



## India to Overtake US by 2030

- 10 Asian economies including India will overtake the US in terms of GDP by 2030, according to a report by global financial services major DBS.
- These economies are expected to see robust growth and will cross \$28 trillion mark in real GDP terms on aggregate, more than that of the U.S., whose economy will amount to \$22.33 trillion by 2030.
- The Asia-10 include China, Hong Kong, India, Indonesia, Malaysia, the Philippines, Singapore, South Korea, Taiwan and Thailand.
- However, this is neither a sufficient nor a necessary condition to invest in Asia, as investing cannot be based on a single indicator, especially when it comes to a long-term horizon.

The report has highlighted **three** major concerns:

- Trade war:
  - The rise of protectionism may reduce investment flow in the region as Asia is one off the most externally exposed regions.
- Demographic dividend:
  - The report also said that the Asian countries may have benefited in the past from the demographic dividend, but it's not such valuable now.
- Employment:
  - A young population creates a "challenge" in terms of generating jobs, in absence of which there will be high levels of unemployment, creating both an economic and social/political challenge.
- Apart from above three, these economies also face some common issues like climate change, rising inequality, worsening environment for trade, and technological disruption.