

# **Future of Global Markets**

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Moderator: Velimir Šonje, CEO ICF Invest

# The Play of Big Numbers

## Relative Sizes

**US (GDP at 2000\$) = 100**

	1960	1975	1990	2007
⇒ <b>BRAZIL</b>	4.1%	7.3%	7.1%	7.0%
↑ <b>CHINA</b>	2.8%	3.1%	6.3%	20.4%
↑ <b>INDIA</b>	3.1%	3.2%	3.8%	6.7%
↓ <b>JAPAN</b>	26.2%	52.8%	58.4%	44.9%
↓ <b>EU*</b>	63.2%	78.1%	71.1%	61.1%
↓ <b>RUSSIA</b>			5.5%	3.5%

\*EU = Euro Area

Source: World Development Indicators Online

# Domestic Market Capitalisation

## Relative size of equity markets vs. NYSE Group

Is this relative size in line with relative size of the economy?

2007

⇒	<b>BRAZIL</b>	<b>8.8%</b>
↑	<b>CHINA</b>	<b>45.6%</b>
↑	<b>INDIA</b>	<b>22.2%</b>
↓	<b>JAPAN</b>	<b>27.7%</b>
↑	<b>EU*</b>	<b>95.3%</b>
⇒	<b>RUSSIA</b>	<b>4.6%</b>

Calculated in USD.

Source: web page of the World Federation of Stock Exchanges. RTS for Russia.

# Questions

- Will global growth be accompanied with greater possibilities for diversification (decoupling hypothesis) or shall we see more and more similar movements accross the globe (“no shelter” hypothesis)?
- Will global center realy shift to the East and when?
- How far can regulatory convergence go and how?
- A note on current global financial crisis
- What are other questions that are important for the future of global markets?