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14 – 16 April 2010

Keynote Speech: Increasing Public Debt – Is Inflation around the Corner?

Dr. Ralph Solveen, Commerzbank AG

•• www.taxand.com

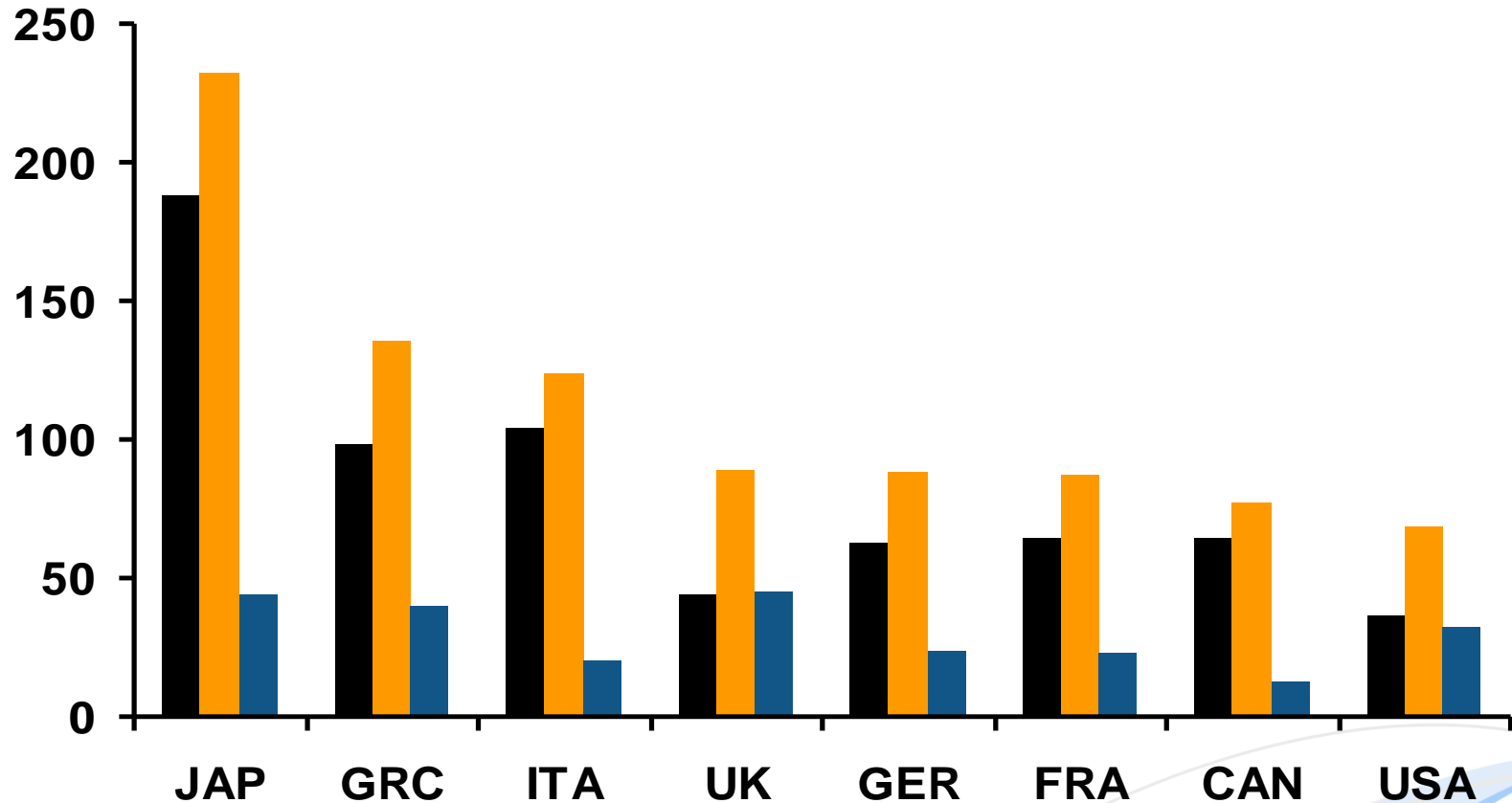


Increasing Public Debt – Is Inflation around the Corner?

SOARING PUBLIC DEBT

Key  Increasing Public Debt – Is Inflation around the Corner?

PUBLIC DEBT AS % OF NOMINAL GDP

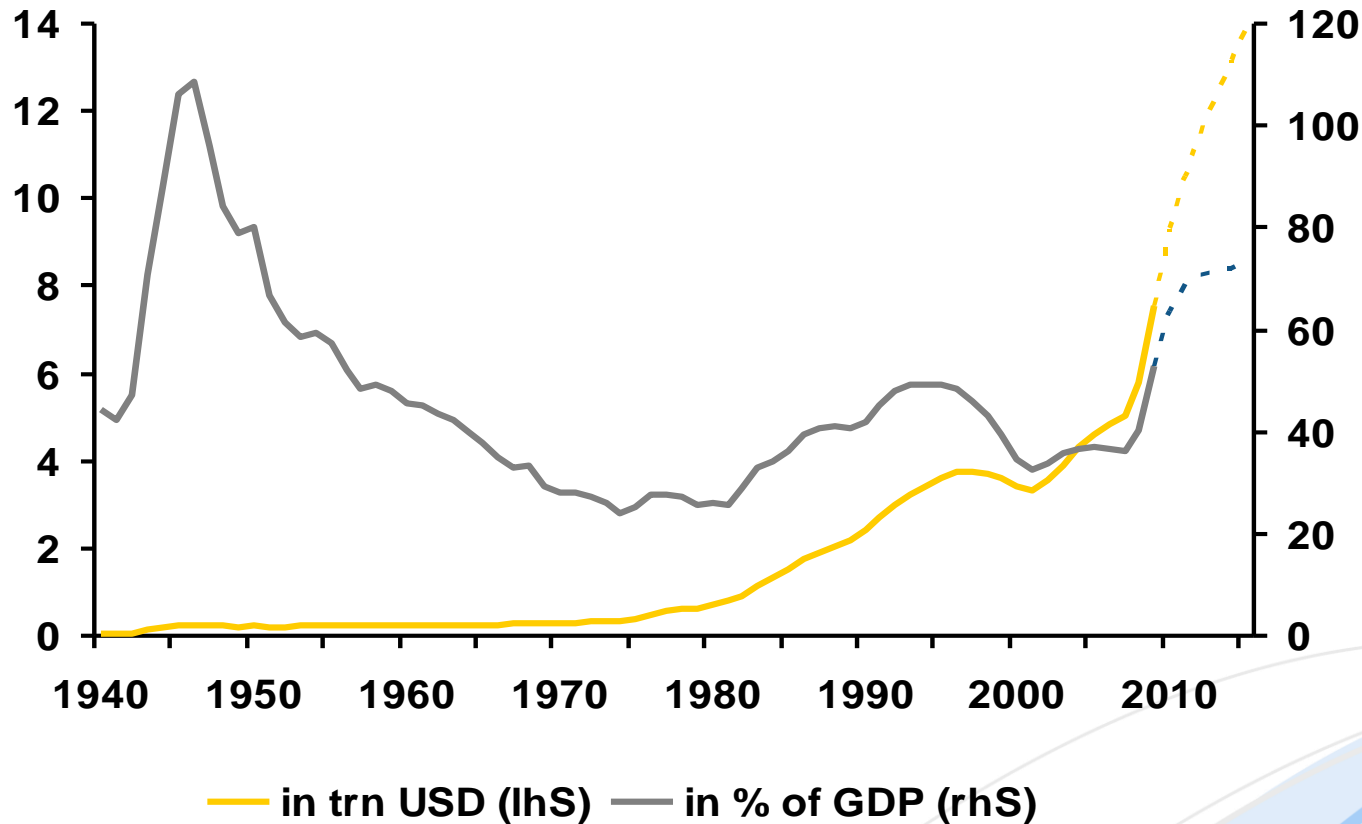


■ 2007 ■ 2011 ■ change 2007 to 2011

USA: DEBT RISING, DEBT RATIO DID NOT

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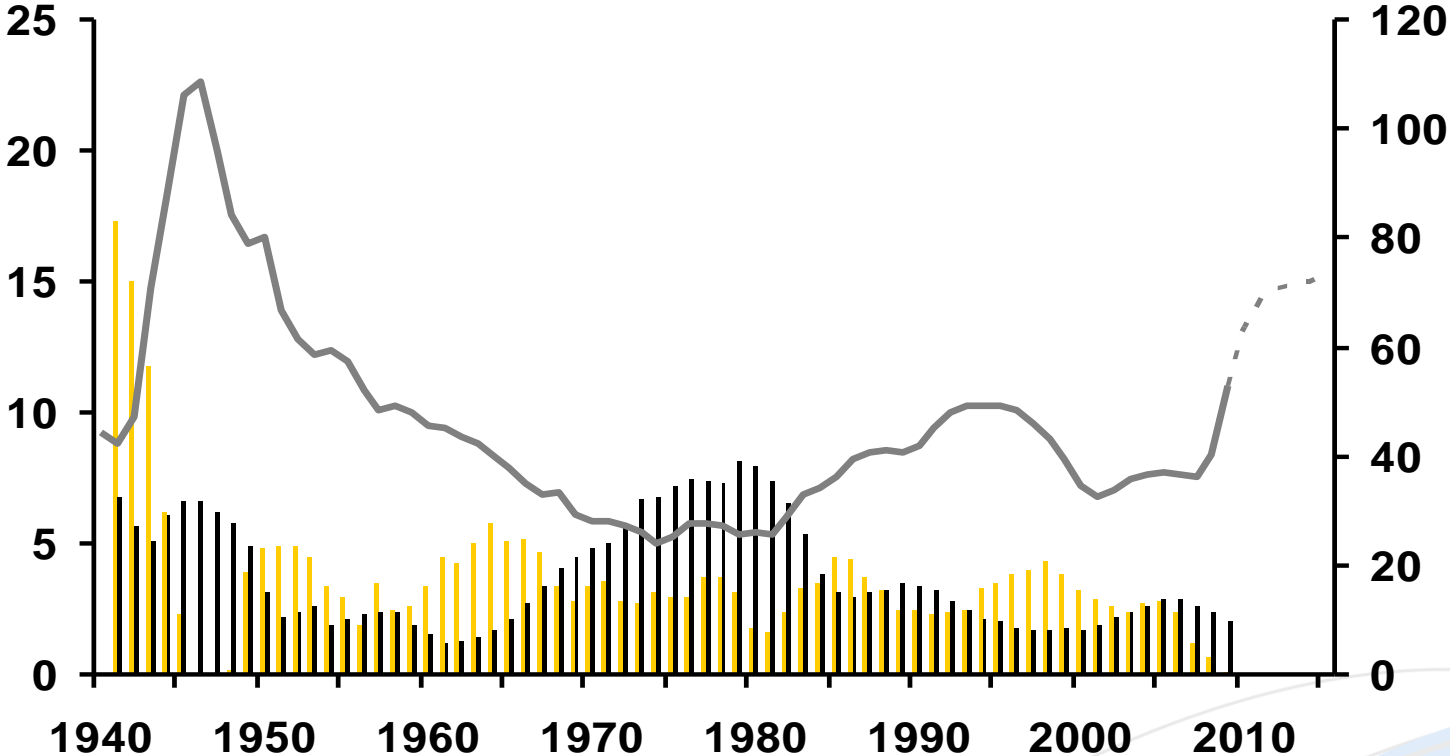
PUBLIC DEBT HOLD BY THE PRIVATE SECTOR AND FOREIGN INVESTORS



USA: GROWING OUT OF THE DEBT IN 50S

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DEBT: PUBLIC DEBT IN % OF GDP; GROWTH: YEAR-ON-YEAR CHANGE OF REAL GDP, INFLATION: YEAR-ON-YEAR CHANGE OF THE GDP DEFLATOR



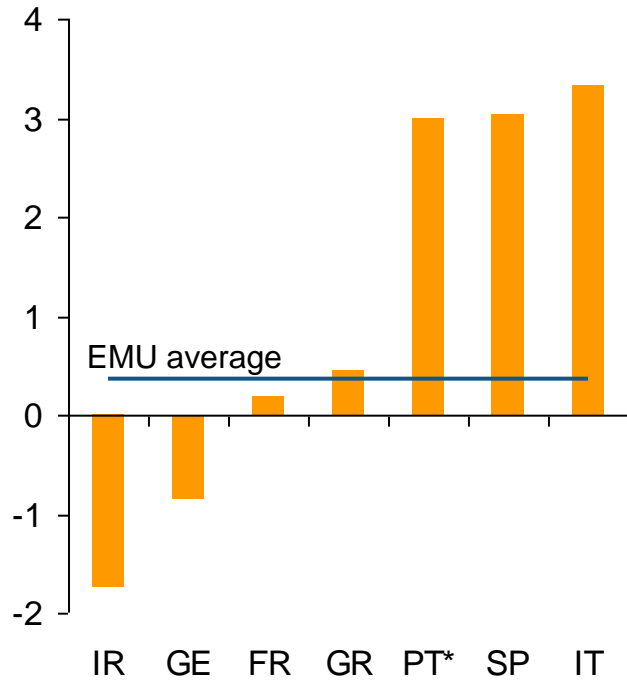
■ Growth (LhS) ■ Inflation (LhS) — Debt (rhS)



EMU: LOSS IN COMPETITIVENESS TAKING ITS TOLL

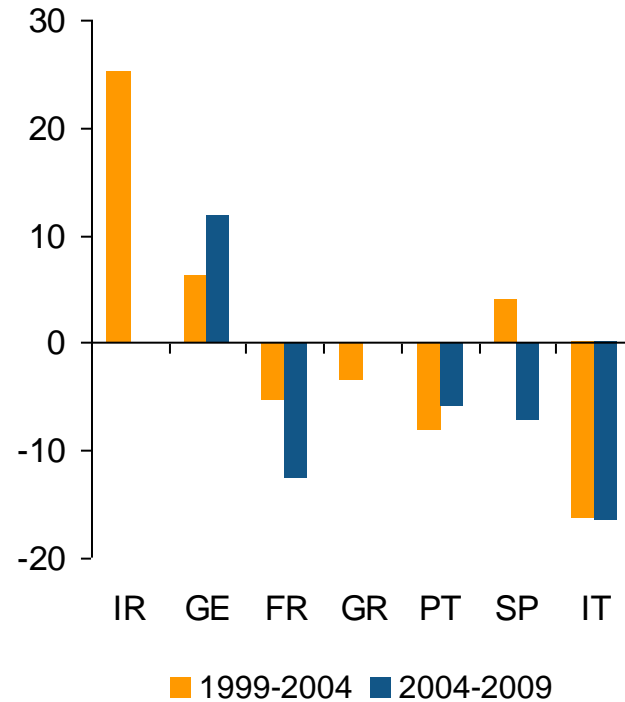
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Unit labor costs in manufacturing
Average yearly change 2000-2008 in %



* Portugal: Whole economy

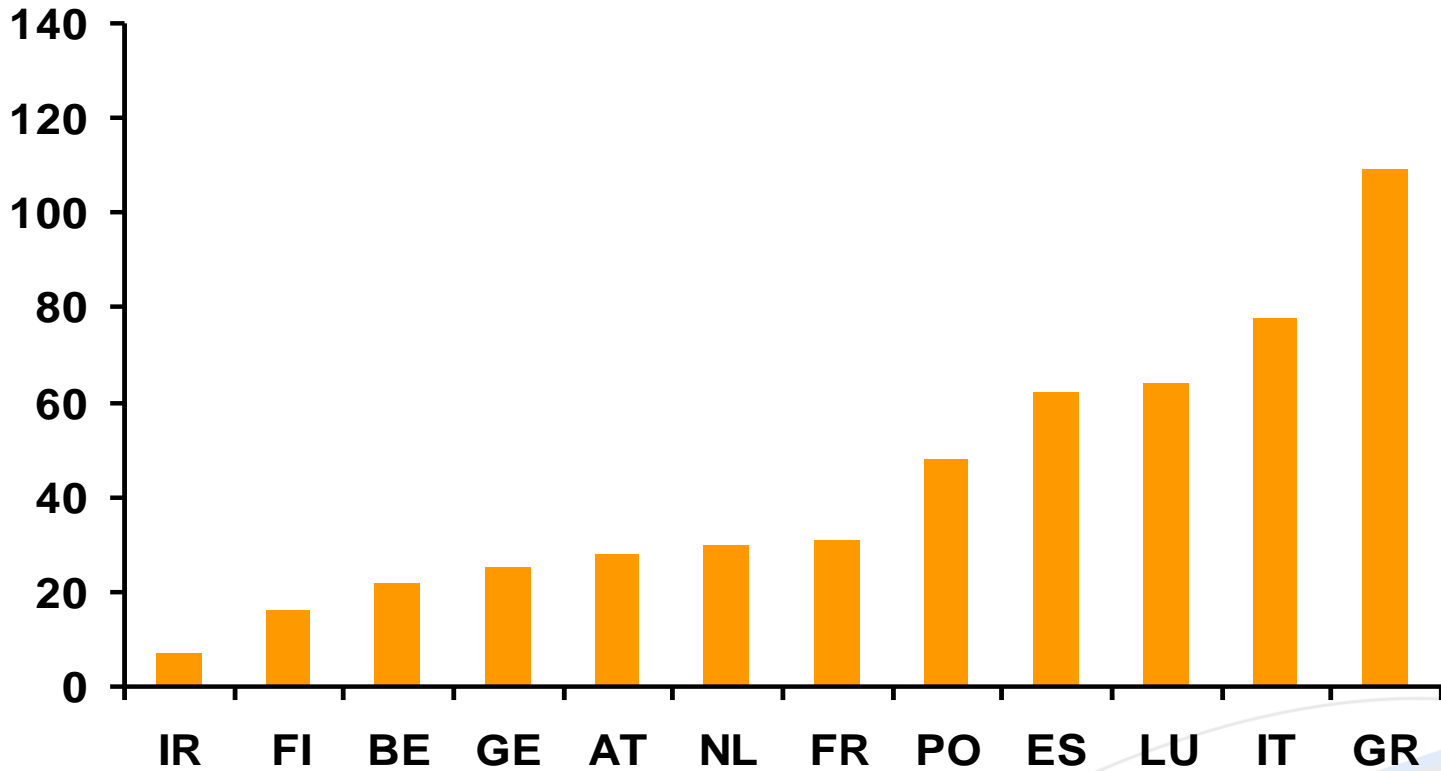
Export-Performance
Change of market share in export markets in %



EMU: DIFFERENCES IN LOCATIONAL FACTORS

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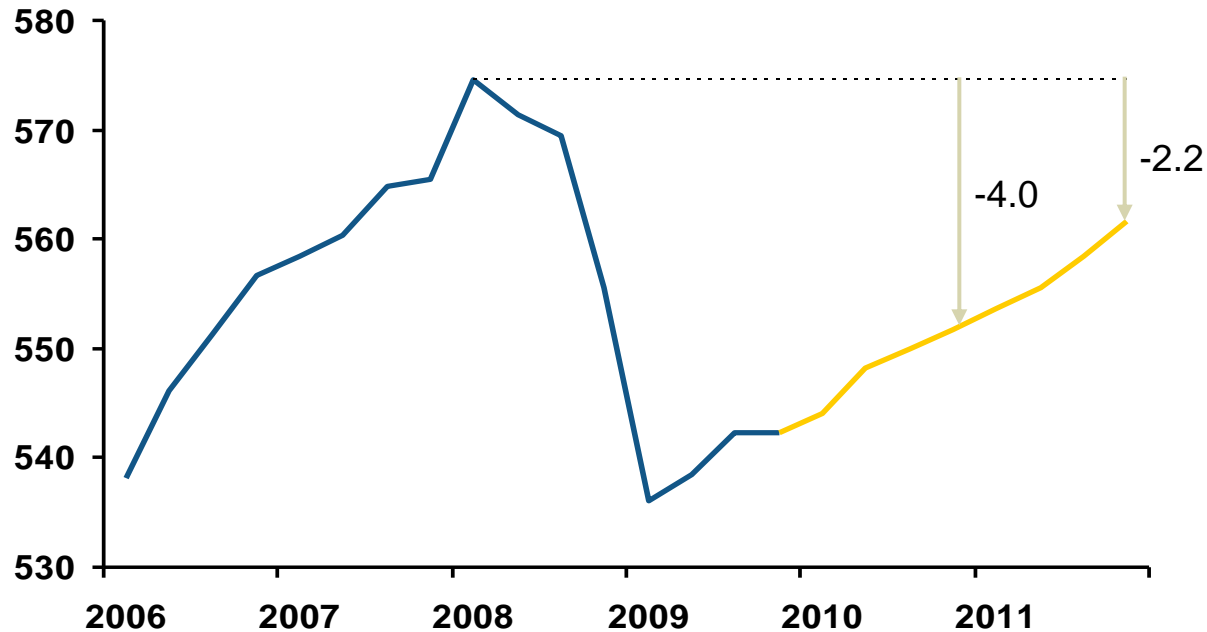
EASE OF DOING BUSINESS INDEX, WORLD BANK



GERMANY: STILL PLENTY OF UNUSED CAPACITIES

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GDP, REAL, IN BILLION EURO, FORECAST AS OF 2010Q1



DISCLAIMER

Key Increasing Public Debt – Is Inflation around the Corner?

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