

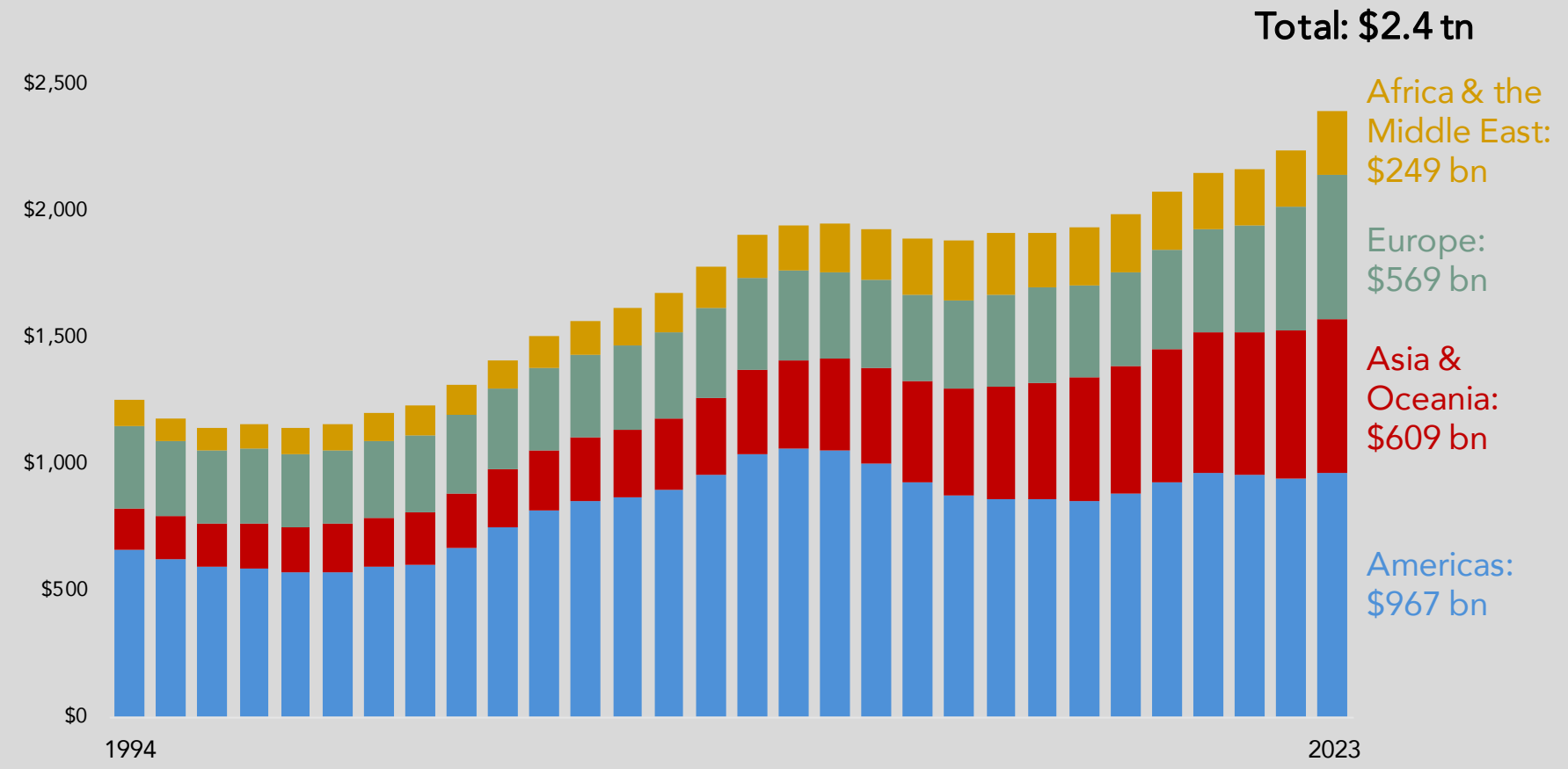
# Chart of the Day

LEARN MORE  
Click Here



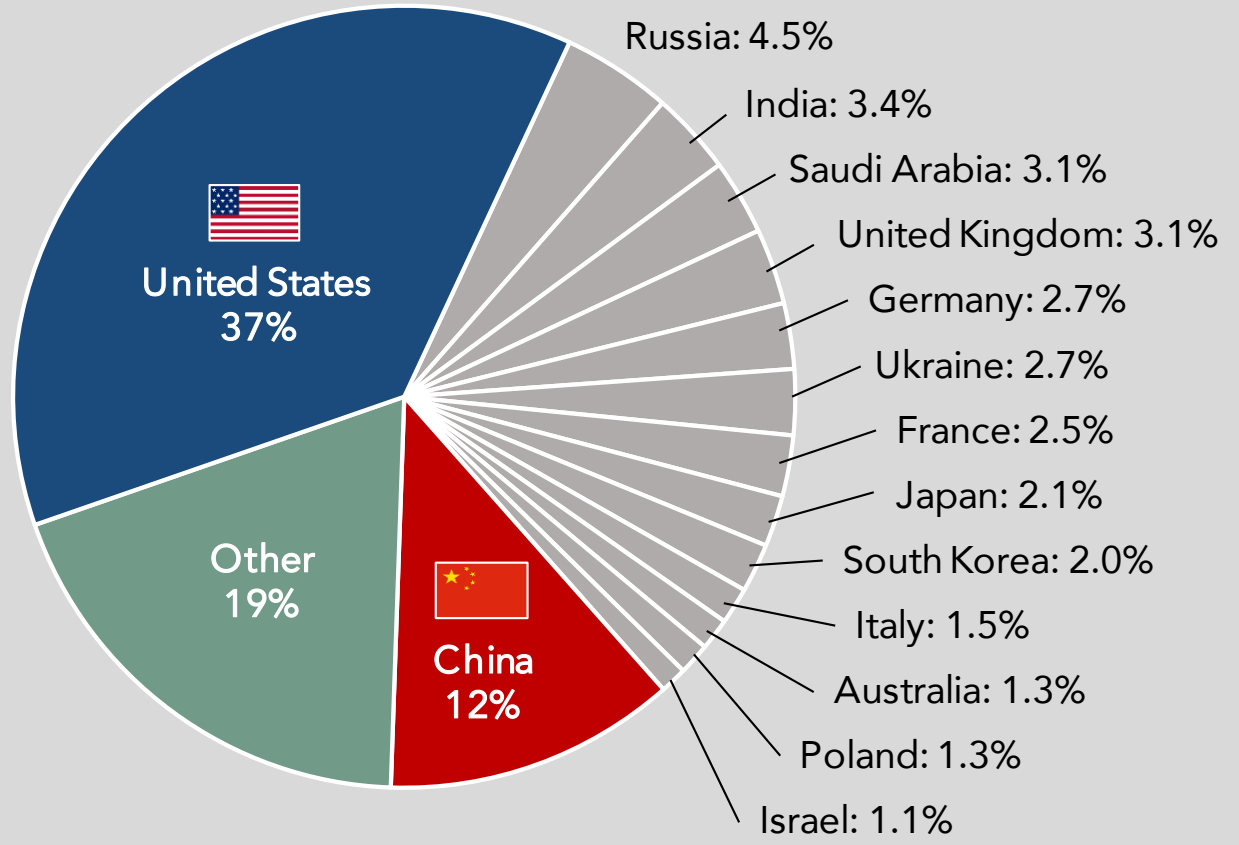
Global military spending increased for the ninth consecutive year in 2023, reaching a record total of \$2.4 trillion (2.3% of global GDP). The 6.8% increase in 2023 was the steepest year-on-year rise since 2009. In addition, military spending in 2023 increased in all four geographic regions for the first time since 2009.

## Global military spending over the last 30 years, USD bn



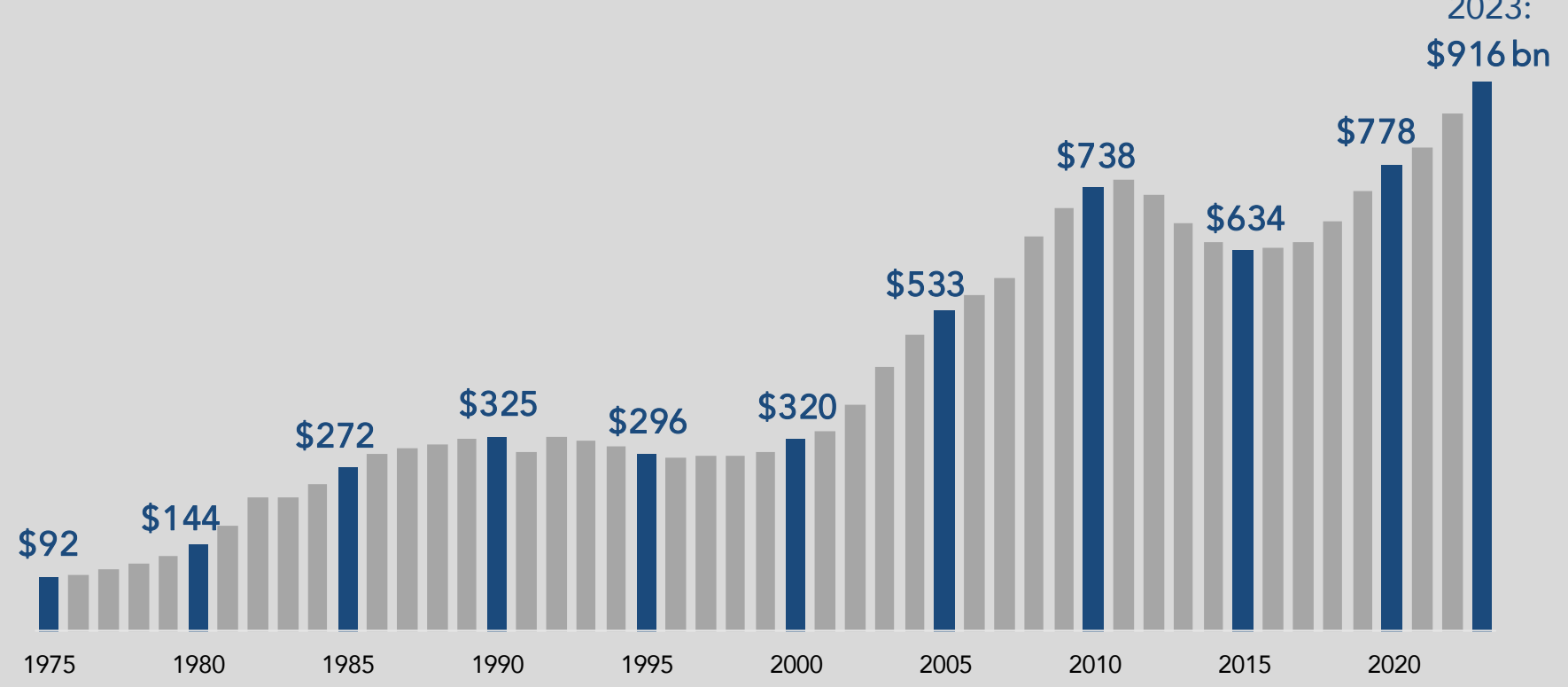
The five largest military spenders in 2023 - the United States, China, Russia, India and Saudi Arabia - accounted for over 60% of global military spending. The top 10 military spenders accounted for nearly 75% of the global total, with all top 10 countries increasing their military spend in 2023.

## Share of world military expenditure of 15 countries with highest spending in 2023



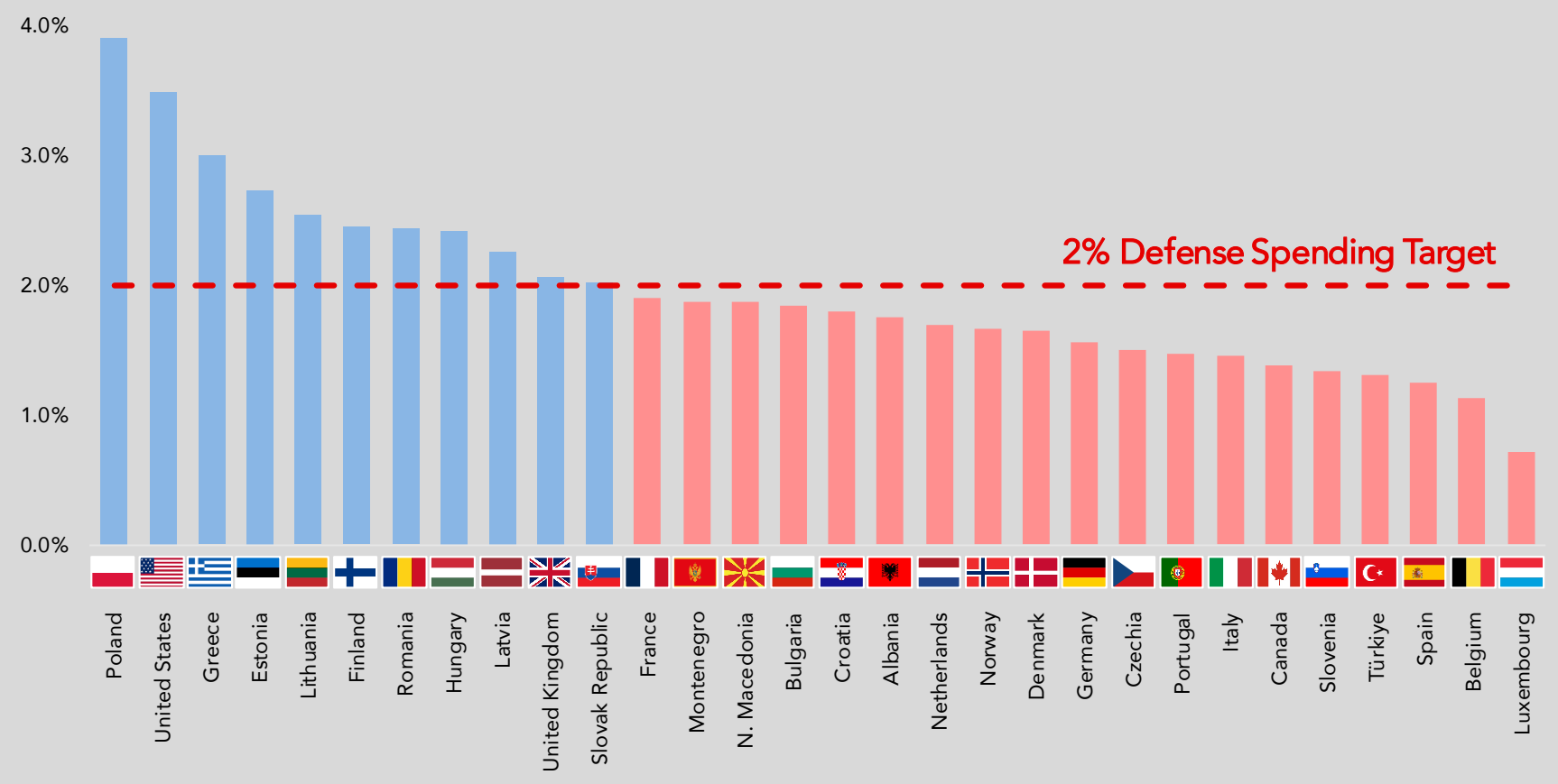
US military spending rose close to \$1 trillion in 2023, the highest in the world and 3x greater than the second largest military spender, China. The largest percentage increase among US military spending categories in 2023 was for "research, development, test and evaluation" (RDT&E).

## US annual military spending, USD billion



NATO defense spending declined sharply after the Soviet Union's dissolution in 1991, but began to rise sharply following Russia's 2014 and 2022 invasions of Ukraine. 18 NATO members are expected to meet the 2% of GDP military defense spending targets in 2024, up from 11 countries today and just three in 2014.

## NATO country defense expenditure as a share of GDP



Source: (1-3) Stockholm International Peace Research Institute (SIPRI), "Trends in World Military Expenditure, 2023," World Military Expenditure Data base. 2022 data in USD at current prices and exchange rates. (4) Data based on information provided on NATO's website, calculated as of July 7, 2023. Bloomberg Economics.

## Global Corporate & Investment Banking Capital Markets Strategy Team



**Tom Joyce**  
Managing Director  
Tom.Joyce@mufgsecurities.com  
(212) 405-7472



**Hailey Orr**  
Managing Director  
Hailey.Orr@mufgsecurities.com  
(212) 405-7429



**Stephanie Kendal**  
Vice President  
Stephanie.Kendal@mufgsecurities.com  
(212) 405-7443



**Angela Sun**  
Analyst  
Angela.Sun@mufgsecurities.com  
(212) 405 - 6952

"Macro stability isn't everything, but without it, you have nothing."