



A Severe Recession

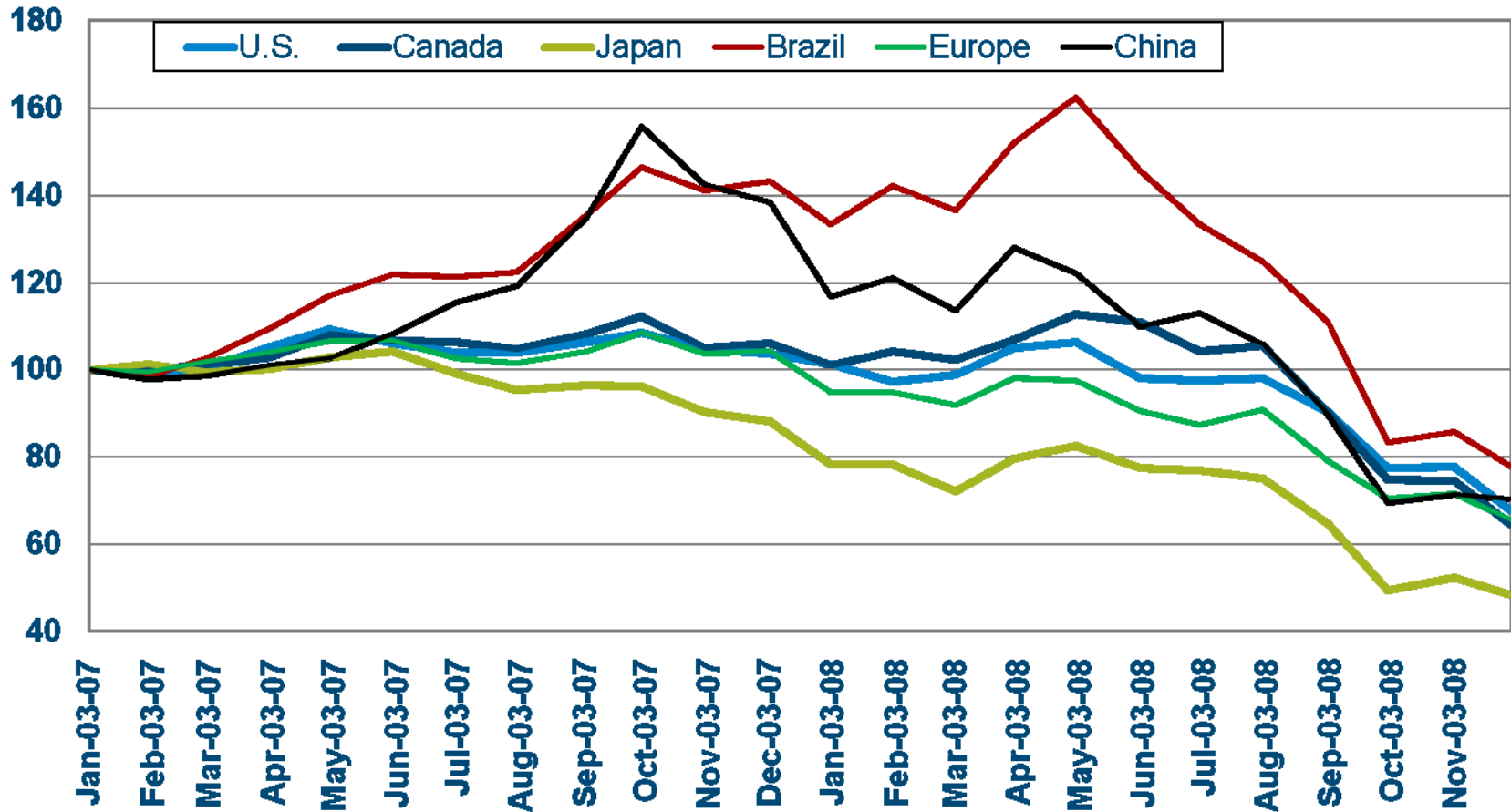


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The Financial Crisis Has Spread Worldwide

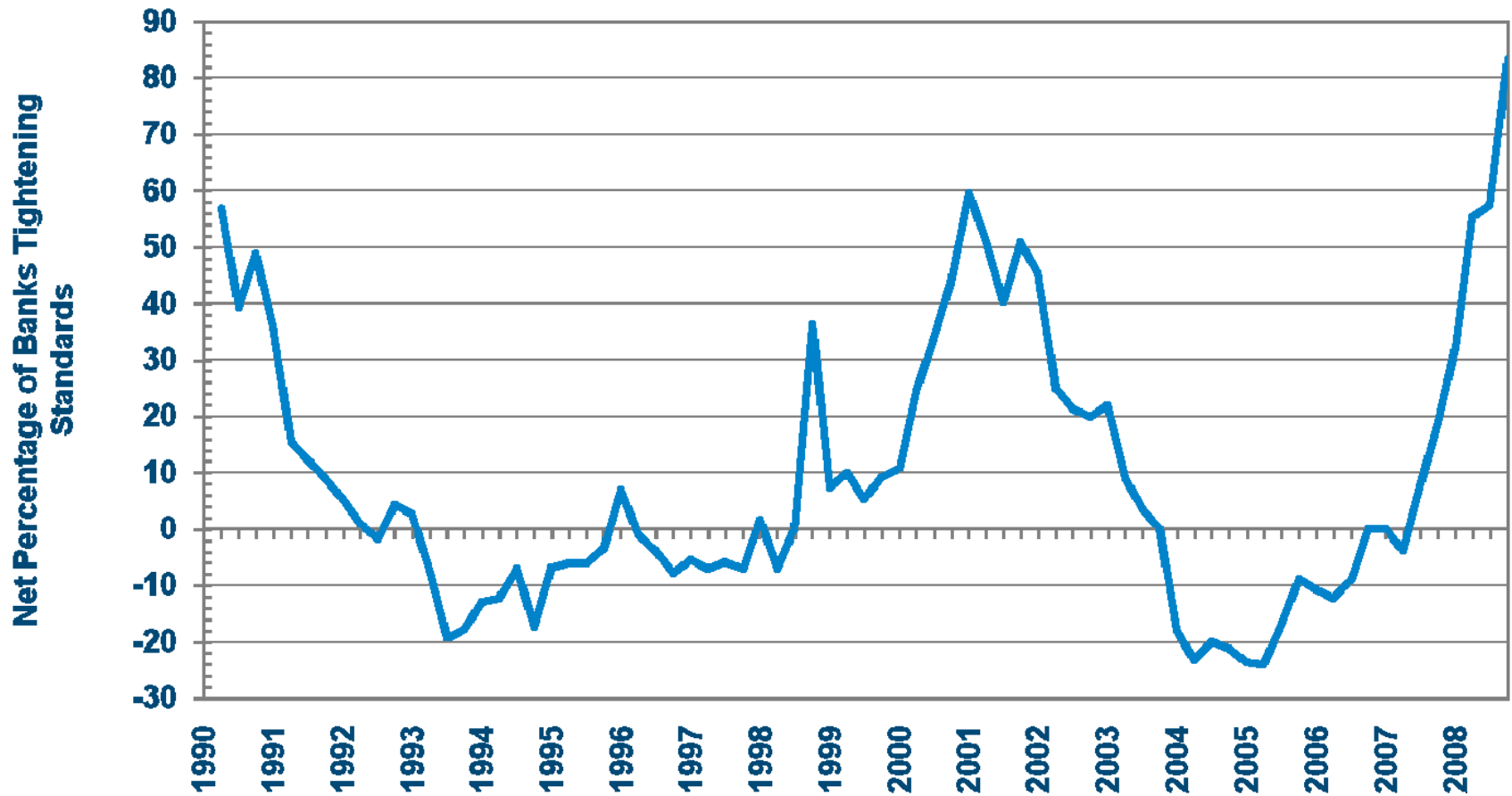
World Stock Prices

Index: January 2007=100

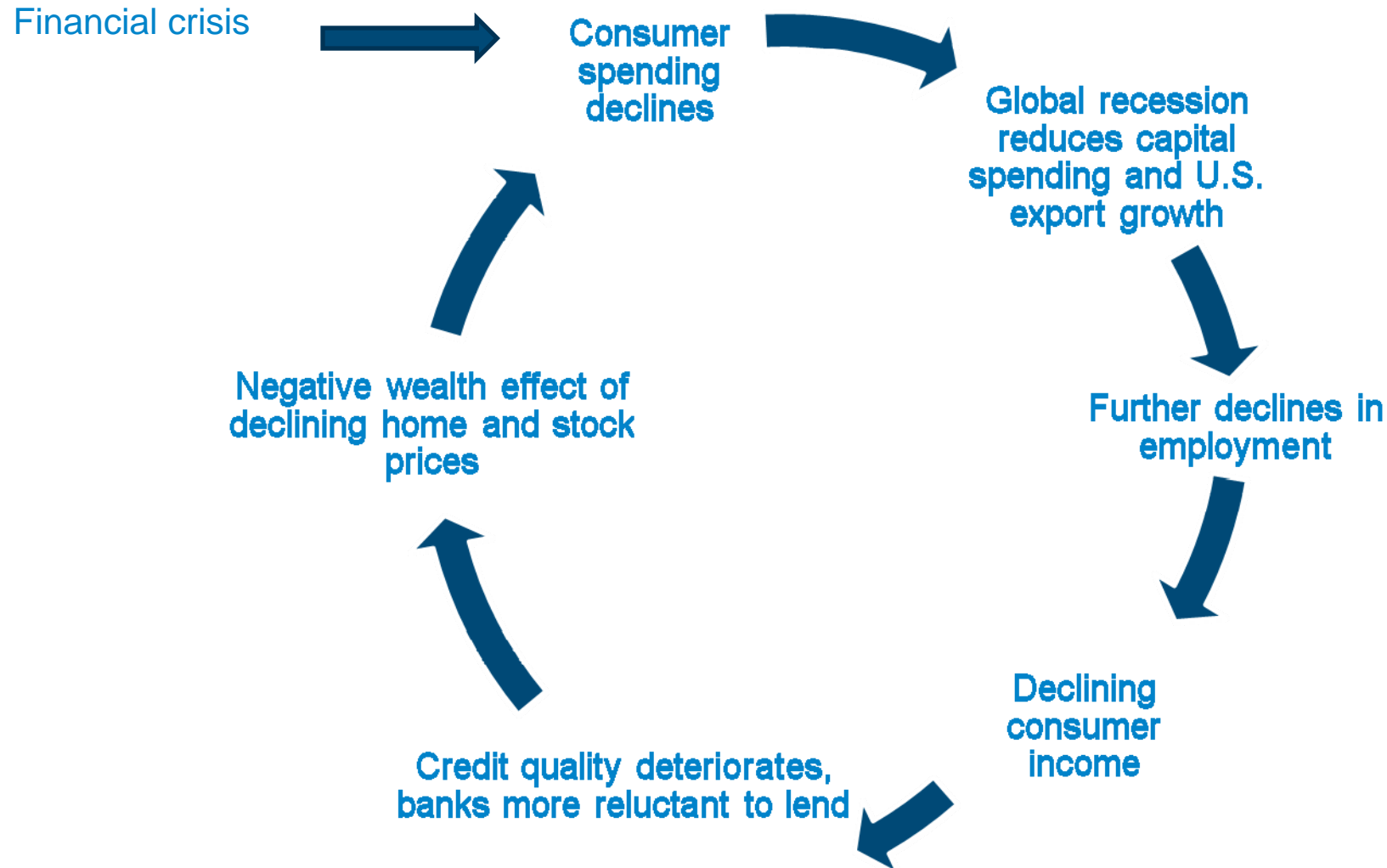


Source: Yahoo Finance

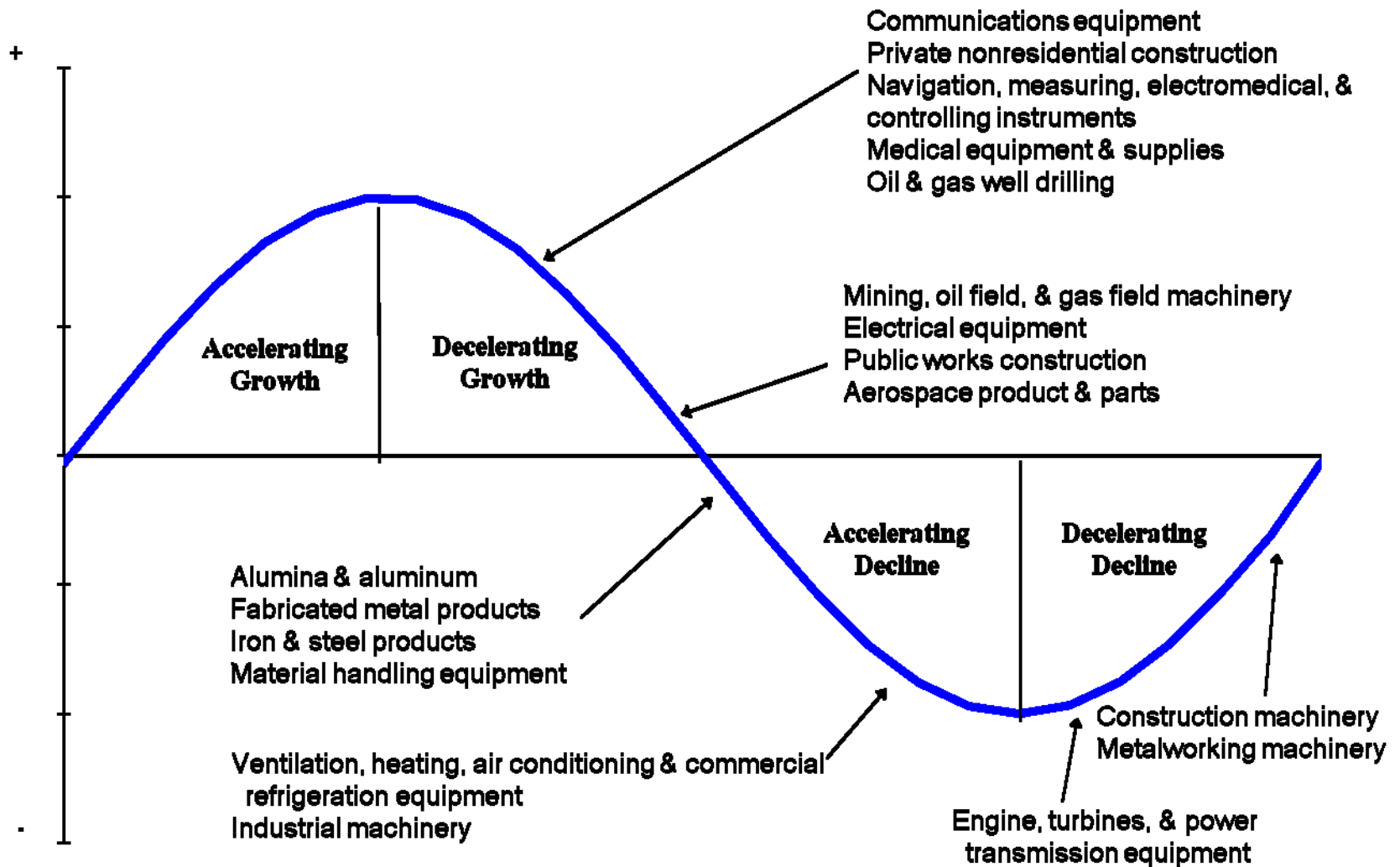
Senior Loan Officer Opinion Survey, Commercial and Industrial Loans



Vicious Circle From Financial Sector to Real Economy

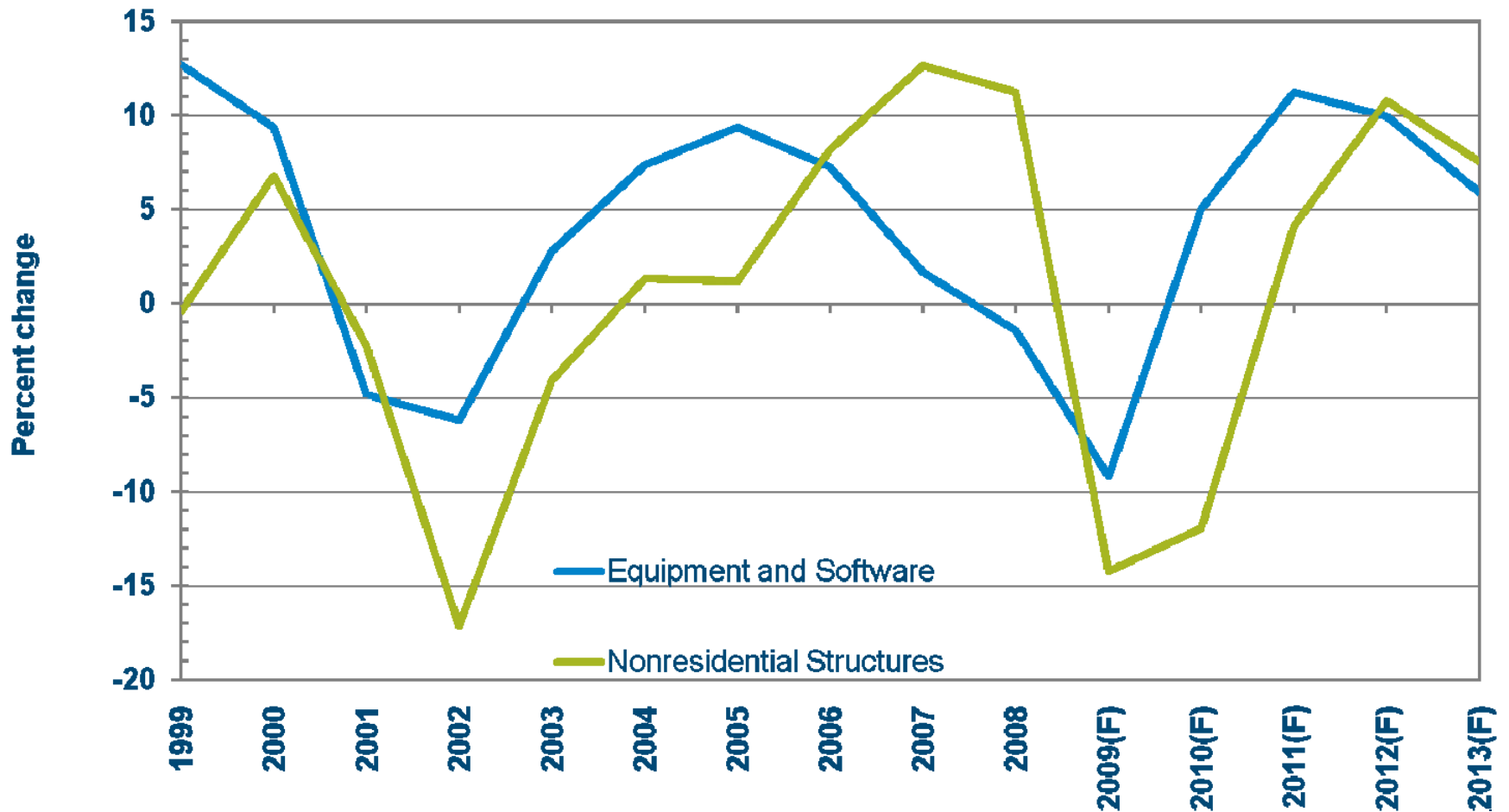


Durable goods industries are moving into recession



Falling Capacity Utilization and Tight Credit Drive Down Business Investment Spending

Business Investment, Inflation-Adjusted



Source: Bureau of Economic Analysis , MAPI Forecast
F=Forecast

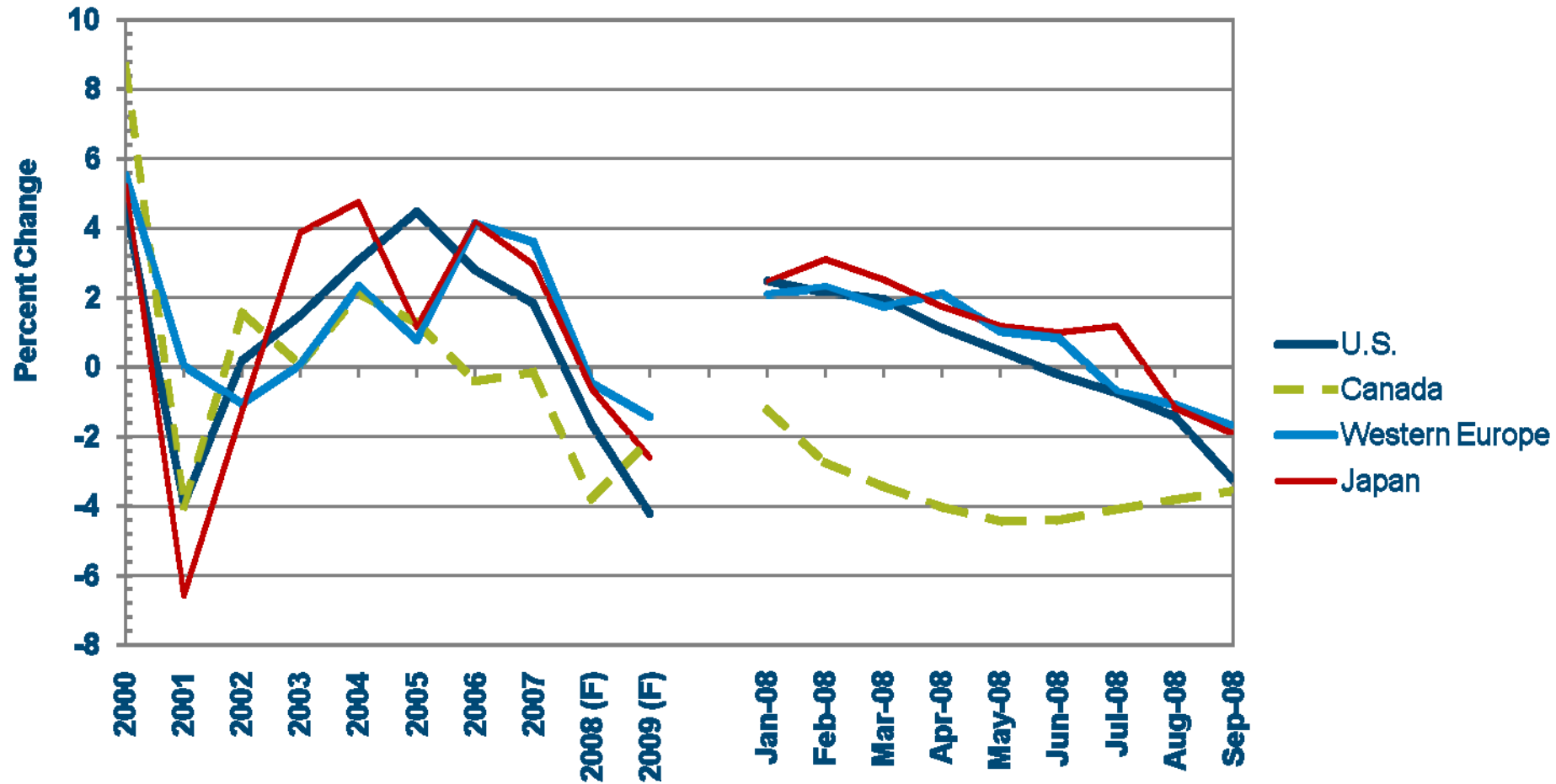
Most Durable Industries Are In Recession

Durable Manufacturing Production

Industry	Percent Change			Industry	Percent Change		
	2008	2009	2010		2008	2009	2010
Iron & Steel	-4	-9	-2	Drilling Equipment	11	-12	-1
Alumina & Aluminum	1	-10	2	Metalworking Machinery	-1	-11	0
Electrical Equipment	1	-10	-1	Commercial, Service & Other Machinery	-1	-10	-1
Forging and Stamping	2	-8	-1	Industrial Machinery	-13	-14	4
Architectural & Structural Metals	-1	-15	-6	HVAC Equipment	-9	-12	1
Engines & Turbines	-10	-9	1	Motor Vehicles & Parts	-14	-17	0
Ag. Equipment	-5	-15	-2	Aerospace	1	2	11
Construction Machinery	-4	-17	-4	Ship & Boat Building	-7	-8	-2

Two Speed World: Advanced Countries In Manufacturing Recession

Manufacturing Production Growth



Source: Government Statistical Agencies, Global Insight, MAPI

Two Speed World: Developing Countries Grow At A Decelerating Rate

Manufacturing Production Growth

