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U.S. Insurers' Emerging Markets Investments as of Year-End 2017

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Executive Summary

- According to the IMF's October 2018 World Economic Outlook, growth in EM economies is expected to be 4.7% in 2018 and 2019 (same as in 2017), and inflation (excluding Venezuela) is projected to be 5.0% in 2018, up from 4.3% in 2017.
- As of year-end 2017, U.S. insurers' investment in EM bonds and stocks totaled \$44.2 billion in book/adjusted carrying value (BACV), which was less than 1% of total cash and invested assets.
- The largest EM bond exposure for U.S. insurers was Mexico, at 32% of total EM bonds; the largest EM stock exposure for U.S. insurers was China at 60% of total EM stock exposure.
- Historically EM bonds and stocks have accounted for a relatively small proportion of U.S. insurer investments.

While there is no universal definition for what constitutes emerging market countries, the International Monetary Fund (IMF) defines non-advanced economies as "emerging market and developing economies" (EM).¹ The countries that comprise emerging markets shift with changes in economic conditions; that is, emerging market economies can include those that might have been considered developed markets in the past. EM countries are included among five regions: Asia, Europe, Latin America and the Caribbean, Middle East and North Africa, and Sub-Saharan Africa.

The U.S. insurance industry's EM bond and unaffiliated stock exposure was \$44.2 billion at year-end 2017 in BACV, which was below 1% of U.S. insurer total cash and invested assets and a decrease from \$46.8 billion at year-end 2016. In particular, EM bonds accounted for an overwhelming majority of the exposure, or \$42.9 billion (97%), of the year-end 2017 total. The EM bonds are comprised of those issued by governments, the energy-sector and other corporate issuers.

¹ International Monetary Fund, *World Economic Outlook – Challenges to Steady Growth*, October 2018.

Outlook for EM

For EM countries, aggregate [economic] growth stabilized in the first half of 2018, according to the IMF World Economic Outlook (WEO) dated as of October 2018. In particular, EM countries in Asia demonstrated stronger growth due in part to a pickup in the Indian economy, while fuel-exporters in the Middle East and Sub-Saharan Africa benefitted from higher oil prices; this trend has since reversed as oil prices have been trending lower, entering a bear market, for a variety of reasons. Economic recovery in Latin America continues albeit at a subdued pace; trade issues between Mexico and the U.S. have made some progress but are still uncertain relative to the North America Free Trade Agreement (NAFTA).

As shown in Table 1, as of October 2018, the IMF has forecasted growth in 2018 for all EM countries to be 4.7% — consistent with the 2017 growth rate — but a slight downward revision from its April 2018 forecast. EM economies within Asia are expected to lead world output in 2018, at 6.5% growth (consistent with 2017). In particular, growth in China is expected to be strong but gradually decline due in part to “weaker credit and rising trade barriers.” Growth in EM countries within Latin America and the Caribbean is expected to be 1.2% in 2018 (compared to 1.3% in 2017), while emerging Europe is expected to grow by 3.8% in 2018 compared to 6.5% in 2017. The significant drop for emerging Europe is due in part to unsettled terms related to Brexit (and the possible failure of negotiations), along with euro area geopolitical turmoil, which includes country-specific issues in Turkey.

Table 1:

*Table 1.1. Overview of the World Economic Outlook Projections
(Percent change, unless noted otherwise)*

	2017	Projections		Difference from July 2018 WEO Update ³		Difference from April 2018 WEO ¹	
		2018	2019	2018	2019	2018	2019
World Output	3.7	3.7	3.7	-0.2	-0.2	-0.2	-0.2
Advanced Economies	2.3	2.4	2.1	0.0	-0.1	-0.1	-0.1
United States	2.2	2.9	2.5	0.0	-0.2	0.0	-0.2
Euro Area	2.4	2.0	1.9	-0.2	0.0	-0.4	-0.1
Germany	2.5	1.9	1.9	-0.3	-0.2	-0.6	-0.1
France	2.3	1.6	1.6	-0.2	-0.1	-0.5	-0.4
Italy	1.5	1.2	1.0	0.0	0.0	-0.3	-0.1
Spain	3.0	2.7	2.2	-0.1	0.0	-0.1	0.0
Japan	1.7	1.1	0.9	0.1	0.0	-0.1	0.0
United Kingdom	1.7	1.4	1.5	0.0	0.0	-0.2	0.0
Canada	3.0	2.1	2.0	0.0	0.0	0.0	0.0
Other Advanced Economies ²	2.8	2.8	2.5	0.0	-0.2	0.1	-0.1
Emerging Market and Developing Economies	4.7	4.7	4.7	-0.2	-0.4	-0.2	-0.4
Commonwealth of Independent States	2.1	2.3	2.4	0.0	0.2	0.1	0.3
Russia	1.5	1.7	1.8	0.0	0.3	0.0	0.3
Excluding Russia	3.6	3.9	3.6	0.3	-0.1	0.4	0.0
Emerging and Developing Asia	6.5	6.5	6.3	0.0	-0.2	0.0	-0.3
China	6.9	6.6	6.2	0.0	-0.2	0.0	-0.2
India ³	6.7	7.3	7.4	0.0	-0.1	-0.1	-0.4
ASEAN-5 ⁴	5.3	5.3	5.2	0.0	-0.1	0.0	-0.2
Emerging and Developing Europe	6.0	3.8	2.0	-0.5	-1.6	-0.5	-1.7
Latin America and the Caribbean	1.3	1.2	2.2	-0.4	-0.4	-0.8	-0.6
Brazil	1.0	1.4	2.4	-0.4	-0.1	-0.9	-0.1
Mexico	2.0	2.2	2.5	-0.1	-0.2	-0.1	-0.5
Middle East, North Africa, Afghanistan, and Pakistan	2.2	2.4	2.7	-1.1	-1.2	-1.0	-1.0
Saudi Arabia	-0.9	2.2	2.4	0.3	0.5	0.5	0.5
Sub-Saharan Africa	2.7	3.1	3.8	-0.3	0.0	-0.3	0.1
Nigeria	0.8	1.9	2.3	-0.2	0.0	-0.2	0.4
South Africa	1.3	0.8	1.4	-0.7	-0.3	-0.7	-0.3
Memorandum							
European Union	2.7	2.2	2.0	-0.2	-0.1	-0.3	-0.1
Low-Income Developing Countries	4.7	4.7	5.2	-0.3	-0.1	-0.3	-0.1

Source: IMF, World Economic Outlook, October 2018.

In terms of financial conditions, the October 2018 *Global Financial Stability Report* published by the IMF, stated that significant differences have emerged between advanced and EM economies, where some countries are facing “weaker macroeconomic fundamentals and greater political uncertainty.” In China, for example, nonfinancial corporate sector leverage has been increasing and is above historical benchmarks. Credit quality is an ongoing concern in other EM economies as well.² In general, EM economies are susceptible to impacts from monetary policy in advanced economies. The financial condition of some EM economies have tightened since earlier this year due in part to country-specific factors, worsening external financing conditions and trade tensions, according to the IMF. Going forward, continued trade tensions, along with geopolitical uncertainty, could result in a change in risk sentiment and further tightening of global financial conditions.

S&P Global Ratings (S&P) research cites that “...foreign capital flows to emerging markets (excluding China) slowed markedly over the second and third quarters of 2018...”³ due in part to “rising U.S. interest rates, a strong U.S. dollar and global trade tensions.” S&P also expects this trend to continue as advanced economics continue to tighten their respective monetary policies.

U.S. Insurers’ Exposure to EM Investments

As of year-end 2017, the U.S. insurance industry had a total of \$44.2 billion in BACV in EM investments (including bonds and common and preferred stocks), which was a 6% decrease from \$46.8 billion at year-end 2016. Historically, total U.S. insurer EM investments have been relatively small, at less than 1% of total cash and invested assets. Life companies accounted for the majority of exposure at 90% of the total, followed by 14% with property/casualty (P/C) companies at year-end 2017.

U.S. Insurer Exposure to EM Bonds

A significant proportion of U.S. insurer year-end 2017 EM investments, or \$42.9 billion (97%), was in bonds while \$1.3 billion was in stocks. Historically, U.S. insurer exposure to EM bonds has been declining (See Table 2). Life companies consistently account for the majority of exposure, followed by P/C companies.

Table 2: U.S. Insurers’ Historical EM Bond Exposure, 2014–2017 (\$ bil. BACV)

Insurer Type	2014	2015	2016	2017
Life	40.3	39.3	39	36.9
P/C	6.6	5.9	5.7	5.1
Fraternal	0.6	0.5	0.5	0.5
Health	0.4	0.3	0.3	0.4
Total	\$ 47.9	\$ 46.0	\$ 45.5	\$ 42.9

In terms of country exposure, consistent with year-end 2016, the largest five countries comprised 62% of the U.S. insurance industry’s total EM bond investments as of year-end 2017, and they were also the same names: Mexico, Chile, Indonesia, Peru and Colombia. Mexico accounted for the largest EM bond

² The International Monetary Fund, *Global Financial Stability Report*, October 2018.

³ S&P Global Market intelligence, *Following the Fed: ECB Tightening Could Further Stifle Capital Flows To Emerging Markets*, October 2018.

exposure for U.S. insurers at year-end 2017 at \$13.7 billion in BACV, or 32% of total EM bonds, followed by bond investments in Chile for \$5.7 billion, or 13% of total EM bonds (See Table 3).

Table 3: U.S. Insurers' EM Bond Exposure (\$bil BACV), Year-End 2017

Country	Fraternal	Life	P/C	Title	Health	Total	Pct of Total
Mexico	324	11,303	1,914	13	137	\$ 13,691.2	32%
Chile	35	5,204	474	4	25	\$ 5,742.2	13%
Indonesia	-	2,422	343	4	30	\$ 2,799.1	7%
Colombia	2	1,920	342	5	35	\$ 2,303.4	5%
Peru	-	2,003	249	5	11	\$ 2,267.6	5%
Turkey	-	1,733	113	-	13	\$ 1,859.4	4%
Qatar	35	1,471	53	-	5	\$ 1,564.4	4%
India	14	1,243	267	1	11	\$ 1,536.3	4%
United Arab Emirates	10	1,312	127	-	7	\$ 1,455.4	3%
Brazil	10	1,236	101	2	11	\$ 1,359.3	3%
Poland	25	1,135	166	0	4	\$ 1,330.2	3%
Malaysia	16	1,145	114	-	1	\$ 1,275.8	3%
South Africa	-	1,121	85	3	4	\$ 1,213.0	3%
Hungary	-	486	197	2	16	\$ 701.2	2%
Venezuela	16	485	84	-	9	\$ 593.5	1%
Philippines	-	478	89	-	10	\$ 577.3	1%
Czech Republic	-	550	24	-	-	\$ 573.6	1%
Romania	-	367	94	-	4	\$ 465.8	1%
Argentina	-	285	154	-	8	\$ 446.3	1%
Thailand	-	374	11	-	2	\$ 386.5	1%
China	-	288	48	1	7	\$ 344.3	1%
Russia	-	303	31	-	4	\$ 337.9	1%
Ukraine	-	18	14	-	2	\$ 33.8	0%
Pakistan	-	17	-	-	-	\$ 17.2	0%
Greece	-	-	12	-	-	\$ 12.0	0%
Total	\$ 485.9	\$ 36,896.0	\$ 5,107.9	\$ 41.5	\$ 355.5	\$ 42,886.7	100%
Pct of Total	1%	86%	12%	0%	1%	100%	

For the five EM countries with the largest bond exposures, the IMF forecasts an average 3.6% real GDP growth rate in 2018 (See Table 4), with Indonesia expected to be the growth leader.

Table 4: Profile of Top Five U.S. Insurers' EM Bond Exposures, As of October 2018

Country	Long-Term Sovereign Debt Ratings	2016 GDP	2017 GDP	2018 Forecasted GDP
Mexico	BBB+/A3/BBB+	2.3	2.0	2.2
Chile	A+/A1/A	1.6	1.5	4.0
Indonesia	BBB-/Baa2/BBB	5.0	5.1	5.1
Colombia	BBB-/Baa2/BBB	2.0	1.8	2.8
Peru	BBB+/A3/BBB+	4.0	2.5	4.1

Source: S&P/Moody's/Fitch, CIA World Factbook, IMF World Economic Outlook October 2017 and October 2018

Mexico

Mexico was the largest EM country exposure in both 2017 and 2016, at 32% of total EM investments in both years. While trade negotiations between the U.S. and Mexico have been ongoing, an agreement has been reached to redraw NAFTA. The IMF projects Mexico's growth to increase to 2.2% in 2018 compared to 2.0% in 2017. Inflation in Mexico is expected to continue to decrease — to 4.8% in 2018 from 6.0% in 2017 — demonstrating a conversion towards the country's 3% target by 2020. Mexico has a diverse economy with a high linkage to U.S. economic activity. As such, strong economic growth in the U.S. has contributed to positive GDP growth in Mexico, even while growth in other Latin American economies shrank in 2017.

Chile

Chile, a leading producer of copper, as it is home to the world’s largest copper mine, is expected to reach 4.0% GDP in 2018 according to the IMF — an increase from 1.5% in 2017. Chile’s economy has benefited from a stable macroeconomic framework, according to the Organization for Economic Co-operation and Development (OECD)⁴. Growth in Chile had been slowing since 2014 because of weaker global trade and a decrease in copper prices; however, growth is expected to gain momentum in the short-term, as the exports market is expected to grow at a more solid pace, and copper prices are expected to rebound. In addition, Chile has a stable financial sector. Moody’s lowered Chile’s long-term sovereign debt rating to A1 in July 2018 (from Aa3) with a Stable Outlook, citing “broad based deterioration” in the company’s debt profile.

U.S. Insurer EM Bond Investments By Region

In terms of EM regions, Latin America has historically accounted for the largest proportion of U.S. insurer EM bond investments (See Table 5) – albeit at a decreasing rate – followed by investments in Asia. In general, U.S. insurers have been slightly decreasing exposure in all EM regions except Europe since at least 2014.

Table 5: U.S. Insurers’ Historical EM Bond Investments by Region, 2014-2017 (\$bil BACV)

Region	2014	2015	2016	2017
Latin America	30.2	28.8	28.9	26.4
Asia	12.9	12.6	12.4	12.2
Europe	3.0	3.0	2.8	3.1
Africa	1.7	1.6	1.5	1.2

U.S. Insurer EM Bond Investments By Sector

Almost 70% of the industry’s EM bond investments were in corporate bonds, which were diversified across several sectors (See Table 6). The top five sectors accounted for almost half of U.S. insurers’ EM corporate bond exposure: energy (13%), consumer non-cyclical (10%), communications (8%), financials (8%) and basic materials (7%). Energy was also the largest sector in 2016. The country with the largest EM corporate bond exposure was Mexico at \$12.3 billion. Within Mexican corporate EM bonds, energy was the largest sector at \$2.5 billion (or 20% of the total); and the largest exposure to Mexico energy bonds was \$2.4 billion in Petroleos Mexicanos (long-term debt rated Baa3 by Moody’s and BBB+ by S&P with a Stable Outlook).

About 30% of U.S. insurers’ EM bond exposure was in government, or sovereign bonds as of year-end 2017. EM government bonds carry sovereign risk; that is, economic and geopolitical events within the relative EM country could impact its ability to make full and timely debt service payments. As such, credit quality of these investments is important. As shown in Table 6, U.S. insurers’ largest exposure to EM government bonds was with Indonesia at approximately \$1.5 billion. Indonesia’s long-term sovereign debt rating is investment grade by S&P (BBB- with a Stable Outlook), Moody’s (Baa2 with a Stable Outlook), and Fitch (BBB with a Stable Outlook).

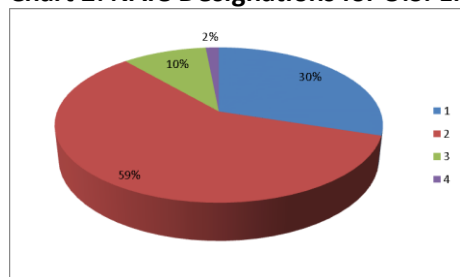
⁴ OECD, *Economic Surveys – Chile*, February 2018.

Table 6: U.S. Insurers' EM Bond Exposure by Sector (\$bil BACV) – Year-End 2017

CountryNames	Government	Corporate	Total
Argentina	336.9	109.5	446.3
Brazil	525.9	833.5	1,359.3
Chile	469.4	5,272.8	5,742.2
China	79.2	265.1	344.3
Colombia	1,140.5	1,162.9	2,303.4
Czech Republic	-	573.6	573.6
Greece	0.1	12.0	12.0
Hungary	675.3	25.9	701.2
India	177.2	1,359.1	1,536.3
Indonesia	1,581.8	1,217.4	2,799.1
Malaysia	155.8	1,120.0	1,275.8
Mexico	1,423.7	12,267.5	13,691.2
Pakistan	17.7	-	17.7
Peru	761.2	1,506.4	2,267.6
Philippines	549.3	27.9	577.3
Poland	1,277.4	52.9	1,330.2
Qatar	866.3	698.2	1,564.4
Romania	449.4	16.4	465.8
Russia	304.8	33.1	337.9
South Africa	966.1	246.8	1,213.0
Thailand	1.3	385.2	386.5
Turkey	800.2	1,059.2	1,859.4
Ukraine	32.7	1.1	33.8
United Arab Emirates	128.2	1,327.2	1,455.4
Venezuela	501.0	92.4	593.5
Total	\$ 13,221.3	\$ 29,665.9	\$ 42,887.2
% of Total	31%	69%	100%

NAIC designations for the industry's EM bond exposure suggest investment grade credit quality for almost 90% of the bonds as shown in Chart 2. About 12 % were considered below investment grade based on their NAIC 3 and NAIC 4 designations (there were no bonds with NAIC 5 or NAIC 6 designations).

Chart 2: NAIC Designations for U.S. EM Bond Investments, Year-End 2017



Emerging Markets Sovereign Bond Credit Spreads

Chart 3 shows the trend in EM credit spreads based on the Markit CDX Emerging Markets Index (CDX EM) YTD as of Nov. 6, 2018. The CDX EM consists of fourteen sovereign issuers domiciled in Latin America, Eastern Europe, the Middle East and Africa that trade in the credit default swap market. Spreads have been widening since the beginning of the year, and in September 2018, they were near their widest levels since 2016 due in part to investors being risk-averse for a variety of reasons including geopolitical and trade-related tensions.

Chart 3: EM Credit Spreads – Markit CDX Emerging Markets Index, YTD, Nov. 6, 2018



Source: Bloomberg

U.S. Insurers’ EM Unaffiliated Stock Exposure

As of year-end 2017, U.S. insurer common and preferred unaffiliated stock investments totaled \$1.3 billion, which was slightly more than the \$1.2 billion at year-end 2016. The largest exposure was with China, at more than half of total EM stock exposure (\$816 million, or 60% of total EM stock exposure), compared to \$752 million at year-end 2016. Consistent with the year prior, the second largest EM stock exposure at year-end 2017 was with Greece (\$172 million, up from \$150 million at year-end 2016). The top three investments to EM stocks accounted for almost 80% of the U.S. insurance industry’s total EM stock exposure at year-end 2017 (See Table 5). And the same five countries comprised the top five exposures for both year-end 2017 and year-end 2016. P/C companies accounted for the majority of U.S. insurers’ EM stock exposure at year-end 2017, at 80% of the total (compared to 73% at year-end 2016).

Table 5: U.S. Insurers’ EM Common and Preferred Unaffiliated Stocks (\$bil BACV) - Year-End 2017

Country	Total	Pct of Total
China	816	60%
Greece	173	13%
Brazil	78	6%
Taiwan	64	5%
India	49	4%
Others	169	13%
Total	1,350	100%

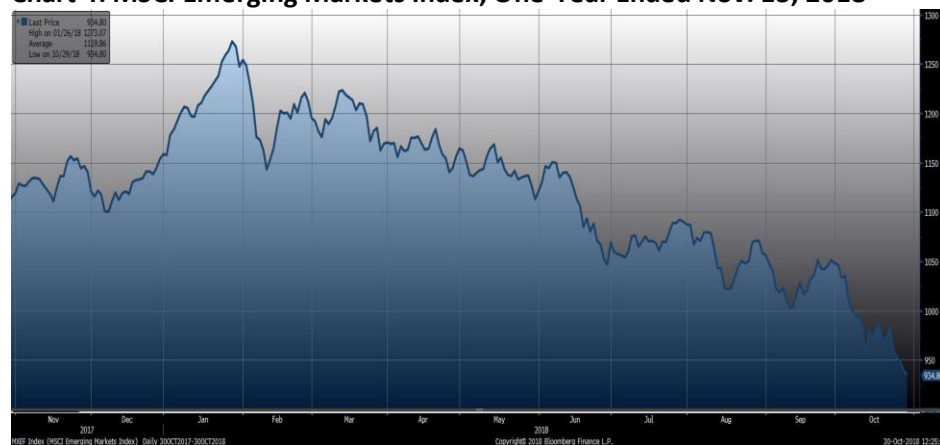
China

China is the world’s second largest economy, and real GDP growth is expected to be 6.6% in 2018, down from 6.9% in 2017, according to the IMF. GDP growth in China has been on a declining trend over the last few years. China’s central bank has eased monetary policy to offset external pressures and the impact of financial regulation, according to the IMF’s Global Financial Stability Report. In addition, China’s equity markets have weakened due to rising trade tensions, particularly those between China and the U.S. The long-term sovereign debt of China is rated A1 with a Stable Outlook by Moody’s, and A+ with a Stable Outlook by both S&P and Fitch.

Historical Emerging Market Equity Performance

As of Nov. 13, 2018, the MSCI Emerging Market Index, which measures large and mid-cap unaffiliated stock across emerging and developing countries, returned -16.58% YTD and -13.96% for the preceding 52 weeks (See Chart 4). In comparison, the S&P 500 Index is outperforming the MSCI thus far in 2018, with a 2.5% total return YTD as of Nov. 14, 2018. Note that the BACV of U.S. insurance industry exposure to EM stock is a substantially small portion of overall U.S. insurers' stock exposure.

Chart 4: MSCI Emerging Markets Index, One-Year Ended Nov. 13, 2018



Source: Bloomberg

Summary

As of year-end 2017, U.S. insurers' total EM exposure decreased by \$2.6 billion to \$44.2 billion from \$46.8 billion at year-end 2016. While geopolitical and economic volatility continue worldwide, the overall U.S. insurance industry's exposure to EM investments remained at less than 1% of total cash and invested assets as of year-end 2017, and it has been steadily declining over the last few years. Exposure to EM bonds (97% of U.S. insurers' total EM investments) decreased in terms of BACV from 2016 to 2017, with Mexico continuing to maintain the largest EM country bond exposure at \$13.7 billion, or almost one-third of total EM bond investments. Mexico's economy has a high correlation to the U.S. economy, which has been growing, mitigating any potential risks.

In addition, according to the IMF's October 2018 World Economic Outlook, worldwide growth is expected to be 3.7% in 2018 – same as in 2017 — with EM economies forecasted to grow by 4.7% compared to 2.4% for advanced economies. At some point, worldwide growth will eventually result in less accommodative monetary policies, pushing up rates in developed markets and potentially resulting in investment outflows from EM countries.

The NAIC Capital Markets Bureau will continue to monitor the U.S. insurance industry's EM exposure, as well as economic and geopolitical developments that could affect these exposures; we will provide updates as deemed appropriate.

Questions and comments are always welcome. Please contact the Capital Markets Bureau at CapitalMarkets@naic.org.

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Appendix – Emerging and Developing Countries - IMF GDP Estimates, October 2018

Emerging and Developing Countries Gross Domestic Product (GDP), Percent Change						
Country	2018	2019	2020	2021	2022	2023
Afghanistan	2.30	3.02	3.52	4.02	4.52	5.01
Albania	4.00	3.72	3.88	3.93	3.96	3.96
Algeria	2.50	2.71	1.85	1.14	0.71	0.52
Angola	-0.12	3.06	3.21	3.23	3.70	3.80
Antigua and Barbuda	3.50	3.00	2.50	2.00	2.00	2.00
Argentina	-2.65	-1.62	2.17	2.51	3.08	3.25
Armenia	5.97	4.80	4.50	4.50	4.50	4.50
Aruba	1.10	1.00	1.00	1.20	1.20	1.20
Azerbaijan	1.30	3.62	3.38	2.48	1.97	2.03
The Bahamas	2.30	2.10	1.60	1.50	1.50	1.50
Bahrain	3.24	2.59	2.48	2.49	2.59	2.60
Bangladesh	7.35	7.10	7.00	7.00	7.00	7.00
Barbados	-0.50	-0.10	0.60	1.50	1.84	1.84
Belarus	3.96	3.09	2.51	2.02	2.04	2.03
Belize	1.80	2.01	1.70	1.70	1.70	1.74
Benin	6.04	6.34	6.68	7.09	6.17	6.15
Bhutan	5.78	4.82	6.34	6.02	7.21	7.47
Bolivia	4.30	4.20	3.90	3.80	3.70	3.70
Bosnia and Herzegovina	3.20	3.50	3.70	3.90	4.00	4.00
Botswana	4.62	3.61	4.04	4.11	4.25	5.51
Brazil	1.44	2.37	2.27	2.22	2.22	2.22
Brunei Darussalam	2.31	5.06	4.28	7.49	5.88	3.89
Bulgaria	3.60	3.10	2.80	2.80	2.80	2.80
Burkina Faso	5.86	6.03	5.98	6.05	6.06	5.26
Burundi	0.15	0.42	0.50	0.50	0.50	0.50
Cabo Verde	4.26	4.01	3.96	3.96	3.96	4.00
Cambodia	6.95	6.78	6.51	6.28	5.99	5.98
Cameroon	3.77	4.40	4.71	4.95	5.21	5.38
Central African Republic	4.34	5.04	4.95	4.97	5.02	5.04
Chad	3.54	3.60	6.87	4.85	4.64	4.17
Chile	3.98	3.41	3.18	2.99	2.98	3.03
China	6.60	6.18	6.22	6.00	5.75	5.60
Colombia	2.81	3.59	3.70	3.65	3.55	3.55
Comoros	2.76	2.80	2.90	3.10	3.20	3.30
Democratic Republic of the Congo	3.82	4.11	4.33	4.40	4.57	4.70
Republic of Congo	1.96	3.69	-0.11	-1.84	0.76	0.42
Costa Rica	3.30	3.30	3.40	3.40	3.40	3.44
Côte d'Ivoire	7.42	7.03	6.86	6.78	6.59	6.55
Croatia	2.80	2.60	2.40	2.30	2.20	2.10
Djibouti	6.70	6.70	6.00	6.00	6.00	6.00
Dominica	-14.10	9.41	6.81	3.58	2.33	1.50
Dominican Republic	6.41	4.98	5.20	5.00	5.00	5.13
Ecuador	1.11	0.73	1.31	1.74	1.81	1.81
Egypt	5.30	5.46	5.89	5.95	6.00	5.98
El Salvador	2.50	2.30	2.30	2.20	2.20	2.20
Equatorial Guinea	-7.71	-2.61	-2.33	-1.39	-1.68	3.38
Eritrea	4.19	3.78	4.03	4.18	4.18	4.30
Eswatini	1.32	0.44	0.40	0.35	1.63	1.99
Ethiopia	7.50	8.49	8.53	7.98	7.49	7.49
Fiji	3.20	3.40	3.30	3.30	3.20	3.20
Gabon	2.04	3.40	4.24	4.47	4.53	4.48
The Gambia	5.41	5.40	5.25	5.02	4.82	4.82
Georgia	5.54	4.78	5.01	5.21	5.20	5.20
Ghana	6.29	7.60	5.48	5.11	3.19	5.15
Grenada	3.61	3.58	2.92	2.74	2.73	2.69
Guatemala	2.76	3.43	3.84	3.65	3.54	3.51
Guinea	5.81	5.93	6.01	6.02	5.32	5.00
Guinea-Bissau	4.50	5.00	5.00	5.00	5.00	5.00
Guyana	3.42	4.80	29.84	22.12	11.76	27.91
Haiti	2.01	2.50	3.01	3.01	3.01	3.02
Honduras	3.46	3.60	3.60	3.60	3.70	3.75
Hungary	4.00	3.30	2.60	2.40	2.20	2.20

Emerging and Developing Countries Gross Domestic Product (GDP), Percent Change - continued						
Country	2018	2019	2020	2021	2022	2023
India	7.30	7.44	7.75	7.74	7.73	7.75
Indonesia	5.14	5.12	5.18	5.28	5.29	5.35
Islamic Republic of Iran	-1.48	-3.61	1.06	1.58	2.31	2.33
Iraq	1.55	6.52	3.18	2.74	2.48	2.25
Jamaica	1.19	1.48	1.70	2.04	2.21	2.25
Jordan	2.30	2.50	2.70	2.90	3.00	3.00
Kazakhstan	3.67	3.13	3.22	3.30	3.32	4.56
Kenya	5.97	6.13	6.20	6.47	6.47	6.03
Kiribati	2.30	2.41	2.34	1.87	1.87	1.82
Kosovo	4.00	4.00	4.00	4.00	4.00	4.00
Kuwait	2.33	4.06	4.11	4.00	3.77	2.87
Kyrgyz Republic	2.81	4.53	4.77	3.73	4.33	2.42
Lao P. D. R.	6.79	7.01	7.00	6.92	6.82	6.82
Lebanon	1.00	1.40	2.00	2.40	2.85	2.85
Lesotho	0.79	1.22	1.14	4.84	4.31	1.31
Liberia	2.98	4.51	4.80	5.28	5.18	5.33
Libya	10.91	10.83	1.40	1.44	1.47	1.51
FYR Macedonia	1.62	2.64	2.85	3.05	3.20	3.37
Madagascar	4.98	5.41	5.29	5.19	4.87	4.87
Malawi	3.30	4.70	5.00	5.50	6.00	6.50
Malaysia	4.70	4.60	4.80	4.84	4.84	4.84
Maldives	4.66	5.01	5.46	5.46	5.50	5.37
Mali	5.10	4.83	4.83	4.83	4.83	4.83
Marshall Islands	2.32	2.21	1.95	1.79	1.59	1.19
Mauritania	2.47	5.24	7.48	6.69	5.87	5.33
Mauritius	3.93	4.01	4.01	4.01	4.01	4.01
Mexico	2.19	2.52	2.73	2.86	2.95	2.99
Micronesia	1.37	0.92	0.70	0.70	0.60	0.60
Moldova	3.75	3.80	3.80	3.80	3.80	3.80
Mongolia	6.20	6.30	4.92	5.04	5.19	5.70
Montenegro	3.71	2.51	2.99	3.07	3.40	3.03
Morocco	3.23	3.17	3.80	4.34	4.43	4.52
Mozambique	3.50	4.00	4.00	4.00	4.00	11.06
Myanmar	6.40	6.80	7.04	7.00	7.08	7.18
Namibia	1.06	3.08	3.74	3.37	3.33	3.43
Nauru	-2.37	-1.02	0.09	0.65	1.28	1.67
Nepal	6.29	5.04	4.19	4.17	4.17	4.27
Nicaragua	-4.00	-1.00	2.50	3.60	4.00	4.18
Niger	5.31	5.40	5.72	5.79	7.20	6.00
Nigeria	1.93	2.26	2.53	2.61	2.42	2.43
Oman	1.88	5.05	2.66	3.08	1.06	1.52
Pakistan	5.79	4.01	3.50	3.45	3.00	3.00
Palau	0.79	2.20	2.50	2.20	2.00	2.00

Emerging and Developing Countries Gross Domestic Product (GDP), Percent Change - continued						
Country	2018	2019	2020	2021	2022	2023
Panama	4.60	6.80	6.00	5.50	5.50	5.50
Papua New Guinea	-1.08	3.76	3.15	3.42	3.50	3.77
Paraguay	4.44	4.16	3.93	3.86	3.93	4.05
Peru	4.10	4.12	4.10	4.06	4.03	3.99
Philippines	6.52	6.63	6.60	6.75	6.80	6.90
Poland	4.35	3.51	3.00	2.81	2.82	2.79
Qatar	2.69	2.82	2.57	2.69	2.88	2.73
Romania	3.96	3.43	3.25	3.23	3.18	3.07
Russia	1.71	1.80	1.80	1.60	1.30	1.20
Rwanda	7.20	7.80	8.00	7.50	7.50	7.50
Samoa	1.81	3.16	4.96	2.20	2.24	2.25
São Tomé and Príncipe	4.00	4.50	5.00	5.00	5.00	5.00
Saudi Arabia	2.23	2.43	1.91	2.11	2.20	2.28
Senegal	6.97	6.72	6.80	6.96	7.00	6.44
Serbia	4.00	3.50	4.00	4.00	4.00	4.00
Seychelles	3.57	3.30	3.31	4.12	4.00	3.33
Sierra Leone	3.69	5.55	4.71	4.51	4.59	4.62
Solomon Islands	3.39	2.88	2.76	2.66	2.69	2.78
Somalia	3.10	3.50	3.50	3.50	3.50	3.50
South Africa	0.76	1.40	1.74	1.80	1.83	1.83
South Sudan	-3.22	-4.61	-7.00	-5.81	-7.53	-5.82
Sri Lanka	3.74	4.30	4.70	4.80	4.90	5.00
St. Kitts and Nevis	2.70	3.50	3.50	3.00	2.70	2.70
St. Lucia	3.40	3.64	3.15	2.21	1.55	1.51
St. Vincent and the Grenadines	1.97	2.27	2.43	2.46	2.48	2.47
Sudan	-2.33	-1.90	-1.34	-0.79	-0.40	0.40
Suriname	2.00	2.20	2.50	2.10	2.50	3.00
Syria	n/a	n/a	n/a	n/a	n/a	n/a
Tajikistan	5.00	5.00	5.00	5.00	4.00	4.00
Tanzania	5.80	6.60	6.60	6.40	6.40	6.40
Thailand	4.60	3.86	3.69	3.55	3.50	3.56
Timor-Leste	0.80	5.00	4.80	4.80	4.80	4.80
Togo	4.75	5.05	5.30	5.40	5.40	5.40
Tonga	2.88	5.50	4.69	3.73	2.95	1.85
Trinidad and Tobago	1.00	0.88	1.56	2.13	1.24	2.15
Tunisia	2.40	2.90	3.40	3.60	4.00	4.20
Turkey	3.48	0.37	2.58	2.11	2.16	2.61
Turkmenistan	6.16	5.64	5.08	5.81	5.69	5.72
Tuvalu	4.28	4.07	4.38	4.24	4.14	3.89
Uganda	5.91	6.11	6.21	6.11	6.27	6.54
Ukraine	3.54	2.74	3.02	3.25	3.26	3.41
United Arab Emirates	2.91	3.66	3.62	3.18	3.00	2.86
Uruguay	2.00	3.20	3.40	3.20	3.10	3.00
Uzbekistan	5.00	5.00	5.50	6.00	6.00	6.00
Vanuatu	3.80	3.50	3.00	3.00	3.00	3.00
Venezuela	-18.00	-5.00	-2.00	-1.50	-1.50	-1.50
Vietnam	6.60	6.50	6.50	6.50	6.50	6.50
Yemen	-2.65	14.71	13.04	8.34	6.57	6.59
Zambia	3.82	4.48	4.49	4.50	4.51	4.53
Zimbabwe	3.64	4.20	4.73	4.84	5.01	5.00

International Monetary Fund, World Economic Outlook Database, October 2018