S&P Global: Funding the Future Amidst Rising Global Debt and Global Fragmentation

NEW YORK, Jan. 10, 2024 /PRNewswire/ -- S&P Global (NYSE: SPGI) today published the **latest edition of its *Look Forward*** research series, focusing on solutions to accelerate global progress while discussing the issues of debt, energy transition and global fragmentation through the end of the decade.

Looking ahead to 2030, the world faces unprecedented, accelerated and multifaceted transitions with an aging population, a generative AI revolution, a potential $336 trillion in global debt, and an increased risk from climate change. This research, titled *Look Forward: Funding the Future,* explores the need for global collaboration and innovative solutions to support and finance these transitions.

"At a time when the need to finance economic growth, climate resilience, the energy transition and aging populations is as great as ever, decisionmakers must also confront higher debt levels, higher interest rates and higher degrees of fragmentation within and among nations," said **Douglas L. Peterson, President and CEO, S&P Global**. "Finding solutions won't be straightforward, but leaders have the data and insights to inform their thinking and to propel organizations to success."

Across eight comprehensive articles that include analysis from S&P Global sector specialists, *Look Forward: Funding the Future* examines how we can afford to confront the global challenges of climate, the energy transition and an aging population, and who has the capacity to pay.

Key findings from *Look Forward: Funding the Future* include:

- Absolute global debt will potentially rise by half to $336 trillion by 2030, from $225 trillion in 2023.
- Current contributions towards emission reductions would only result in a 10% reduction by 2030, compared to the 43% reduction needed to align with a 1.5 degrees C warming pathway.
- While the Washington Consensus is unraveling, a new global consensus has not and is not likely to emerge in the future, which means global fragmentation is likely to increase.
- By 2035, the global demographic transition with an aging population and shrinking labor force will be most significant in Hong Kong, South Korea, Singapore, Thailand and mainland China.
- The generative AI digital transformation is expected to add approximately $7 trillion of additional debt to global capital markets by 2030.
- The global Electric Vehicle share of light-vehicle sales may rise to more than 50% in 2030, from an estimated 17% in 2023.

For more insights from *Look Forward: Funding the Future (Volume 4 | January 2024)*, please visit: https://www.spglobal.com/look-forward-2024.

This is the 4th Volume of the *Look Forward* research series from the S&P Global Research Council. For more information about S&P Global Research Council, please visit: https://www.spglobal.com/en/research-insights/featured/research-council

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