

Crisis to
Correction to
Recovery

Crisis: A Traumatic five years globally



Crisis: Economic scarring

Lost economic output in US dollar terms versus pre-Covid expectations

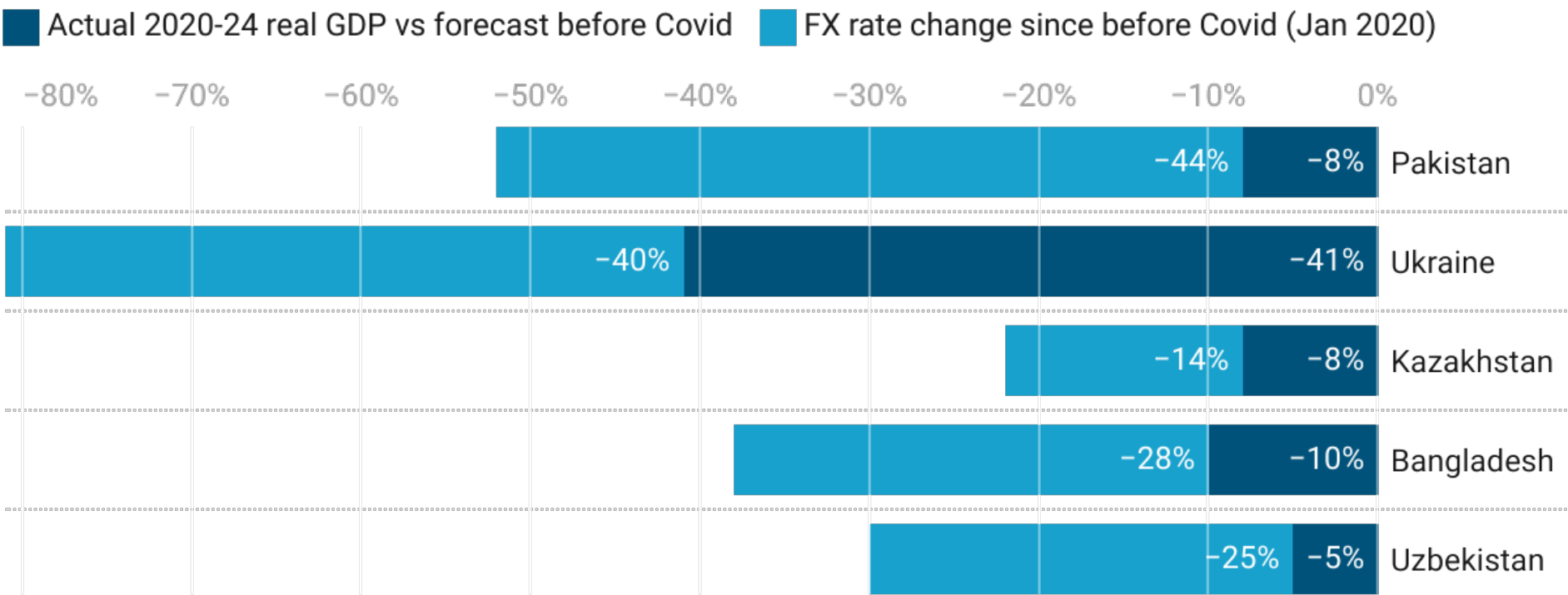


Chart: Hasnain Malik • Source: IMF WEO from Oct 2019 (for 2020-24 forecasts), Apr 2024 (for latest 2024 forecast), Tellimer Research • Created with Datawrapper

Reset: Policy pivots and corrective actions

Country	Before	After
Pakistan	Fall of PTI government, mass protests, devaluation, IMF loan de-railed	Military-civilian accord restored, fiscal cuts, IMF loan back on track
Ukraine	Russian invasion and loss of territory	External assistance mobilised, territorial counter-offensive, stalemate
Kazakhstan	Nazarbayev dynasty and protests (quelled with help from Russia)	Tokayev succession, constitutional reform, straddling Russia and US-EU
Bangladesh	Declining foreign reserves to preserve FX peg, garment worker protests	Flexible FX and interest rate policy regimes, IMF loan, new wage bargain

Table: Hasnain Malik • Source: Tellimer Research • Created with Datawrapper

Reset: Economic performance pick-up

2024 forecast compared to worst point since pre-Covid (after Jan 2020)

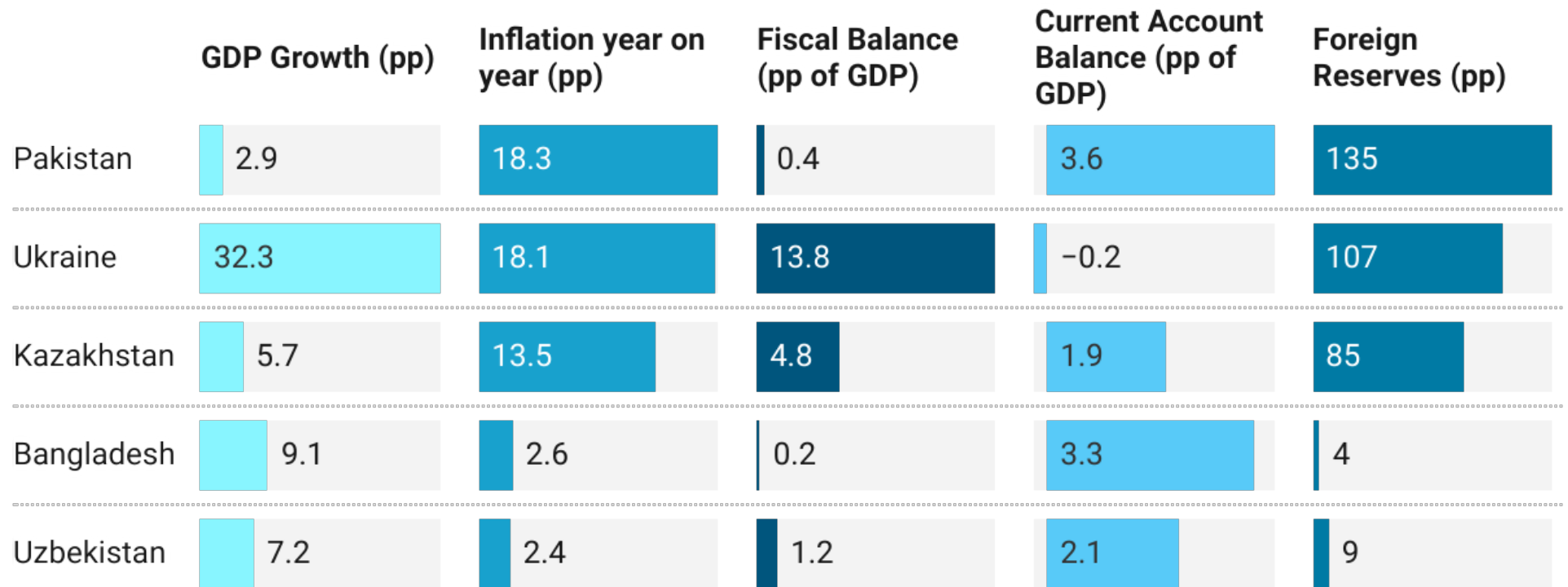


Chart: Hasnain Malik • Source: IMF WEO (April 2023), Tellimer Research • Created with Datawrapper

Outlook, short-term: High nominal growth

2024 and 2025 full year average forecasts (%)

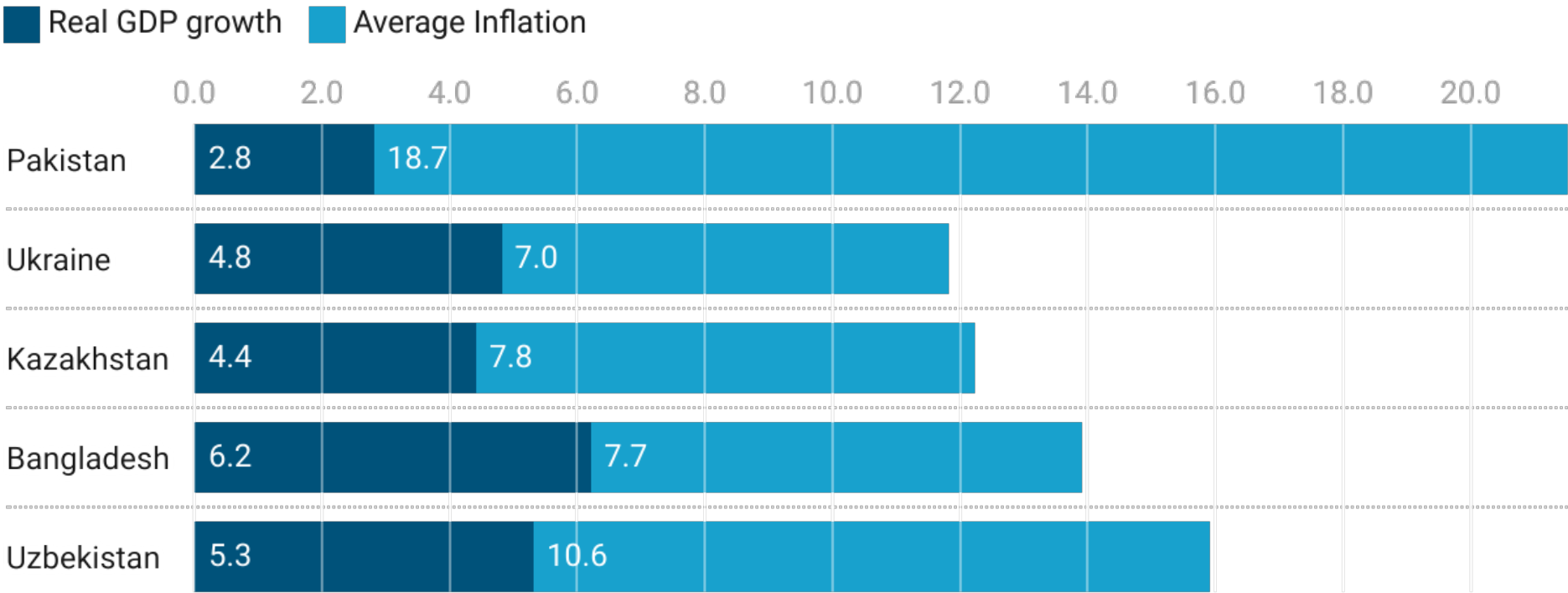


Chart: Hasnain Malik • Source: IMF WEO (April 2024), Tellimer Research • Created with Datawrapper

Outlook, short-term: Pakistan, Bangladesh FX risk

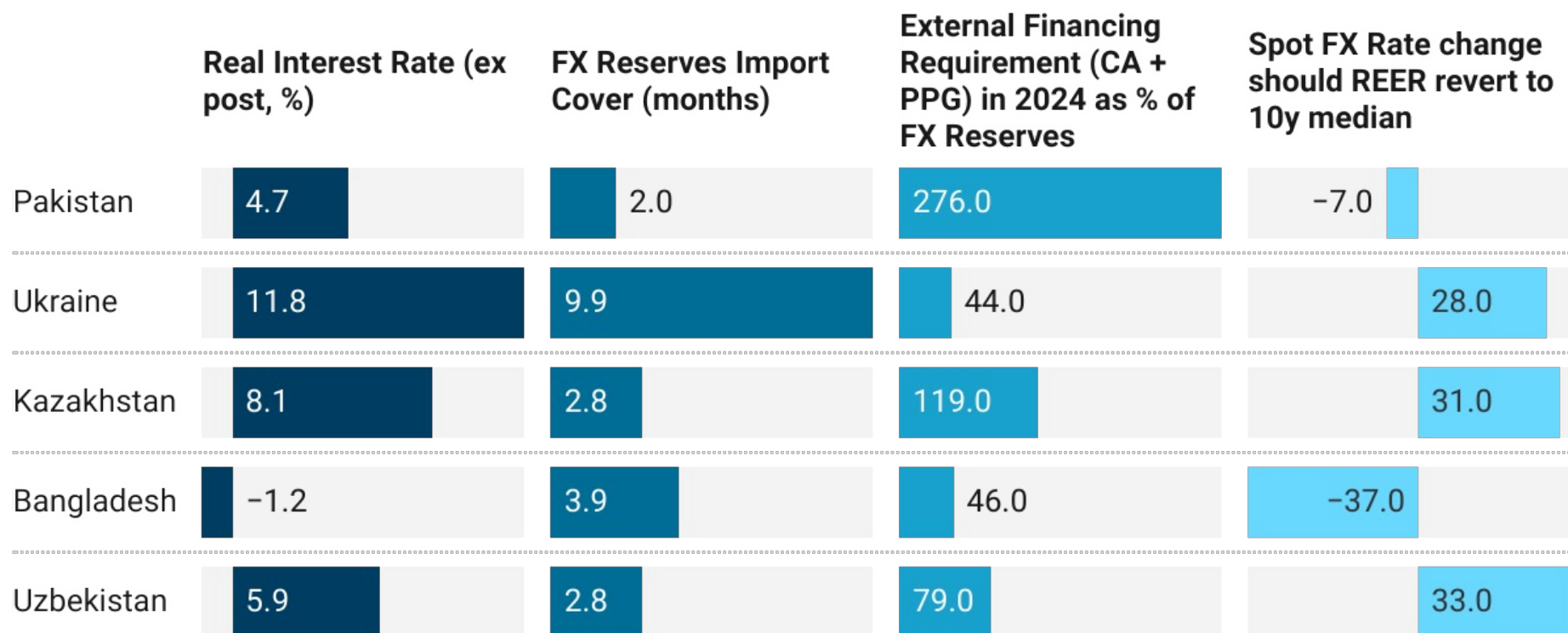


Chart: Hasnain Malik • Source: WB-IDS, Bruegel, central banks, Tellimer Research • Created with Datawrapper

Outlook, long-term: Opportunities and risks

Country	Opportunities	Economic risks	Political risks
Pakistan	Young population, population density and consumption, inward investment via SIFC	Manufacturing exports, commodity import prices, low tax collection	Disenfranchised electorate
Ukraine	Cessation of conflict, reconstruction	External funding	Territorial integrity
Kazakhstan	Connect EU-China trade	Oil price, reform implementation, Russia sanctions	Russia (oil transit, trade, sanctions)
Bangladesh	Further garment export growth, infrastructure inward investment	Beyond garments, commodity import prices, low tax collection	Succession, disenfranchised electorate
Uzbekistan	Economic liberalisation and poverty reduction	Gold price, remittances from Russia	Succession, Russia (remittances, trade, sanctions)

Table: Hasnain Malik • Source: Tellimer Research • Created with Datawrapper

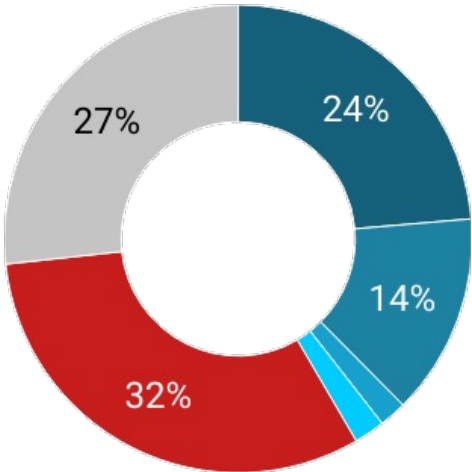
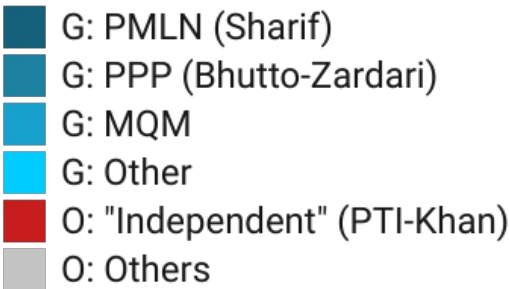
Country-specific opportunities and risk factors

Pakistan: Relief from softer commodity prices

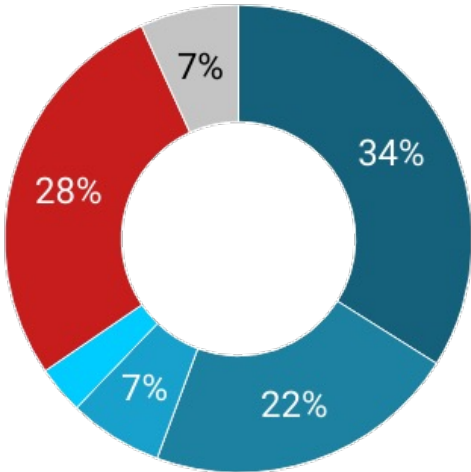


Chart: Hasnain Malik • Source: UN FAO, IMF, Tellimer Research • Created with Datawrapper

Pakistan: Military-civilian harmony restored



Share of votes



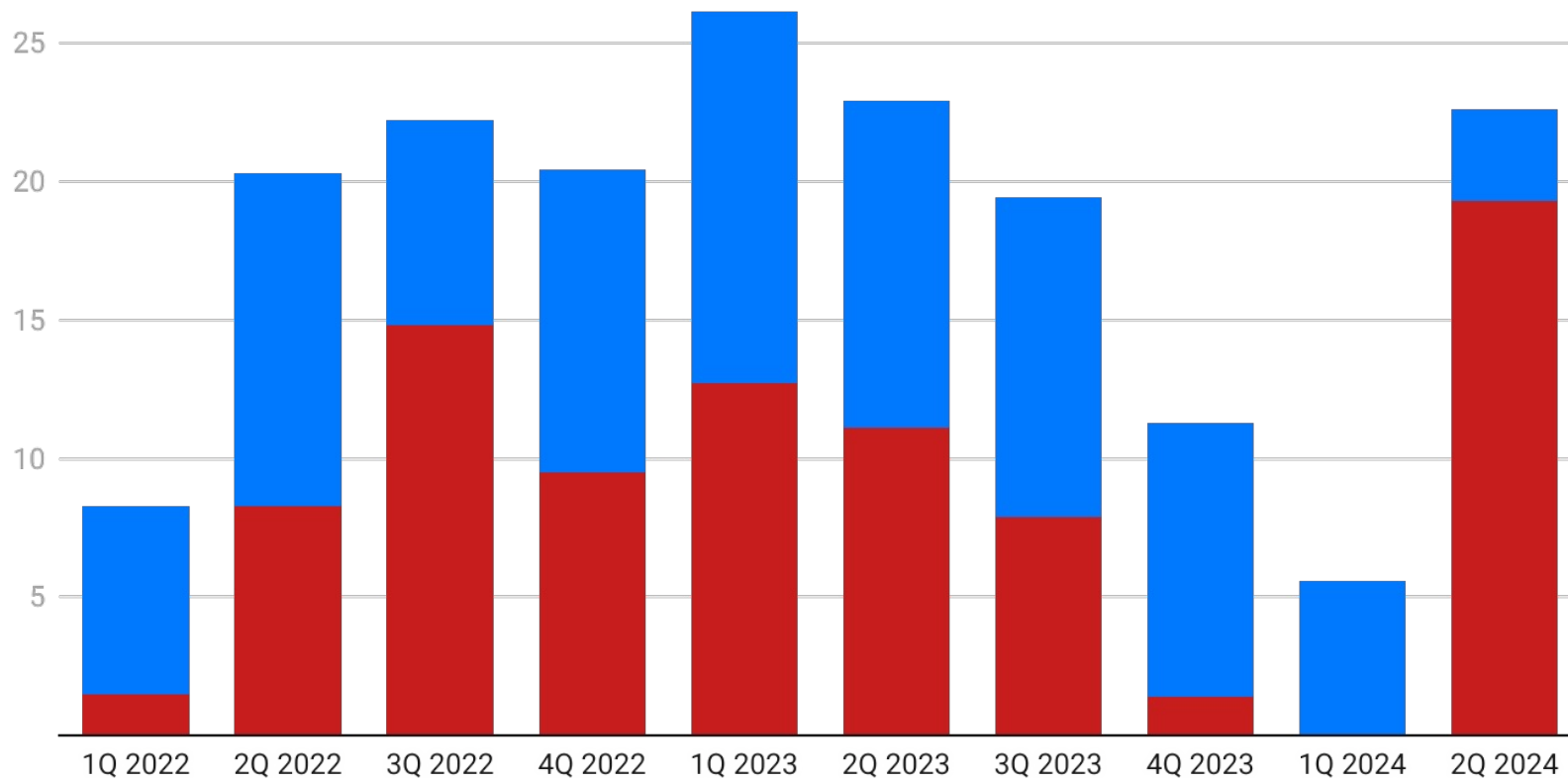
Share of seats

Chart: Hasnain Malik • Source: ECP, na.gov.pk, Tellimer Research • Created with Datawrapper

Ukraine: Financial support flowing again

Ukraine aid (budget allocations rather than pledges, €bn)

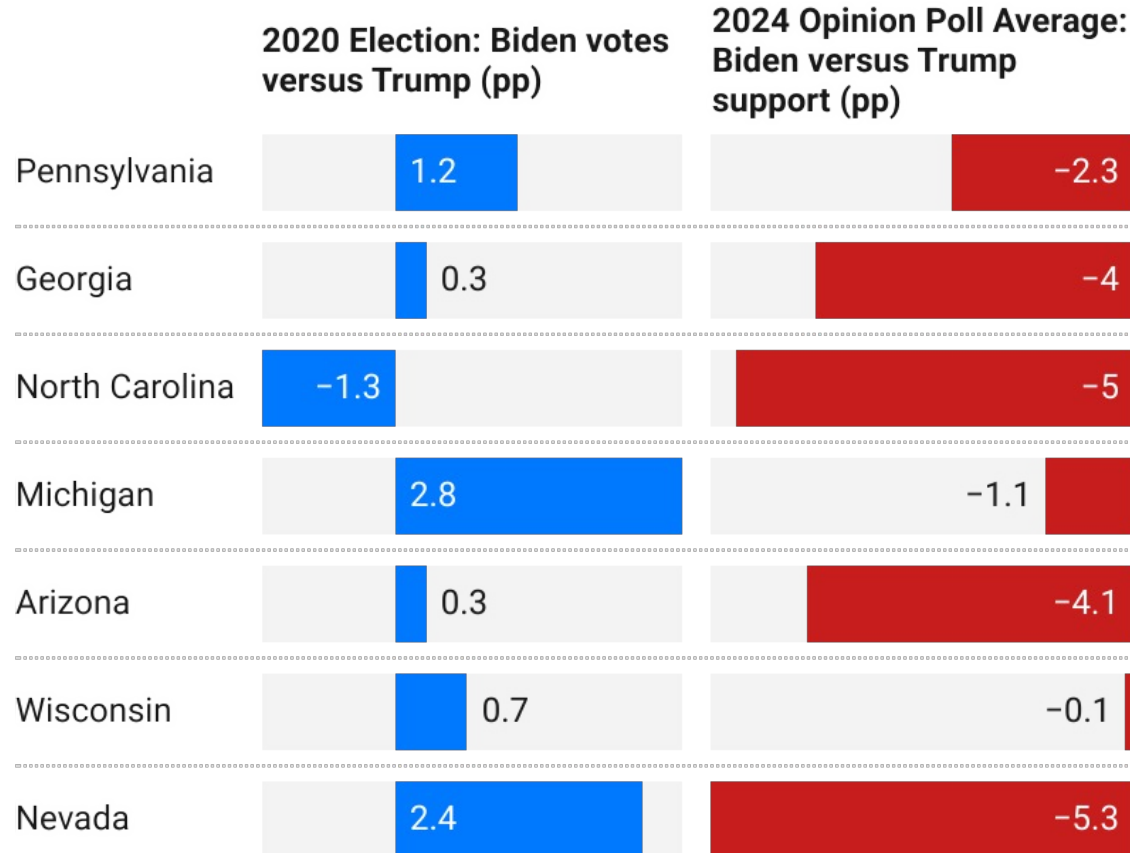
■ US ■ Europe (EU plus individual states)



In April, new US aid package of €57bn for the rest of 2024 (€19bn per quarter) approved, and new EU aid package of €50bn (€3.3bn per quarter until end of 2027)

Chart: Hasnain Malik • Source: Trebesch et al (2023), "The Ukraine Support Tracker" Kiel Institute for the World Economy, Tellimer Research • Created with Datawrapper

Ukraine: Trump's focus is defence spend increase by others in NATO, rather than de-funding Ukraine



"As everyone agrees, Ukrainian Survival and Strength should be much more important to Europe than to us, but it is also important to us! GET MOVING EUROPE!"
@realDonaldTrump, 18 April 2024

Chart: Hasnain Malik • Source: US FEC, RealClearPolling (28 May 2024), Tellimer Research • Created with Datawrapper

Kazakhstan: Econ reforms to follow political ones?

-
- | | |
|---|---|
| 1 | President's relative barred from senior roles in government enterprises and bureaucracy |
| 2 | Re-opening the constitutional court |
| 3 | Parliament election reform, away from full to party-list proportional representation |
| 4 | Fewer founders needed to launch new political parties |
| 5 | Judges, electoral and law enforcement officials not allowed party membership |
| 6 | Cut to number of members of parliament appointed directly by president |
| 7 | Separation of roles of the president and the head of the ruling party |
| 8 | Abolish Nursultan Nazarbayev leader for life status |

Table: Hasnain Malik • Source: Forbes, Eurasianet, Bloomberg, Tellimer Research • Created with Datawrapper

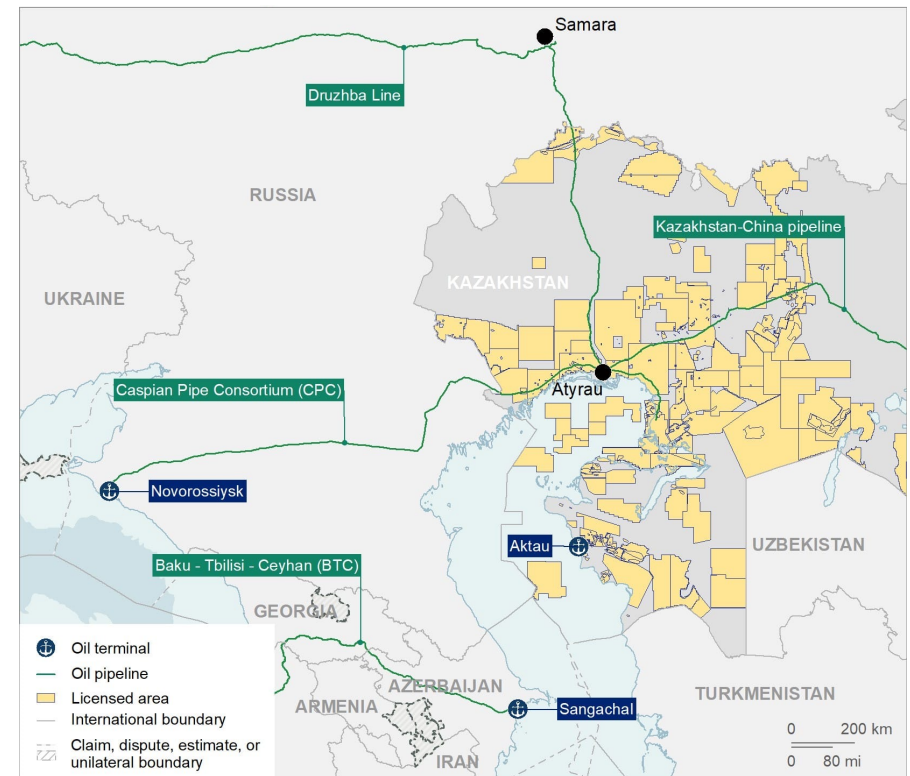
Kazakhstan: Location, location, location

- Geopolitical neutrality between China, Europe, Russia and trade and investment with all three

Eurasia Land Bridge



Oil exports via Russia



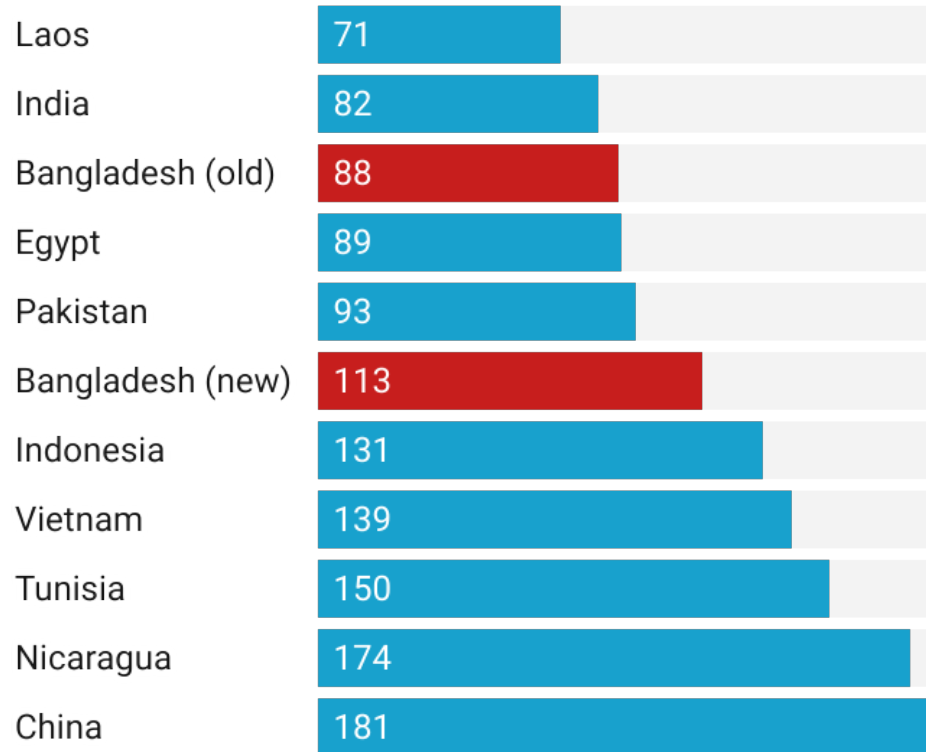
Data compiled: Sep. 25, 2023.

Source: S&P Global Commodity Insights upstream E&P/midstream content (EDIN/GEPS)

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Bangladesh: More garment export growth ahead

Garments Minimum Wage (US\$ monthly, 2023)



'Bangladesh (Old)' is based on the 2018 settlement (US\$72) with 4 years of 5% annual increases

Chart: Hasnain Malik • Source: WageIndicator Foundation, Tellimer Research • Created with Datawrapper

Global apparel export market share (2022)

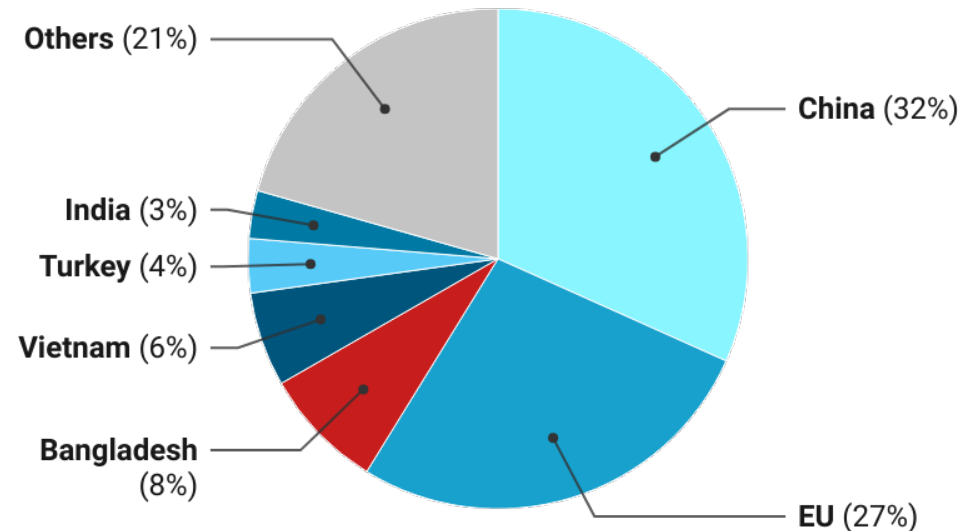


Chart: Hasnain Malik • Source: WTO, Tellimer Research • Created with Datawrapper

Consumer opportunity to the fore as crisis fades

- All countries with very high contribution from final consumption (formal and informal)
 - Pakistan, Bangladesh: large scale, youthful population, very high urban density
 - Ukraine: staples consumption in war time, reconstruction if peace
 - Kazakhstan: small but wealthier population
 - Uzbekistan: youthful population, market liberalisation unlocking growth

Consumer macro metric	Pakistan	Ukraine	Kazakhstan	Bangladesh	Uzbekistan
Consumption economy (% GDP, 2016-20)	93	90	63	76	77
Informal economy (% GDP, 2020)	32	46	36	26	27
Population (million, 2024)	236	41	20	172	37
GDP per capita (current US\$ 2024)	1,295	5,663	14,778	2,646	2,666
Youth population (% under 15 years old)	35	16	28	25	29
Urban density (sqkm, cities > 0.5m, 2020)	12,557	3,083	3,722	28,122	3,004

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