

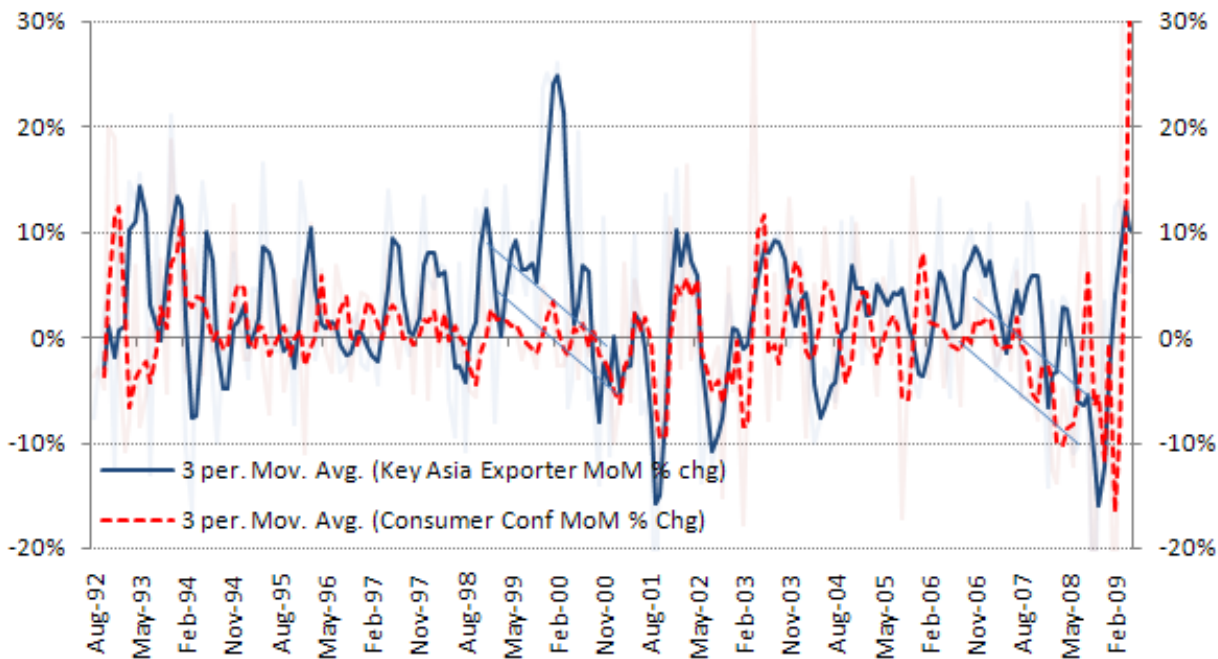


Consumer Confident

27 May 2009

- **Consumer Confidence rebound:** The rebound shows the largest 2-month spike since 1974, driven by unprecedented easing and liquidity tactics by central banks, with the CONCCONF rising to 54.9 from as low of 25.3 in Feb-09. Consumers are starting to do what they are expected to in US – spend...
- **Transport perspective:** Exporters may benefit from a physical market perspective, yet how much is baked in will still get debated given the low base from which the recovery begins, which is our angle. Amongst liners, we understand a large Asia carrier is offering as low as \$800/FEU to US West Coast, which is below rock bottom for liners to price at. We sincerely hope we can get back above \$1,000 – 1,200, though even this is way below the touted averages and still a disaster for the liners, in our view
- **Asia exporters:** Without expressing a specific view, but noting the market’s long term trends, we have tracked a longer term key Asia exporter against consumer confidence to show the relationship. The MoM correlation is low. But the pattern becomes more clear when looking at the 3-mth MA

MoM % Change of Asia Export Play to US Consumer Confidence, Aug-92 to May-09(MTD)



Source: Transport Trackers

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