

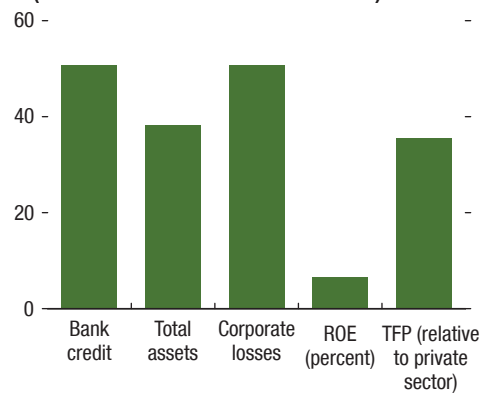
Figure 3.2.1. Selected Emerging Market Economies: State-Owned Enterprises

State-owned enterprises play a more important role in the Chinese economy than in other major emerging market economies. Chinese SOEs have recently had weaker profitability relative to private firms.

1. Key Indicators of SOEs¹ (Percent of GDP)

| Country | Sales revenue | Net profit | Asset | Market value | Share in the top 10 firms |
|--------------|---------------|------------|-------|--------------|---------------------------|
| China | 35 | 3 | 176 | 45 | 91 |
| Brazil | 12 | 2 | 51 | 18 | 50 |
| India | 16 | 4 | 75 | 22 | 59 |
| Indonesia | 3 | 0 | 19 | 12 | 69 |
| Russia | 16 | 3 | 64 | 28 | 81 |
| South Africa | 2 | 2 | 3 | 1 | 2 |

2. SOEs in China Dominate and Operate Less Efficiently² (Percent of total unless otherwise stated)



Sources: CEIC Data Company Ltd.; Kowalski and others 2013; Ministry of Finance; National Bureau of Statistics of China; People's Bank of China; WIND database; and IMF staff calculations.

Note: ROE = return on equity; SOE = state-owned enterprise; TFP = total factor productivity.

¹As of end-2015 for China and end-2010 for rest of the economies.

²The time frame for bank credit and TFP is average of 2011–15; total assets, corporate losses, and ROE are as of end-2015.