

The Short View



The Short View offers insights on key macro and market stories and is designed to promote discussion and debate.

Football forecasts and World Cup banana skins

An economist's semi-serious attempt to predict the 2026 tournament

27 May 2026

Every four years, the world claims that football is unpredictable – and then immediately starts predicting it. In this note, we join in on the fun.

1. We ask whether national football success can be forecast using a rational framework.
2. Our exercise comes just in time for the biggest and most unpredictable World Cup ever: 48 teams, 104 matches, three host countries, thousands of kilometres of travel for the teams, different time and climate zones and one giant knockout spreadsheet.
3. Our football production function considers football culture, home advantage, past performance and young talent, while politely showing GDP and population the door.
4. In contrast to betting markets, our model has Argentina beating France again in the final – a déjà-vu from four years ago. Spain and Brazil will also make it to the semifinals. The US and Canada reach the quarterfinals, while Germany makes us nervous. The football underdogs Curaçao, Haiti and Uzbekistan reach the round of 32.
5. Is all of this guaranteed? Absolutely not. That would be a different sport.

Kick-off

Every four years, even the most serious people become deeply emotional about 11 men (or women) trying to pass a ball past another group of 11 men (or women). Economists are not immune to this either. In this note, we are asking a wonderfully dangerous question: can national football success be forecast in a rational way? The 2026 FIFA World Cup gives us a perfect excuse to address this intellectual challenge.

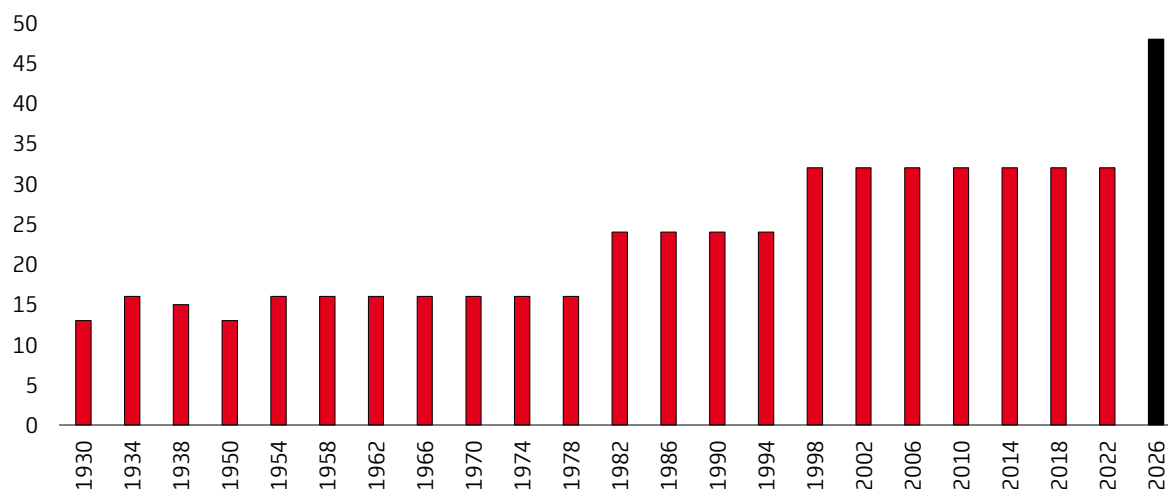
2026: an unprecedented tournament

The 2026 FIFA World Cup will be a tournament of many firsts: 48 teams, 104 matches and three host countries (Canada, Mexico and the US). While it will be Canada's first time hosting the men's tournament, it is the second time for the US after 1994. Mexico is the first country to host (or co-host) the tournament for a third time after 1970 and 1986. The tournament kicks off on 11 June, with Mexico playing South Africa at Mexico City Stadium, and ends on 19 July with the final match at the New York New Jersey Stadium.

With three host countries, the 2026 World Cup is a travel and climate experiment in the history of modern football. The 16 host cities stretch across North and Central America, from Vancouver and Toronto to Seattle, Los Angeles, Dallas, New York, Mexico City and other locations. The longest stadium-to-stadium distance is nearly 4,500 km, from BC Place Vancouver to Hard Rock Stadium in Miami. This is roughly the distance from London to Baghdad. World Cup success may therefore also depend on how teams will cope with the travel distance, time zones, heat and humidity, etc.

CHART 1: A NEW DIMENSION

NUMBER OF PARTICIPATING COUNTRIES IN THE MEN'S FIFA WORLD CUP



Source: FIFA, The Investment Institute by UniCredit

Given the high number of 48 participating countries, a new knockout round needed to be introduced. There are 12 groups of four teams; the top two in each group plus the eight best third-placed teams advance to a round of 32. For comparison, the first World Cup in Uruguay in 1930 had only 13 teams.¹ Since then, the tournament has moved from 16 teams in 1934, to 24 in 1982, to 32 in 1998, and now to 48. The expansion this year is changing the probability tree diagram in sports. More teams mean more matches, more underdogs, more third-place table mathematics and more risks for a favourite team to "slip on a banana skin". In 2026, the eventual champion will need to play eight matches instead of only four when Uruguay won the World Cup in 1930.

¹ The seemingly strange number of 13 stems from the fact that FIFA could not get more countries to travel there. There was no qualification system yet, but the first World Cup was invitation-based. For European teams, traveling to Uruguay meant a long sea voyage across the Atlantic – roughly two weeks each way back then. Only four European teams came: France, Belgium, Romania and Yugoslavia. South American teams (seven) and the US and Mexico were more willing and able to attend.

Four countries will make their World Cup debut in 2026: Cape Verde, Curaçao, Jordan and Uzbekistan. With a population of roughly 150,000, Curaçao is the smallest nation ever to have qualified for a men's World Cup. Cape Verde, the tiny Atlantic island nation with about 0.5mn people, is the third smallest nation to compete after Iceland in 2018. By the way, the nickname of Cape Verde's national football team is "The Blue Sharks", which must not be confused with Curaçao's "The Blue Wave". Let's see how all this blue plays out on the pitch...

The expanded World Cup does not only include newcomers but is also bringing back teams like the Democratic Republic of the Congo (formerly Zaire) and Haiti, which are participating for the first time since 1974; Iraq is back for the first time since 1986; and lo and behold, Norway, Scotland and Austria finally made it for the first time since 1998. Welcome back!

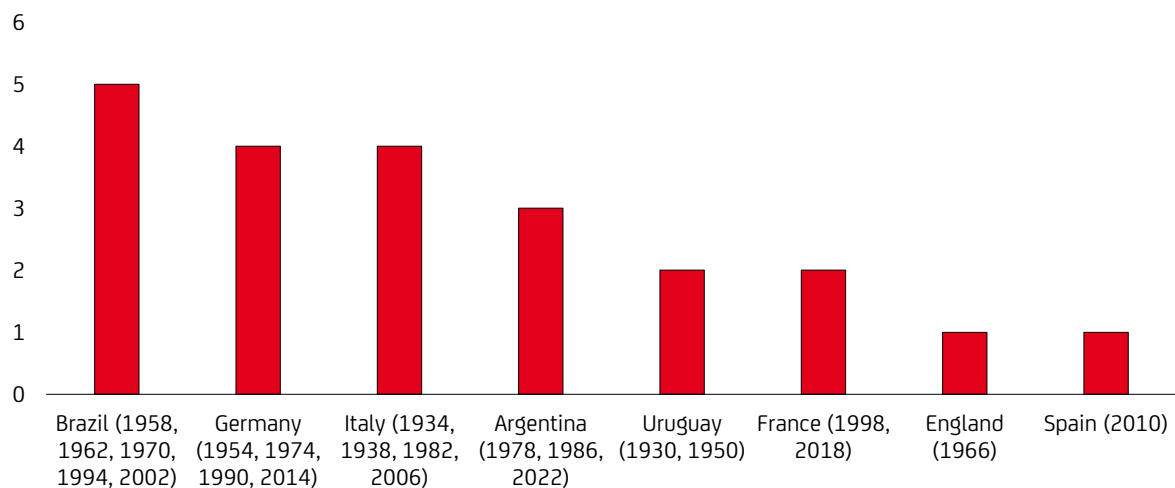
There is, however, one painful absence from the 2026 party. For the third consecutive World Cup, the Squadra Azzurra will not be there – a sentence that still looks wrong on paper. Italy is not just a missing team: they are four-time world champions and one of the great cultural powers of international football. A World Cup without Italy is still a World Cup, of course – but it is missing the tactical discipline and a little drama in the 89th minute. Yet the outlook for Italian football is brighter than their absence from this tournament would suggest. The next generation is warming up: Italy were U20 World Cup finalists in 2023, won the European U19 Championship in 2023 and secured the European U17 title in 2024. Further below in our football-production framework, we will show that this is exactly the kind of youth pipeline that will pay off sooner or later.

Football is global, winning is not (yet)

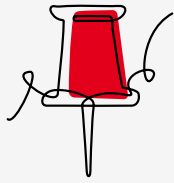
Football is the world's game, but winning World Cup trophies is shockingly "aristocratic". In the 22 men's World Cup tournaments held between 1930 and 2022, only eight nations have won: Brazil five times; Germany and Italy four times each; Argentina three times; France and Uruguay two times each; England and Spain once each (see chart 2). In semi-final appearances, Germany leads with 13 appearances, followed by Brazil (11), Italy (8), France (7) and Argentina (6). This is seemingly one of the great paradoxes of global football. The sport is universal, but tournament success is highly clustered. There must be some fundamental reasons behind it, right?

CHART 2: FOOTBALL'S ARISTOCRACY

NUMBER OF WORLD CUP CHAMPIONSHIPS BY COUNTRIES



Source: Wikipedia, The Investment Institute by UniCredit



OUR TOP 11 WORLD CUP ANECDOTES

- 1. Most goals in one match:** Austria won 7-5 against Switzerland in 1954. Switzerland led 3-0 but Austria still turned it around.
- 2. Most goals by one player in one match:** When Russia beat Cameroon 6-1 in 1994, Oleg Salenko scored five goals.
- 3. Fastest goal:** In the Turkey vs South Korea match in 2002, Hakan Sükür scored 10.8 seconds into the game.
- 4. The youngest scorer:** Unforgettable Pelé scored for Brazil vs Wales in 1958, aged 17 years.
- 5. The oldest scorer:** Cameroon's Roger Milla in 1994 at age 42. Many fans may still remember his corner-flag dances.
- 6. Disallowing a goal (without the video assistant referee):** In 1982, France scored, but then a Kuwaiti official came on the pitch and "persuaded" the referee.
- 7. A match refereed by another team's coach:** In 1930, Ulises Saucedo, who was also coaching Bolivia in the tournament, refereed the Argentina vs Mexico match and caused a penalty chaos.
- 8. Most red cards in one match:** The 2006 Portugal vs Netherlands match saw four red cards and 16 yellow cards.
- 9. Fastest red card:** In 1986, Uruguay's José Batista was sent off against Scotland after 52 seconds.
- 10. In their underpants:** In 2006, Dutch fans wearing orange promotional trousers linked to a beer brand were told to remove them because of FIFA's sponsor rules. Many of them ended up watching the match against Ivory Coast in their underwear.
- 11. And the Oscar goes to...:** At the Brazil vs Turkey match in 2002, Rivaldo was waiting near the corner flag when the ball was kicked toward him. It hit his leg, but he collapsed holding his face. Turkey's Ünsal was sent off; Rivaldo was later fined.

Source: FIFA, Wikipedia, The Investment Institute by UniCredit

A short theory on the success of football and how to measure it

We dusted off a few academic books and journal articles on football forecasting, sports economics and the eternal question of why some countries keep winning World Cup matches, while others cause emotional damage to their fans. The literature points to six main factors: money, people, football culture, home advantage, past success and young talent. Then, of course, there is the final variable forecasters hate the most: random factors.

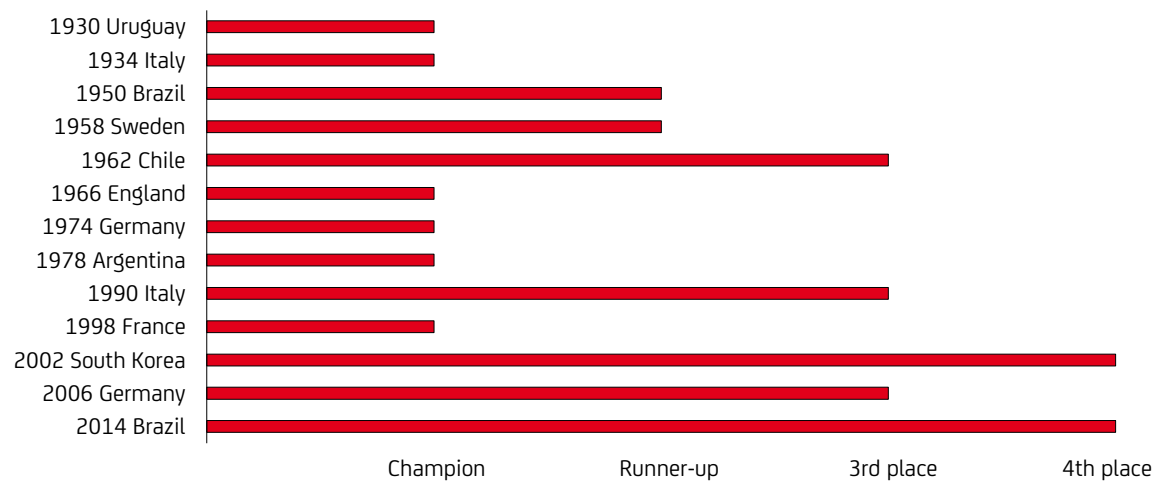
- 1. Money helps – but it does not guarantee success:** The most obvious explanation for success in football is resources. In economist terms, a country has a "football production function" based on capital and labour (see point two). Capital means training facilities, stadiums, equipment, sports science, medical support and all the other things modern footballers need before they can run around for 90 minutes. Richer countries can usually afford more of this capital than poorer ones. But football is not Formula 1. You do not need a billion-euro wind tunnel to discover a talented left winger. At least at the youth level, football is beautifully low-tech: a ball, a field and ten other kids are enough to kick it off. That is why GDP or GDP per capita does not automatically predict World Cup success. Sometimes richer means children spend less time outside and more time indoors playing (football) video games.
- 2. Population matters – in theory:** The second big resource may be labour. A large population means a larger talent pool. More people should translate into more potential goalkeepers, defenders, midfielders and strikers. Hence, in theory, big countries should do better, as they have more players to choose from. In practice, however, it is not that simple. Population alone is a crude measure. What we really want to know is how many people

actually play football. A country with 300mn people is not automatically a football superpower if most people play baseball, basketball or cricket. Unfortunately, reliable historical data on the number of active football players across all World Cup countries is hard to find. Hence, researchers often use the population variable because it is available, not because it is perfect. Be that as it may, the qualification of Curaçao and Cape Verde for the 2026 World Cup basically makes a mockery of population-based forecasting.

3. **Football culture:** Resources alone are not enough. This is where football culture comes in. Some countries behave as if success in football is a constitutional duty. In parts of Latin America, Europe and Africa, football constitutes identity, therapy and sometimes even religion. Brazil is a classic example. On paper, the US has far greater economic resources and a much larger population. But Brazil has historically devoted a much bigger share of its sporting soul to football, while the US has spent many years being passionately confused by baseball, American football and the word “soccer”. Hence, a serious forecasting model needs football culture. The problem is: how do you convert football madness into a number? One conceivable and widely used proxy is the number of years a country has been affiliated with FIFA. This measure is certainly not perfect, but it may give an indication as to how long football has been institutionally embedded in a country.
4. **The home advantage – never underestimate 60,000 people cheering:** The host country benefits from playing in familiar stadiums, in a familiar climate and especially from the huge fan support. There is strong evidence in this respect. In 13 of the 22 World Cups so far, the host nation finished in the top four (semi-finals). Six hosts won the tournament: Uruguay in 1930; Italy in 1934; England in 1966; Germany in 1974; Argentina in 1978; and France in 1998. The weaker cousin of the home advantage is the continental home advantage. For instance, a European (Latin American) team has not yet been able to win in America (Europe), apart from two occasions: Brazil became world champion in Sweden in 1958; and, yes, Germany managed to beat Argentina 1:0 in Rio de Janeiro in 2014 (including the unforgettable 7:1 against Brazil in the semi-final). Teams from the same continent may also benefit from shorter travel, a similar climate, similar time zones and larger traveling fan bases.

CHART 3: THE HOME ADVANTAGE

WORLD CUP HOST NATIONS THAT FINISHED IN THE TOP FOUR



Source: Wikipedia, The Investment Institute by UniCredit

5. **Persistence – good teams tend to keep up the good performance (for some time):** Once a country has built a strong generation of players, coaches and systems, success can continue for two tournaments (or more). There are many examples of this pattern. For instance, a small country like Croatia was the runner-up in 2018 and came in third in 2022. France became world champion in 2018 and made it to the 2022 final. These were not random one-off events but, in economist terms, the result of accumulated human capital: good players, good systems and experience. Unfortunately, persistence also works the other way. If a team is bad, or badly coached, that could also persist. As an empirical proxy to include persistence in our model, we have used the number of

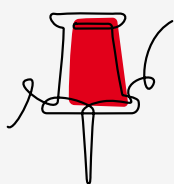
points gathered at the last tournament (3 for a win, 1 for a draw).² As a second model proxy, we have included the performance of teams at the European Championship and the Copa America preceding the World Cup by including the finalists in the form of a dummy variable (1=participation in the final; 0=no participation). We did not consider the Africa Cup of Nations (AFCON) and the AFC Asian Cup, although Morocco played brilliantly four years ago.

- 6. Young talent – the transition from U17 star to adult football hero:** Youth development is another important piece of the puzzle. Strong performance at U17 and U20 World Cups may signal that a country is producing future senior-level talent. This pattern has a “trickle-down effect”, as some of the younger players may graduate to the senior national team. As a model proxy, we have used the number of appearances in the semi-finals of the U17 and U20 World Championships in the last eight years prior to the World Cup for adults.
- 7. And then there is (bad) luck:** Finally, every serious model has to deal with the painful truth that there is some randomness in football. Injuries happen; star players lose form; teams fall apart; coaches make bad substitutions; and penalty shootouts can turn elite professionals into a nervous bundle. Let’s look back at the 2022 World Cup. Could you have imagined the eventual world champion, Argentina, losing 2-1 against Saudi Arabia? Or that Morocco prevails against Spain and Portugal to become the first African team to reach a World Cup semi-final? With 104 matches, more teams than ever before, more third-place calculations and more knockout games, strange things could happen in the next few weeks.

From theory to the pitch

As you may have guessed, classic economic variables such as GDP (per capita) and population did not “qualify” for our model, as the coefficients did not prove to be statistically significant. However, the other variables worked and were included in our football production function: football culture, continental home advantage, persistence and young talent.

After estimating the football production function, we derived the two survivors and the eight best third-ranked for groups A to L by comparing the national teams’ strength (see table at the end of our note for a concise match plan). The country with the highest number of points forecast is ranked first and the other teams follow accordingly in each group. Starting with the round of 32 and including the match schedule, bilateral strength is compared. The same is done with the round of 16, the quarterfinals, etc. Thus, the quarterfinal matches are France-Netherlands, Brazil-England, Spain-US (a highly political match) and Argentina-Canada. In the semifinals, our model forecasts France beating Spain, while Argentina prevails against Brazil in the Latin American El Clásico. In the small final, Brazil keeps the upper hand, sending Spain to the thankless fourth place. Ultimately, Argentina will win the World Cup for the second consecutive time. Only two teams have accomplished this so far: Italy in 1934 and 1938; and Brazil in 1958 and 1962.



A GIANT FOOTBALL SUDOKU

The 2026 World Cup includes 12 groups of four. The top two in every group qualify automatically, which leaves us with 24 teams. This is nice and simple. However, FIFA then lines up the 12 third-place teams by ranking them by points, goal difference, goals scored, fair play and FIFA ranking if still tied. The best eight third-place teams will also make it to the round of 32. In the next step, FIFA uses a pre-written table to decide which of these eight third-place teams play which group winner. With 12 groups and 8 third-place teams, there are 495 possible combinations for this! For example, the winner of group E, which will (hopefully) be Germany, faces the best third-place team from groups A/B/C/D/F, while the winner of group I faces a team from groups C/D/F/G/H. For a quick check on your favourite team, [Wikipedia](#) provides a good overview.

² If the country did not participate in the last tournaments, the proxy equals -1.

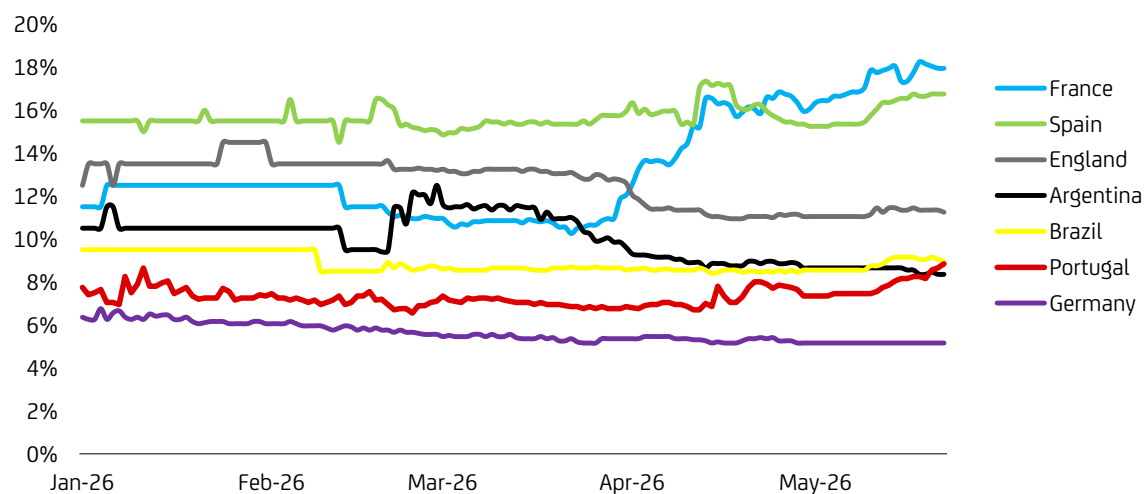
Our model forecasts some non-consensus outcomes. The major highlights, in a positive or negative sense, depending on which team you support, are as follows:

- Neither France nor Spain become world champions, although many football fans regard them as the ultimate favourites. Currently, the odds that France wins the World Cup are 18% compared to 17% for Spain (Chart 4).
- Both the US and Canada make it to the quarterfinals, partly helped by the (continental) home advantage.

Germany plays France in the round of 16 and ... I sincerely hope that the model is wrong! German football hero Thomas Müller got to the heart of the matter by saying: "Germany has the potential to beat anyone, but also to lose to anyone."

CHART 4: THE "MARKET" PERSPECTIVE

ODDS, 2026 FIFA WORLD CUP WINNER



Source: Polymarket, The Investment Institute by UniCredit

The final whistle

Our model delivers a structured forecast and tells us that football success is not completely random. Countries with deep football cultures, recent tournament experience, strong youth pipelines and some form of home advantage have a better starting position. And yet, the 2026 World Cup is designed to humble forecasters. Our model says: Argentina wins the World Cup. The football gods say: we shall see.

Author

Dr. Andreas Rees, Chief German Economist (UniCredit, Munich), andreas.rees@unicredit.eu

Editors

Edoardo Campanella, Director and Chief Editor of The Investment Institute (UniCredit Milan),

edoardo.campanella@unicredit.eu

Francesco Maria Di Bella, FI Strategist (UniCredit, Milan), francescomaria.dibella@unicredit.eu

UniCredit S.p.A

The Investment Institute by UniCredit, Piazza Gae Aulenti, 4, I-20154 Milan

www.the-investment-institute.unicredit.eu

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