness and education.

Despite prudent fiscal strategies, public finances have deteriorated in recent years, and the government debt to GDP ratio rose from 8.7% in 2014 to 29.8% in 2018.

We expect growth to remain robust in 2019 at 2.4%. Following this, the rate of economic expansion will likely slow to around 1.8% in the longer term. Kiribati is one of the world's smallest economies and ranks 191st in the World Economic League Table. Due to its small size, the country will remain near the bottom for the foreseeable future.

Kiribati	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	0.1	0.1	0.2	0.2	0.2	0.2	0.2	0.3
GDP, USD bn (constant prices)	0.1	0.2	0.2	0.2	0.2	0.2	0.2	0.3
GDP, USD bn (current prices)	0.1	0.1	0.2	0.2	0.2	0.2	0.3	0.4
Rank	189	190	191	191	191	191	191	190

2.91 Korea

Korea is a fast growing and wealthy economy in Asia which in GDP per capita terms is rapidly catching up with its neighbour Japan. In 2018 it was the 32nd richest country in GDP per capita terms at $41,420 in international dollars. In 1960 its GDP per capita on the same basis is estimated at $79 (and its actual non-PPP adjusted GDP per capita only $159), lower than many parts of Sub Saharan Africa, so the pace of development has been spectacular even by Asian standards.

The structure of the economy is dominated by export led growth from industry dominated by 'chaebols' family led conglomerates. Following the Asian economic crisis in 1997 Korea suffered from a liquidity crisis and needed an IMF bailout. One of the conditions of the bailout was an economic restructuring that led the country to concentrate on information and communications technology (ICT). Korea now leads the world in many parts of the ICT hardware business. Because of the success of these manufacturing exports, industry accounts for as much as 39% of GDP in Korea.

The Korean population of 51.2 million is still growing, if relatively slowly at 0.4% per annum in 2017. But technological progress means that growth is supported by productivity.

Korea has traditionally run a budget surplus. The surplus in 2018 was 1.3% of GDP and, although this is expected to fall back into balance over the next two years, this means that the country is about the most fiscally stable in the world. The gross debt to GDP ratio at 40% is misleading – more appropriate is the net measure which shows a debt of only 11%.

The traditional standoff with North Korea has held the country back and in early 2017/18 the crisis seemed to risk nuclear war. But energetic action by the Chinese seems to have diffused the problem and a rapprochement seems to be taking place. If it develops further it could become a major stimulus to growth. We are still working on the assumption that the situation remains much the same as in the past but positive moves towards unification would change our forecast dramatically. A unified Korea at South Korean living standards would have a GDP that would be the sixth largest in the world in the 2030s overtaking both the UK and France.

We predict that GDP will rise at annual rates of 2.7% 2018-23 and 3.0% 2023-33.

Ranked 11th in the 2018 World Economic League Table, we predict that Korea will enter the ranks of the world's 10 largest economies in 2026 even without unification.

Korea	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	948796	1179771	1380833	1598972	1640161	1825969	2112688	2449185
GDP, USD bn (constant prices)	889.8	1147.5	1385.1	1618.0	1626.5	1824.2	2139.7	2513.1
GDP, USD bn (current prices)	680.5	1002.2	1305.6	1655.6	1699.7	2054.6	2651.7	3427.0
Rank	11	15	14	11	11	11	10	10

2.92 Kosovo

Kosovo is a parliamentary republic in Southeast Europe, which unilaterally declared its independence from Serbia in 2008. Serbia does not recognize Kosovo as a sovereign state but has formally accepted its institutions. In 2018, Kosovo had a per capita GDP of $11,500 in international dollars, which classifies it as a lower-middle income economy.

Remittances from Germany, Switzerland and some of the Nordic countries account for around 15% of total GDP and international donor assistance accounts for an additional 10%. Kosovo's economy was once driven by minerals and metals production, but ageing equipment and insufficient investment have led to a decline of these sectors. While Kosovo has sufficient natural ressources, such as coal, to cover its own energy needs, it lacks a modern energy distribution network and plants for electricity generation. The unreliable energy supply is one of the biggest hurdles for economic development in the country. The government is therefore advancing plans to build a new coal-fired power plant with a capacity of 500 MW to increase energy security.

Growth has been robust in recent years, standing at 4.1% in 2015 and 2016 and 3.7% in 2017. The economy was mainly driven by investment in infrastructure projects, though net exports also contributed to growth. The government also approved an action plan in 2018 to address the challenges indentified in the latest report by the European Commission. These include the large informal sector, high unemployment, tax evasion and problems in the energy sector. Further challenges are to modernise and expand the country's infrastructure network, including rail and roads, and improving transport links with neighbourhing countries.

Debt remains under control, currently standing at 22% of GDP. The country is expected to run substantial budget deficits in coming years to finance its investment needs, leading to higher debt-to-GDP ratios. The government should carefully monitor the fiscal position to maintain some headroom.

We expect growth in Kosovo to accelerate to 4.0% in 2019, in line with the country's current growth potential. Over the next 15 years, Cebr forecasts that Kosovo will move up four places in the World Economic League Table to 142nd place.

Kosovo	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	3.7	4.7	5.5	6.5	6.8	8.0	9.7	11.8
GDP, USD bn (constant prices)	4.4	6.5	7.5	7.7	7.9	9.7	12.6	16.4
GDP, USD bn (current prices)	3.4	5.7	7.1	7.8	8.2	10.9	15.6	22.4
Rank	138	143	148	146	146	145	144	142

2.93 Kuwait

Kuwait is located on the tip of the Persian Gulf, bordering Iraq to the north and Saudi Arabia to the south. It is a small, oil-rich country with a GDP per capita of $66,980 in 2018 international dollars, making it one of the richest counties in the world.

Its huge oil reserves, estimated to hold around 6% of world reserves, mean petroleum accounts for half of GDP and for the vast majority of export revenues. A second important industry is the financial sector, in particular Kuwait's large wealth management industry. The country has a small tourism sector that accounts for around 1.5% of GDP. Agriculture plays only a small role in the economy, with most of the fruit and vegetables grown for consumption in the domestic market.

Given Kuwait's dependence on oil, GDP growth has been volatile. Kuwait's economy grew rapidly between 2011 and 2012, averaging an annual growth rate of 9.8%. However, growth has been sluggish since 2013 and GDP contracted by 3.3% in 2017. The recovery in the oil price in 2017 was achieved partly through production cuts by the Opec members, meaning that the economies of Kuwait and other member states suffered. In 2018, growth has rebounded on the back of stronger oil production and exports and we expect the economy to have expanded by 2.3%.

Reform attempts to diversify the economy have repeatedly failed in the past. In its most recent five-year plan, the government is aiming to expand its revenue base and support private sector growth. The public sector currently employs nearly three-quarters of all Kuwaitis. As oil prices are predicted to remain 'lower for longer', the future success of the Kuwaiti economy will depend on how successfully a growth-oriented reform programme can be implemented.

Although debt as a share of GDP has multiplied over recent years to reach 18.8% in 2018, the country's fiscal position is still under control.

We expect growth of 4.1% in 2019 and 2020. After this, growth is expected to gradually moderate to just under 3% in the medium term. This will see Kuwait fall from 58th to 64th in the World Economic League Table by 2033.

Kuwait	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	25.6	36.5	39.7	40.0	41.6	48.1	55.0	62.8
GDP, USD bn (constant prices)	62.6	168.8	184.8	141.2	145.8	160.8	173.7	187.6
GDP, USD bn (current prices)	47.8	147.4	174.2	144.5	152.4	181.1	215.2	255.8
Rank	58	53	57	58	58	58	61	64

2.94 Kyrgyzstan

Kyrgyzstan is a landlocked country in Central Asia, sharing borders with China, Kazakhstan, Tajikistan and Uzbekistan. It has a GDP per capita of $3,810 in international dollars. Kyrgyzstan is a mineral rich nation, exporting large quantities of gold and mercury. Indeed, the Kumtor gold mine alone accounts for roughly 10% of GDP. Agriculture employs nearly half of the workforce and makes up 15% of GDP. Kyrgyzstan also receives large flows of remittances – predominantly from workers in Russia and Kazakhstan. The value of these remittances amounts to nearly a third of GDP.

Weakening levels of production from the Kumtor mine have contributed to a slowdown of the Kyrgyzstani economy in 2018. This highlights the country's excessive reliance not only on a single commodity but on a single mine producing that commodity. An ongoing legal dispute with the Canadian firm which owns the mine – in which the Kyrgyzstani government is pushing for increased payments – is likely to act as a deterrent to other prospective investors.

Economic diversification will be key for the economy going forward, and Kyrgyzstan is blessed with the natural resources to achieve this. Potential growth sectors include agriculture – which is currently being held back by a shortage of fertilisers – and hydropower. Neighbouring Uzbekistan has also recently expressed an intention to begin vehicle production in Kyrgyzstan, which could represent another avenue for diversification and growth.

In the coming years, Kyrgyzstan will remain vulnerable to external shocks such as a weakening of commodity prices as well as an economic slowdown in Russia and China. Cebr forecasts that the economy will grow by 2.4% per year in the medium term, which will see it move from 145th in the World Economic League Table in 2018 to 151st by 2033.

Kyrgyz Republic	**2003**	**2008**	**2013**	**2018**	**2019**	**2023**	**2028**	**2033**
GDP, local currency bn (constant prices)	94.4	121.5	146.0	177.0	182.3	203.7	229.5	258.6
GDP, USD bn (constant prices)	2.5	5.9	7.8	7.8	8.0	9.0	10.4	11.9
GDP, USD bn (current prices)	1.9	5.1	7.3	8.0	8.4	10.1	12.8	16.2
Rank	151	147	147	145	145	147	149	151

2.95 Laos (Lao P.D.R.)

The Lao People's Democratic Republic is a landlocked ASEAN country bordering Vietnam to its east, China and Myanmar to the north, Thailand to the west and Cambodia to the south. Like Vietnam, Laos remains nominally communist, but in fact has opened its economy to foreign trade and investment recently. With a GDP per capita of $7,960 in international dollars, it is one of the poorer countries in the region.

The economy is mostly driven by Laos' capital-intensive extractive sectors. The country has large resources of copper, gold and tin. Foreign direct investment enabled a number of hydropower dams to be constructed along the Mekong River, turning Laos into a regional electricity supplier. The country is slowly building up a manufacturing sector concentrated on the assembly of electronic parts and components. This sector is geared towards exports and is highly integrated into supply chains in the region. Tourism is also playing a growing role in the economy, although the country saw two consecutive years of falling visitor arrivals in 2016 and 2017. Recent growth has been strong, but the annual expansion in GDP has gradually declined from 8% to 6.9% between 2013 and 2017.

Laos is on its way to graduate from 'least developed country' status but the country faces a number of challenges including insufficient transport infrastructure and a large informal sector. The business environment should be improved to attract further foreign investment and spur private sector job growth. Downside risks to the growth outlook include Laos' vulnerability to natural disasters as well as external imbalances. At 67%, debt as a share of GDP remains elevated and the country continues to post large budget deficits in the 4-6% region. Continued efforts are needed to reduce the deficit and thereby strengthen macroeconomic stability.

We expect average annual GDP growth of around 6.8% in 2018, with 2019 seeing an uptick to 7.0%. In the long run, growth of just under 7% is forecast. This would see it climb to 105th in the World Economic League Table by 2033.

Lao P.D.R.	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	41618	60442	88160	124323	133033	173637	241436	335710
GDP, USD bn (constant prices)	3.0	6.8	12.7	17.8	19.1	25.1	34.9	48.6
GDP, USD bn (current prices)	2.3	5.9	12.0	18.2	20.0	28.3	43.3	66.3
Rank	147	141	132	118	117	113	108	105

2.96 Latvia

Latvia is a small Baltic state in the northeast of Europe, bordering Estonia to the north, Russia to the east, Belarus to the southeast and Poland to the southwest. Latvia is a member of the European Union as well as of the Eurozone. Latvia has a GDP per capita of $29,490 in international dollars.

Following its independence in 1991, Latvia transitioned into an open market economy. The country saw rapid economic growth in the 2000s, when the economy expanded at an average annual rate of 9% between 2001 and 2007. However, a large current account deficit, a collapsing housing market and a failing bank led to a severe recession during the financial crisis – Latvia's economy contracted by more than 14% in 2009. It took the country a decade to bring GDP back to the levels seen in 2007.

Important industries in Latvia include manufacturing, particularly chemicals and machinery. Recently it has utilised its high levels of education to move into the financial services and IT sectors. Latvia was hit hard by the Russian food import ban, and its eastern neighbour has in the past used its considerable leverage – especially over energy and electricity – as a geopolitical tool to complicate economic growth in the country.

Unemployment fell to a 10-year low in 2018 and the tight labour market is supporting domestic demand. Due largely to the the EU-wide economic slowdown, Latvia's external sector saw a reduction in growth in 2018. We therefore expect the economy to have expanded by 3.7% in 2018, down from the 4.5% seen in 2017.

Latvia's debt has decreased slowly but steadily and is expected to stand at 35% of GDP in 2018, down from 36% the previous year. At 1.2%, the budget deficit is within EU rules.

Given the cyclical downswing in the EU, we expect growth to moderate further in 2019 to 3.3%. In the long run, growth will converge to around 3%.

Latvia	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	15	22	20	24	24	27	32	37
GDP, USD bn (constant prices)	15.4	40.9	32.1	33.5	33.6	36.9	42.6	49.3
GDP, USD bn (current prices)	11.8	35.8	30.3	34.3	35.1	41.5	52.8	67.2
Rank	94	83	101	99	100	101	103	103

2.97 Lebanon

Lebanon is a Middle Eastern country on the Mediterranean Sea, sharing borders with Syria to the north and east and Israel to the south. It is one of the most affluent non-oil economies in the region, with a per-capita GDP of $20,030 in international dollars. Lebanon has large banking and tourism sectors concentrated in its capital Beirut.

The country has been heavily affected by the Syrian war, which has cut off one of Lebanon's main transport corridors and effectively destroyed one of the most important external markets. Moreover, the country of 6 million has had to cope with over 1.3 million Syrian refugees, which put a strain on the public finances and led to increased competition for low-skilled jobs. The country suffers from a number of weaknesses that pre-date the Syrian war, including poor infrastructure, weak rule of law, widespread corruption and red tape. These factors combine to create a business environment that has limited foreign investment and private sector growth.

The fiscal position of the country is a major drag on the economy. Lebanon has the world's third highest debt-to-GDP ratio at 150%. Debt servicing costs exert a strain on the public finances and constrain the government's ability to finance much needed infrastructure projects. Repeated pledges of economic and political reform have largely gone unfulfilled. In 2018, international donors came together for the CEDRE investment event to agree on more than $11 billion in concessional loans and grants for Lebanon. However, political deadlock for most of the year has meant that Lebanon remains unable to pass the reforms and legislature required to access these funds.

Lebanon continues to face deteriorating public finances, with a large twin deficit. The current account deficit stood at 26% in 2018 while the budget deficit reached 9.7%, leading to further increases in the debt-to-GDP ratio.

GDP growth looks to have slowed in 2018 to 1.0%, down from 1.5% in 2017. The country will struggle to achieve growth above 2.0% in the medium term. An upside risk to this forecast is that offshore oil exploration is expected to start in 2019 which could lead to an improvement in Lebanon's economic prospects. Cebr expects that Lebanon will fall from 80th place in the World Economic League Table in 2018 to 82nd place by 2033.

Lebanon	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	36301	48711	61679	65758	66678	72528	82862	96059
GDP, USD bn (constant prices)	25.5	33.5	49.3	55.4	57.2	63.5	74.1	87.9
GDP, USD bn (current prices)	19.5	29.2	46.5	56.7	59.7	71.5	91.9	119.8
Rank	77	88	87	80	81	83	86	82

2.98 Lesotho

Lesotho is a landlocked country fully enclaved by South Africa, with a GDP per capita of $3,370 in international dollars. Important sectors of the economy include agriculture, diamond mining and textiles manufacturing. Lesotho has also been historically reliant on remittances and revenues from the Southern African Customs Union, although both of these streams of income have been diminishing in recent years.

Over the last two years, external demand has been hit by the economic slowdown in South Africa. A decline in revenues from the Southern African Customs Union has also generated considerable fiscal pressures. However, strong growth in the construction and mining sectors looks to have buoyed Lesotho's economy in 2018, with GDP growth of 0.8% expected following the 1.6% contraction the previous year. Growth in the coming years will be boosted by construction works surrounding the Lesotho Highland Water Project (LHWP) as well as increasing production at the Lets'eng and Kao mines. When completed in 2025, the LHWP has the potential to deliver a considerable boost to Lesotho's exports of power and water. Other areas of potential growth include the tourism sector, which is currently relatively untapped compared to that of South Africa.

The government has made efforts to improve the business environment and attract foreign investment, for instance by streamlining the business and property registration processes. Meanwhile, it has also taken steps to lower the fiscal deficit, with a particular focus on the public sector wage bill. These reforms should help to facilitate growth of around 4% per year in the medium term. The weak performance of the South African economy together with the small-size of Lesotho's economy will constrain the country's growth potential in the coming years. Cebr expects Lesotho to move from 164th in the World Economic League Table in 2018 to 166th in 2033.

Lesotho	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	14.7	18.0	22.6	24.4	24.7	28.4	34.5	42.0
GDP, USD bn (constant prices)	1.6	2.0	2.7	2.9	2.8	3.2	3.8	4.0
GDP, USD bn (current prices)	1.2	1.8	2.5	3.0	3.0	3.7	4.7	5.5
Rank	160	164	165	164	164	165	166	166

2.99 Liberia

Liberia is a country on the west coast of Africa with a GDP per capita of $1,333 in international dollars. This places it among the poorest countries in the world. Liberia has rich mineral resources – in particular gold and iron ore – and the extractive sector is an important source of exports and government revenues. Other key exports include rubber, palm oil and cocoa. In 2017, remittances amounted to nearly a fifth of Liberia's GDP.

The Liberian economy was hit hard by the twin impacts of the Ebola outbreak and the fall in commodity prices in 2014 and 2015. The opening of new gold and iron mines helped to return Liberia to positive growth in 2017. Recent infrastructure improvements, including the rehabilitation of the Mount Coffee hydropower dam and the upgrading of major roads, will support economic growth in the medium to long term.

The new administration, led by President George Weah, has set its focus on economic diversification, given Liberia's current exposure to external shocks. Investing in the country's education system will be fundamental in supporting private sector growth. Also key will be improving the business environment. Currently, unreliable power supplies, as well as onerous procedures for registering property and enforcing contracts, are acting as a drag on growth.

In 2018, Liberia saw its first democratic transition of power since 1944. The stability the country has seen since the elections will be beneficial for confidence – both domestically and internationally. A challenge for the country going forward will be achieving its developmental targets while avoiding an unsustainable accumulation of public sector debt. The public finances have come under pressure in recent years due to a decline in aid flows and the fiscal deficit now stands at over 5% of GDP.

Cebr forecasts that the economy will expand at an average annual rate of 5.2% over the next fifteen years. This will be driven by the high rate of population growth, improvements to infrastructure and increasing foreign investment. This forecast is, however, conditional on continued political stability. Downside risks to growth include a softening of commodity prices and a slowdown in demand from China. We expect Liberia to move from 163rd in the World Economic League Table in 2018 to 159th place by 2033.

Liberia	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	0.7	1.0	1.4	1.5	1.5	1.9	2.4	3.1
GDP, USD bn (constant prices)	1.0	2.0	3.3	3.1	3.1	3.8	5.2	7.2
GDP, USD bn (current prices)	0.7	1.7	3.1	3.2	3.2	4.3	6.5	9.8
Rank	170	165	161	163	163	163	160	159

2.100 Libya

Libya is a North African country with borders with Egypt to the east and Algeria and Tunisia to the west, and a GDP per capita of $10,800 in international dollars. With Africa's largest proven reserves of crude oil, the economy is heavily reliant on the export of fossil fuels. Historically, the country's economic performance has been constrained by weak institutions and high levels of unemployment.

Since the overhaul of Colonel Gaddafi in 2011, Libya has been embroiled in an ongoing civil war between numerous competing factions. This political instability, together with oil price weakness strangled economic growth between 2013 and 2016. However, oil production has since bounced back, exceeding 1 million barrels per day through much of 2017 and 2018, fuelling annual GDP growth of 64% and 11% respectively. This recovery has been aided by Libya's exemption from OPEC supply cuts. However, in response to the recent slump in oil prices, OPEC is reportedly considering cuts to oil production from which Libya may not be exempted. Furthermore, an intensification of fighting at major export terminals has seen oil production decline in the second half of 2018, bringing into focus the continued instability of Libya's economic recovery.

However, there have been some causes for cautious optimism over the course of the last year. The stabilisation of the Libyan Dinar has helped to bring down inflation, and the recovery of oil exports – which account for around 80% of the country's export earnings – has enabled Libya's current account to return to surplus. However, a number of potent risks remain. Foreign exchange reserves are running dangerously low, while government expenditures are unsustainably high. Meanwhile, the perpetuation of the civil war will continue to divert resources away from the restoration of infrastructure and public institutions that the economy is in dire need of.

Cebr forecast GDP growth of around 11% in 2018 and 2019, as the restoration of oil production levels continues to spur economic growth. Longer term, we expect annual growth rates of 1.5%, as the economy's over-reliance on oil exports makes it particularly vulnerable to the expected decline in oil prices over the next decade. The high degree of uncertainty surrounding Libya's political situation means that our forecasts are subject to considerable upside and downside risks.

Libya	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	51.4	69.8	33.1	22.8	25.2	26.7	28.8	31.1
GDP, USD bn (constant prices)	34.2	84.6	55.1	42.3	49.1	66.3	77.7	84.6
GDP, USD bn (current prices)	26.2	73.9	51.9	43.2	51.3	74.7	96.3	115.4
Rank	67	65	80	90	87	80	82	86

2.101 Lithuania

Lithuania is a Baltic State in north-east Europe, with a GDP per capita in 2018 of $34,800 in international dollars. A former member of the USSR, Lithuania restructured its economy for better integration into Western Europe after the last Russian troops withdrew in 1993. The country joined the European Union in 2004 and became a member of the Eurozone in 2015.

Despite a 0.4% quarterly contraction in Q3, Lithuania is on track to record strong economic growth in 2018, outperforming many of its Eurozone counterparts. The country has benefitted from the recovery in oil prices, with petroleum refinement representing one of its largest industries. Furthemore, an economic pickup in key export partners including Russia and Latvia has boosted external demand. The unemployment rate in Lithuania has fallen steadily from a peak of 18.3% in 2010 to 6.2% as of September 2018. Improving productivity is a key challenge for Lithuania, with labour productivity per hour currently at just two thirds of the EU average. The country is making large strides in this area, with a productivity growth rate of 5% among the highest in Europe. Lithuania's tightening labour market together with improvements in productivity have contributed to annual wage growth of nearly 10% in Q2 2018. This promises to support solid private consumption growth in the short to medium term.

The government has ambitious plans to develop high-value added industries such as life sciences and fin-tech, aiming to expand the former from 1% of GDP currently to 5% of GDP by 2030. Achieving this will require continued investment in education and human capital more broadly. Demographics present another obstacle. Lithuania's working-age population is expected to shrink by more than 10 percent over the next fifty years, which will inevitably exert a drag on the country's rate of economic growth. Reducing the outflow of young Lithuanians will become an increasingly critical component of the country's growth strategy going forward. The shrinking differential in wages between Lithuania and the rest of Europe is a step in the right direction in this regard.

Lithuania's public finances are in good shape. The government is currently operating a small budget surplus and public sector debt stood at 35% of GDP as of Q2 2018 compared to a Eurozone average of 86%.

Cebr expect forecast annual GDP growth to average 2.5% over the next four years, as rapidly rising wages support private consumption. This is expected to fall back to 2% over the remainder of the forecast horizon. This growth trajectory sees Lithuania fall from 84th in the World Economic League Table in 2018 to 95th by 2033 – a fall mirrored by most other European countries.

Lithuania	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	23.0	32.4	31.9	37.1	38.2	41.9	46.1	50.8
GDP, USD bn (constant prices)	24.6	55.1	49.2	51.3	51.2	55.0	61.3	68.4
GDP, USD bn (current prices)	18.8	48.1	46.4	52.5	53.5	61.9	76.0	93.2
Rank	78	78	88	84	85	90	92	95

2.102 Luxembourg

With a GDP per capita of $109,200 international dollars in 2018, Luxembourg is the third richest country in the world behind Qatar and Macao. Services account for around 87% of GDP, making Luxembourg one of the most service-oriented economies in the world. While efforts are being made to diversify, financial services exports remain the key engine for the economy – in 2017, Luxembourg's exports of goods and services amounted to 230% of GDP.

In contrast to the Eurozone as a whole, the Luxembourg's economy performed well in 2018, growing by an estimated 4.0%. Despite the tapering off of its net asset purchasing programme, the European Central Bank's monetary policy has remained accommodative. This has provided a boost to Luxembourg's investment funds, as global investors seek higher returns. Steadily falling unemployment has also bolstered domestic demand.

Luxembourg has one of the lowest government debt to GDP ratios in the world, at just 22% of GDP. This, together with its healthy fiscal surplus is allowing the government to implement a collection of personal and corporate income tax cuts, which will bolster private consumption and business investment in the coming years. While higher interest rates over the next two years represent a downside risk for the financial services sector, the UK's imminent departure from the European Union represents an opportunity for the Grand Duchy. Indeed, Brexit already appears to be having an impact, with the number of people employed in Luxembourg's investment industry rising by 10% since 2016 as UK-based investment firms begin to implement their contingency plans.

We expect the economy of Luxembourg to expand by 3% per year in the long run, which would see it slip from 73rd place in the World Economic League Table in 2018 to 79th place in 2019.

Luxembourg	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	33.3	40.1	42.6	50.8	52.6	59.5	69.0	80.0
GDP, USD bn (constant prices)	38.7	64.2	65.5	67.4	67.2	73.0	83.5	95.5
GDP, USD bn (current prices)	29.6	56.1	61.8	69.0	70.2	82.2	103.4	130.2
Rank	65	71	71	73	74	76	78	79

2.103 Macao

Macao is located in south-east Asia, bordering the Chinese city of Zhuhai and the Pearl River delta. It has a population of just over 650,000 and a GDP per capita of $118,100 in international dollars making it the second richest country in the world behind Qatar. Bestowed with limited natural resources and arable land, the country relies heavily on food, energy and capital goods imports from mainland China, Hong Kong and Japan. The economy is dominated by the gambling and tourism sectors. In 2017 its six licensed casino operators brought in gaming revenues of $33 billion, highlighting the importance of the gambling sector for a country whose GDP was only $50 billion that year.

Macao experienced a difficult period between 2015 and 2016, as an anti-corruption campaign from China hit the casino industry. The economy has since bounced back, recording GDP growth of 9.1% and 6.3% in 2017 and 2018 respectively. With that being said, there are causes for concern. The casino industry is heavily reliant on wealthy tourists from the Chinese mainland, and the economic slowdown in China threatens to stem the flow of these visitors. Gaming revenues are also linked to credit availability and the strength of the housing market in China, both of which have fallen back significantly. Meanwhile, the recent appreciation of the Macanese pataca against the renminbi has made Macao a more expensive destination for Chinese tourists. Another challenge is growing competition in the casino space from Japan and the Chinese province of Hainan.

Given the above issues, diversification will be key for Macao going forward. The government has taken steps to develop a conventions and exhibitions sector, in addition to a financial sector based on wealth management. Moreover, there is considerable scope for Macao to lessen its reliance on gambling revnues by expanding its offering to tourists. This potential is illustrated by the case of Las Vegas, where 65% of total revenues are from the non-gaming sector, compared to just 12% in Macao.

We expect annual economic growth of 6.3% in 2018 and 2019, and a lower rate of 4.2% in the longer term. This is in line with the projected moderation in growth in China, which remains the backbone of Macao's tourism revenues.

Macao	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	136.9	251.5	471.7	420.1	446.5	539.1	662.6	814.3
GDP, USD bn (constant prices)	10.7	23.9	54.7	52.7	55.3	64.3	75.0	87.5
GDP, USD bn (current prices)	8.2	20.9	51.6	54.0	57.8	72.4	92.9	119.3
Rank	109	103	81	83	82	82	85	83

2.104 Madagascar

An island nation located off the coast of East Africa, Madagascar has a population of roughly 26 million and a GDP per capita of $1,603 in international dollars. Around four fifths of the workforce are employed in agriculture, despite this sector accounting for less than a quarter of GDP. Madagascar's unique climate has allowed it to become the world's largest producer of vanilla. Other key exports include cloves, textiles, and nickel.

Madagascar's agricultural sector rebounded in 2018, following a 6.6% contraction in 2017 brought about by a series of cyclones and droughts. The price of vanilla has also risen sharply, at one point overtaking the price of silver in USD per kg. While beneficial to Madagascar's exports, this price rise was in large part due to the global supply side shock resulting from Cyclone Enawo in Madagascar in 2017. The tightetning of monetary policy by the Central Bank of Madagascar appears to have kept inflation in check and on a downward trajectory.

The relative political stability that Madagascar has seen in recent years has been a key factor driving its growth. For instance, textile exports have been boosted significantly by its duty-free access to the US market made possible by compliance with the requirements of the African Growth and Opportunity Act. Maintaining political stability in the aftermath of the general election that took place at the end of 2018 will therefore be critical in preserving growth in the medium term.

Madagascar's reliance on exports makes it highly vulnerable to external shocks, such as commodity price swings and climate events. Furthermore, it is heavily reliant on oil imports, leaving the economy exposed to rising oil prices. Promoting diversification into other sectors such as ecotourism will be fundamental in decoupling Madagascar's economic fortunes from these external swings.

The natural disasters that took place in 2017 have driven the budget deficit above 2% of GDP. Government debt is also on the rise, although at 35% of GDP, it remains below the average for African countries. Cebr forecasts that the economy will grow by 5.4% in 2019, supported by government investment in infrastructure and strong growth in the tourism sector. By 2033, we expect Madagascar to move to 128th in the World Economic League Table, from 133rd in 2019.

Madagascar	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	5349	7092	7241	8789	9265	11285	14396	18390
GDP, USD bn (constant prices)	7.2	10.8	11.2	12.2	13.0	15.6	21.0	26.3
GDP, USD bn (current prices)	5.5	9.4	10.6	12.5	13.6	17.6	26.0	35.8
Rank	123	132	138	135	133	130	127	128

2.105 **Malawi**

Malawi is a landlocked country in East Africa with a GDP per capita of $1,200 in international dollars. Agriculture is the primary source of employment, with around four in five Malawians living in rural areas. The agriculture sector also accounts for nearly 30% of GDP. Tobacco accounts for more than half of Malawi's exports, although sugar, tea and gold are also important sources of revenue.

The economy is vulnerable to climatic events via two channels. Firstly, flooding – as took place in 2014/15 – or drought – as took place in 2015/16 – can be devastating to output from the agriculture sector upon which much of the population relies. A shortfall in domestic maize production also forces the government to import maize from elsewhere, exterting pressures on the fiscal balance. Secondly, hydropower generates 95% of Malawi's energy – with a large part of this coming from the Shire River. Therefore, during periods of low rainfall, large parts of Malawi are susceptible to power shortages which can be crippling to affected businesses, which often have to invest in back-up power supplies.

Despite these challenges, the economy has grown consistently over the last ten years. Growth in 2018 is likely to have been adversely impacted by the armyworm infestation – which is expected to wipe out 10% of Malawi's maize crop this year. We therefore forecast that the economy will expand by 3.3% in 2018, down from the 4.0% growth recorded in 2017. The fiscal deficit is expected to fall below 4% of GDP in 2018. Government debt as a share of GDP is also now on a downward trajectory, but at close to 60% of GDP, Malawi's public finances remain somewhat precarious. Government efforts to curtail public spending should continue to bring down the deficit – although the upcoming elections in 2019 could threaten these reforms.

The population continues to grow rapidly at around 3% per year. This together, with improvements in infrastructure as the country develops should facilitate strong economic growth of around 6% per year in the medium term. However, volatility will remain due to Malawi's vulnerability to external shocks. We expect Malawi to rise from 149th in the World Economic League Table in 2018 to 147th by 2033.

Malawi	**2003**	**2008**	**2013**	**2018**	**2019**	**2023**	**2028**	**2033**
GDP, local currency bn (constant prices)	673	905	1177	1407	1473	1843	2466	3300
GDP, USD bn (constant prices)	4.2	6.1	5.8	6.7	7.0	8.4	10.4	12.9
GDP, USD bn (current prices)	3.2	5.3	5.4	6.9	7.3	9.4	12.9	17.6
Rank	139	146	151	149	150	150	147	147

2.106 Malaysia

Malaysia gained independence from the UK on 31 August 1957 and has had substantial economic success since then. The country was ruled for 50 years by an alliance called the Barisan National. In 2018 a democratic election caused a change in government for the first time since independence and Dr Mahathir, a nonagenarian former Prime Minister, took charge again.

Since then the country has been changing fast with cancellation of Chinese led infrastructure programmes and tax reform.

In the period since independence the country successfully transformed itself from a major commodity producer to an industrial hub with specialities in areas such as electronics. GDP per capita at $30,820 in 2018 international dollars is 51st in the world and has overtaken some of the EU member states.

The new government has problems since it is a coalition of different views and interests brought together mainly by a dislike of the outgoing Prime Minister Najib who is alleged to have taken bribes on a scale that has shocked Malaysia. Najib is now languishing under house arrest facing major charges after his attempt to leave the country was blocked by demonstrations on the runway. The most powerful figure in the current coalition, Anwar Ibrahim, was even previously jailed by Dr Mahathir, allegedly on trumped up charges.o the ability of the new government to hold together is not a given. If Anwar and Mahathir can in fact now work together, however, it sends a powerful message to the others in government.

Malaysia depends on exports, particularly to other ASEAN countries and to China, and the difficulties of the world economy and the threats to trade will determine its economic prospects. A deficit of 2.7% of GDP in 2018 and a debt ratio of 55% of GDP in the same year leave little scope for a government-led boost to growth.

We are assuming that the new government will continue to reform the economy. On that basis we predict annual growth of 4.8% from to 2033. With a stronger ringgit this should allow Malaysia, which has been falling back in the WELT league table in recent years, to rise up the table again. We now predict that Malaysia will have risen from 37th place in 2018 to 25th place in 2033, knocking on the door of the G-20. This is a sharp improvement on the forecast that we made a year ago when Malaysia was only forecast to reach 33rd place in 2032.

Malaysia	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	588	776	955	1230	1286	1553	1967	2492
GDP, USD bn (constant prices)	154.7	273.2	344.7	339.4	356.6	442.6	577.5	752.5
GDP, USD bn (current prices)	118.3	238.6	324.9	347.3	372.6	498.5	715.7	1026.2
Rank	39	40	35	37	35	32	26	25

2.107 The Maldives

The Maldives is a country of around 400,000 people made up of roughly 1,200 islands in the Indian Ocean to the southwest of India. In 2018, GDP per capita surpassed $20,000 in international dollars for the first time. The Maldives has developed rapidly in recent years, with the life expectancy at birth rising by nearly 16 years between 1990 and 2015. The dominant industries have historically been fishing and tourism, although construction has also now become a key part of the economy.

A strategic priority for the current government in recent years has been the development of infrastructure that will enable the population to move from smaller islands to the Greater Malé region. The Maldives currently struggles with weak government institutions as well as low engagement in the economy among certain demographics, in particular young people and women. Promoting a greater concentration of activity around the Greater Malé region as well as more connectivity between different parts of the country should alleviate these problems to some extent.

While the recent construction boom has become a powerful driver of the economy, much of it has been reliant on external finance, leading to a ballooning of the current account deficit from 3% of GDP in 2014 to 25% of GDP in 2016. Much of the investment for the infrastructure has come from China, with estimates of the amount owed ranging from $1.5 billion to $3.2 billion. In order to maintain some control of the public finances during this period of heavy capital investment, the government has reigned in its expenditures, largely by reducing food subsidies and healthcare spending. This has lowered the fiscal deficit from 9% of GDP in 2016 to under 6% in 2018. However, gross government debt has risen to 65% of GDP, and further efforts to curtail fiscal expenditures are essential to prevent this situation from becoming unstable. The short maturities of government debt add to the Maldives' vulnerability in this area.

Heavy infrastructure spending as well as strong tourism numbers – which in 2018 were up around 8% on 2017 – have facilitated strong economic growth in recent years. The government's efforts to close the infrastructure gap have the potential to considerably boost the economy in the coming years, by further attracting tourists, easing the delivery of public services and reducing vulnerability to climate change. However, this spending has also left public finances in a precarious position which needs to be redressed. Ongoing risks also include rising sea levels as well as fall in visitor numbers from China as its economy looks set to slow in the coming years.

Cebr forecasts GDP growth of 4.7% and 5.0% in 2018 and 2019 respectively, rising to 5.4% in the medium term as the economy begins to reap the benefits of its recent infrastructure investment. This will see the Maldives climb from 156th to 152nd in the World Economic League Table between 2018 and 2033.

Maldives	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	32.6	44.5	52.9	66.7	70.0	86.5	112.4	146.0
GDP, USD bn (constant prices)	1.4	2.6	3.5	4.7	4.9	6.2	8.3	10.9
GDP, USD bn (current prices)	1.1	2.3	3.3	4.8	5.2	7.0	10.2	14.9
Rank	162	160	160	156	156	155	153	152

2.108 Mali

Mali is a large West African country with a GDP per capita of $2,270 in international dollars in 2018. Nearly two thirds of the land is desert or semi-desert, meaning that activity is largely concentrated around the Niger River. Agriculture is a major part of the economy, making up more than two fifths of GDP. Mali is Africa's third largest gold producer behind South Africa and Ghana, and this commodity forms a large chunk of the country's export revenues.

Mali's economic progress has been constrained by ongoing spates of violence and instability. That being said, macroeconomic performance has been solid in recent years. Annual GDP growth averaged more than 5% between 2013 and 2017 and is expected to stand at 5.1% in 2018. Meanwhile, inflation has largely remained below the West African Economic and Monetary Union's 3% ceiling.

The economy's continued reliance on commodity exports and agriculture leave it vulnerable to extreme weather events and commodity price swings. Going forward, diversification into other areas such as Mali's burgeoning ICT sector will be key in decoupling the country's economic fortunes from these external events.

Government gross debt is currently around 37% of GDP. In order to control the fiscal deficit while delivering the type of infrastructure investments that will be crucial for Mali's development, the government has made efforts to broaden its tax base and decentralise fiscal expenditures. Despite these efforts, the fiscal deficit has risen from 2.9% of GDP in 2017 to 3.3% of GDP in 2018. However, given the high rate of GDP growth, overall government debt as a share of GDP should continue to fall.

In the medium to long term, Cebr forecasts annual GDP growth of 4.8%. However, it is worth stressing that a large portion of this can be attributed to the rapid population growth rate, which currently exceeds 3%. Furthermore, recent incidences of violence in the central region highlight that security remains a major obstacle to development. Despite the high rate of GDP growth, Mali remains one of the world's poorest countries, and a focus on a more equitable redistribution of resources and investment in public infrastructure will be necessary in driving up standards of living for the majority of the country's 20 million people.

Mali	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	2747	3373	3899	5194	5445	6576	8325	10539
GDP, USD bn (constant prices)	6.2	11.2	14.1	17.0	17.7	22.2	30.0	40.3
GDP, USD bn (current prices)	4.7	9.8	13.2	17.4	18.5	25.0	37.1	54.9
Rank	130	131	126	119	119	119	114	112

2.109 Malta

The Republic of Malta is an EU member state consisting of an Archipelago of three main islands located approximately 80km south of Italy. It has been independent since 1962 and the last Bristish military base left the island in 1979, taking with it the country's main driver of growth. Since the nineties, Maltese politicians have been instituting financial and regulatory reforms, reinventing the island from a stepping stone for soldiers and ships into one for money, under high standards of regulation, transparancy and stability. While tourism remains an important sector, other service sectors play a significant role. These sectors have been attracted by a (traditionally) low-cost english-speaking labour force with a proclivity for education. As important, is the nation's attractive tax schemes, which mean that foreign-owned companies face an effective tax rate of 5% vs a European average of 22%.

Malta continued to see rapid growth in 2018, with GDP forecast to have increased by 5.7% over the year. It has been among Europe's fastest growing economies for the past three years. Malta's recent growth has been primarily driven by increased government spending, which rose by nearly 13% between 2017 and 2018. Despite this, the government has been able to run a surplus, by virtue of Malta's citizenship scheme for foreign nationals. The citizenship scheme has raised about €1.25 million per successful applicant, for over 700 individuals since 2014.

In April 2018, just as several Asian countries were cracking down on cryptocurrencies, Malta announced that it would become the first country in Europe to create a regulatory and legislative framework specifically designed to attract virtual currencies. The move has attracted blockchain businesses, and the country is now responsible for the majority of the world's trade in cryptocurrency.

2017 saw a strong expansion in output accompanied by a record lows in unemployment rate. However, inflows of foreign workers and rising labour force participation kept wage pressures contained. 2018 has seen price pressures pick up with inflation climbing to 2.5% in September and, at 16.9% in the year to June, house price growth is among the fastest in the world. High house prices have been driven by the inflows of foreign workers and investment (originating from the citizenship scheme).

We expect Malta to be among the fastest growing European countries in 2019, driven by strengthening domestic demand, high foreign investment in the health, tourism, and real estate sectors, and the continued large external surplus of the internationally oriented services sector. The risks to growth look broadly balanced. As Malta's trade-to-GDP ratio stands at around 250%, a further escalation of trade tensions poses a relatively high threat. On the upside, an acceleration of consumer culture may see domestic demand grow more quickly than anticipated. In the longer term, the European Parliament's March 2018 vote to pursue the harmonsation of corporation tax rates throughout the EU threatens to undermine the nation's ability to attract foreign companies. A nonprofit advocacy group, Tax Justice Network, issued a report estimating that such a policy would cut Malta's tax base by more than half.

We expect the Maltese economy to grow by 5.7% in 2017, slowing to an annual GDP growth rate of 3.2% by 2022. Over the 15-year horizon, Malta is expected to move down 13 places in the World Economic League Table to 141st.

Malta	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	5.7	6.5	7.2	10.1	10.6	12.1	14.2	16.5
GDP, USD bn (constant prices)	7.1	10.3	10.8	13.9	14.2	15.7	18.3	21.4
GDP, USD bn (current prices)	5.4	9.0	10.1	14.3	14.8	17.7	22.7	29.1
Rank	124	133	139	127	128	129	134	141

2.110 Marshall Islands

The Marshall Islands are a series of coral atolls and small islands in the Pacific Ocean, with a GDP per capita of $3,680 in international dollars. It is a sovereign nation with a Compact of Free Association with the United States. Under this arrangement, the US rents the Kwajalein atoll for military purposes in exchange for the provision of security, defense and as well as roughly $70 million annually until 2023/24. Part of these financial transfers are channelled into a trust fund for the Marshall Islands, which aims to ensure that it can remain self sufficient after 2024.

The economy is based primarily on transfers from the US, with the US military base on the Kwajalein atoll also a major employer. Another source of income is through the sale of fishing rights to other countries. The service sector is sustained by the presence of the US military on the islands and many other activities receive subsidies to discourage excessive emigration.

The Marshall Islands have few natural resources, and the main agricultural products are coconuts and breadfruit. Due to its small size and dependence on the primary industry, the economy is exposed to commodity price swings. Further risks include natural disasters such as drought and flooding, as well as sea level rise associated with climate change. A potential source of growth in the future is the fishing sector, which is currently relatively underdeveloped.

Annual GDP growth is expected to slow to 2.3% in 2018, 0.2 percentage points below the 2.5% growth rate recorded in 2017. The Marshall Islands' remoteness and small size limit the potential for private sector growth. However, structural reforms to improve the business climate, in particular by improving access to credit, could facilitate some progress.

Marshall Islands	**2003**	**2008**	**2013**	**2018**	**2019**	**2023**	**2028**	**2033**
GDP, local currency bn (constant prices)	0.1	0.1	0.2	0.2	0.2	0.2	0.2	0.2
GDP, USD bn (constant prices)	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.3
GDP, USD bn (current prices)	0.1	0.2	0.2	0.2	0.2	0.3	0.3	0.3
Rank	187	189	190	190	190	190	190	191

2.111 Mauritania

Mauritania is a large country in North West Africa with a GDP per capita of $4,560 in international dollars. Despite being the seventh largest country in Africa, Mauritania has a population of just 4 million, mostly concentrated in the south where levels of rainfall are slightly higher. The economy is heavily reliant on agriculture and industrial production, which together account for 57% of GDP. Extractive industries are particularly important, with iron ore, copper ore, gold and oil among the country's major exports. Fishing is another important part of the economy, with this sector alone accounting for around 15% of government revenues.

The fall in iron ore prices hit the economy in 2015 and 2016, when GDP growth slowed to just 0.8% and 1.8% respectively. The price has since recovered from the depths it sank to in 2015, however, it remains well below pre-2014 levels. With commodity prices expected to weaken gradually in the medium term, economic diversification is rightly a strategic priority for the government. Potential growth industries include manufacturing and fishing.

Mauritania's reliance on commodity exports means that its current account and fiscal balances are highly volatile. The slowdown in 2015-16 led to a sharp widening of the fiscal deficit to 4.5% of GDP. The government has successfully been able to close this deficit through a fiscal consolidation programme which broaded the tax base while limiting expenditures. The current account balance has also been brought towards more sustainable levels through a gradual depreciation of the currency and a recovery in commodity prices. However, at 16% of GDP, the current account deficit remains unsustainably high.

Structural reforms to improve businesses' access to finance as well as efforts to tackle the infrastructure gap will support private sector growth in the coming years.Cebr forecasts growth of 5.2% next year, rising to 6.1% annually in the medium term, as the benefits of structural reforms begin to materialise. We expect Mauritania to move from 154th in the World Economic League Table in 2018 to 156th place by 2023.

Mauritania	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	459.5	654.1	796.9	911.5	959.3	1226.6	1639.7	2208.8
GDP, USD bn (constant prices)	2.0	4.5	6.1	5.1	5.0	5.8	6.7	7.8
GDP, USD bn (current prices)	1.6	3.9	5.7	5.2	5.2	6.6	8.3	10.6
Rank	156	152	150	154	154	156	156	156

2.112 Mauritius

Mauritius is an island nation 500 miles to the east of Madagascar, which celebrated its 50th anniversary of independence in 2018. With a GDP per capita of $23,600 in international dollars, it is one of Africa's most economically developed countries. Mauritius has a well-diversified services sector based on financial services, ICT and tourism. It is also a large exporter of textiles, sugar and processed fish.

Foreign investment has been the major driver of Mauritius' successful transition from an agricultural economy based on sugar exports to the prosperous services led economy in place today. 2018 saw a resurgence of investment into the country following a slowdown in 2017, with the IT and tourism sectors among the largest recipients of inward flows. Tourism revenues were also strong in 2018, around 12% up on the previous year. These factors are expected to contribute to annual GDP growth of 3.9% in 2018.

The government has set aside $5 billion for infrastructure projects over the next five years, in order to consolidate Mauritius' position as an international hub for trade, investment and tourism. These projects include a metro system linking the capital city with the island's other main urban areas, as well as an expansion of the Port Louis Harbour. These investments feed into the country's ambitions to utilise its geographical location to become a bridge between Asia and Africa. Mauritius is also deepening its integration into the global economy, through the finalisation of a free trade agreement with China in September 2018, efforts to reach a similar deal with India, together with the country's existing strong ties with Africa and the US through the African Growth and Opportunity Act. These factors mean that Mauritius' growth prospects look bright.

Downside risks to this outlook include a potential slowdown in the global economy, which will weigh on tourism revenues, as well as Mauritius' continued vunerability to the impacts of climate change. Furthermore, Mauritius' narrow tax base will lead to challenges balanced current expenditure commitments with its ambitious public investment programme.

Over the next fifteen years, we expect annual GDP growth rates of 4.0% to be sustained, which would see Mauritius fall from 127th in the World Economic League Table to 132nd between 2019 and 2033.

Mauritius	**2003**	**2008**	**2013**	**2018**	**2019**	**2023**	**2028**	**2033**
GDP, local currency bn (constant prices)	201.5	248.3	298.1	358.8	373.2	436.8	531.7	647.3
GDP, USD bn (constant prices)	7.9	11.4	12.9	13.7	14.2	17.6	20.1	22.9
GDP, USD bn (current prices)	6.1	10.0	12.1	14.0	14.9	19.8	24.9	31.3
Rank	119	129	131	129	127	126	128	132

2.113 Mexico

Mexico is situated in the southern-most portion of North America. It was the world's 67th richest economy in 2018 and had a GDP per capita in that year of $20,640 in international dollars, making it an upper-middle income country. Since the North American Free Trade Agreement (NAFTA) came into effect in 1994, Mexico's manufacturing industry has developed rapidly, and the country is a major exporter of vehicles and electrical goods. Mexico's export sector is highly dependent on trade with the US, which accounts for 80% of overall exports. For the past year the revision of the NAFTA agreement pressed for by President Trump has been a cloud on Mexico's horizon and a replacement deal was signed at the G-20 summit, though there are some doubts about whether it will be ratified in the US Congress.

For Mexico the uncertainty associated with the need to change the trade agreement has been replaced by the uncertainty caused by the new President Manuel Lopez Obrador. He has called for a radical change in the energy industry and his pre-election rhetoric was anti-business although he has moderated this tone, since the election. Despite this he managed to have a sort of referendum (organised by his party alone) on the new Mexico City airport which has decided against continuing its construction.

Capital flight following the election has lead to a weakening of the peso which has traded at more than 20 to the dollar for most of November and December 2018 compared with around 13 to the dollar from 2010-15.

The fall in the exchange rate has pushed up inflation which reached 4.72% in November, above both expectations and the central bank's 3% target.

With a government deficit of 2.5% of GDP and a debt ratio of 53.8% there is little scope for fiscal expansion.

We are assuming that the new President will proceed cautiously. On that basis we predict annual growth of 2.6% from 2018-23 and 2.7% from 2023-33. This would allow Mexico to remain at roughly the same position in the world league table, edging down from 15th to 16th place in 2026 before recovering to 14th place by 2031 and remaining there to 2033.

Mexico	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	13062	15014	16277	18529	18992	21066	24068	27497
GDP, USD bn (constant prices)	953.6	1270.8	1352.0	1171.0	1187.5	1340.7	1524.0	1739.1
GDP, USD bn (current prices)	729.3	1110.0	1274.4	1198.2	1241.0	1510.1	1888.7	2371.5
Rank	10	13	15	15	15	15	16	14

2.114 Micronesia

The Federated States of Micronesia (FSM) is comprised of around 600 islands in the Western Pacific Ocean. The islands have limited mineral deposits and exports are dominated by the fishing sector. The economy is shaped by the Compact of Free Association with the United States. Under this, the FSM receives around $100 million each year running until 2023/24. In exchange, the US has permission to operate its armed forces in the country.

Given the scale of transfers from the US, the public sector plays a large role in the economy, employing a majority of the workforce and accounting for 40% of GDP. Foreign fishing fleets also pay the FSM around $17 million each year for the right to operate in the country's waters, which enjoy abundant tuna stocks. Despite the country's natural beauty and attractions including scuba diving, surfing and an ancient ruined city, the potential for tourism is limited by the FSM's geographical remoteness, limited plane routes and a lack of facilities and infrastructure for visitors.

China has recently intensified its efforts to strengthen its links with pacific island countries including the FSM. In a recent visit to the island, Chinese President Xi expressed a desire to promote cooperation in the fields of trade, investment, fishing and construction, while also stressing the opportunities for the FSM that could arise from China's One Belt One Road initiative. China's relative proximity to the FSM also makes it a potential market for the tourism sector in the future. The US has expressed concerns on the impact of China's growing presence in the FSM on its military operations. Indeed, a recent report by the US-China Economic and Security Review Commission has stressed the need for the US to step up its investment in countries such as Micronesia. This could bode well for the FSM going forward, although the country will be keen to avoid becoming the centre of a diplomatic dispute between the two global superpowers.

Cebr forecasts that growth will average 0.7% annually over the next five years, before slowing to 0.6% per year as the Compact of Free Association draws to an end. The islands are highly vulnerable to climate change, which represents a further downside risk, although the burgeoning relationship with China could allow the FSM to reach a higher growth path in the medium term.

Micronesia	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	0.2	0.2	0.2	0.3	0.3	0.3	0.3	0.3
GDP, USD bn (constant prices)	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
GDP, USD bn (current prices)	0.2	0.3	0.3	0.3	0.3	0.4	0.4	0.4
Rank	184	186	187	188	188	189	189	189

2.115 Moldova

Moldova is situated in Eastern Europe, bordering Romania and Ukraine. It has a GDP per capita of $7,100 in international dollars, making it the poorest country in Europe. The largest components of Moldova's export basket are agricultural produce, including sunflower seeds, and textiles, which are sold mainly to nearby European countries. Remittances from Moldovans working mostly in Europe and Russia account for 20% of GDP. In 2014, Moldova signed a Deep and Compressive Free Trade Agreement with the European Union (along with Ukraine and Georgia), providing it with an unprecedented amount of third country access to the EU market.

The Moldovan economy performed well in 2018, on the back of strong agricultural output, high flows of remittances and a tightening of the labour market. The government has continued its efforts to increase transparency in the banking sector, following a major case of fraud in 2015 which triggered a banking crisis, currency collapse and recession. Looking ahead, accommodative monetary policy, rising incomes and strong remittances should sustain solid GDP growth in the short to medium term. An ongoing downside risk to the economy is its reliance on the agriculture sector, which is vulnerable to extreme weather events.

Moldova faces a choice between deepening economic ties with the EU or Russia. In 2017, Moldova secured observer status in the Eurasian Economic Union. If the country was to seek full membership, this would likely come at the expense of its association agreement with the EU. Given that the EU represents a far larger market than Russia, this path would place Moldova on a lower growth trajectory in the medium to long term.

Cebr forecasts that the economy will grow at an average annual rate of 3.8% over the next fifteen years. Key to achieving this will be avoiding becoming entangled in geopolitical tensions between the EU and Russia. We expect that Moldova will move from 139th in the World Economic League Table in 2018 to 140th by 2033.

Moldova	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	7.0	9.4	10.9	12.9	13.4	15.5	18.7	22.6
GDP, USD bn (constant prices)	3.0	8.1	9.9	11.2	12.2	13.5	17.4	21.9
GDP, USD bn (current prices)	2.3	7.1	9.4	11.4	12.7	15.2	21.6	29.8
Rank	145	138	140	139	137	139	140	140

2.116 Mongolia

Mongolia is a large, landlocked country in East Asia, bordering China to the south and Russia to the north. It is a middle income country with a GDP per capita of $13,900 in international dollars. Vast reserves of mineral deposits and the foreign direct investment that these attracted were what underpinned Mongolia's transition from an agriculture based economy to one based on the extraction and export of commodities.

Mongolia's exports – two thirds of which are destined for China – account for 60% of GDP. Copper ore, gold, coal, oil, iron and zinc ore are among the country's major exports. Mongolia's dependence on mineral exports – in particular to China – means that the economy is highly exposed to both commodity price swings and demand from China. Rising commodity prices and a rapidly expanding Chinese economy hungry for commodities fuelled rapid GDP growth for Mongolia after the turn of the millennium. However, growth slowed significantly in 2015 and 2016 in line with the commodity price slump. Prices have since recovered partially, helping to push annual GDP growth back towards 6% on the back of rising exports, investment and business confidence. However, in the medium to long term, we expect commodity prices to weaken. This, together with a moderation in demand from China will constrain growth going forward.

The government's economic recovery programme has helped to bring the fiscal deficit to a more sustainable level of around 3.5% of GDP, with public sector debt now on a downward trajectory. Going forward, economic stability will be reliant on diversification. Private sector growth can be fostered by tackling the country's infrastructure gap and strengthening insitutions. Investment in human capital will also be key in expanding the non-mining economy.

Another area of potential diversification is animal husbandry, given rising demands for meat as consumers in neighbouring China become wealthier. Promisingly, meat exports in 2018 were around 20% up on 2017. Mongolia's Ministry of Food, Agriculture and Light Industry has recently announced a programme to develop the country's intensive livestock farming sector between 2019 and 2023, aiming to eliminate imports of milk and increase the production of processed meat and dairy products by 30%.

Cebr forecasts that the Mongolian economy will expand by 6.3% in 2019, slowing to a trend of 5.0% after 2024 as commodity prices and Chinese demand weaken. This will see it move from 133rd in the World Economic League Table in 2018 to 117th by 2033.

Mongolia	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	6281	9284	14351	17894	19021	23310	29750	37969
GDP, USD bn (constant prices)	2.4	6.4	13.3	12.4	13.5	18.3	25.7	36.3
GDP, USD bn (current prices)	1.9	5.6	12.6	12.7	14.1	20.6	31.9	49.6
Rank	152	144	130	133	130	124	121	117

2.117 Montenegro

Montenegro is a country in southeast Europe on the Adriatic Sea with a GDP per capita of $18,860 in international dollars. It became a sovereign state in 2006, breaking up the union of Serbia and Montenegro. The services sector accounts for 77% of GDP, with tourism alone contributing 20%. Montenegro is aiming to acquire EU membership by 2025, and currently is in a better state to achieve this than other countries in the Western Balkans. It joined NATO in June 2017, which will strengthen its case for EU membership, although considerable progress is yet needed in the areas of corruption and media freedom.

Foreign direct investment has been a major economic driver in recent years. For instance, growth in 2018 has been bolstered by major investment projects such as the Bar-Boljare highway, being constructed by the China Road and Bridge Corporation. These developments promise to fuel growth in the coming years and boost Montenegro's productive capacity. However, they have also placed considerable strain on the public finances, with the fiscal deficit standing at 4.6% of GDP in 2018 and gross government debt at 74% of GDP. The European Commission has drawn attention to high deficits and debts as an obstacle to EU accession, so returning these to more sustainable levels should be a priority for the Montenegrin government. To that end, the government has developed a fiscal consolidation strategy, including an increase in the non-tourism rate of value added tax to 21%. This approach should see the fiscal balance return to surplus by around 2020.

Challenges for the economy include a high rate of unemployment – which is currently at around 16% – as as well as low levels of labour productivity and a large informal sector. One factor contributing to this is the structure of income tax, with the lack of a tax-free allowance and low number of income-tax bands disincentivising participation in the formal sector.

Cebr forecasts GDP growth of 3.7% in 2018, driven by the largescale construction activity and strong growth in tourist numbers. We expect annual GDP growth to slow to 2.5% in 2019, as fiscal consolidation efforts weigh on the economy. In the medium term, growth can be boosted by accession to the EU, through the acceleration of structural reforms, access to foreign markets and higher visitor numbers.

Montenegro	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	1.8	2.5	2.5	2.9	3.0	3.4	3.9	4.6
GDP, USD bn (constant prices)	2.2	5.2	4.7	5.3	5.4	6.3	7.7	9.3
GDP, USD bn (current prices)	1.7	4.6	4.5	5.4	5.6	7.0	9.5	12.7
Rank	154	151	156	151	152	154	155	155

2.118 Morocco

Morocco is situated on the North West corner of Africa with the Mediterranean Sea to the northeast and the Atlantic Ocean to the west. It has a GDP per capita of $8,960 in international dollars. Morocco has a diverse export base comprising textiles, automobiles, electronic components and chemicals. Its geographic proximity, relative political stability and low labour costs have enabled it to trade extensively with European partners such as Spain and France.

An excellent agricultural season drove GDP growth of 4.1% in 2017, as cereal production nearly tripled compared to 2016. A return to more normal levels of agricultural output caused growth to moderate somewhat in 2018. Morocco has successfully attracted high levels of investment from Europe and China, with 110 aerospace firms and 150 automotive firms now located in the north of the country. The renewable energy sector has also received large amounts of foreign investment. The government is now aiming for 42% of its installed capacity to come from renewable energy (largely solar and wind) by 2020, rising to 52% by 2030. These targets would see it produce seven times as much wind energy as is currently produced across the whole of Africa.

Morocco has embarked on a path of fiscal consolidation in recent years, with the fiscal deficit falling from 7.2% of GDP in 2012 to 3.2% of GDP in 2018. Government debt as a share of GDP is now on track to fall below 60% by 2023, although the government is seeking to increase spending by 10% in 2019.

Rising tourist numbers and Morocco's ability to attract foreign investment are set to fuel strong economic growth in the coming years. The recent opening of Africa's first high-speed train, which more than halves the journey time between Tangier and Casablanca, is an example of the type of infrastructure developments that will unlock further productivity gains in the medium term. A challenge for the Moroccan economy is that despite strong export industries, the current account deficit remains at over 4.3% of GDP. A large part of this is due to the high component of imported goods present in manufactured exports. Increasing domestic value-added is therefore key in preventing the build-up of current account imbalances.

Cebr forecasts that Morocco will remain in 60th place in the World Economic League Table throughout our 15-year forecast horizon.

Morocco	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	537	686	841	981	1013	1197	1456	1772
GDP, USD bn (constant prices)	68.1	105.9	113.3	115.5	117.2	140.9	174.5	216.0
GDP, USD bn (current prices)	52.1	92.5	106.8	118.2	122.5	158.7	216.3	294.5
Rank	56	63	62	60	60	60	60	60

2.119 Mozambique

Mozambique is a southern African country with a GDP per capita of $1,290 in international dollars – making it one of the world's poorest countries. The country has large reserves of fossil fuels, and major exports currently include coal, gas and refined petroleum, as well as aluminium and raw tobacco. With around a quarter of GDP coming from the agricultural sector, the economy is exposed to extreme weather events and commodity price fluctuations.

Mozambique recorded rapid economic growth averaging 7.8% between 2001 and 2015. Since then, however, a debt crisis combined with a decline in commodity prices and persistent droughts have seen the rate of growth nearly halve to less than 4%. The discovery in 2016 that the government had previously undisclosed debt in the form of loans to state-owned companies amounting to 10.7% of GDP caused the value of the metical to fall by 40% against the dollar while inflation rose to more than 19%. However, a series of sharp interest rate rises by the Central Bank of Mozambique as well as a boost in coal exports have allowed the metical to recover some of its lost value, while inflation has fallen back to around 6%.

Although the crisis has abated somewhat, it is by no means resolved. The government continues to be cut-off from international credit markets, meaning it has been reliant on funding from domestic commercial banks. However, these banks have reportedly reduced their bond purchases due to the perceived risks of default. The government has made efforts to rein in its expenditures, and spending as a share of GDP has fallen from 43% of GDP in 2014 to 33% in 2018. However, gross government debt remains extremely high at 113% of GDP and the deficit is over 7% of GDP as of 2018. With public services already facing critically low levels of funding, the government will have to turn its focus to the revenue side. Recent reports have suggested that the government has failed to fully collect taxes from international oil and gas companies, which will have had a major impact on the public finances given the importance of this sector.

Despite the challenges currently facing Mozambique, economic tailwinds including a continued easing of monetary policy and increasing foreign direct investment associated with liquefied natural gas megaprojects mean that the country is forecast to grow by 4.5% per year in the short to medium term. Cebr forecasts that Morocco will remain move from 125th place in the World Economic League Table in 2018 to 123rd in 2033.

Mozambique	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	191.0	282.3	394.1	502.9	523.0	611.8	762.5	950.2
GDP, USD bn (constant prices)	7.3	13.2	17.0	14.3	14.9	17.6	22.9	29.5
GDP, USD bn (current prices)	5.5	11.6	16.0	14.6	15.6	19.8	28.4	40.3
Rank	122	122	119	125	124	125	124	123

2.120 Myanmar

Myanmar is a Southeast Asian country with a GDP per capita of $6,800 in international dollars. It is a large exporter of natural gas, textiles, raw sugar and dried legumes, trading primarily with neighbouring China and Thailand. Following its victory in the 2015 general election, the National League for Democracy – led by Aung San Suu Kyi – have embarked upon a series of reforms aimed at opening up the Myanmese economy following the isolationist policies prevalent during the rule of the military junta.

Violence has persisted in the Rakhine state, with an estimated 700,000 people displaced. Alongside the clear human suffering associated with these events, this instability has also continued to weigh on the economy. GDP growth is expected to have slowed from 6.8% in 2017 to 6.4% in 2018, driven by a moderation in demand from China, internal conflict and a depreciating currency, which has contributed to a sharp pickup in inflation.

Efforts to liberalise the economy had stalled somewhat in 2017, although progress has improved in 2018. Access to credit has been a key issue for the Myanmese economy. Given that it has historically been a heavily cash-based economy, most businesses do not have the credit history or collateral necessary to take out loans. The Central Bank of Myanmar recently announced new rules which allow foreign banks to lend to domestic businesses, which should improve access to credit. However, interest rate restrictions may limit the amount that these banks are willing to lend. Furthermore, the Myanmar Companies Law, which came into effect in August 2018, allows international investors to own up to 35% of a Myanmese firm without being treated as a foreign entity. This is likely to boost foreign investment in the coming years.

The government is planning on investing heavily in the country's infrastructure through its National Transport Master Plan. Given the severity of Myanmar's current infrastructure deficit, these schemes will be essential in boosting productivity and attracting foreign investment in the coming years. A downside risk to growth is the loss of duty-free and quota-free access to the EU market, as the European Commision investigates human rights violation in the Rakhine, Kachin and the Shan States.

Myanmar's ambitious investment will put some pressure on the public finances, with the fiscal deficit expected to increase from 2.9% of GDP in 2018 to 4% of GDP in 2020. However, given the country's high rate of GDP growth, the government debt to GDP ratio is set to remain at around 35%. Cebr forecasts that the economy will expand by 6.8% in 2019, rising to 7.2% by 2023 as economic liberalisation and infrastructure developments come into play. This will see Myanmar rise to 61st in the World Economic League Table by 2033.

Myanmar	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	21223	35912	48879	67985	72604	95427	134946	190831
GDP, USD bn (constant prices)	15.8	39.5	63.8	69.9	70.8	97.4	144.4	213.7
GDP, USD bn (current prices)	12.1	34.5	60.1	71.5	74.0	109.7	179.0	291.4
Rank	92	84	72	72	72	67	64	61

2.121 Namibia

Namibia is a large, southern African country with a GDP per capita of $11,520 in international dollars. Namibia is blessed with rich reserves of diamonds, gold, copper and uranium, and the economy is therefore heavily reliant on the extractive industry. That being said, subsistence agriculture is the primary activity for a substantial share of Namibians, with two-thirds of the population living in rural areas. Namibia is the driest country in Sub-Saharan Africa, and drought is a recurring issue in rural areas.

Economic growth has been very poor in recent years. Indeed, the economy actually contracted by 0.8% in 2017 while growth in the first two quarters of 2018 has also been negative. Efforts to keep the deficit under control have weighed on the economy, while construction output shrank by 30% in 2017 due to the completion of the Husab uranium mine in 2016, which boosted that year's figure for the construction sector. There have been some signs of improvement in 2018, with slightly higher levels of activity observed in the mining, transport and communication sectors. However, this has been offset by a weakening among key regional partners, as well as lower than expected revenues from the Southern Africa Customs Union.

Despite efforts to constrain government borrowing, the fiscal deficit rose from 5.1% of GDP in 2017 to 7.6% of GDP in 2018. This has pushed gross government debt as a share of GDP up to 47% - well above the government's 35% target. As a result of this, Namibia's credit rating remains at junk status. High public sector wage bills, as well as large transfers to public enterprises, have been cited as key factors underlying the government's fiscal challenges. These expenses also take away from much-needed investments in infrastructure.

As recently opened mines approach their full capacity, GDP growth is expected to rise to 3.1% and 3.7% in 2019 and 2020, respectively. However, the state of the public finances represents a major downside risk, with government debt as a share of GDP currently on a steep upward path. Cebr expects Namibia to move from 128th in the World Economic League Table in 2018 to 126th in 2033.

Namibia	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	31	38	47	53	55	63	75	88
GDP, USD bn (constant prices)	6.4	9.7	13.5	13.8	14.2	16.7	21.4	27.1
GDP, USD bn (current prices)	4.9	8.5	12.7	14.1	14.8	18.9	26.6	37.0
Rank	127	135	129	128	129	128	126	126

2.122 Nauru

Nauru is a small island nation in the Central Pacific Ocean, with a land area of just 21 square kilometres. It is located to the northeast of Australia and has a GDP per capita of $12,330 in international dollars. Its primary source of export revenue is the mining and export of calcium phosphate. While primary reserves of phosphates were exhausted in 2006, Naura's deeper secondary reserves are expected to last for a further 30 years. With relatively few natural resources aside from phosphate, Nauru imports many essential goods from Australia.

The price of phosphate has weakened considerably since 2016, leading to a drastic fall in the rate of GDP growth in Nauru from 10.4% in 2016 to 4.0% in 2017 and a forecasted -2.4% in 2018. Since 2012, Nauru has received considerable income via the Australian Regional Processing Centre for asylum seekers, charging the Australian government $1,000 per person per month. However, this source of revenues is fast drying up, with the number of asylum seekers in the centre halving over the last year, with many refugees moving to the United States under a resettlement deal agreed in 2016.

Nauru's medium to long-term economic prospects are precarious, as its two main income streams begin to dry up. One potential salvation could be deep-sea reserves of nickel, cobalt and manganese which Canadian company DeepGreen have started to explore, with the hope of beginning mining in 2025. Meanwhile, geopolitical considerations mean that Nauru is also likely to continue to receive some support from Australia going forward.

Cebr forecasts that the economy will contract by 1% in 2019. Looking further ahead, we expect GDP growth to remain sluggish at around 1.1% per year between 2025 and 2033. This growth trajectory would see Nauru remain at 192nd in the World Economic League Table throughout the 15-year forecast horizon.

Nauru	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	n/a	0.0	0.1	0.1	0.1	0.1	0.1	0.1
GDP, USD bn (constant prices)	n/a	0.0	0.1	0.1	0.1	0.1	0.1	0.1
GDP, USD bn (current prices)	n/a	0.0	0.1	0.1	0.1	0.1	0.2	0.2
Rank	n/a	191	192	192	192	192	192	192

2.123 Nepal

Nepal is a landlocked country in the Himalayas, nestled between China to the north and India to the south. It has a GDP per capita of $2,900 in international dollars. Agriculture is an important part of the economy, contributing around 27% of GDP and employing around two-thirds of the population. Remittances are another crucial element, accounting for 30% of GDP. Most of Nepal's industrial activity is centred on textiles as well as the processing of its agricultural produce, which makes it a large exporter of juices. With eight of the world's top ten highest mountains, Nepal continues to attract thousands of climbers each year from around the world.

The economy performed well in 2018 with GDP growth of 6.3% forecast. This is down on the 7.9% growth recorded in 2017, largely due to a slowing of the repair works which followed the devastating earthquake in 2015. Despite significant declines in the rate at which Nepali workers are migrating abroad, remittance flows increased drastically in 2018, boosting private consumption. Growth was also bolstered by strong growth in tourist numbers last year.

Loose monetary policy together with strong business confidence have led to rapid credit growth in Nepal. Implementing reforms to the banking system and tightening some aspects of monetary policy will be necessary to ensure that the situation remains sustainable.

China's One Belt One Road initiative is likely to have a major impact on the Nepalese economy in the coming years. In June 2018, the Prime Minister signed an agreement with China for the construction of $2.4 billion worth of infrastructure and energy projects, which include a railway line through the Himalayas. This would position Nepal as a hub between China and India, representing a major source of economic growth in the future. However, there are concerns about the levels of debt that would come with such projects. Indeed many other countries in the region such as Sri Lanka and Laos have faced major difficulties repaying debts to Chinese firms.

Largely as a result of the rebuilding effort following the 2015 earthquakes, fiscal policy has been expansionary in recent years, with a deficit of 5.5% of GDP expected in 2018. Accommodative fiscal and monetary policy have also led to a spike in imports and a consequent widening of the current account deficit to 8% of GDP. While gross government debt remains under 30% of GDP, the public finances are set to come under further strain as the government continues its fiscal decentralisation efforts.

Cebr forecasts that the economy will expand by 6.8% in 2019 rising to 7.2% from 2023, as infrastructure developments expand Nepal's productive capacity. This will see it rise to 97th in the World Economic League Table by 2033.

Nepal	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	459.5	564.5	698.0	881.8	926.3	1092.0	1346.0	1659.1
GDP, USD bn (constant prices)	8.3	14.4	20.4	28.2	29.0	36.7	49.3	66.3
GDP, USD bn (current prices)	6.3	12.5	19.3	28.8	30.3	41.3	61.1	90.4
Rank	118	119	111	102	101	102	99	97

2.124 Netherlands

Other than Luxembourg, the Netherlands has the highest GDP per capita in the EU of $56,570 in international dollars in 2018. The inhabitants of the country enjoy an enviable quality of life, working 1,433 hours a year on average in 2017, amongst the lowest in the world and with low unemployment at 3.7%.

The service sector (81.6% of employment, 70.2% of GDP) is dominant. But very high productivity agriculture and industry are also important. The country crucially provides two critical transport hubs: Schiphol airport with its 6 runways (a seventh is planned) is Europe's third busiest; while the port of Rotterdam is the largest in Europe and until overtaken by Singapore and subsequently Shanghai was from 1962-2004 the largest in the world.

The country is a key part of the Eurozone and as a result has managed (like Germany) to generate both growth and trade surpluses though partly at the expense of the economically weaker members of the currency zone.

Dutch public finances are strong, with a budget surplus of 1.3% of GDP and a debt GDP ratio of 43.3%. There is some scope for expansionary policy with inflation well below the 2% target.

But with nearly full employment and population growth at 0.6% growth will stabilise at best. And the potential problems of the Eurozone and the risk of a slowdown in world trade are serious risks to the outlook.

We forecast that the Netherlands will grow at an annual rate of 2.1% from 2018-23 and at an annual rate of 1.8% from 2023-33. This would mean that the country dropped back slightly in the league table from 17th position in 2018 to 18th position by 2033.

Netherlands	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	596	681	667	746	762	829	908	995
GDP, USD bn (constant prices)	758.1	1090.5	930.6	889.2	873.7	892.6	943.2	997.0
GDP, USD bn (current prices)	579.8	952.5	877.2	909.9	913.0	1005.3	1168.9	1359.6
Rank	13	16	18	17	17	17	17	18

2.125 New Zealand

New Zealand is comprised of two main islands and around 600 smaller islands situated in the southwest Pacific Ocean. It has a GDP per capita of $40,270 in international dollars. Its main exports are agricultural – predominantly meat and dairy products. New Zealand also has large and diverse manufacturing and services sectors.

The economy performed well in 2018, with strong growth in agricultural output and exports following a drought at the end of the previous year. Growth has also been buoyed by expansionary monetary policy as well as high levels of government spending. The Central Bank's accommodative stance looks set to persist over the next year, with inflation in check and the shift in March 2018 to a dual mandate. The new mandate means that the Central Bank will now aim to maximise sustainable employment as well as keeping inflation at around 2%.

China is the world's largest purchaser of exports from New Zealand, and the economic slowdown currently taking place there threatens to weigh on New Zealand's exports going forward. This risk has been exacerbated by the trade war between the US and China that began in 2018. New Zealand's strong economic growth in recent years has been aided by a high influx of immigrants. However, the government has committed to reducing the levels of net migration, to address public concerns about strained infrastructure and rising house prices. A tightening of work visa restrictions has caused net migration to drop off in 2018, and a continuation of this trend would moderate growth in the coming years. The government has introduced a raft of measures aimed at curbing the rapid escalation of house prices and household debt. These include banning foreign purchases of existing housing and tightening insulation standards for rental properties. Although these policies appear to have had some impact, the annual house price growth continued at 4.6% in September and household debt remains a concern. This issue could threaten financial stability in the medium term if interest rates rise.

Cebr forecasts that the economy will grow by 3.0% in 2019, before slowing to 2.5% in the medium term as demand from China slows and domestic monetary conditions tighten. We expect New Zealand to climb from 53rd in the World Economic League Table in 2018 to 50th by 2033.

New Zealand	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	168.3	191.7	209.4	248.9	256.4	286.9	325.1	368.5
GDP, USD bn (constant prices)	107.8	155.2	198.3	201.3	203.0	241.5	282.8	332.7
GDP, USD bn (current prices)	82.5	135.5	187.0	206.0	212.2	272.0	350.5	453.7
Rank	49	54	55	53	53	51	51	50

2.126 Nicaragua

Nicaragua is a Central American country with at GDP per capita of $5,680 in international dollars, placing it among the poorest economies in the western hemisphere. Agriculture and industry together account for around 40% of GDP. Nicaragua's main exports are textiles, insulated wire, coffee and meat. The US and Mexico purchase around three-quarters of Nicaragua's exports. Approximately 16% of the population lives abroad, meaning that Nicaragua's economy is highly reliant on remittances. Indeed, in recent years the value of remittances has exceeded that of the total foreign direct investment received by the country.

In 2018, an uprising against President Daniel Ortega – who has been in power since 2007 – has crippled the economy, with fears that this could escalate further into a civil war, financial crisis or both. Around 320 people have been killed by security forces since protests began in April, creating a climate of fear and uncertainty that has strangled investment and tax revenues. In the second quarter, the economy contracted by 4.4% year-on-year, driven mainly by precipitous declines in investment and formal employment numbers. The political crisis comes at a time when the Nicaraguan economy has also faced a drying up of economic support from Venezuela, which is in the midst of its own crisis. Meanwhile, Nicaragua's burgeoning tourism sector has also taken a beating, with an estimated 70,000 of the 120,000 previously employed in the sector now out of work.

The President has so far resisted pressure to bring forward another election, insisting that he will see out his term which ends in 2021. The US hope that escalating financial sanctions on top government officials will cause the government to reconsider, although there are few causes for optimism so far. Investment and tourism are unlikely to recover until a prolonged period of stability is reached. Meanwhile, the implementation of fiscal austerity – made necessary by an increase in the fiscal deficit from 1.6% of GDP in 2017 to 3.6% of GDP in 2018 – will weigh on the economy in the immediate term.

Cebr forecasts that the economy will shrink by 4% in 2018 and by 1% in 2019. Assuming a resumption of political and economic stability, we expect growth to gradually recover to 4.2% by 2023 – more in line with the rates of growth observed before the crisis. Nevertheless, Nicaragua is expected to drop to the 136th place in the World Economic League Table by 2033.

Nicaragua	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	104.2	129.2	154.9	179.2	177.4	204.1	250.4	307.3
GDP, USD bn (constant prices)	7.0	9.7	11.7	13.1	13.0	15.0	18.4	22.6
GDP, USD bn (current prices)	5.3	8.5	11.0	13.4	13.6	16.9	22.8	30.8
Rank	125	134	135	130	132	132	133	136

2.127 Niger

Niger is a large, landlocked country in West Africa. With a GDP per capita of $1,220 in international dollars, it is among the poorest countries of the world. Agriculture accounts for more than 40% of GDP and employs around four-fifths of the population. Niger has a large potential in the mining sector, given its abundant reserves of oil and uranium. The country's economic development has been hindered by food insecurity and drought, low investment in human capital and a lack of diversification.

The economy received a boost in 2018 from a rise in the prices of key export commodities such as oil and uranium. Niger is also carving out a niche in the production and export of refined petroleum products to nearby African countries. This is an encouraging development as it boosts the value-added of Niger's exports. However, the country has been hit by major flooding since June, which has affected over 200,000 people, killed 33,000 livestock and submerged 8,000 hectares of millet, maize and bean fields.

Security spending to combat Boko Haram and other militants – which amounted to 7.4% of GDP in 2017 – has led to a sharp widening of the fiscal deficit and diverted expenditures from areas that could boost the economy. The fiscal deficit is expected to narrow to less than 3% of GDP in 2021, although this forecast is predicated on an improvement in the security situation. The 3N Initiative aims to ameliorate the issues of hunger and poverty in Niger by increasing agricultural efficiency through improved irrigation networks and a focus on reducing land degradation, among other things. Continued commitment to this scheme promises to boost agricultural output in the coming years. Meanwhile, major new infrastructure projects such as the construction of a pipeline for oil exports promise to boost construction output in the short term and export capacity in the longer term.

Despite efforts to improve food security and agricultural efficiency, economic diversification will be key in lowering Niger's vulnerability to natural disasters such as flooding and drought, as well as to commodity price swings. This will require the prioritisation of education spending, as well as improvements to infrastructure in the coming years. Cebr forecasts GDP growth of 5.3% and 5.4% in 2018 and 2019, respectively, rising to 6.0% in 2023. This will be driven in a large part by rapid population growth, which currently exceeds 3% per year. Niger is expected to climb to 130th place in the World Economic League Table by 2033.

Niger	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	1445.3	1860.0	2408.2	3127.9	3296.8	4189.7	5636.7	7593.6
GDP, USD bn (constant prices)	3.5	6.2	8.1	9.2	9.6	12.6	17.5	24.2
GDP, USD bn (current prices)	2.6	5.4	7.7	9.5	10.0	14.2	21.6	33.1
Rank	144	145	145	144	144	141	139	130

2.128 Nigeria

Situated in West Africa, Nigeria is Africa's largest economy with a GDP in 2018 of $397 billion and a population of nearly 200 million. It has a GDP per capita of $6,030 in international dollars. Oil accounts for 73% of Nigeria's exports, while petroleum gas makes up a further 15%. Other important sectors include agriculture, financial services and telecommunications. Despite the country's mineral wealth, nearly four out of five Nigerians live on less than $2 per day, meaning that poverty remains a pressing concern.

The Nigerian economy has recovered somewhat following the 2016 recession, however, growth remained meagre in 2018. While oil production has recovered following the sharp falls that followed the intensification of militant violence in 2016, it has fallen short of its potential in 2018 due to a combination of pipeline outages during the spring and increased attacks on oil infrastructure in the northeast of the country later on in the year. Meanwhile, in Q2 2018 crop production grew at the slowest pace since 1987, in part due to ongoing violence between nomadic herders and farmers. Consequently, the main drivers of growth in 2018 were the construction, transport and ICT sectors. Tight monetary policy by Nigeria's central bank as well as a moderation in food price growth has helped to bring down inflation to around 11%.

The lower than expected levels of oil production in 2018 have put pressure on the public finances, with the fiscal deficit exceeding 5% of GDP. The Nigerian National Petroleum Corporation has announced that Nigeria will raise crude oil production to 1.8 million barrels per day in 2019 from roughly 1.6 million barrels per day in 2018. While this would provide a boost to the economy and ease the pressure on the government budget, it is contingent on improvements to the security situation. A ramping up of infrastructure investment, as well as plans for the central bank to invest in corporate bonds to finance investments in manufacturing and agriculture, should pave the way for improved growth in the coming years. The government has also taken measures to improve the business environment, which will be important for the growth of the private sector in the medium term. Diversification is currently hindered by an infrastructure deficit within the country, which prevents producers from easily accessing Nigeria's huge domestic market. Addressing this shortfall will enable greater specialisation and a corresponding boost to productivity that will be essential in developing industries outside of the oil and agriculture sectors.

Cebr forecasts that GDP will grow by 1.9% and 2.3% in 2018 and 2019, respectively. These are below the current rate of population growth, meaning that GDP per capita is actually expected to contract. We expect that Nigeria will fall from 31st in the World Economic League Table in 2018 to 33rd by 2033.

Nigeria	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	31709	46013	63943	70538	72132	79606	88757	98959
GDP, USD bn (constant prices)	134.6	378.1	546.3	388.5	396.1	445.1	512.5	590.1
GDP, USD bn (current prices)	102.9	330.3	515.0	397.5	413.9	501.3	635.1	804.8
Rank	40	31	26	31	29	31	30	33

2.129 Norway

The Kingdom of Norway is located on the western part of the Scandinavian Peninsula. The country shares a long eastern border with Sweden and is bordered by Finland and Russia to the north-east and has an extensive coastline, facing the North Atlantic Ocean.

Norway has very high material living standards and scores well on other aspects of wellbeing. Indeed, it has a higher Human Development Index score than any other country and ranks high on the list of the most inclusive advanced economies. Sound policy making and egalitarian social values have ensured a fairly even distribution of income and wealth across the population.

The domestic economy is characterised by its vast natural resources as well as a highly skilled labour force, due in large part to a strong education system and active efforts to break down barriers to female labour participation. The public finances are on a solid footing and the substantial revenues from oil and gas production have been directed at supporting the foundation for growth in the non-oil economy.

The Norwegian government has invested a substantial portion of the country's oil revenues into what has become the world's largest sovereign wealth fund, which in 2017 surpassed $1 trillion USD in value. In addition to fostering flexible and competitive non-oil sectors, this economic diversification plan is key to minimising exposure to external risks and reducing financial contagion in the domestic economy.

The health of Norway's economy has improved in 2018, boosted by rising oil prices. Unemployment has been falling, while strong fundamentals have helped sustain private consumption and investment. At the same time, the most recent interest rate hike in the autumn, the first in seven years, and the prospect of future rate hikes look to have had a favourable and calming effect on house prices.

However, household debt levels remain high, which poses a risk to financial stability. There are also downside risks of a more pronounced slowdown in international trade due to the US-China trade war as well as restrictions on Norway's post-Brexit trading relationship with the UK. In light of these uncertainties, the government has committed to maintaining its growth-supporting policies by cutting taxes and duties in the 2019 budget.

Cebr expects the Norwegian economy to expand by 2.1% in 2018. Between 2019 and 2023, we forecast average annual GDP growth of 1.9%. From 2024-2033, we expect the economy to grow by 1.8% per year. This growth path would see Norway fall from 28th in the World Economic League Table in 2018 to 39th place by 2033, as the country is overtaken by rapidly expanding countries in the developing world.

Norway	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	2556.9	2890.4	2998.6	3280.3	3347.8	3601.6	3938.2	4306.2
GDP, USD bn (constant prices)	299.1	529.6	555.4	431.4	429.1	447.1	484.9	525.0
GDP, USD bn (current prices)	228.8	462.6	523.5	441.4	448.5	503.5	601.0	715.9
Rank	24	24	24	28	28	30	36	39

2.130 Oman

Oman is a high-income country on the Arabian Peninsula, with a GDP per capita of $46,520 in international dollars. The hydrocarbons sector is a crucial part of the economy, accounting for nearly two-thirds of exports and up to 85% of government revenue. This dependency on the oil and gas industry makes the economy exposed to commodity price swings, and the government is targeting a greater degree of diversification towards tourism, shipping and manufacturing sectors.

The fall in global oil prices in 2016 caused the budget deficit to surpass 20% of GDP in 2016. As a result, the government has been forced to implement various austerity measures such as a reduction in fuel subsidies, which has been a headwind for the economy. However, growth is expected to return to positive territory in 2018 following the 0.9% contraction that took place in 2017. This was driven by strong growth in oil prices over the first three quarters of the year, which has boosted export earnings and slashed the fiscal deficit from nearly 13% of GDP in 2017 to around 2% of GDP in 2018.

The expected introduction of a value-added tax in 2019 and strong oil revenues will help to bring government debt – which currently stands at 49% of GDP – on a downward trajectory. However, the new tax will also weigh on private consumption, with many households' budgets already impacted by other policies associated with fiscal consolidation.

While Oman's fortunes have taken a turn for the better for now, the Sultanate remains vulnerable to commodity price swings. Recent reforms to support foreign direct investment and small businesses in Oman will help to diversify the economy in the longer term. Growth in the coming years will also be buoyed by a seven-year natural gas supply deal between BP and Oman LNG. Cebr forecasts that the Omani economy will grow by 3% in 2019, slowing to 1.5% in the medium term as oil prices moderate. Cebr expects Oman to move from 69th in the World Economic League Table in 2018 to 76th in 2033.

Oman	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	16.4	20.3	25.8	29.0	29.9	32.5	35.0	37.7
GDP, USD bn (constant prices)	28.3	69.7	83.6	79.8	81.2	83.5	90.3	97.7
GDP, USD bn (current prices)	21.6	60.9	78.8	81.7	84.8	94.1	112.0	133.3
Rank	71	69	66	69	70	73	72	76

2.131 Pakistan

Pakistan is a middle-income country situated in South Asia with a GDP per capita of $5,710 in international dollars. In recent years, it has not grown at the pace of bordering China and India as security issues and political instability have slowed the country's development. Pakistan is one of the world's largest textiles exporters. Its agricultural sector is also a key part of the economy, accounting for nearly a quarter of GDP and employing around 42% of the workforce.

Pakistan entered a balance of payments crisis in 2018, with foreign currency reserves dropping below US$8 billion and the current account deficit surging to 6% of GDP. This is the latest in a string of similar crises that have caused the country to require IMF assistance 12 times since the 1980s. The latest crisis was caused by a myriad of factors, including the sharp uptick in oil prices through much of 2018 and most fundamentally the inability of Pakistani exports to keep up with the demand for imports. The country received a US$3 billion loan from Saudi Arabia in addition to US$3 billion in deferred payments for oil in October, while China has also pledged assistance. These developments have abated the crisis for now, but avoiding a repeat will require significant economic reforms.

The balance of payments crisis together with the continued tightening of monetary policy by the US Federal Reserve have caused the Pakistani rupee to depreciate by over 30% against the dollar. This has forced the central bank to hike interest rates several times in order to stabilise the currency. The tightening of monetary conditions has weighed on growth this year, particularly in the manufacturing sector. Meanwhile, cotton production is expected to come in below target in 2018, which will have negatively impacted growth in the agricultural sector.

A major part of China's One Belt One Road Initiative is the China-Pakistan Economic Corridor (CPEC), which comprises around $60 billion of investment in energy and transport infrastructure. While these developments have the potential to deliver a much-needed boost to Pakistan's exports and domestic productivity, there are concerns about the affordability of the loans from China, considering Pakistan's already large fiscal deficit of 6.5% of GDP. Furthermore, the boost that these projects deliver to the economy can also lead to real exchange rate appreciation via higher domestic inflation, which in turn makes Pakistan's exports less competitive.

The new government led by former Cricketer Imran Khan took several steps to address the country's excessive twin deficits. These include increases in income tax, scaling back of tax breaks for high earners and reduced spending on domestic infrastructure projects. Meanwhile, tariffs have been raised on 5,000 goods in an effort to stabilise the currency and rein in the current account deficit. While necessary, these measures will weigh on growth in the short term. Cebr forecasts that the economy will expand by 4.0% and 3.5% in 2019 and 2020. We expect Pakistan to move from 41st in the World Economic League Table in 2018 to 27th by 2033.

Pakistan	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	6226	8549	9819	12393	12889	15295	19990	26127
GDP, USD bn (constant prices)	117.3	195.6	245.3	299.9	270.8	335.1	482.6	695.0
GDP, USD bn (current prices)	89.7	170.9	231.2	306.9	283.0	377.4	598.1	947.8
Rank	44	50	48	41	44	44	37	27

2.132 Palau

Palau is a country comprising several hundred islands in the western Pacific Ocean. It has a GDP per capita of $14,760 in international dollars. Economic activity is centred on the tourism and agriculture sectors, with Palau exporting large quantities of fish to Japan. Palau is one of three sovereign Pacific Island nations with a Compact of Free Association with the United States, the other two being the Marshall Islands and Micronesia. Under this agreement, Palau receives around $13 million a year in US government assistance in exchange for the right to use the islands for military purposes.

In order to protect the islands' coral reefs, Palau will become the first country to ban sunscreens containing chemicals thought to damage coral, with the new law set to come into force in 2020. Tourism has the potential to offer a reliable and long-term stream of income for Palau, and such commitments to environmental preservation will, therefore, be crucial in securing Palau's economic sustainability. Closing infrastructure gaps will also be key in allowing the growth of the tourism sector.

Downside risks to growth include natural disasters associated with climate change and a global economic slowdown which could dent visitor numbers. Weak tourist numbers and a slowdown in construction activity led to a 3.7% contraction in GDP in 2017. However, tourist numbers appear to have rebounded in 2018 – despite the Chinese government's decision to ban direct flights to Palau from China due to the former's links with Taiwan. Based on this, we forecast growth of 0.8% in 2018, rising to 2.0% in the medium term as infrastructure developments further expand the tourism sector. Cebr expects Palau to move from 189th in the World Economic League Table in 2018 to 188th in 2033.

Palau	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	0.2	0.3	0.3	0.3	0.3	0.3	0.3	0.4
GDP, USD bn (constant prices)	0.2	0.2	0.2	0.3	0.3	0.3	0.4	0.4
GDP, USD bn (current prices)	0.2	0.2	0.2	0.3	0.3	0.4	0.5	0.5
Rank	186	187	189	189	189	188	188	188

2.133 Panama

Panama is a Central American country with a GDP per capita of $26,790 in international dollars, making it one of the wealthiest countries in the region. The services sector accounts for around 82% of GDP. The major industries in the economy are financial services, tourism and trade. The latter is built around the Panama Canal which connects the Atlantic Ocean with the Pacific Ocean.

Panama has grown rapidly in recent years, benefiting from high levels of investment. Indeed, in 2015 Panama accounted for 45% of all foreign direct investment that flowed into Central America. The economy appears to have lost some momentum in 2018, with labour strikes in the construction sector constraining output. However, the recent expansion of the Panama Canal has boosted the volume of freight trade passing through the country. This, together with a series of major investment projects set out in the government's 2019 budget including a new metro line and a fourth bridge over the Panama Canal, is set to drive strong economic performance in the short to medium term.

The heightening of global trade tensions that developed in 2018 represents a risk for Panama's economy in the coming years, due to its reliance on activity centred on the Panama Canal. This dependence on international trade also makes the country particularly exposed to a global economic slowdown and the decline in trade volumes that would likely follow.

Cebr forecasts that the economy will expand by 4.6% in 2018 before growth bounces back to 6.8% in 2019 on the back of strong construction activity associated with infrastructure developments and the opening of a large copper mine. We expect that Panama will climb from 74th in the World Economic League Table in 2018 to 66th place by 2033.

Panama	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	15.2	23.1	32.4	42.0	44.9	55.9	73.0	95.4
GDP, USD bn (constant prices)	17.9	29.3	49.6	64.5	69.1	86.8	114.1	149.9
GDP, USD bn (current prices)	13.7	25.6	46.7	66.0	72.2	97.8	141.4	204.5
Rank	88	97	86	74	73	71	67	66

2.134 Papua New Guinea

Papua New Guinea is situated on the eastern half of the island of New Guinea. It has a GDP per capita of $3,630 in international dollars. Papua New Guinea is blessed with an array of natural resources, including natural gas, oil, gold and copper. However, the country's ability to tap into these resources has been hampered by a lack of infrastructure and a rugged terrain. Papua New Guinea's major trading partners are nearby Australia, as well as China and Japan. While the bulk of exports come from the extractive industries, 85% of the population are employed in the agriculture sector.

The construction of a major natural gas facility in the highlands helped Papua New Guinea to achieve GDP growth of over 15% in 2014. However, the country has since been hurt by the weakening of commodity prices and economic growth has stalled over the last three years. In November, Papua New Guinea hosted the Asia Pacific Economic Cooperation (APEC) summit, which included leaders from major economic powers including the US, Japan, Canada and China. The latter is establishing a growing presence in the country, having invested an estimated US$3 billion in Papua New Guinea, largely with a focus on infrastructure projects. Increasing domestic connectivity will be crucial in further developing the extractive sector and improving opportunities for the local population. Tourism in Papua New Guinea has to date been constrained by the lack of facilities and infrastructure, and investments in these areas could, therefore, open up another potentially lucrative source of income for the country.

Exxon is currently in talks with the government over plans to invest in natural gas projects in Papua New Guinea which could double its exports. The parties have now agreed to set financial terms in 2019. This development could provide a springboard for stronger economic growth in the coming years.

Cebr forecasts that the economy will grow by an average of 3.4% over the next three years. Annual GDP growth is expected to rise to 3.8% in the medium term in line with expansions in the natural gas sector and continued infrastructural developments. Cebr expects Papua New Guinea to move from 113th in the World Economic League Table in 2018 to 122nd in 2033.

Papua New Guinea	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	31.2	36.9	47.7	59.8	62.0	71.1	85.5	102.9
GDP, USD bn (constant prices)	7.3	13.4	22.6	20.3	20.6	22.8	26.2	30.1
GDP, USD bn (current prices)	5.6	11.7	21.3	20.8	21.5	25.7	32.4	41.1
Rank	121	120	109	113	114	118	120	122

2.135 **Paraguay**

Paraguay is situated in the heart of South America, bordering Brazil, Argentina and Bolivia. It has a GDP per capita of $13,470 in international dollars. Paraguay is a large exporter of agricultural goods – in particular soybeans, corn and bovine meat. The country's relatively high reliance on exports has left it vulnerable to falls in global demand and commodity price swings.

In contrast to many other Latin American countries, Paraguay has seen strong and fairly consistent economic growth in recent years. Despite the economic woes of neighbouring Argentina – a key trading partner for Paraguay – the economy continued to perform well in 2018, with annual GDP growth of 4.4% forecast. This has been driven by strong growth in the power generation and manufacturing sectors. Credit growth also stands at around 14%, supporting domestic demand. However, a fall in remittances from Argentina has weighed on household consumption.

Paraguay's Itaipu dam is the largest hydroelectric power facility in the world. The abundance of energy it produces has allowed Paraguay to export large amounts of electricity to neighbouring Brazil. It also means that domestic energy prices are roughly one-fifth of those in Brazil. This, together with low tax rates for foreign companies, has led to a surge in foreign direct investment. Another industry that has sprung up as a result of this surplus of energy is cryptocurrency mining. However, while generating substantial amounts of income for Paraguay, there are many in the country presenting the case that the benefits of the Itaipu dam should be spread more equitably.

Challenges for Paraguay going forward include addressing the infrastructure gap, which has thus far constrained productivity growth, and a weakening of external demand from key partners such as China, Argentina and Brazil. Government spending has complied with the fiscal responsibility law in recent years, which caps deficits at 1.5% of GDP. Economic growth in the medium term will be contingent on boosting the supply side capacity of the country through investment in infrastructure and boosting the provision of health and educational services. Paraguay's relatively poor standing by these measures at present means there is considerable scope for improvement and Cebr forecasts growth of 4.0% per year over the next 15 years. A stronger than expected local currency has pushed Paraguay higher in the World Economic League Table in 2018 than we had previously forecast. Over the next fifteen years, we expect it to fall from 94th place in 2019 to 98th place in 2033.

Paraguay	**2003**	**2008**	**2013**	**2018**	**2019**	**2023**	**2028**	**2033**
GDP, local currency bn (constant prices)	110119	137530	171391	211431	220233	257079	312506	379569
GDP, USD bn (constant prices)	10.1	28.1	40.9	40.9	42.6	51.4	58.4	66.2
GDP, USD bn (current prices)	7.7	24.6	38.6	41.9	44.6	57.9	72.4	90.3
Rank	112	98	94	94	94	92	93	98

2.136 Peru

Peru is a country on the west coast of South America, with a GDP per capita of $14,250 in international dollars. The country has rich reserves of mineral resources, and the economy is reliant on the export of copper, gold, and zinc with China and the United States representing the most important trading partners.

The softening of commodity prices since 2014 has led to a moderation in economic growth in recent years. However, unlike many other commodity-driven economies, Peru was able to sustain positive growth during this testing period. The government had ample fiscal headroom to avoid drastic cuts to spending during the slowdown, while the completion of several major mining projects partially compensated for the fall in prices. 2018 has been a good year for the Peruvian economy – private consumption has been buoyed by rising employment levels, while the partial recovery of commodity prices has driven a recovery in private investment.

Peru's dependence on the mining sector means that its economic prospects are tightly coupled with the paths of commodity prices in the future. This vulnerability is lessened somewhat by the relative health of Peru's public finances. If the fiscal deficit continues to decrease towards 2% of GDP in the coming years, the government should have the scope to mitigate some of the negative effects of a decline in exports.

We expect continued expansion of the mining sector together with strong levels of domestic demand to fuel growth of 4.1% in 2019, slowing slightly to 4.0% in the 2020s as commodity prices moderate. Downside risks to this forecast include a heightening of global trade protectionism and a cooling of demand from China. We expect Peru to climb from 51st place in the World Economic League Table in 2018 to 48th place in 2033.

Peru	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	245.6	348.9	456.5	535.9	557.9	653.8	796.3	970.3
GDP, USD bn (constant prices)	77.2	139.4	214.4	223.7	228.9	264.1	318.1	382.4
GDP, USD bn (current prices)	59.0	121.8	202.1	228.9	239.2	297.4	394.3	521.4
Rank	55	57	52	51	50	49	47	48

2.137 The Philippines

The Philippines is an archipelago in Southeast Asia, with a GDP per capita of $8,930 in international dollars. It is less reliant on exports than many other countries at a similar level of development. This, together with consistently strong levels of domestic demand, has enabled it to sustain positive growth in every year since the turn of the millennium, despite many external shocks such as the 2008 global financial crisis.

The economy slowed somewhat in 2018 while higher oil prices, restrictions on rice imports and increases in excise taxes have pushed inflation to over 6%. Nonetheless, the Philippines is still expected to register GDP growth of 6.5% in 2018. The Philippines has long lagged behind competing countries in delivering the infrastructure needed to attract foreign investment and a diverse manufacturing sector. President Duterte's 'Build build build' policy recognises this issue, and the government plans to raise spending on transport infrastructure from 5% of GDP currently to 7% of GDP by 2022. While tax reforms have been implemented to finance this investment drive, much of the funding will also come from overseas. The government has actively promoted this by easing limits on inward investment. With global interest rates on the rise, turning overseas for funding does represent a risk. However, the Philippines is better placed than most to manage this risk, with high levels of foreign exchange reserves and only a small current account deficit, which is contained by the regular flows of remittances from overseas Filipino workers.

Inflation is felt particularly acutely by poorer households, and this represents a risk to growth in the coming years. However, the government has taken positive steps to tackle this issue by easing limits on food imports and lifting non-tariff barriers. The central bank has also raised interest rates on several occasions in 2018 in order to stop the economy from overheating. High levels of infrastructure spending together with strong levels of domestic demand from the Philippines' large and fast-growing population are set to sustain annual growth of around 6.6% per year over the next two years. In the longer term, improvements to infrastructure have the potential to unlock major productivity gains, fuelling annual growth of close to 7%. This growth trajectory will see the Philippines climb from 40th in the World Economic League Table in 2018 to 22nd by 2033.

Philippines	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	4008	5237	6751	9230	9842	12787	17778	24690
GDP, USD bn (constant prices)	109.7	198.8	288.4	324.2	339.1	453.6	614.9	843.9
GDP, USD bn (current prices)	83.9	173.6	271.8	331.7	354.3	510.9	762.1	1150.7
Rank	47	48	41	40	39	28	25	22

2.138 Poland

Poland is currently at the bottom end of the range of countries considered high income by the world bank with GDP per capita of $31,650 at 2018 international dollars. This places it slightly above Hungary, Malaysia, Russia and Greece on this measure and slightly below Portugal, Israel, Spain and Italy.

However, the country's GDP per capita is catching up with the traditionally wealthier parts of the EU rapidly.

Poland's population has been declining since 1990 as people have migrated to the above-mentioned EU countries. However the pace of decline has slowed almost to zero and increasingly the labour force is starting to benefit from returners with experience working in other countries. Rising wages (up 15% in the past two years), low unemployment at 3.6% and the impact of Brexit have caused the number of Poles looking to emigrate to drop to only 1 in 10, the lowest level recorded in 30 years.

Growth has been strong over the past two years, with GDP growth of 4.7% in 2017 and running at 5.1% year on year for Q3 2018.

The country's fiscal position looks sustainable, though critics worry about whether expansionary spending on social policies is manageable if and when growth slows down. At present economic growth and the progressivity of the tax system is permitting strong growth in public spending while keeping the budget deficit down at 1.5% of GDP. Meanwhile public debt as a percentage of GDP has fallen from 50% of GDP five years ago to 45% in 2018.

But the investment share of GDP is low for a country that is attempting to change gear and much lower, for example than in the Baltic states. Both business investment and infrastructural investment are needed.

We forecast that Poland will grow at an annual rate of 2.9% from 2018-23 and at an annual rate of 2.8% from 2023-33. This strong growth by European standards is predicted to pull Poland up into the world's top 20 nations in 2023. In the process, Poland is forecast to overtake Sweden, Saudi Arabia and Switzerland.

Poland	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	1052	1357	1564	1886	1952	2185	2507	2877
GDP, USD bn (constant prices)	284.4	611.2	556.3	537.0	556.2	699.4	821.6	965.2
GDP, USD bn (current prices)	217.5	533.8	524.4	549.5	581.3	787.7	1018.3	1316.2
Rank	26	20	23	23	22	20	19	20

2.139 Portugal

Portugal is a country situated on the Iberian Peninsula with a GDP per capita of $32,020 in international dollars. The economy is primarily based on the services sector, although Portugal does export large amounts of textiles and manufactured goods – mainly to nearby European countries. The country was hit badly by the European sovereign debt crisis, falling into a recession between 2011 and 2013.

Following the severe recession earlier this decade, the Portuguese economy appears to have found its feet over the last two years on the back of strong growth in investment and a boom in exports. The latter has been driven by Portugal's growing popularity as a holiday destination with net tourism exports more than doubling over the last decade, as well as the automotive sector. Meanwhile, unemployment has fallen dramatically from 17.5% at its peak in 2015 to 6.7% in October 2018. The tightness of the labour market should bolster private consumption growth in the short to medium term.

The recent rise in investment in Portugal has been driven by an increase in business investment as opposed to housebuilding or government spending. High levels of business investment bode well for productivity growth in the coming years. Portugal has also been able to narrow the qualification gap with its European partners, which will boost the country's competitiveness going forward.

At 126% of GDP, the level of public sector debt remains among the highest in Europe, and this represents an ongoing risk for the country. With that being said, fiscal discipline by successive governments has lowered the fiscal deficit to less than 1% of GDP – the lowest level in several decades. Annual GDP growth is expected to have moderated slightly from 2.7% in 2017 to 2.2% in 2018. However, this remains well above the Eurozone average. We expect growth to weaken to 1.4% in 2019, as part of a broader slowdown in the Eurozone brought about by political instability, a tightening of monetary conditions and a softening of external demand. In the longer term, we forecast a trend growth rate of 1.8% per year, assuming that Portugal is able to take steps to close the productivity gap with other European countries. We expect Portugal to move from 49th place in the World Economic League Table in 2018 to 54th place in 2033.

Portugal	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	169.6	181.5	167.2	183.1	185.7	198.1	216.5	236.7
GDP, USD bn (constant prices)	216.1	301.4	239.9	232.3	227.1	229.9	243.6	258.1
GDP, USD bn (current prices)	165.2	263.3	226.1	237.7	237.3	259.0	301.9	352.0
Rank	31	38	49	49	51	53	54	54

2.140 Puerto Rico

Puerto Rico – an island in the Caribbean Sea – has been a territory of the United States since 1898. It has a GDP per capita of $39,760 in international dollars. With the exception of 2012 – when GDP was flat – the economy has contracted in every year since 2005. This has been driven by oil price rises and the phasing out of tax incentives that had previously fuelled high levels of investment from US firms. Puerto Rico's economic woes have also led to a surge in migration to the US, where Puerto Ricans are legal citizens, further diminishing the country's growth prospects.

Hurricane Maria – the Category 4 storm that devastated the island in September 2017 – has cost the economy an estimated US$43 billion, with federal aid and insurance payouts only covering around a quarter of the losses so far. Meanwhile, four in ten Puerto Ricans have suffered a job loss, reduced hours or loss of earnings as a result of the hurricane. There has been a surge in construction activity associated with rebuilding efforts, which has brought the unemployment rate below 10% for the first time in five years. However, this represents only a temporary boost.

The damage created by Hurricane Maria has accelerated the flow of Puerto Ricans leaving the island for the US, due to – among other things – a deterioration of infrastructure and frequent power outages. Indeed, the number of Puerto Ricans living on the US mainland now exceeds the number of those remaining on the island. While a pickup in construction activity is expected to decrease the rate of economic contraction from 2.3% in 2018 to 1.1% in 2019, this does not address Puerto Rico's more fundamental challenges. These include a persistent decline in population – accelerated by the recent natural disaster – as well as difficulties in attracting inward investment. On this basis, we expect the economy to continue to shrink at around 0.7% per year between 2020 and 2033. This will see Puerto Rico fall from 64th in the World Economic League Table in 2018 to 89th place by 2033.

Puerto Rico	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	11.4	10.9	10.6	9.7	9.6	9.3	9.0	8.6
GDP, USD bn (constant prices)	99.2	107.2	108.7	102.2	100.1	94.2	87.4	81.1
GDP, USD bn (current prices)	75.8	93.6	102.5	104.6	104.6	106.1	108.3	110.6
Rank	50	62	63	64	64	69	75	89

2.141 Qatar

Qatar – situated in the northeast of the Arabian Peninsula – is the richest country in the world, with a GDP per capita of $128,490 in international dollars. Petroleum exports are the backbone of the economy, making up more than 85% of exports. Indeed, Qatar has the world's third largest natural gas reserves, behind only Russia and Iran.

Qatar was once one of the world's fastest growing economies, regularly posting annual GDP growth rates in excess of 15%. The sharp fall in oil prices between 2014 and 2016 has ushered in a new lower growth paradigm for the country. The blockade against Qatar led by Saudi Arabia that started in 2017 has also brought about significant economic disruption. Qatar's only land border is shared with Saudi Arabia, and prior to the blockade 40% of its food imports came through Saudi Arabia. Meanwhile, airspace restrictions have forced Qatar airways to close down a number of flights. Furthermore, construction companies involved in the preparations for the 2022 FIFA World Cup have had to source materials from elsewhere, causing shipping costs to skyrocket. The Qatari government has been able to weather these storms by deepening ties with other partners such as Turkey, Russia and Iran. At the end of 2018, Qatar became the first Middle Eastern country to leave OPEC, citing a greater focus on natural gas. However, this decision also represented a fresh reminder that political and economic relations between Qatar and many of its regional partners remain highly fractured.

Heavy infrastructure spending for the football world cup and an expansion of natural gas production are set to be the main drivers of growth in the short to medium term. Despite high infrastructure expenditure, the government remains committed to fiscal prudence, with a value-added tax set to come into force in 2019. This, together with the Saudi-led blockade will limit growth to around 2.7% over the next three years, before picking up to 2.9% in 2022 as the World Cup delivers a boost. Qatar is attempting to diversify its economy, with opportunities in the financial services and tourism sectors. It has also made efforts to establish itself as a hub for higher education in the Middle East, so far attracting University College London and HEC Paris among others as partners. However, while growth outside of the oil and gas sectors has been strong recently, the petroleum industry remains a dominant part of the economy, and Cebr forecasts GDP growth to slow to 2.4% per year in the longer term as oil prices soften. We expect Portugal to move from 55th place in the World Economic League Table in 2018 to 53rd place in 2033.

Qatar	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	196.6	441.4	723.4	830.6	854.0	950.7	1070.4	1205.2
GDP, USD bn (constant prices)	30.8	132.0	210.8	184.0	195.5	214.0	247.7	279.1
GDP, USD bn (current prices)	23.5	115.3	198.7	188.3	204.3	241.0	307.0	380.7
Rank	68	58	53	55	54	54	53	53

2.142 Romania

Romania is an upper middle-income country in the south-east of Europe and has a GDP per capita of $26,180 in international dollars. Romania is relatively well insulated from the issues to do with Russia and Ukraine in terms of self-sufficiency in natural gas, trade exposure, and banking links.

Romania is expected to have achieved growth of approximately 4% in 2018, compared to almost 7% in 2017. Growth is beginning to slow as the impacts of pro-cyclical fiscal stimulus wear out and the wider Eurozone slowdown starts to bite, though the economy is still benefitting from a steady convergence trend with the rest of the EU. Furthermore, Romania faces an ongoing political crisis that is producing policy and economic uncertainty. The Romanian government's pro-cyclical wage-led growth model may face sustainability issues as funding costs rise.

Romania's outlook could be undermined by several factors. The most immediate concern is political instability and this spilling over into government policymaking, creating increasingly unsustainable fiscal strain. This also ties into Romania's institutional stability, where competing interests are often perceived to act against each other in ways that harm the country's credibility and institutional foundations. Relations between the president and the governing party are extremely poor, and this feeds into an ongoing political crisis that has been a feature in 2017 and 2018. This is likely to continue into 2019.

Given the Romanian economy's exposure to the Eurozone, any economic shock there will be felt sharply. Although it is consolidating gradually, the Eurozone is still structurally vulnerable to political and economic shocks. Romania has somewhat avoided the populist political trends seen in Hungary and Poland over recent years, but this may start to change as the ruling PSD increasingly clashes with the EU on institutional and governance issues. Moreover, if the foundations of the EU are threatened once again, Romania may find itself in a precarious position on the bloc's periphery as it is still not part of the Eurozone or the Schengen area. While Romania has seen strong levels of support for the EU since joining in 2007, there are some early signs that this is starting to decline, albeit from a relatively high base. Romania is, however, due to take over the EU's rotating presidency in the first half of 2019, and this may just overlap with a surprise accession to the Schengen area, which would improve the country's access to western European markets.

Romania's security situation could deteriorate in light of Donald Trump's perceived lack of commitment to NATO collective defence and the ongoing aggressive stance from Russia. Although it is unlikely, a Russian intervention in south-eastern Ukraine or the Republic of Moldova could suck Romania into a regional conflict. While Romania has been actively investing in new defence capabilities over recent years, it's vulnerability to regional security risks remains significant.

Despite robust economic growth, Romania still has a high poverty rate. Education is in need of reform, especially for vulnerable groups. Moreover, poor road and rail infrastructure remains a significant constraint on growth. The population of Romania is due to decline over the coming years due to low fertility rates. Growth will need to come not from population but from improvements in productivity and immigration. Given Romania's relatively low levels of economic development within the EU trade bloc, growth is expected to remain at a fair pace over the coming years at more than 3%. We expect Romania to move from 48th place in the World Economic League Table in 2018 to 44th place in 2033.

Romania	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	410.4	579.2	566.4	709.1	733.4	831.3	966.9	1124.7
GDP, USD bn (constant prices)	78.3	244.6	202.6	234.0	238.1	296.9	380.5	481.6
GDP, USD bn (current prices)	59.9	213.6	190.9	239.4	248.8	334.4	471.6	656.7
Rank	54	44	54	48	48	46	46	44

2.143 Russia

Russia is an upper-middle income country with GDP per capita of $29,030 at 2018 international dollars. It is the third largest oil producer in the world after the US and Saudi Arabia and the second largest gas producer after the US. It also has substantial endowments of other natural resources. As the largest country in the world geographically it also has a large forestry and agricultural sector.

Russia has a complicated relationship with the Western economies which have imposed restrictions on some Russian individuals and some sanctions on the country's companies.

The combination of a dependence on oil and gas and the varying relations with other economies mean that the Russian economy has showed a degree of volatility in recent years. GDP fell in 2015 and 2016 but appears to have grown in 2017 and 2018. Despite this, the government has run a tight ship fiscally, turning a deficit of 3.6% of GDP in 2016 into a surplus of 1.6% by 2018. Meanwhile the debt GDP ratio remains low at 15.3% of GDP.

Russia adopted a new fiscal rule in 2017 limiting the amount the federal government can spend from excess oil revenues – this comes fully into force in 2019 and should would go some way to reducing cyclicality in the economy, by decoupling government expenditures from oil price fluctuations.

The Russian economy nevertheless remains very highly dependent on oil and gas highlighted by the country in practice forming part of OPEC discussions on limiting production. Ideally the country would diversify but concerns about corporate governance and Western imposed sanctions make it difficult to attract foreign capital other than those investments now increasingly coming from China.

Russia's labour force remains skilled and, after a 20 year period where the Russian population declined, it is now growing - by 0.1% in 2017. This provides some hope for diversification from resource based activities to skills based activities.

We forecast that Russia will grow at an annual rate of 1.4% from 2018-23 and at an annual rate of 1.3% from 2023-33. But the likely long term weakness in energy prices combined with difficulties in diversification are likely to mean that the country continues to slide down the league table. Russia fell from 8th position in 2012 to 12th position in 2018 and is likely to fall further to 16th position in 2033.

Russia	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	58421	82287	87919	88967	90302	95749	102136	108950
GDP, USD bn (constant prices)	604.5	2043.1	2436.9	1540.6	1573.5	1609.7	1633.7	1630.9
GDP, USD bn (current prices)	462.3	1784.5	2297.1	1576.4	1644.3	1813.0	2024.7	2224.0
Rank	16	8	8	12	12	12	13	16

2.144 Rwanda

Rwanda is a landlocked country in Central Africa with a GDP per capita of $2,230 in international dollars. Agriculture employs the majority of the working population and accounts for nearly a third of GDP. Rwanda's main exports include gold, various metal ores and agricultural products such as tea and coffee. Following the 1994 genocide, Rwanda's government – led by President Kagame – has pursued a public-sector led growth strategy that has delivered rapid economic gains. Between 1998 and 2017, annual GDP growth averaged 7.6%, while poverty rates have decreased significantly.

The economy looks to have performed well in 2018, driven by strong activity in the construction sector. Exports have also been booming, with 18% year-on-year growth recorded in August. However, major construction projects – many of which are foreign financed – are set to increase imports in the near term, leading to a widening of the current account deficit.

Rwanda has the potential to sustain strong growth in the medium term. Investments in improved irrigation systems and fertiliser have the potential to boost agricultural output and export earnings, while the 'Made in Rwanda' initiative already appears to be delivering results for the country's industrial exports. Tourism is another growth sector for the future, with the recent £30 million sponsorship deal with Arsenal Football Club highlighting Rwanda's ambitions to grow this industry.

The fiscal deficit is expected to fall under 2% of GDP in 2018. Gross government debt has risen rapidly from below 20% in 2012 to more than 40% at present. While this appears to have broadly stabilised for now, lowering Rwanda's debt burden will be key for its long-term economic sustainability. Cebr forecasts that the economy will expand by 7.8% in 2019 and by around 7.5% from 2020 onwards. Rwanda's young and rapidly growing population mean that it is set to enjoy a demographic dividend in the coming years. Ensuring that the country's infrastructure keeps up with this population growth will be crucial in ensuring that Rwanda can meet its growth potential. Rwanda is set to be one of Africa's fastest-growing economies in the coming years, and we expect it to climb from 143rd in the World Economic League Table in 2018 to 129th by 2033.

Rwanda	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	2361	3626	5079	7174	7733	10376	14896	21385
GDP, USD bn (constant prices)	2.4	5.6	8.1	9.5	10.1	13.5	18.5	25.3
GDP, USD bn (current prices)	1.8	4.9	7.6	9.7	10.5	15.2	22.9	34.5
Rank	153	149	146	143	142	140	132	129

2.145 Samoa

Samoa is made up of two main islands in the Pacific Ocean to the east of Australia. It has a GDP per capita of $5,940 in international dollars. While a majority of the population are employed in the agricultural sector, the bulk of GDP is produced in the industrial and service sectors. The islands' natural beauty has made tourism an important source of income for Samoa, while remittances from overseas amount to around 17% of GDP.

The Samoan economy has slowed somewhat in 2018, driven by a normalisation of fishing activity following two very strong years together with the closure of the Yazaki manufacturing factory, which was previously the country's largest employer. Samoa has invested heavily in infrastructure in recent years. Indeed, it currently owes an estimated US$160 million to China – its largest creditor. Continued borrowing in this area is expected to widen the fiscal deficit from less than 2% of GDP in 2018 to 2.5% of GDP in 2022. Developing the country's infrastructure has the potential to deliver a boost to productivity and increase tourist arrivals.

Looking ahead, GDP growth is expected to pick up to 3.2% and 5.0% in 2019 and 2020, respectively, as new companies move into the site previously occupied by the Yazaki factory and the tourism sector receives a boost from the hosting of the Pacific Games. Samoa is vulnerable to the effects of climate change and this represents a downside risk to growth going forward. We expect Samoa to move from 182nd in the World Economic League Table in 2018 to 184th in 2033.

Samoa	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	1.5	1.7	1.7	1.9	2.0	2.2	2.5	2.8
GDP, USD bn (constant prices)	0.4	0.8	0.9	0.9	0.9	1.0	1.1	1.2
GDP, USD bn (current prices)	0.3	0.7	0.8	0.9	0.9	1.1	1.4	1.7
Rank	180	180	180	182	182	182	182	184

2.146 San Marino

San Marino is fully surrounded by Italy. It has a population of 35,000 and a GDP per capita of $61,580 in international dollars, making it one of the richest countries in Europe. The main sectors of the economy are financial services, tourism and manufacturing – in particular textiles, electronic goods and transport components. Favourable tax policies have made San Marino a popular destination for foreign investment.

The Sammarinese economy currently faces two key risks. The first is the vulnerability of its banking sector, as domestic banks are currently burdened with €1.7 billion of non-performing loans – amounting to roughly 117% of GDP. The country is considering asking the IMF for a loan of around €250 million to bail out the sector – in particular the state-owned CRSM. The other risk relates to political and economic instability in Italy following the new government's clashes with the European Commission over its spending plans.

Structural reforms to lower business costs and increase labour market flexibility are necessary if the economy is to diversify away from the financial sector and minimise its exposure to external shocks. However, its small size will inevitably limit the degree to which it can diversify, and hence the economy will remain vulnerable. Cebr forecasts growth of 1.4% and 1.0% in 2018 and 2019 respectively. We expect the country to fall from 172nd in the World Economic League Table in 2018 to 177th by 2033.

San Marino	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	1.5	1.8	1.2	1.3	1.3	1.3	1.4	1.4
GDP, USD bn (constant prices)	n/a	3.0	1.9	1.7	1.7	1.8	1.9	2.0
GDP, USD bn (current prices)	n/a	2.7	1.8	1.8	1.8	2.0	2.4	2.8
Rank	n/a	158	169	172	173	175	178	177

2.147 São Tomé and Príncipe

São Tomé and Príncipe is a country situated in the Gulf of Guinea, comprised of the two main islands of São Tomé and Príncipe as well as several smaller islands. It has a GDP per capita of $3,360 in international dollars. The country's dominant export is cocoa beans, although production is volatile due to recurrent droughts. São Tomé and Príncipe's reliance on the import of food and manufactured goods has left it vulnerable to shortages due to limited capacity at its main port. Growth has remained robust in 2018, and inflation has also declined to around 6% following the spike associated with a rise in import taxes in 2017.

São Tomé and Príncipe's small population of just over 200,000 people, as well as its geographical remoteness, makes economic diversification a challenge. As a result, it is vulnerable to large swings in the current deficit, which is now around 7% of GDP. Development of the tourism sector presents an opportunity to narrow the country's persistent current account deficit while providing an additional avenue for economic growth. For many years, São Tomé and Príncipe's potential as a tourist destination has been relatively unfulfilled. More recently, active steps have been taken to promote this sector. For instance, a memorandum of understanding has been signed with Macao in order to promote the sharing of experience and training in necessary fields.

China has shown a growing interest in São Tomé and Príncipe, seeing it as a potential logistical hub for exports to mainland Africa. In April 2017 the two countries signed a five-year cooperation agreement relating to infrastructure and medical assistance among other things. More recently, China has pledged $146 million for the development of São Tomé and Príncipe's international airport and the construction of a deep-sea container port. These investments can deliver a considerable boost to the productivity and competitiveness of the country, while facilitating a deeper integration into the global economy. However, the level of public sector debt – which currently stands at 77% of GDP – is a threat to the economic stability of the country, and maintaining fiscal discipline alongside these ambitious projects will present a challenge. Reforms to boost revenue collection should help, such as the planned introduction of VAT in 2019. Another source of growth going forward will be the development of an oil sector in the Gulf of Guinea. However, production is not expected before 2020.

Cebr forecasts annual GDP growth of 4.5% in 2019, rising to 5.0% in the medium term driven by investment of infrastructure, growth in tourism and the commencement of oil production. This growth trajectory will see São Tomé and Príncipe climb 5 places in the World Economic Legaue Table from 187th in 2018 to 182nd in 2033.

São Tomé and Príncipe	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	2038.6	2763.0	3407.2	4241.8	4432.7	5388.0	6876.6	8776.5
GDP, USD bn (constant prices)	0.1	0.2	0.3	0.4	0.5	0.7	1.0	1.4
GDP, USD bn (current prices)	0.1	0.2	0.3	0.5	0.5	0.7	1.2	1.9
Rank	188	188	188	187	186	185	185	182

2.148 Saudi Arabia

The Kingdom of Saudi Arabia covers the majority of the Arabian Peninsula. It is the world's third largest oil producer (having recently been overtaken by the US and Russia), despite actually exporting more than either. Indeed it is by far the world's largest exporter of oil, accounting for 15.9% of world oil exports in 2017. Saudi's massive oil wealth means that the country is one of the richest in the world on a GDP per capita measure with GDP in 2017 of $55,930 in international PPP dollars.

Saudi Arabia has one of the fastest growing populations in the world with growth of as much as 25% in 2017 and predicted growth averaging 2.0% per annum from 2018-22. Thereafter growth might slow slightly.

The need to provide jobs for the growing population and at the same time diversify away from oil is critical to Saudi economic policy. On the other hand most international indicators suggest that the level of education in Saudi Arabia remains a handicap while wage levels for indigenous Saudis make it difficult to compete with labour in other economies.

Clearly the future depends most on oil developments. The Saudis are a major part of the OPEC production cutbacks to hold up the price and this is depressing incomes. We see downward pressure on oil prices in 2019 in response to the weakening world economy but expect some recovery thereafter. As renewables come onstream in scale worldwide during the late 2020s we expect downward pressure on the price of oil and it is critical for the Saudi economy that diversification projects like Neom, Qiddiya and Jubail II provide a basis for replacing oil income.

Saudi Arabia will also have to deal with the political and economic fallout from the murder of journalist Jamal Kashoggi in Turkey during the past year.

We are forecasting that Saudi Arabia will grow at an average annual rate of 2.2% from 2018-23 and 2.1% from 2023-33.

Our current view is that there will be mixed success with these policies. We expect that the weakness of the energy economy will lead to the country falling from 18th place in the World Economic League Table in 2018 to 23rd in 2033.

Saudi Arabia	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	1519	1925	2358	2623	2687	2922	3242	3597
GDP, USD bn (constant prices)	282.2	595.1	792.1	752.4	761.3	789.8	800.2	810.8
GDP, USD bn (current prices)	215.8	519.8	746.6	769.9	795.6	889.5	991.7	1105.7
Rank	27	22	19	18	18	19	21	23

2.149 Senegal

Senegal is a country on the West coast of Africa with a GDP per capita of $3,680 in international dollars. It has a relatively diverse economy, with the mining, fisheries, agriculture and petroleum sectors all contributing to a significant share of Senegalese exports.

Following a rebasing and the inclusion of new data sources, Senegal's GDP has been revised up by around 30%, leading to a nine place jump in the World Economic League Table in 2018. Economic growth has been strong in recent years and this is expected to have continued in 2018, with GDP forecast to grow by 7.0%. This has been driven by fast rates of expansion in the secondary and services sectors, as well as strong growth of phosphate and peanut exports. Since his election in 2012, President Sall has pursued a reformist agenda, aiming to address bottlenecks to Senegal's economic development. High energy costs and power outages have historically been a major challenge for Senegal, although significant progress has been made on these fronts. Domestic power generation has risen by 25% over the last five years, with plans for further expansion into the renewable energy sector in order to meet the government's goal of universal access to electricity by 2025. These include the development of what would be West Africa's largest wind farm to the north east of Dakar. A further boost to production will be provided by recently discovered offshore gas reserves.

Gross government debt is currently at around 50% of GDP and a fiscal deficit of 3.5% of GDP is expected in 2018. The increase in the deficit was driven by the rise in oil prices and lower than expected tax revenues. Government debt is expected to fall to 44% of GDP by 2023, contingent on Senegal maintaining the high rates of economic growth it has seen in recent years. Cebr forecasts that the economy will grow by 6.7% and 6.8% in 2019 and 2020 respectively. In the medium term, we expect Senegal to see annual growth rates of 6.4%, driven by infrastructure improvements, investment in human capital and the emergence of the natural gas sector. This will see it reach 93rd place in the World Economic League Table by 2033.

Senegal	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	6321	7908	9169	12661	13511	17579	24021	32823
GDP, USD bn (constant prices)	11.4	19.5	20.1	23.7	24.9	33.5	48.3	69.2
GDP, USD bn (current prices)	8.7	17.0	19.0	24.2	26.0	37.8	59.8	94.4
Rank	105	111	112	108	109	103	100	93

2.150 Serbia

Serbia is an emerging economy in Eastern Europe, with a GDP per capita of $16,090 in international dollars. Economic growth in 2018 is expected to have reached a ten year high. Performance was boosted by a strengthening labour market, fiscal stimulus and a boost to FDI inflows. One of the most visible FDI-funded projects is the Belgrade Waterfront (Beograd na vodi), an urban renewal development along the Sava river. It includes residential buildings, a luxury hotel, a mall and commercial space. Some of the buildings welcomed their first residents in 2018.

In addition to the UAE, Serbia has also enjoyed investments from China. While economically beneficial, these inflows come with some strings attached, all of which have to be balanced against the country's historic links to Russia and the EU accession process. The European Council granted Serbia candidate country status in 2012 and the country has been implementing various reforms on its path to membership. In its 2018 Communication on EU Enlargement Policy, the European Commission recognised the progress Serbia has made in aligning its legislation with the *acquis communautaire*. However, the document also outlines numerous areas in which further progress needs to be made. These include public administration reform, judicial system preparations, the fight against corruption and organised crime as well as a normalisation of relations with Kosovo (which unilaterally declared independence in 2008).

Over recent years the country has seen relative political stability, which has enabled it to stay on a consistent course of reform. The spring 2017 elections led to only minor changes in government, as the incumbent Prime Minister, Aleksandar Vucic, became President. Ana Brnabic took over as Prime Minister. Her appointment garnered much international coverage as she is the first woman and first openly gay person to hold the post, in a country which has had a patchy record of respecting LGBT rights.

Cebr expects GDP growth to average around 4% per annum in the medium and long term. Despite strong GDP growth over 2018, the unemployment rate remains high at around 14% and is expected to decline only gradually throughout the early 2020s. Reponses to the global financial and European sovereign debt crises have also led to a rapid accumulation of public debt, which peaked at 76% of GDP in 2015 and is now set to fall to 53% by 2020. The ongoing fiscal consolidation effort will detract from the government's ability to spend on other growth enhancing policies.

A further concern is 'brain drain'. Serbia has experienced high emigration to other European countries with higher wages and lower unemployment. Many of these migrants do contribute remittances, but the loss of young talented workers is detrimental. Nevertheless, political stability, FDI inflows and pro-growth reforms are set to support Serbia's position in the long term. Serbia is expected to climb from 86th in the World Economic League Table in 2018 to 84th by 2033.

Serbia	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	2336.6	3147.5	3157.8	3401.5	3520.5	4118.5	5010.8	6096.4
GDP, USD bn (constant prices)	27.7	56.3	48.3	46.6	48.0	56.8	70.4	87.2
GDP, USD bn (current prices)	21.2	49.2	45.5	47.7	50.1	63.9	87.2	118.9
Rank	75	75	90	86	88	88	89	84

2.151 The Seychelles

The Seychelles is an archipelago in the Indian Ocean to the east of Africa with a GDP per capita of $30,520 in international dollars. Rapid economic development since independence in 1976 has seen the Seychelles transition from a low income country based on agriculture, to a developed country with a well established tourism sector. Indeed as of 2017, the Seychelles has no longer been eligible for the trade benefits associated with the US African Growth and Opportunities Act, given its status as a developed country.

The tourism sector is estimated to employ approximately 27% of the Seychellois workforce. There are signs that the economic slowdown in Europe has weighed on visitor arrivals in 2018. However, weaker growth of the tourism sector has been offset by expansion in the fishing and IT sectors, and GDP is forecast to have risen by 3.6% over 2018.

Several major infrastructure projects have been announced over the past year, including $41 million of works on the Victoria port – in part funded by the European Investment Bank. Moreover, China has signed a memorandum of understanding with the Seychelles signalling an intention to expand trade and investment ties, while India extended a $100 million loan to the Seychellois government in October. Due to its small size, the Seychelles has benefitted in the past from land reclamation schemes, and the African Development Bank has recently indicated that it would be willing to offer support for future schemes over the next five years.

Given the Seychelles' reliance on the fishing and tourism sectors, ensuring the preservation of its natural resources is fundamental to its economic sustainability. The Seychelles has been a leader on the global stage in terms of marine protection, becoming the first country to issue a 'Blue bond' dedicated to the protection of marine resources and the development of sustainable fishing.

The anticipated slowdown in the global economy over the next two years is likely to weigh on growth of the tourism sector in the Seychelles. However, this will be partially offset by high levels of construction activity associated with new infrastructure developments. Climate change is also an ongoing downside risk for the Seychelles, although developments to infrastructure can help to moderate this threat. Cebr forecasts GDP growth of 3.3% in 2019 and 2020, rising to 3.6% in the medium term. The Seychelles remains on track to meet its target of lowering government debt to below 50% of GDP by 2021, although this will require fiscal consolidation in some areas to provide room for the planned infrastructure investment.

Seychelles	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	4.8	6.1	7.4	9.2	9.5	11.0	13.1	15.6
GDP, USD bn (constant prices)	0.9	1.1	1.4	1.5	1.6	1.8	2.1	2.4
GDP, USD bn (current prices)	0.7	1.0	1.3	1.6	1.6	2.0	2.6	3.3
Rank	171	175	175	176	176	176	175	174

2.152 Sierra Leone

Sierra Leone is a West African country on the Atlantic Ocean, bordered by Guinea and Liberia. It has a GDP per capita of $1,620 in international dollars, making it one of the poorest countries in the world. Sierra Leone's main exports are iron ore, titanium ore and diamonds. Economic development has been hampered by the destructive civil war in the early 2000s and more recently by the combination of an Ebloa outbreak and a fall in commodity prices that took place in 2014 and 2015.

GDP growth has picked up since the more than 20% contraction in GDP that took place in 2015. However, at around 3.7% per year, the rate of expansion is considerably slower than the 7.8% average growth rate between 2003 and 2014. The fall in iron ore prices between 2014 and 2016 has led to a deterioration of exports and tax revenues, causing a sharp widening of the fiscal and current account deficits which now stand at 9.8% and 13.4% of GDP, respectively. Weakness in the currency and higher oil prices have also contributed to a rapid increase in inflation. The high rate of price growth, together with the consequent tightening of monetary conditions, is set to weigh on private sector growth in the short to medium term.

The IMF have recently approved $172 million in extended credit finance for Sierra Leone, in order to assist the government in its efforts to contain inflation and mobilise tax revenues. While significant progress has been made in closing infrastructure gaps, the recent deterioration of the public finances will constrain investments in the coming years. The cancellation of the China-funded Mamamah airport construction, is a particular blow for Sierra Leone's infrastructure development.

Cebr forecasts that the economy will grow by 4% in 2019 and 2020, rising to 4.5% annually from 2025, conditional on the stabilisation of public finances. We expect that Sierra Leone will fall from 160th in the World Economic League Table in 2018 to 170th by 2033.

Sierra Leone	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	4809	6359	10218	9707	10095	12006	14958	18611
GDP, USD bn (constant prices)	1.8	2.9	5.2	3.7	3.6	3.8	3.8	3.7
GDP, USD bn (current prices)	1.4	2.5	4.9	3.8	3.7	4.3	4.7	5.1
Rank	158	159	153	160	161	162	167	170

2.153 Singapore

Singapore is one of the most spectacular economic development stories in any place and at any time in the world's economic history. GDP per capita in 2018 was $98,260 in international dollars compared with $5,004 as recently as 1980. Taxes are low and the business environment is liberal, though the state also plays a role in directing development. Singapore is second only to Hong Kong in the Heritage Organisation's economic freedom index.

With its strategic position at the tip of the Malaysian peninsula and hence on a major East West trade route, trade is critical to Singapore's economic growth. Exports and imports are equal to 318% of GDP and entrepot trade is huge. Singapore is in many ways the maritime capital of the world, although in terms of cargo handled it has been overtaken by Shanghai. It remains the world's largest port for transhipment and half the world's oil trade is handled through Singapore.

Because of the already mature economy, growth has slowed from the breakneck pace of the past 50 years. But the economy has grown strongly in 2017 and 2018 with rates of GDP growth of 3.6% and 2.9% in the respective years.

Singapore's corporate aim is to upskill its economy through inward investment. To encourage this it maintains a mix of high tech infrastructure and a favourable business climate.

Like London and Hong Kong, the property market is a major part of the Singapore economy. House prices are estimated to have risen by 10% in 2018, well above the government's target. As a result regulations have been changed to boost development which is likely to be a driving force behind the economy in 2019, though the increase in supply is likely to make housing inflation negative at least on a temporary basis.

One medium term risk is the rerouting of world trade as the Chinese One Belt One Road policy starts to affect trade patterns. It is likely that elements of this will reduce entrepot trade through Singapore. Chinese investors are planning to develop a rival port at nearby Malacca, centre of operations for the famous Chinese admiral Cheng Ho (Zheng He) in the fifteenth century. And, though the Thai government has indicated that the project no longer is a priority, the potential of a Kra Isthmus canal that would cut the route from Europe or the Middle East to China by 1,100km might clearly be a threat to Singapore's entrepot trade. The emergence of improved land routes from China to Europe will similarly reduce the dependence on shipping.

We forecast that Singapore's trend growth rate will be 2.7% from 2018-23, slowing slightly to 2.6% from 2023-33. Because growth is likely to slow as GDP per capita peaks out, it is likely to be overtaken in absolute GDP terms by countries with more scope to raise their GDP per capita. We therefore predict a slight edging down in the league table from 38th place to 40th.

Singapore	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	198	281	375	435	446	496	565	644
GDP, USD bn (constant prices)	126.8	220.1	323.0	338.8	344.1	386.2	444.1	510.6
GDP, USD bn (current prices)	97.0	192.2	304.5	346.6	359.6	435.0	550.4	696.3
Rank	42	45	36	38	36	37	41	40

2.154 Slovakia

Slovakia is a landlocked country in central Europe with a GDP per capita of $35,100 in international dollars. It has a strong industrial base, with exports of motor vehicles and electronics accounting for more than 80% of GDP. Slovakia's trade is concentrated overwhelmingly among fellow European countries.

Economic growth has outpaced the rest of the Eurozone, averaging 3.5% over the last three years. Domestic consumption has been supported by persistent falls in the rate of unemployment – currently at 6.6% – coupled with strong growth in wages. Another source of growth has been high levels of activity in the construction sector.

The strength of Slovakia's labour market, together with investment in the autmototive sector, is set to drive the economy over the coming years. Given its dependence on exports, Slovakia is vulnerable to a heightening of trade protectionism around the world, although tensions between the US and the EU appear to have cooled for now. An economic slowdown in Europe could also weigh considerably on external demand over the next one to two years.

The rapid growth in earnings that Slovakia has seen in recent years in part reflects the growing shortage of skilled labour, due to an ageing workforce and the educational gap between Slovakia and other European countries. Investment in education and training will therefore be key in ensuring that the economy maintains its momentum in the medium term.

Cebr forecasts that the Slovakian economy will expand by 4.1% in 2019, due to the strength of the labour market as well as the boost to exports associated with the new Jaguar Land Rover factory at Nitra. GDP growth is then expected to moderate slightly towards a trend rate of 3.4% per year.

Slovakia	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	47.7	68.0	71.7	84.9	88.4	101.9	120.4	142.3
GDP, USD bn (constant prices)	44.5	111.1	104.5	104.5	105.6	116.3	134.1	154.7
GDP, USD bn (current prices)	34.0	97.0	98.5	106.9	110.3	131.0	166.2	211.0
Rank	61	61	64	63	61	62	65	65

2.155 Slovenia

Slovenia is a country situated in southern Central Europe with a GDP per capita of $36,830 in international dollars. The country has utilised its strategic location in the heart of Europe to trade extensively with its European partners. A large share of exports are attributable to the automotive and electronic sectors.

The Slovenian economy has excelled over the last two years, growing by 5.0% in 2017 and an expected 4.5% in 2018. This has been underpinned by a persistent tightening of the labour market, with the rate of unemployment now at the lowest level since 2009. However, the rate of earnings growth has moderated somewhat, while inflation has risen to around 2%. The corresponding slowdown in real household income is likely to have moderated private consumption growth in 2018. Growth in exports also slowed towards the end of 2018, reflecting the weak performance of economies throughout Europe.

China is Slovenia's largest trading partner outside of Europe, and the pair have recently sought to strengthen their economic relations. Slovenia's location in the middle of Europe means that it is well placed to benefit from investments via China's One Belt One Road initiative.

Cebr forecasts that GDP growth will to slow to 3.4% in 2019 and 2.8% in 2020. Slovenia's deep integration in the European economy and its reliance on exports mean that it will not be isolated from a broader economic slowdown in Europe, brought about by political instability in some areas and a tightetning of monetary conditions. Like most European countries, Slovenia is expected to lose ground in the World Economic League Table over the next fifteen years. We expect it to fall from 82nd in 2018 to 97th by 2033.

Slovenia	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	30.7	38.8	35.1	41.8	43.2	47.7	52.8	58.6
GDP, USD bn (constant prices)	38.9	63.9	51.1	53.7	53.5	56.6	62.0	67.9
GDP, USD bn (current prices)	29.7	55.9	48.1	55.0	55.9	63.8	76.9	92.6
Rank	64	72	83	82	84	89	91	96

2.156 Solomon Islands

The Solomon Islands consists of 6 major islands and over 900 smaller ones in the Pacific Ocean, to the east of Papua New Guinea. It has a GDP per capita of $2,240 in international dollars. The majority of the workforce is employed in agriculture, which accounts for over a third of GDP. The bulk of the Solomon Islands' exports are from the forestry sector, with China as the largest buyer. The country has a range of other mineral resources which have not been fully exploited as of yet.

The Solomon Islands has a history of ethnic violence, although the situation has stabilised in recent years. GDP growth is expected to be robust at 3.4% on the back of strong growth in the forestry, fishing and agriculture sectors. However, mismanagement of resources has meant that timber supplies have depleted significantly. Although the government has now placed a focus on sustainable forestry, the country urgently needs to develop new industries to replace logging as the main driver of growth. A prime candidate appears to be the mining sector, which has currently not been developed to its full potential.

The small size and geographical remoteness of the Solomon Islands mean that economic diversification will be a challenge. Climate change and natural disasters such as earthquakes, also represent downside risks for the economy. The Solomon Islands is one of many Pacific Island nations that benefit from Australia's seasonal workers programme, which allows Solomon Islanders to work seasonally on farms in Australia. This generates a considerable flow of remittances, boosting household incomes domestically. There are some concerns however that the loosening of Australian visa laws for workers from elsewhere, will increase competition and adversely affect the opportunities afforded to Solomon Islanders.

Cebr forecasts that the economy will expand by around 2.7% per year over the next fifteen years, driven by the expansion of the mining sector and infrastructure development. This will see the Solomon Islands climb 7 places to 171st in the World Economic League Table by 2033.

Solomon Islands	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	2.5	3.6	4.5	5.2	5.4	6.0	6.9	7.9
GDP, USD bn (constant prices)	0.4	0.7	1.2	1.4	1.4	1.7	2.3	3.0
GDP, USD bn (current prices)	0.3	0.6	1.1	1.4	1.5	2.0	2.8	4.1
Rank	183	182	177	178	178	178	173	171

2.157 Somalia

Somalia is a fragile sub-Saharan country located in the Horn of Africa. Continentally, it is entirely surrounded by Ethiopia and Djibouti on the north and mid-west, and Kenya on its south-west; with the Gulf of Aden to the east. The Somali population is defined by a shared language, a pastoral economy, and a clan-based social and political system.

Somalia ranks as one of the least-developed countries in the world and has been severely affected by armed conflict and natural disasters. After the failure of the centrally-planned economic policies of the Siad Barre's regime in the 1970s and 1980s, the country plunged into a prolonged recession which was further deepened by the collapse of the Somali state in 1991. This triggered a civil war and a widespread disintegration of the country's economic infrastructure and regulatory mechanisms including recognised banking systems.

To this date, Somalia's GDP per capita and living standards are among the world's lowest. The economy is largely undiversified and dependent on the exploitation of natural resources, livestock and agriculture, with no established manufacturing and industrial sectors.

Despite this, after over two decades of civil strife and instabilities, the country is slowly re-emerging from the ashes. Among other positive developments, for the first time in 26 years, the Central Bank is preparing to reissue new Somali shilling banknotes to restore confidence in the national currency. In its most recent review of the country, the IMF has also praised the significant progress made in rebuilding the economy, establishing a track record of policy and reform implementation and restoring key economic and financial institutions in the presence of a difficult political and security environment.

These developments are significant milestones on realising the country's long-held ambition of qualifying for debt relief under the Heavily Indebted Poor Country Initiative (HIPC) and in accessing much needed multi-year loan funding under the International Development Association (IDA).

Recent GDP estimates, based on new information and data harmonisation with the International Monetary Fund (IMF), were put at $7.1 billion in 2017 and $7.4 billion in 2018. Cebr forecasts that the Somali economy will grow at an average annual rate of 3.5% over the next fifteen years. This will see the country fall from 147th in the World Economic League Table in 2018 to 148th by 2033.

Somalia	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	n/a	n/a	6.5	7.4	7.7	8.8	10.5	12.5
GDP, USD bn (constant prices)	n/a	n/a	6.9	7.2	7.5	8.6	10.3	12.3
GDP, USD bn (current prices)	n/a	n/a	6.5	7.4	7.8	9.7	12.8	16.8
Rank	n/a	n/a	149	147	148	149	150	148

2.158 South Africa

South Africa is the southernmost country on the continent, sharing its borders with Namibia, Botswana, Zimbabwe, and Lesotho. It is also the second largest economy in Africa after Nigeria and generally considered to be the most industrialised economy in Africa. South Africa is an upper-middle income country with a GDP per capita in 2018 of $13,770 in international dollars. However, this belies high levels of poverty, inequality, corruption and slow economic growth. Recent growth has been in decline, dropping from 3.3% in 2011 to 0.6% in 2016 and 1.3% in 2017. Furthermore, growth in 2018 is expected to come in well below 1%.

Commodity price fluctuations between 2015 and 2016 caused exchange rate volatility and a sharp depreciation in the rand, some of which it clawed back in 2016. Continued policy uncertainty in 2017, notably the March 2017 Finance Minister change, contributed to renewed anxiety and the rand saw weaker levels in the second half of that year. The change in government in early 2018 did see the rand firm up considerably in March and April 2018, before seeing another sharp depreciation during the second half of 2018 as the country entered a technical recession.

Despite optimism in early 2018 following the change of leadership, the South African economy has struggled to get back on track. Ongoing institutional challenges, political uncertainly, high levels of policy risk on issues such as land expropriation, supply side constraints in labour and energy markets all contributed to a technical recession in the first two quarters of 2018. Furthermore, systemically important parastatals such as Eskom and SAA are likely to require largescale taxpayer support, putting more pressure on the country's finances. Over recent years, credit downgrades by two of the three major agencies have taken the country below investment grade.

Despite the initial optimism surrounding Ramaphosa, South Africa has made limited headway in pushing through economic reforms that would bring greater dynamism to the labour, energy, transport and telecommunications industries. For instance, it is extremely concerning that the highly regulated telecoms industry continues to see broadband internet access being out of reach for vast swathes of South Africa's population, despite the high potential for ecommerce to connect South Africa's vibrant informal economy to global markets. Growth is further curtailed by an education system that struggles to equip younger generations with the necessary skills for a globally competitive market.

Policy uncertainty is set to continue through 2019, with a general election scheduled for May. While the ANC has seen some increased support since Ramaphosa took over from Zuma, the party will likely still see a decrease in support compared to its performance in the 2014. However, one does still expect the ANC to end up with a clear majority, even if this falls below 60%. In light of these developments, the ANC could be tempted into populist economic policies, especially as is seeks to placate the radical Economic Freedom Fighters. Interestingly, the nature of opposition politics could also have a bearing on policy, especially if the relatively liberal Democratic Alliance is replaced as the official opposition by the far-left nationalist EFF group.

Currency depreciation feeds through to consumer prices. However, inflation is within the South African Reserve Bank's 3-6% target despite the late 2018 depreciation of the rand. Nonetheless, inflation is currently pushing towards the upper end of this band. The SARB's most recent increase of the repo rate to 6.75% in November 2018 will have posed an additional economic headwind for the country.

With unemployment remaining high and stark racial inequality between South Africans, it is clear that more progress is needed to make growth more inclusive in the future. Ongoing changes to the minimum wage will help households, but only as a short run measure. Reform in education is needed to improve the outcomes for less privileged members of society. Infrastructural investment is also a high priority. Combining with the private sector could generate more funds to be used towards this purpose.

As a regional behemoth, one of South Africa's largely untapped opportunities lies in much greater economic integration with its Southern African neighbours. With an economy and population considerably smaller than other "BRICS" economies, South Africa may stand to benefit considerably from scale economies through a bold Southern African Development Community (SADC) economic integration plan. Despite some progress having been achieved in the free trade of goods, much more could be done to create a Southern African common market between countries that have very strong cultural and historic links. Progress on this front has been slow, partly because Southern African integration has been deprioritised in favour of broader pan-Africa integration through the African Union (AU). South Africa may however need to consider a more aggressive regional integration plan to complement broader and slower AU initiatives, as a means of unlocking new sources of growth and providing economic stimulus.

Cebr expects South Africa to slip from 32nd in the World Economic League Table in 2018 to 38th place by 2033.

South Africa	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	2143.2	2708.6	2973.2	3148.5	3192.5	3428.6	3750.4	4101.4
GDP, USD bn (constant prices)	229.2	328.7	389.1	368.1	368.9	405.2	475.7	552.1
GDP, USD bn (current prices)	175.3	287.1	366.8	376.7	385.5	456.4	589.6	752.9
Rank	29	35	33	32	31	35	39	38

2.159 South Sudan

South Sudan is a landlocked country situated in East-Central Africa, with a GDP per capita of $1,530 in international dollars. Following independence on 9th July 2011, a civil war broke out in 2013, crippling the economy and displacing some 4 million people. A power-sharing agreement was signed in late 2018 and the ceasefire appears to have held thus far. However, the country's history of peace agreements followed shortly by a resumption of violence mean that many are sceptical about whether the latest ceasefire will last.

South Sudan is the most oil-reliant economy in the world, with the petroleum sector accounting for nearly all of the country's exports and 95% of government revenues. The civil war – and the corresponding fall in oil production – coupled with the decline in oil prices between 2014 and 2016 caused the South Sudanese economy to contract for four consecutive years between 2014 and 2018.

Although GDP is expected to have fallen by 3.2% in 2018, there are some silver linings. If peace can be sustained, this will be the essential first step in restoring economic growth. There are already plans in place to increase oil production to its full capacity of 350,000 barrels per day. In recent years, conflict-related expenditures accounted for around 70% of government spending, while the corresponding share for health and education combined was only 6%. The ceasefire presents an opportunity for South Sudan to restore the focus on improving living standards and infrastructure in the country, both of which will be crucial components of medium to long term economic growth prospects. Inflation also fell to 49% in October 2018, from over 800% in 2017, as higher oil revenues and reduced conflict related spending have allowed the government to become less reliant on printing money to finance its deficit.

The higher oil price environment will also be an economic tailwind in the coming years. Although South Sudan's dependence on the oil sector is unhealthy, the urgent need for economic development and macroeconomic sustainability mean that expanding oil production should undoubtedly be a priority in the short term. Longer term, the expansion of the agricultural sector represents an opportunity to diversify the economy. The land is some of the most fertile in Africa and while 70% is suitable for agriculture, just 4.5% is currently being utilised.

South Sudan's economic prospects are inextricably tied to its security situation. If the ceasefire proves lasting, the economy has the potential to record strong economic growth, driven largely by the oil sector which is already receiving interest from foreign investors. For instance, South Africa announced in November that they would be investing $1 billion in South Sudan's oil sector, including the construction of a new refinery. On the other hand, if violence resumes, a return to the days of soaring inflation and economic contraction would be inevitable. Contingent on the ceasefire remaining in place, Cebr forecasts that the economy will expand by 4.5% in the medium term, with growth constrained by an expected weakening of oil prices. We expect South Sudan to climb from 158th in the World Economic League Table in 2018 to 157th place in 2033. This is eight places higher than we expected last year, largely due to the improvements to the security situation which took place at the end of 2018.

South Sudan	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	n/a	n/a	20.0	16.2	16.7	19.7	24.5	30.5
GDP, USD bn (constant prices)	n/a	n/a	15.9	3.9	4.0	4.7	5.9	7.3
GDP, USD bn (current prices)	n/a	n/a	14.9	4.0	4.2	5.3	7.3	10.0
Rank	n/a	n/a	122	158	158	159	158	157

2.160 Spain

Spain is a high income country in south-western Europe with a GDP per capita in 2018 of $40,370 in international dollars.

The country has had four years of solid growth since it started to recover from its economic crisis in 2014. This has brought its unemployment rate, the second highest in the EU after Greece, down from nearly 27% in 2013 to 14.6%. The economic crisis had been brought on by excess borrowing following the sharp fall in interest rates that took place when Spain entered the euro.

Until the change of government during 2018 the fiscal deficit was being reduced, having peaked at 10.5% in 2012. The figure for 2018 is estimated at 2.7%. However, the legacy of high borrowing is seen in the debt to GDP ratio which averaged 97.2% of GDP in 2018, only slightly down from its 2014 peak of 100.2%.

The new government has boosted the minimum wage (especially relevant in the public sector) and has added to public spending. It has been censured by the European Commission for overspending though its budget has not been formally rejected in the same way as the Italian budget.

Spain still has a stronger growth trajectory than many other European economies. But growth is slowing and if our fears of a European economic crisis materialise, the high deficit and debt will leave the country badly placed to avoid a sharp slowdown and severe deflationary measures.

The country also has a fragmentation issue – its most prosperous region, Cataluña, voted for independence in 2017. This has been refused and the leaders of the independence movement arrested and in some cases jailed. If Cataluña were to get independence, Spain's budgetary problems would multiply.

Our forecast for Spain's trend annual rate of growth is 1.9% from 2018-23 and 2.0 from 2023-33.

We expect that Spain will fall from 13th to 15th in the World Economic League Table between 2018 and 2033. The Hispanic world will note that Spain is set to be overtaken by Mexico.

Spain	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	958	1121	1021	1170	1188	1291	1426	1574
GDP, USD bn (constant prices)	1187.8	1880.8	1445.2	1403.7	1376.6	1431.9	1546.9	1671.7
GDP, USD bn (current prices)	908.4	1642.8	1362.3	1436.3	1438.6	1612.8	1917.1	2279.7
Rank	8	10	13	13	14	14	15	15

2.161 Sri Lanka

Sri Lanka is an island nation in South Asia, located to the south-east of India. It has a GDP per capita of $13,500 in international dollars. The 25 year civil war that came to an end in 2009 has hampered the development of parts of the economy, in particular the tourism sector. Sri Lanka's main exports comprise textiles and agricultural products including tea and cinnamon.

The ending of the civil war was followed by three years of rapid economic growth, leaving the economy 28% larger in 2012 than it was in 2009. Since then, the economy has stalled. In 2017, GDP grew by just 3.3% – the slowest rate since 2001 – as weather related factors suppressed agricultural output. There were some signs of modest improvement in early 2018, with recoveries in the agricultural and industrial sectors. However, an ongoing drought intensified in the third quarter, which will have weighed on growth. Meanwhile, a combination of higher oil prices and a 17% depreciation of the Sri Lankan rupee relative to the US dollar, generated considerable inflationary pressures. On the other hand, monetary tightetning by the Central Bank of Sri Lanka together with a subsequent decline in oil prices, appear to have brought prices back under control for now.

A major concern for Sri Lanka's economic prospects is the political crisis triggered by the President's abrupt and unilateral dismissal of the Prime Minister – a move that many legal experts have deemed unconstitutional. The economic ramifications of this are already being felt. The tourism industry – which had been growing well since the end of the civil war in 2009 and now accounts for 5% of GDP – has been adversely impacted by the political crisis, with numerous flights cancelled from Europe. The US has also put on hold its foreign aid programme to Sri Lanka, jeopardising $100s of millions in grants. Sri Lanka has also benefitted from the resumption of its preferential trade status with the EU under the Generalised System of Preferences. Such benefits will be put at risk if the political turmoil in Sri Lanka endures.

The public finances remain a risk for the Sri Lankan economy. Government gross debt is still at 78% of GDP – very high for an emerging economy. Moreover, 50% of government debt is denominated in foreign currencies, making the country vulnerable to currency movements. The government is focussing on fiscal consolidation and the fiscal deficit is expected to have fallen from 7% of GDP in 2015 to 4.6% in 2018, aided by reforms to its system of fuel subsidies. Cebr forecasts that the economy will grow by 4.3% and 4.7% in 2018 and 2019 respectively, as structural reforms boost the country's competitiveness. However, a significant downside risk to this forecast has emerged in the recent political instability, which could jeopardise international economic relationships and also disrupt activity domestically.

Sri Lanka	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	4202	5735	7846	9682	10099	12205	15577	19881
GDP, USD bn (constant prices)	28.3	53.4	78.8	90.4	93.8	114.9	147.1	188.7
GDP, USD bn (current prices)	21.6	46.6	74.3	92.5	98.0	129.4	182.3	257.3
Rank	72	79	68	66	66	63	63	63

2.162 St. Kitts and Nevis

St. Kitts and Nevis is a small island nation in the Caribbean, with a population of 56,000 and a GDP per capita of $29,100 in international dollars. Historically, economic activity was primarily focussed on the sugar industry. The economy is now very reliant on the tourism sector, although it has also diversified its export basket to include a variety of electronic goods.

The global financial crisis hit St. Kitts and Nevis hard, with low tourist numbers contributing to four years of economic contraction between 2009 and 2012. The economy has since recovered, with GDP growth of 2.7% forecast for 2018 driven by robust performance among the tourism, transport and real estate sectors. Similar rates of growth seem feasible in the coming years, driven by construction activity associated with the tourism sector, as well as major infrastructure projects such as work on the country's second cruise pier and the resurfacing of the main road and airport runway.

The return to positive growth together with fiscal consolidation efforts, have enabled the the government to bring down its level of gross debt from 156% of GDP in 2010 to 64% of GDP in 2018. Cebr forecasts that the economy will expand by an average of 2.8% per year over our 15 year forecast horizon, which would see St. Kitts and Nevis fall from 180th in the World Economic League Table in 2018 to 181st in 2033. A downside risk to growth in the short to medium term will be a slowdown in the world's major economies, particularly the US and Europe, given St. Kitts and Nevis' reliance on these regions as a source of tourism revenues.

St. Kitts and Nevis	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	1.3	1.6	1.6	1.9	2.0	2.2	2.6	2.9
GDP, USD bn (constant prices)	0.6	0.8	0.8	1.0	1.0	1.2	1.3	1.5
GDP, USD bn (current prices)	0.5	0.7	0.8	1.0	1.1	1.3	1.6	2.1
Rank	178	178	182	180	180	181	181	181

2.163 St. Lucia

St. Lucia is an island country in the eastern Caribbean Sea, with a GDP per capita of $15,230 in international dollars. Tourism is the largest sector of the economy, accounting for roughly 65% of GDP. St. Lucia also exports electronic goods and agricultural products, largely bananas, mostly to the US and other Caribbean countries.

Tropical storm Kirk hit St. Lucia in late September and early October 2018, delivering a major blow to the agricultural sector. The Ministry of Agriculture estimates that up to 80% of the country's banana crops were damaged by the storm. While the agricultural sector's contribution to overall GDP is far lower now than it has been in the past, the storm was still a severe blow to the 22% of the St. Lucian workforce employed in the industry.

The tourism sector has been thriving of late, with visitor numbers up 10.1% annualy over the first half of 2018, following a record number of visitors in 2017. One area of rapid growth is the cruise sector, which has been facilitated by an expansion at Pointe Seraphine. An increase in the number of flights by US operators is set to continue this momentum over the next year.

St. Lucia has developed a close economic relationship with Taiwan, which has recently agreed to lend the government $100 million for the redevelopment of Hewanorra International Airport and a further $50 million for the upgrade of existing roads.

Strong growth of the tourism sector together with high levels of investment in infrastructure, are expected to drive GDP growth of 3.6% in 2019 and 3.1% in 2020. However, the expansionary fiscal stance means that government debt is again on an upward trajectory. Indeed, gross government debt as a share of GDP is expected to rise from 72% in 2018 – which is already well above the Eastern Caribbean Currency Union's 60% target – to 82% in 2023. With global interest rates on the rise, this escalation of public debt represents a risk to St. Lucia's economic sustainability. Another ongoing downside risk is climate change and the effect of extreme weather events on visitor numbers. We expect St. Lucia to fall from 171st in the World Economic League Table in 2018 to 178th by 2033.

St. Lucia	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	2.7	3.3	3.3	3.7	3.8	4.2	4.5	4.9
GDP, USD bn (constant prices)	1.2	1.5	1.6	1.7	1.8	1.9	2.0	2.0
GDP, USD bn (current prices)	0.9	1.3	1.5	1.8	1.9	2.1	2.4	2.7
Rank	165	173	172	171	171	174	176	178

2.164 St. Vincent and the Grenadines

St. Vincent and the Grenadines is an Eastern Caribbean country with a GDP per capita of $11,970 in international dollars. The majority of the workforce are employed either in the tourism sector or in agriculture. It has also leveraged its geographical location on popular cruise routes to develop an industry around the manufacture and repair of vessels.

The economy in 2016 and 2017 was hit by the closure of a major hotel on the main island, as well as heavy flooding. However, tourist numbers have since been growing strongly, boosted by the opening of Argyle International Airport. Between January and July of 2018, the number of overnight visits was 7% higher than during the same period in previous years. Exports also received a boost due to Dominica's increasing demand for construction materials, following the devastation of Hurricane Maria.

St. Vincent and the Grenadines' growth prospects are constrained by its geographical remoteness, small size and population and exposure to natural disasters. However, investment in infrastructure will be key in increasing resilience to extreme weather events and sustaining continued growth in the tourism sector. The government is also placing an emphasis on improving standards of education, which could encourage foreign investment and the growth of other industries in the long term.

Government debt is around 73% of GDP which is a risk, although the government has committed to lowering this to 60% of GDP by 2030. Cebr forecasts that the economy will expand by 2.5% in the medium term, driven primarily by growth in visitor numbers made possible by the new airport and future infrastructure developments. Downside risks to growth include a global economic slowdown which could severely hit the tourism sector, as was the case in the aftermath of the global financial crisis in 2008.

St. Vincent and the Grenadines	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	1.2	1.4	1.4	1.5	1.5	1.7	1.9	2.2
GDP, USD bn (constant prices)	0.6	0.8	0.8	0.8	0.8	0.9	1.1	1.2
GDP, USD bn (current prices)	0.5	0.7	0.7	0.8	0.9	1.0	1.3	1.7
Rank	175	179	183	183	183	183	183	185

2.165 Sudan

Sudan is a country in the north east of Africa with a GDP per capita of $4,220 in international dollars. The oil sector has previously been a major driver of economic growth, supporting an annual GDP growth rate of 6.5% between 2000 and 2008 – despite ongoing conflict within the country. With the secession of South Sudan in 2011 came the loss of more than three quarters of Sudan's oil reserves – a shock from which the economy has still not recovered. Since then, Sudan has been forced to diversify its economy, switching its focus to gold mining and agriculture, as well as the transport of oil from South Sudan.

Since 2011, the Sudanese economy has gone through a series of crises. In 2012, after the economy was already reeling from the loss of most of its oil revenues, it was also dealt a blow via the interruption of oil production in South Sudan and the consequent loss of oil transportation fees. This led to an 18% annual contraction in GDP. Following 2011, the government has implemented a number of controversial austerity measures to make up for the shortfall in receipts. These included the repeal of fuel subsidies in 2013 and the ending of state-funded grain imports in January 2018, a decision met by widespread protests. These policies, together with the collapse of the local currency have led to an annual rate of inflation in excess of 60%.

Sudan is also in the midst of a currency crisis. The government have been forced to devalue the Sudanese pound twice in 2018, in order to match the black market rate. As of December 2018, the value of the Sudanese pound was seven times lower in US dollar terms than at the start of the year. One key factor underlying the currency weakness is a surge in imports which has not been matched by an increase in exports. This has come about as Sudan seeks to gain WTO membership, opening itself up to imports. The decision to float the currency following the most recent devaluation should ameliorate this issue in the future, by making Sudanese exports more competitive. Similarly, the recent decision to allow private sector firms to export gold should help to improve the country's terms of trade.

The lifting of some US sanctions in 2017 was a necessary step for Sudan to achieve deeper integration into the global economy. However, it is still listed as a State Sponsor of Terrorism, which deters foreign investment and prevents the government from receiving aid from international institutions. The US and Sudan have recently been in talks, with the former announcing a series of conditions that Sudan will have to meet before it can lose its status as a sponsor of terrorism.

Government debt has ballooned to 168% of GDP, due in part to the $50 billion of external debt and the dramatic devaluations of the local currency. This issue threatens to bring yet more instability to the economy. The Sudanese government has indicated that it would seek IMF assistance to tackle this issue if it is given access to international institutions in the coming years. Cebr forecasts that the economy will contract by 2.3% in 2018 and 1.9% in 2019, as Sudan's multiple economic woes continue to bite. In the medium term, we expect meagre economic growth of around 2% per year, driven largely by the expansion of the agriculture sector.

Sudan	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	18.3	23.8	19.9	21.5	21.1	21.2	24.0	27.2
GDP, USD bn (constant prices)	27.9	74.2	56.1	32.5	28.1	29.2	34.4	40.7
GDP, USD bn (current prices)	21.4	64.8	52.9	33.2	29.3	32.9	42.7	55.5
Rank	74	67	79	100	104	108	110	110

2.166 Suriname

Suriname is a country situated in the northeast of South America with a GDP per capita of $15,360 in international dollars. The extractive sector has historically been the backbone of the Surinamese economy, accounting for the vast majority of exports and over a quarter of government revenues.

Suriname experienced a protracted recession in 2015 and 2016, driven by the decline in commodity prices together with the withdrawal of US aluminium company Alcoa, after 99 years of operation in the country. These economic blows led to a sharp widening of the fiscal deficit to a peak of 9.4% of GDP in 2015. The decline in exports also led to a series of devaluations of the Surinamese dollar, which has now lost more than half of its value relative to the US dollar since 2015. This caused inflation to rise to over 80% in 2016, although a tightetning of monetary policy from the central bank together with a relative stabilisation of the currency have brought inflation down to around 6.0%.

The economy has showed signs of recovery over the last two years, driven by an uptick in gold production and a recovery in commodity prices. Indeed, GDP grew by 1.9% in 2017 and is expected to have risen by 2.0% in 2018. Gross government debt has risen from 20% of GDP in 2011 to 63% of GDP in 2018. While the fiscal deficit is now on a downward trajectory, reforms such as lowering energy subsidies and reigning in the public sector wage bill, will be necessary to accelerate this process and prevent debt from rising to unsustainable levels.

Cebr forecasts that the economy will expand by 2.2% and 2.5% in 2019 and 2020 respectively. The annual GDP growth rate is expected to pick up to 3.0% per year from 2023, driven by a gradual recovery of exports.

Suriname	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	6.4	8.4	10.2	9.8	10.0	11.1	12.8	14.9
GDP, USD bn (constant prices)	2.1	4.0	5.5	3.8	3.9	4.6	5.2	5.8
GDP, USD bn (current prices)	1.6	3.5	5.1	3.8	4.1	5.2	6.4	7.9
Rank	155	153	152	159	159	160	161	163

2.167 Sweden

Sweden is a Scandinavian country in northern Europe which shares borders with Norway and Finland. It is a high income country with PPP GDP per capita in 2018 at $52,720. It also has an egalitarian culture and has very low income inequality according to the Gini coefficient. Sweden ranks 9th in the World Economic Forum's Global Competitiveness Index 2018 and is 7th in the UN's Human Development index ranking for 2017.

Labour costs are high because of high wages and high taxes but spending on child care means that the participation rate for women at 82.5% is higher than anywhere else in the world except for Switzerland and Iceland.

Meanwhile an aggressive microeconomic policy has boosted new business formation. The latest OECD data on new business births has Sweden in the lead with an index number of 172.3 in Q4 2017, just ahead of the UK. Sweden forms 4 times as many new enterprises per head as the US. And Sweden has the second largest Flat White Economy where tech and the creative sector merge in Europe. Taxes on entrepreneurs are favourable with a corporate tax rate of 22% and exemptions.

Rates of automation are also impressively high in Sweden.

Sweden's fiscal position is strong. In 2018 the government ran a surplus of 1.0% of GDP and the gross debt rate is only 37.9% of GDP. The country therefore has fiscal scope to boost the economy. The Swedish repo rate has remained negative at -0.5% since early 2016.

But the country will have to compete with emerging economies with equally high levels of tech and much lower labour costs. Meanwhile the lack of a government since the elections in September means that the country cannot move forward in making decisions about how to adapt to an increasingly complicated economic scenario.

Growth is expected to remain strong by European standards trending at 2.0% per annum for the whole period from 2018-33. But this is not sufficient to stop Sweden falling from 22nd in the league table in 2018 to 26th in 2033.

Sweden	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	3388	3912	4075	4689	4794	5184	5710	6292
GDP, USD bn (constant prices)	433.5	589.2	614.6	542.1	539.0	594.1	652.3	721.3
GDP, USD bn (current prices)	331.5	514.6	579.4	554.7	563.2	669.1	808.4	983.6
Rank	18	23	22	22	23	23	24	26

2.168 Switzerland

Switzerland is located centrally in Europe and borders France, Germany, Austria, Lichtenstein and Italy. It is a highly developed, high-income country and at $64,990 in 2018, has one of the highest PPP GDP per capita levels in the world.

Switzerland performs well in most international studies of economic performance. For example it is ranked 4th in the World Economic Forum's Global Competitiveness report for 2018 and 2nd in the UN Human Development Index for 2017. The country benefits from a highly developed service sector and a high-technology manufacturing industry. Most of Swiss firms are small-and medium-sized enterprises. Switzerland has the second highest female participation rate in the world.

Switzerland has had strong economic growth in 2018 with a likely outcome of 2.5% growth for the year. This would make 2018 the fastest year for GDP growth since 2007. However, growth has tailed off dramatically in the second half of the year as the international economic outlook has deteriorated.

Because of the strength of the Swiss franc, most Swiss interest rates are negative – the interest rate on sight deposits at the Swiss National Bank is -0.75% while the target range for 3 month LIBOR is between -1.25% and -0.25%. The franc, which in the Bretton Woods system was pegged at 4.3 to the dollar, now trades at parity.

The government's fiscal position is strong, with budget surpluses in most recent years. The surplus in 2018 was 0.6% of GDP. Gross debt is 40.2% of GDP although this is slightly misleading given the government's large holdings of assets.

GDP growth is set to trend at 1.7% per annum from 2018-23. Despite its small size, Switzerland ranks 20th in the WELT league table with currency appreciation offsetting the slow rate of growth and low inflation. However, it is unlikely that this appreciation can continue indefinitely and so we predict that the country will be overtaken by larger economies, falling to 28th position in 2033.

Switzerland	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	516.2	604.6	637.2	703.6	716.4	765.3	830.8	901.9
GDP, USD bn (constant prices)	461.8	634.1	730.7	693.0	677.4	667.7	680.3	693.5
GDP, USD bn (current prices)	353.2	553.8	688.8	709.1	707.9	752.0	843.2	945.6
Rank	17	19	20	20	19	22	23	28

2.169 Taiwan

Once classified as one of the Four Asian Dragons, Taiwan is an island nation roughly 100 miles off the Chinese mainland with a dynamic capitalist economy. It industrialised rapidly in the 20th century and has caught up with more developed countries. Taiwan's PPP GDP per capita was $52,960 in 2018, roughly the same level as Germany, and unemployment in the region is low. Taiwan ranks 13th in the 2018 Global Competitiveness report 2018.

Taiwan has a number of trade agreements, including the Economic Cooperation Framework Agreement with China which has led to deals with New Zealand and Singapore.

Growth accelerated in both 2017 and 2018 as the Chinese economy recovered. GDP rose by 2.9% and 2.6% in the two years respectively. But most of the growth in 2018 was front end loaded.

The population is ageing. Population growth in 2018 was 0.1% and the population, 23.6 million in 2018, is forecast to decline to between 17 and 19 million in the second half of the century.

Similar to China, one of the challenges for Taiwan's economic future is the extent and speed to which the country is able to transition from manufacturing to services.

We predict that Taiwan will grow at a trend rate of 2.0% per annum over the forecast period from 2018 to 2033. Currently ranked 21st in the World Economic League Table, Taiwan is predicted to rise to 19th place in 2033.

Taiwan	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	9953	12661	14929	16781	17176	18598	20449	22483
GDP, USD bn (constant prices)	416.6	477.5	542.7	589.0	599.7	687.2	817.4	973.1
GDP, USD bn (current prices)	318.6	417.0	511.6	602.7	626.7	774.0	1013.0	1327.0
Rank	20	26	27	21	20	21	20	19

2.170 Tajikistan

Tajikistan is a country in Central Asia with a GDP per capita of $3,350 in international dollars. It is a mineral rich nation and exports large amounts of aluminium, zinc ore and lead ore. Due to the mountainous and rugged terrain, only around 7% of the land is arable, and cotton is the main agricultural product. There are over one million Tajikistanis working abroad – often in Russia – and remittances amount to around 32% of GDP.

High levels of infrastructure spending as well as a recovery in remittances are expected to have fuelled GDP growth of 5.0% in 2018. The economy has grown considerably in recent years and the rate of poverty has declined from over 80% in 2000, to around 30% in 2016. However, there remains considerable scope for improvement. The business climate is currently weak, owing to poor infrastructure in many parts of the country and an unreliable power supply. This has led to levels of private investment far lower than in other countries in the region. Tajikistan has recently ramped up its efforts to exploit its potential for hydroelectric power. Most notably, the Rogun hydropower project on the Vakhsh River is set to become the world's tallest dam. Not only will this address Tajikistan's power shortages, but it could also export excess electricity to Afghanistan and Pakistan.

The $3.9 billion Roghun dam is being constructed by an Italian firm and has been financed so far by the issuance of a Eurobond. High levels of capital expenditure have put a strain on the public finances, with the fiscal deficit at nearly 8% of GDP. Therefore, fiscal consolidation in non-infrastructure areas will be required in order to bring down the deficit to a more sustainable level in the coming years. Cebr forecasts that the economy will expand by 4.0% in the medium term, as the effect of weakening commodity prices is offset by improvements to the country's infrastructure and the associated investment and productivity gains. This growth trajectory would see Tajikistan edge down from 148th in the World Economic League Table in 2018 to 150th by 2033.

Tajikistan	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	0.1	0.1	0.2	0.3	0.3	0.3	0.4	0.5
GDP, USD bn (constant prices)	2.0	5.9	9.0	7.2	7.3	8.7	10.1	11.9
GDP, USD bn (current prices)	1.6	5.1	8.5	7.4	7.6	9.8	12.6	16.2
Rank	157	148	142	148	149	148	152	150

2.171 Tanzania

Tanzania is an East African country with a GDP per capita of $3,450 in international dollars. Agriculture is a key part of the economy, accounting for nearly a quarter of GDP and two thirds of employment. Tanzania's main agricultural products include tobacco, coffee and nuts. The mining sector is also important, with gold making up around 35% of Tanzanian exports.

The Tanzanian economy has registered strong and consistent growth in recent years, averaging 6.7% per year between 2011 and 2017. In 2018, GDP growth is expected to have moderated slightly to 5.8%. While a rebound in maize production and high levels of activity in the construction sector have bolstered growth, a raft of new policies relating to the extractive sector appear to have weighed on exports and private investment. These policies include higher tax rates on mineral exports, a higher required government stake in mining operations and a ban on the export of copper and gold ore, designed to promote domestic smeltering. While the ambition to increase the domestic value-added of Tanzanian exports is a sensible one, the heavy handed and abrupt nature of the recent policy changes is likely to have caused excessive disruption to the industry, which will suppress output in the immediate term.

Tanzania's banking system is exposed to shocks, with a high prevelance of non-performing loans and low levels of capitalisation in a number of banks. Credit growth is also muted and this threatens to dampen private investment in the coming years. Another downside risk relates to the stream of aid from western countries. The EU provides around $88 million to Tanzania each year, although this policy is now under review as a result of concerns over gay rights in the country.

Cebr forecasts that the economy will expand at an average of 6.5% per year over the next fifteen years, driven by investments in infrastructure and a high rate of population growth. This will see Tanzania climb 13 places in the World Economic League Table from 81st in 2018 to 67th by 2033.

Tanzania	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	20662	28261	38547	52894	56386	72402	98881	135094
GDP, USD bn (constant prices)	18.5	31.3	47.1	54.4	57.7	74.1	101.6	139.2
GDP, USD bn (current prices)	14.2	27.4	44.4	55.6	60.3	83.5	125.9	189.9
Rank	87	92	91	81	79	75	70	67

2.172 Thailand

Located in South-East Asia, Thailand has a GDP per capita of $19,130 in 2018 international dollars and is a newly industrialised economy. Having transformed itself from a low-income country to an upper-income country in recent years, Thailand has reduced its poverty rate and has sustained economic growth.

The World Bank recognises Thailand as one of the great global development success stories. Financial services, automobiles and tourism are among the country's main industries, although agriculture also accounts for a sizeable proportion of overall GDP. The Thailand 4.0 policy is planned to modernise Thailand by skilling up the labour force and growing technologically advanced industries.

Thailand has had strong growth in 2018 – most commentators agree with the Cebr forecast of 4.0% growth for the year. But the Bank of Thailand is considering raising rates, despite increasing evidence that the economy will slow down. The budget deficit is only 0.6% of GDP while debt is 41.9% of GDP and falling.

Thailand's 20-year economic strategic plan aims to attain the status of a developed country through multiple reforms focusing on economic stability, human capital and competitiveness. The country will have to promote economic growth by crowding-in private capital and stimulating private consumption. Exports and tourism are likely to remain the key drivers of economic growth in Thailand.

We expect Thailand to grow at an annual average rate of 3.6% over the period to 2033. In 2018, Thailand ranked 25th in the league table. The country is anticipated to rise to 21st place by 2033.

Thailand	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	6184	7710	9142	10676	11088	12758	15194	18095
GDP, USD bn (constant prices)	199.1	333.6	445.9	479.0	501.7	579.0	719.8	888.7
GDP, USD bn (current prices)	152.3	291.4	420.3	490.1	524.3	652.2	892.1	1211.9
Rank	35	33	29	25	25	24	22	21

2.173 Timor-Leste

Timor-Leste is a country in South-East Asia situated on the eastern half of the island of Timor. After gaining independence in 2002, it became the first new sovereign state of the 21st century. Timor-Leste has a GDP per capita of $5,830 in international dollars. Offshore oil and gas reserves are the backbone of the economy, at its peak accounting for over 90% of exports and 95% of government reveunes. Coffee is another important export. The Timor-Leste petroleum fund was set up in 2005 in order to ensure that the country's oil wealth could be spread out across multiple generations.

The importance of the petroleum sector means that the economy is vulnerable to volatile shifts in the price of oil and natural gas. Following the decline in oil prices between 2014 and 2016, Timor-Leste was able to sustain growth by increasing the volume of exports. However, it entered a severe recession in 2017 as a political impasse led to a collapse of government spending – a crucial part of the economy – and poor weather suppressed coffee production. Some degree of political stability has since been restored, following the passage of the 2018 budget. This should see growth returned to positive territory in 2018, albeit it at a meagre rate of 0.8%.

Timor-Leste has historically piped its petroleum resources to Australia for processing, owing to a lack of suitable infrastructure or skills domestically. However, the government has ambitions to move processing to Timor-Leste, adding more value to domestic exports. It has recently purchased Shell's stake in the Sunrise oil and gas fields, after failing to convince the company to support to process petroleum products domestically. This policy has raised concerns about the government's fiscal position and questions remain about how Timor-Leste will be able to fund this multi-billion dollar project.

Cebr forecasts that the Timorese economy will grow by 5.0% and 4.8% in 2019 and 2020 respectively, contingent on the restoration of political stability. With oil and gas reserves fast depleting, growth in the medium term will require swift diversification, facilitated through investment in infrastructure and human capital. We expect Timor-Leste to rise from 173rd in the World Economic League Table in 2018 to 165th in 2033.

Timor-Leste	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	0.9	1.1	1.5	1.6	1.7	2.1	2.6	3.3
GDP, USD bn (constant prices)	0.6	1.5	2.6	1.6	1.7	2.3	3.3	4.7
GDP, USD bn (current prices)	0.5	1.3	2.4	1.7	1.8	2.6	4.1	6.4
Rank	177	171	166	173	172	170	168	165

2.174 Togo

Togo is a West African country bordering Ghana, Burkina Faso and Benin, with a GDP per capita of $1,740 in international dollars. Nearly two thirds of the population are employed in agriculture and cash crops such as cotton, coffee and cocoa are an important component of Togolese exports. The country is also a large exporter of gold and calcium phosphate.

Since August 2017, there has been largescale political unrest in Togo, as opposition parties call for the resignation of President Faure Gnassingbé. This has stifled economic activity, particularly in the services and construction sectors. As a result, despite strong levels of agricultural production, GDP growth slowed from 5.1% in 2016, to 4.4% in 2017. The economy will receive a boost in the coming years from the increase in capacity of the Port of Lomé and the benefits of other recent infrastructure investments. The government has also announced plans for a 12% increase in spending between 2018 and 2019, which will also bolster growth in the immediate term.

High levels of public investment in infrastructure led to a fiscal deficit of nearly 10% of GDP in 2016 and gross government debt soared to 82% of GDP. Since then, the country has embarked on a programme of fiscal consolidation, largely through reining in government expenditures – in particular capital spending. The government is aiming to bring government debt back down to the West African Economic and Monetary Union's target ceiling of 70% of GDP by 2019.

A lasting resolution to the political situation will be key in shoring up Togo's economic prospects in the year ahead. Private investment should be supported by the recent investments in infrastructure, although further reforms are needed to enhance the business environment. Over half of the Togolese population live in poverty, and driving up standards of education and health will be essential in boosting the country's productive capacity in the medium to long term. Cebr expects that GDP growth will steadily accelerate to around 5.4% per year by 2021, contingent on a stabilisation of the public finances and the overall political climate.

Togo	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	1330.8	1326.2	1786.3	2299.5	2415.6	2978.3	3874.2	5039.4
GDP, USD bn (constant prices)	2.8	3.8	4.6	5.2	5.4	7.2	10.4	14.8
GDP, USD bn (current prices)	2.1	3.3	4.3	5.3	5.7	8.1	12.8	20.2
Rank	149	155	157	152	151	151	148	144

2.175 Tonga

Tonga is a country situated in the southern Pacific Ocean comprised of over 100 islands. It has a GDP per capita of $6,180 in international dollars. Agriculture, fishing and tourism are the predominant sectors of the economy and account for the bulk of Tongan exports. Remittances are another important part of the economy, adding up to over a third of GDP each year.

Tonga has seen robust economic growth in recent years, fuelled by activity in the construction sector as well as increasing flows of remittances and a healthy tourism sector. However, Tonga's vulnerability to extreme weather events was brought into sharp focus in 2018, when Cyclone Gita – the strongest cyclone to hit the country since 1982 – devastated the islands and inflicted damages in excess of $145 million. The resulting disruption, falls in visitor numbers, loss of agricultural output and overall fall in productive capacity have meant that the Tongan economy is expected to have shrunk marginally in 2018.

Tonga has accumulated large sums of foreign debt, associated with the surge in construction activity in recent years. Much of this is owed to China, although in November China agreed to defer loan payments by five years after Tonga signed up for the One Belt One Road initiative. Construction related imports – as well as an ongoing reliance on food imports, largely from New Zealand – have led to a current account deficit of 17% of GDP in 2018. Recoveries in the agriculture and tourism sectors will be key in addressing this external imbalance.

Growth in the next two years will be buoyed by cyclone-related construction activity, and we forecast that the economy will expand by 4.0% in 2018 and 2019. However, Tonga faces numerous downside risks and is particularly exposed to a global economic slowdown, due to the impact this could have on visitor numbers and remittances. Climate change and an increased frequency of extreme weather events is another concern. We expect that Tonga will move from 186th in the World Economic League Table in 2018 to 187th by 2033.

Tonga	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	1	1	1	1	1	1	1	1
GDP, USD bn (constant prices)	0.3	0.4	0.5	0.4	0.4	0.5	0.5	0.6
GDP, USD bn (current prices)	0.2	0.3	0.4	0.5	0.5	0.6	0.7	0.8
Rank	185	185	186	186	187	187	187	187

2.176 Trinidad and Tobago

Trinidad and Tobago is a country in the southern Caribbean Sea just north of mainland South America, with a GDP per capita of $32,200 in international dollars. The oil and gas sector is the largest part of the economy, accounting for around 40% of GDP. However, this industry only employs around 5% of the population.

The economy was hit badly by the fall in commodity prices between 2014 and 2016 as well as a decline in gas production, and the economy contracted in 2016 and 2017. Gas production did recover somewhat in 2018, which is expected to have pushed GDP growth back into positive territory. However, the muted performance of the construction and financial services sectors constrained growth. Shortages of foreign exchange are also an issue for the economy, lowering confidence and limiting activity outside of the energy sector.

Trinidad and Tobago's recent economic woes highlight the need to diversify the economy away from the energy sector. Its political stability and relatively well-educated workforce mean that there is the potential for growth in other sectors such as financial services and tourism. The hit to government revenues brought about by the slowdown in the energy sector pushed the fiscal deficit to 12% of GDP in 2016, although a fiscal consolidation programme has now brought this down to around 6% of GDP.

Cebr forecasts that the economy will grow by 0.9% in 2019, as fiscal consolidation and subdued performance outside of the energy sector look set to weigh on growth. We expect the GDP growth rate to tick up to 2.2% by 2023, although a higher growth path will be inhibited by Trinidad and Tobago's reliance on the oil and gas industry. We expect that Trinidad and Tobago will move from 112th in the World Economic League Table in 2018 to 113th by 2033.

Trinidad and Tobago	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	121	170	168	156	158	169	188	209
GDP, USD bn (constant prices)	15.0	32.3	28.5	22.8	23.1	26.5	32.2	39.1
GDP, USD bn (current prices)	11.5	28.2	26.9	23.3	24.2	29.8	39.9	53.3
Rank	95	90	103	112	112	111	112	113

2.177 Tunisia

Tunisia is a North African country bordering Algeria to the west and Libya to the east. It has a GDP per capita of $12,370 in international dollars. Tunisia has a large manufacturing sector and exports high volumes of textiles and electronic goods to Europe. Tourism has historically been an important part of the economy, although recent political instability and terrorist incidents have dampened growth in this area.

A spate of terrorist attacks in 2015 led to a sharp decline in visitor numbers, posing a major blow to Tunisia's tourism sector. However, the industry appears to be undergoing a resurgence, with international arrivals up 17% in the first nine months of 2018 compared to the same period in the previous year. Exports have also grown strongly, fuelled by the manufacturing sector. These factors mean that the economy is expected to have expanded by 2.4% in 2018 – the highest growth rate in four years. However, persistently high rates of unemployment, rising inflation and a series of unpopular government spending cuts have led to widespread discontent in Tunisia. 650,000 public sector workers went on strike in November in protest against the government's decision not to raise wages, and the union has called for further strike action in 2019. This unrest has the potential to weigh on investment and overall economic growth in the near term.

Gross government debt has climbed from 39% of GDP in 2010 to over 70% today, and fiscal consolidation is necessary to avoid an unsustainable accumulation of debt. However, the levels of public protest about cuts to fuel subsidies and public sector wage bills could well prompt a deviation from the government's current strategy.

Cebr forecasts that GDP will grow by 2.9% and 3.4% in 2019 and 2020 respectively, driven by a recovery in the tourism sector and signs of a pick-up in foreign direct investment. For instance, Saudi Arabia recently announced $500 million in loans at favourable interest rates to finance two major projects in Tunisia. We expect that Tunisia will move from 96th in the World Economic League Table in 2018 to 91st in 2033.

Tunisia	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	45.9	59.1	66.2	72.7	74.9	86.9	105.4	127.5
GDP, USD bn (constant prices)	35.9	51.3	49.1	40.7	40.5	46.4	57.3	72.3
GDP, USD bn (current prices)	27.5	44.8	46.2	41.7	42.3	52.3	71.0	98.6
Rank	66	80	89	96	96	97	95	91

2.178 Turkey

Turkey lies at the edge of Eastern Europe and Western Asia and has access to both the Black Sea and the Mediterranean Sea. Its economy has sizeable automotive, banking, construction, electronics, and petrochemical industries. Since 2000, Turkey urbanised dramatically, opened up to foreign trade and harmonised laws and regulations with the European Union, helping it become an upper-middle-income country with PPP GDP per capita of $28,270 in 2018.

However, the country has had difficulties since an attempted coup in 2016. Journalists and academics have been incarcerated while President Erdogan appointed his son-in-law as finance minister triggering a collapse in the country's currency. He also announced new laws allowing him directly to appoint the governor and deputy governors of the central bank and abolishing the requirement of 10 years banking experience previously necessary for such appointments. Although the currency has staged a minor rally since August 2018, it remains at less than half its dollar value of 2014. And the stabilisation of the currency required a hike in interest rates from 8% at the beginning of the year to 24%.

The economy is slowing down and will be in recession in 2019. Thereafter we expect very sluggish growth for a number of years.

The Turkish economy is likely to grow very slowly to 2023 at a trend rate of 1.2% per annum. Thereafter we expect growth to pick up to a trend rate of 2.5% from 2023-33.

Turkey	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	773	1049	1369	1744	1710	1850	2094	2369
GDP, USD bn (constant prices)	407.9	875.4	1008.2	694.1	587.0	815.1	901.9	998.0
GDP, USD bn (current prices)	311.9	764.6	950.3	710.2	613.4	918.0	1117.7	1360.9
Rank	21	17	16	19	21	18	18	17

2.179 Turkmenistan

Turkmenistan is a country in Central Asia on the Caspian Sea, with a GDP per capita of $19,530 in international dollars. The petroleum sector forms the backbone of the economy, accounting for the bulk of Turkmenistan's exports and government revenues. A large share of the population is also employed in agriculture, with major crops including cotton – which is primarily exported – and wheat, which is mostly produced for the domestic market.

The Turkmen economy has seen double-digit growth rates throughout most of the 21st century, supported by the fast expansion of the gas sector. The decline in commodity prices since 2014 together with disputes with Russia and Iran – two of Turkmenistan's largest customers for natural gas – has caused growth to moderate. However, the economy remains strong, with GDP growth of 6.2% forecast for 2018. The recent pickup in hydrocarbon prices together with some restrictions on imports have lowered the current account deficit from nearly 20% of GDP in 2016 to 8% of GDP in 2018.

Economic diversification has been constrained by a poor business environment, shortage of infrastructure in many areas and regulation deterring foreign direct investment. The government is currently aiming to prioritise expenditures in growth-enhancing areas such as infrastructure in order to boost Turkmenistan's competitiveness. The Communications Ministry has also outlined plans to improve access to the internet and digital services, particularly in rural areas.

China is currently Turkmenistan's largest customer for natural gas exports. However, the Turkmenistan-Afghanistan-Pakistan-India (TAPI) pipeline is set to come online in the early 2020s, and will significantly expand Turkmenistan's export capacity. The idea of a trans-Caspian pipeline has also been explored, which would provide access to the European market.

Cebr forecasts that the Turkmen economy will grow at an average annual rate of 5.7% over the next fifteen years, as increasing gas production is offset by a general decline in commodity prices. This will see Turkmenistan move from 91st in the World Economic League Table in 2018 to 70th by 2033.

Turkmenistan	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	27.0	49.5	80.4	113.4	119.8	148.8	196.5	259.6
GDP, USD bn (constant prices)	14.9	24.6	41.6	41.8	45.0	60.6	89.2	131.3
GDP, USD bn (current prices)	11.4	21.5	39.2	42.8	47.0	68.3	110.5	179.0
Rank	96	102	93	91	91	86	74	70

2.180 Tuvalu

Tuvalu is an island nation in the southern Pacific Ocean with a GDP per capita of $4,050 and a population of just 11,000. The country is highly vulnerable to rising sea levels associated with climate change. Indeed, its highest point is just 4.6 metres above sea level. Fisheries is Tuvalu's most important industry, with fish exports and the sale of fishing licenses accounting for a significant share of GDP and government revenues. Tuvalu also has a sovereign wealth fund established jointly by the United Kingdom, Australia and New Zealand. The fund is designed to provide a buffer against any shortfall in revenues.

Tuvalu's very small size and population constrain economic diversification and the development of the private sector. As such, public spending is the main source of growth for the economy. Expenditure on infrastructure and housing projects has sustained solid growth of 3.2% in 2017 and an expected 4.3% in 2018. A series of planned infrastructure projects – many funded through development partners – are expected to drive a similar rate of growth in the medium term.

Downside risks to growth include natural disasters and sea level rises associated with climate change, as well as the volatility of fishing revenues. Cebr forecasts that Tuvalu will remain at the bottom of the World Economic League Table for the forecast period.

Tuvalu	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.1
GDP, USD bn (constant prices)	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.1
GDP, USD bn (current prices)	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.1
Rank	190	192	193	193	193	193	193	193

2.181 Uganda

Uganda is a landlocked country in East Africa with a GDP per capita of $2,490 in international dollars. The majority of the workforce is employed in the agriculture sector, which accounts for nearly 30% of GDP. Uganda's main agricultural exports are cash crops including coffee, tea and raw tobacco. The country is also rich in mineral resources, in particular, gold.

Economic growth is expected to have accelerated to 5.9% in 2018 on the back of favourable weather conditions, which have boosted crop production as well as fast growth in the construction and communication sectors. Private sector credit growth has also picked up, delivering a boost to investment. In the coming years, the Ugandan economy is likely to remain strong, fuelled by the establishment of the oil sector and the numerous infrastructure works that this will entail.

Uganda's economy remains overly reliant on agriculture and is hence vulnerable to commodity price swings and adverse weather conditions. The development of the oil sector will be an important step towards diversification, although fostering growth in the services sector will be key in better protecting the economy from external shocks. Some of Uganda's major trading partners – such as South Sudan and the Democratic Republic of Congo – have been embroiled in ongoing violence and instability, which has weighed on external demand in recent years. However, the improvement of the situation in South Sudan will be welcomed by Uganda and could provide a boost to the economy in the coming years.

The Ugandan government has placed a focus on public infrastructure spending, in order to boost the country's productivity and accelerate the development of its oil sector. However, this has led to a widening of the fiscal deficit to around 4.7% of GDP, and gross government debt is now at 43% of GDP. Containing this growth in debt while supporting the planned infrastructure developments will be important for the economic sustainability of Uganda in the medium to long term.

Cebr forecasts that the economy will expand by 6.1% and 6.2% in 2019 and 2020 respectively. The annual GDP growth rate is set to rise to 6.5% by 2023 as the country's new oil sector and associated investments begin to boost output. Uganda is set to rise from 104th in the World Economic League Table in 2018 to 90th by 2033.

Uganda	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	24905	37029	49273	61858	65635	83749	114960	157801
GDP, USD bn (constant prices)	8.8	19.8	27.4	27.2	28.6	37.8	54.1	77.6
GDP, USD bn (current prices)	6.7	17.3	25.8	27.9	29.9	42.5	67.1	105.8
Rank	116	110	104	104	103	100	96	90

2.182 Ukraine

Ukraine is a country in Eastern Europe with a GDP per capita of $9,180 in international dollars. The country has a large industrial sector, which makes up 29% of GDP. The Russian occupation of Crimea and conflict in the eastern parts of the country led to a contraction of GDP of 6.6% and 9.8% in 2014 and 2015, respectively.

Following the economic crisis in 2014 and 2015, which saw the economy shrink by more than 15% and inflation reach 60%, the macroeconomic situation has stabilised considerably. The country has embarked on a series of reforms aimed at reviving foreign direct investment and restoring the sustainability of the public finances. These included anti-corruption measures and increases in fuel tariffs. In October 2018, Ukraine reached a preliminary agreement for a $3.9 billion package from the IMF, which will be crucial in its financing of existing debt and spending plans. The economy performed well in 2018, driven by growth in the mining and agriculture sectors as well as an uptick in remittances, which followed the EU's decision to ease employment rules for Ukrainians.

The continued implementation of reforms to improve the business environment and fiscal sustainability will be key in sustaining economic growth in the coming years, by promoting foreign investment and access to the sovereign debt market. Maintaining political stability will also be essential following the 2019 elections. A downside risk continues to be an escalation of aggression from Russia, which has the potential to bring further conflict to Ukraine and disrupt economic activity.

Cebr forecasts that the economy will expand at an average annual rate of 3.0% over the next fifteen years, which would see Ukraine move from 59th in the World Economic League Table in 2018 to 58th by 2033.

Ukraine	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	925	1269	1141	1046	1075	1220	1436	1686
GDP, USD bn (constant prices)	68.0	215.5	190.5	123.5	127.2	154.8	190.5	235.2
GDP, USD bn (current prices)	52.0	188.2	179.6	126.4	132.9	174.3	236.1	320.7
Rank	57	46	56	59	59	59	58	58

2.183 United Arab Emirates

The UAE is a federation consisting of seven emirates on the east of the Arabian Peninsula bordering Saudi Arabia and Oman. Partly because of its oil wealth it is ranked 8th in the World Bank's ranking of GDP per capita with GDP per capita in 2018 of $70,260 in international dollars. Most of its economic activity takes place in two large city–emirates, Abu Dhabi and Dubai.

Abu Dhabi is based on oil but has diversified from it; Dubai has established itself as the major international hub in the Middle East, with revenues from tourism, finance and especially property. The UAE has survived two major international economic setbacks in the past 10 years – the world financial crisis badly hit the real estate sector in 2009/10 while the collapse in oil prices reduced the income from what is still the largest sector. Oil production as a share of GDP has fallen from 41% of GDP in 2000 to 30% in 2017.

According to Knight Frank, the falls in Dubai property prices in the year to mid 2018 were the second highest in the world with only Turin in Italy recording a larger fall.

The UAE has done well to sustain growth through a period when government revenues have been hit by falling oil prices. The powerful sovereign wealth fund that was built up during the period of oil surpluses has been used to cushion the impact of lower oil prices. As a result the economy managed 2.9% GDP growth in 2018, in the circumstances an impressive performance. This is particularly the case since the introduction of VAT at the beginning of the year impacted on consumer spending.

We expect the trend growth rate to average 3.2% per annum from 2018-23, slowing to 2.8% from 2023-33 as the prosperity of the region is hit by lower oil prices.

The UAE has major diversification plans. With the government budget in surplus and gross debt at only 17% of GDP we see no reason why these should not be successful and our forecasts assume that they are so.

In the medium term, provided that the current relatively welcoming attitude to foreign investment persists, we expect the UAE to edge down the league table only gently despite the damage to the region from lower oil prices.

United Arab Emirates	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	822	1105	1249	1464	1517	1719	1973	2265
GDP, USD bn (constant prices)	162.6	361.2	413.8	422.8	436.0	473.8	532.2	597.7
GDP, USD bn (current prices)	124.3	315.5	390.1	432.6	455.6	533.6	659.5	815.1
Rank	38	32	31	29	27	27	29	32

2.184 United Kingdom

The UK is a high income country with a diverse economy consisting of a dominant service sector and relatively sizeable manufacturing and construction sectors. The UK is the world's fifth largest economy with the main financial service sector in the European time zone. London is also the centre of the Flat White Economy, the leading centre for the creative and digital sectors outside the US. The UK's GDP per capita was $45,640 in 2018 international dollars

The UK voted in 2016 to end its membership of the European Union and this is currently planned to take place in March 2019. However, difficulty in getting majority support for the form in which the country leaves has left this policy uncertain. A year ago we predicted that a so-called 'soft Brexit' looked likely. As of now, any of the three options of leaving without a deal, a soft Brexit or not leaving at all seem possible.

Not surprisingly the uncertainty has preyed on the economy and although there is a temporary boost to stockbuilding as some businesses prepare themselves for a no deal Brexit, inward investment is slumping and domestic businesses are sitting on their hands waiting for the politicians to make up their minds.

Meanwhile the consumer, who has sustained the economy by borrowing in the face of weak real income trends, has maxed out his credit card and is facing debt problems and so has started to reduce spending.

The Bank of England started a process of normalising interest rates but the emerging weakness of the economy seems to have halted this process in its tracks.

The government budget deficit fell from 7.6% in 2012 to 1.7% in 2017. Although debt remained high at 87.4% of GDP there was some leeway in the Autumn Budget to signal an end to the process of reducing public spending as a share of GDP. One cushion for the economy in the coming years is rising public spending.

Risks to the economy are from reduced immigration, reducing the underlying growth; and there is also a risk that the country fragments if Scotland and Northern Ireland leave.

We expect UK growth to be especially sluggish at 1.1% per annum from 2018-23 as the economy absorbs Brexit. Thereafter we expect an acceleration to 2.0% annually from 2023-28 and to 2.1% from 2028-33 as the economy takes advantage of new opportunities emerging from Brexit.

The UK is predicted to be overtaken by India soon, probably in 2019. A significant slowdown in growth associated with Brexit related disruption in 2019 also means that France is expected to claim 6th spot from the UK in 2019. However, if the UK manages to withstand Brexit it looks likely to regain its standing in the world's top six economies in 2020 and sustain this position for the foreseeable future.

United Kingdom	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	1620	1792	1836	2028	2038	2151	2372	2632
GDP, USD bn (constant prices)	2674.9	3360.0	2923.1	2760.1	2627.1	2933.5	3224.8	3565.9
GDP, USD bn (current prices)	2045.7	2934.7	2755.4	2824.2	2745.3	3303.9	3996.5	4862.7
Rank	4	5	6	5	7	6	6	6

2.185 United States

The USA is the world's largest economy, with US GDP accounting for 24.2% of global output in 2018. It is also one of the world's wealthiest countries, with a PPP GDP per capita of $62,520 in 2018. The service sector accounts for 81.3% of US GDP and 80.2% of employment.

Since the election of President Donald Trump in 2016 US economic policy has been characterised by economic nationalism with attempts to reduce imports and immigration. Neither have been particularly successful and President Trump has been forced to renegotiate trade deals with Mexico and Canada, Korea, China, Japan and the EU. The new deals seem very similar to those they replaced.

US monetary policy is in a phase of normalising interest rates. Since late 2015 the Fed has raised the federal funds rate 9 times, the latest in December to 2.25%. Statements indicate that further rate rises are planned though whether they take place will depend on the state of the economy.

The tax reform package passed in 2017 has had the effect of bringing forward growth. However, it leaves a serious budget deficit problem that is likely to grow over time. The deficit as a percentage of GDP was 4.7% in 2018, with debt at 77%. Although the US, as a major economy, has more leeway than most, it risks capital flight if policy continues to be considered eccentric.

The economy is vulnerable to a negative conclusion to the resolution of trade frictions and to a world slowdown. In addition, Cebr believes that the US stock market might be as much as 30% overvalued, boosted by share repurchase schemes. If the markets return to base values then the economy is likely to suffer badly.

We expect the trend rate of growth of the US to be 1.8% annually from 2018-23 and 1.7% annually from 2023-33. In the long run, the US will have to cede top spot in the rankings to China. Last year we predicted the change of the guard at the top of the WELT ranking to happen oin 2030. Given the growth slowdown in China, we now expect the USA to fall back to second place in 2032.

United States	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	13879	15605	16495	18556	18964	20327	22115	24059
GDP, USD bn (constant prices)	14982	16845	17806	20031	20472	21943	23872	25972
GDP, USD bn (current prices)	11458	14713	16785	20496	21393	24714	29585	35416
Rank	1	1	1	1	1	1	1	2

2.186 Uruguay

Uruguay is situated in the south-east of South America, bordering Brazil and Argentina. It has a GDP per capita of $23,270 in international dollars. Major exports include bovine meat and rice. Uruguay has one of the most equitable distributions of income in South America, and extreme poverty has largely been eradicated.

In 2018, Uruguay is expected to have registered GDP growth of 2.0%. This would be a record 16th consecutive year of economic expansion. Since the economic crisis in 2002, triggered by an Argentinian debt default, Uruguay has taken steps to lower its dependence on neighbouring Brazil and Argentina. Today, the share of exports going to these two countries stands at just over 20%, compared to nearly 40% in 2001.

Growth did moderate slightly in 2018, driven by weakness in the manufacturing sector and low yields for some crops. Higher oil prices, a depreciation of the peso and low crop yields have also pushed inflation above 8% - in excess of the central bank's 3% - 7% target range. Looking ahead, an expected economic slowdown in Argentina and the appreciation of the Uruguayan peso relative to the Argentine peso will weigh on external demand. High inflation will also suppress household incomes, weighing on private consumption.

Cebr forecasts that the Uruguayan economy will grow by 3.0% in the medium term. Economic resilience has been boosted by steps taken to diversify the economy and attract investment, although Uruguay should still focus on bringing down the level of gross government debt, which is currently at 68% of GDP. Uruguay is set to be ranked 75th in the World Economic League Table in 2033, one place above its current standing.

Uruguay	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	380.3	505.2	646.8	713.7	736.5	834.6	967.6	1121.7
GDP, USD bn (constant prices)	15.8	34.8	61.0	59.6	60.2	69.8	82.7	97.9
GDP, USD bn (current prices)	12.1	30.4	57.5	60.9	62.9	78.6	102.5	133.5
Rank	91	86	75	76	77	78	79	75

2.187 Uzbekistan

Uzbekistan is a landlocked country in Central Asia, bordered by Afghanistan, Kazakhstan, Kyrgyzstan, Tajikistan and Turkmenistan. It has a GDP per capita of $7,480 in international dollars. Key sources of foreign exchange earnings are the export of gold, cotton and natural gas.

The economy has grown strongly in recent years, and this momentum looks to have been carried into 2018, driven by the construction and mining sectors. However, energy shortages have constrained growth in some areas, highlighting how infrastructure bottlenecks continue to hold the Uzbek economy back.

The Uzbek economy has historically been a highly regulated economy. However, the government has recently focussed on liberalising the economy and fostering private sector growth. The World Bank approved a $500 million loans to support these economic reforms in June 2018. The country has already lifted barriers to foreign investments, loosened business regulations and liberalised prices in key sectors, while the President has promoted the establishment of an anti-corruption committee. This reform agenda has the potential to facilitate impressive economic growth in the medium term, by boosting foreign investment, international competitiveness and domestic productivity.

Cebr forecasts that the economy will expand by 5.0% in 2018 and 2019 before annual GDP growth accelerates to 6.0% by 2021 as the beneficial effects of structural reforms begin to be felt. This growth trajectory would see Uzbekistan move from 89th in the World Economic League Table in 2018 to 72nd by 2033.

Uzbekistan	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	413.1	609.1	904.1	1255.7	1318.5	1656.7	2217.0	2966.9
GDP, USD bn (constant prices)	13.3	33.8	61.2	42.3	49.1	58.6	82.6	116.5
GDP, USD bn (current prices)	10.1	29.5	57.7	43.3	51.3	66.0	102.4	158.8
Rank	100	87	74	89	86	87	80	72

2.188 Vanuatu

Vanuatu is a Pacific Island country with a GDP per capita of $2,850 in international dollars and a population of 290,000. The major sectors of the economy are tourism – largely from Australia and New Zealand – fishing and agriculture. Economic growth has been constrained by Vanuatu's geographical remoteness, lack of mineral resources and vulnerability to natural disasters.

Vanuatu was devastated by Cyclone Pam in 2015, which wiped out much of the country's infrastructure and slashed its agricultural output. Damages were estimated at nearly $600 million, or over 60% of GDP. Re-building efforts have since driven economic growth, which is expected to have stood at 3.8% in 2018. This has been supported by an accommodative monetary policy stance, the revival of the tourism sector – with solid growth in visitor numbers in 2018 – as well as the implementation of major infrastructure projects.

With more than 80% of the workforce employed in weather-sensitive industries including tourism and agriculture, Vanuatu is among the most exposed countries in the world to climate change. Indeed, the Minister of Foreign Affairs has recently stated that the country is exploring legal action against major companies and countries that are contributing to climate change. While such a claim is in many ways justifiable, there is limited precedent for this type of case to result in damages being paid out. Natural disasters remain the largest single risk for the economy in the long term.

The fall in government revenues that followed Cyclone Pam together with expenditures for rebuilding works have caused gross government debt to surge to 51% of GDP in 2018, from just 20% of GDP in 2013. Fiscal consolidation efforts will, therefore, be necessary to ensure the public finances remain under control.

Cebr forecasts that annual GDP growth will slow to 3.0% from 2020, as construction activity moderates and fiscal consolidation weighs on domestic demand. We expect Vanuatu will move from 181st in the World Economic League Table in 2018 to 180th by 2033.

Vanuatu	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	41	54	60	69	71	80	93	108
GDP, USD bn (constant prices)	0.4	0.7	0.9	0.9	1.0	1.2	1.4	1.8
GDP, USD bn (current prices)	0.3	0.6	0.8	1.0	1.0	1.3	1.8	2.4
Rank	182	181	181	181	181	180	180	180

2.189 Venezuela

Venezuela is a country on the northern coast of South America with a GDP per capita of $10,970 in international dollars. The country has the largest proven oil reserves in the world, and as such oil exports have historically dominated both exports and government revenues. During the early-2000s, the government used the oil income to subsidise heavy social spending on housing, healthcare and transport. Although this led to a reduction in inequality, with the Gini coefficient improving to 0.41, the following sharp fall in the oil price resulted in a significant current account deficit, thereby deepening Venezuela's macroeconomic imbalances.

Venezuela has been embroiled in an economic crisis since 2014, witnessing a double-digit contraction in GDP in each of the last three years. This crisis was triggered by the sharp fall in oil prices, together with a significant decline in the level of oil production. The IMF expects inflation to reach a staggering 10 million percent in 2019. This hyperinflation has been the result of the government's policy of printing money in order to finance its expenditures after oil revenues declined in 2014. It has also hiked the minimum wage on numerous occasions, exerting further inflationary pressures. Meanwhile, a shortage of foreign currency has led to a scarcity of imported goods and a corresponding increase in their price.

The US and neighbouring South American countries have placed considerable pressure on the Venezuelan government, implementing a raft of sanctions, most recently targetting Venezuela's gold sector. The primary issue the Venezuelan economy faces is that of hyperinflation. Underpinning this is the dramatic fall in oil production, which is forcing the government to print money to meet its spending commitments and undermining faith in the local currency. Investment from China could offer a potential solution in the future.

Cebr forecasts that the economy will shrink by 18% and 5% in 2018 and 2019 respectively. We expect that Venezuela will fall from 65th in the World Economic League Table in 2018 to 92nd by 2033.

Venezuela	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)								
GDP, USD bn (constant prices)	109.4	331.7	248.7	94.1	89.4	83.8	77.7	72.0
GDP, USD bn (current prices)	83.7	289.7	234.4	96.3	93.5	94.3	96.2	98.2
Rank	48	34	47	65	67	72	83	92

2.190 Vietnam

Vietnam is located in south East-Asia on the eastern coast of the Indochina peninsula. It has a GDP per capita of $7,480 in international dollars. While agriculture accounted for 39% of GDP in 1990, this had fallen to 15% by 2017, with industry now making up approximately one third of economic output.

Economic and political reforms launched under Doi Moi in 1986 have spurred economic growth in Vietnam and aided the transition to its current lower middle-income status. Economic growth has been robust, exceeding 5% in real terms every year since the turn of the millennium, making Vietnam consistently one of the world's fastest growing economies. Cebr forecasts GDP growth of 6.6% in 2018.

This level of growth has brought with it benefits for much of the population and Vietnam is performing well against the UN's Sustainable Development Goals. Based on the international income poverty line, the national poverty rate was considerably reduced from 49.2% in 1992 to 14.8% in 2008 and just 2.8% in 2014. Education is defined as the top national priority, with 20% of the government budget dedicated to education and training. The strategy seems to be bearing fruit with 99.7% of children completing primary education during the 2016-2017 school year.

Vietnam is a prolific trading nation and the 21st largest export economy in the world. In 2016, Vietnam exported $207 billion and imported $196 billion, resulting in a positive trade surplus of $11 billion. The desire to export has led to trade agreements with the EU, ASEAN, China and South Korea. Furthermore, in November 2018 the Vietnamese National Assembly voted unanimously to ratify the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP). The CPTPP agreement replaced the original Trans-Pacific Partnership after the US pulled out of the deal.

The importance of international trade to the Vietnamese economy makes 2019 a potentially risky year for the economy. With trade tensions between China and the US escalating throughout 2018 other countries that feed into their global supply chains will inevitably have been affected. As Vietnam's two largest trading partners, a normalisation of trade relations between the US and China may hold the key to another successful year for growth in 2019.

Vietnam is expected to be one of the fastest rising economies in the league table with its position (already up from 59th position in 2008 to 47th position in 2018) expected to rise to 30th in 2033.

Vietnam	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	1370413	1923749	2543596	3477876	3703938	4764991	6528451	8944544
GDP, USD bn (constant prices)	51.7	112.5	180.8	236.0	254.8	334.0	456.5	623.7
GDP, USD bn (current prices)	39.6	98.3	170.4	241.4	266.2	376.2	565.7	850.5
Rank	59	59	58	47	46	45	40	30

2.191 Yemen

Yemen is a country situated on the southern tip of the Arabian Peninsula, with a GDP per capita of $2,380 in international dollars. Yemen has considerable mineral resources including gold, oil and natural gas. However, its reliance on these for government revenues and exports means that the economy is vulnerable to commodity price swings. Yemen has been ravaged by conflict since 2014, which has led to widespread food shortages, damage to infrastructure and high inflation.

Yemen is in the midst of a humanitarian and economic crisis. Between 2014 and 2017, the economy shrank by nearly a third, and around three-quarters of the country's population of more than 22 million are in need of humanitarian assistance. The dramatic depreciation of the riyal has caused the cost of imports to soar, while conflict at major ports has further choked off supplies. The corresponding shortage of agricultural inputs has hit this sector hard and led to widespread famine.

In December 2018, peace talks brokered by the UN in Sweden yielded an agreement for an immediate ceasefire at the port city of Hodeidah. If the deal holds, this would represent a major breakthrough for the humanitarian situation in Yemen, as around 80% of food supplies come through this port. Meanwhile, the Yemeni Central Bank is awaiting around $3 billion in support from Kuwait and the UAE, in order to support the currency and help the government meet its public sector wage bill.

GDP is expected to have contracted by 2.6% in 2018, due to the ongoing conflict. However, there is the potential for relatively rapid economic growth in the coming years if meaningful steps can be taken to stem the conflict, ameliorate the humanitarian crisis and stabilise the economy. Cebr forecasts that Yemen will move from 103rd in the World Economic League Table in 2018 to 106th by 2033.

Yemen	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	287.3	348.6	365.3	240.3	275.7	383.5	496.5	633.6
GDP, USD bn (constant prices)	15.4	30.8	42.9	27.9	37.1	46.2	46.3	45.7
GDP, USD bn (current prices)	11.8	26.9	40.4	28.5	38.8	52.1	57.4	62.3
Rank	93	93	92	103	99	98	101	106

2.192 Zambia

Zambia is a landlocked country in southern Africa with a GDP per capita of $4,120 in international dollars. It is one of the world's largest producers of copper, and the commodity accounts for around 80% of Zambia's exports. Agriculture is also an important sector of the economy, employing the majority of the workforce. This makes Zambia vulnerable to periods of low rainfall, as this significantly depresses incomes for many of the population. Zambia is also reliant on hydropower for its electricity, meaning that low rainfall also leads to power shortages.

Between 2000 and 2014 the Zambian economy experienced rapid economic growth, with GDP increasing by 6.9% per year on average. However, a combination of falling copper prices and below average rainfall in 2015 and 2016 led to a moderation in the rate of growth. There have been some signs of improvement in 2018. Higher copper prices alongside increased levels of domestic production have boosted exports and stabilised the Zambian kwacha. This, together with strong agricultural output, has helped to contain inflation, enabling the central bank to loosen its monetary policy.

The Zambian government has borrowed heavily in recent years in order to finance a series of infrastructure projects. This has caused gross government debt to rise from 21% of GDP in 2011 to 71% in 2018. Given this alarming escalation of public sector debt, the government has pledged to scale some of these projects back and to implement further fiscal consolidation measures, such as lowering subsidies to the electricity and oil sectors. However, the fiscal deficit remains at nearly 10% of GDP and bringing debt back down to sustainable levels will require substantial reductions in expenditures. This looks set to weigh on growth in the short to medium term. Another downside risk to growth is an economic slowdown in China and the corresponding fall in demand for Zambian copper exports.

Cebr forecasts that the economy will expand by an average of 4.5% per year over our forecasting horizon. This will be driven by strong copper prices as well as a rapid population growth rate which is currently in excess of 3% per year. Cebr forecasts that Zambia will fall from 107th in the World Economic League Table in 2018 to 109th by 2033.

Zambia	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	55.8	80.7	116.0	139.2	145.5	173.5	216.5	270.1
GDP, USD bn (constant prices)	6.4	20.5	29.8	25.2	25.0	29.5	34.6	41.1
GDP, USD bn (current prices)	4.9	17.9	28.0	25.8	26.1	33.2	42.9	56.0
Rank	128	108	102	107	108	107	109	109

2.193 Zimbabwe

Zimbabwe is a country in southern Africa bordering Botswana, Mozambique, South Africa and Zambia. It has a GDP per capita of $2,380 in international dollars. The economy contracted each year between 1999 and 2008, and the IMF estimates that the annual rate of inflation reached 500 billion percent. Inflation has since stabilised after Zimbabwe abandoned its local currency in favour of the US dollar. Zimbabwe has considerable mineral reserves and is a large exporter of gold and diamonds.

Zimbabwe is currently contending with a severe shortage of foreign currency, which many Zimbabweans rely on to carry out local transactions. This has been brought about by persistent current account deficits and a lack of foreign investment. In response to the increasing shortage of US dollars, the central bank introduced bond notes in 2016 which are supposedly worth $1. However, confidence in this surrogate currency has deteriorated, leading to a sharp fall in its value and a consequent spike in inflation, which was in excess of 20% as of October 2018.

Zimbabwe's currency woes have overshadowed the new administration's efforts to pursue an economic reform agenda. The Finance Minister Mthuli Ncube has stated that the government is ready to remove laws requiring local ownership of mines, in a bid to attract foreign investors. Meanwhile, the IMF and the World Bank have approved Zimbabwe's plan to clear over $2 billion in arrears, which if implemented will help to integrate Zimbabwe into the global economy.

Gross government debt is currently at 82% of GDP and the fiscal deficit is close to 11% of GDP. Therefore, Zimbabwe will need to embark on a course of substantial fiscal consolidation in the coming years if it is to be successful in regaining the confidence of foreign investors. Cebr forecasts that the economy will grow by 3.6% and 4.2% in 2018 and 2019, respectively. Conditional on the implementation of economic reforms, we expect annual GDP growth to accelerate to 5.0% per year by 2022, driven by increased flows of foreign direct investment and improvements to productivity. Cebr forecasts that Zimbabwe will move from 116th in the World Economic League Table in 2018 to 100th place by 2033.

Zimbabwe	2003	2008	2013	2018	2019	2023	2028	2033
GDP, local currency bn (constant prices)	11.5	7.8	13.4	15.2	15.8	19.1	24.4	31.1
GDP, USD bn (constant prices)	10.8	6.6	16.2	18.9	20.7	28.4	39.8	55.9
GDP, USD bn (current prices)	8.3	5.8	15.2	19.4	21.6	32.0	49.3	76.2
Rank	108	142	121	116	113	110	106	100

Appendix: notes on method

This publication relies on International Monetary Fund (IMF) sources, particularly the October 2017 World Economic Outlook for historical data and market intelligence. Views are also informed by the Economist Intelligence Unit's country profiles, the African Development Bank, the European Commission, the World Bank, *The Financial Times*, the CIA World Factbook, work by the China–Asean Research Institute, Focus Economics' consensus global forecasts, and a wide-ranging review of many other sources.

Cebr's forecasts come from our in-house macroeconomic models. We use past trends and a range of forecasting techniques including multivariate regression. The most challenging part is the forecasting of exchange rates. These are almost impossible to predict accurately in the short run and little easier in the long run.

We also believe that oil prices will fall in the medium-term which will impact those economies the most that depend on either the export or the import of oil.

There is a divergence in opinion regarding the long-run effects of Brexit within the Cebr team, inevitably given the uncertainty surrounding transitional and final arrangements. A compromise position has been taken between a more optimistic and a more pessimistic scenario in order to reflect this.