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RUSSIA AND CHINA TO LEAD 2012 ADSPEND GROWTH

Warc (www.warc.com), the marketing intelligence service, expects the BRIC countries to record the strongest adspend growth in 2012, according to its latest *International Ad Forecast*. Russia is predicted to increase expenditure by +16.5%, followed by India (+14.0%), China (+11.5%) and Brazil (+8.5%).

Of the 12 countries covered by the forecast, only Brazil, Canada, China and Japan have seen expectations improve since the previous forecast in November.

With the eurozone debt crisis threatening to push the region back into recession, Germany, France and Italy are now expected to record the worst year-on-year performances. If we take into account predicted inflation, all three countries are likely to see a decline in advertising spend in 2012. On the whole, marketers remain reluctant to commit spend while the economic outlook remains so finely balanced.

Without the expected boost from the London Olympics and the European football championships, European forecast growth rates would probably be even lower.

Forecast adspend growth, % change year-on-year

	2011		2012	
	Current	Constant	Current	Constant
Australia	2.4	-1.1	3.5	0.7
Brazil	7.1	0.5	8.5	2.7
Canada	5.2	2.2	5.1	3.1
China	13.5	7.8	11.5	7.1
France	1.0	-1.2	0.8	-0.9
Germany	2.5	0.1	1.0	-0.8
India	13.0	3.7	14.0	6.2
Italy	-4.2	-7.0	-0.2	-2.3
Japan	-1.8	-2.2	2.5	2.1
Russia	25.5	16.1	16.5	8.6
UK	1.7	-1.0	4.2	2.3
US	2.7	-0.4	4.1	2.0

*Constant price forecasts take into account predicted inflation.

Forecast growth calculated in local currency.

Source: www.warc.com/data



Media-wise, the year's sporting events, alongside the US presidential election, are expected to provide a significant boost to TV advertising spend in 2012. TV is predicted to increase its share of main media advertising across the 12 markets, growing by +5.3%, ahead of the all media total of +4.5% growth.

The pace of expansion for online advertising is expected to slow to +12.6% this year, down from an estimated +16.6% in 2011. The internet is expected to account for 20% of all media spend by the end of the year.

Suzy Young, Data Editor, Warc, said: "With continuing debt worries affecting mature markets and knocking business and consumer sentiment, it is no surprise that 2012 adspend growth will come from emerging markets. Without the support from the presidential election and major sports tournaments, the outlook would have been even worse. But there are some bright spots in the data, with TV's performance looking particularly encouraging."

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About Warc Forecasts & Data

Warc (www.warc.com) has produced trusted and independent data on advertising expenditure and media costs for more than 25 years. It has partnerships with leading advertising organisations in more than 80 countries.

The *Warc International Ad Forecast* is updated four times a year and provides estimates for total advertising expenditure and expenditure on seven individual media for 12 markets. The markets covered by the forecast are: Australia, Brazil, Canada, China, France, Germany, India, Italy, Japan, Russia, UK and US.

The media covered by Warc's forecasts are: TV, newspapers, magazines, internet, outdoor, radio and cinema. Totals for individual media include both display and classified advertising. The figures for internet advertising expenditure incorporate display, classified and search.

Warc data products are available on subscription from www.warc.com. They are used by leading advertisers, media agencies and media owners in all markets.

To find out more about Warc's data products and its flagship online service, www.warc.com, visit www.warc.com/Topics/ForecastsandData.topic or take a free trial at www.warc.com/trial

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