

# Asian Economy: Past, Present, and Future

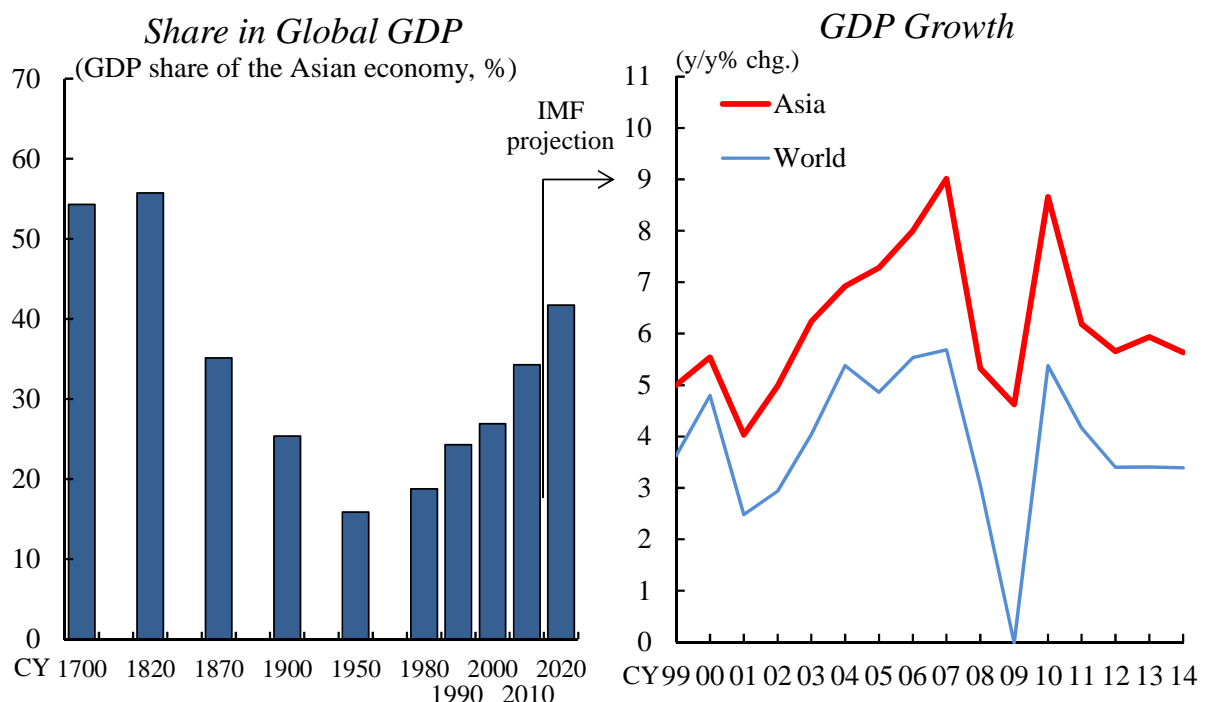
*Keynote Address at the Securities Analysts Association of Japan  
International Seminar*

April 24, 2015

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*Deputy Governor of the Bank of Japan*

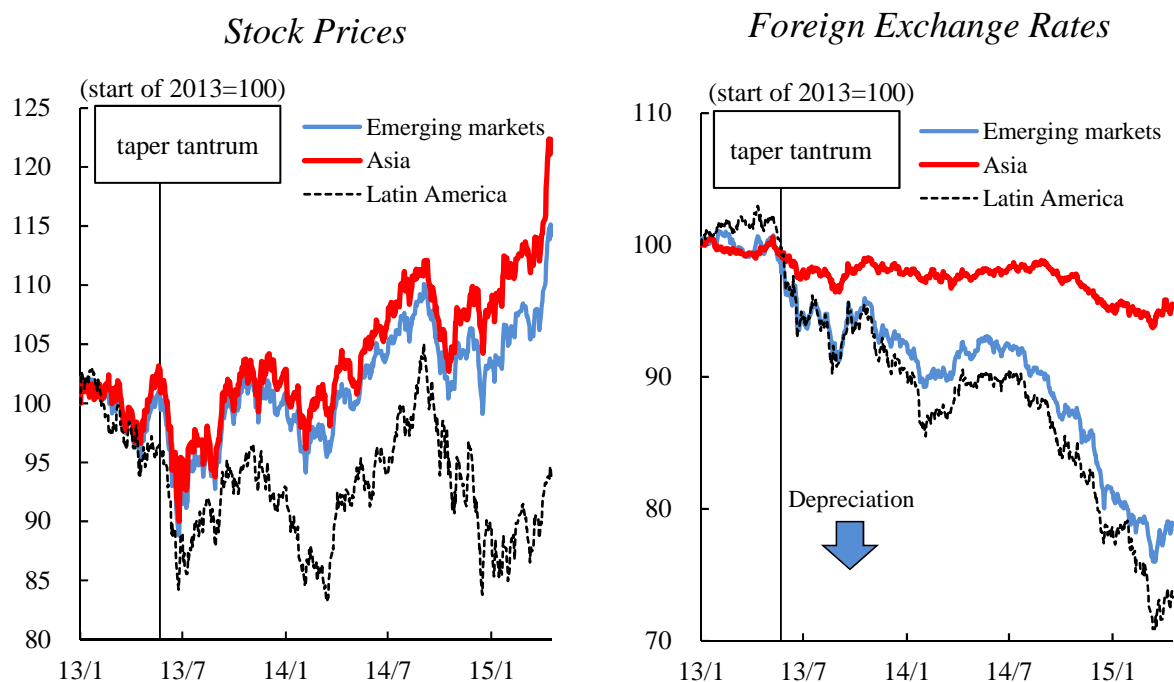
Chart 1

## GDP Share of the Asian Economy



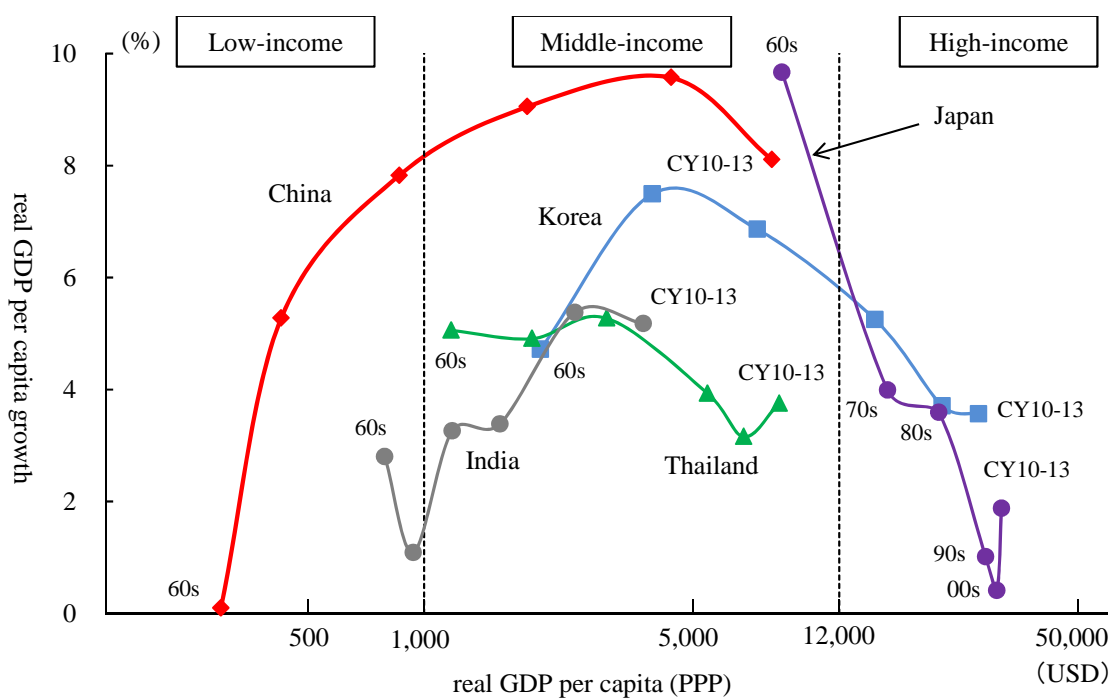
Notes: 1. Figures up to 1980 are based on Maddison. Figures from 1980 are based on IMF data.  
2. Asia here includes the following 16 economies: Bangladesh, China, India, Japan, Myanmar, Nepal, Sri Lanka, the four NIEs (Hong Kong, Singapore, Korea, and Taiwan), and the ASEAN-4 (Indonesia, Malaysia, Philippines, and Thailand).  
Sources: IMF, Angus Maddison "Statistics on World Population, GDP and Per Capita GDP, 1-2008 AD."

# Asian Financial Markets



Source: Bloomberg.

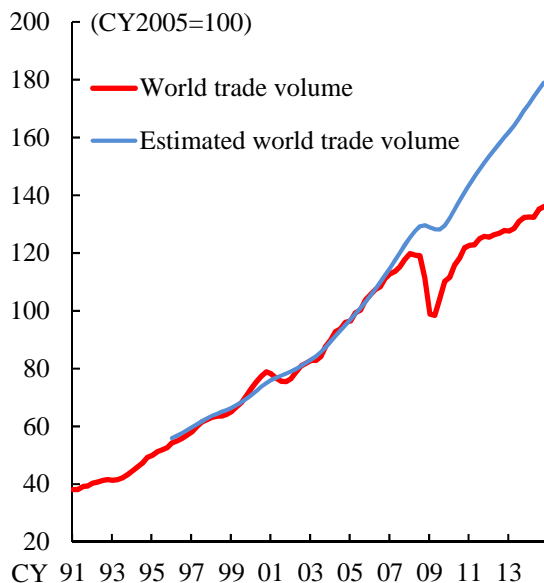
# Economic Growth of Asian Economies



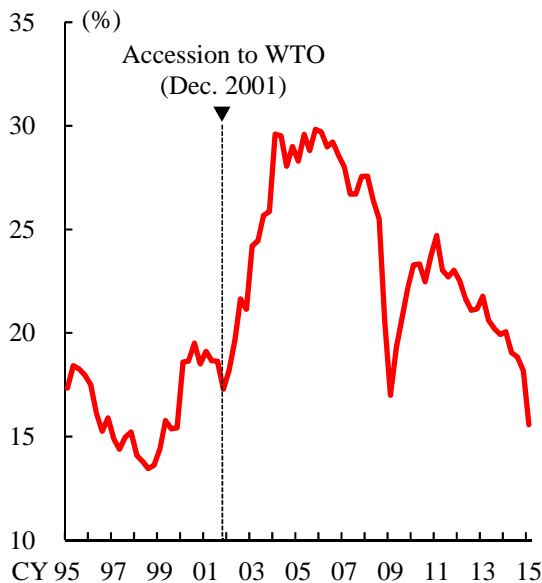
Note: Annual averages. X-axis represents logarithmic value of Real GDP per capita.  
Sources: World Bank, Penn World Table.

# Changes in Global Trade

*World Trade Volume*



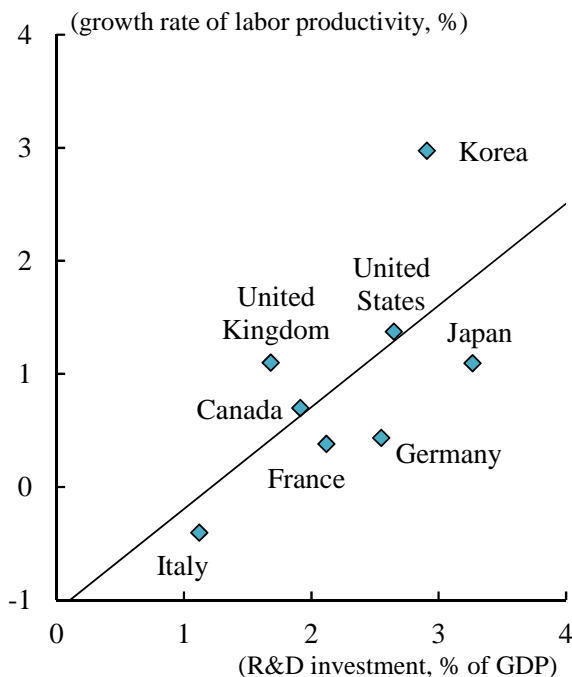
*Ratio of China's Imports to GDP*



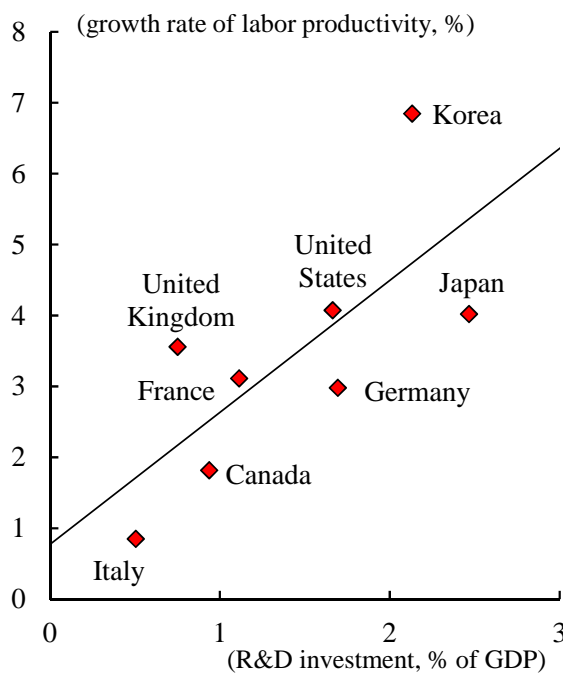
Note: Estimated world trade volume is derived from world trade volume and world GDP in 1996-2007 time span by a simple linear regression, and is extrapolated after 2008.  
Sources: CPB, HAVER.

# R&D Investment and Labor Productivity

*All Industries*



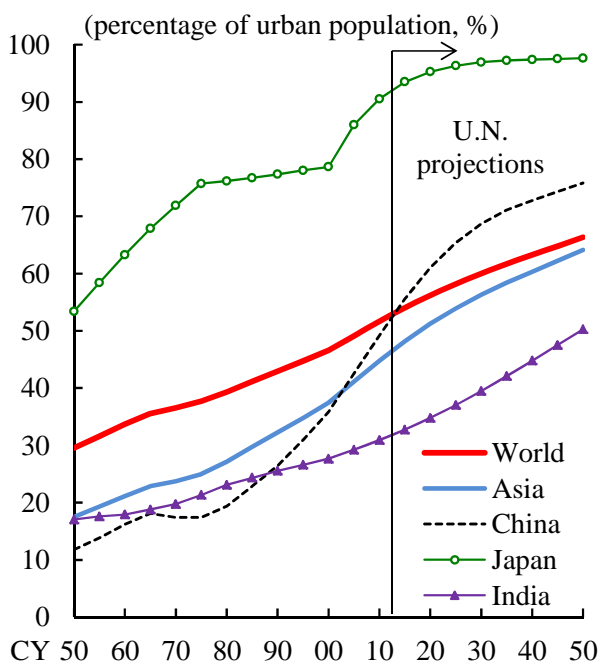
*Manufacturing*



Note: Average of 2000-2012. Figures of R&D investment on the right-hand side are based on "Business."  
Sources: OECD, United Nations, ILO, HAVER.

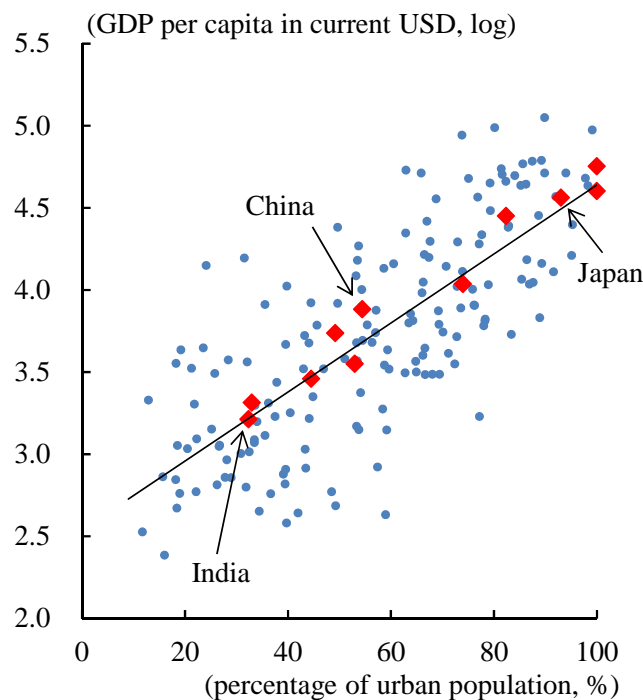
# Progress in Urbanization

*Urbanization in Asian Economies*



Sources: United Nations, IMF.

*Urbanization and Growth*



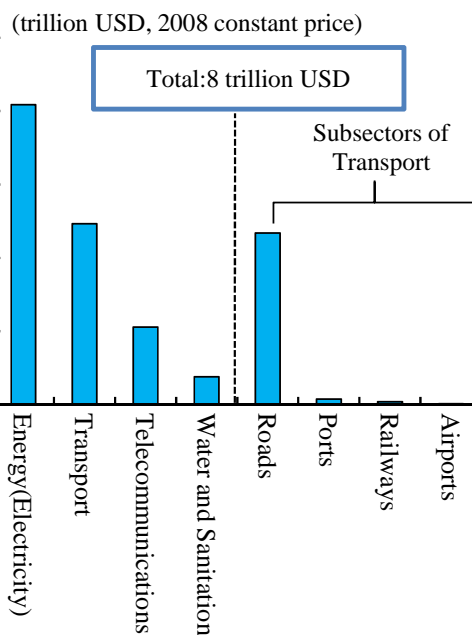
# Business Environment and Infrastructure Needs

*Business Environment*

(ranking based on 189 economies)

	Ease of Doing Business	Starting a Business	Dealing with Construction Permits	Getting Electricity
Singapore	1	6	2	11
Hong Kong	3	8	1	13
Korea	5	17	12	1
Malaysia	18	13	28	27
Taiwan	19	15	11	2
Thailand	26	75	6	12
Japan	29	83	83	28
China	90	128	179	124
Philippines	95	161	124	16
Indonesia	114	155	153	78
India	142	158	184	137

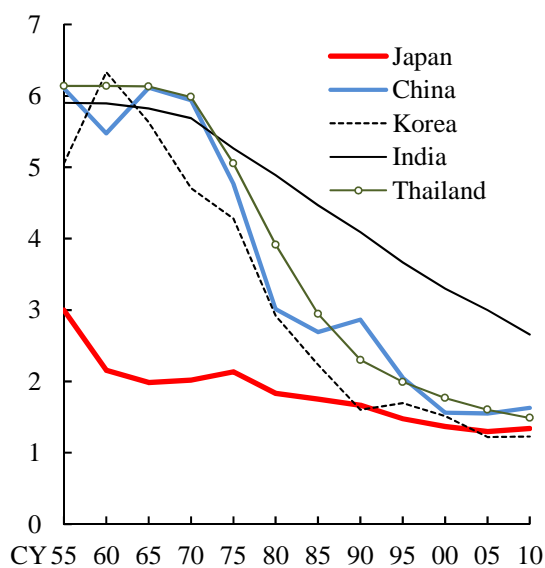
*Asia's Infrastructure Needs*



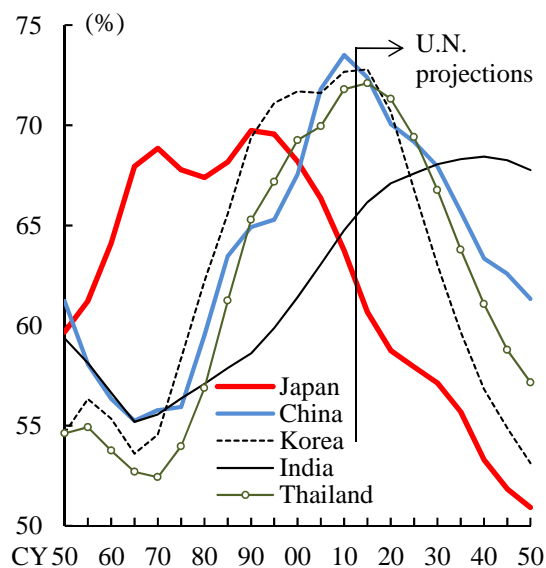
Note: The projection of infrastructure needs covers 30 economies in Asia and the Pacific for the period 2010-2020.  
Sources: World Bank, Asian Development Bank.

# Demographic Transition

*Fertility Rate*

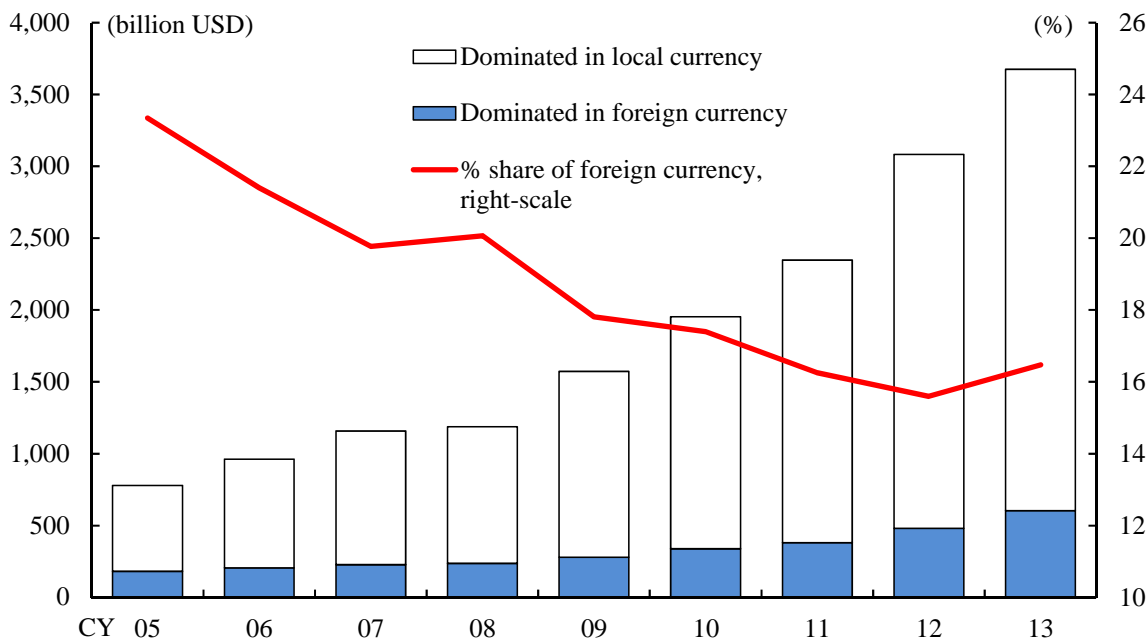


*Working-Age Population Ratio*



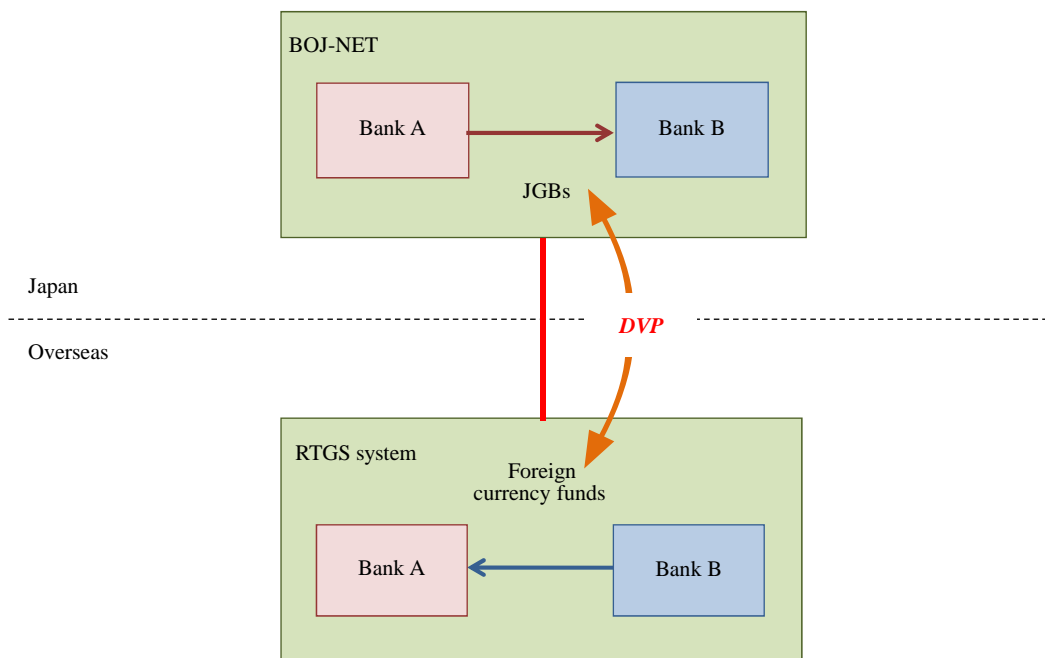
Note: Fertility rate refers to total fertility rate.  
Sources: United Nations, HAVER.

# Corporate Bonds Outstanding in Asia



Note: Aggregate of nine Asian economies, excluding Japan.  
Source: Asian Bonds Online.

# Cross-Border DVP Linkage: Illustration



Note: DVP (delivery-versus-payment) is a mechanism in which a delivery of securities takes place if, and only if, payment occurs.

# Chiang Mai Initiative Multilateralisation (CMIM)

【CMIM Image】



Vietnam



Brunei



Cambodia



China



Hong Kong, China



Thailand



Singapore



Philippines



Myanmar



Malaysia



Lao PDR



Indonesia



Japan



Korea

**CMIM Agreement**

A commitment by CMIM parties to provide USD to a requesting party using their USD reserves.

# Cross-Border Collateral Arrangement

*Case between Bank of Japan and Bank of Thailand*

