Capital Markets Strategy
Essential inCights for the C-Suite

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Chart of the Day

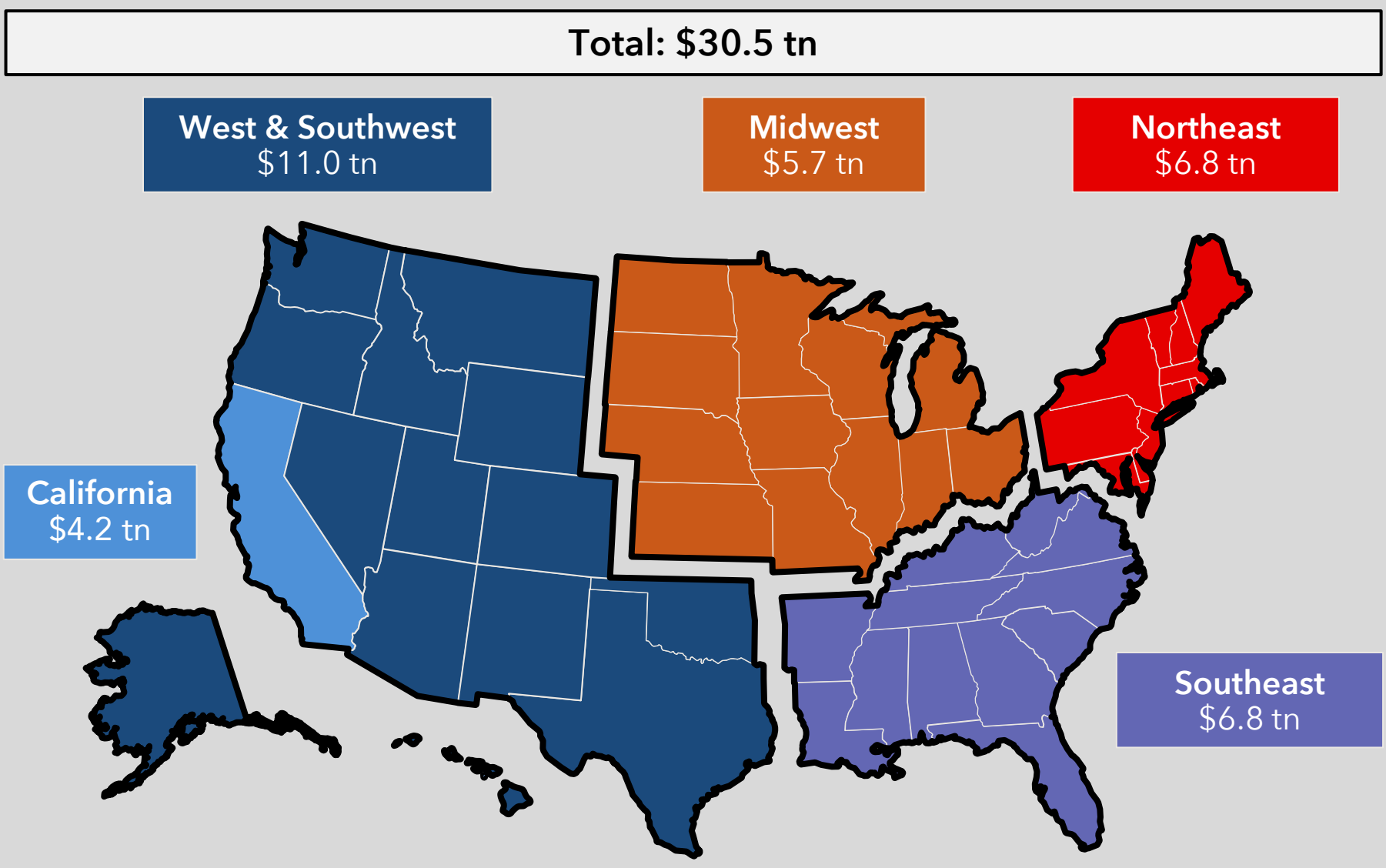
Having surpassed Japan in 2024, California now stands among nation-states as the world's 4th largest economy, with nominal GDP in excess of $4 trillion accounting for nearly 15% of US GDP. Notably, California's economy grew at 6% in 2024, outpacing the United States, China and Germany. California's economy is well diversified across technology, agriculture, entertainment, real estate, finance, education and health services. **Other notable statistics that capture the size and innovation of California's economy include:** 40 million residents; 20 million person labor force; 90% of GDP driven by private sector; 36,000 manufacturing firms, 58 Fortune 500 companies; 3 of the world's 4 most valuable companies; global AI leadership and destination for 50% of global AI funding; the world's largest film industry at estimated 45% of global film box office revenue; top US agriculture state by size (13% of US total); and largest US clean energy sector.

Top 10 largest global economies, USD tn

	Region	GDP (USD tn)
1.	United States	$30.49
2.	China	$18.75
3.	Germany	$4.68
4.	**California**	**$4.22**
5.	Japan	$4.02
6.	India	$3.91
7.	United Kingdom	$3.64
8.	France	$3.16
9.	Italy	$2.37
10.	Canada	$2.24

The US economy is regionally diverse, well balanced and highly integrated, with distinct economic strengths and growth trajectories in each region. As evidenced during COVID, this regional integration enables flexibility during times of economic crisis by virtue of rapid adjustment, resource-sharing and rebalancing, which in turn provide important buffers to volatility and sustainable employment. The relatively frictionless movement of goods, people and capital across integrated physical and digital networks has been an important source of economic vitality for US growth. While California's Silicon Valley may be the world's most well known tech sector, US innovation is marked by extraordinary regional diversity across industries, industry sub-sectors, manufacturing and services.

US GDP by region, USD tn



Source: (1-2) IMF. US Bureau of Economic Analysis. State level data and US GDP is through Q2 2025, current US dollar. Regional GDP does not sum up to total, due to overseas activity, which includes US military and federal civilian economic activity abroad. Country data is through 2024.

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"Macro stability isn't everything, but without it, you have nothing."