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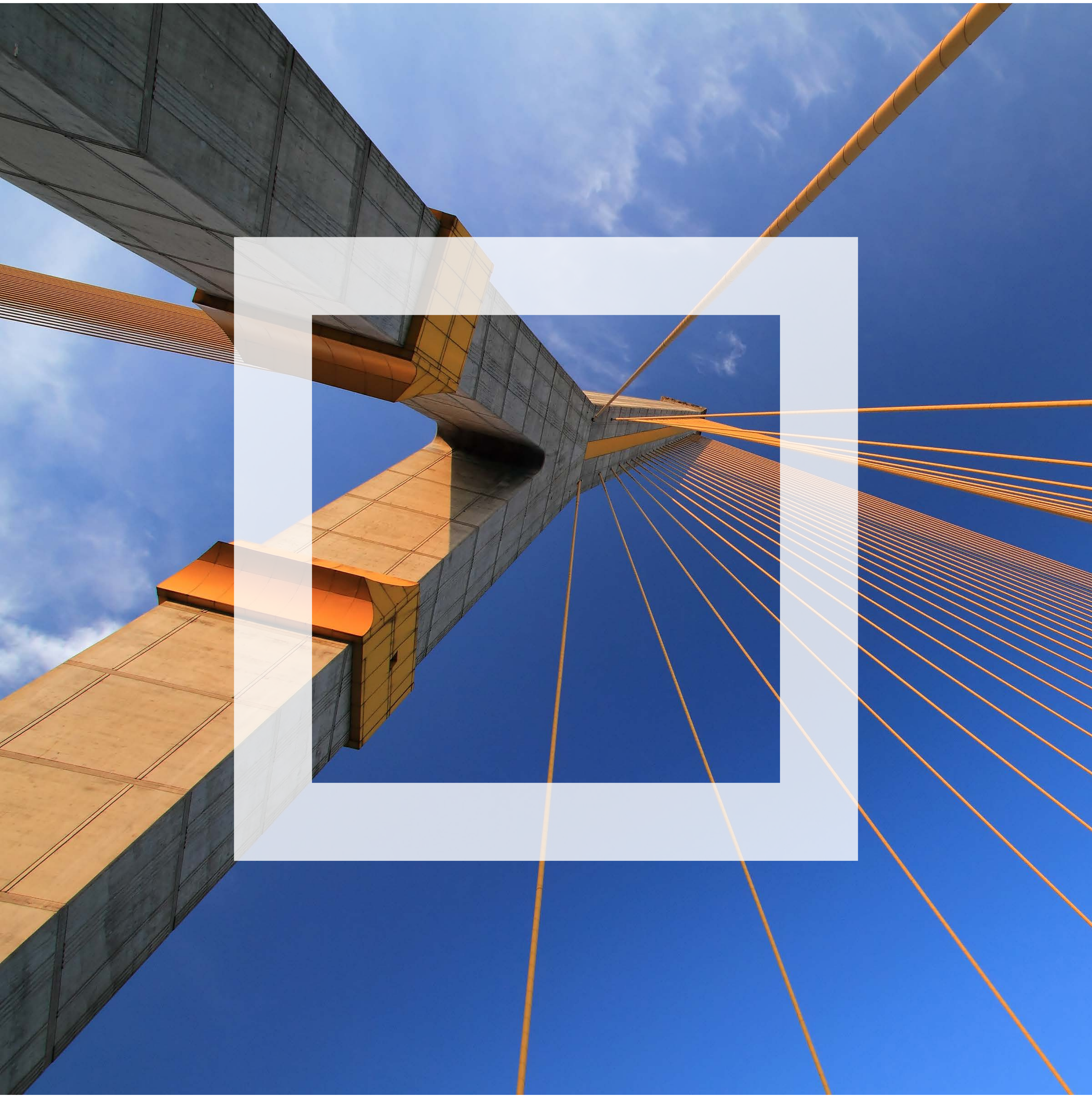

GLOBAL ECONOMIC CONDITIONS SURVEY REPORT: **Q3, 2020**

About ACCA

ACCA is the Association of Chartered Certified Accountants. We're a thriving global community of 227,000 members and 544,000 future members based in 176 countries that upholds the highest professional and ethical values.

We believe that accountancy is a cornerstone profession of society that supports both public and private sectors. That's why we're committed to the development of a strong global accountancy profession and the many benefits that this brings to society and individuals.

Since 1904 being a force for public good has been embedded in our purpose. And because we're a not-for-profit organisation, we build a sustainable global profession by re-investing our surplus to deliver member value and develop the profession for the next generation.

Through our world leading ACCA Qualification, we offer everyone everywhere the opportunity to experience a rewarding career in accountancy, finance and management. And using our respected research, we lead the profession by answering today's questions and preparing us for tomorrow.

Find out more at www.accaglobal.com

About IMA® (Institute of Management Accountants)

IMA®, named the 2017 and 2018 Professional Body of the Year by *The Accountant/International Accounting Bulletin*, is one of the largest and most respected associations focused exclusively on advancing the management accounting profession. Globally, IMA supports the profession through research, the CMA® (Certified Management Accountant) and CSCA® (Certified in Strategy and Competitive Analysis) programs, continuing education, networking and advocacy of the highest ethical business practices. IMA has a global network of more than **125,000** members in **150** countries and **300** professional and student chapters. Headquartered in Montvale, N.J., USA, IMA provides localized services through its four global regions: The Americas, Asia/Pacific, Europe, and Middle East/India.

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Introduction

THE GLOBAL ECONOMIC CONDITIONS SURVEY (GECS), IS THE LARGEST REGULAR ECONOMIC SURVEY OF ACCOUNTANTS AROUND THE WORLD.

The Global Economic Conditions Survey (GECS), carried out jointly by ACCA (the Association of Chartered Certified Accountants) and IMA (the Institute of Management Accountants), is the largest regular economic survey of accountants around the world, in terms of both the number of respondents and the range of economic variables it monitors.

The GECS has been conducted for over 10 years. Its main indices are good lead indicators of economic activity and provide a valuable insight into the views of finance professionals on key variables, such as investment, employment and costs.

Fieldwork for the Q3 2020 survey took place between 25 August and 8 September 2020 and attracted 1067 responses from ACCA and IMA members, including over 100 CFOs. The COVID-19 questions gathered 789 responses.

ACCA and IMA would like to thank all members who took the time to respond to the survey. It is their first-hand insights into the fortunes of companies around the world that make GECS a trusted barometer for the global economy.

Executive summary

THE Q3 GLOBAL ECONOMIC CONDITIONS SURVEY (GECS) SHOWS AN IMPROVEMENT IN OPTIMISM AND ACTIVITY AFTER THE PREVIOUS SURVEY WHICH HAD MANY KEY INDICATORS PLUNGING TO RECORD LOWS.

The Q3 Global Economic Conditions Survey (GECS) shows an improvement in optimism and activity after the previous survey which had many key indicators plunging to record lows. Significantly there was a big jump in global confidence, which is now at a three-and-a-half-year high. This provides some optimism that some recovery is in prospect in the second half of the year, notwithstanding the collapse in activity through the first half.

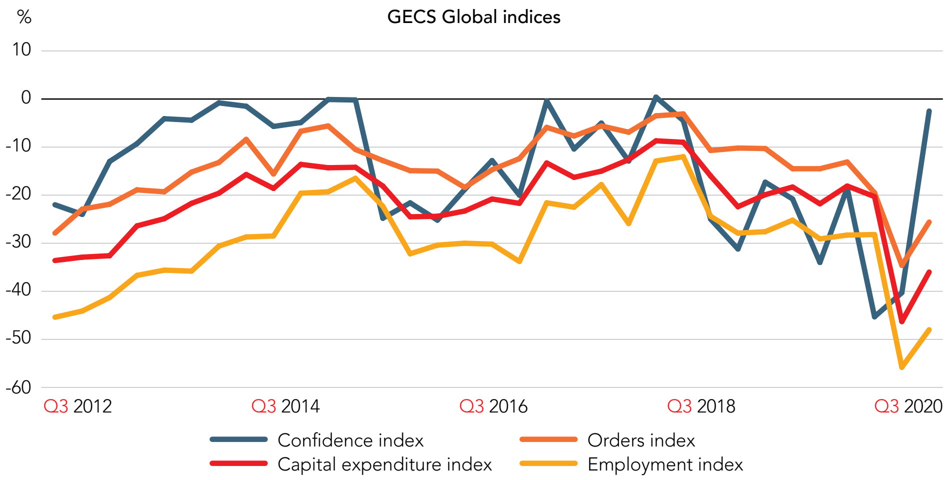
In the latest survey there was also a slight reduction in measured concern that customers and suppliers may go out of business. But it is important to recognize that the level of concern in both cases remains at an elevated level, underlining the weak and precarious state of the global economy in the latter part of 2020 (Chart 2).

Having fallen the most in Q2, the orders indices in North America and Western Europe recovered by the largest margin in Q3. Lifting of lockdowns in these regions, especially from July onwards has lifted their economies and the orders balance reflects this and points to continued recovery. There is little variation in levels across regions, with South Asia a relatively weak outlier (Chart 3).

Confidence improved significantly in virtually all regions in the Q3 survey. This is not so surprising – the confidence assessment measures how confidence has changed compared with its level three months ago. Back in June many economies were just emerging from lockdowns and confidence was very fragile. North America recorded a massive jump in confidence in Q3, perhaps

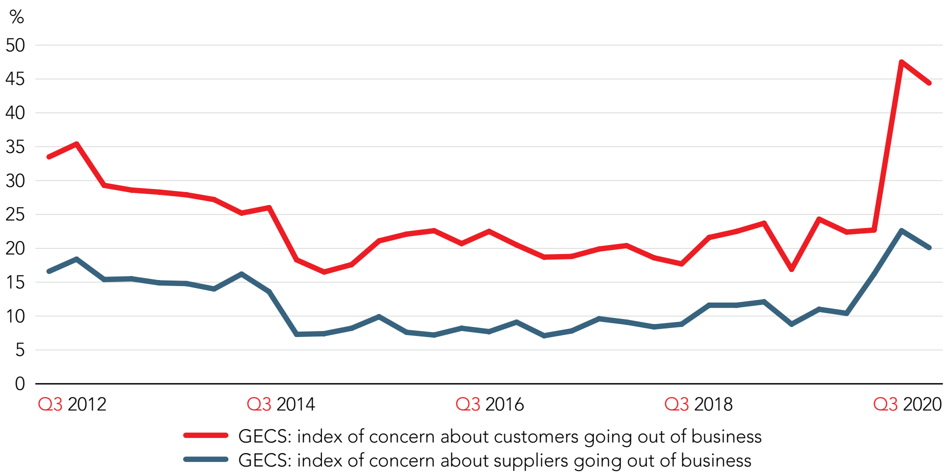
SIGNIFICANTLY THERE WAS A BIG JUMP IN GLOBAL CONFIDENCE, WHICH IS NOW AT A THREE-AND-A-HALF-YEAR HIGH.

CHART 1: The global outlook improves from extreme lows



Source: ACCA/IMA (2012-20)

CHART 2: Fears that stakeholders may go out of business



Source: ACCA/IMA (2012-20)

a reflection of stable infection rates. Confidence increased more modestly in Asia-Pacific and Western Europe but their levels are in line with the global average.

Special COVID-19 related questions in the latest GECS show increasing expectations that significant economic recovery will be pushed into 2021. Regionally North America is the most optimistic while South Asia has the greatest proportion not expecting recovery until 2021. For access to finance the pattern in the latest survey is the same as in June; more generous government support and guarantees mean that firms in advanced regions such as North America and Western Europe have better access to finance than those in emerging markets (EMs).

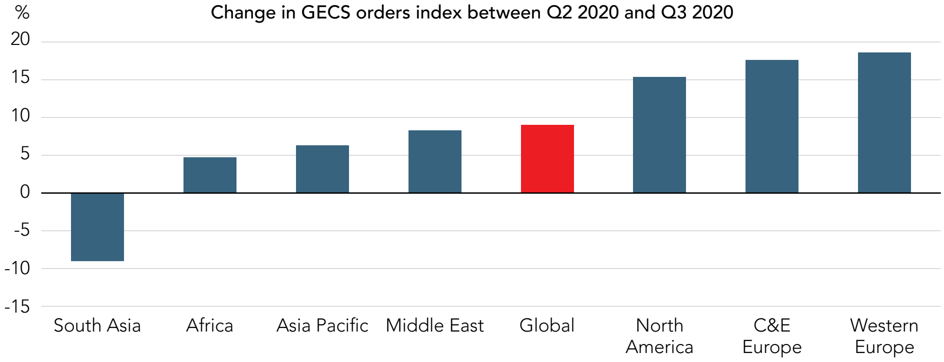
By the second quarter of this year the global economy is estimated to have been 9.5% smaller than at the end of 2019, an unprecedented collapse in activity. Some countries fared better than others, notably South Korea, the US and Germany. China has done best of all with output above its end-2019 level. Meanwhile, the UK, Spain and India all suffered 20%-plus drops in output.

Recovery is now underway as lockdowns have been lifted and the third quarter will show some very strong GDP growth rates. But activity levels will remain well below pre-crisis levels. Moreover, the global recovery is likely to slow towards the end of the year and into 2021. As the Northern hemisphere enters autumn and winter the number of COVID-19 infections will rise; it has already done so in several countries in Europe. Renewed containment measures will restrain economic activity and reduce consumer confidence. In addition, while policy support remains in place it is being reduced in scale in several economies, including the US and UK. The outlook for emerging markets remains especially challenging. International trade has not fallen as much as feared at the outbreak of the crisis but is still down by almost 20% so far this year. Revenues from overseas visitors and remittances sent by workers overseas are both still significant negative influences on many EM economies.

The nature and prolonged duration of the COVID-19 shock means that it is likely to result in permanent changes to the structure and potential growth rates of economies. Higher private sector savings may be one outcome: households and companies limit consumption and investment respectively as they remain cautious in the face of extreme uncertainty. This suggests that the public sector may have to run significant fiscal deficits for some time in order to support overall demand. For now, at least mounting public sector debt can be sustained since interest rates are exceptionally low.

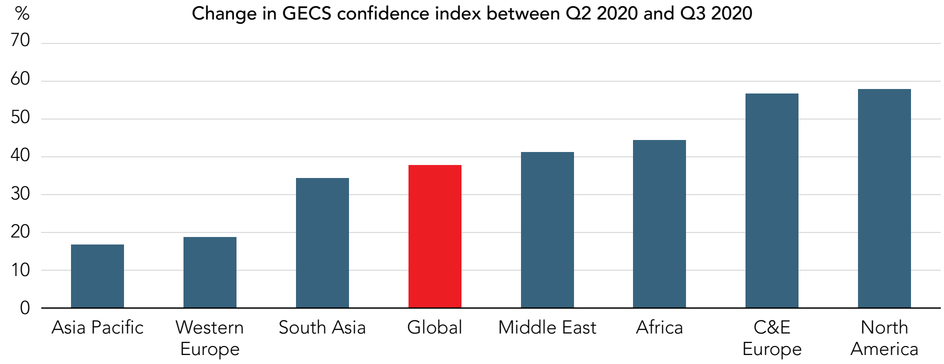
HAVING FALLEN THE MOST IN Q2, THE ORDERS INDICES IN NORTH AMERICA AND WESTERN EUROPE RECOVERED BY THE LARGEST MARGIN IN Q3.

CHART 3: Orders stage a recovery almost everywhere



Source: ACCA/IMA (2012-20)

CHART 4: Confidence improves everywhere



Source: ACCA/IMA (2012-20)

1. Global and regional analysis

THIS GECS POINTS TO GLOBAL RECOVERY THROUGH THE SECOND HALF OF 2020 AFTER THE UNPRECEDENTED COLLAPSE IN ACTIVITY DURING THE FIRST HALF.

This GECS points to global recovery through the second half of 2020 after the unprecedented collapse in activity during the first half. Activity indicators covering orders, capital spending and employment have all bounced back to some degree from the low points reached in the Q2 survey. The global orders balance recovered by nine points in Q3 signalling a modest turnround (Chart 5). Other measures, including that of concern that customers and suppliers may go out of business also improved slightly from the extreme levels seen last time. But the message is still one of weakness with the global economy on course for its largest peace time contraction since the 1930s

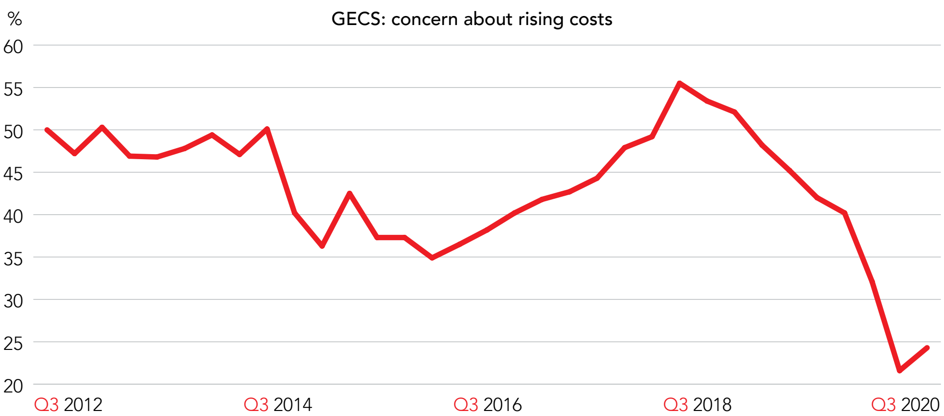
Confidence in Q3 recovered strongly to a three-and-a-half year-high as the deep gloom caused by lockdowns lifted in most regions. Extreme volatility in confidence this year is not surprising given events triggered by the COVID-19 pandemic. The effects of the global recession are very disinflationary – the GECS index of concern about operating costs picked up slightly from the all-time low in Q2 but is still at a very low level (Chart 6). Part of the COVID-19 economic shock has been a reduction in supply capacity (potentially inflationary) but the overwhelming influence so far has been and will continue to be to suppress demand, implying disinflationary pressures.

CHART 5: Global orders lift from extreme lows

Source: OECD September 2020, ACCA/IMA (2012–20)

THE EFFECTS OF THE GLOBAL RECESSION ARE VERY DISINFLATIONARY – THE GECS INDEX OF CONCERN ABOUT OPERATING COSTS PICKED UP SLIGHTLY FROM THE ALL-TIME LOW IN Q2 BUT IS STILL AT A VERY LOW LEVEL.

CHART 6: Global inflation concerns still negligible



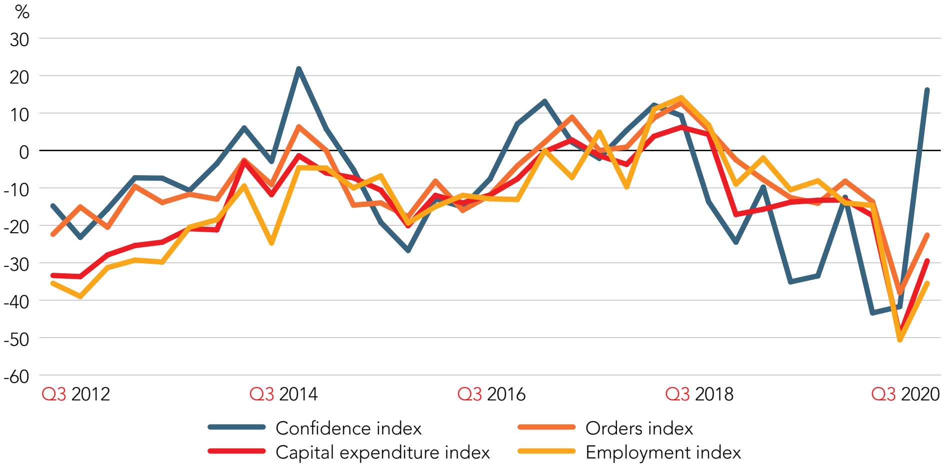
Source: ACCA/IMA (2012-20)

Regional picture

NORTH AMERICA

The orders balance recovered significantly in Q3 but with the exception of Q2 is at a record low level. Confidence jumped by the most in the history of the survey, reflecting the transformation in the economic outlook between June and September. The GECS employment index also recovered significantly, reflecting the improving jobs market. Overall, the North America region GECS is consistent with a reasonably strong recovery in the second half of the year.

CHART 7: North America

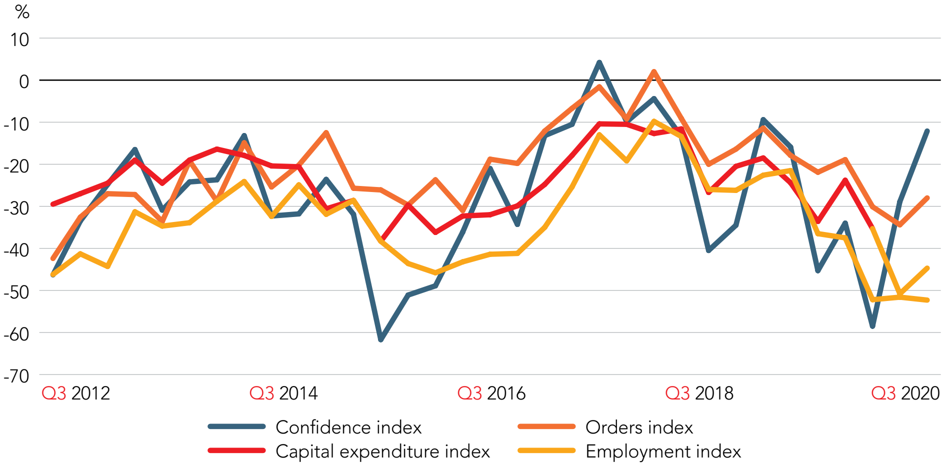


Source: ACCA/IMA (2012-20)

ASIA-PACIFIC

Confidence in Asia-Pacific showed further modest improvement in Q3 and the level now stands at a two-and-a-half-year high. Most activity indicators also increased in the latest survey, but the message is not one of especially strong growth. This is a little surprising given that the region emerged from lockdowns two or three months ahead of other regions. Indeed, the employment index edged slightly lower this month. Asia-Pacific is reliant on exports and overseas visitors for growth; both will only pick up when other regions of the global economy do too.

CHART 8: Asia-Pacific

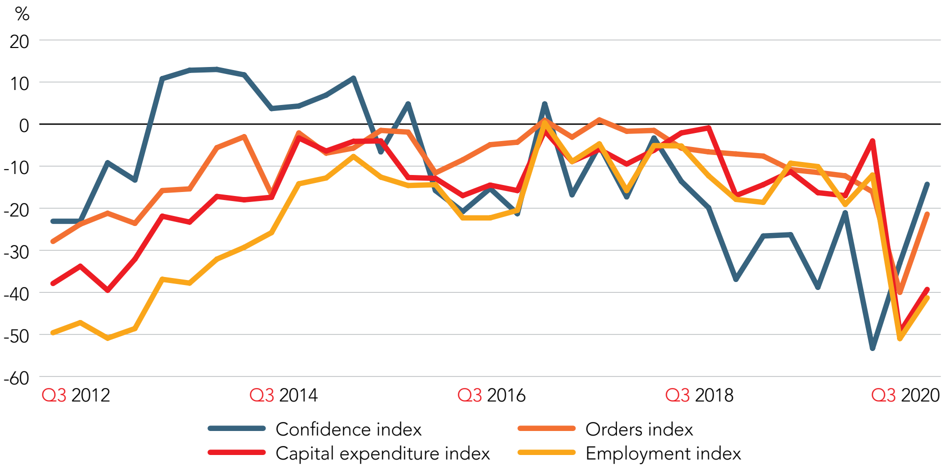


Source: ACCA/IMA (2012-20)

WESTERN EUROPE

Along with other regions, Western Europe recorded a bounce in confidence in Q3, while the orders balance reported the biggest jump across all regions in the latest survey. This is perhaps not surprising given that the region suffered one of the biggest falls in activity in Q2. UK GDP plunged by 20% in the second quarter for example. Second half growth will still leave the region operating well below pre-crisis levels of activity and the activity indicators in Q3 are consistent with this. A long recovery road lies ahead.

CHART 9: Western Europe

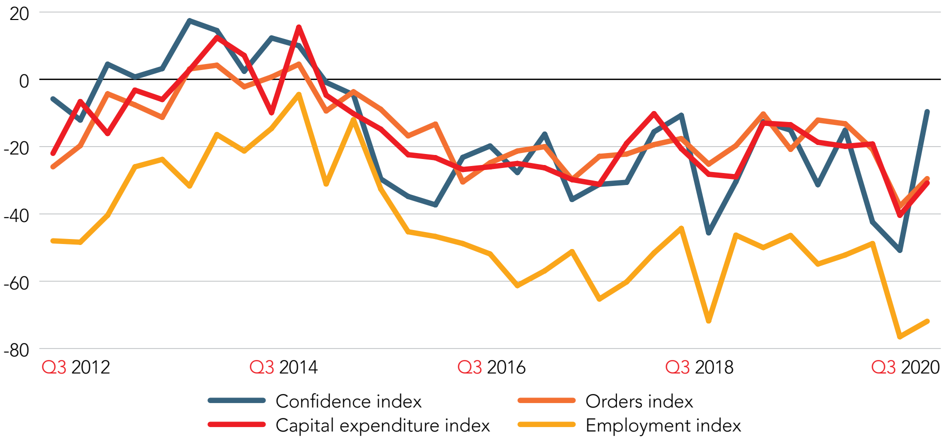


Source: ACCA/IMA (2012-20)

MIDDLE EAST

The Middle East region enjoyed a strong rebound in both confidence and orders in the Q3 survey, having been one of the weakest regions in the previous survey. Oil prices have become stable after extreme volatility caused by excess supply earlier in the year. In addition, economic recovery in China is supporting oil demand. But oil prices at around $40 per barrel are well below the level at which countries in the region base their budgets, creating fiscal pressures. Activity indicators remain weak as COVID-19 social distancing requirements remain and hamper recovery in domestic demand.

CHART 10: Middle East

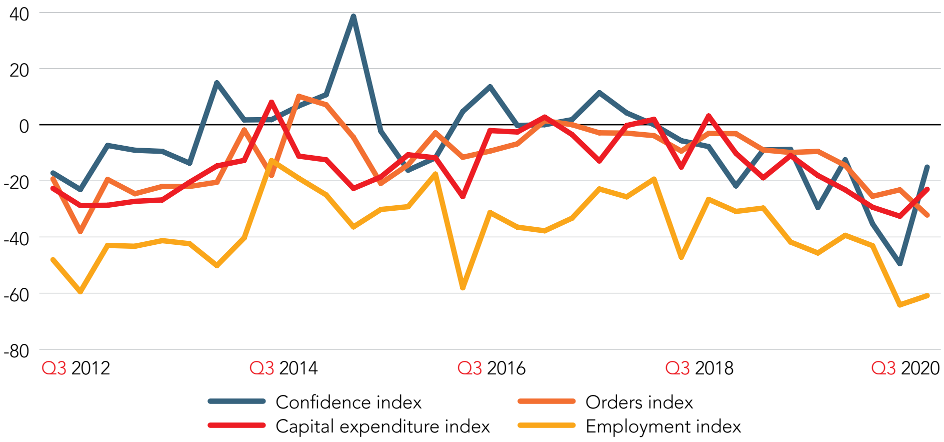


Source: ACCA/IMA (2012-20)

SOUTH ASIA

The orders index fell in Q3, the only region where this occurred. India has become a COVID-19 hotspot with infections and deaths running at very high levels. GDP collapsed by 24% in Q2, the biggest fall in activity among all large economies. In its Interim Economic Outlook for September, the OECD (2020) downgraded Indian GDP growth this year by 6.5 percentage points to a 10.2% fall, with a strong recovery predicted for next year. A bounce in the confidence index in Q3 points to the prospect of economic recovery in the region later this year and into 2021.

CHART 11: South Asia

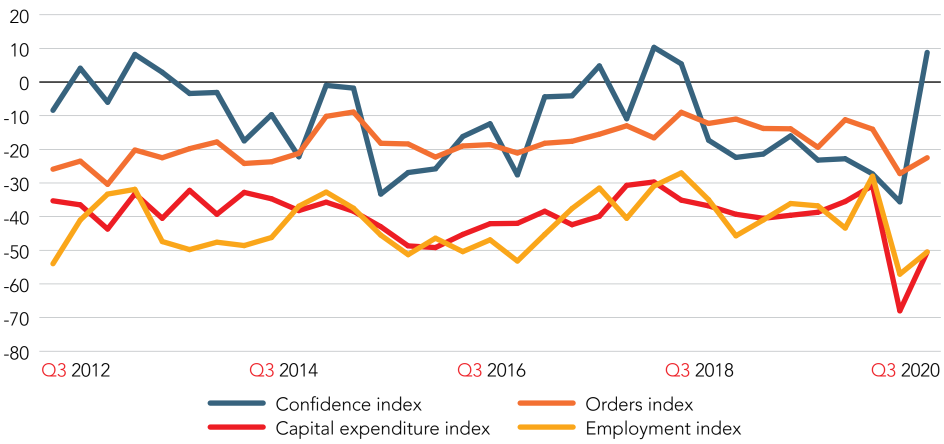


Source: ACCA/IMA (2012-20)

AFRICA

Both confidence and activity indicators increased in the Q3 survey, but orders improved only modestly. The economic outlook remains weak with Nigeria and South Africa set to contract sharply. Commodity exporters are suffering from lower prices and tourist arrivals have vanished. Fiscal policy support to offset the effects of social distancing and lockdowns is severely limited by poor public finances and inadequate health care systems. Falling GDP per capita across the region will increase extreme poverty significantly.

CHART 12: Africa



Source: ACCA/IMA (2012-20)

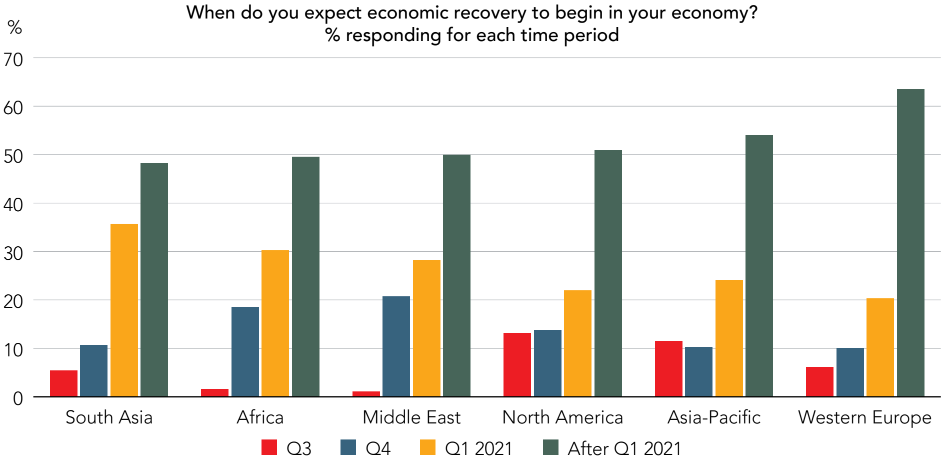
GECS COVID-19 Questions

As part of this GECS respondents were asked a few questions relating specifically about COVID-19. The regional responses are summarized here.

TIMING OF ECONOMIC RECOVERY

Over the last three months, expectations of substantial economic recovery have shifted decisively towards later in 2021 over the last three months. Over 60% of respondents in Western Europe are now of this view and it is above 50% of those in Asia-Pacific and North America too. South Asia has the highest percentage not expecting recovery until 2021 (Q1 or after). Responses to this question highlight the reality that the economic loss caused by COVID-19 and associated restrictions will persist well into next year. Indeed, the economic effects, especially on consumer activity will last for several years.

CHART 13: Expectations of economic recovery

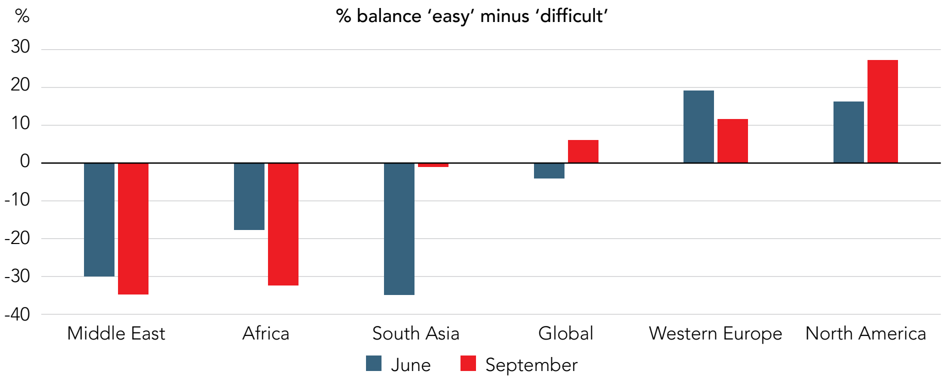


Source: ACCA/IMA (2012-20)

ACCESS TO FINANCE

Access to finance is crucial in the current downturn. There is a clear regional pattern with the strongest access to finance being in the developed markets of North America and Europe, and the weakest in EMs. This has not changed since the June survey – the only notable change is the improvement in South Asia. Note that the survey's access to finance question explicitly asked about the availability of government support schemes and these are much more generous in advanced economies than in EMs.

CHART 14: Access to finance

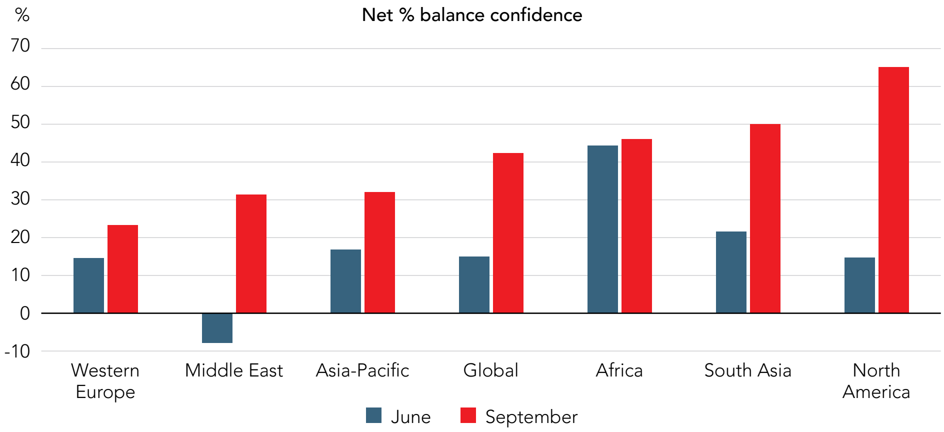


Source: ACCA/IMA (2012-20)

CONFIDENCE POST-CRISIS

For confidence in improvement once the crisis is over, North America showed a dramatic jump between the June and September surveys, perhaps a reflection of better outcomes for COVID-19 infections. Least positive is Western Europe perhaps also owing to changes in COVID-19 cases but in the opposite direction After improving Middle Eastern confidence all regions now show a positive net balance expressing confidence about their companies post-crisis. The defining issue is when the crisis may be over.

CHART 15: Confidence post-crisis



Source: ACCA/IMA (2012-20)

2. Thematic analysis

AS EXPECTED, THE MARCH TO JUNE QUARTER WITNESSED SOME RECORD QUARTERLY FALLS IN GDP.

The global economy – flagging into 2021

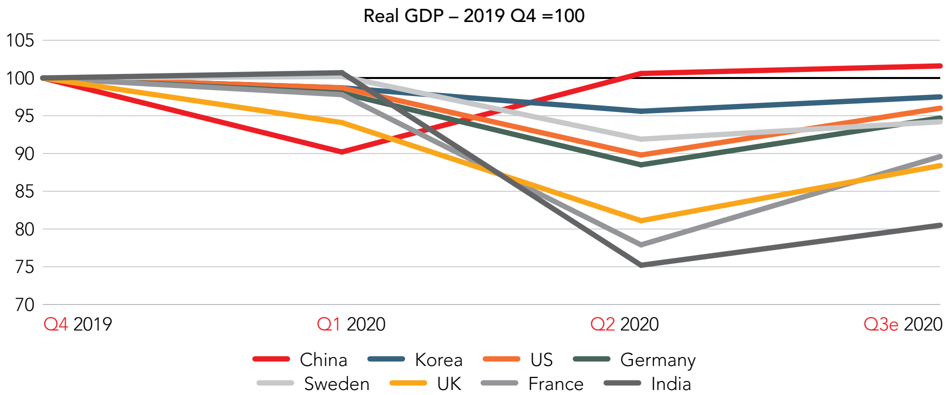
As expected, the March to June quarter witnessed some record quarterly falls in GDP – 9.1% in the US, 11.8% in the euro-zone and 20.4% in the UK, for example. Even Australia's three decade long run without a recession came to an end with a 7% slump in GDP. There is a high degree of correlation between the length and severity of lockdowns and the fall in GDP ranging from South Korea (quarterly contraction of 2.7%) to the 20% plunge in the UK. Overall, the world economy contracted by around 6% in the second quarter of the year – a record fall and more than four times the worst recorded during the global financial crisis of 2007-09.

But recovery is now well under way in many developed economies and the July to September quarter is likely to show some strong quarterly GDP growth rates. This is very much as expected, given the inevitable bounce back in activity following the removal of lockdown measures. The deeper the contraction in the second quarter the bigger the growth rebound that is likely in Q3. So, current forecasts for quarter on quarter GDP in Q3 are around 14% in the UK, 7.5% in the euro are and 7% in the US. After this growth spurt many developed economies will still be operating at between 5% and 10% below the level of activity prevailing at the end of 2019.

Recovery has been driven mainly by the consumer, where the rebound in retail sales up to July was especially strong. As Chart 17 below shows by July retail sales were above the pre-crisis level in several developed economies. To a large extent the strength of this recovery is a reflection of the significant income support provided by governments to households during lockdowns: this maintained spending power despite collapsing economic activity. In addition, release of lockdown has allowed pent up demand for consumer durables to be met, including cars and white goods.

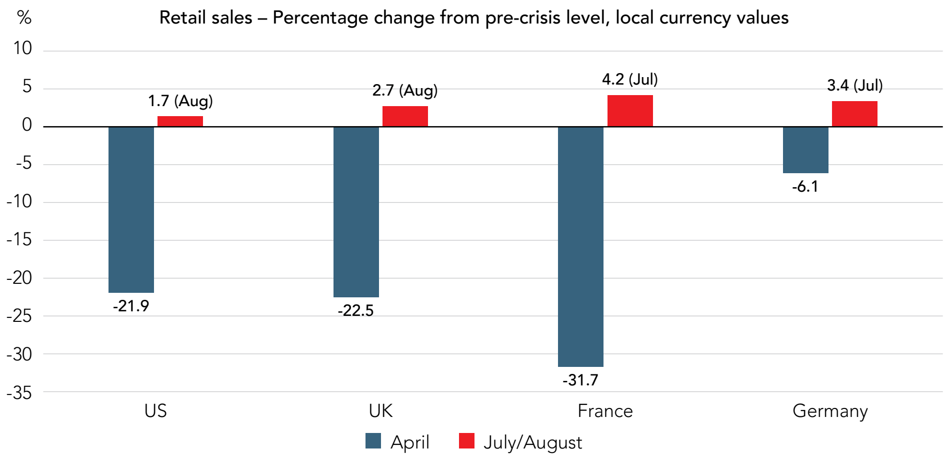
OVERALL, THE WORLD ECONOMY CONTRACTED BY AROUND 6% IN THE SECOND QUARTER OF THE YEAR – A RECORD FALL AND MORE THAN FOUR TIMES THE WORST RECORDED DURING THE GLOBAL FINANCIAL CRISIS OF 2007-09.

CHART 16: Some economies have done less badly than others



Source: FRED, ACCA estimates (unpublished)

CHART 17: Consumer recovery in advanced economies



Source: FRED, ONS

By contrast the recovery in industrial production has tended to be rather weak, reflecting a very large fall in international trade. (But see below on China.) Manufacturing surveys, notably the Purchasing Managers' indices, point to output growth in coming months but not at an especially strong rate in most developed economies.

Our view is that the momentum of the current recovery is likely to fade towards the end of the year and into 2021. World GDP is not likely to regain its pre-crisis level until at least the second half of 2022. There are two main reasons for this.

A persistent pandemic

COVID-19 infections remain high and are increasing in several countries. In Europe, the number of cases has risen in many countries, but especially in France, Spain and the UK. Lockdown restrictions were being eased as recently as July. But this process has now stalled and new restrictions imposed in many cases. The strong bounce in activity following easing of lockdowns was bound to lose momentum late this year, but there are increasing risks that recovery may stall altogether. Real-time mobility data from Google and Apple show visits to retail outlets, workplaces transport hubs have flatlined in recent weeks at levels significantly below pre-crisis averages.

More generally the continued prevalence of the virus means that social distancing rules and other containment measures will persist for the foreseeable future. This will adversely affect consumer demand in particular areas, notably services that require a high level of social interaction and international travel. International passenger traffic is running at just 10% to 15% of pre-crisis levels. The chances are increasing that consumer demand in certain areas will be permanently reduced by the effects of the pandemic and the associated containment measures. But these effects will spread to consumer spending more widely, especially big-ticket items. Consumer caution may be exacerbated by increased fears of unemployment and/or another pandemic resulting in increased precautionary savings and reduced growth in consumption.

Reduced Fiscal Support

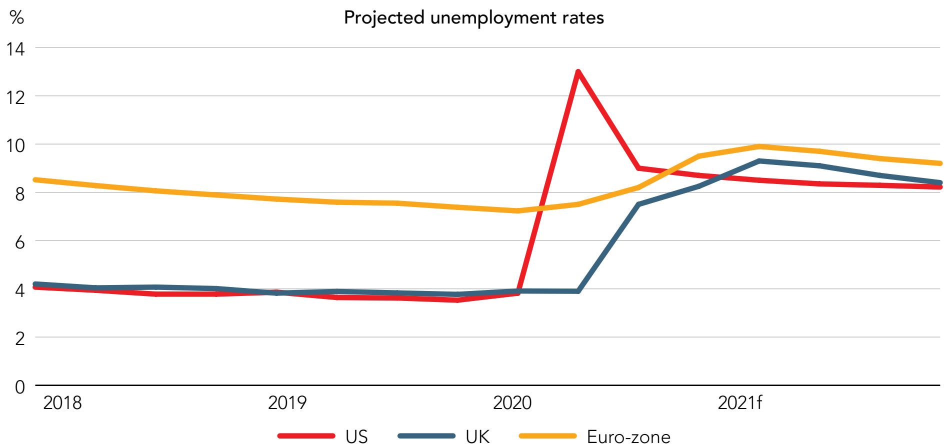
Advanced economy governments provided massive fiscal support earlier this year to provide a 'bridge of income' to households and businesses where economic activity was suspended during lockdowns. These measures, especially wage subsidies, enhanced welfare benefits and direct transfers to households succeeded in their aim and helped to avoid an even greater economic collapse. But they are very expensive, costing several percentages of GDP in just a few months and were not sustainable from a public finance perspective. Many are now in the process of being withdrawn or scaled back. In the UK the Job Retention Scheme is set to end in October, having at its peak paid 80% of the wages of over 9 million furloughed workers. (Its replacement from November, the Job Support Scheme, is much less generous.) A similar scheme in the Netherlands has been ended. But in Germany and France schemes have been extended into 2021 with revised employer contributions to wages. Meanwhile, in the US a proposed new $1trn fiscal stimulus package failed to pass Congress as the focus shifted towards the forthcoming presidential election in November; the effect has been to reduce dramatically the level of unemployment benefits.

This reduction in fiscal support will result in reduced household incomes and in some cases rising unemployment (Chart 18). In turn this will further undermine consumer confidence and potentially stall economic recovery. The chart below illustrates projected unemployment rate profiles. In the US the lack of furlough schemes resulted in an early spike in unemployment that has now been partially reversed. In the UK and euro-zone unemployment rates have been prevented from rising significantly by the widespread adoption of furlough schemes. As these schemes are withdrawn or scaled back unemployment will rise sharply. For example, in the UK unemployment is projected by the Bank of England to almost double to 7.5% by year end.

With central bank policy at or close to the limits of effective easing future policy support will focus on fiscal stimulus. There are likely to be further measures announced in coming months, albeit not on the scale seen earlier this year. Nevertheless, sustaining recovery will be a challenge.

IN THE UK AND EURO-ZONE UNEMPLOYMENT RATES HAVE BEEN PREVENTED FROM RISING SIGNIFICANTLY BY THE WIDESPREAD ADOPTION OF FURLOUGH SCHEMES. AS THESE SCHEMES ARE WITHDRAWN OR SCALED BACK UNEMPLOYMENT WILL RISE SHARPLY.

CHART 18: Unemployment rates to be elevated



Source: OECD Economic Databank

China

China offers an exception to many of the prevailing circumstances in advanced economies. China suffered a sharp contraction in GDP in the first quarter of the year, reflecting its early lockdown in January and February. Official data show a 6.8% annual fall in GDP in Q1 – the first since comparable statistics were produced. Lifting of lockdowns resulted in a rebound in growth in Q2 to an annual rate of 3.2%, just as most other economies were suffering unprecedented quarterly falls in output. The nature of the Chinese recovery is different from the subsequent rebound in many advanced economies. In China it has been industrial production rather than the consumer that has recorded a strong recovery and returned quickly to pre-crisis levels (Chart 19). This may reflect the different type of support schemes which in China were focused on industry and its subsequent re-opening rather than on supporting consumer incomes. The sustainability of the Chinese recovery therefore depends on rising industrial output feeding into higher employment and incomes. Evidence to date in Q3 points to steady growth, at an annual rate of around 4%. For 2020 as a whole GDP is likely to show modest expansion of between 1% and 2%, even allowing for scepticism about official GDP statistics.

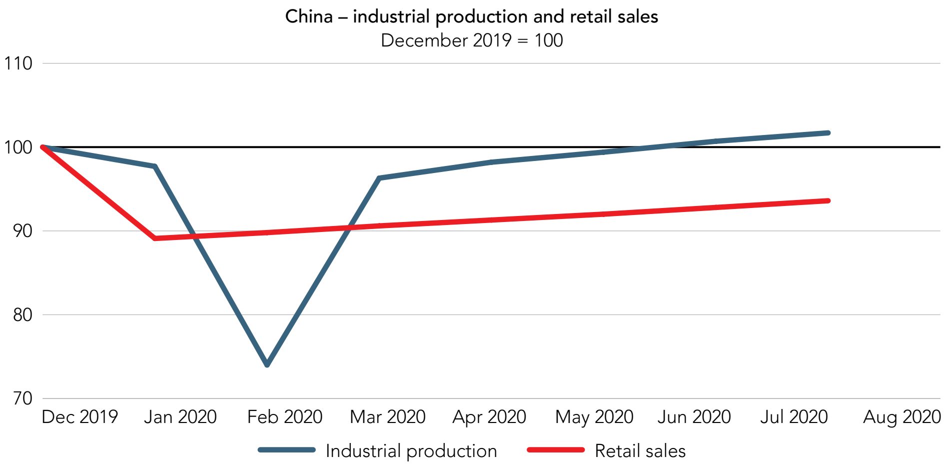
Note that economic expansion in China is not helping to support growth elsewhere in the global economy. True, China's demand for commodities such as oil and industrial metals is now higher than before the crisis, but this is in volume terms. Because prices have fallen significantly China is spending less measured in US dollars on imported commodities than it was pre-crisis. Meanwhile Chinese exports have surged in recent months, boosted in particular by sales of personal protective equipment (PPE) and computer hardware as lockdowns led to a surge in working from home. It is noteworthy that China's share of global exports reached a record high of over 16% in the three months to July.

Emerging markets

Inadequate health care systems and limited fiscal capacity exacerbated the difficulties of many EMs in responding to the pandemic. In addition, the downturn in global trade, falling remittances from overseas workers and a virtual absence of overseas tourists for many added to the economic cost, which was already significant as a result of lockdown measures. A prime example is India where a strict and prolonged lockdown along with reduced remittances from overseas workers contributed to a 23.9% annual decline in GDP in the second quarter. Elsewhere Thailand is on course to be the worst-performing economy in South East Asia with a GDP fall of around 10% in 2020 as a whole – driven to a large extent by a near 90% collapse in the number of overseas visitors. The World Bank's June forecast that 2020 will be the worst year for EMs since at least 1960 holds stronger than ever. Rising global infections and continued or even increased restrictions point to EM weakness persisting into next year.

IN CHINA IT HAS BEEN INDUSTRIAL PRODUCTION RATHER THAN THE CONSUMER THAT HAS RECORDED A STRONG RECOVERY AND RETURNED QUICKLY TO PRE-CRISIS LEVELS.

CHART 19: China's different recovery



Source: FRED

Long-term effects

Higher private savings, reduced government savings

Most economic shocks do not result in permanent changes in economic activity; earthquakes and terrorist attacks tend to have short-term negative effects that are quickly regained, leaving the structure of an economy and its trend rate of growth unchanged. The Kobe earthquake in 1995 and the 9/11 terrorist attacks are two examples of this. But the COVID-19 shock is likely to be different: it has already lasted for the first three quarters of 2020 and will do so well into 2021. This, and the nature and scale of its economic impact, means that permanent changes to the structure of economies are inevitable.

An increasing risk is that COVID-19 will result in a permanent step increase in desired savings in the private sector, among both households and companies. Elevated levels of risk aversion caused by a permanently high degree of uncertainty and a desire for financial resilience may push up precautionary savings. For households higher savings means a lower trend rate of consumer spending for a given level of disposable income. Higher corporate savings imply lower investment spending, which in turn results in reduced trend rates of economic growth.

The fiscal support measures and collapsing economic activity are pushing public sector deficits to extreme levels and lifting public sector debt towards peacetime record highs. Public sector finances will have to be restored to health through higher taxation and/or reduced government spending. But it is likely to be some time before significant rebuilding of public sector balance sheets takes place. The reluctance of the private sector to spend – or alternatively the sector's desire to increase its savings – means that governments will have to continue dis-saving ie, running deficits in order to support overall economic growth.

This clearly raises the issue of debt sustainability – with public sector debt already heading above 100% of GDP in many countries as a result of fiscal support measures introduced earlier this year, further increases in debt levels may raise concerns. But continued low interest rates are for now enabling governments to maintain very low debt-servicing costs, despite high debt levels.

THE FISCAL SUPPORT MEASURES AND COLLAPSING ECONOMIC ACTIVITY ARE PUSHING PUBLIC SECTOR DEFICITS TO EXTREME LEVELS AND LIFTING PUBLIC SECTOR DEBT TOWARDS PEACETIME RECORD HIGHS.

TABLE 1: OECD GDP Forecasts (September 2020)

% CHANGE ON A YEAR EARLIER*	2019	2020	2021
World	2.7	-4.5	5.0
United States	2.3	-3.8	4.0
Euro-zone	1.3	-7.9	5.1
Germany	0.6	-5.4	4.6
France	1.5	-9.5	5.8
Italy	0.3	-10.5	5.4
Australia	1.8	-4.1	2.5
United Kingdom	1.4	-10.1	7.6
China	6.1	1.8	8.0
India	4.2	-10.2	10.7

* Forecasts are for a single hit to GDP ie, if there is no second wave of infections.

Source: OECD 2020

Appendix I:
Economies covered by Q3 survey responses

NORTH AMERICA	MIDDLE EAST	ASIA PACIFIC	CENTRAL & EASTERN EUROPE	SOUTH ASIA	WESTERN EUROPE	AFRICA	CARIBBEAN	CENTRAL & SOUTH AMERICA
Canada	Bahrain	Australia	Bulgaria	Afghanistan	Cyprus	Cameroon	Barbados	Belize
Mexico	Egypt	Mainland China	Czech Republic	Bangladesh	Finland	Ethiopia	Bermuda	Brazil
USA	Iraq	Hong Kong SAR	Hungary	India	Germany	Ghana	Grenada	Columbia
	Israel	Indonesia	Moldova	Kazakhstan	Greece	Ivory Coast	Guyana	Costa Rica
	Jordan	Japan	Poland	Maldives	Ireland, Republic of	Kenya	Jamaica	
	Kuwait	Korea, Republic of	Romania	Nepal	Italy	Liberia	Puerto Rico	
	Lebanon	Malaysia	Russia	Pakistan	Luxembourg	Malawi	St Vincent	
	Oman	New Zealand	Slovakia		Malta	Mauritius	Trinidad & Tobago	
	Palestine	Philippines	Ukraine		Netherlands	Namibia		
	Qatar	Singapore			Spain	Nigeria		
	Saudi Arabia	Vietnam			Switzerland	Sierra Leone		
	United Arab Emirates				Turkey	South Africa		
					UK	Sudan		
						Tanzania		
						Uganda		
						Zambia		
						Zimbabwe		

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ACCA, IMA and the global economy

To find out more visit:
www.accaglobal.com
www.imanet.org

Global economic conditions continue to dominate business and political life. News and debates on economic issues are almost constantly the focus of media attention. While most national economies are now growing once again, it is far from clear how sustainable this growth is or how long it will be before a sense of normalcy returns to the global economy.

ACCA and IMA have been prominent voices on what the accounting profession can do to help turn the global economy around. Both bodies have published extensively on a range of topics, from the regulation of financial markets or the prevention of fraud and money laundering, to fair value or the role of international accounting standards, to talent management and the development of an ethical business culture.

ACCA and IMA aim to demonstrate how an effective global accountancy profession contributes to sustainable global economic development; to champion the role of accountants as agents of value in business; and to support their members in challenging times. Both professional bodies believe that accountants add considerable value to business, and never more so than in the current environment.

Accountants are particularly instrumental in supporting the small business sector. Small and medium-sized enterprises (SMEs) account for more than half of the world's private sector output and about two-thirds of all employment.

Both ACCA and IMA focus much of their research and advocacy efforts on articulating the benefits to SMEs of solid financial management and reliable financial information.

WHERE NEXT?

As countries around the world continue to consider strategies to promote stability and stimulate growth, the interconnectedness of national economies, and how they are managed and regulated, is now under close scrutiny. The development of the global accountancy profession has benefited from, and in turn contributed greatly to, the development of the interconnected global economy. The fortunes of the two are tied. ACCA and IMA will, therefore, continue to consider the challenges ahead for the global economy, and focus on equipping professional accountants for the uncertain future.

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