

 Spotlight 2024

The future of global macro and markets leadership

Will the US be overtaken?

June 2024

Will the US remain the global economic outperformer? Will China or Europe ever catch up? Will US equities continue to provide higher returns?

Our annual Spotlight project provides a unique, cohesive and coherent framework for understanding whether the drivers of US economic growth and financial markets outp like China and the euro-zone will catch up. Explore the insight and data below.

 Outperformance

Get your sample copy of the report "The drivers of US macro and markets leadership"

Find out what's been driving US economic and markets dominance since long before the pandemic and to learn what lies ahead for the global economy.

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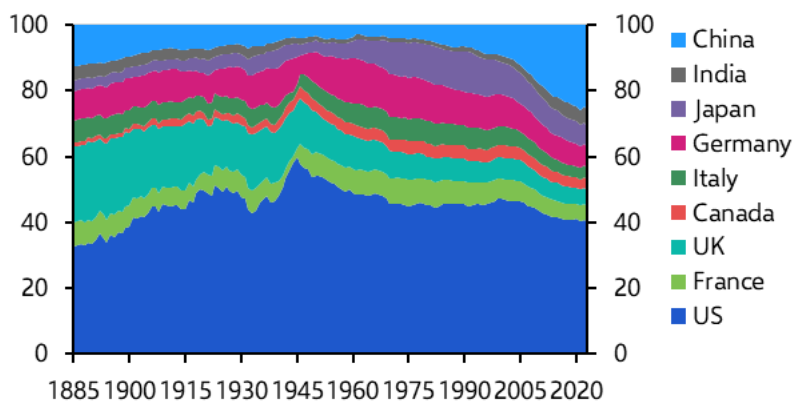
For Capital Economics clients: The future of global macro and markets leadership



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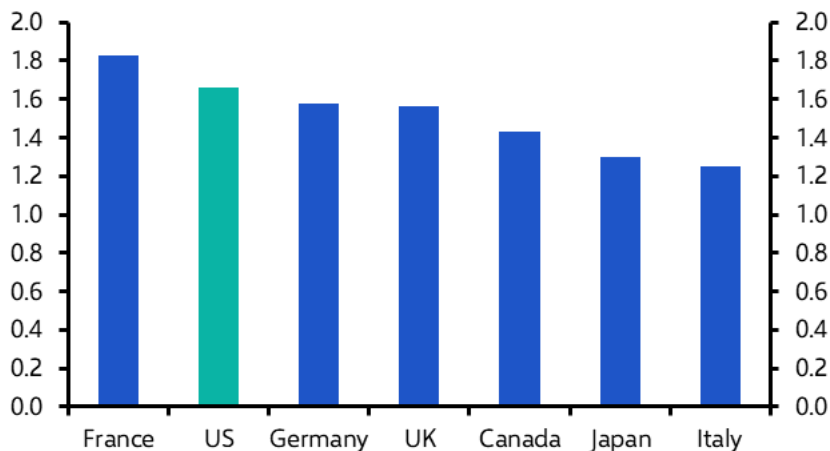
[We expect the US to remain the world's pre-eminent global economy for the foreseeable future. Not only will its own economic performance remain comparatively strong – 10th June 2024 - 6 mins read](#)



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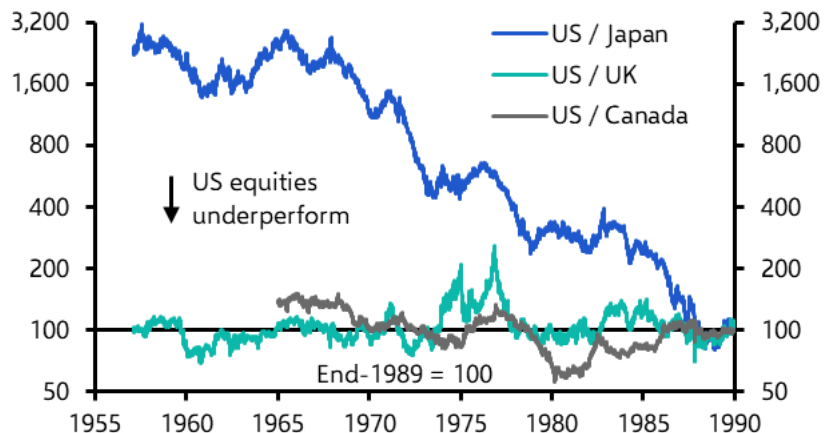
[For all its flaws, the US has long been a world-leading economy in a number of important respects. It has been an economic leader as the largest economy in the world since 10th June 2024 · 12 mins read](#)



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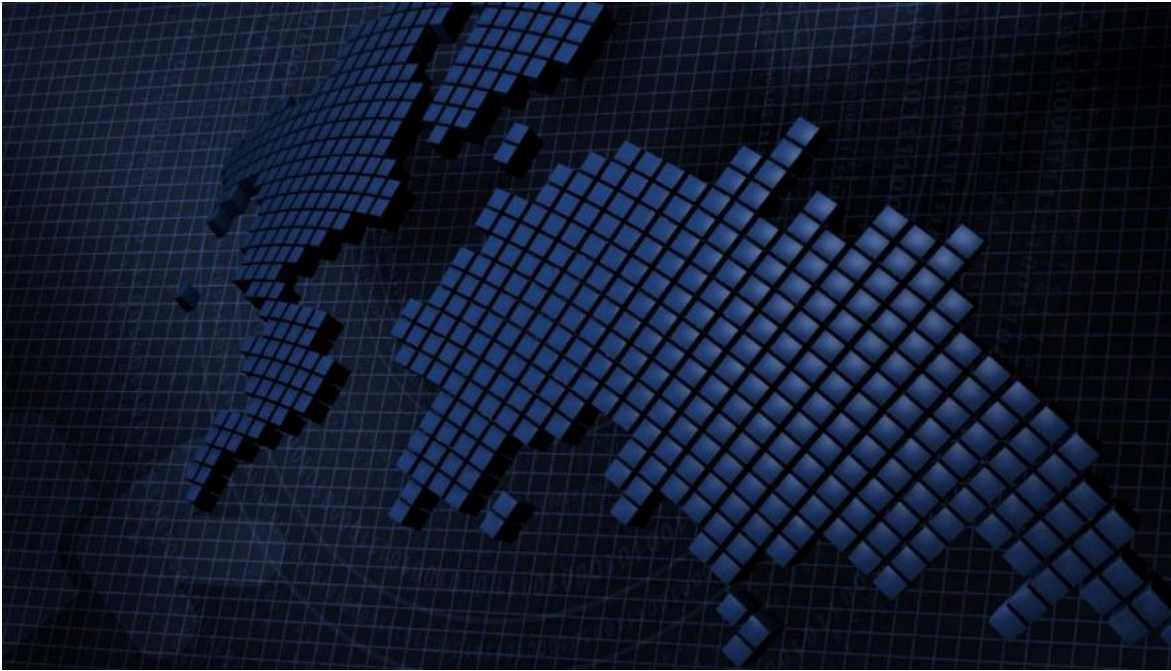
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The dashboard is titled "The future of global macro and markets leadership" and contains three main sections:

- 1. How has the US outperformed?**
The US is the only economy to dominate across GDP, innovation and financial market size/depth.
The World's Top 5: A Venn diagram showing the intersection of GDP, Stock Market Capitalisation, and Innovation for the top 5 countries: USA, Germany, China, India, and Japan.
- 2. Will the US retain its economic lead?**
While there are many threats to this position, we expect it to sustain its economic lead in future.
World Rankings by Nominal GDP at \$ Market Exchange Rates:

2024	2040
1 US	1 US
2 China	2 China
3 Germany	3 India
4 Japan	4 Japan
5 India	5 Germany
6 UK	6 UK
7 France	7 France
8 Brazil	8 Canada
9 Italy	9 Indonesia
10 Canada	10 Brazil
17 Indonesia	15 Italy
- 3. Can the US stock market keep outshining the rest?**
Nonetheless, there are good reasons why the stock market will not outperform indefinitely.
Realised And Projected Average Annual Returns (US\$, %):

Period	USA	Rest Of The World*
Since End-2009	~14%	~6%
Now to End-2025	~16%	~13%
End-2025 to End-2033	~1%	~4%
End-2033 to End-2050	~7%	~8%

Navigation and controls include "See Dashboard Full Contents" and "Help".

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Watch on demand our exclusive online drop-in

US outperformance and the future of macro and markets leadership

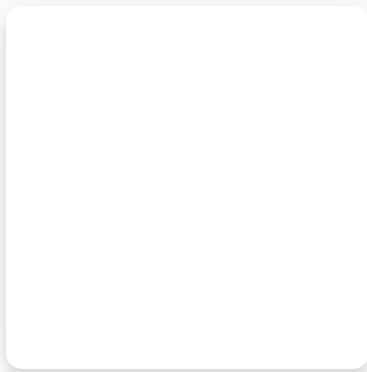
Watch a recording of our online event to hear our team discussing the key findings of our in-depth report, pinpointing the risks and opportunities in a global economy and financial supremacy is in question.

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Chief Global Economist Jennifer McKeown introduces this year's Spotlight project on the sustainability of US economic growth and financial markets outperformance and century.



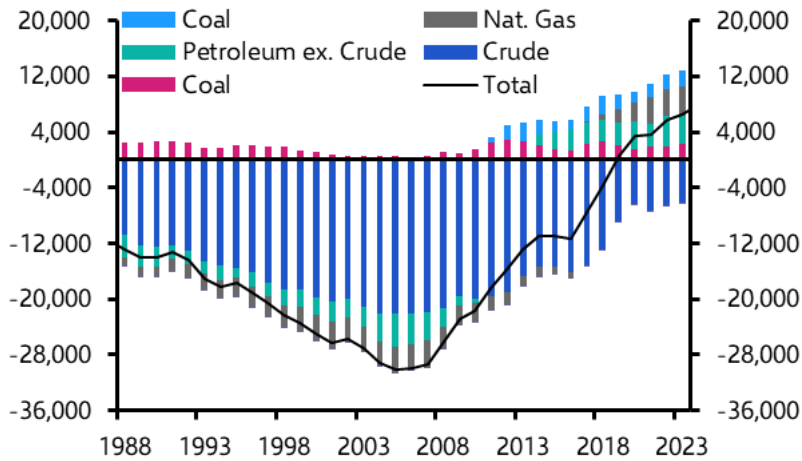
Listen to this special podcast episode where our senior economists spoke about the drivers of US outperformance, the potential challenges to its dominance, and what happens when bubble bursts.



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· Capital Economics Weekly Briefing

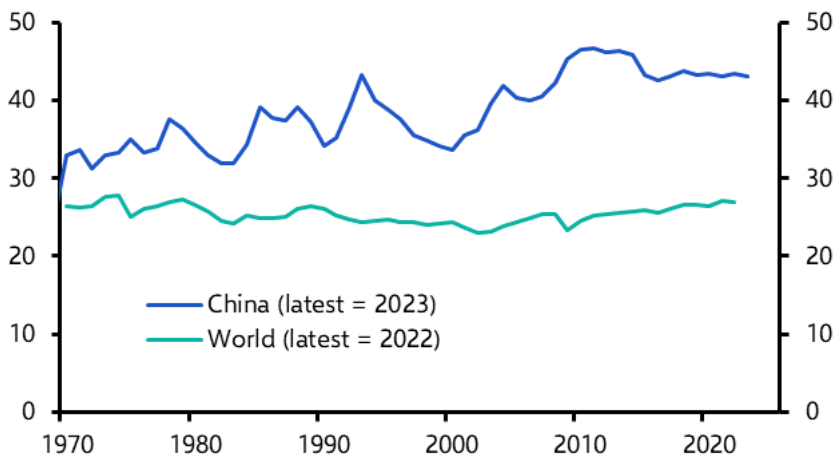
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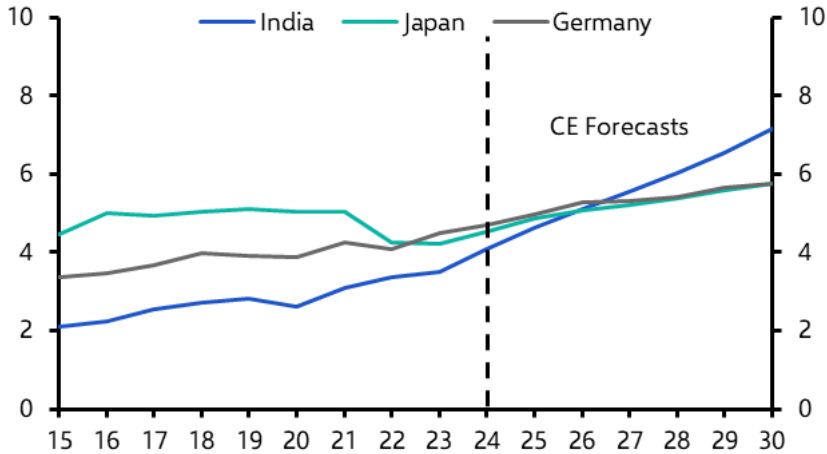
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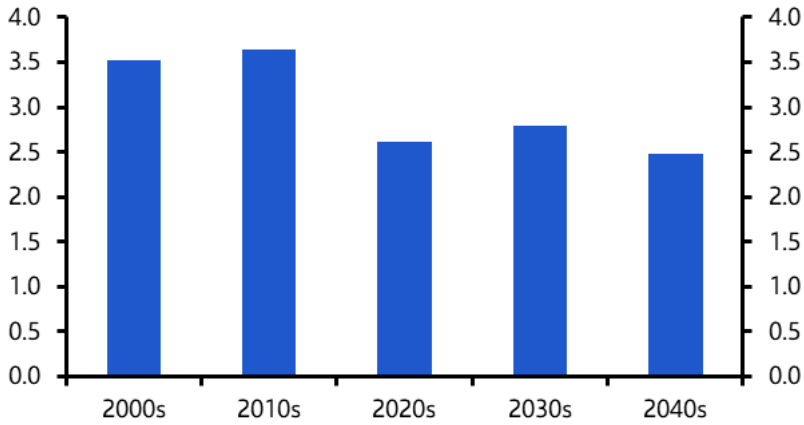
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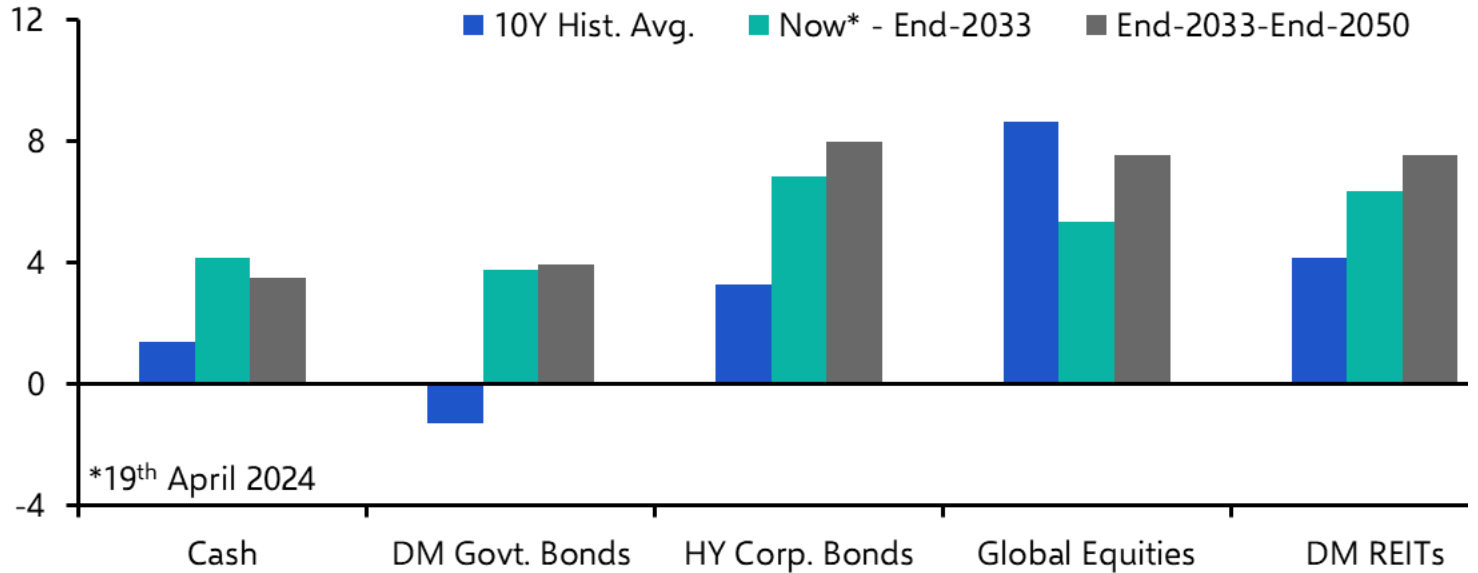
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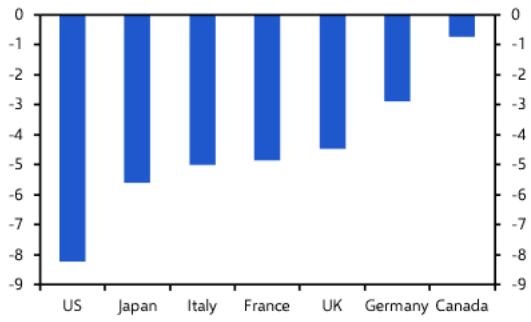
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