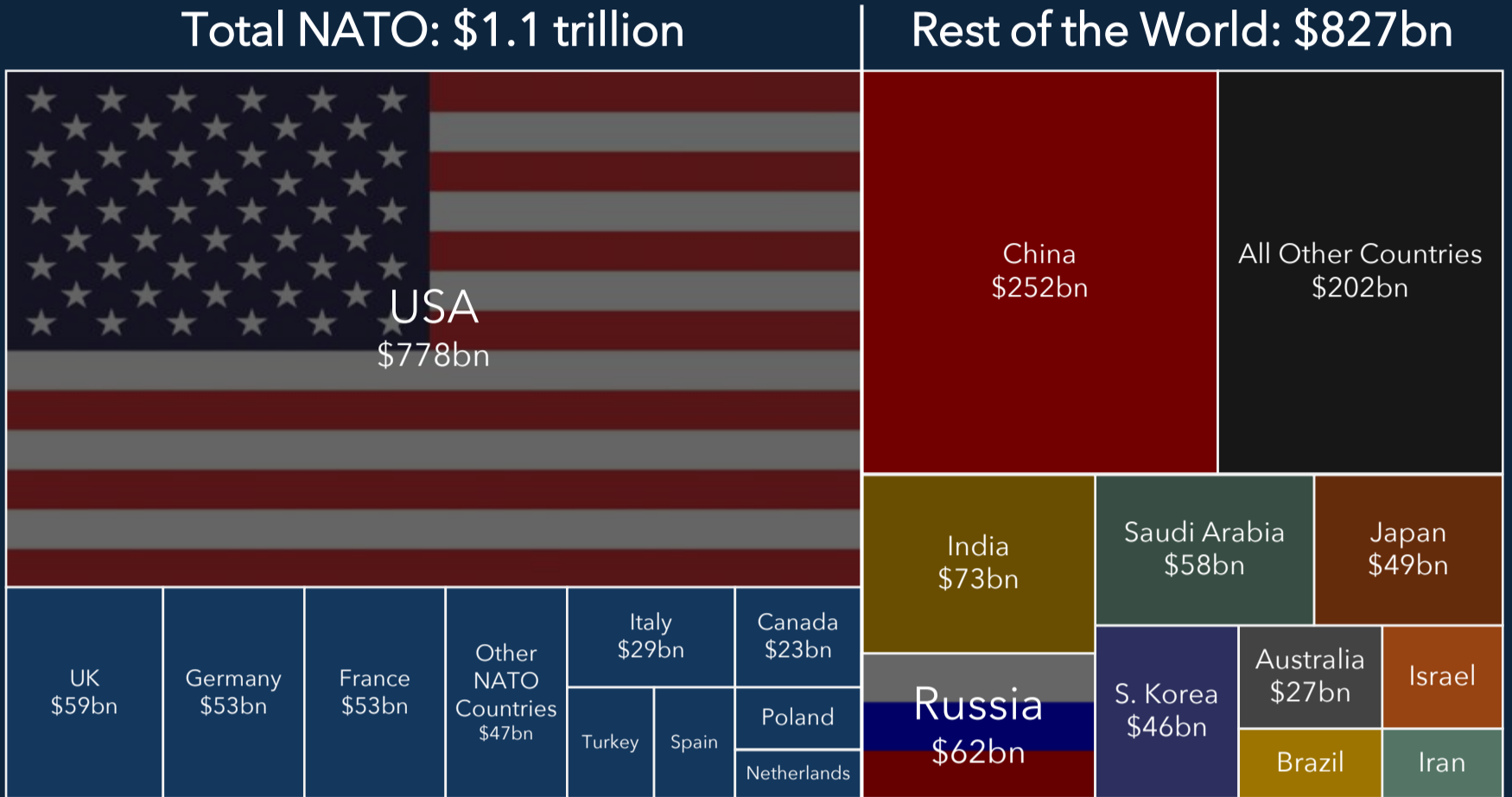


# Chart of the Day

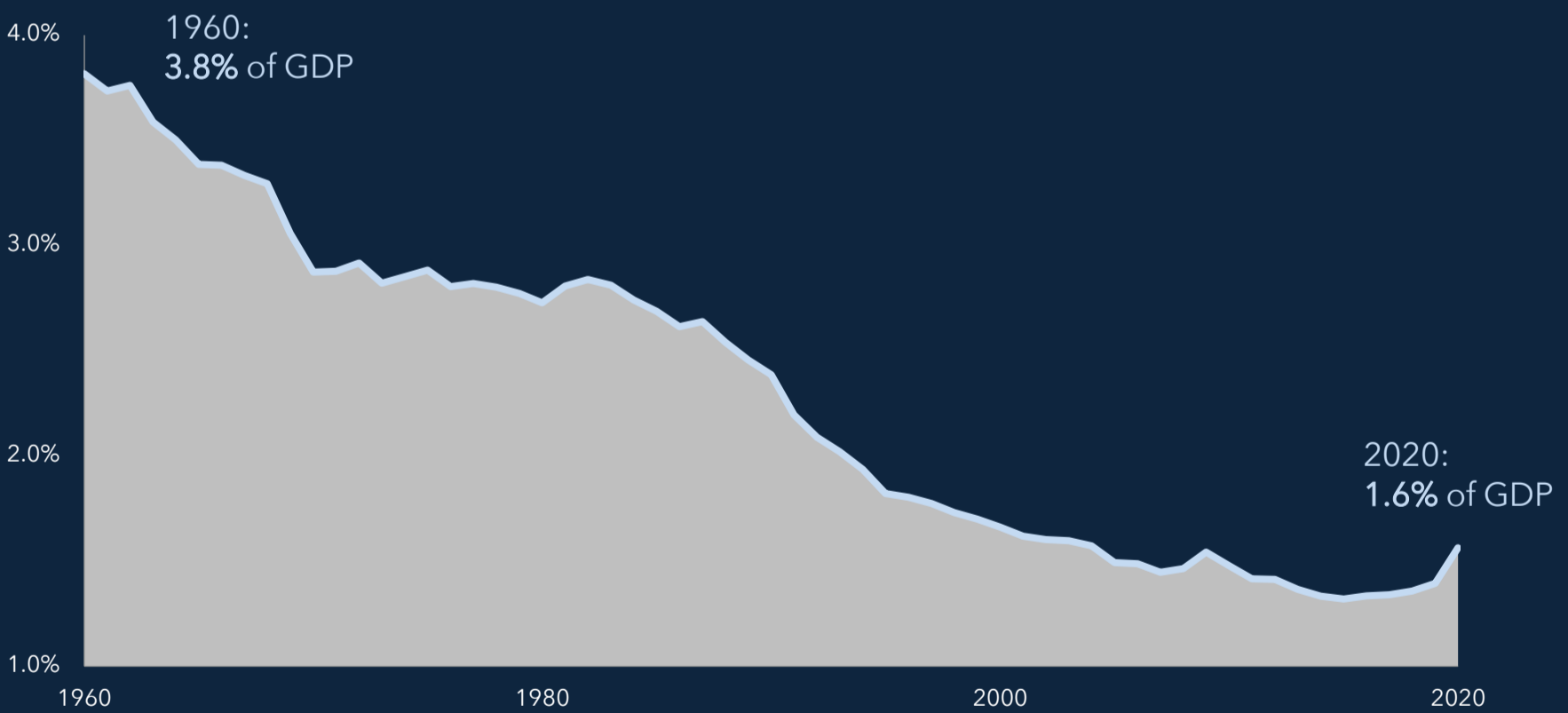
While a US military response to the Ukraine crisis is not “on the table” for both strategic and security reasons, it is worth noting that annual US military spending is more than 12x that of Russia – an observation perhaps secondary to the more important point that both countries are leading nuclear powers

## Global defense spending



Europe is likely to jointly issue bonds on a potentially massive scale to finance significant energy and defense spending required to reduce Europe’s Russian vulnerabilities. The increased spending follows EUR 1.8 trillion (USD\$2 trillion) of joint EU fiscal spending last year in response to the COVID crisis.

## European Union military expenditure, % of GDP



Source: (1) Stockholm International Peace Research Institute. N.B Data is from 2020, with data available for 151 countries. (2) World Bank. Data as of March 8, 2022.

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