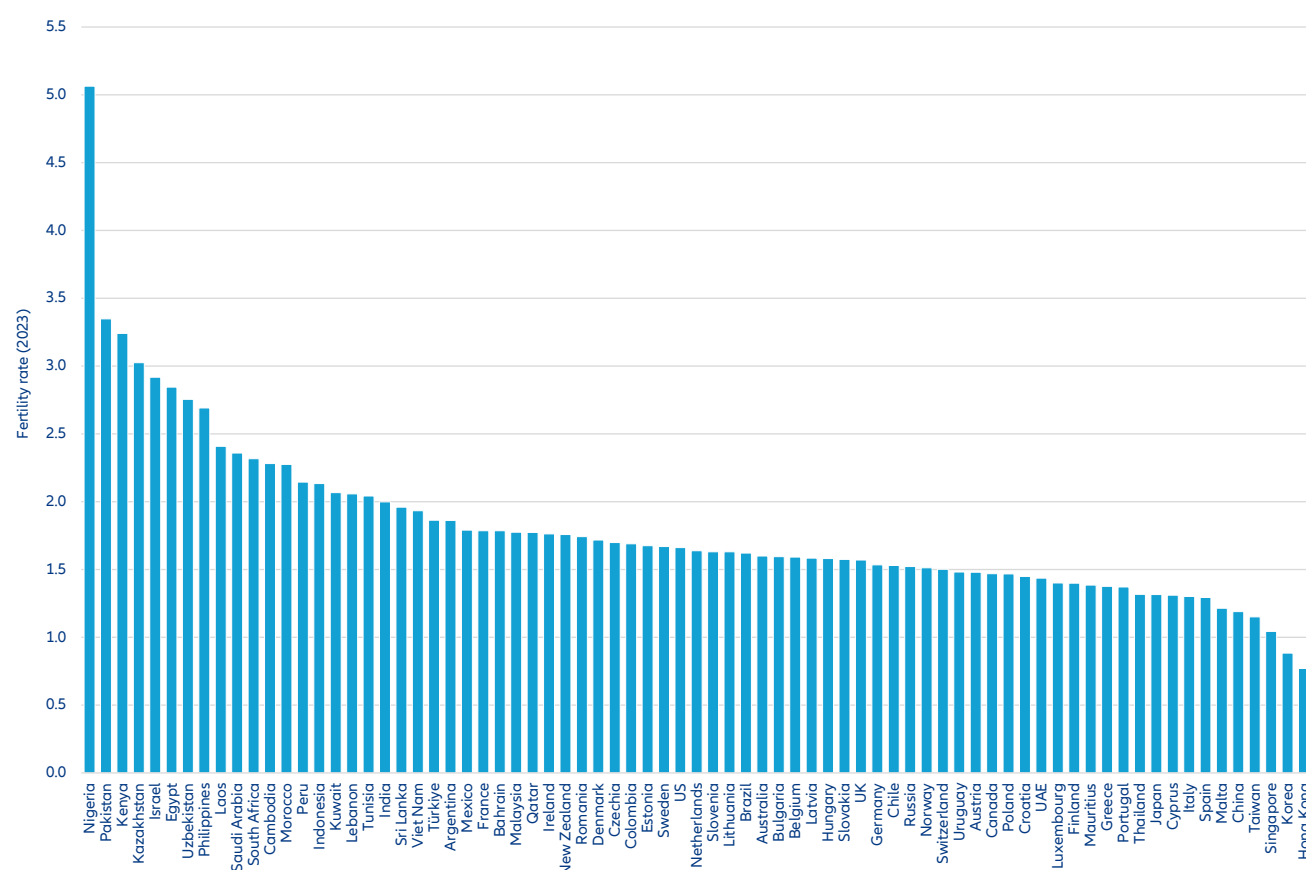


Figure 4: Marked differences in fertility rates

Source: UN Population Division (2022).

As a result, there are marked differences in aging dynamics since the development of old-age dependency ratios in the single countries reflects the development of the fertility rates and life expectancy of the past decades. While in industrialized countries the absolute level of the old-age dependency ratios is a cause for concern, in many emerging markets, it is the aging dynamic that is more worrisome. This holds especially true for countries in the Middle East: For example, the old-age dependency ratio in Kuwait is expected to increase from 7.3% today to 66% in 2050. In Saudi Arabia, the most populous country of the region, it is set to rise from 4.3% to 34%. Like in our last report, Singapore, South Korea and Taiwan are also among the ten countries with the highest increases in old-age-dependency ratios, while China and Türkiye replaced Lebanon and Vietnam. Denmark and Sweden are the countries with the lowest expected aging dynamics: their old-age dependency ratios are expected to increase from around 33% today to about 40% in 2050.

In 2050, Hong Kong and South Korea will replace Japan as the economies with the highest old-age dependency ratio worldwide, followed by Italy and Spain, where old-age dependency ratios are also expected to increase to above 70%. Kuwait, Taiwan, Greece, Portugal and Singapore will complete the top 10, with old-age dependency ratios ranging between 61% and 66%. At the bottom end of this scale, Kenya, Nigeria and Pakistan are expected to have old-age dependency ratios below 10% (see Figure 5).