



ORGANISATION FOR ECONOMIC
CO-OPERATION AND DEVELOPMENT

Council Working Party on Shipbuilding (WP6)

World Economic Crisis – A Snapshot

July 2009

Basic premise of this presentation

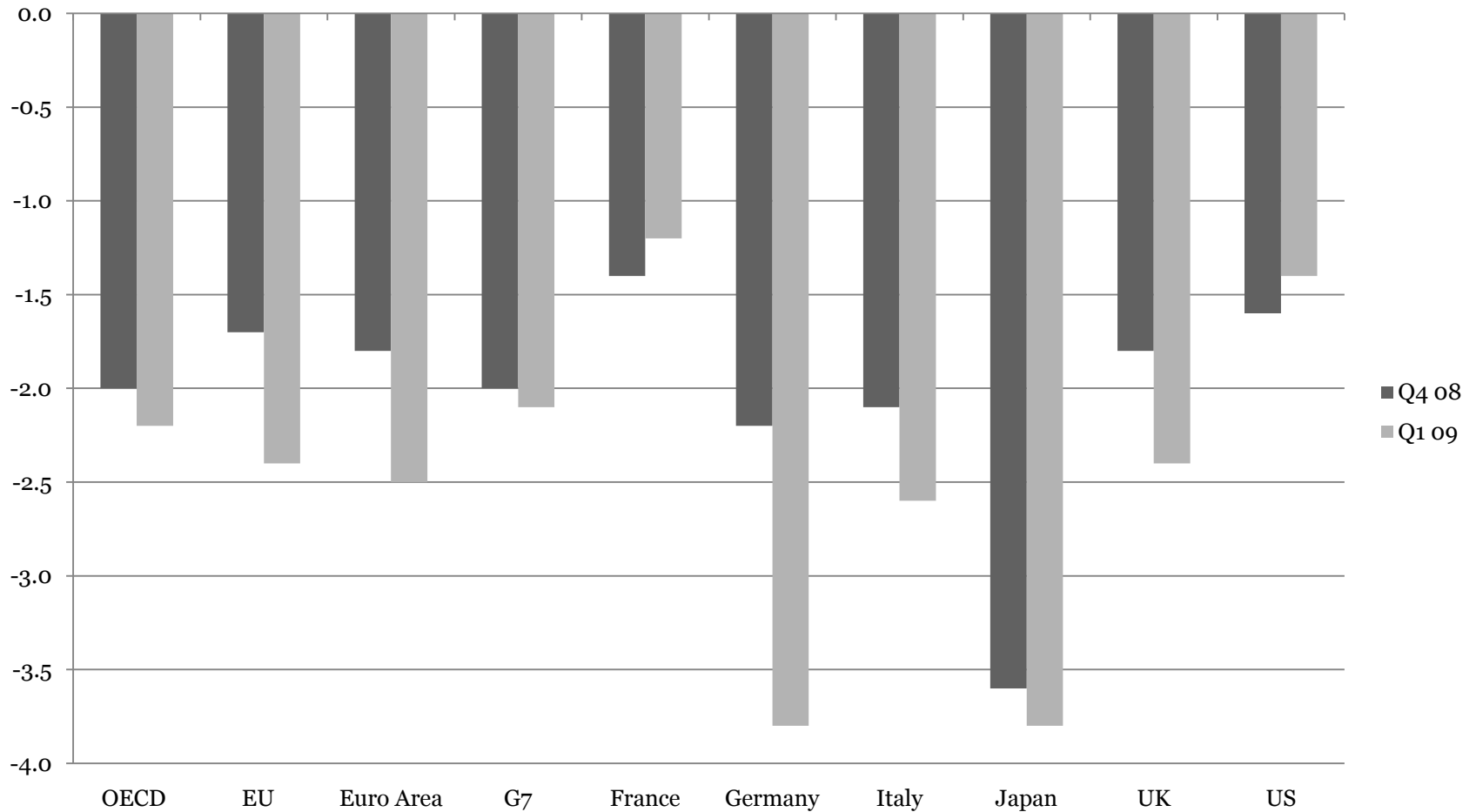
- The current economic crisis is very broad and deep, and recovery will not be fast;
- Even though shipbuilding may have been affected later than other sectors of the economy, it may experience those effects longer than other sectors

The economic crisis – a snapshot

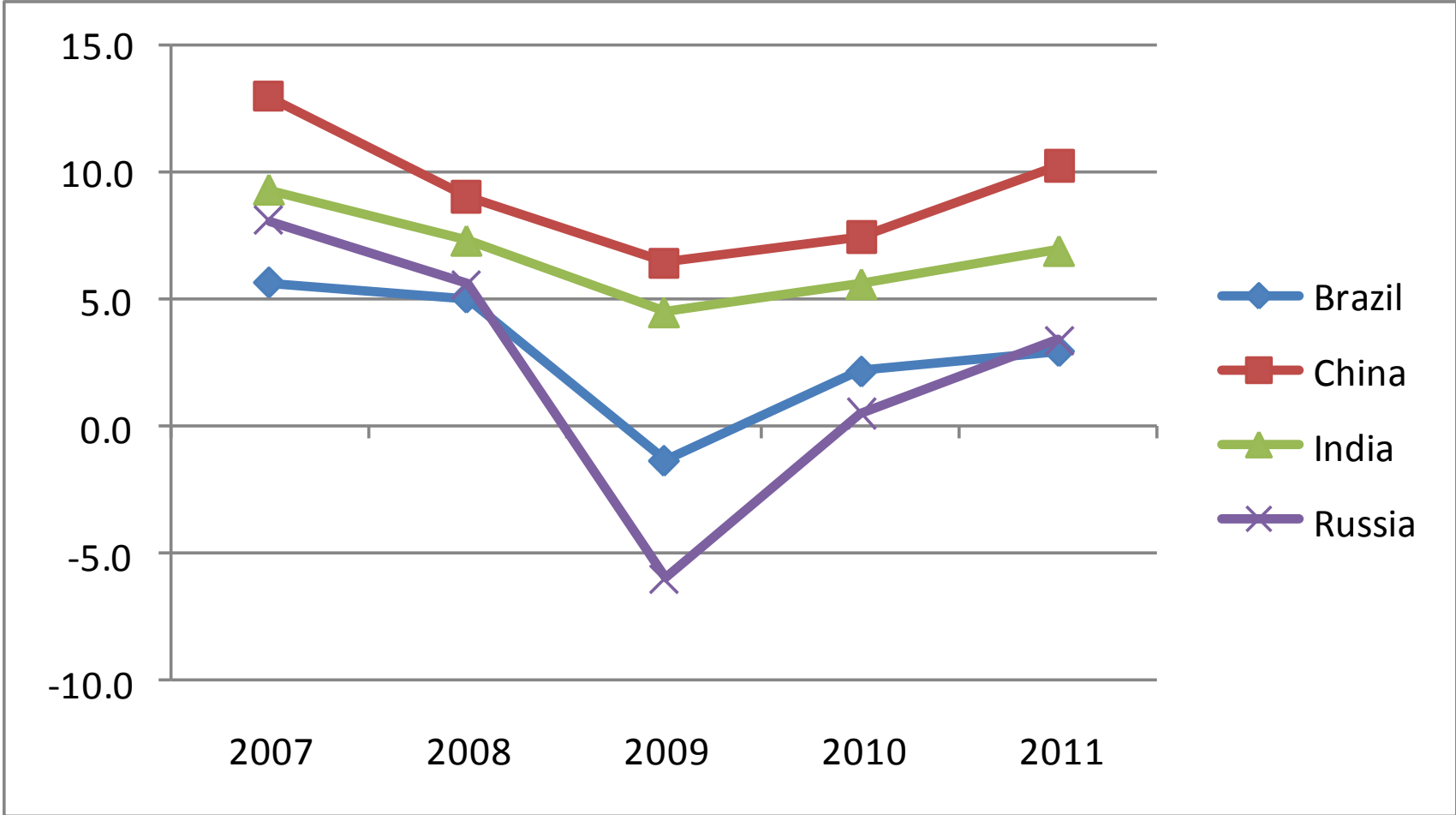
- Excessive liquidity, collapse of sub-prime market in the USA;
- Flow-on effects to large proportion of world's financial system, banks & other financial institutions collapse;
- Significant decline in economic activity – GDPs contract;
- Sharp falls in consumer demand and investment;
- Both industrial production and international trade fall sharply;
- Government intervention to stabilise financial systems, stimulate demand and minimise impact of recession.

GDP – Q4 (2008) and Q1 (2009)

Percentage change on previous quarter, seasonally adjusted data

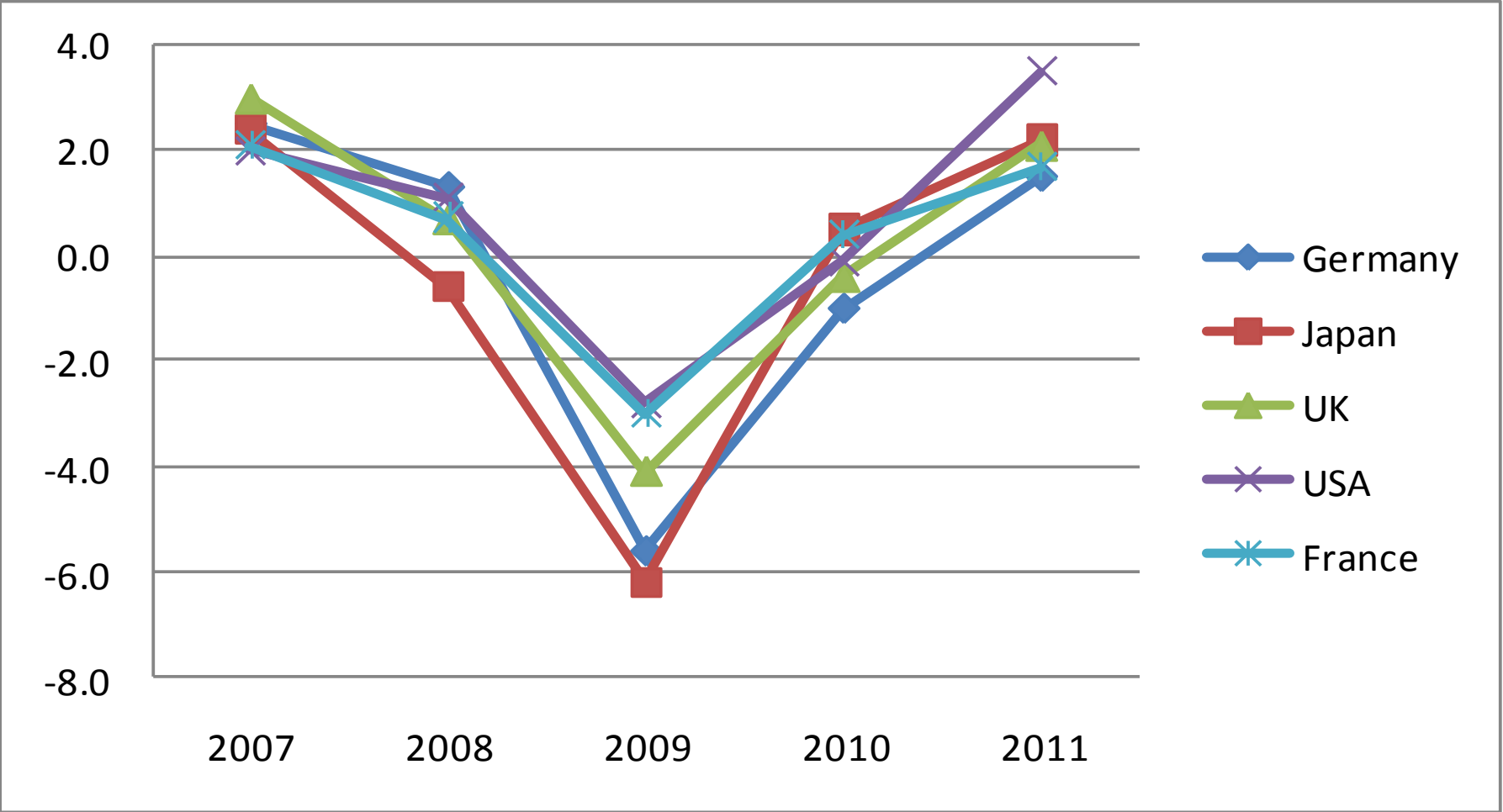


GDP – BRICs year on year change



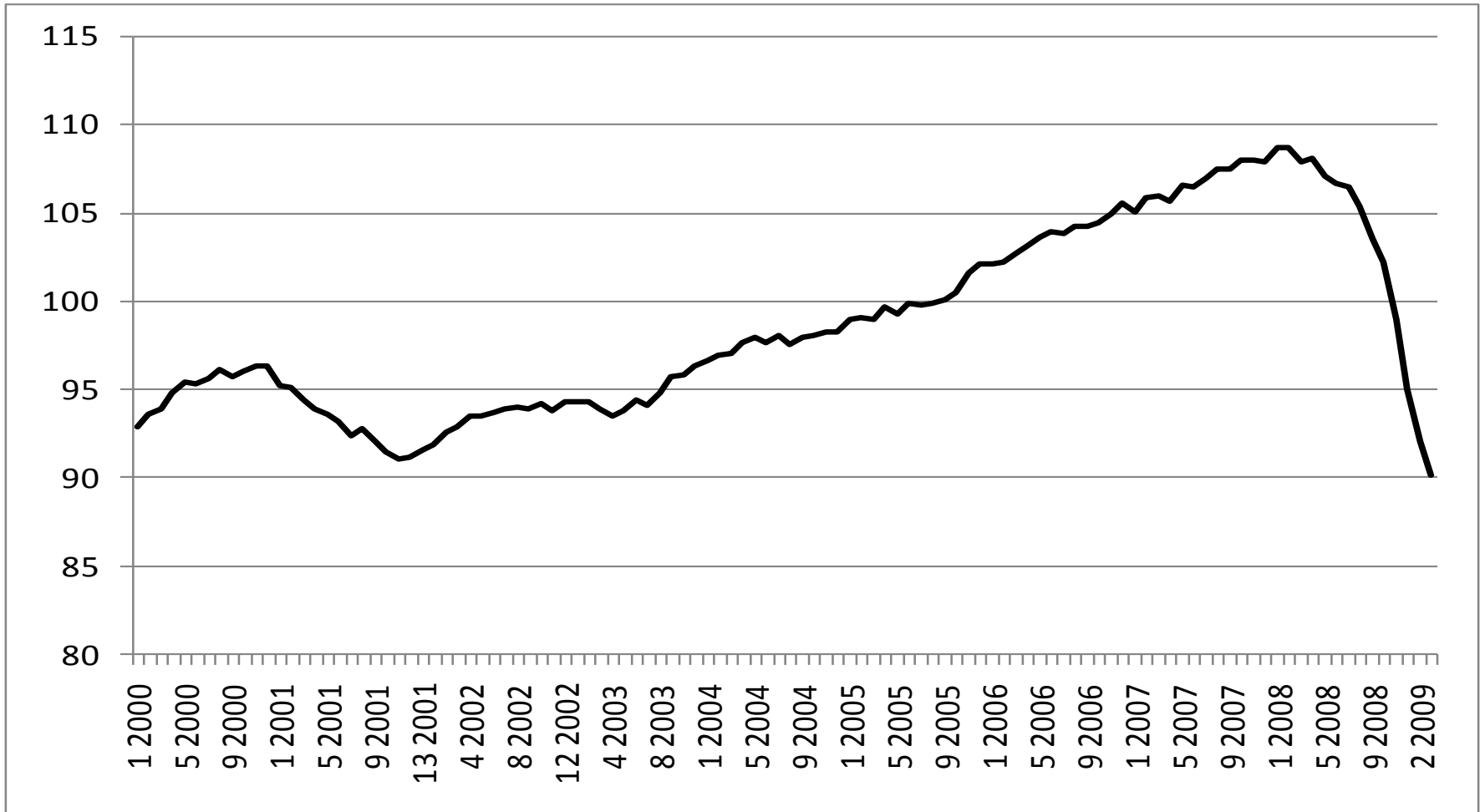
Source: IMF Statistical Data Base – April 2009

GDP – OECD 5 year on year change

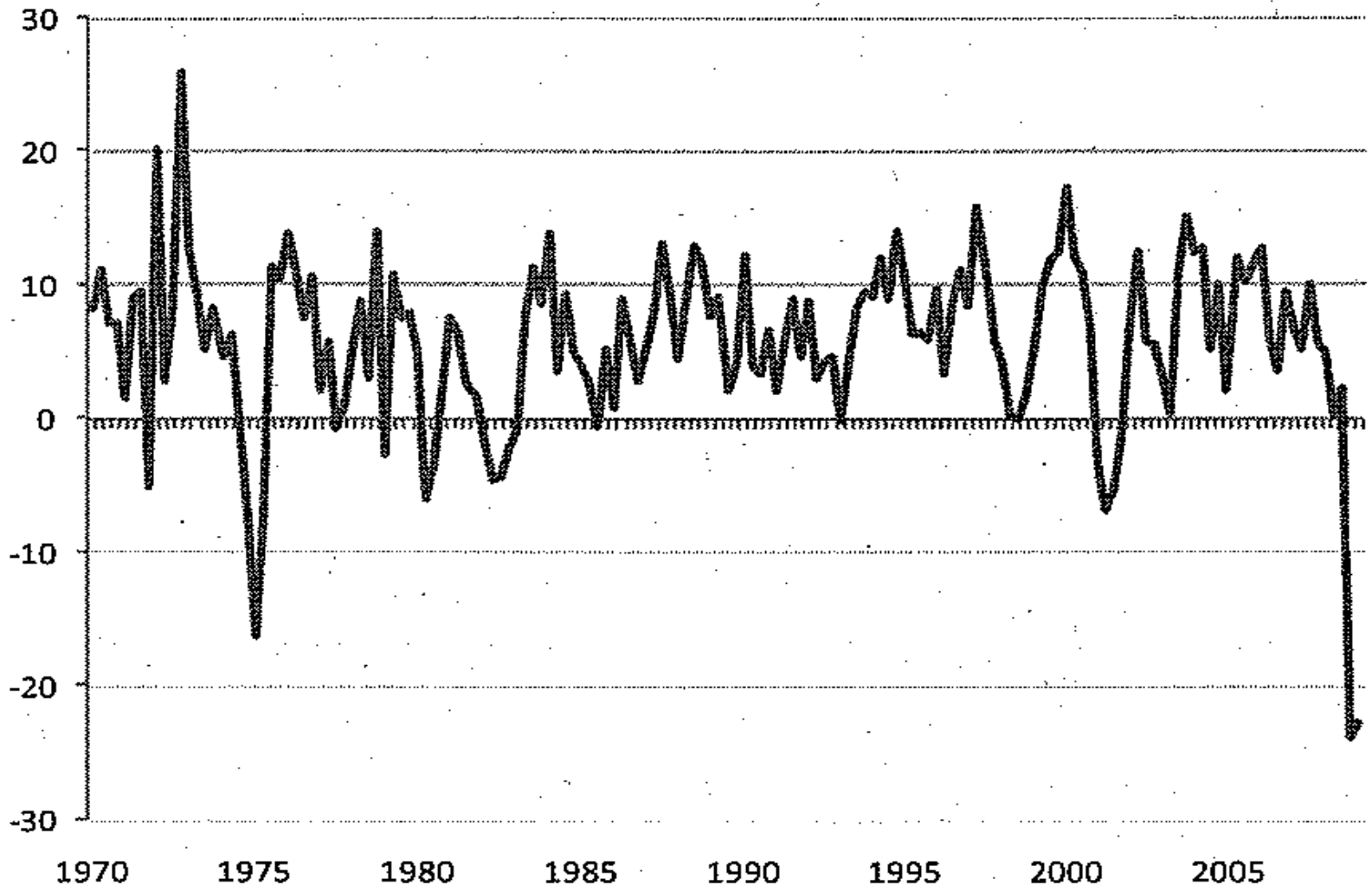


Source: IMF Statistical Data Base – April 2009

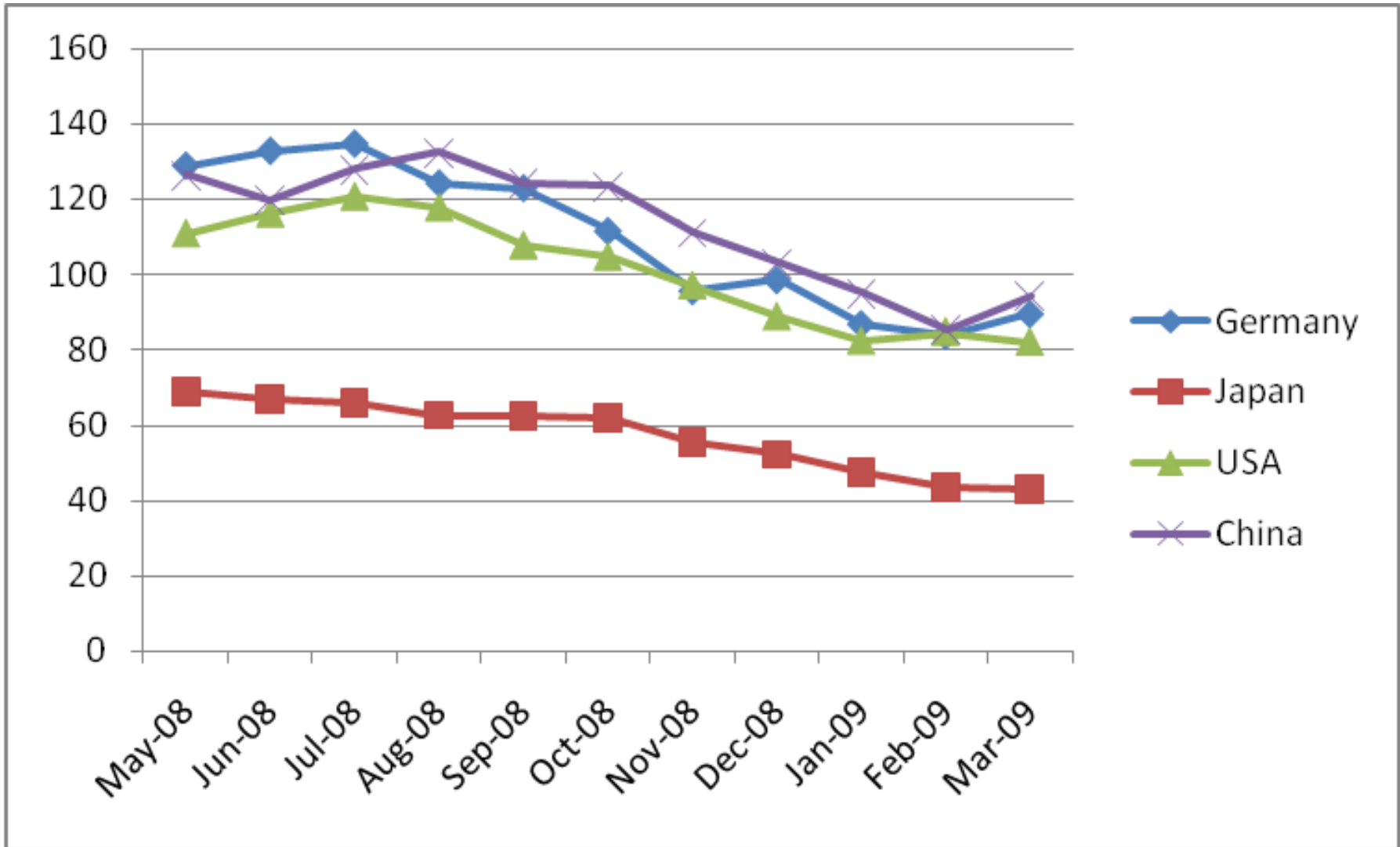
Industrial Production OECD Countries



World trade – annualised quarter on quarter change



Export of Goods – USD billions (current prices)

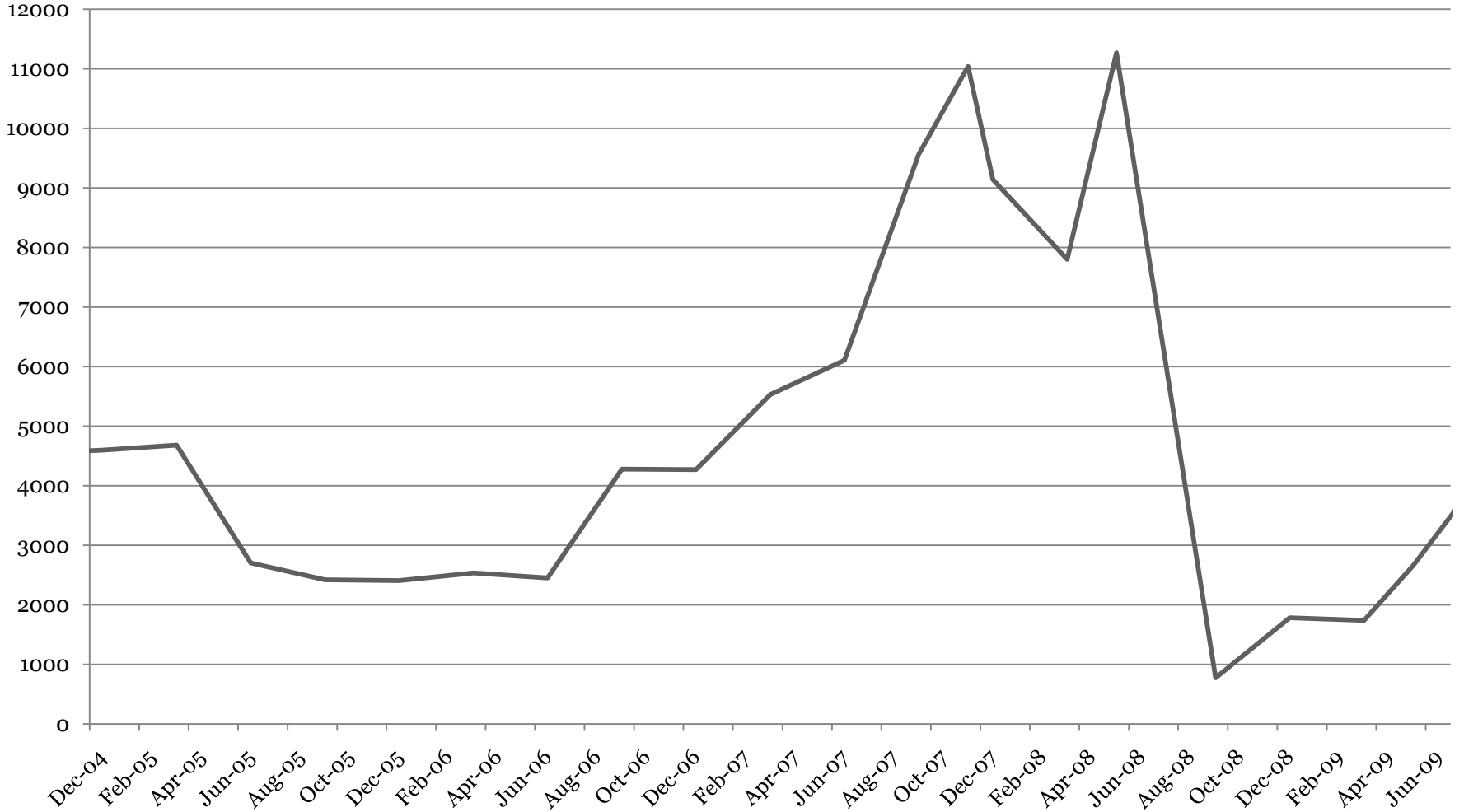


Composite Leading Indicators (Issued 8 June 2009)

	Ratio to trend (long term average 100)						Year on year change (points)	Growth cycle outlook
	2008		2009					
	Nov	Dec	Jan	Feb	Mar	Apr		
							(April to April)	
OECD Area	94.6	93.6	92.9	92.6	92.7	93.2	-8.3	possible trough
Euro Area	95.2	93.4	94.0	94.0	94.5	95.3	-6.3	possible trough
Major 5 Asia*	93.8	93.0	92.4	92.3	92.7	93.3	-8.9	possible trough
G7	94.6	93.3	92.5	92.0	92.0	92.4	-9.2	slowdown
Canada	94.6	93.8	92.3	93.0	93.2	93.6	-7.6	possible trough
France	96.3	96.0	96.2	96.7	97.8	99.0	-1.2	possible trough
Japan	94.5	92.6	91.3	90.2	89.4	89.5	-11.9	slowdown
Germany	93.3	91.7	90.8	90.3	90.2	90.3	-13.4	slowdown
Italy	95.9	95.3	95.7	96.3	97.3	99.4	-0.6	possible trough
UK	96.6	96.2	96.1	96.3	96.7	97.4	-4.2	possible trough
United States	94.1	92.6	91.5	90.9	90.7	90.4	-10.8	slowdown
Brazil	101.1	98.8	96.7	95.0	93.6	92.9	-12.8	strong slowdown
China	93.1	92.5	92.2	92.6	93.4	94.3	-8.3	possible trough
India	95.2	94.4	93.8	93.6	93.5	93.9	-7.9	slowdown
Russia	93.6	90.7	88.4	87.0	84.2	85.9	-21.3	strong slowdown

1. * China, India, Indonesia, Japan and Korea.

Baltic Dry Index - BDI



New Orders – Q4 (2006) to Q1 (2009)

