

Just How Big is Cleveland?

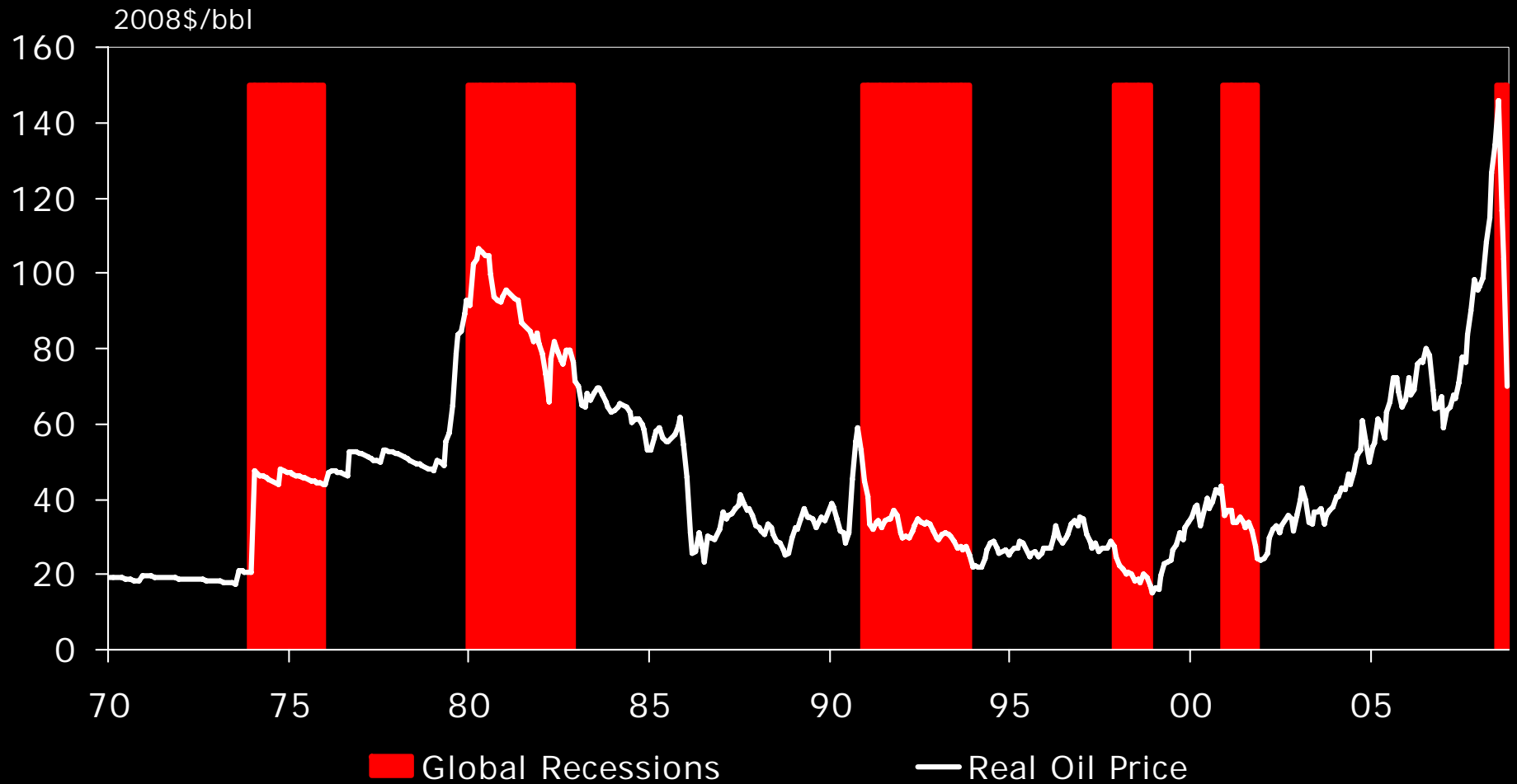
Jeff Rubin, Chief Economist & Chief Strategist



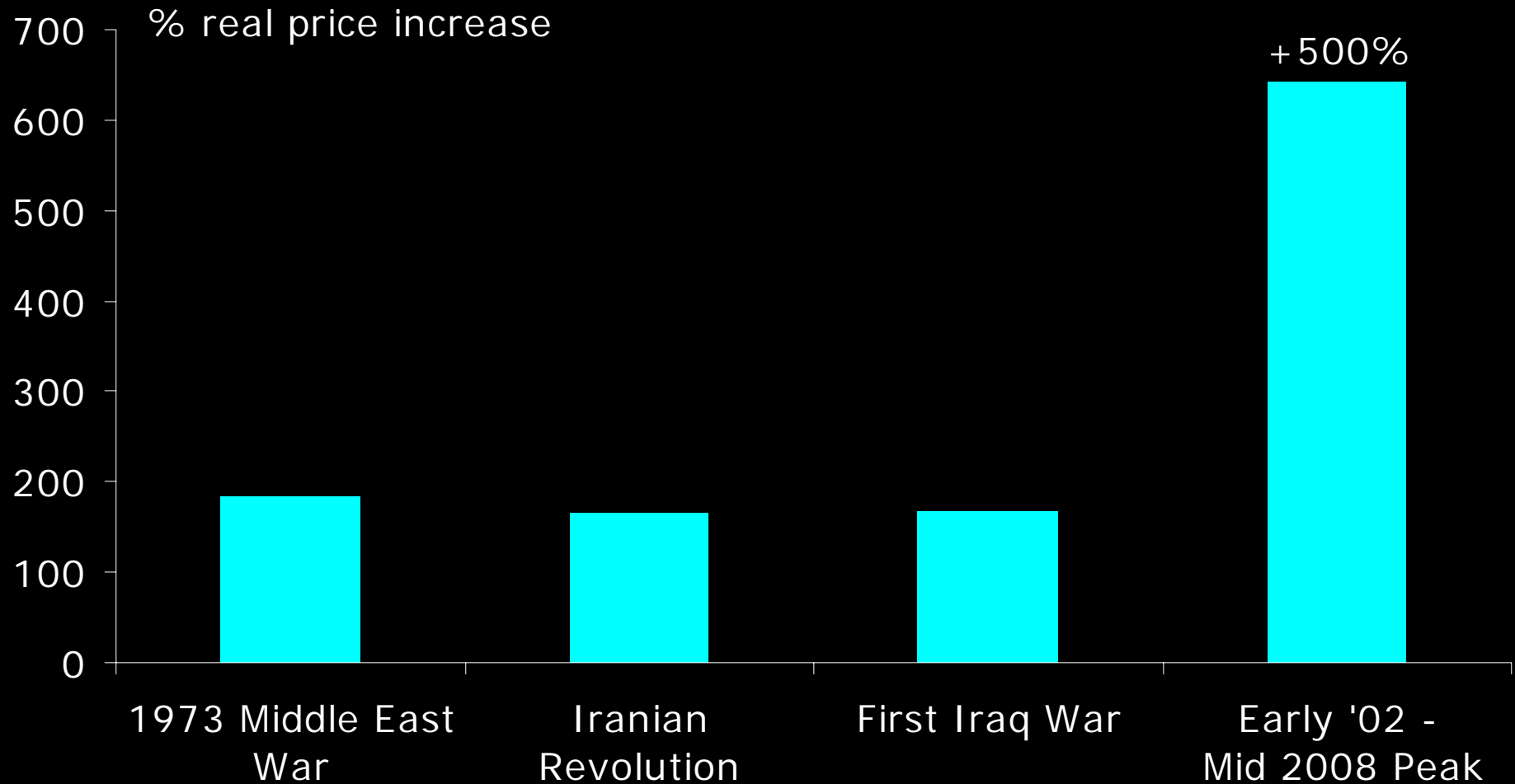
CIBC
World Markets

December 2008
Economics & Strategy

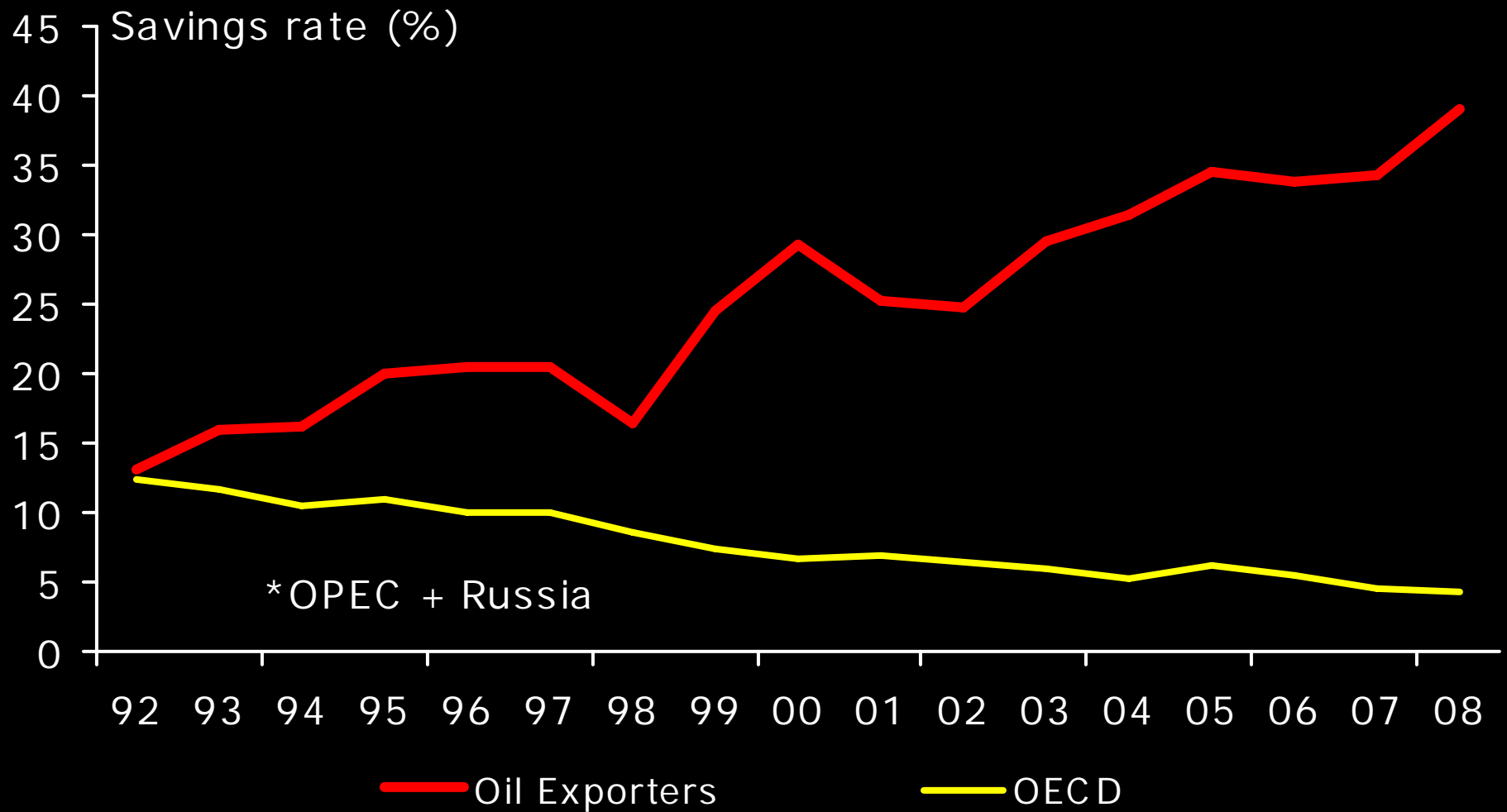
Oil Price Spikes Preceded 4 Out of Last 5 Global Recessions



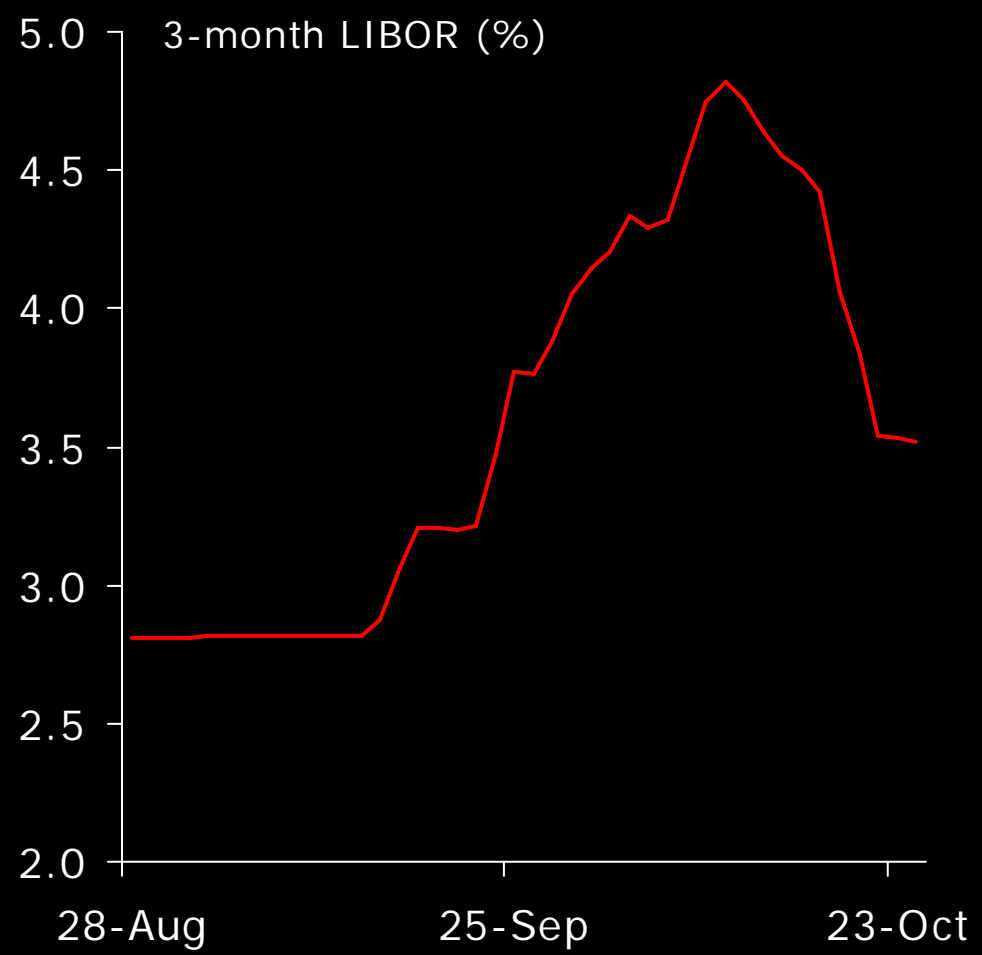
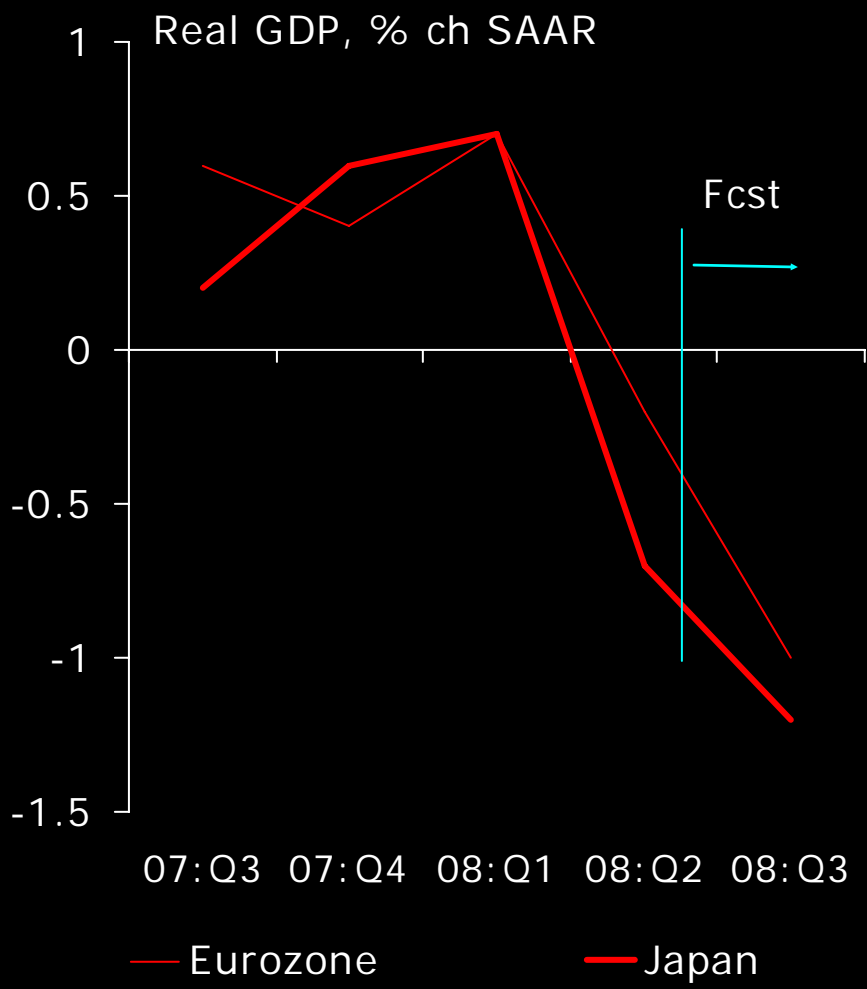
Biggest Oil Price Shock Ever



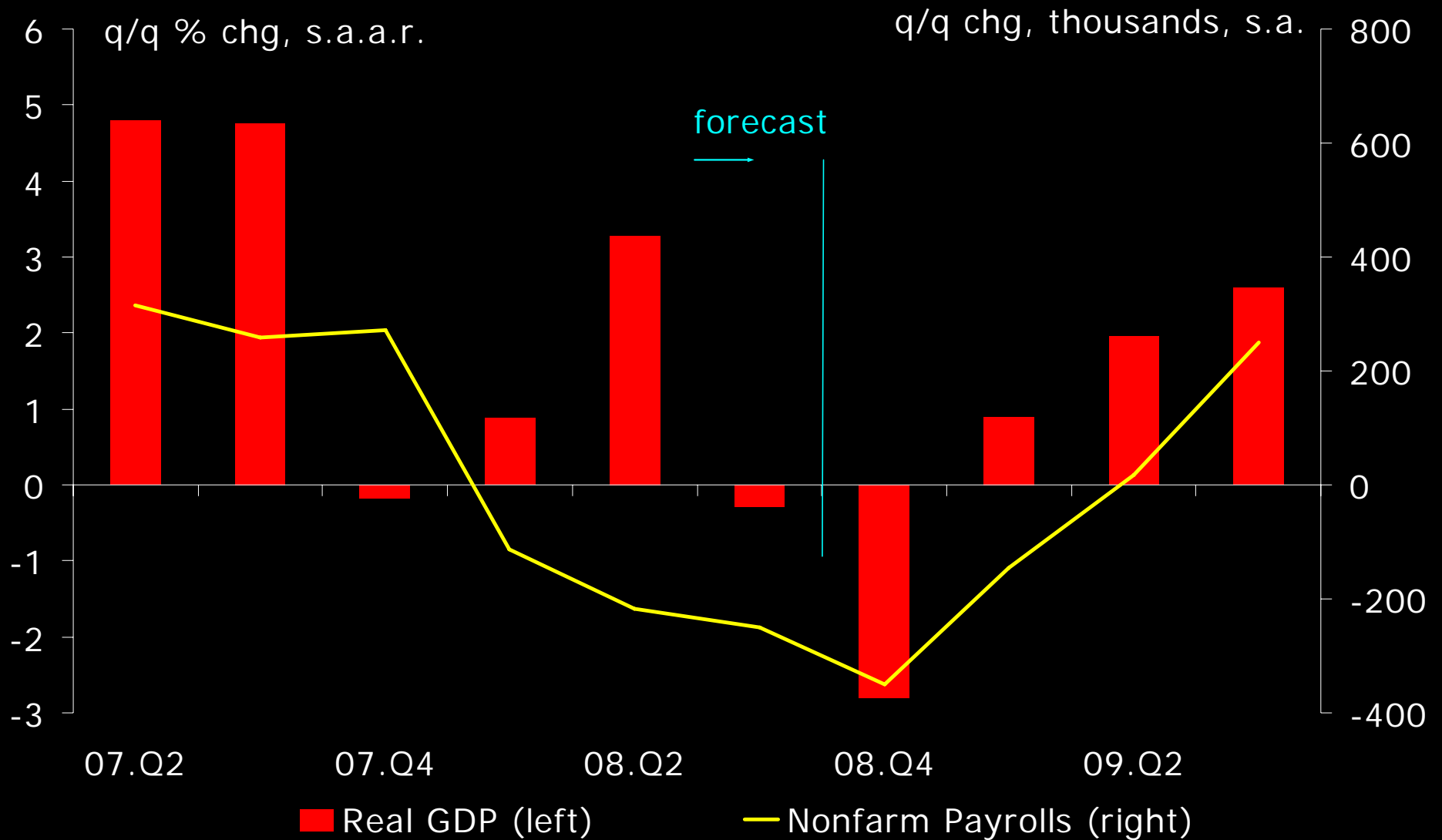
Savings Rates: OECD and OPEC



Overseas Economies Were in Recession (left) Well Before Financial Shock Intensified (right)

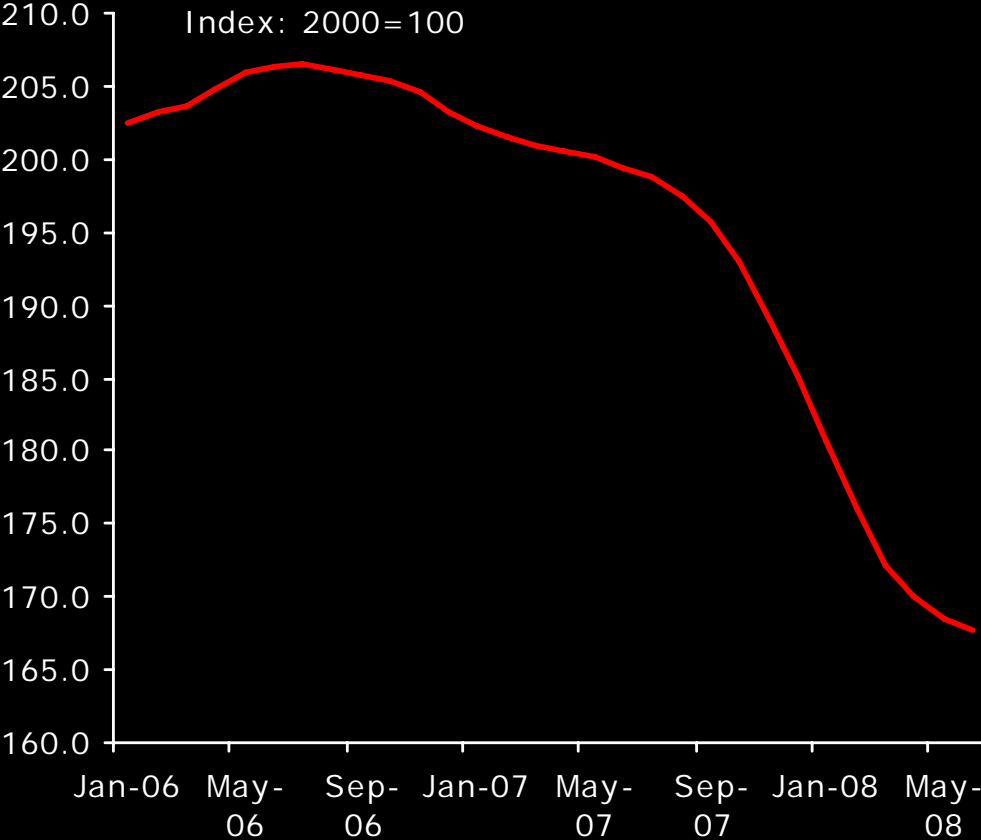


US Economy in Recession

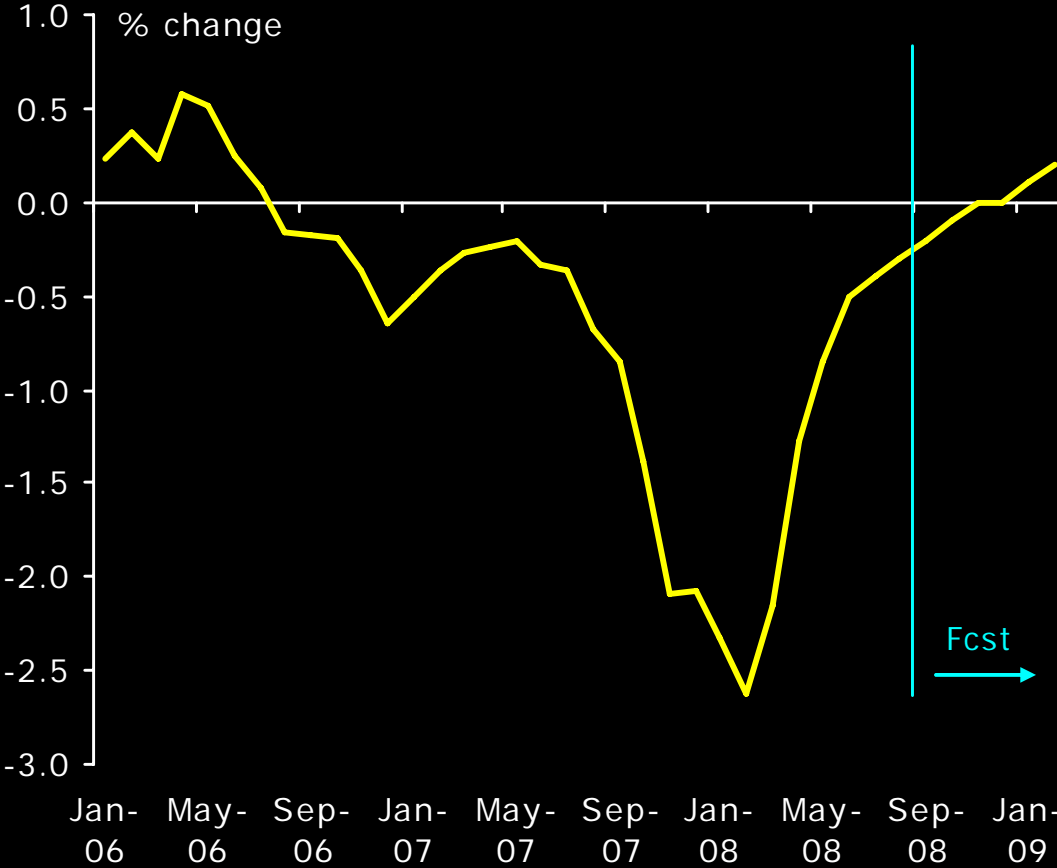


US House Deflation: The End is in Sight

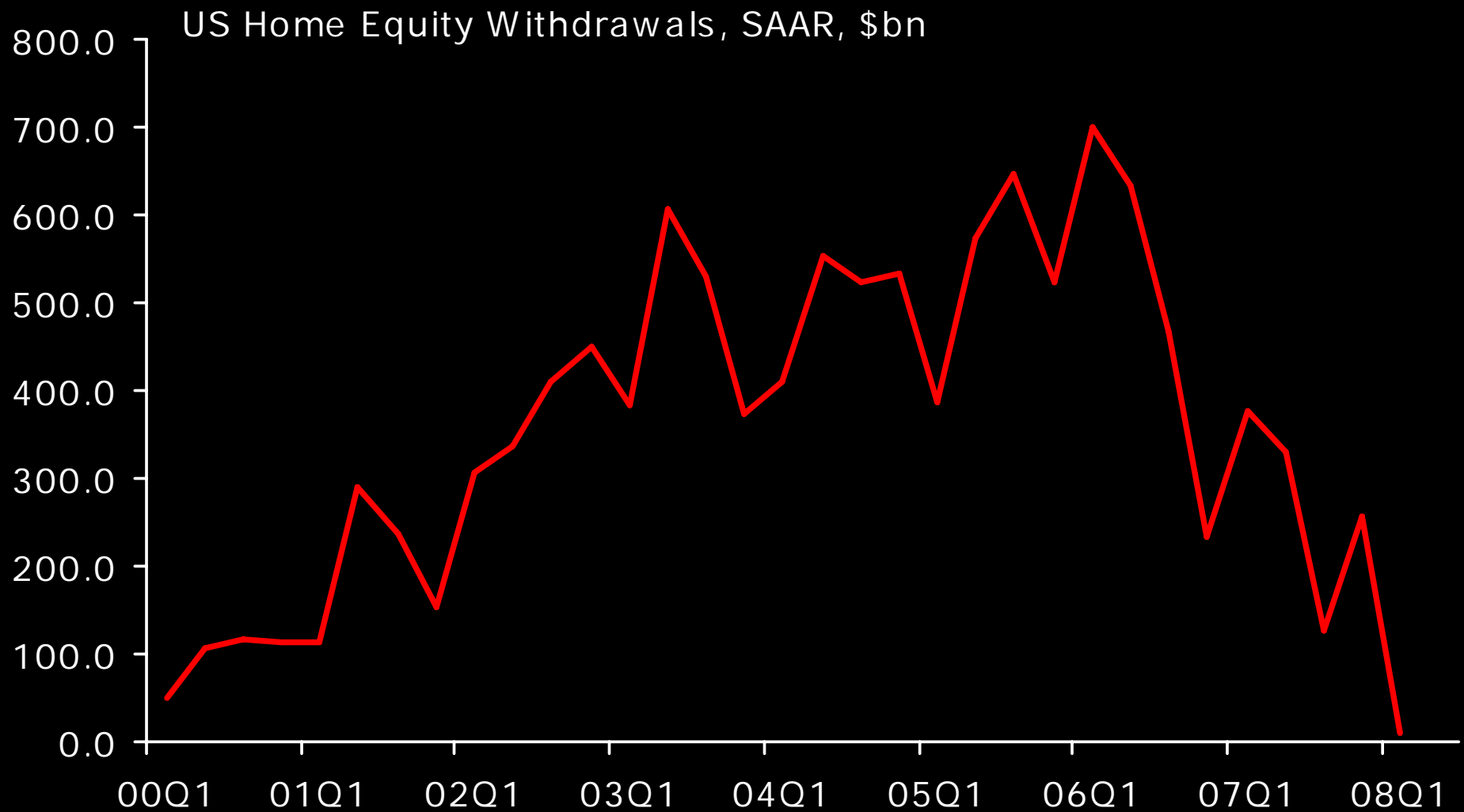
Falling at a Slower Rate



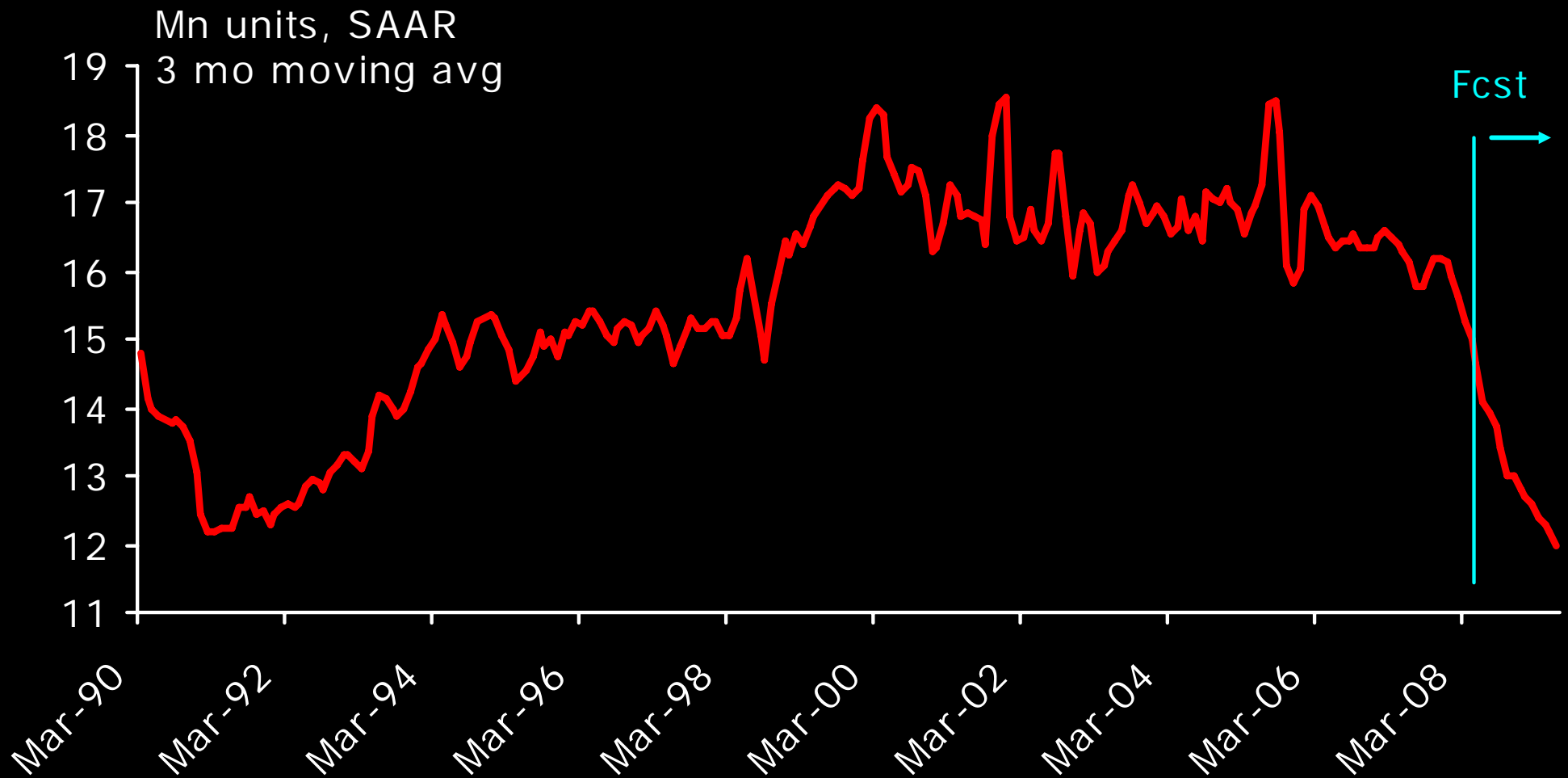
Price Recovery Early Next Year



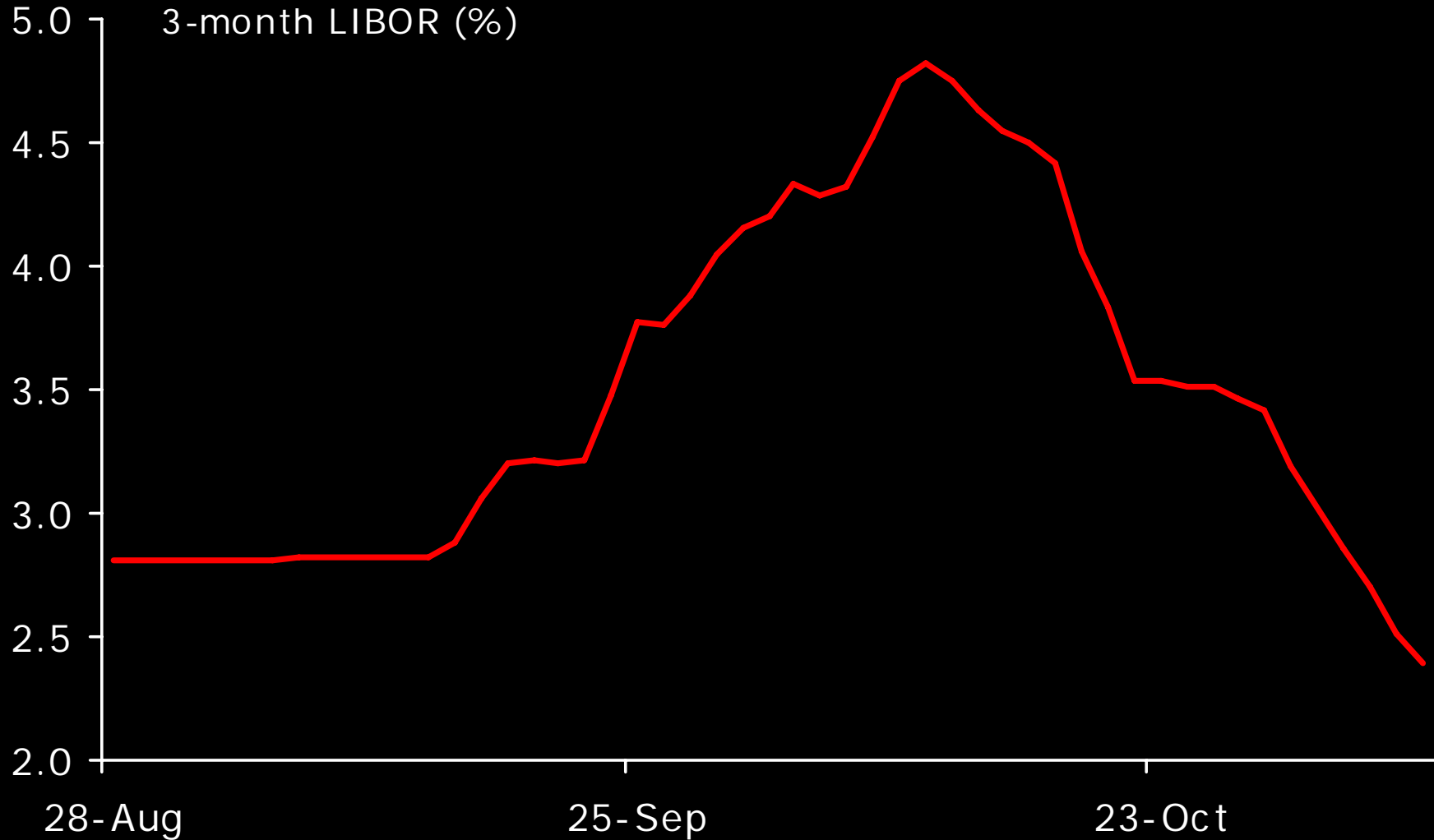
Consumer Spending No Longer Leveraged to Home



US Vehicle Sales to Crash to Decade Lows



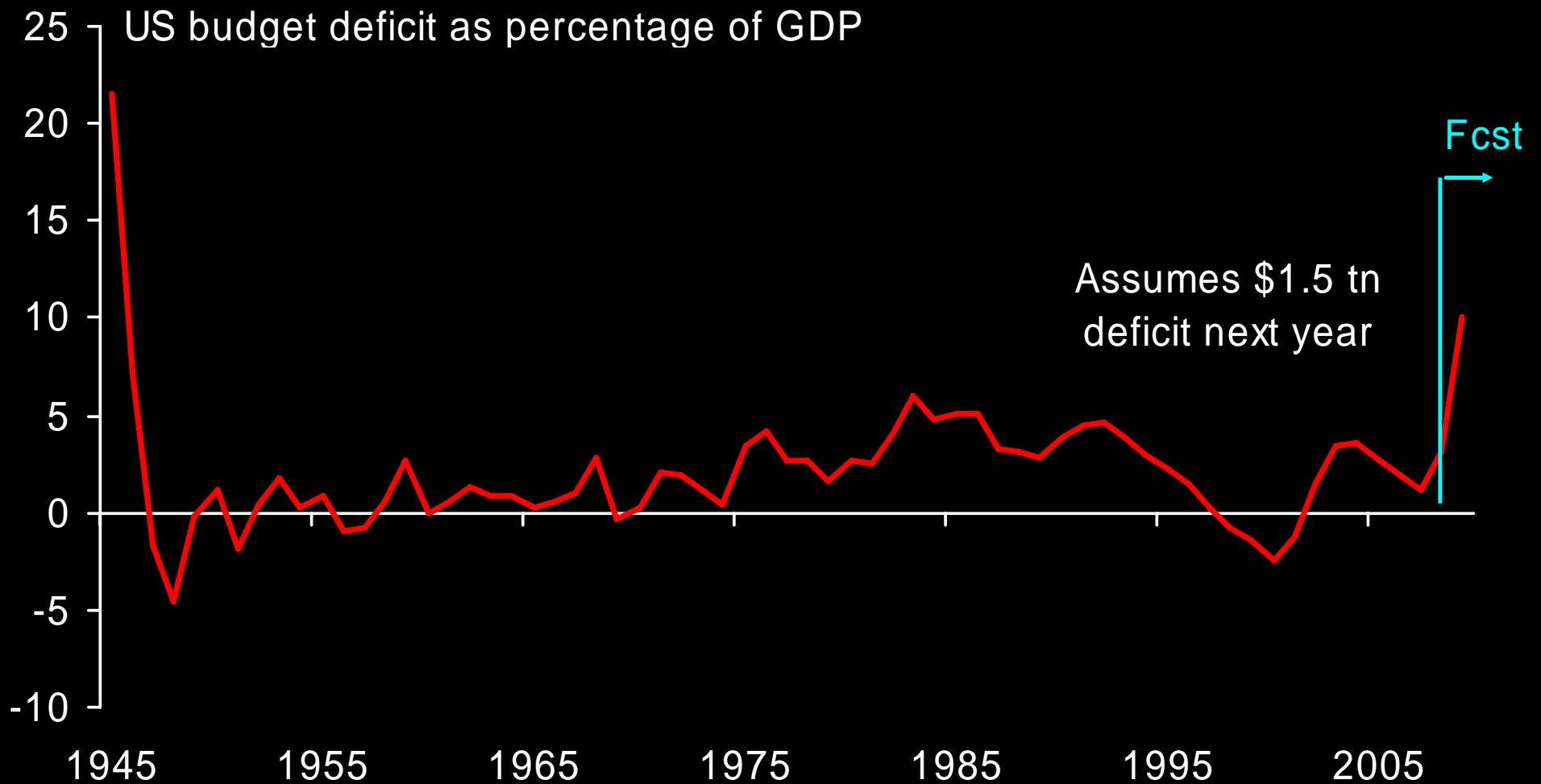
Liquidity Crisis Beginning to Ease



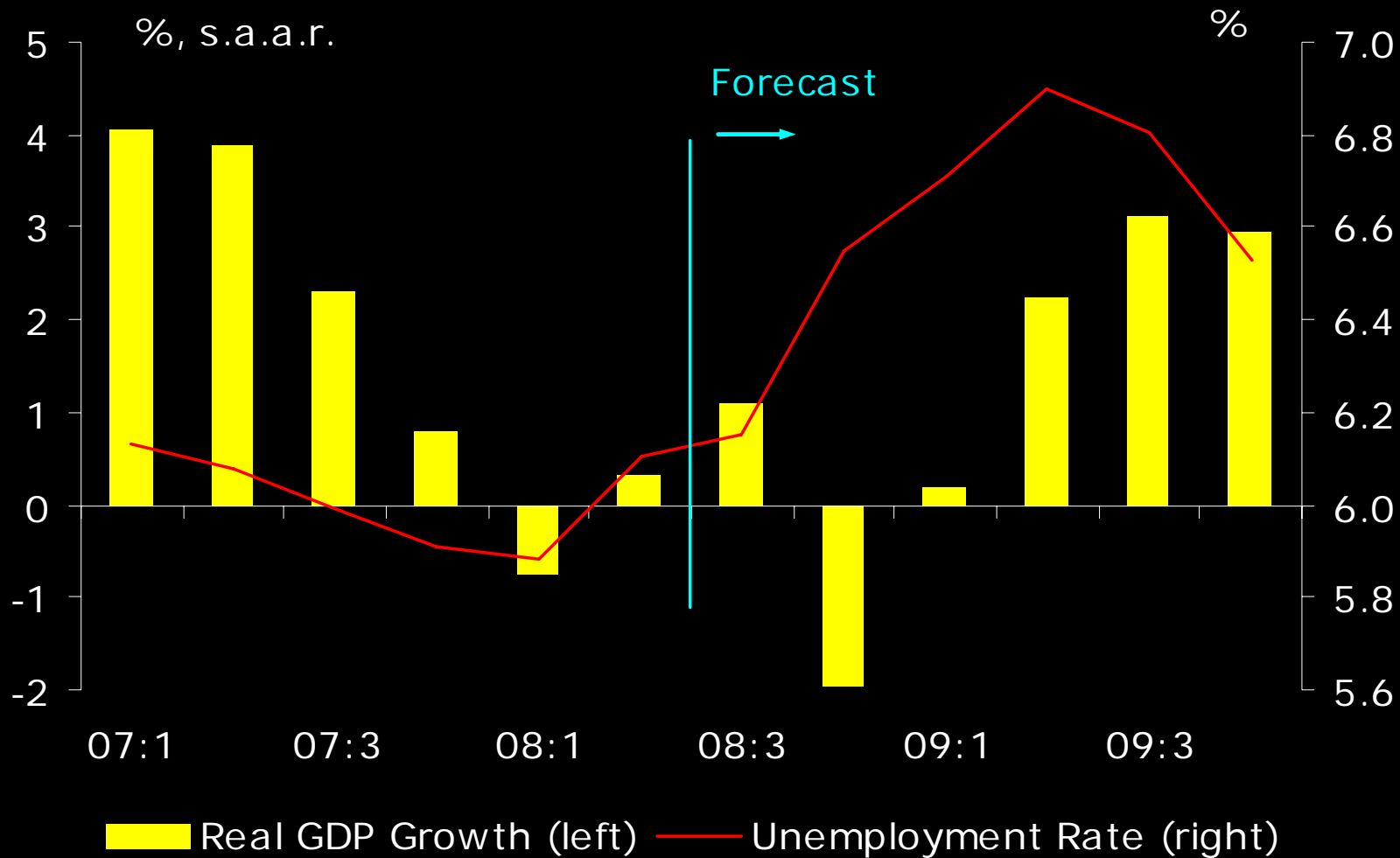
Real Fed Funds Rate



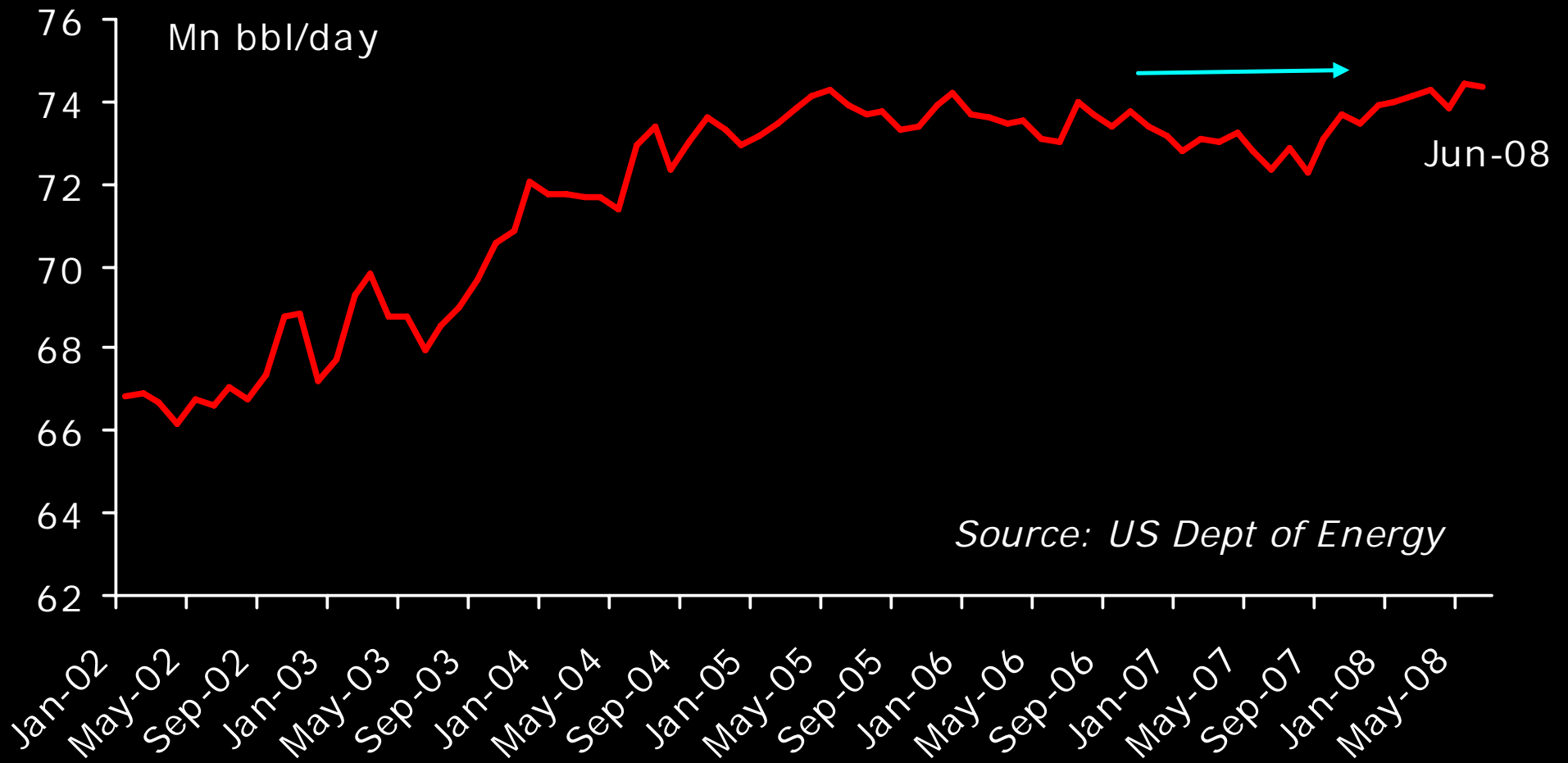
Deficit/GDP Ratio to Approach WW2 Levels



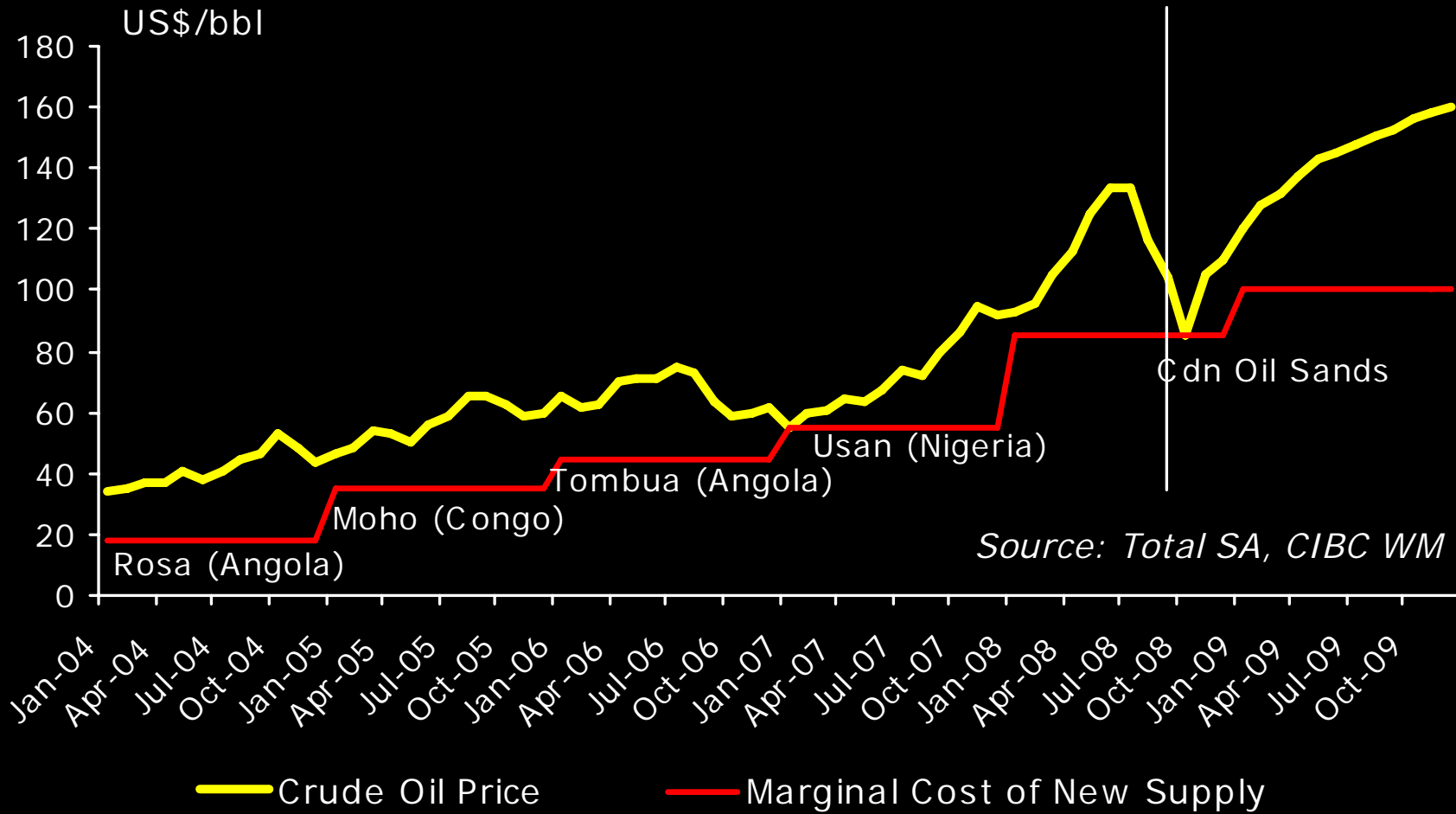
Canada: Stronger Growth in 2009



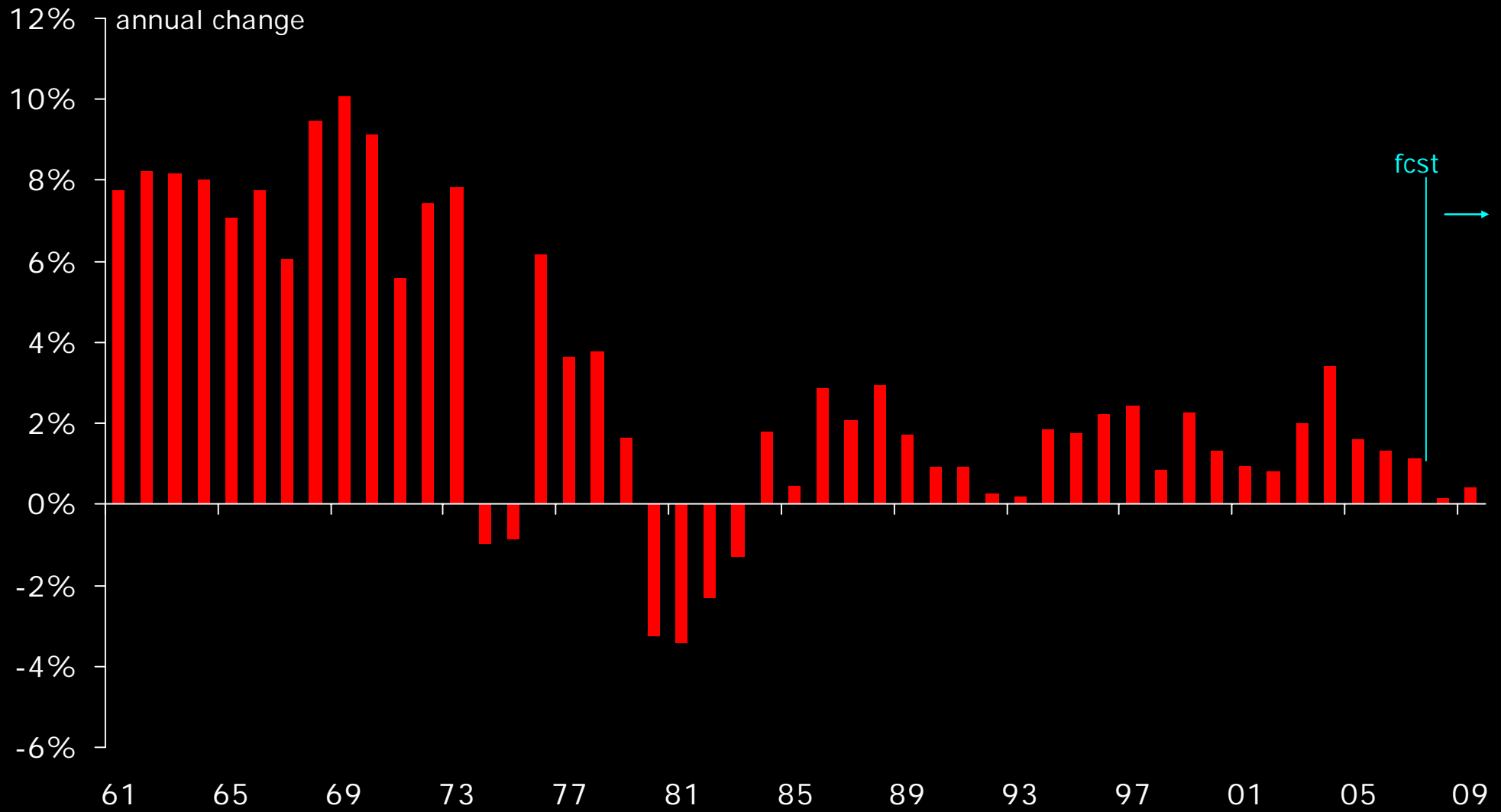
No Growth in World Oil Supply



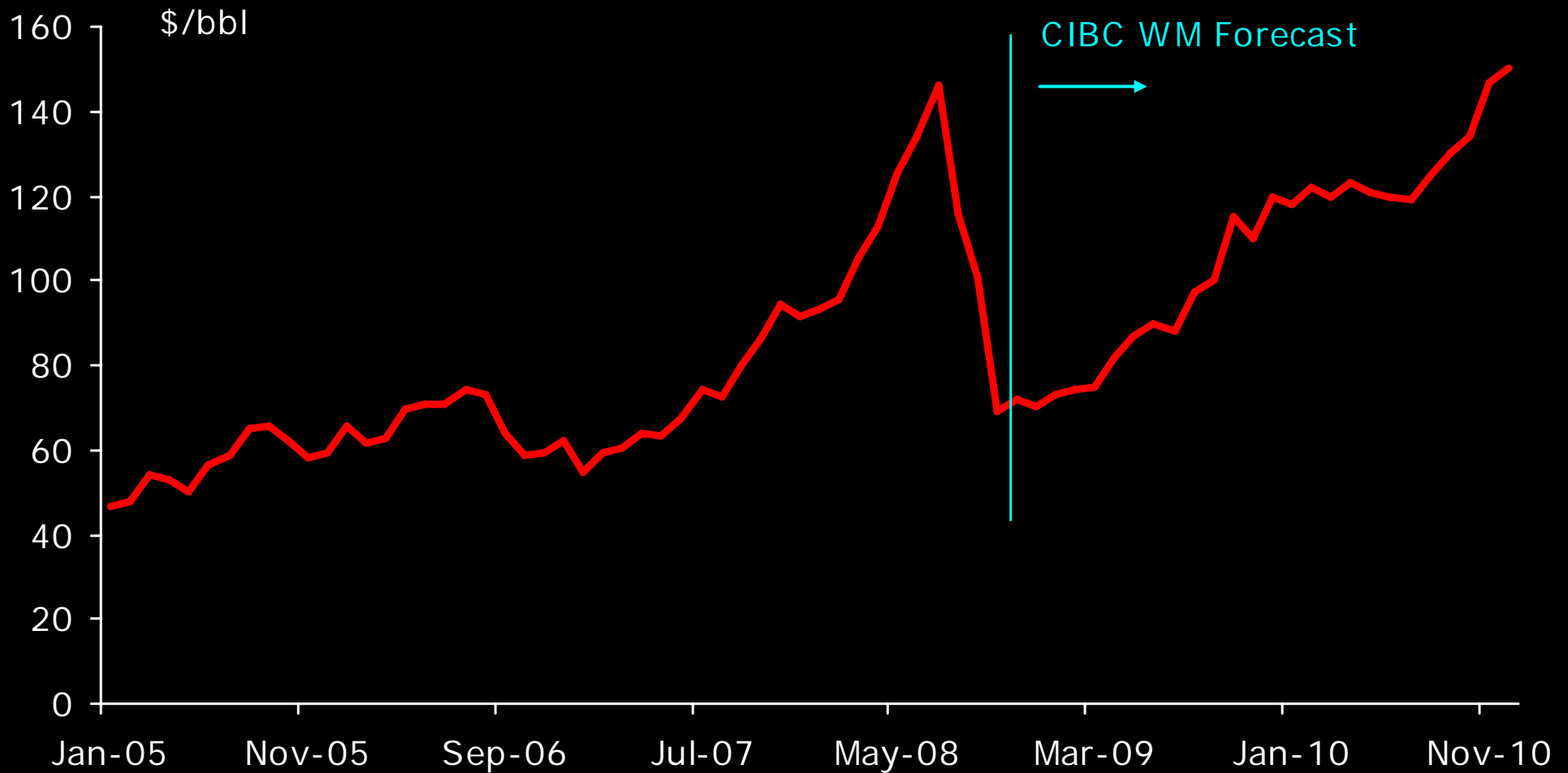
Marginal Cost of Oil Close to \$90/Bbl



World Oil Demand Has Not Fallen Since 1983

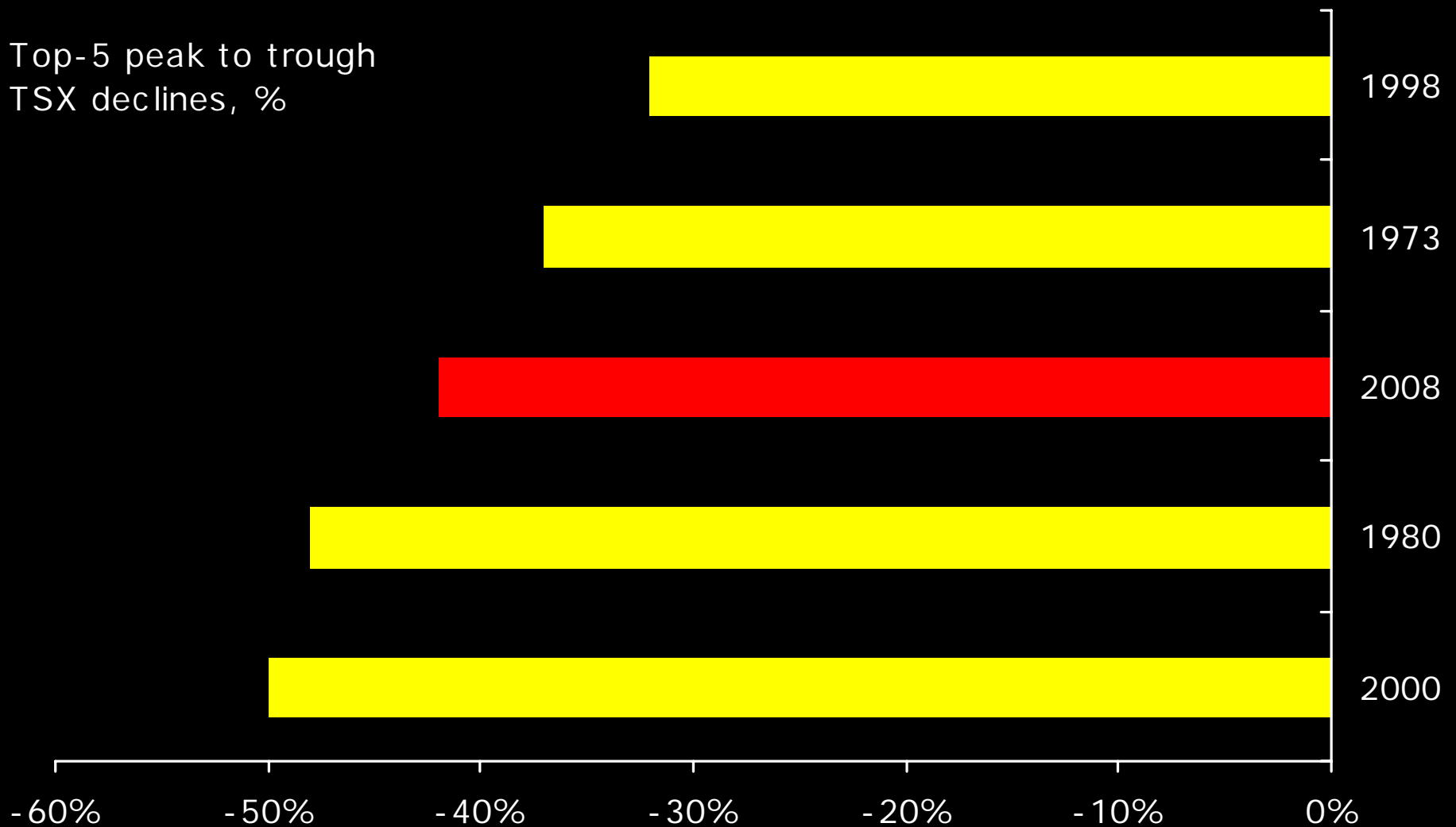


Oil Prices Will Rebound to Triple-Digit Levels by Next Year



Recent TSX Drop Was One of the Worst

Top-5 peak to trough
TSX declines, %



Current Sell-Off vs Prior Bear Market Timing

