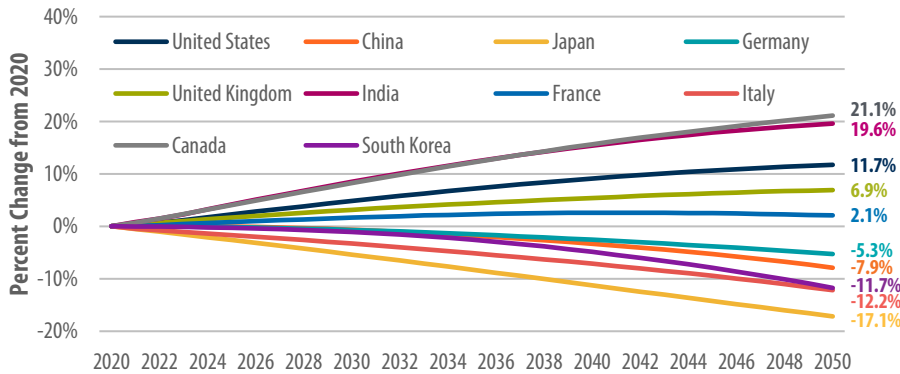


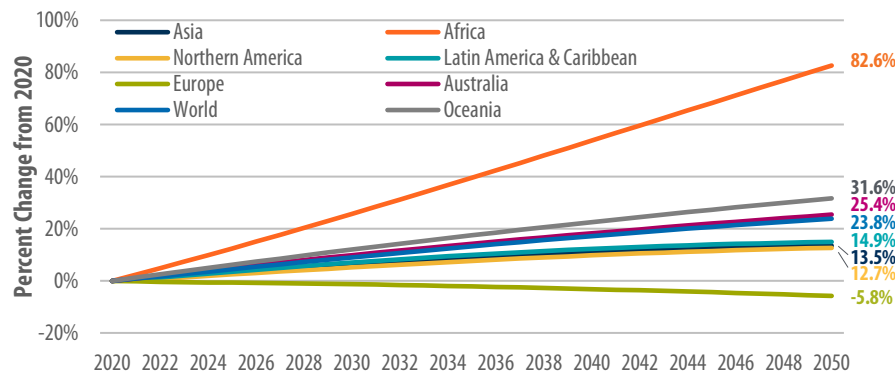
This week's edition of "Three on Thursday" looks at the current state and trajectory of global population. In November 2022, global population exceeded eight billion people for the first time, marking an astonishing eightfold increase since 1800. Prior to the mid-18th century, population growth and living standards remained stagnant for millennia. However, the advent of capitalism sparked revolutionary technological advancements, resulting in exponential gains in productivity, improved living conditions, longer life expectancies, reduced child mortality rates, and robust population growth. While global population is still growing in absolute numbers, population growth rates peaked decades ago. By 1968, global population growth rates peaked at just over 2% annually but have subsequently tapered off to approximately 1% today. What lies ahead? Explore further insights through the three charts provided below.

Top Ten Economies Population Growth



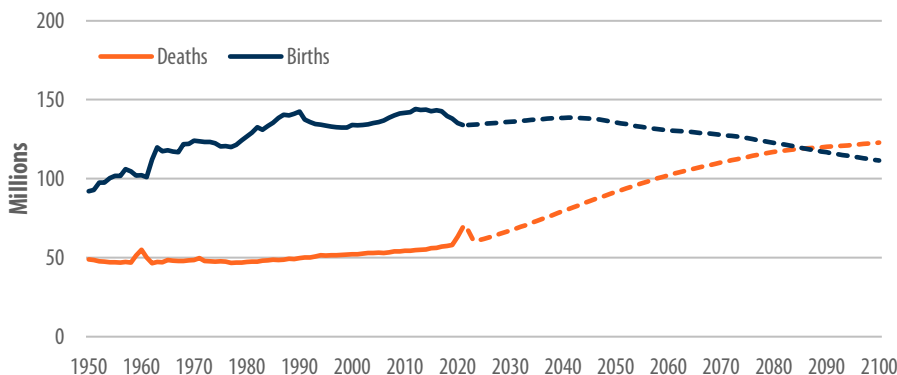
Source: United Nations, Our World in Data, First Trust Advisors. Annual data from 2020-2050. *

Population Growth by World Region



Source: United Nations, Our World in Data, First Trust Advisors. Annual data from 2020-2050. *

Global Births and Deaths per Year



Source: United Nations, Our World in Data, First Trust Advisors. Annual data from 1950-2100. *

*Projections from 2022 onwards are based on the UN's medium-fertility scenario. There is no guarantee that past trends will continue, or projections will be realized.

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A country's population change is determined by births, deaths, and people entering or leaving the country. Among the current top 10 largest economies globally, half are anticipated to witness a decrease in population by 2050 compared to their present levels. Notably, Japan is projected to experience the most substantial percentage decline, with a drop of 17.1% over the 30-year period spanning from 2020 to 2050. In April 2023, India surpassed China to become the world's most populous country, a trend likely to persist as China's population peaked in 2021 and is expected to decline thereafter. Conversely, India's population is forecasted to grow 19.6% by 2050 compared to its 2020 figures. The United States is expected to undergo a modest population increase of 11.7% during this timeframe, roughly half the rate of the global population growth, which is projected to reach 23.8% over the same 30-year period.

Taking a broader view of population growth projections across global regions from 2020 to 2050, we observe growth in all regions except Europe, where a decline of 5.8% is expected over this period. Africa emerges as the most prominent outlier, poised for remarkable growth of 82.6%, elevating its population from 1.36 billion in 2020 to 2.49 billion by 2050. This surge is largely fueled by substantial increases in population in countries such as Nigeria (projected to grow by 169.1 million), the Democratic Republic of Congo (by +124.6 million), and Ethiopia (by +97.6 million). Notably, Niger is forecasted to experience the fastest growth rate (+176%) among African nations with a population of five million or more, while Tunisia is expected to see the slowest growth at +18%. Meanwhile, Asia retains its position as the largest region, with its population projected to increase from 4.7 billion in 2020 to 5.3 billion by 2050.

The change in global population is easy to understand; it's just the difference between births and deaths. Presently, the annual number of births exceeds deaths by a significant margin. However, fertility rates are declining across all regions. From an average of 4.86 children per woman in 1950, the global fertility rate has dropped to 2.31 in 2023. This shift, coupled with increased life expectancy, has led to a historic milestone: the global median age surpassed 30 in 2022 for the first time ever. Projections suggest that by 2086, annual deaths will outnumber births, meaning global population will start to decline.