

What Model for Financial Market
Development in Emerging Asia:
Anglo-Saxon, China, India, or even the EU?

An American Perspective on Financial Market
Development in Emerging Asia

Panel Member

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3rd Annual: Conference on Money And Finance

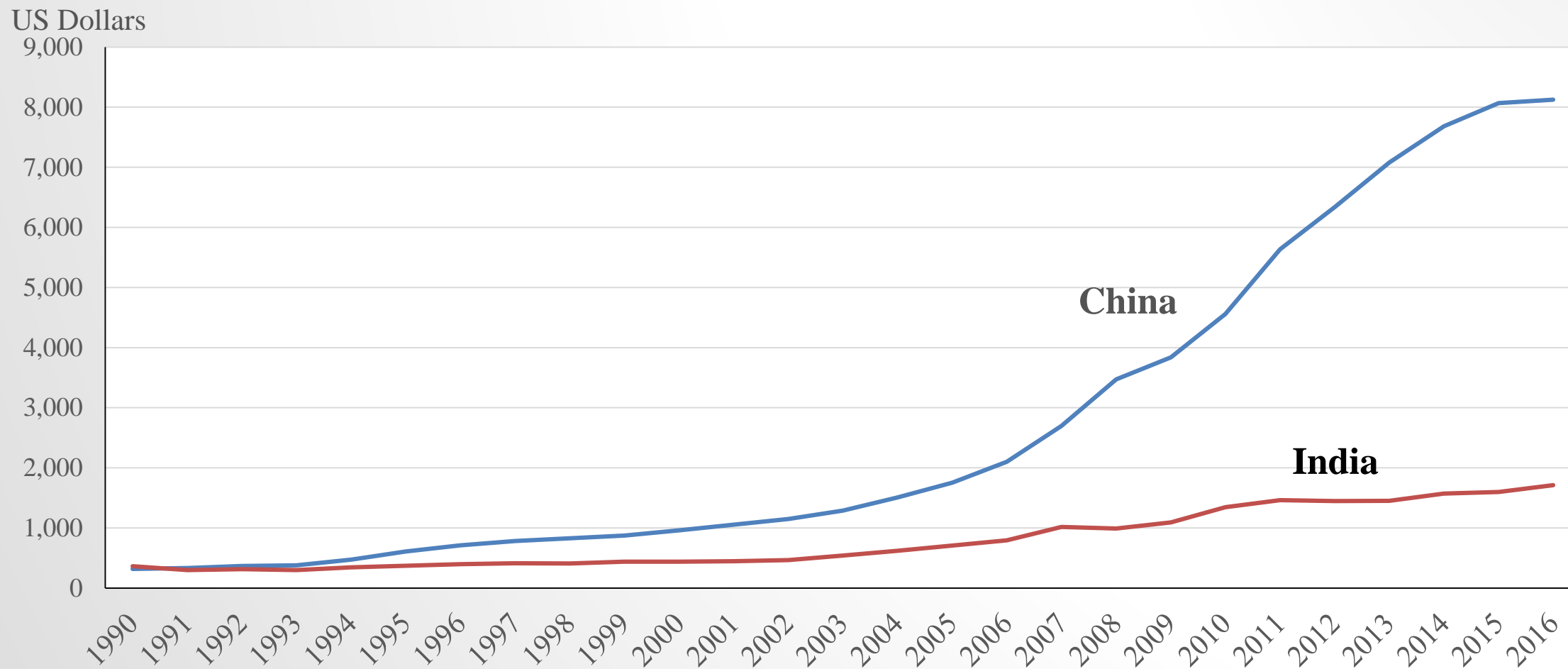
Chapman University

Orange, CA

May 4, 2018

GDP Per Capita

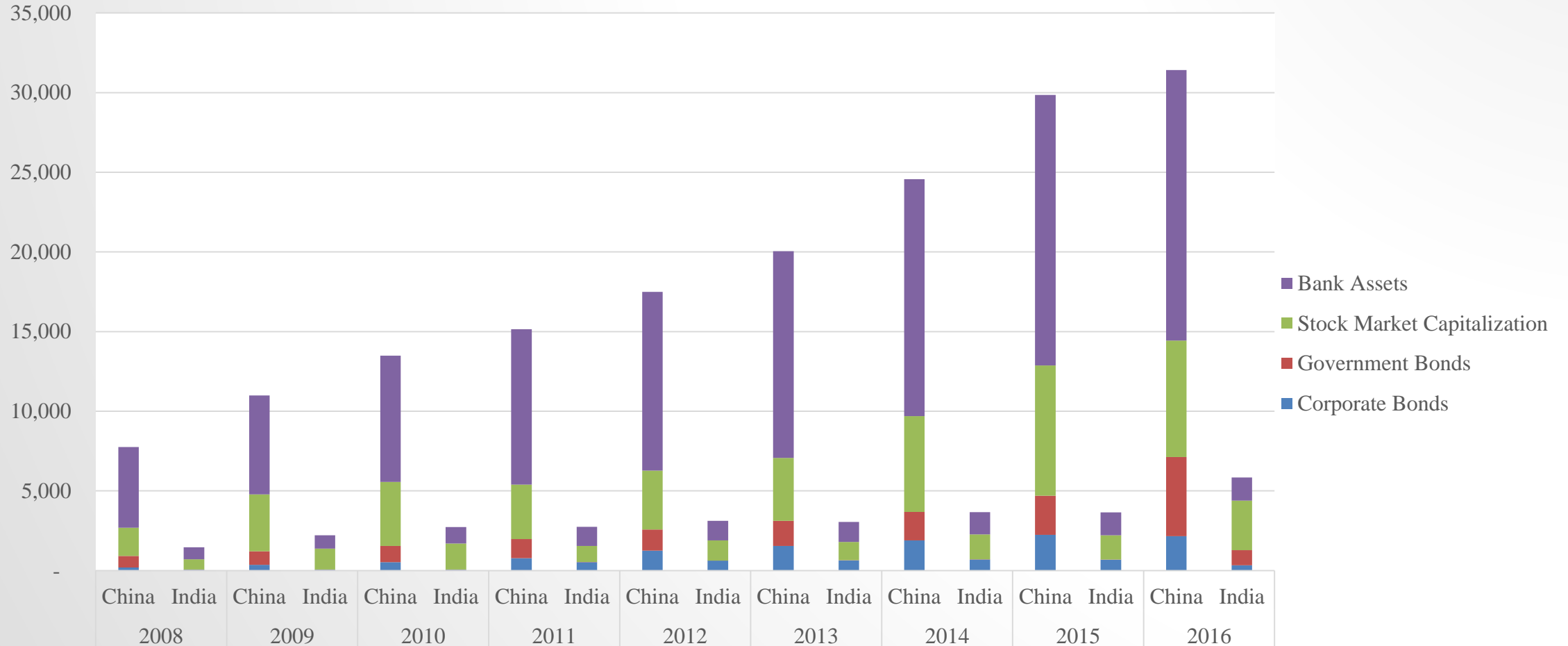
China vs. India



Comparative Financial Systems

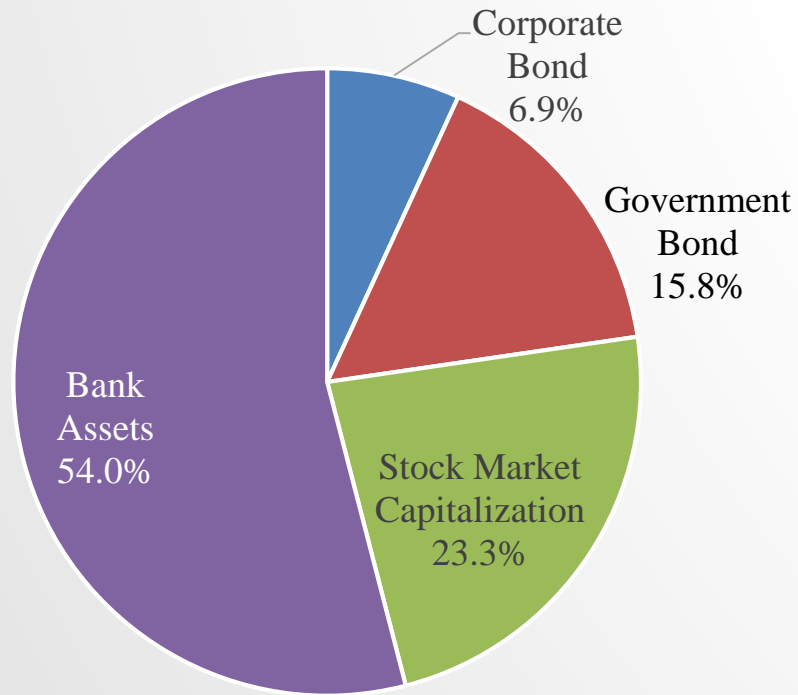
China vs. India

Billions of US Dollars

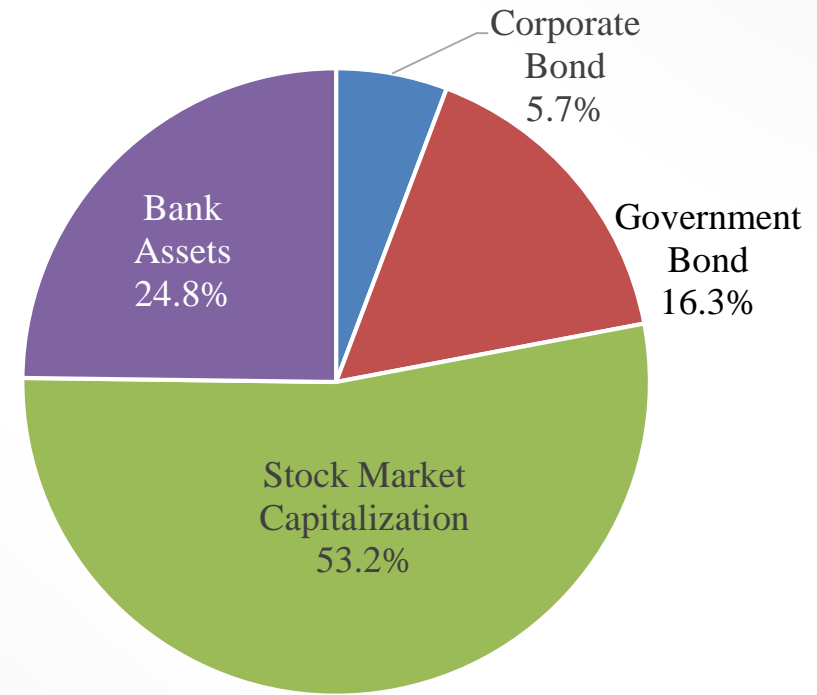


Comparative Financial Systems (2016)

China
Financial Assets to GDP: 281%



India
Financial Assets to GDP: 258%



Note: Bank assets data is for year 2015.

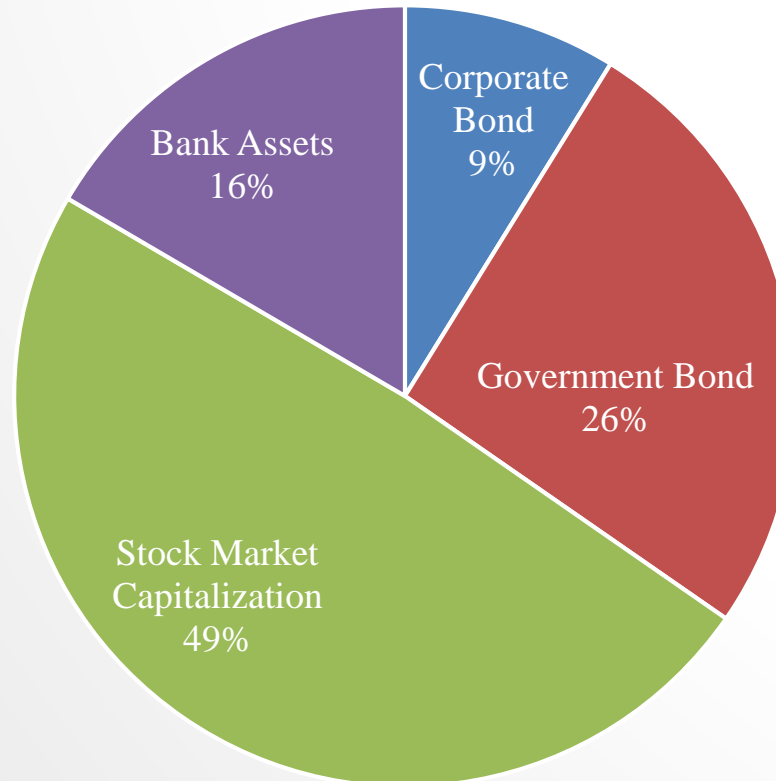
Source: World Bank, International Monetary Fund; Bank for International Settlements and Introduction: Yield Curves Steepen in Emerging East Asia.

Comparative Financial Systems

(2016)

United States

Financial Assets to GDP: 354%

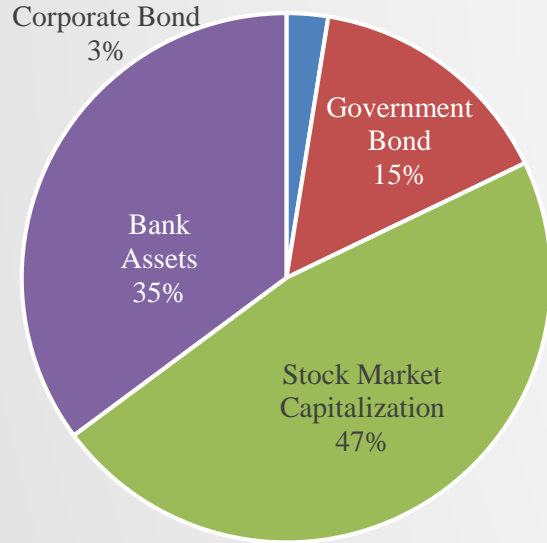


Note: Bank assets data is for year 2015.

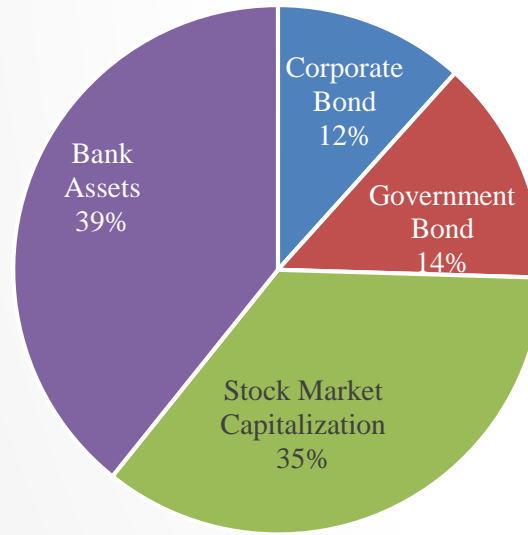
Source: World Bank, International Monetary Fund; Bank for International Settlements.

Composition of Financial Systems Selected Emerging Asian Countries (2016)

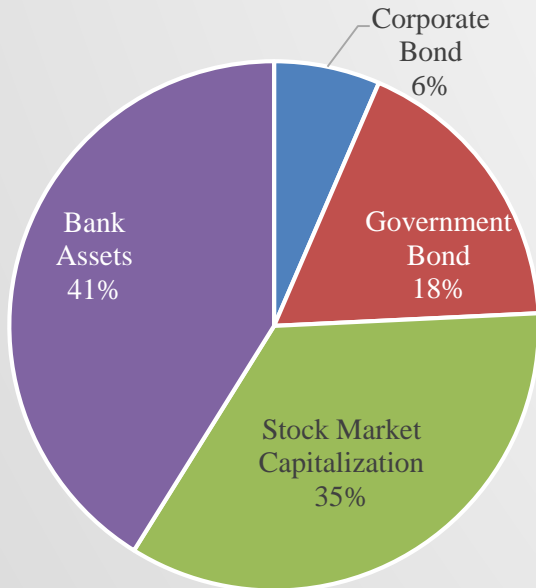
Indonesia



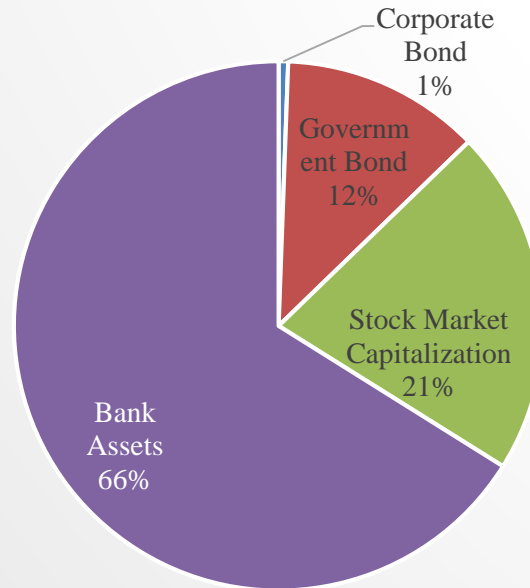
Malaysia



Thailand



Vietnam



Note: Bank assets data is for year 2015.
Source: World Bank and Introduction: Yield Curves Steepen in Emerging East Asia.

Stock Exchanges in the Asia Region

Selected Emerging Asian Countries (2016)

	Stock Exchange	Legal Status	Self-listing	Market Capitalization (billion USD)	Number of Listed Companies	Trading Volume (billion USD)
China	Shanghai SE	State-owned	No	4,100	1,182	7,510
	Shenzhen SE	State-owned	No	3,213	1,870	11,613
Hong Kong(China)	Stock Exchange of Hong Kong	Joint Stock Company	Yes	3,193	1,973	1,350
India	National SE	Joint Stock Company	No	1,540	1,840	692
	Bombay SE	Joint Stock Company	No	1,567	5,812	113
Indonesia	Indonesia SE	Private company	No	426	537	92
Malaysia	Bursa Malaysia	Joint Stock Company	Yes	360	903	106
Chinese Taipei	Taiwan SE	State-owned	No	844	911	512
	Taipei Exchange	State-owned	No	84	732	156
Thailand	Stock Exchange of Thailand	State-owned	No	433	656	329
Vietnam	Ho Chi Minh SE	State-owned	No	66	320	23
	Hanoi SE	State-owned	No	7	376	6

Key Indicators for Asian Exchanges

Selected Emerging Asian Countries (2016)

	Stock Exchange	Market Capitalization/GDP	Total Value Traded/GDP	Turnover
China	Shanghai SE and Shenzhen SE	0.64	1.68	2.61
Hong Kong(China)	Stock Exchange of Hong Kong	9.9	4.19	0.42
India	National SE	0.67	0.3	0.45
Indonesia	Indonesia SE	0.45	0.1	0.22
Malaysia	Bursa Malaysia	1.16	0.34	0.29
Chinese Taipei	Taiwan SE and Taipei Exchange	1.82	1.01	0.55
Thailand	Stock Exchange of Thailand	1.06	0.8	0.76
Vietnam	Ho Chi Minh SE	0.36	0.14	0.4

Average Aggregate Share Ownership by Different Categories of Owners

Selected Emerging Asian Countries (2016)

	Corporation (Percent)	Government (Percent)	Institutional (Percent)	Individual (Percent)
China	13	42	8	8
Hong Kong(China)	21	25	13	14
India	31	20	19	9
Indonesia	44	16	7	7
Malaysia	30	33	11	8
Chinese Taipei	20	7	18	8
Thailand	26	10	12	22
Vietnam	18	14	8	7
Asia Average	28	16	13	11
US	2	1	73	2

Size and Composition of Local Currency Bond Markets

Selected Emerging Asian Countries (2016)

	Total (billion USD)	Government Bond/Total (Percent)	Corporate Bond/Total (Percent)
China	7,129	69.8	30.2
Hong Kong(China)	263	58.1	41.9
India	1,286	73.9	26.1
Indonesia	163	85.8	14.2
Malaysia	260	54.3	45.7
Thailand	303	73.1	26.9
Vietnam	44	95.2	4.8
Emerging East Asia	10,179	64.6	35.4