



Global Capital Market Developments

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GLOBAL FINANCIAL STOCK DATABASE SPANS MORE THAN 100 COUNTRIES

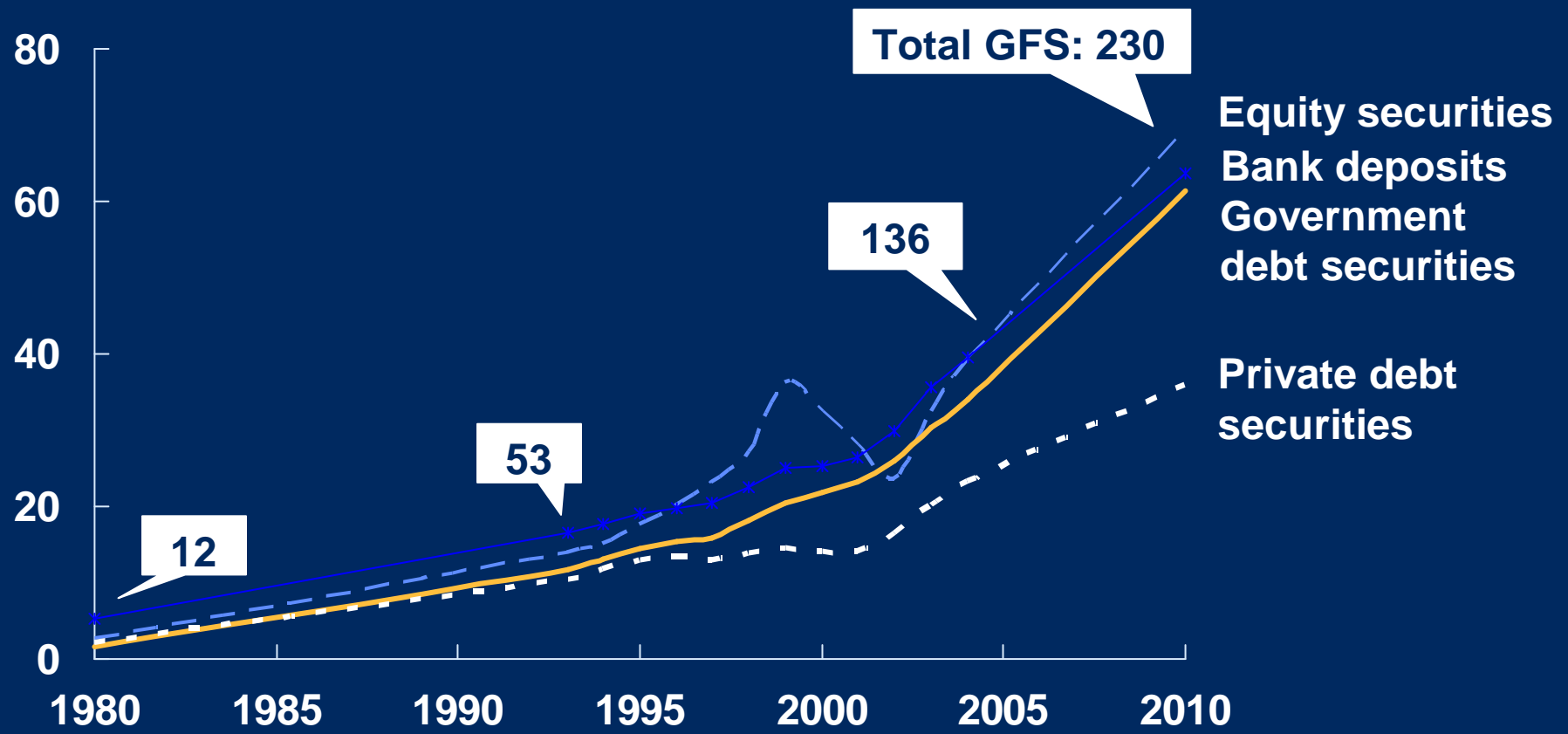


GLOBAL FINANCIAL STOCK: GROWING AND DEEPENING

U.S. \$ Trillions (nominal), percent

World GDP 1x 2x 3x

**1993-2004
CAGR = 9.0%**



FRAMEWORK FOR COMPONENTS OF FINANCIAL STOCK GROWTH



Impacted by actions of

Asset class	Growth component	Government	Business	Households
Equity securities	• Privatizations	O		
	• New stock issues		O	
	• Earnings growth		O	
	• P/E growth			O/X
Debt securities	• Increased government debt	X		
	• Increased private debt		O	
	• Securitization		O	
Bank deposits	• Increase in bank deposits (savings)			O

GLOBAL FINANCIAL STOCK GROWTH AND ASSET MIX

US\$ Trillions, percent

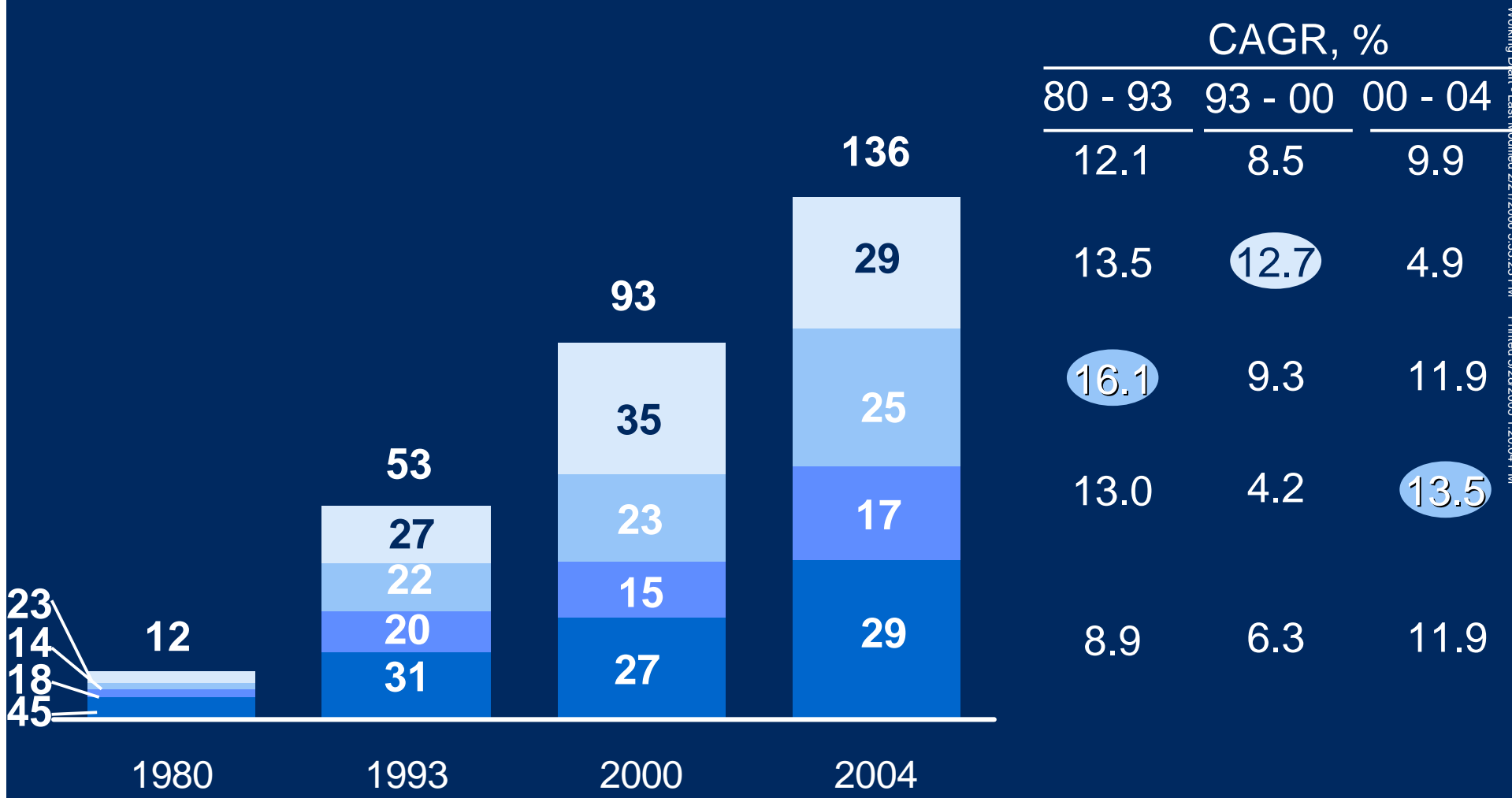
1993-2004
CAGR, %



GLOBAL FINANCIAL STOCK GROWTH AND ASSET MIX

US\$ Trillions, percent

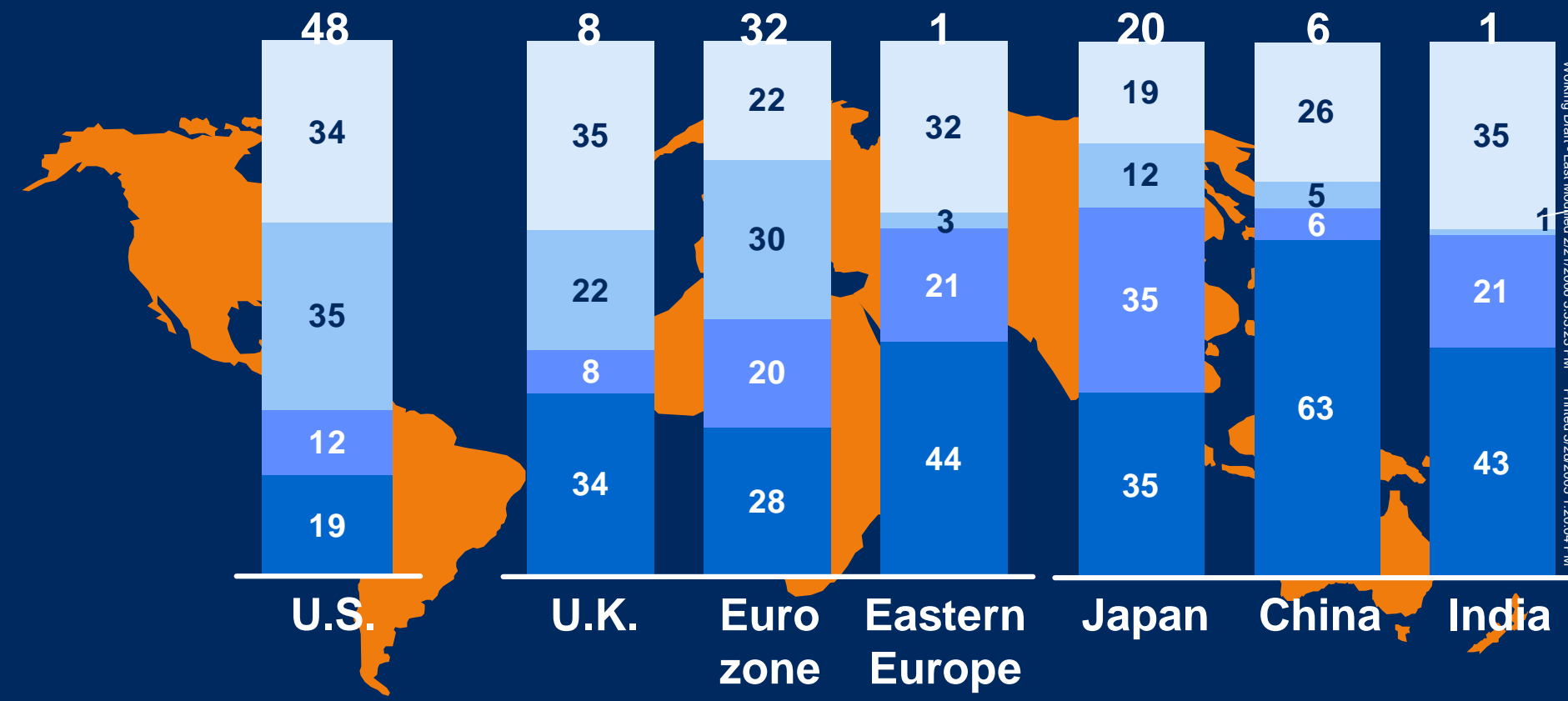
- Equity securities
- Private debt securities
- Public debt securities
- Bank deposits



REGIONAL COMPOSITION OF FINANCIAL STOCK, 2004

\$ Trillions; percent

- Equity securities
- Private debt securities
- Public debt securities
- Bank deposits



Depth, % (FS/GDP)	409	378	346	105	420	311	175
CAGR, %	8.8	11.9	10.9	20.7	4.7	14.2	13.2

GLOBAL GROWTH HEAT

MAP: ASSET MIX

1993-2004 CAGR, percent

- CAGR <8% (i.e., <1x GFS growth)
- CAGR 8-16% (i.e., 1-2x GFS growth)
- CAGR >16% (i.e., >2x GFS growth)

	U.S.	U.K.	Euro-zone	Eastern Europe	Japan	China	India
Equity securities	11	8	14	54	2	12	13
Private debt securities	11	19	12	31	1	20	5
Government debt securities	3	7	9	19	12	25	15
Bank deposits	7	15	8	15	3	14	13