
**In a land of darkness and economic crisis,
Some glimpses of hope !**

CyclOpe
European leading
research Institute
on commodity markets

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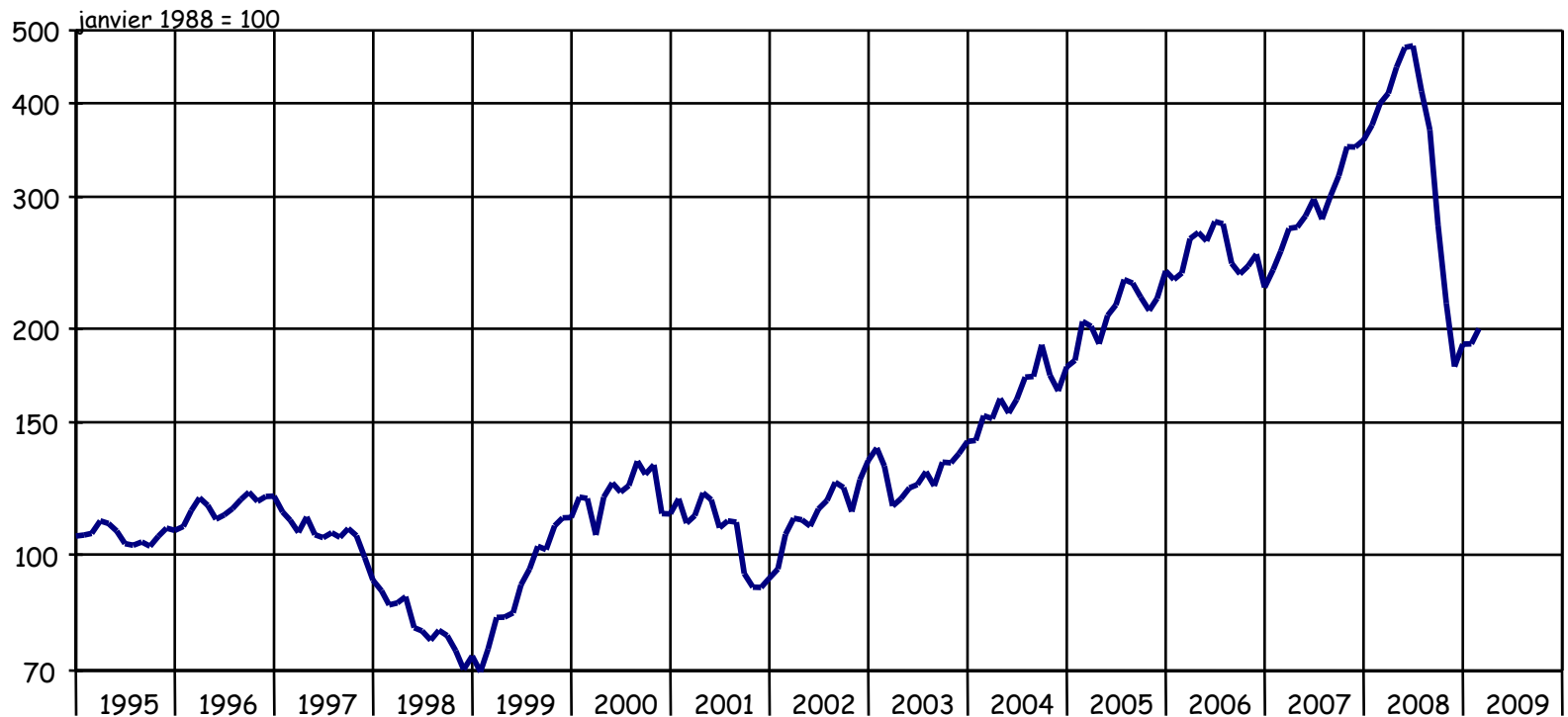
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April 2009
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2008 / 2009

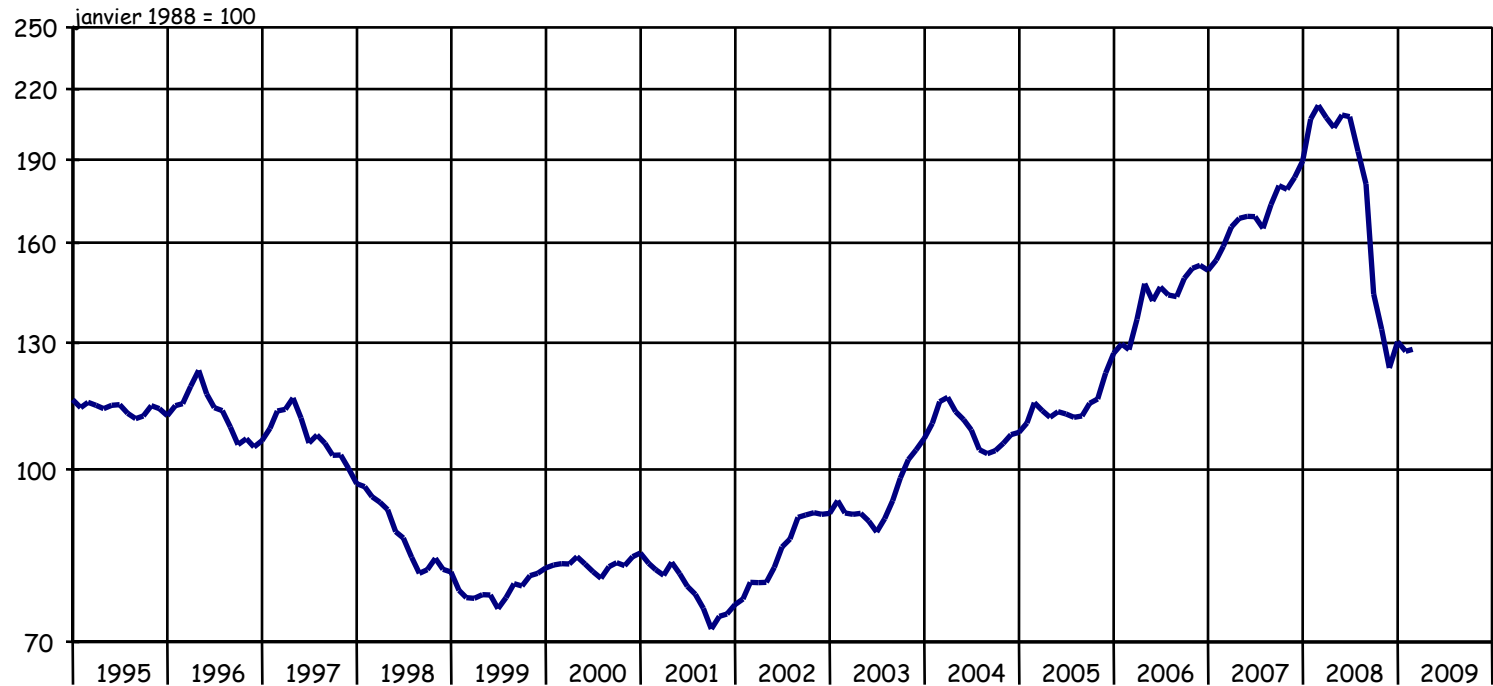
The worst crisis the world has known since the thirties

- . Banking and financial crisis : \$ 3 to \$ 5 Trillions lost
De Profundis : Bear Stearns, Lehman, Merrill Lynch,
AIG, Fortis, RBS...**
- . The fantastic ride of commodity markets**
- . Food, energy and climatic crisis**
- . Economic crisis : for the first time in 2009, the world is in recession**

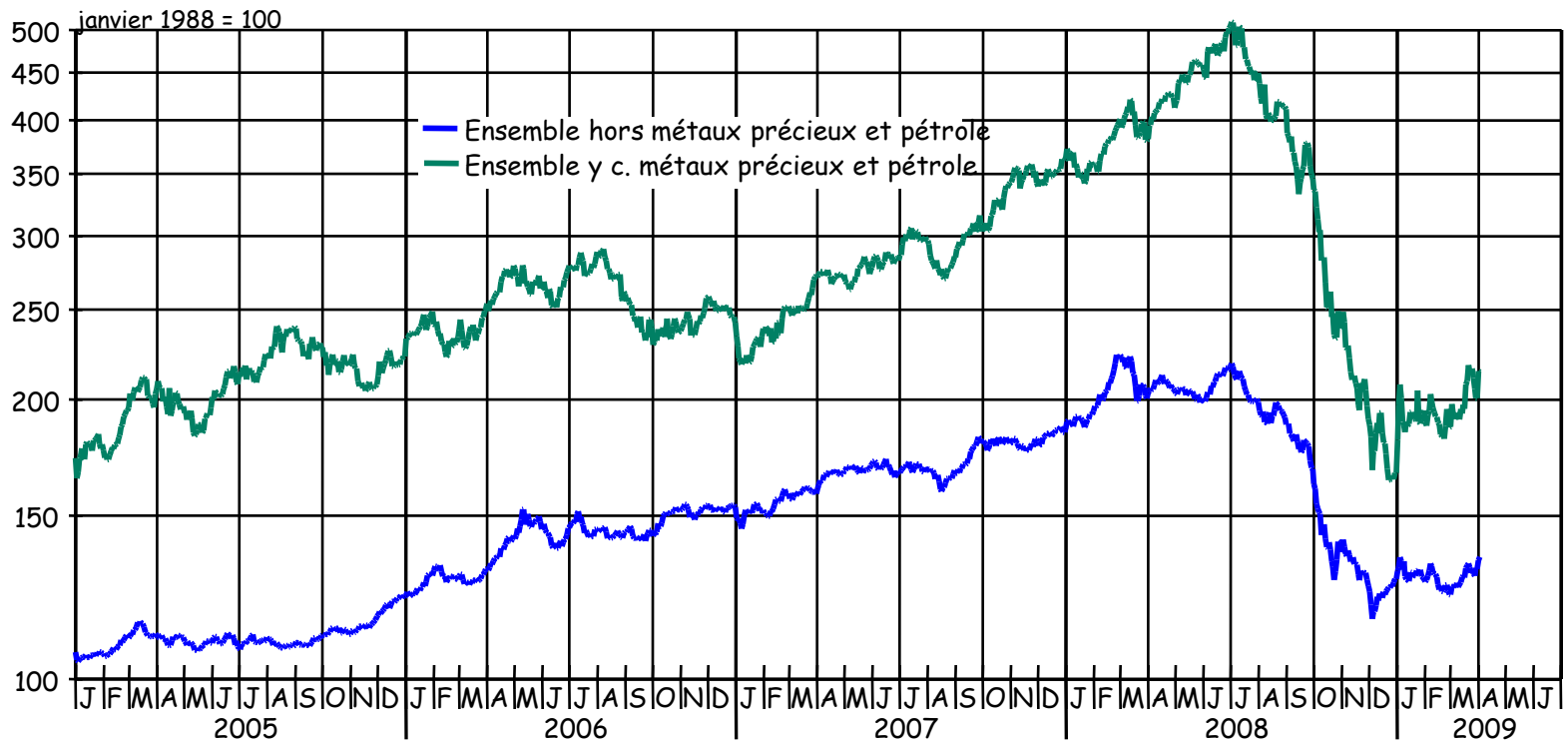
The fantastic ride of commodities



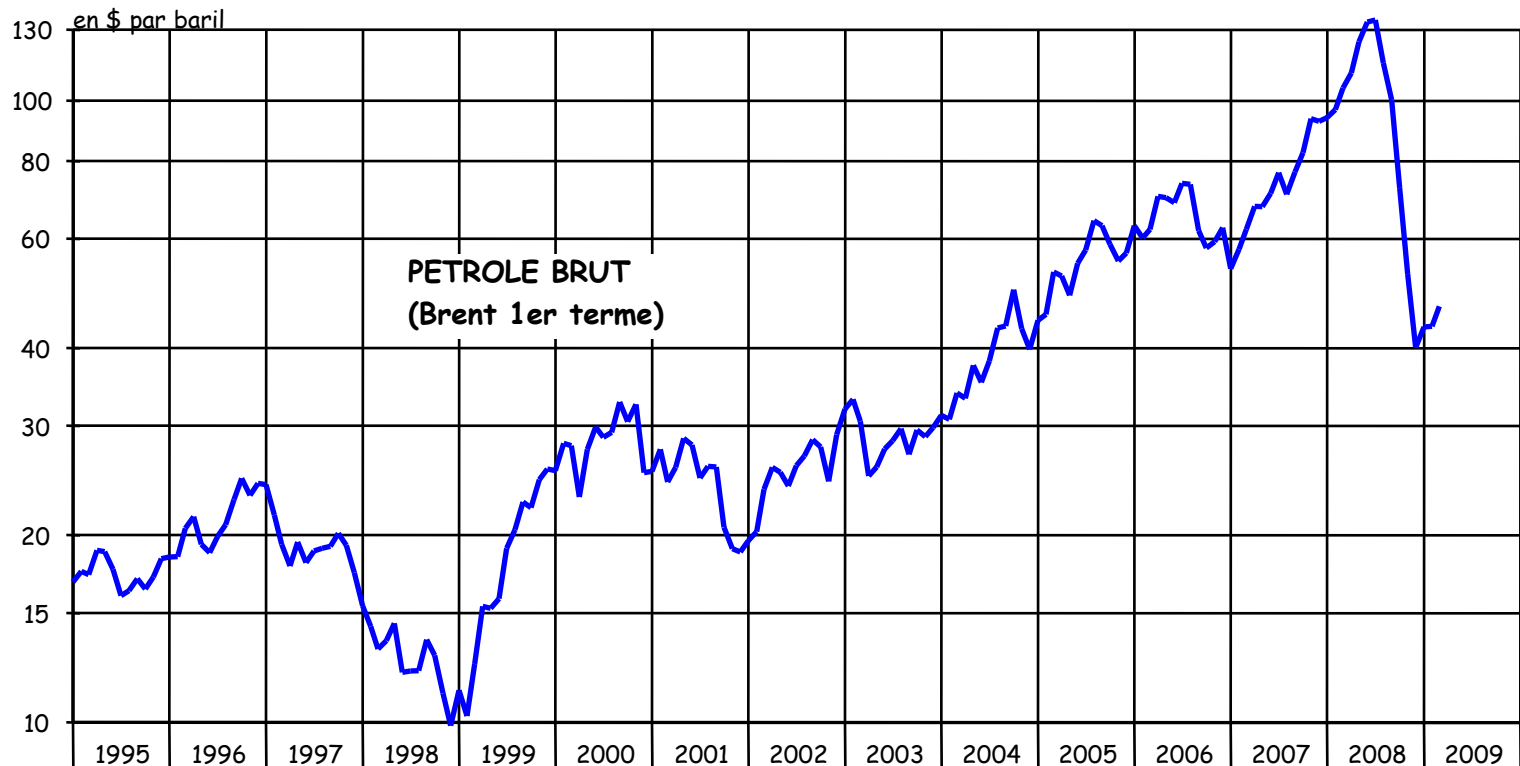
Even without oil...



With some recent stabilisation



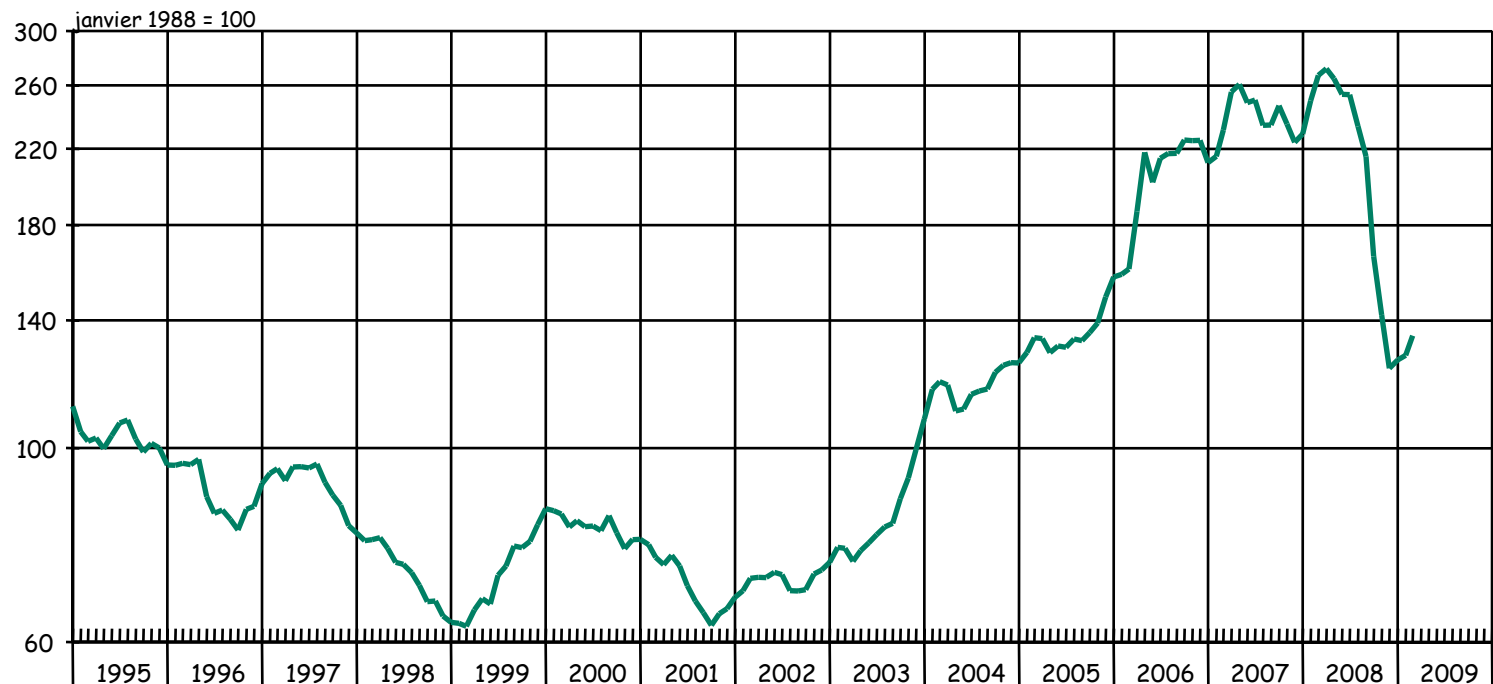
The story of an oil « bubble »



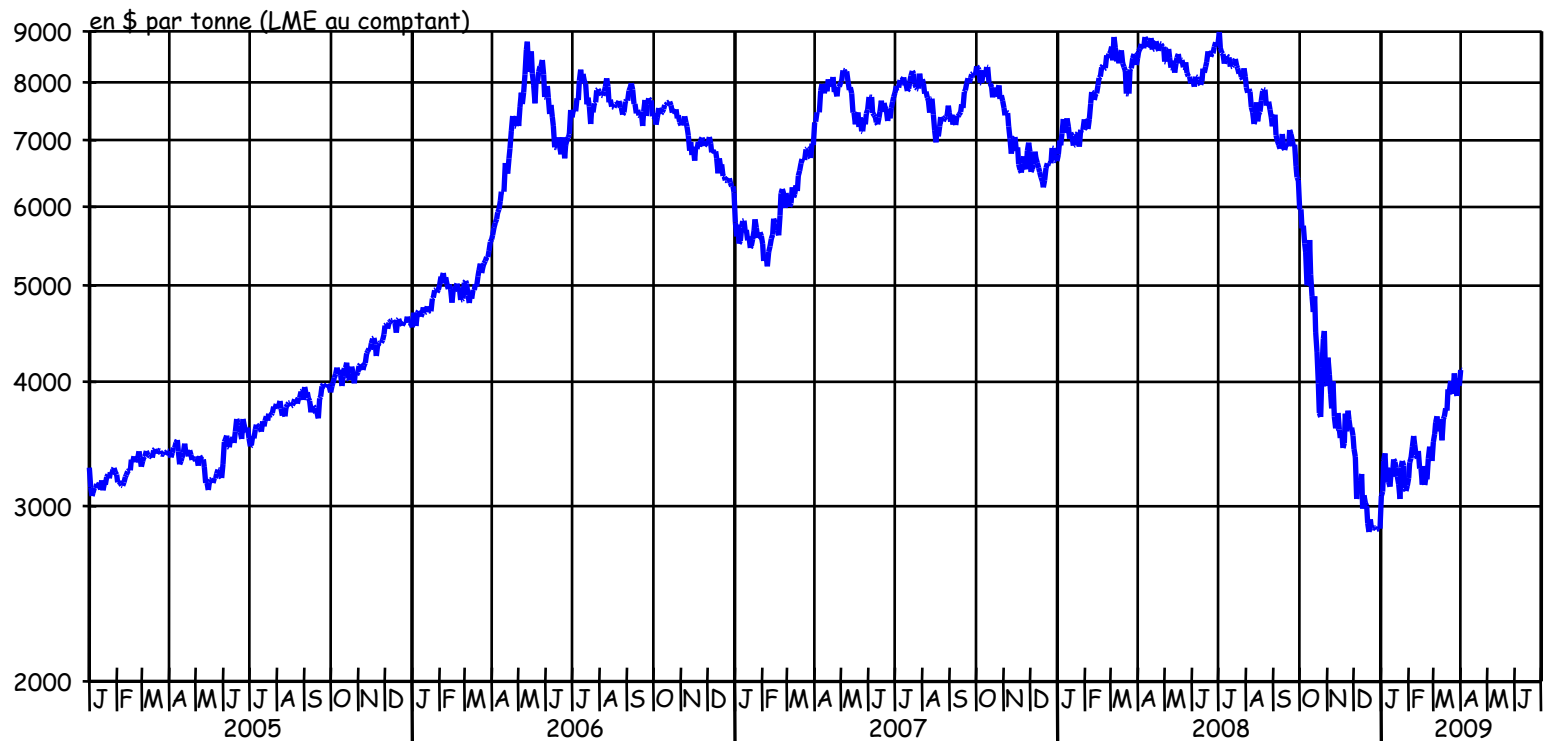
Oil fluctuating between \$ 30 and \$ 50



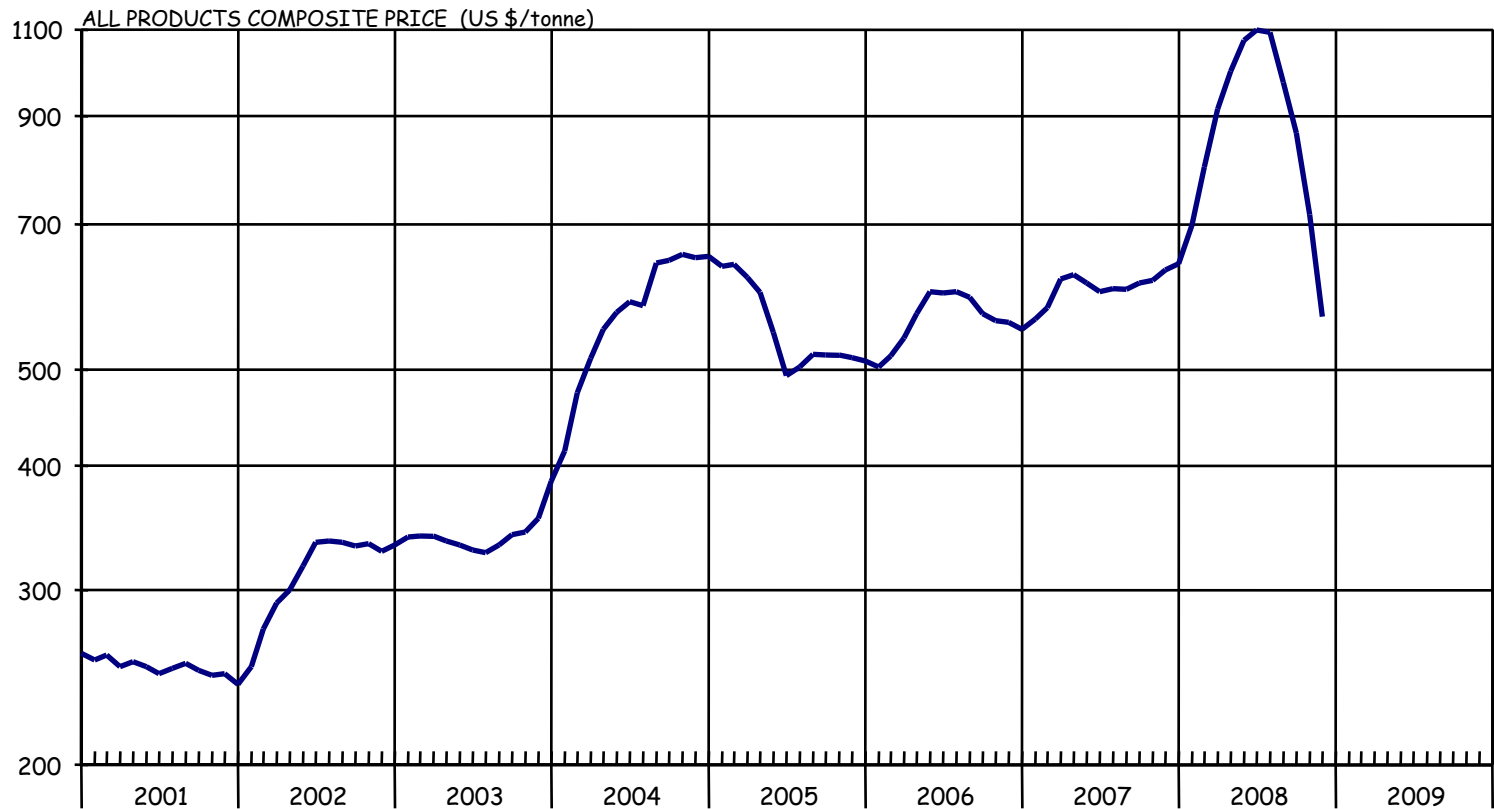
Same story for non ferrous metals



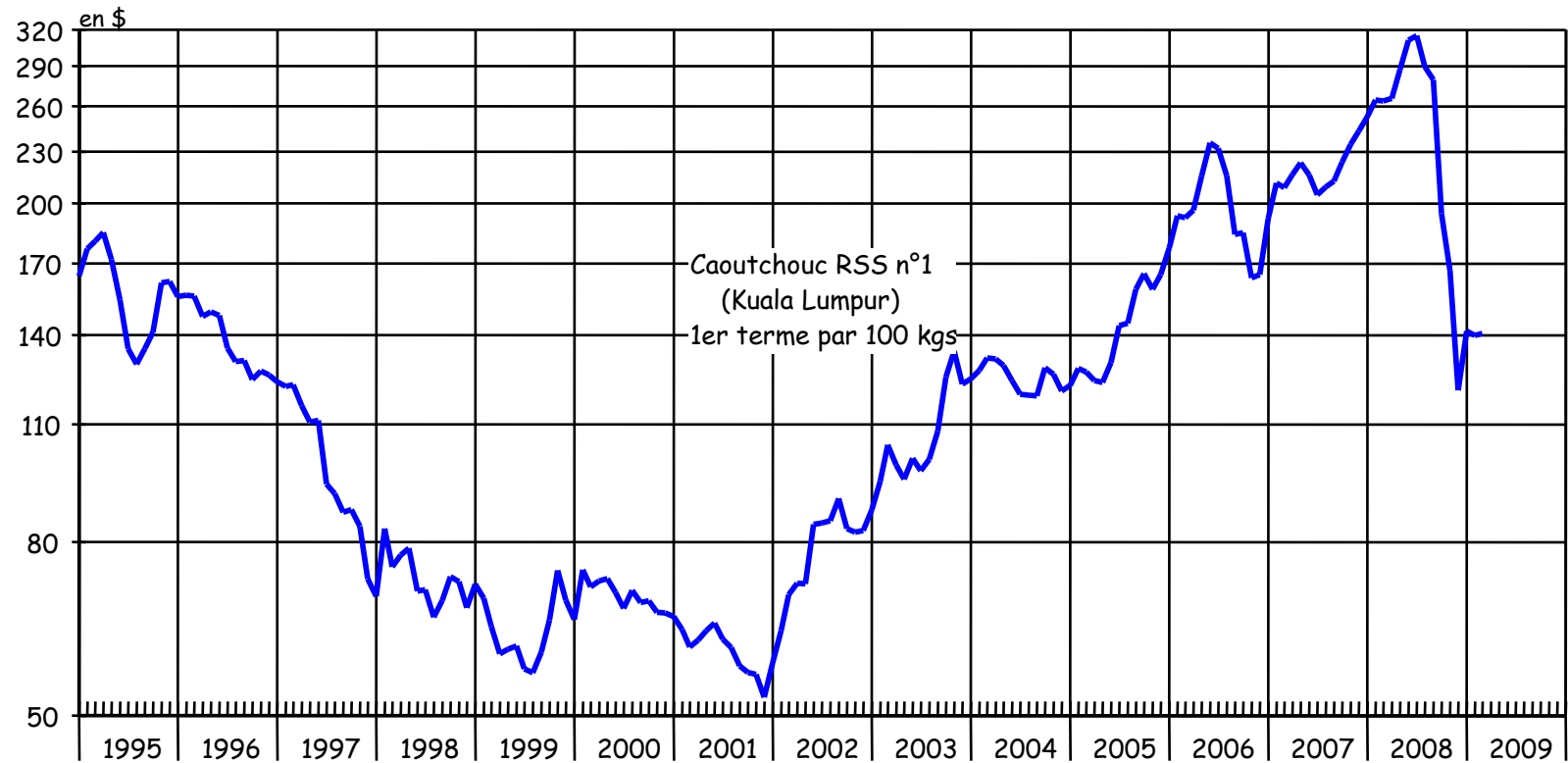
Like copper



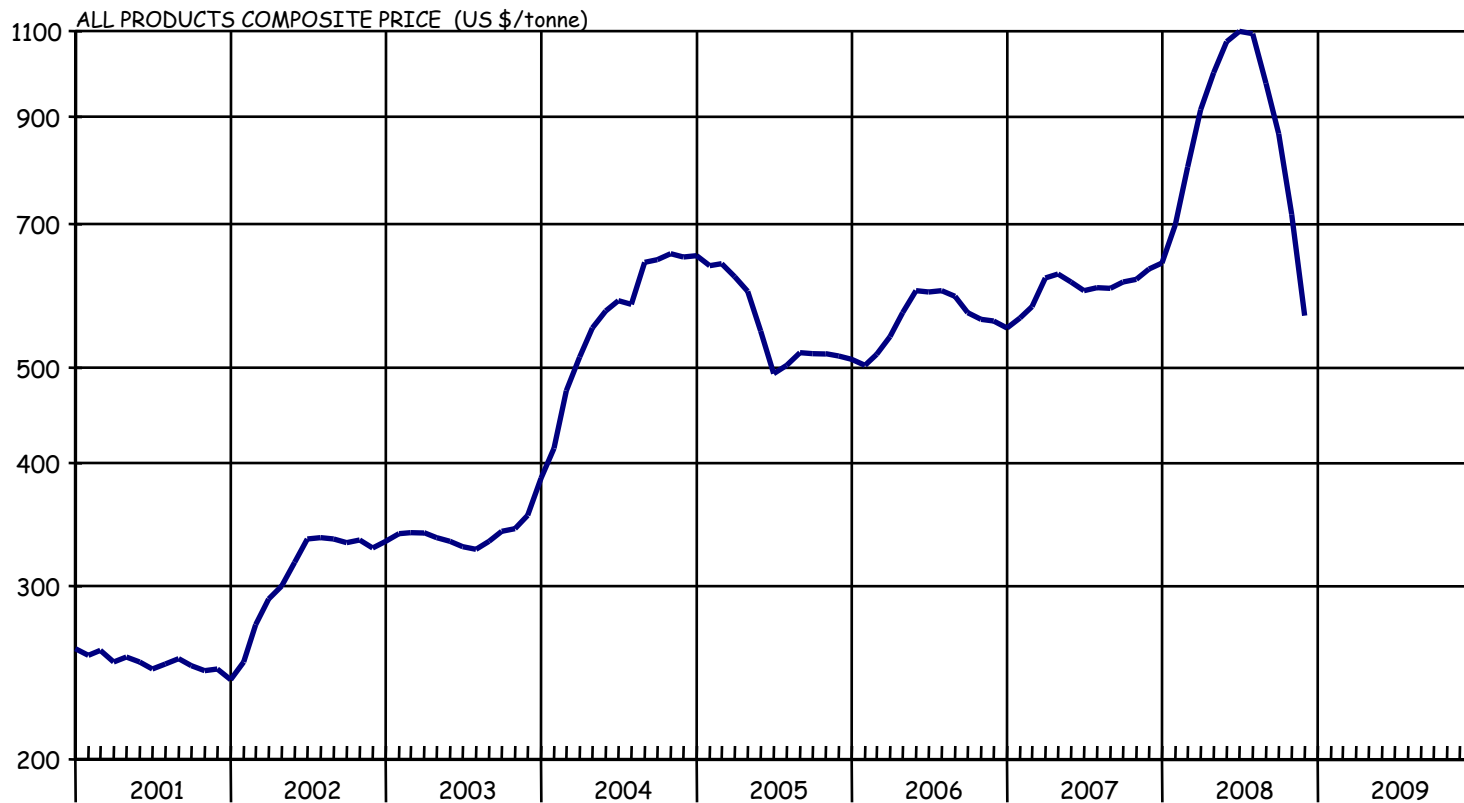
Or even for steel



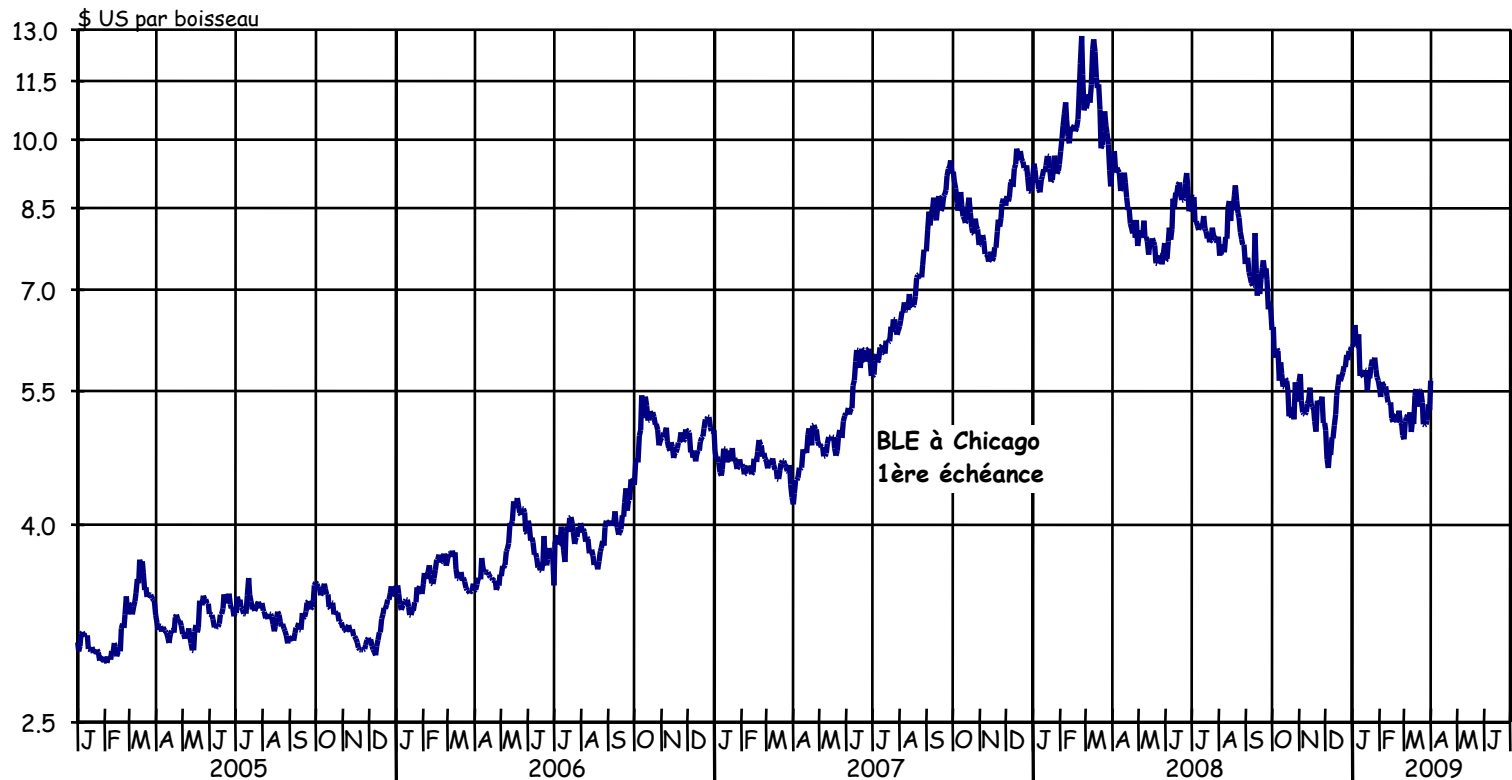
And rubber which suffers from the car industry crisis



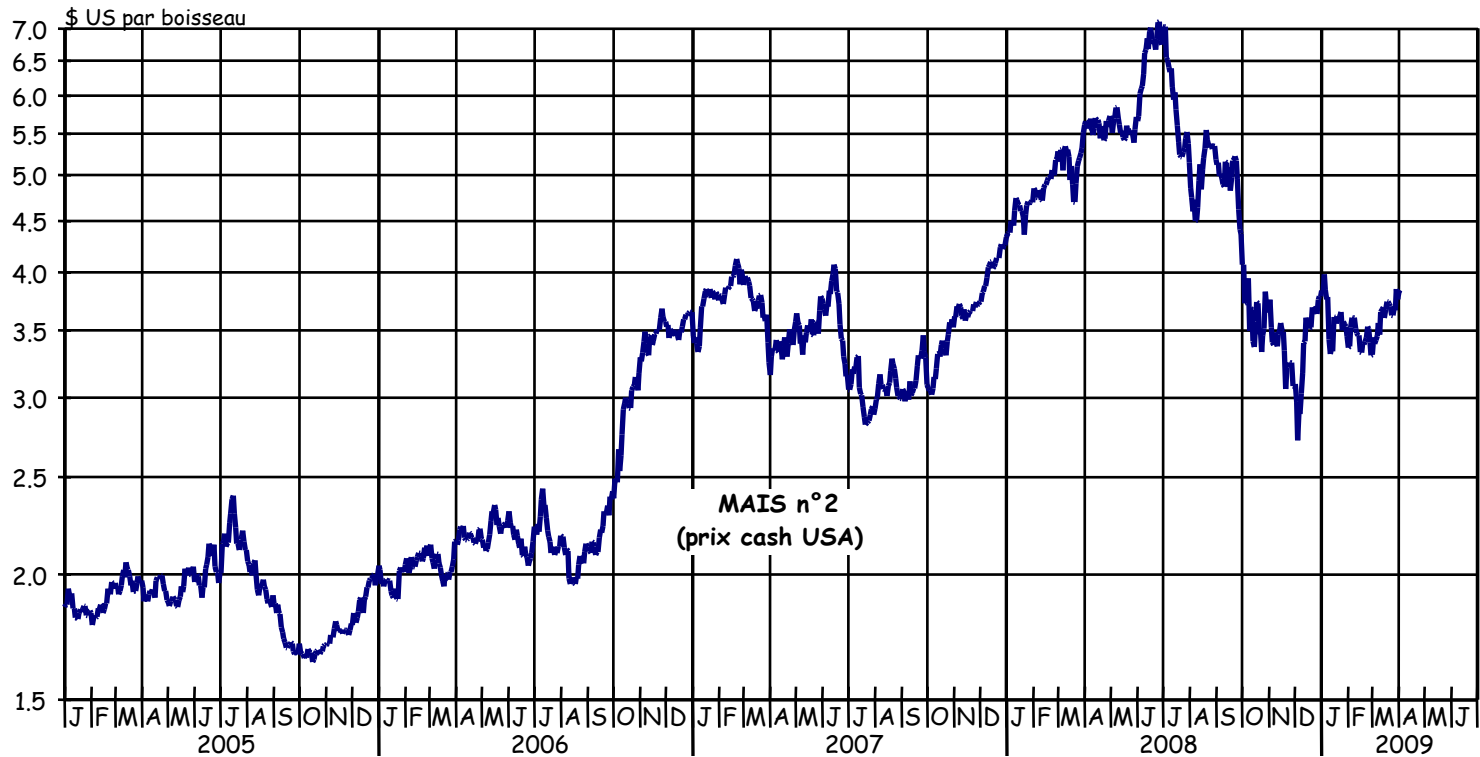
The price of paper pulp is collapsing too



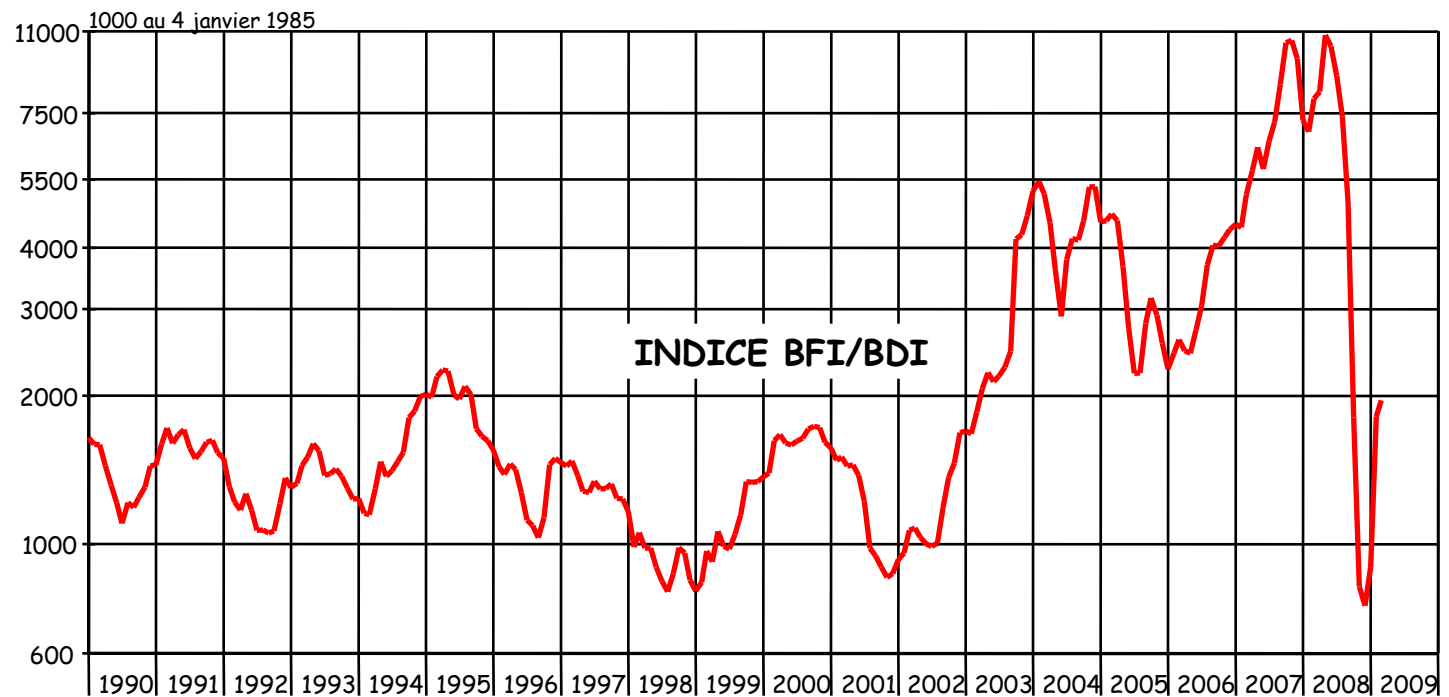
And this is also the case for food like wheat



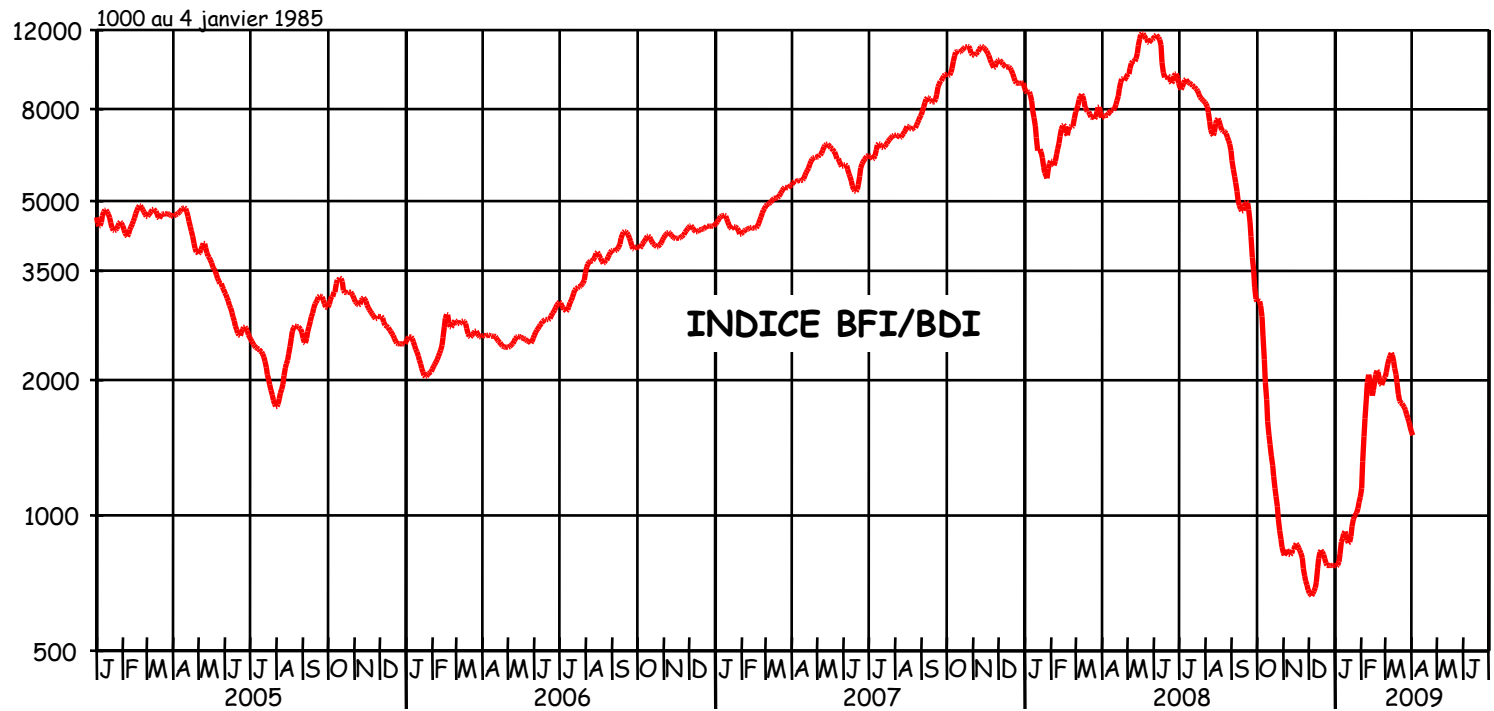
Or corn



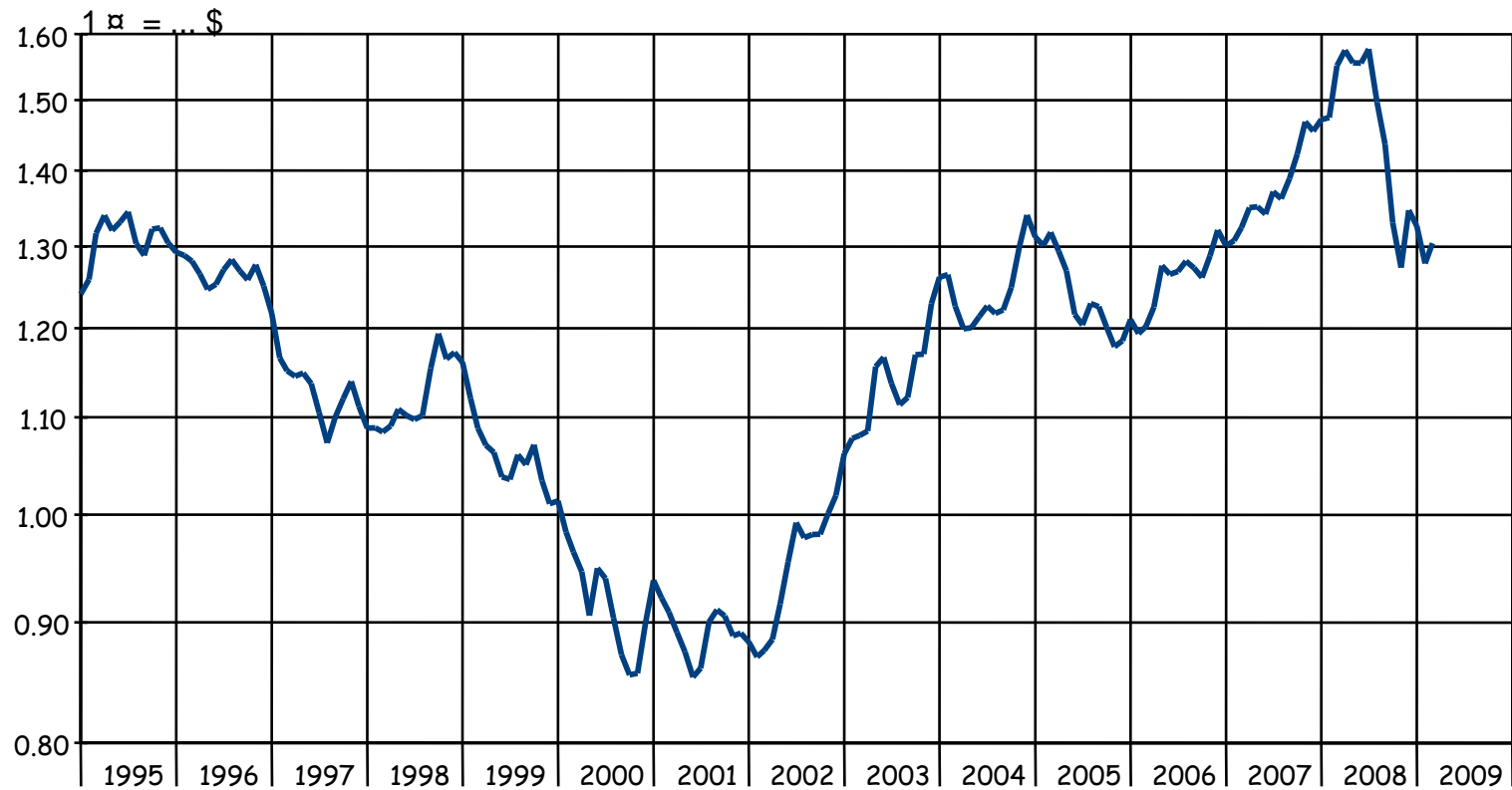
And look at a crazy market like maritime freight



Which was the most volatile of all commodities in 2008/2009



All this is quoted in another commodity : the US dollar



Which is best quoted in euro



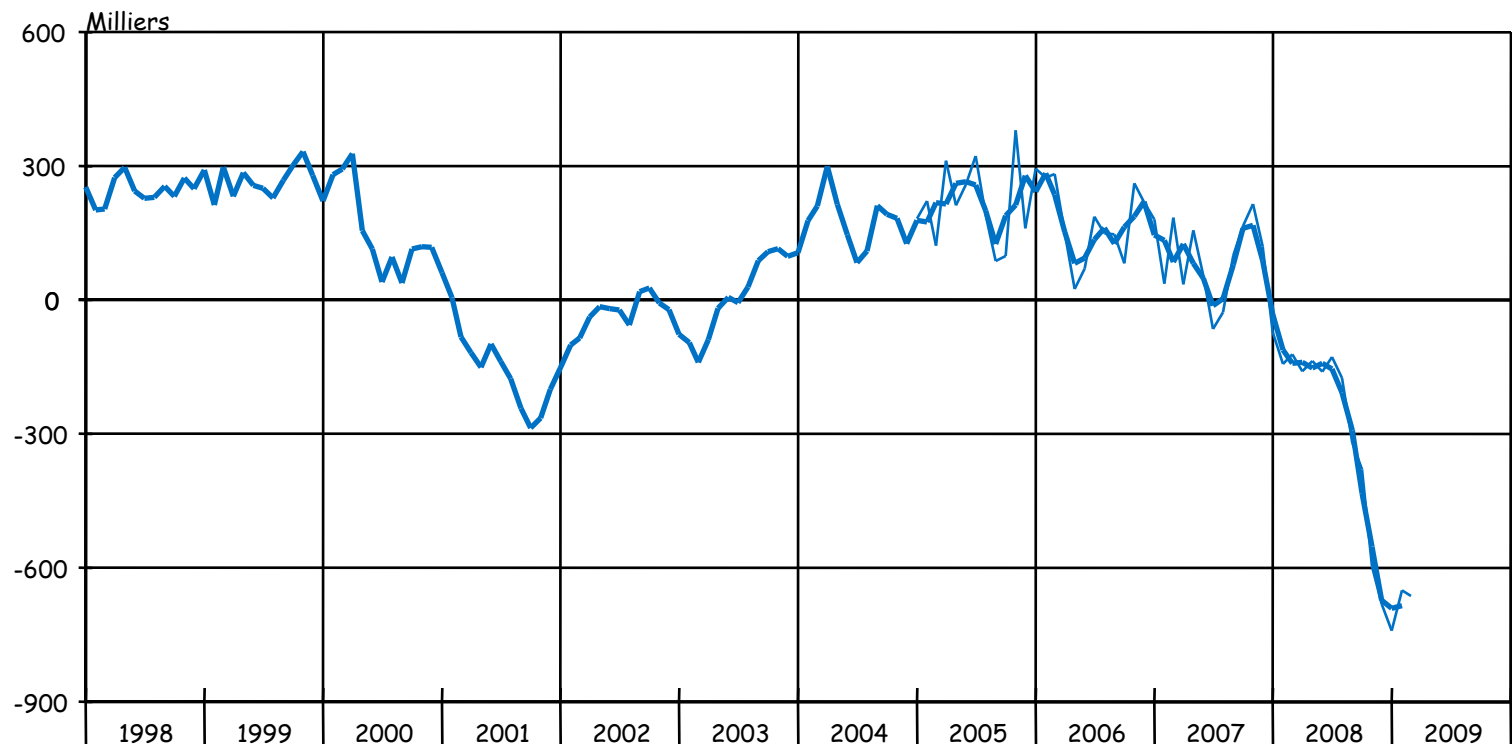
-
- . World economy is flying on two twin engines**
 - . United states with Europe, Mediterranean and Latin America**
 - . China with Asia and Japan**
 - . In April 2009 :**
 - the American engine is at stand still**
 - the Chinese engine is at low regime**

The United States have been in recession since December 2007

They are destroying jobs and unemployment has reached 8.5 %

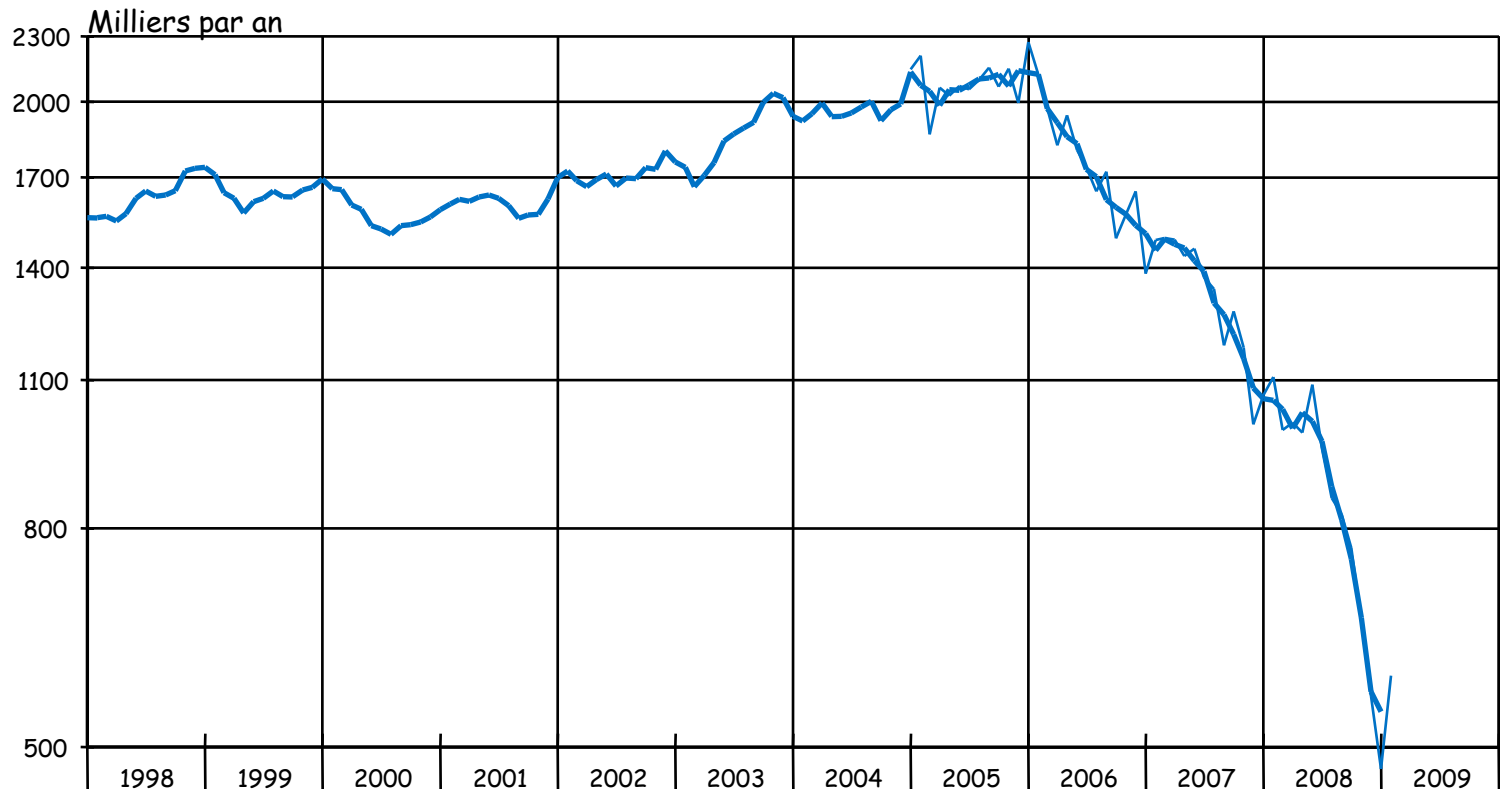
Etats-Unis : créations d'emplois

Salariés du secteur non agricole



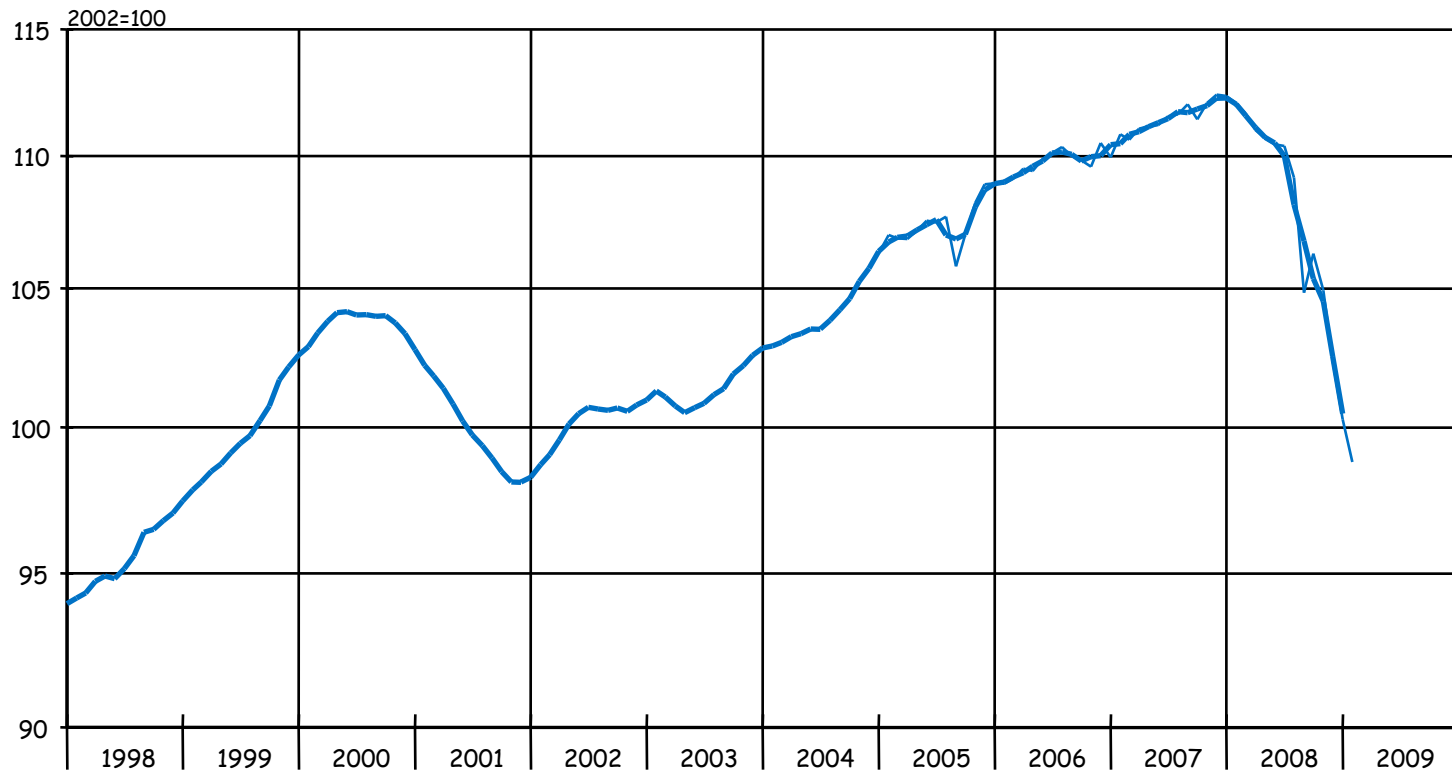
Everything began with «Joe the plumber »'s house

Etats-Unis : mises en chantier de logements



**But it is also an industrial crisis
(especially for the car industry)**

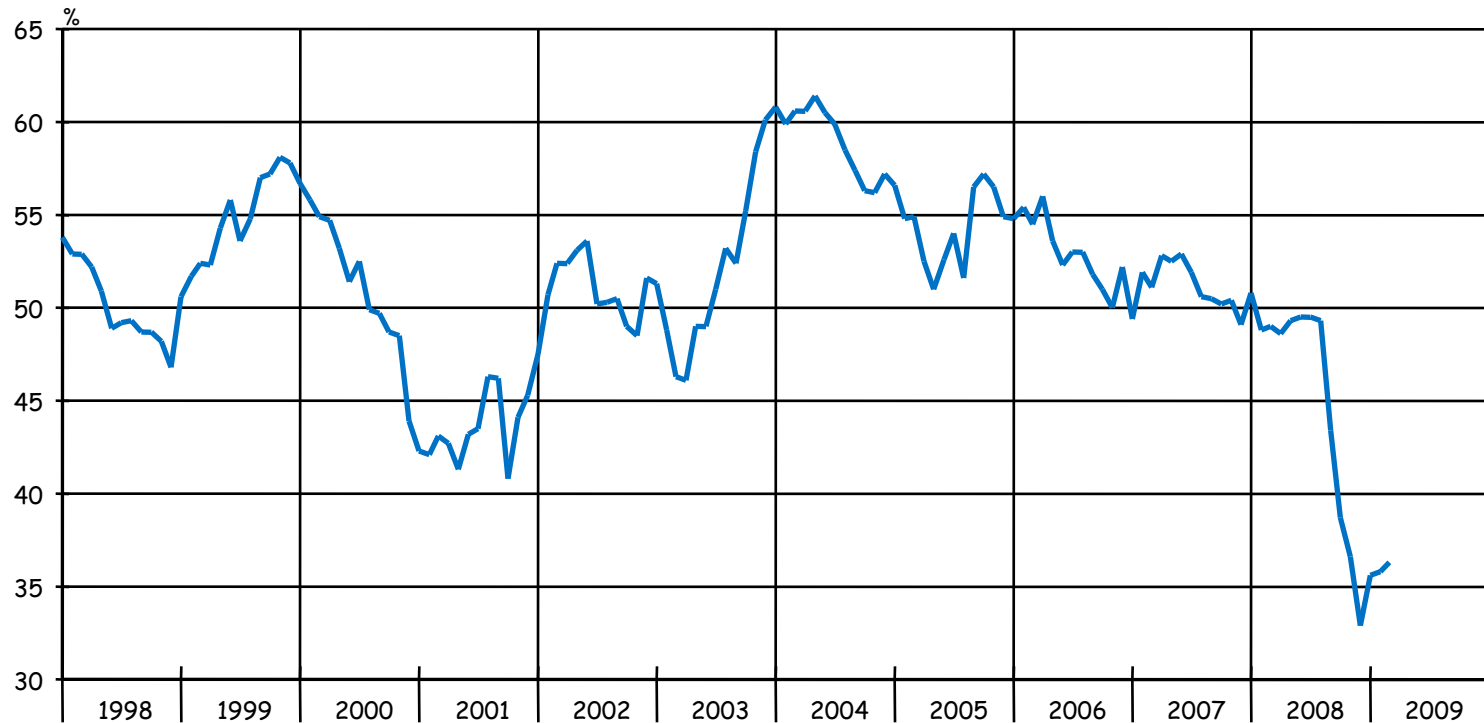
Etats-Unis : production industrielle



Some early signs of recovery

Etats-Unis

Enquête auprès des directeurs d'achat - ISM manufacturier



End of recession in US ?

. Existing-home sales rising again

. Consumer sentiment improving

. \$ 787 billions of Obama plan

of which

\$ 500 bns

spending

\$ 287 bns

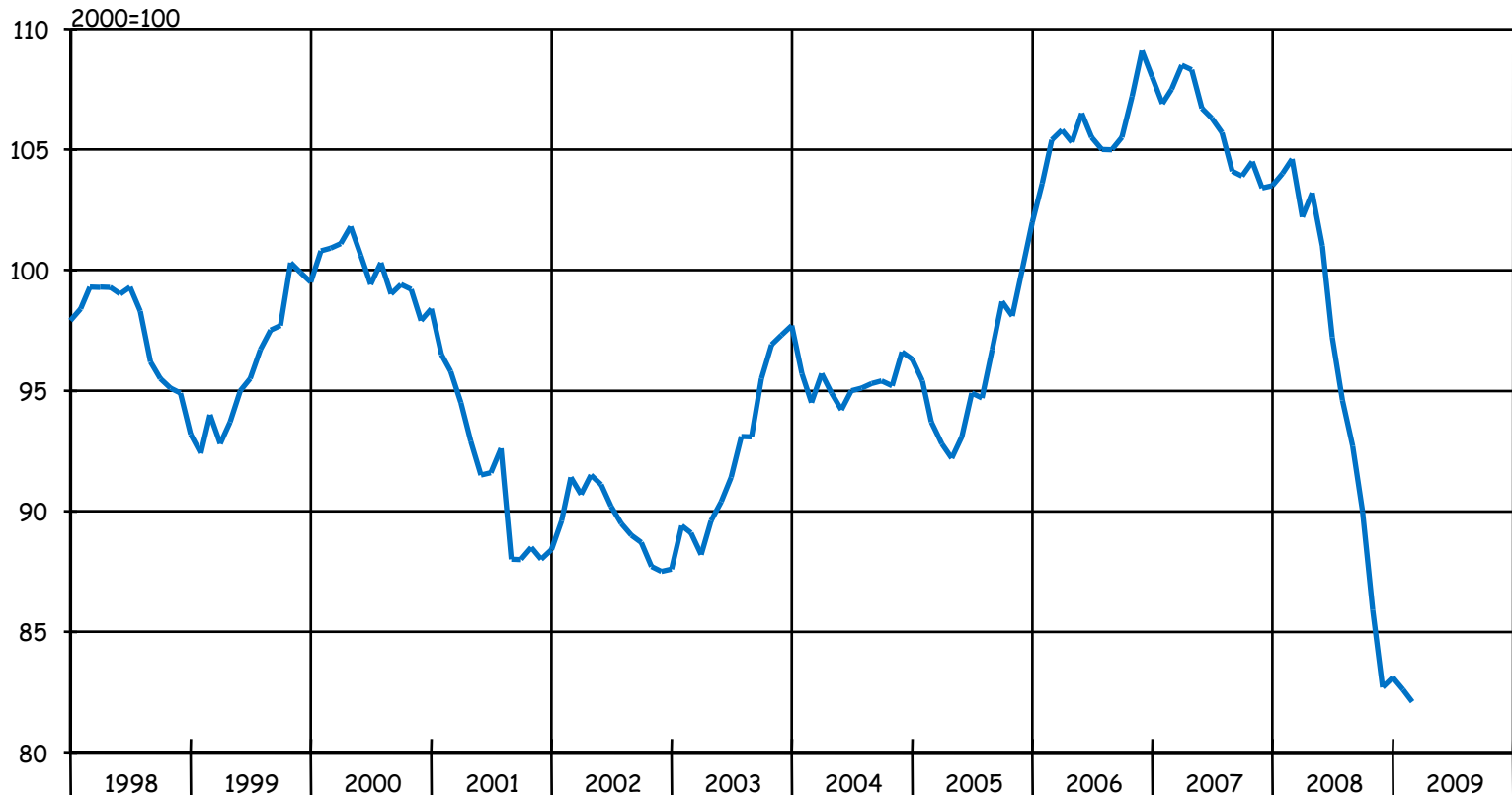
fiscal gifts

. The Geithner plan for banking industry

An optimistic hypothesis : end of American recession by fall 2009

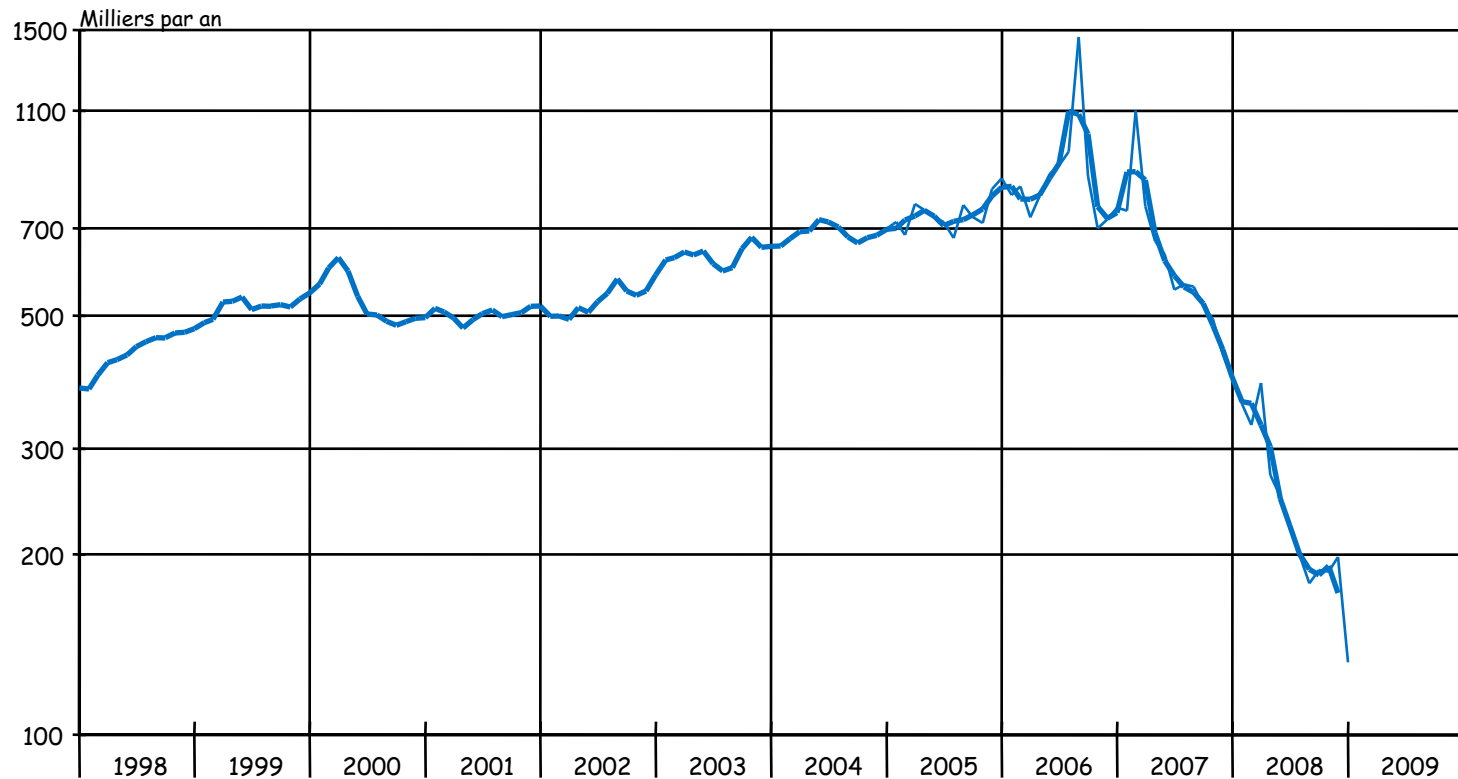
It won't happen in Europe : forget Germany

Allemagne : Enquêtes IFO - climat des affaires



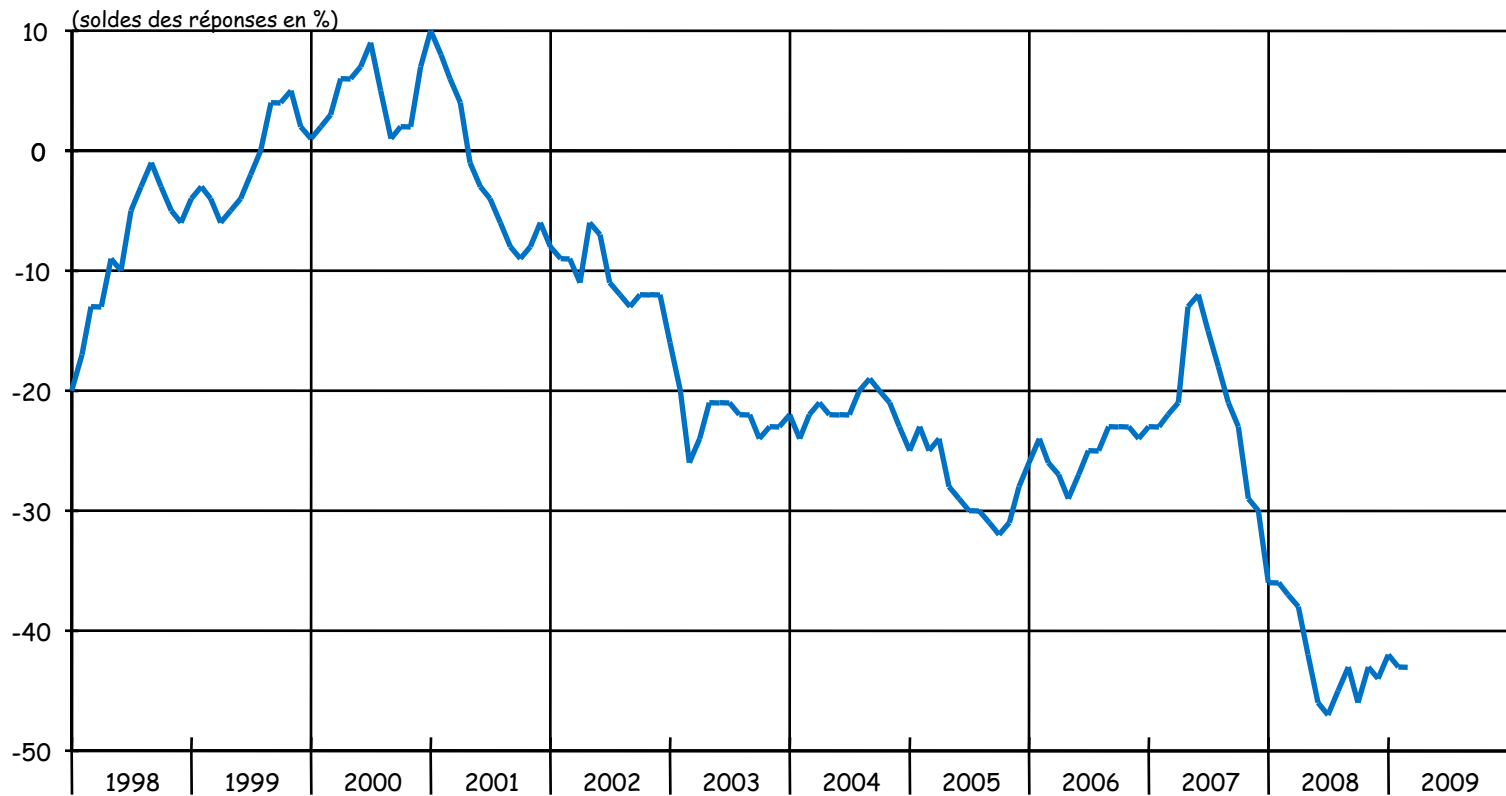
And Spain with its housing problem

Espagne : logements autorisés



Frenchmen are almost « happy »

France : indicateur synthétique de confiance des ménages



But no illusion :

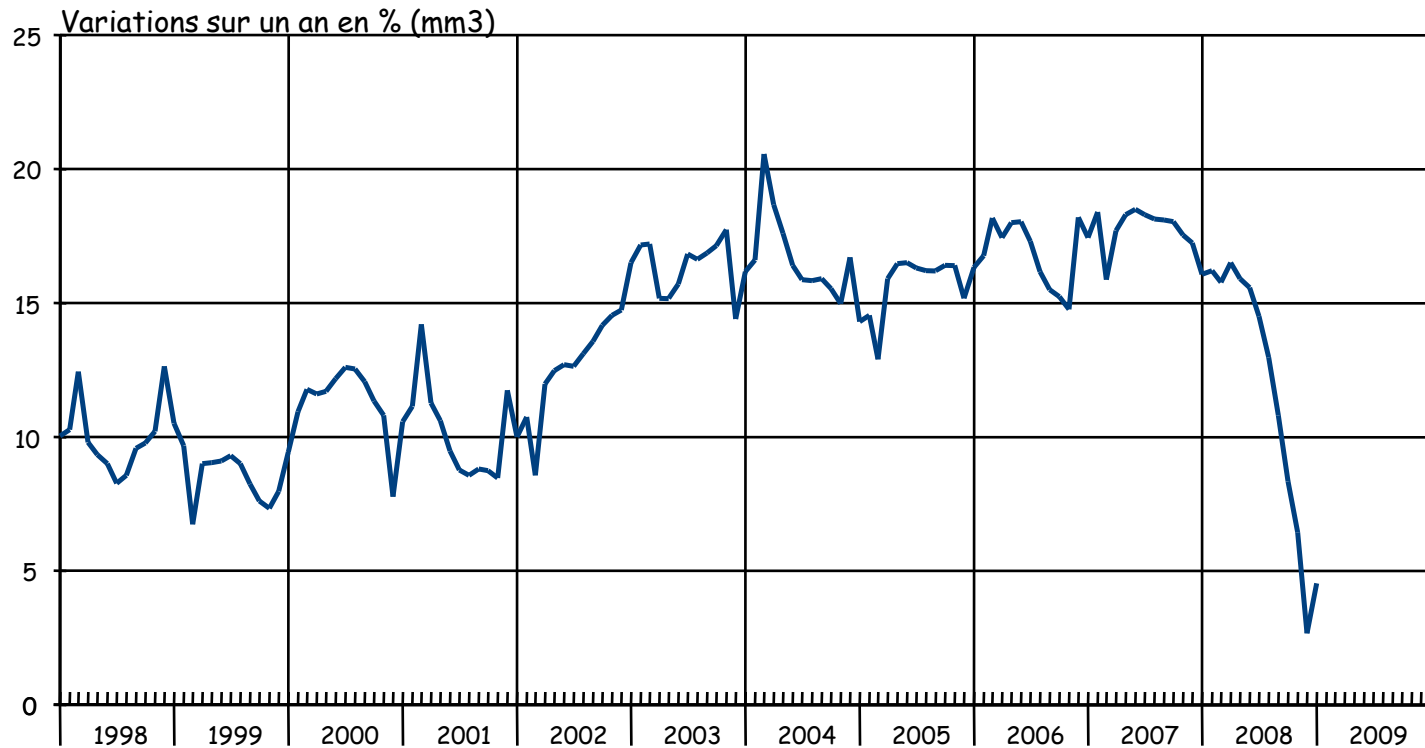
all Europe is in recession

from worst	Germany	- 4 / - 6
	United Kingdom	- 3 / - 5
	Spain	- 2.5 / - 3.5
	Italy	- 2 / - 3

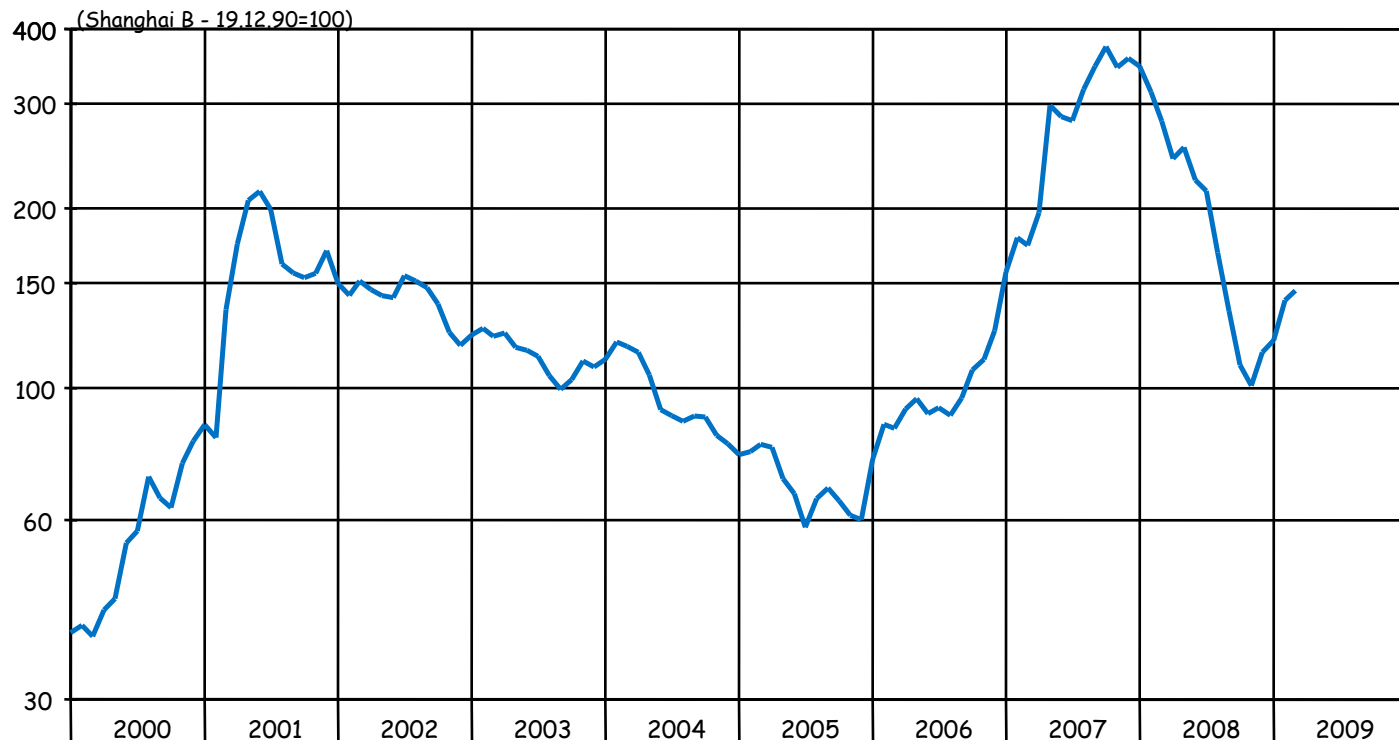
to simply bad

France - 1 / - 2

The Chinese engine has had some problems too



But business is recovering ...



China in february 2009

exports	- 25.7 %		
to	UniteStates	- 24 %	
	Europe	- 30 %	
investments	+ 26.5 %		
of which	railways	+ 210 %	
	mining	+ 60 %	

Preparing for Shanghai 2010 !

What to expect for coming months ?

Some good news :

- . End of recession in the US
- . Chinese acceleration
- . Stagnating oil and industrial prices : no inflation !

Some bad news :

- . Europe in disarray
- . Emerging countries crisis from Russia to Korea

And some questions

- . Banks : when will the last banker collapse ?
- . Fiance : the CDS crisis
- . Agriculture

« Tomorrow will be another day »

LE RENDEZ-VOUS DE L'ASSURANCE TRANSPORTS

Cannes

28th and 29th April 2009



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