

China Historical GDP Data vs BAT Annual Revenue Analysis - Analysis

Analysis:

Page Two: China Historical GDP:

The Chinese economy has seen unprecedented, often double digit, growth since the country opened its trade doors to the world in 1980. Growth of late has slowed down, as the Chinese economy transitions from a labor-based model to one increasingly focused on domestic consumption and services. In 2016, Chinese growth is expected to slow down to approximately 6.7%. Historically speaking, the years of 2007 and 1992 were the most robust in terms of overall GDP growth, both years having a growth rate of 14.2%, as illustrated on Page Two. The high growth rate in 1992 can be attributed to accelerations in the private sector, prompted largely by Deng Xiaoping and his Southern Tour encouraging foreign investment. The other spike, in 2007, can be attributed to an overheated economy, which would subsequently slow along with the 2008 global economic crisis. As China continues to evolve into a first-world economy, the GDP contribution from large tech companies, such as BAT, listed below, will be increasingly valuable to overall economic health and spurge GDP growth.

Page Three: BAT/GDP

Baidu, Alibaba and Tencent, commonly referred to as BAT, represent the three largest tech giants in China. Combined, they have an aggregate market value of over \$473 billion. Notably, the BAT core businesses are distinct: Baidu leads the China search market, Tencent controls the world of messaging and gaming, and Alibaba owns the lion's share of the Chinese e-commerce industry, with products such as TMALL and Taobao. Page Three analyzes the companies' total annual revenue in USD and CNY compared with overall Chinese GDP. However, as Page Three "BAT/GDP" shows, they still have a relatively small share of the entire Chinese GDP, though an increasingly growing share. Currently, both Tencent and Alibaba's annual revenue comprises roughly .15% of the entire Chinese GDP, with Baidu trailing slightly behind at .10%. As a point of comparison, Google's total annual revenue in 2015 was 75.54 billion, and in comparison to the U.S. GDP for that year, 17,947 billion, accounts for approximately .42% of the total U.S. GDP. Thus, BAT still has a tremendous amount of room to grow in order to compete effectively with the U.S. technology industry in terms of total GDP contribution, with a .30% margin for growth.

China Historical GDP Data vs BAT Annual Revenue Analysis - China Historical GDP

Year	GDP			GDP per capita (GDPPC) based on mid-year population					Reference index		
	GDP in billions		PPP (Int'l\$.)	real growth (%)	GDPPC		PPP (Int'l\$.)	real growth (%)	Mid-year population in thousands	exchange rate 1 foreign currency to CNY	
	CNY	USD			CNY	USD				USD 1	Int'l\$. 1 (PPP)
2015	68,550.60	11,006.13	19,437.05	6.9	49,992	8,027	14,175	6.4	1,371,220	6.2284	3.5268
2014	64,397.40	10,483.40	18,052.65	7.3	47,203	7,684	13,232	6.8	1,364,270	6.1428	3.5672
2013	59,524.44	9,611.26	16,621.83	7.8	43,852	7,081	12,246	7.3	1,357,380	6.1932	3.5811
2012	54,036.74	8,560.28	15,203.63	7.9	40,007	6,338	11,256	7.4	1,350,695	6.3125	3.5542
2011	48,930.06	7,575.72	13,958.08	9.5	36,403	5,636	10,384	9	1,344,130	6.4588	3.5055
2010	41,303.03	6,101.34	12,473.36	10.6	30,876	4,561	9,324	10.1	1,337,705	6.7695	3.3113
2009	34,908.14	5,110.25	11,051.08	9.4	26,222	3,839	8,301	8.9	1,331,260	6.831	3.1588
2008	31,951.55	4,600.59	10,041.03	9.7	24,121	3,473	7,580	9.1	1,324,655	6.9451	3.1821
2007	27,023.23	3,553.82	8,944.24	14.2	20,505	2,697	6,787	13.6	1,317,885	7.604	3.0213
2006	21,943.85	2,752.68	7,608.30	12.7	16,738	2,100	5,803	12.1	1,311,020	7.9718	2.8842
2005	18,731.89	2,286.69	6,533.62	11.4	14,368	1,754	5,012	10.7	1,303,720	8.1917	2.867
2004	16,184.02	1,955.35	5,708.85	10.1	12,487	1,509	4,405	9.4	1,296,075	8.2768	2.8349
2003	13,742.20	1,660.29	5,038.20	10	10,666	1,289	3,910	9.3	1,288,400	8.277	2.7276
2002	12,171.74	1,470.55	4,496.89	9.1	9,506	1,149	3,512	8.4	1,280,400	8.277	2.7067
2001	11,086.31	1,339.41	4,062.41	8.3	8,717	1,053	3,194	7.5	1,271,850	8.277	2.729
2000	10,028.01	1,211.35	3,668.29	8.5	7,942	959	2,905	7.6	1,262,645	8.2784	2.7337
1999	9,056.44	1,094.00	3,306.11	7.7	7,229	873	2,639	6.8	1,252,735	8.2783	2.7393
1998	8,519.55	1,029.04	3,023.15	7.8	6,860	829	2,434	6.8	1,241,935	8.2791	2.8181
1997	7,971.50	961.6	2,772.79	9.2	6,480	782	2,254	8.1	1,230,075	8.2898	2.8749
1996	7,181.36	863.75	2,495.52	9.9	5,898	709	2,050	8.8	1,217,550	8.3142	2.8777
1995	6,133.99	734.52	2,231.92	11	5,091	610	1,852	9.8	1,204,855	8.351	2.7483
1994	4,863.75	564.33	1,968.97	13	4,081	473	1,652	11.7	1,191,835	8.6187	2.4702
1993	3,567.32	619.11	1,701.15	13.9	3,027	525	1,444	12.6	1,178,440	5.762	2.097
1992	2,719.45	493.14	1,461.36	14.2	2,334	423	1,254	12.8	1,164,970	5.5146	1.8609
1991	2,200.56	413.38	1,250.18	9.3	1,912	359	1,086	7.8	1,150,780	5.3233	1.7602
1990	1,887.29	394.57	1,102.78	3.9	1,663	348	971	2.4	1,135,185	4.7832	1.7114

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Year	GDP*		Baidu			Alibaba			Tencent		
	GDP in billions		Annual Revenue in billions		% Of Total GDP	Annual Revenue in billions		% Of Total GDP	Annual Revenue in billions		% Of Total GDP
	USD	CNY	USD	CNY		USD	CNY		USD	CNY	
2015	11,006.13	68,550.60	10.25	66.3175	0.10%	15.690	101.14	0.15%	15.840	102.86	0.15%
2014	10,483.40	64,397.40	7.91	51.1777	0.08%	11.623	75.204	0.12%	12.199	78.93	0.12%
2013	9,611.26	59,524.44	5.25	33.9675	0.06%	8.115	52.504	0.09%	9.342	60.44	0.10%
2012	8,560.28	54,036.74	3.58	23.1626	0.04%	5.335	34.517	0.06%	6.784	43.89	0.08%
2011	7,575.72	48,930.06	2.25	14.5575	0.03%	3.095	20.025	0.04%	4.405	28.5	0.06%
2010	6,101.34	41,303.03	1.17	7.5699	0.02%	1.840	11.903	0.03%	3.037	19.65	0.05%
2009	5,110.25	34,908.14	0.65	4.2055	0.01%	1.031	6.67	0.02%	1.923	12.44	0.04%
2008	4,600.59	31,951.55	0.46	2.9762	0.01%				1.105	7.15	0.02%
2007	3,553.82	27,023.23	0.24	1.5528	0.01%				0.590	3.82	0.01%

China Historical GDP Data vs BAT Annual Revenue Analysis - References Cited

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[Statista's annual revenue of Tencent Holdings from 2007 to 2015](#)

[Statista's annual revenue of Baidu from 2007 to 2015](#)

[Statista's Google revenue worldwide from 2002 to 2015](#)