TELLUSANT
Streamlining Corporate Decision Making

WHAT IS TO BE DONE?
How What We Do Changes the World (Slowly)

Dr. Staffan Canback, Tellusant Executive Chairman

Punta Cana Global Office Retreat, November 18-21, 2025

Agenda

Introduction
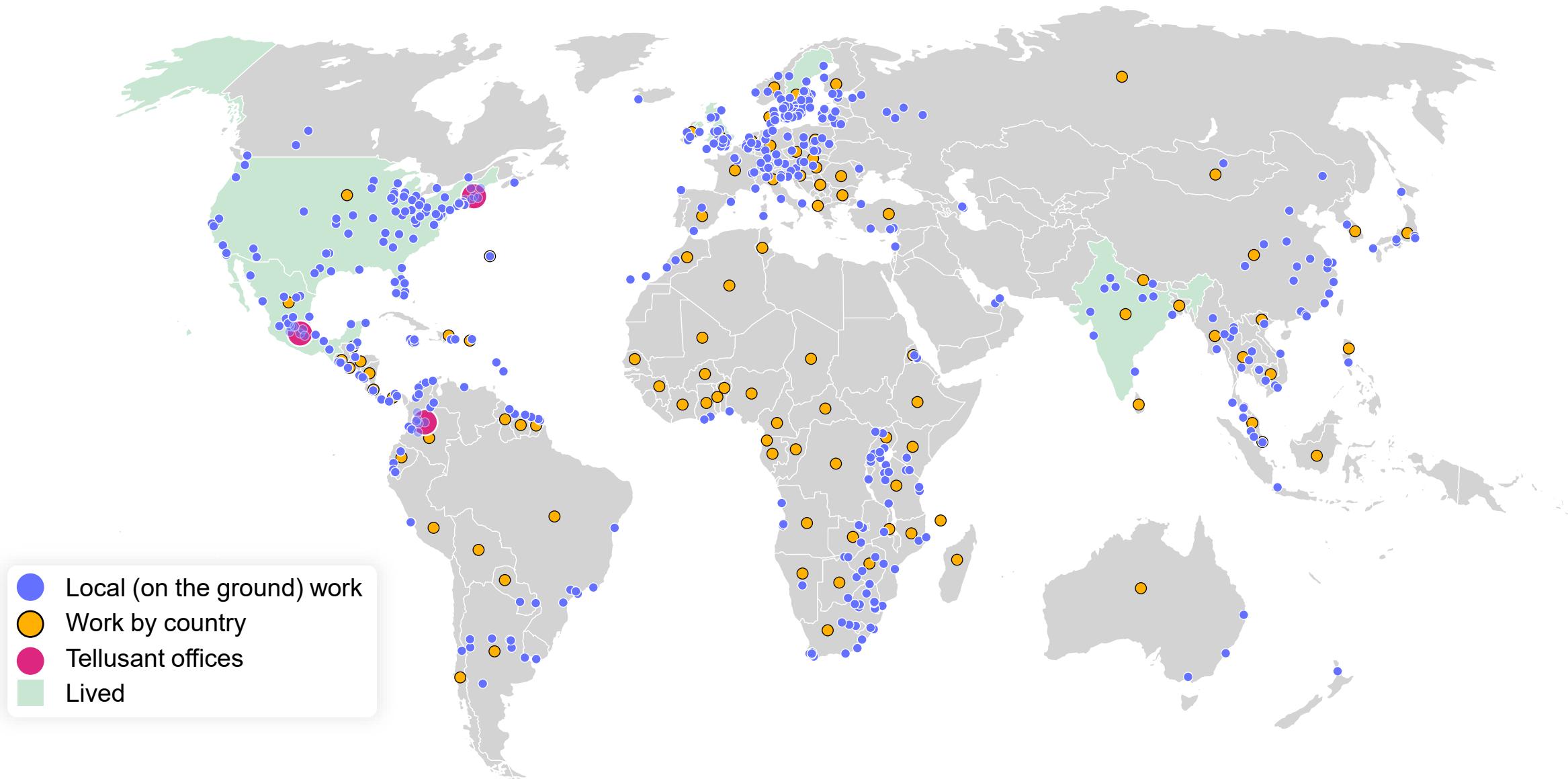
Why | The World

Where | The World

What | The World
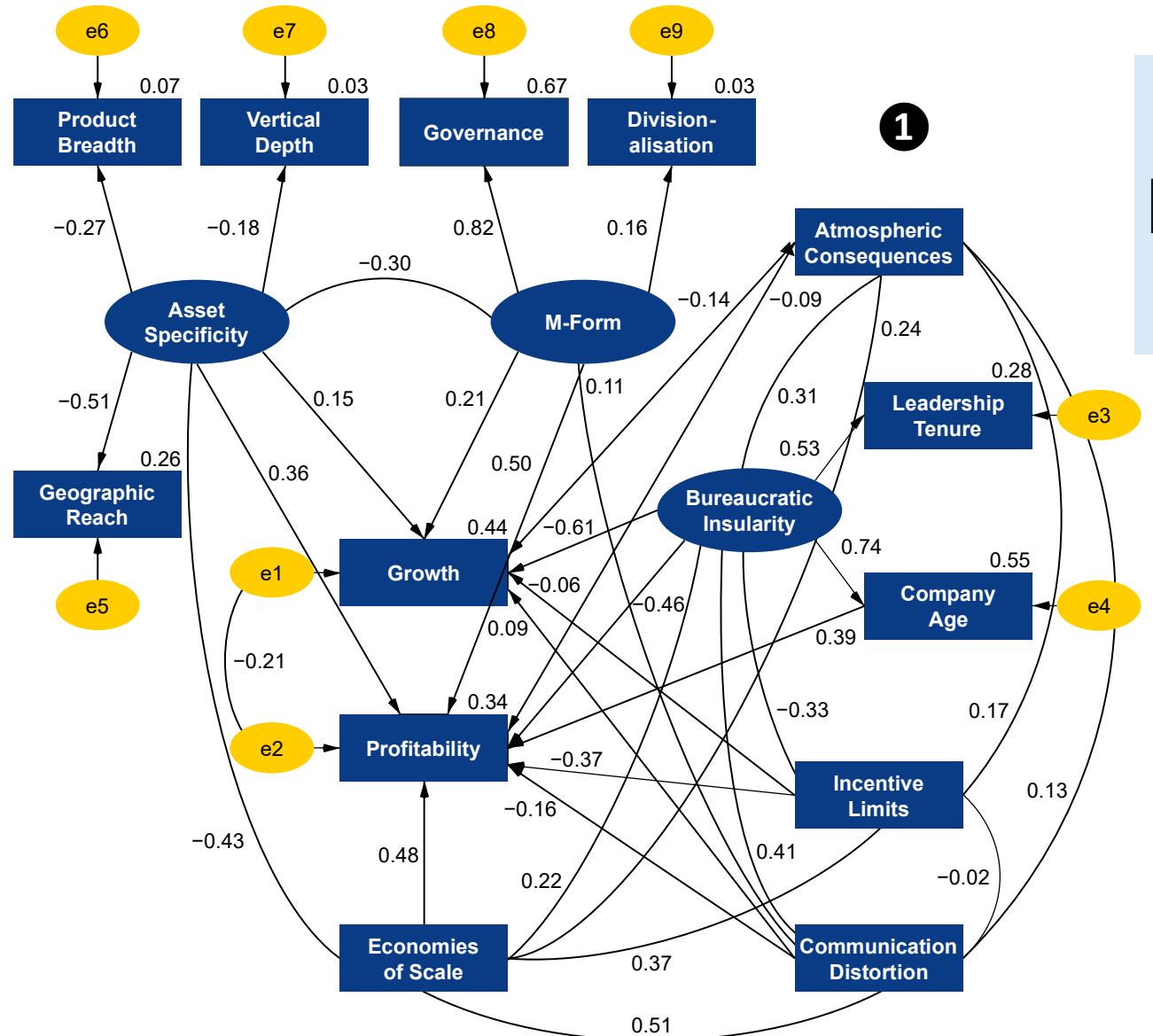
Credentials I: We have seen it all—from the ground

Legend:
- Local (on the ground) work
- Work by country
- Tellusant offices
- Lived

Credentials 2: We know the math

$$\begin{bmatrix} \eta_1 \\ \eta_2 \end{bmatrix} = \begin{bmatrix} \gamma_{11} & \gamma_{12} & \gamma_{13} & \gamma_{14} & & \gamma_{16} & \gamma_{17} \\ \gamma_{21} & \gamma_{22} & \gamma_{23} & \gamma_{24} & \gamma_{25} & \gamma_{26} & \gamma_{37} \end{bmatrix} \begin{bmatrix} \xi_1 \\ \xi_2 \\ \xi_3 \\ \xi_4 \\ \xi_5 \\ \xi_6 \\ \xi_7 \end{bmatrix} + \begin{bmatrix} \zeta_1 \\ \zeta_2 \end{bmatrix}$$

❸

$$\begin{bmatrix} X_1 \\ X_2 \\ X_3 \\ X_4 \\ X_5 \\ X_6 \\ X_7 \\ X_8 \\ X_9 \\ X_A \\ X_B \end{bmatrix} = \begin{bmatrix} 1 & & & & & & \\ \lambda_{22}^X & & & & & & \\ \lambda_{32}^X & & & & & & \\ & 1 & & & & & \\ & & 1 & & & & \\ & & & 1 & & & \\ & & & & \lambda_{76}^X & & \\ & & & & \lambda_{86}^X & & \\ & & & & \lambda_{96}^X & \lambda_{97}^X & \\ & & & & & \lambda_{A7}^X & \\ & & & & & \lambda_{B7}^X & \end{bmatrix} \begin{bmatrix} \xi_1 \\ \xi_2 \\ \xi_3 \\ \xi_4 \\ \xi_5 \\ \xi_6 \\ \xi_7 \end{bmatrix} + \begin{bmatrix} \delta_2 \\ \delta_3 \\ \\ \\ \\ \delta_7 \\ \delta_8 \\ \delta_9 \\ \delta_A \\ \delta_B \end{bmatrix}$$

$$\mathbf{H} = \boldsymbol{\Gamma} \cdot \boldsymbol{\Xi} + \mathbf{Z}$$
$$\mathbf{X} = \boldsymbol{\Delta} \cdot \boldsymbol{\Xi} + \boldsymbol{\Delta}$$
$$\mathbf{Y} = \mathbf{I} \cdot \mathbf{H} + \mathbf{E}$$

❷
$$\begin{bmatrix} Y_1 \\ Y_2 \end{bmatrix} = \begin{bmatrix} 1 & \\ & 1 \end{bmatrix} \begin{bmatrix} \eta_1 \\ \eta_2 \end{bmatrix} + \begin{bmatrix} \varepsilon_1 \\ \varepsilon_2 \end{bmatrix}$$

❶ = ❷ = ❸

5
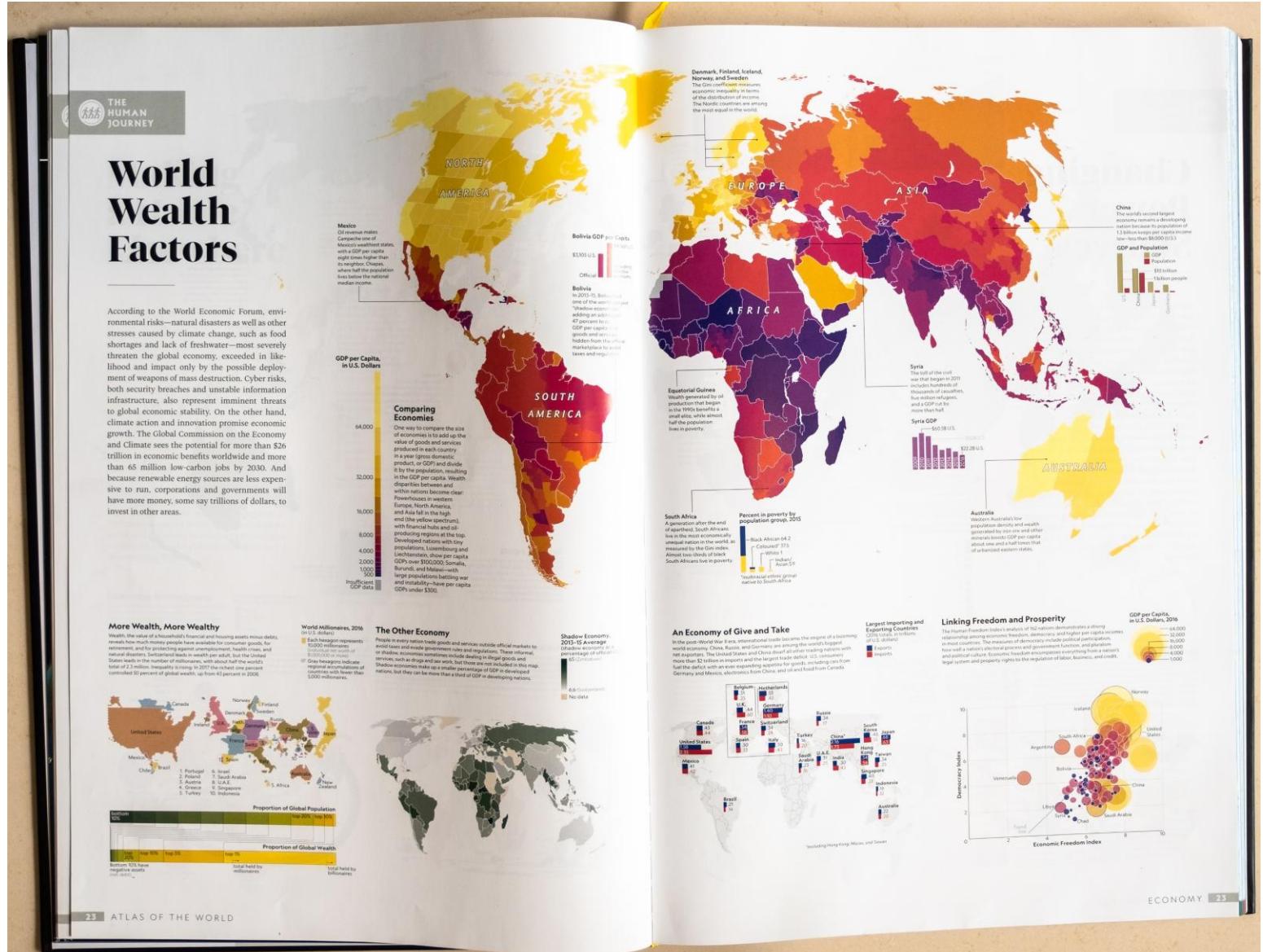
Credentials 3: We are widely recognized

400 academic, news media, and business citations

National Geographic
Atlas of the World
Plate 23

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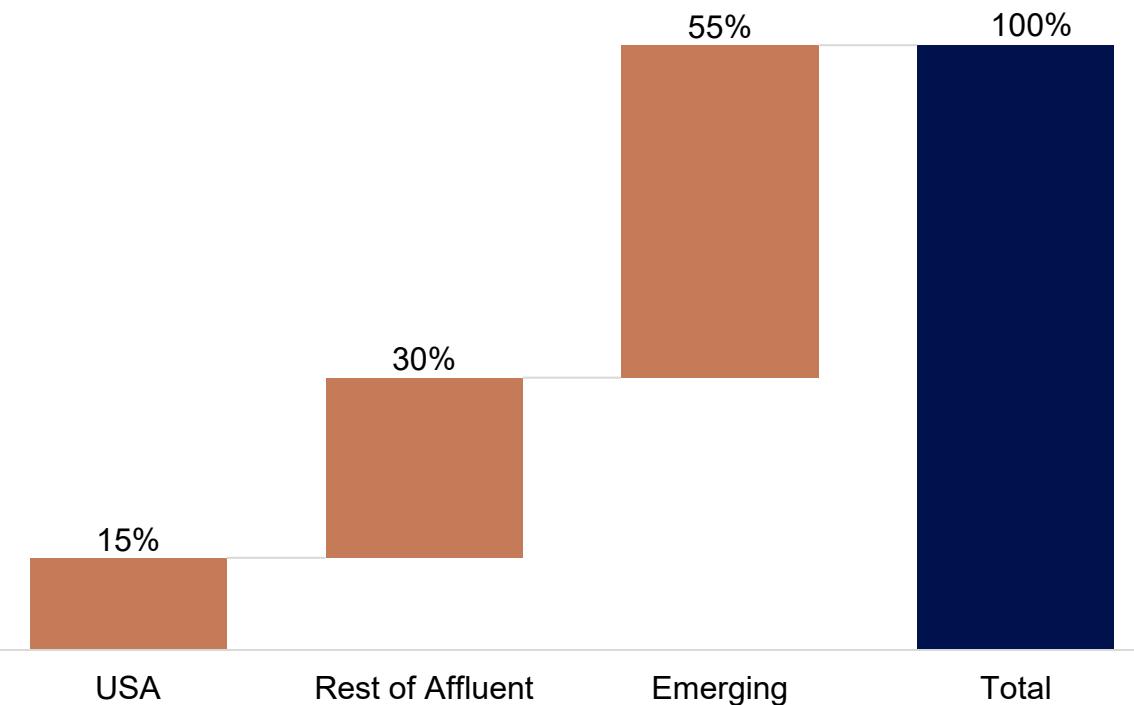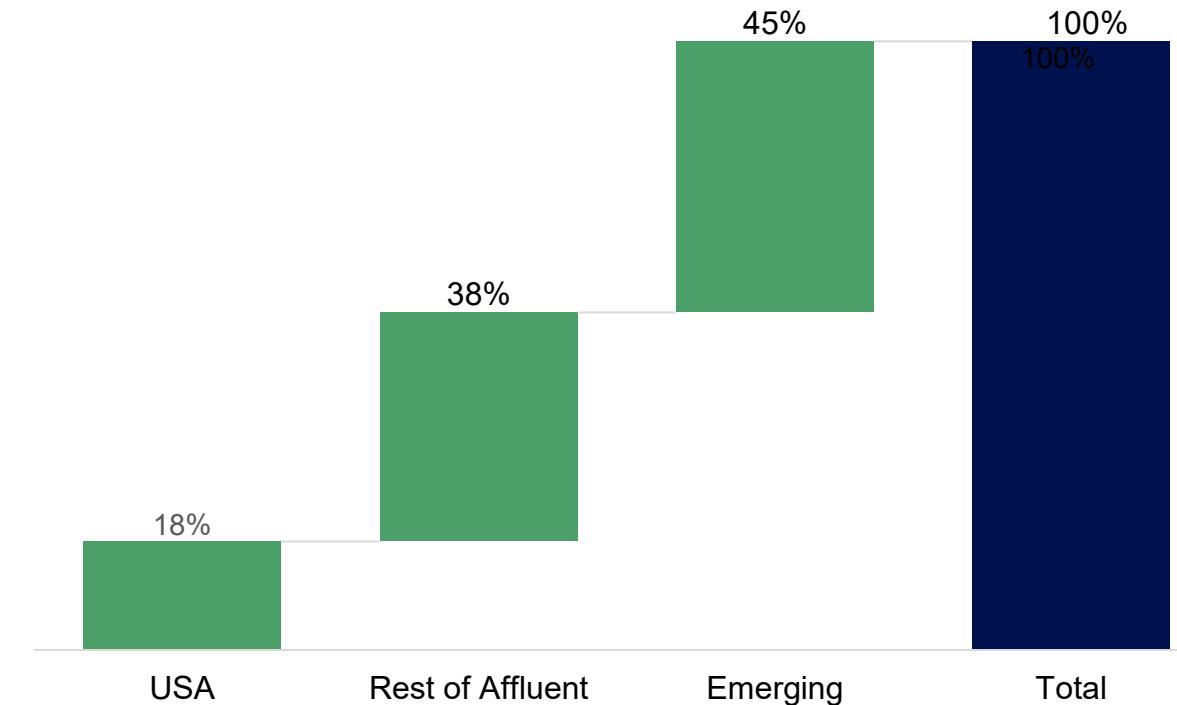
# Why? The U.S. is an important, yet small, part of the world economy

U.S. SHARE OF GLOBAL GDP
PPP$, constant 2015 values
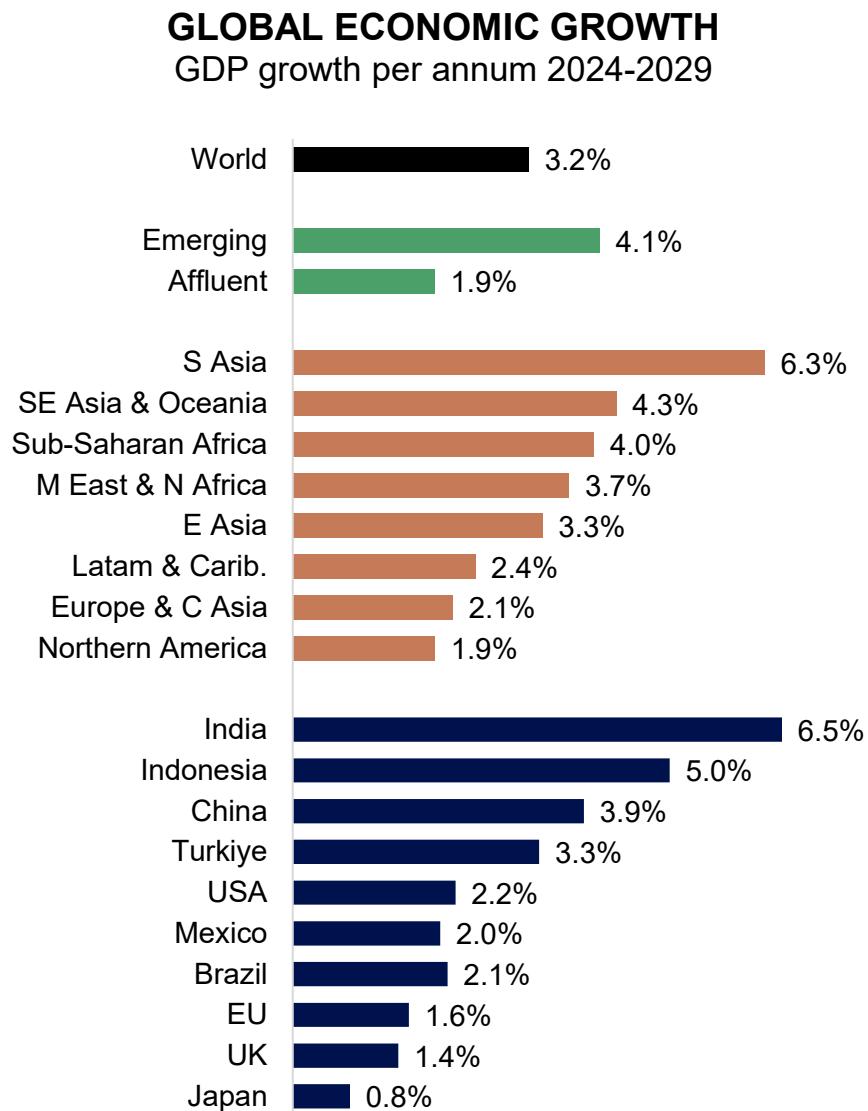
15%	30%	55%	100%
USA	Rest of Affluent	Emerging	Total

U.S. SHARE OF GLOBAL MIDDLE CLASS AND ABOVE

18%	38%	45%	100% / 100%
USA	Rest of Affluent	Emerging	Total

Why? Growth is high in most parts of the world

GLOBAL ECONOMIC GROWTH
GDP growth per annum 2024-2029

| Region	Growth
World	3.2%
Emerging	4.1%
Affluent	1.9%
S Asia	6.3%
SE Asia & Oceania	4.3%
Sub-Saharan Africa	4.0%
M East & N Africa	3.7%
E Asia	3.3%
Latam & Carib.	2.4%
Europe & C Asia	2.1%
Northern America	1.9%
India	6.5%
Indonesia	5.0%
China	3.9%
Turkiye	3.3%
USA	2.2%
Mexico	2.0%
Brazil	2.1%
EU	1.6%
UK	1.4%
Japan	0.8%

The major headwind in affluent countries is demographic: Declining and aging populations
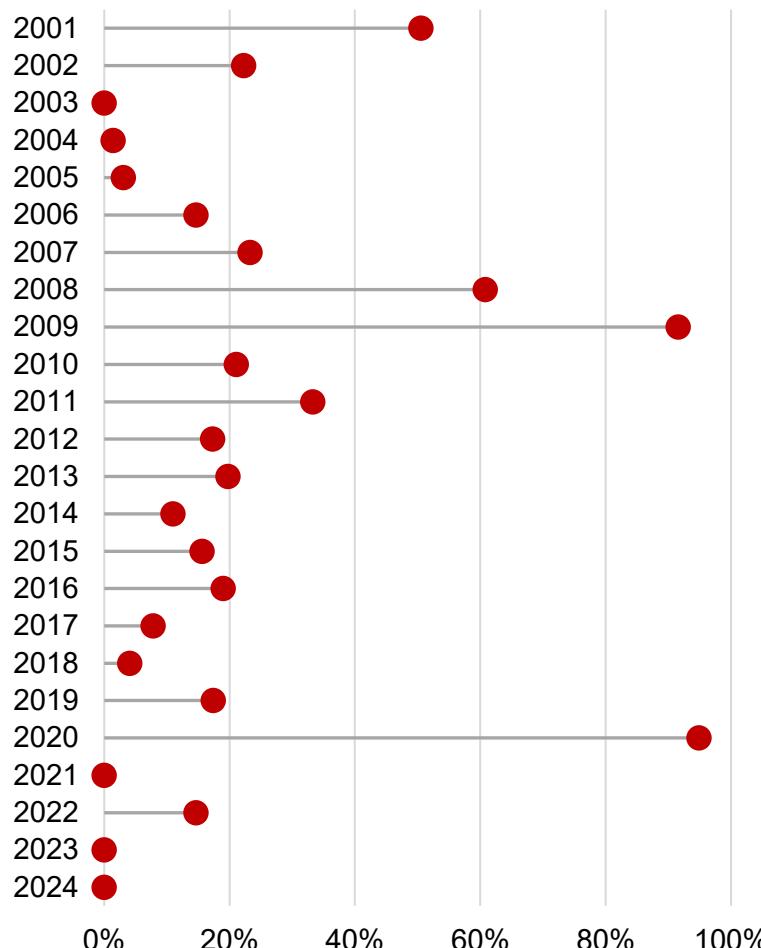
It is largely not an economic issue

Why? Working outside the U.S. in emerging countries also reduces risk

SHARE OF POPULATION IN RECESSION
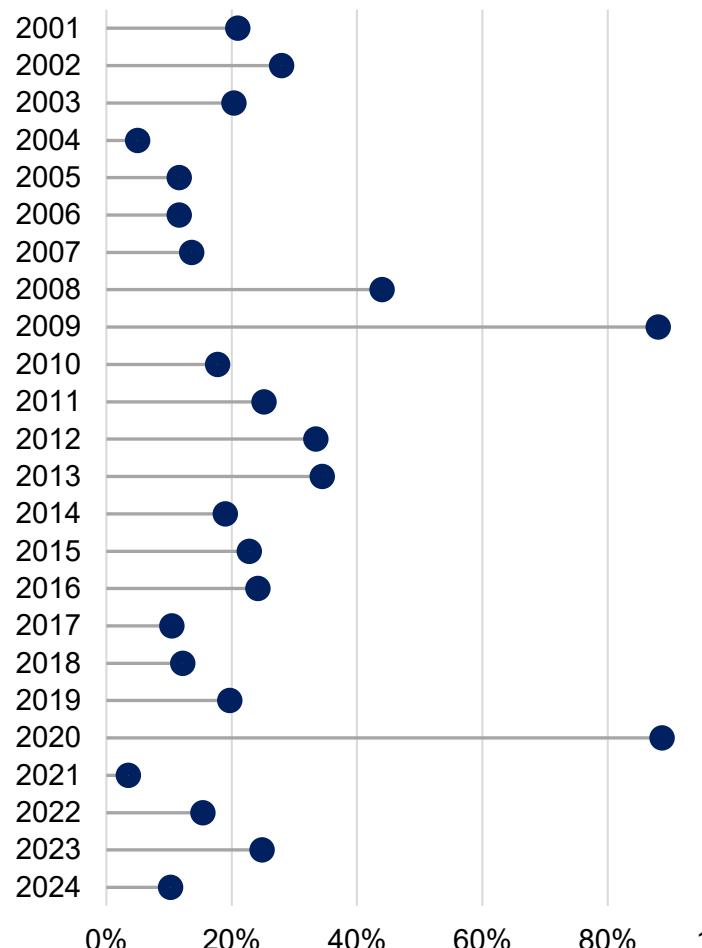
United States — Average = 22%
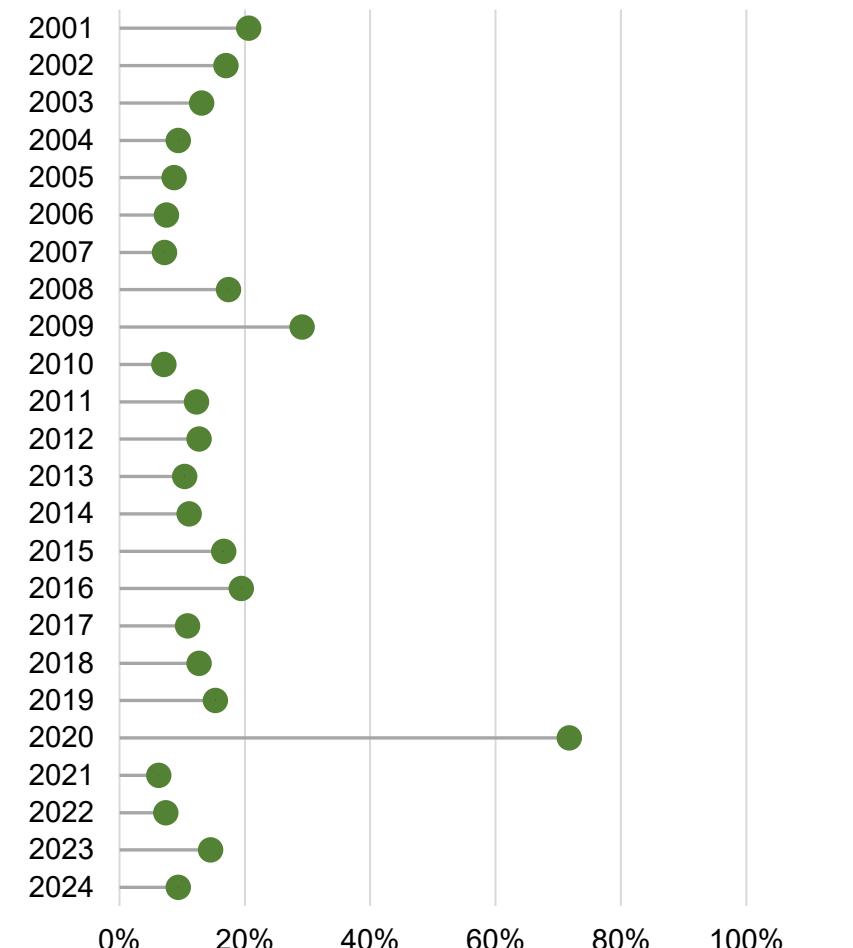
Other Affluent Countries — Average = 25%

Emerging Countries — Average = 15%

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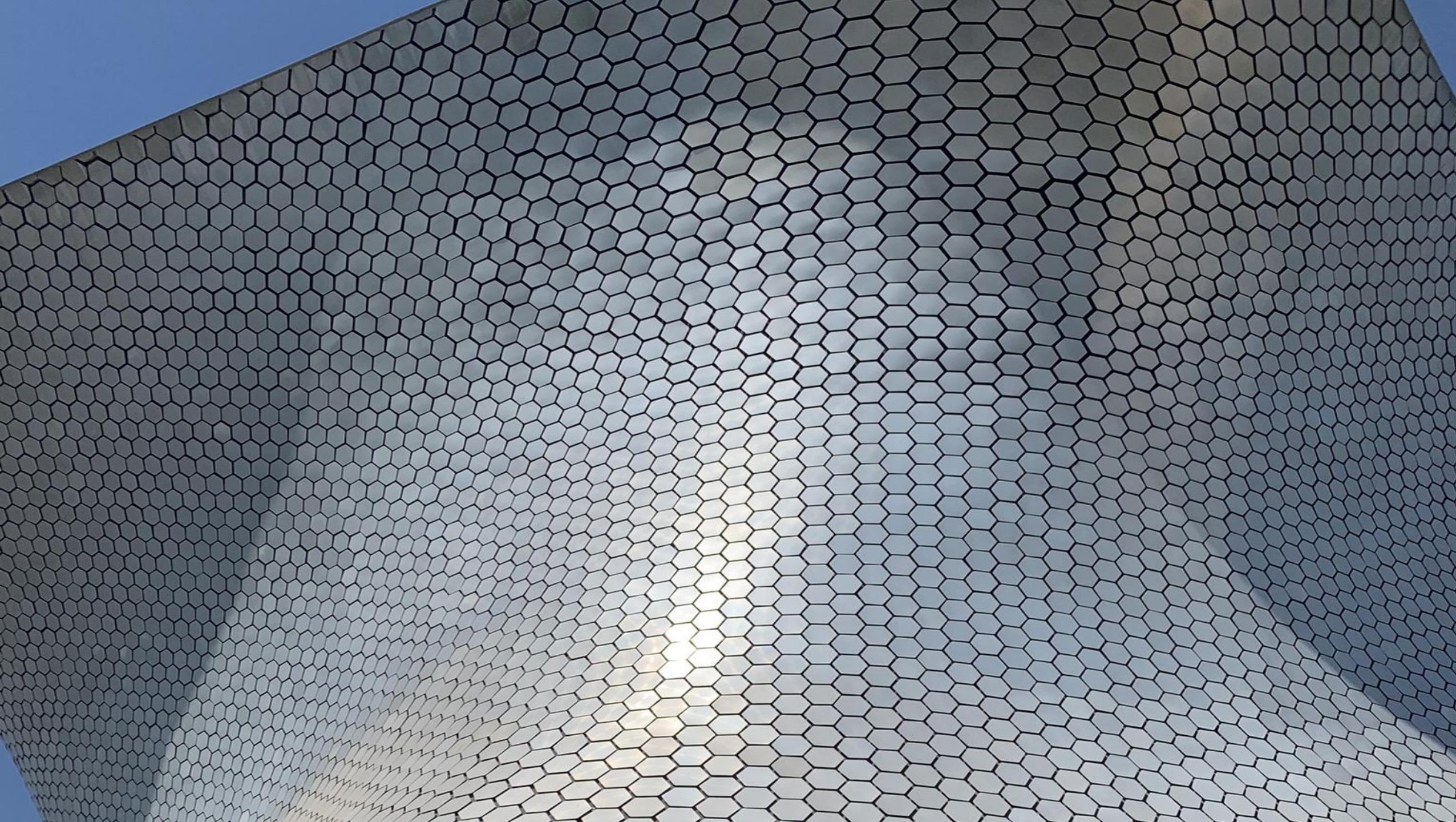
Introduction
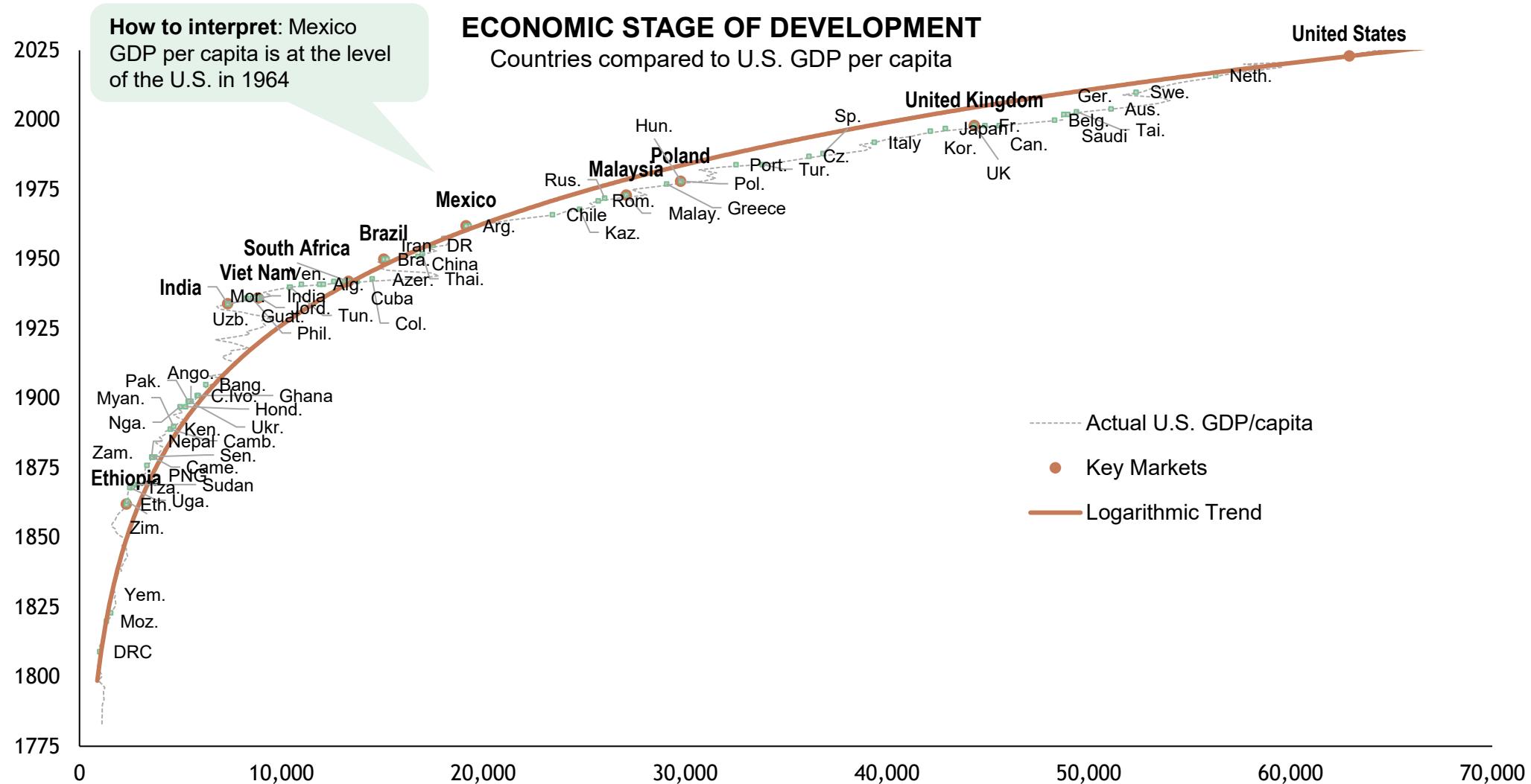
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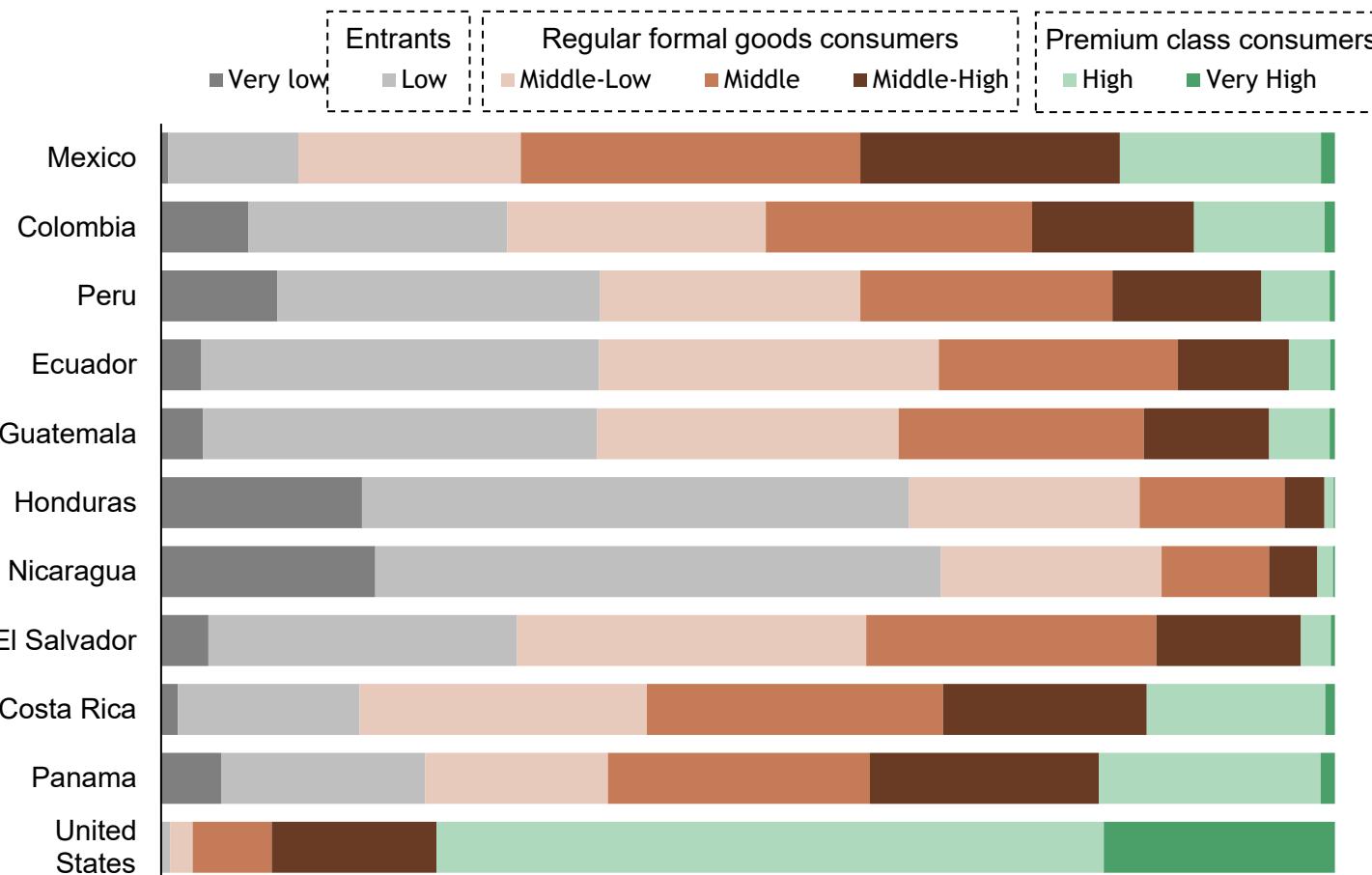
Where? Recognize that countries live in different eras compared to the U.S.

How to interpret: Mexico GDP per capita is at the level of the U.S. in 1964

ECONOMIC STAGE OF DEVELOPMENT
Countries compared to U.S. GDP per capita

Legend:
- - - - - Actual U.S. GDP/capita
● Key Markets
—— Logarithmic Trend

Where? The size of consumer classes is the right metric to understand opportunity

CONSUMER CLASSES BY COUNTRY
Percentage of total population, 2023
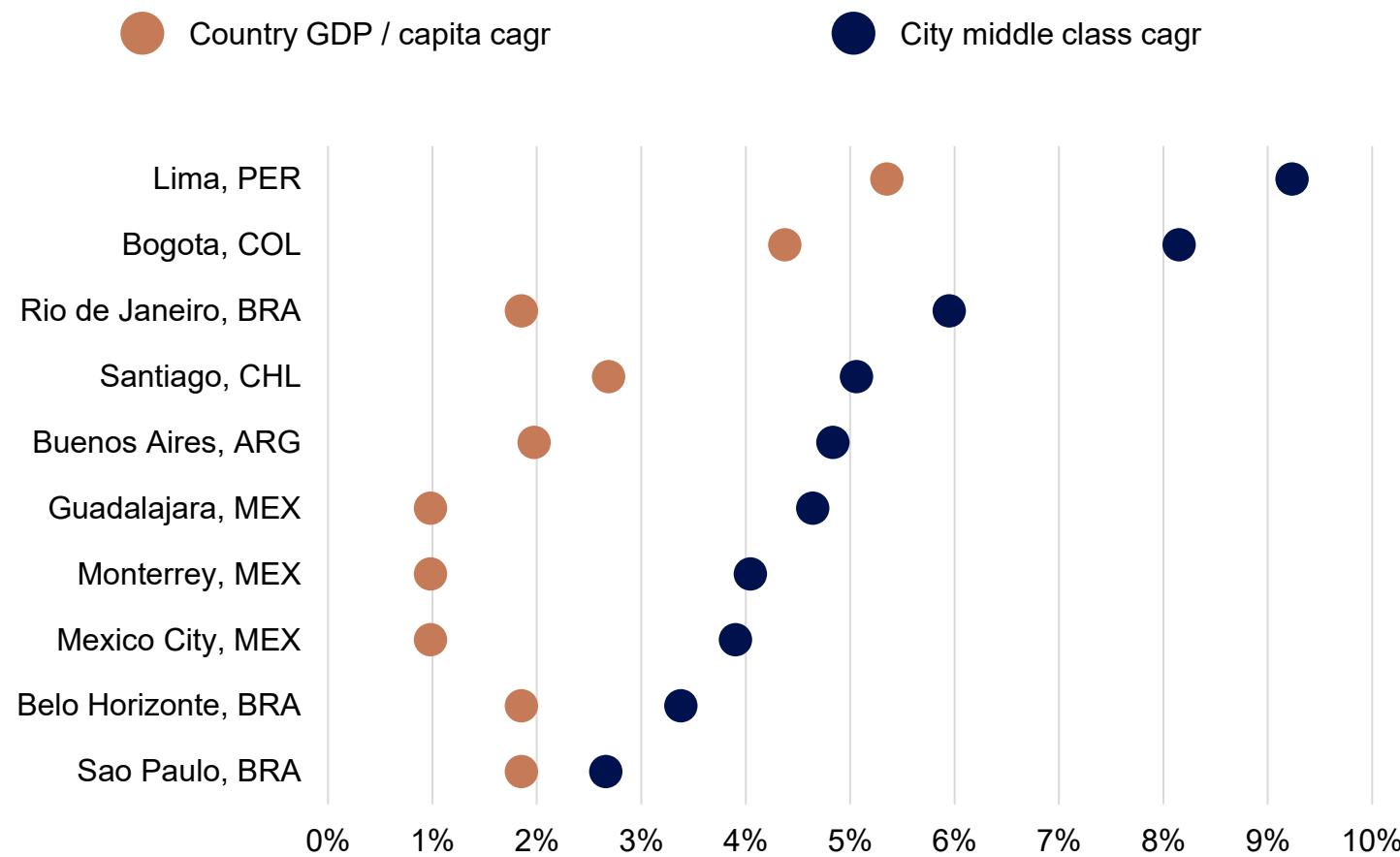
Legend:
- **Entrants**: Very low, Low
- **Regular formal goods consumers**: Middle-Low, Middle, Middle-High
- **Premium class consumers**: High, Very High

Countries (top to bottom): Mexico, Colombia, Peru, Ecuador, Guatemala, Honduras, Nicaragua, El Salvador, Costa Rica, Panama, United States

Where? Keep in mind that cities always outperform the country

MIDDLE CLASS ANNUAL GROWTH RATE 2003-2023
10 largest Latin American cities

- Country GDP / capita cagr
- City middle class cagr

Lima, PER
Bogota, COL
Rio de Janeiro, BRA
Santiago, CHL
Buenos Aires, ARG
Guadalajara, MEX
Monterrey, MEX
Mexico City, MEX
Belo Horizonte, BRA
Sao Paulo, BRA

0% 1% 2% 3% 4% 5% 6% 7% 8% 9% 10%

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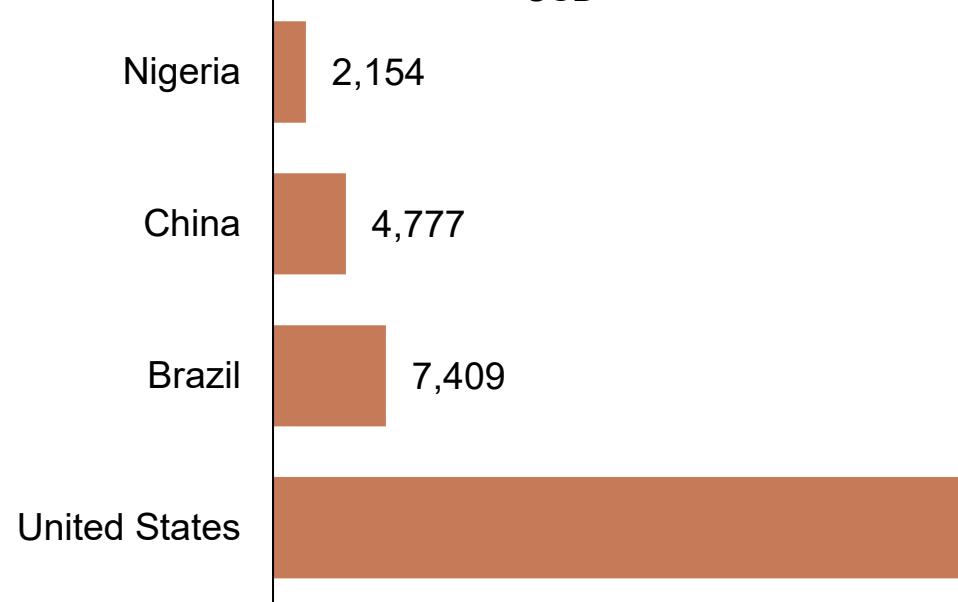
How | The World
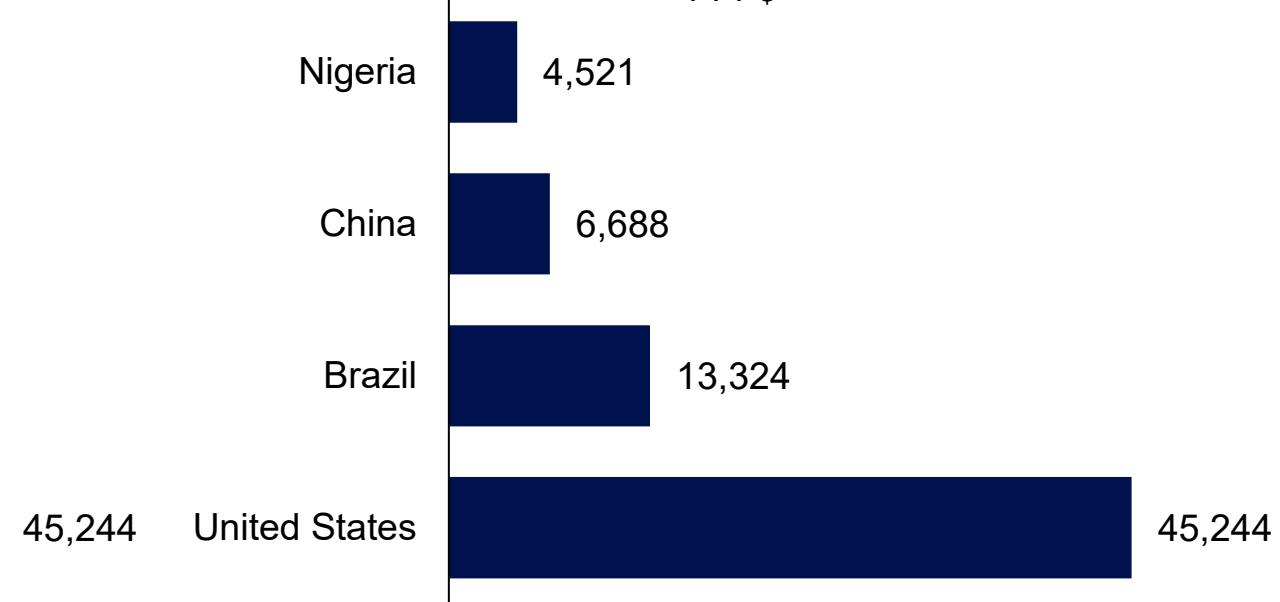
How: Work with purchasing power parity values or you will underestimate opportunity and be late

HOUSEHOLD DISP. INCOME PER CAPITA
USD

Nigeria 2,154
China 4,777
Brazil 7,409
United States 45,244

HOUSEHOLD DISP. INCOME PER CAPITA
PPP$

Nigeria 4,521
China 6,688
Brazil 13,324
United States 45,244
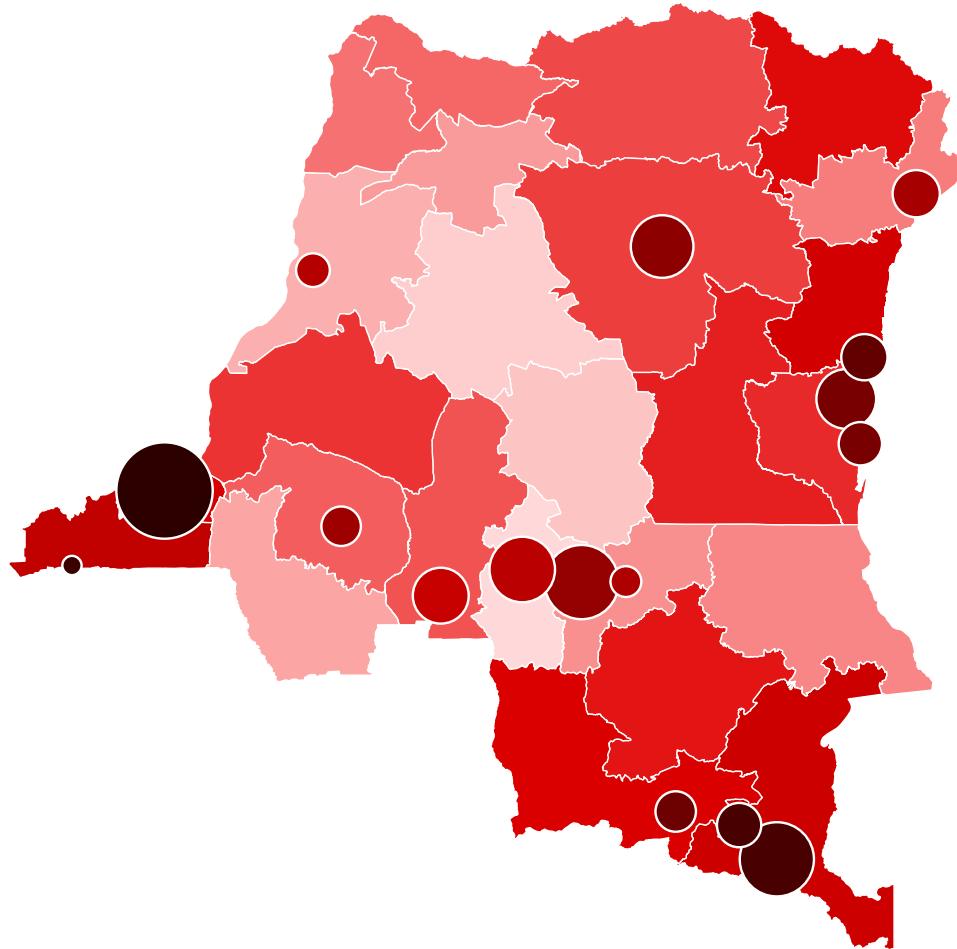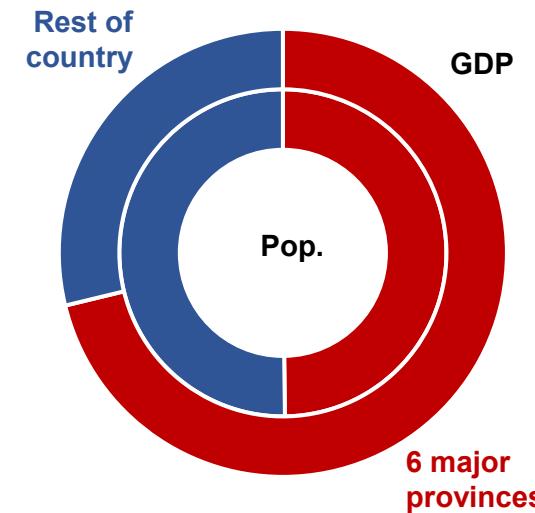
How? Have a detailed subnational understanding. The DRC is an opportunity despite war in the east

DEMOCRATIC REPUBLIC OF THE CONGO INCOME LEVELS
Cities and rural part of provinces colored by income/capita
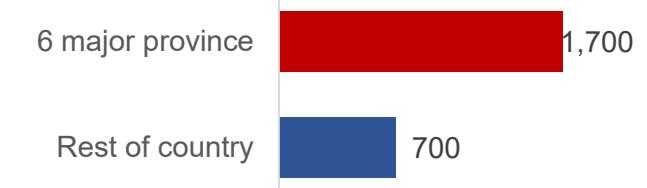
**SHARE OF CONGOLESE ECONOMY**

Rest of country

GDP

Pop.

6 major provinces
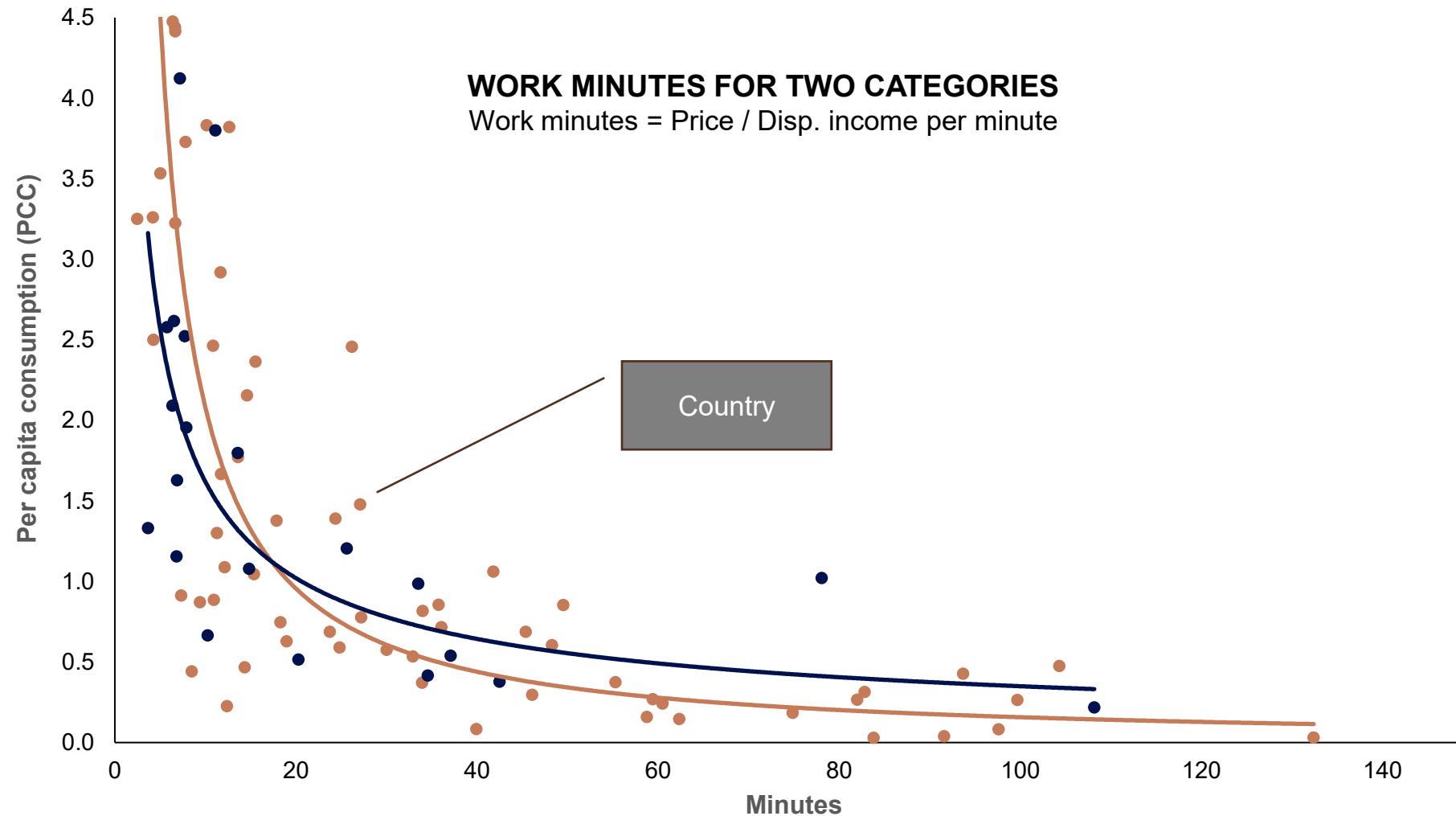
DRC ANNUAL GDP GROWTH '10-'22

| 6 major province | 6.2% |
| Rest of country | 4.7% |

DRC GDP PER CAPITA

| 6 major province | 1,700 |
| Rest of country | 700 |

How? Track affordability by measuring the <u>effort required</u> to buy a product

WORK MINUTES FOR TWO CATEGORIES
Work minutes = Price / Disp. income per minute

Country

Appendix: Sources

Slide	Sources
1	© S.Canback: Punta Cana, Domicnian Republic
3	© S.Canback: Mukalla, Yemen
5	S.Canback: *Bureaucratic Limits of Firm Size*
6	National Geographic: *Atlas of the World, 11th Edition*
7	© S.Canback: Shanghai, China
9	© S.Canback: Ulaanbaatar, Mongolia (drinking fermented horse milk, *airag)*
10	TelluBase; Tellusant analysis
11	TelluBase; Tellusant analysis
12	TelluBase; IMF; USDA ERS; Tellusant analysis
13	© S.Canback: Harare, Zimbabwe (shopping center in suburbs)

Slide	Sources
15	© S.Canback: Mexico City, Mexico (Museo Soumaya)
16	TelluBase; Maddison Historical Statistics; Billennium database (Tellusant); Tellusant analysis
17	TelluBase; Tellusant analysis
18	TelluBase; Tellusant analysis
19	© S.Canback: Asmara, Eritrea (Fiat Tagliero petrol station)
21	TelluBase; S.Canback (Tellusant) analysis
22	TelluBase; Tellusant analysis
23	TelluBase; UNHDR, MICS and MPI reports; S. Canback (Tellusant) analysis
24	TelluBase; Tellusant analysis
25	© S.Canback: Medellin, Colombia (wholesale market, *Central Mayorista*)

The deck strictly follow the
Roman **Rule of Threes**

- 3 main sections

- 3 slides per section

- 3^3 = 27 total slides