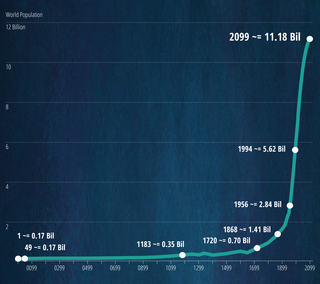
Ned Davis Research GROUP

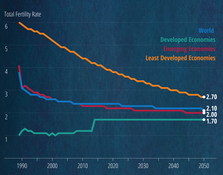
Demographic Demise or Opportunity?

Global population growth is slowing and is projected to have some profound proportional shifts by age and by country over the coming decades. Many developed, and even some emerging, country populations are shrinking and getting much older. The least developed world is set to provide the most to the world's labor force through the end of the century. These shifting population structures will likely have implications on the long-term performance of equity markets, economic growth, productivity, and inflation.

Global Population Trends

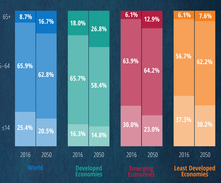
1 After centuries of accelerating global population growth, trends have begun to slow, with **population possibly peaking by 2100** for the first time in history.





2 The slowdown in global population growth comes as a result of **lower fertility rates.**

3 Trends in **working-age population** are projected to change markedly.



Source: U.S. Census Bureau

Why Demographics is Important

4 There is a strong relationship between **long-term economic growth** and working-age population.

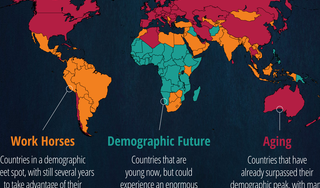
Source: Haver Analytics

5 Growth in the working-age segment is also important for **equity market performance** in the long-run.

Sources: U.S. Census Bureau; S&P Dow Jones Indices. Concept Courtesy of SAM Relativity

Our Global Perspective

6 We divide the world into **three demographic groups** each facing their own unique challenges.



Work Horses

Countries in a demographic sweet spot, with still several years to take advantage of their demographic dividends. These countries are mainly in South and Southeast Asia, the Middle East, and Latin America.

Demographic Future

Countries that are young now, but could experience an enormous demographic tailwind in a few decades. This group of countries are mostly in Sub-Saharan Africa.

Aging

Countries that have already surpassed their demographic peak, with many aging at a rapid rate. This group is made up of developed markets, the Asian Tigers, China, and emerging Europe.

Source: U.S. Census Bureau

Learn More

To learn more about our demographics research or to download the full report visit **www.ndr.com**