

Peter Malmqvist
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Sweden in the light of the global financial melt-down

- Earnings development
- The banking crises
- The real estate crash
- Economic trends
- The Greek crisis
- Equity trends



Peter Malmqvist

Present

- Chairman, Sw. Assoc. of Financial Analyst
- Investigator at the Stockholm Exchange
- Part-time teacher at Stockholm School of Economics and Stockholm University
- Columns in the business magazines: *Privata Affärer*, *Aktiespararen*, *Sunt förnuft*, *Fastighetsnytt*, *Balans*

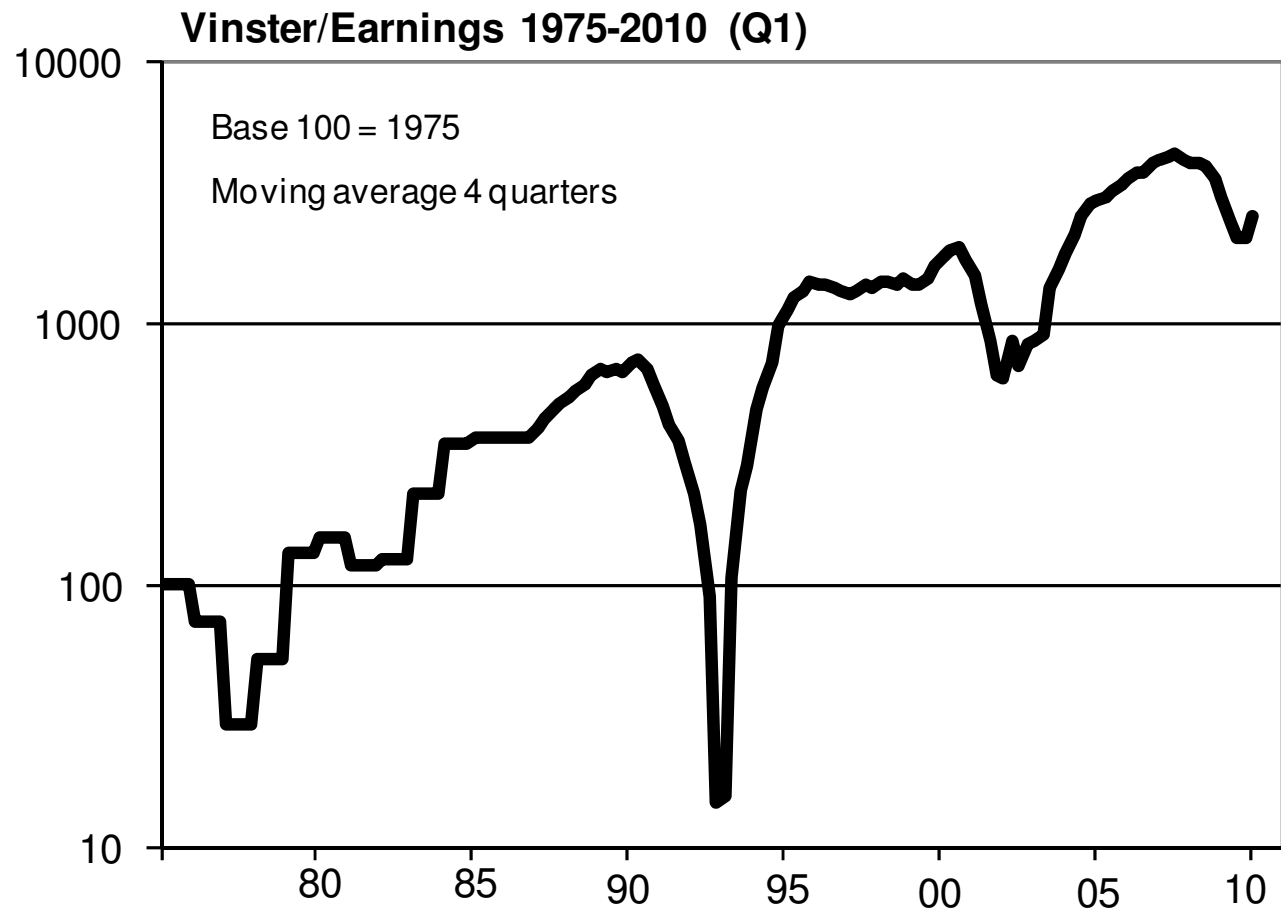
Past

- Head of equity research at Nordnet Bank
 - Member of The EFRAG User Panel
 - Head of equity research and asset management at Aragon Securities
 - Business journalist at Svenska Dagbladet, Swedish Public TV (Aktuellt), Sydsvenska Dagbladet
 - Private Equity Analyst (The Swedish Investment Bank AB)
 - Accountant (Ernst & Young)
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The Swedish financial crises

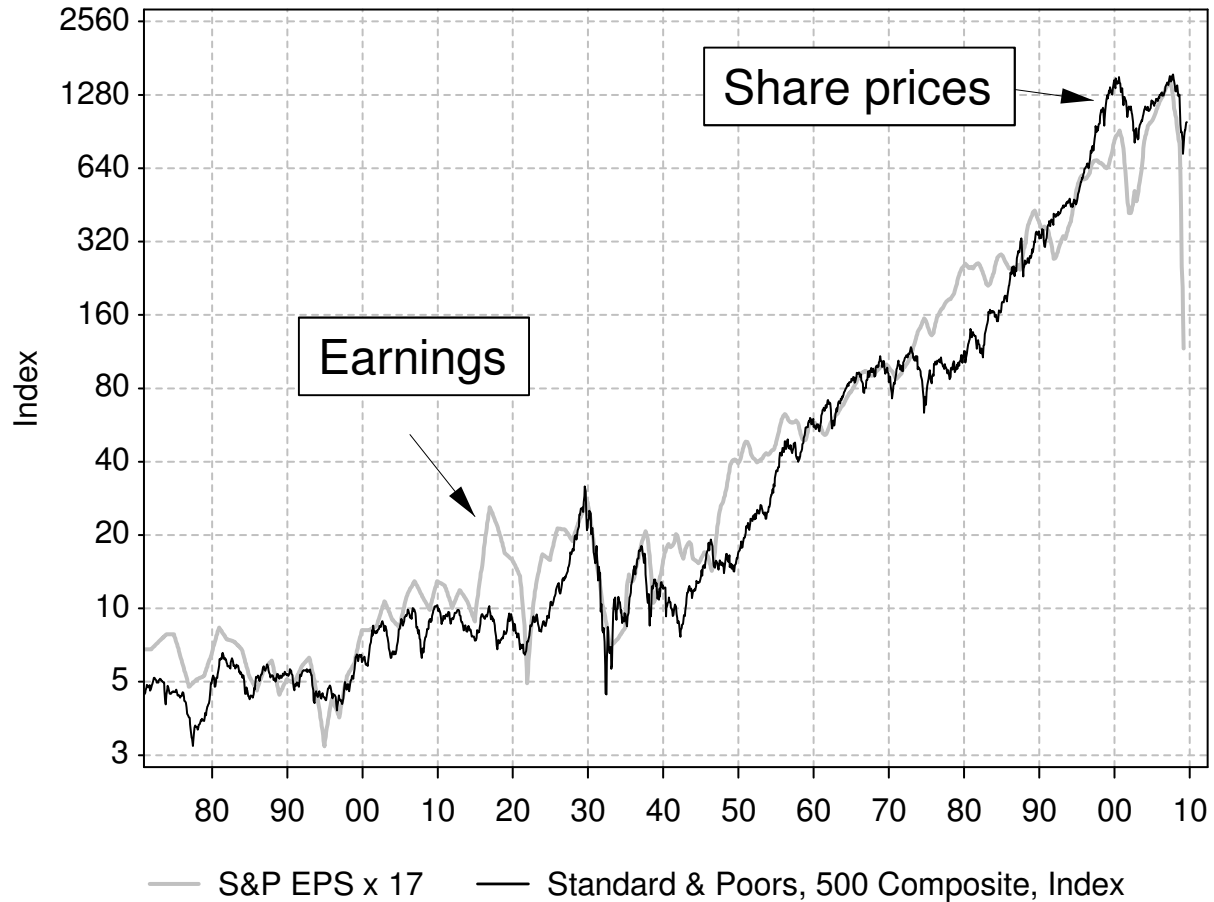
Earnings development

Stockholm earnings



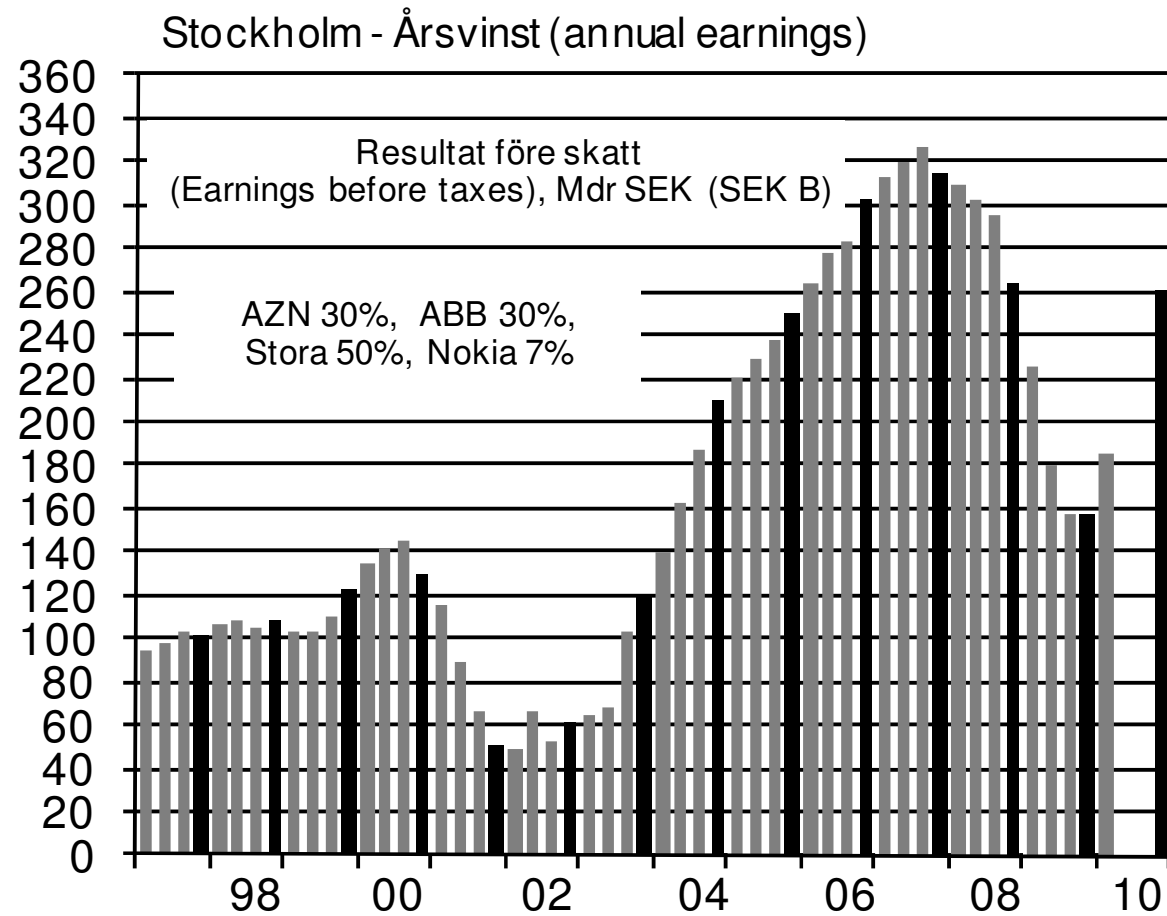
USA earnings (S&P)

S&P (USA) 1871-2009

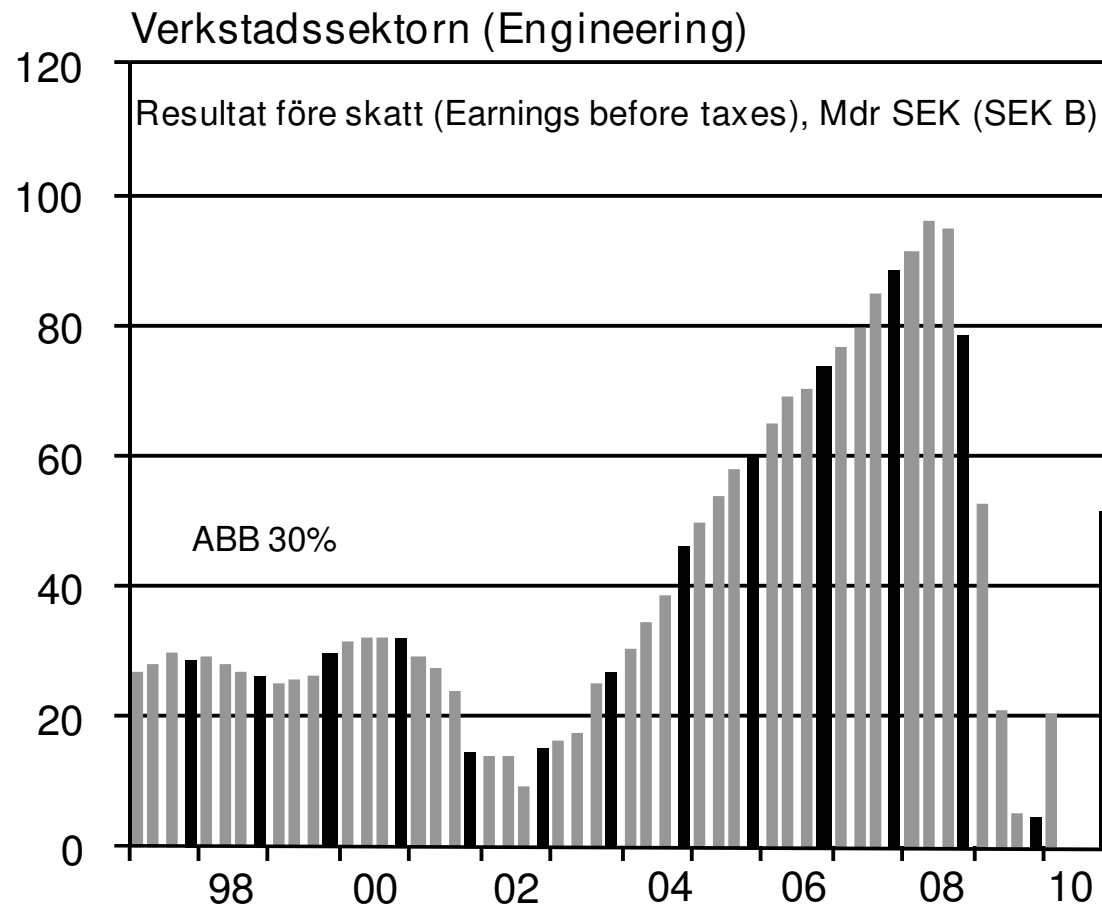


Source: Reuters EcoWin

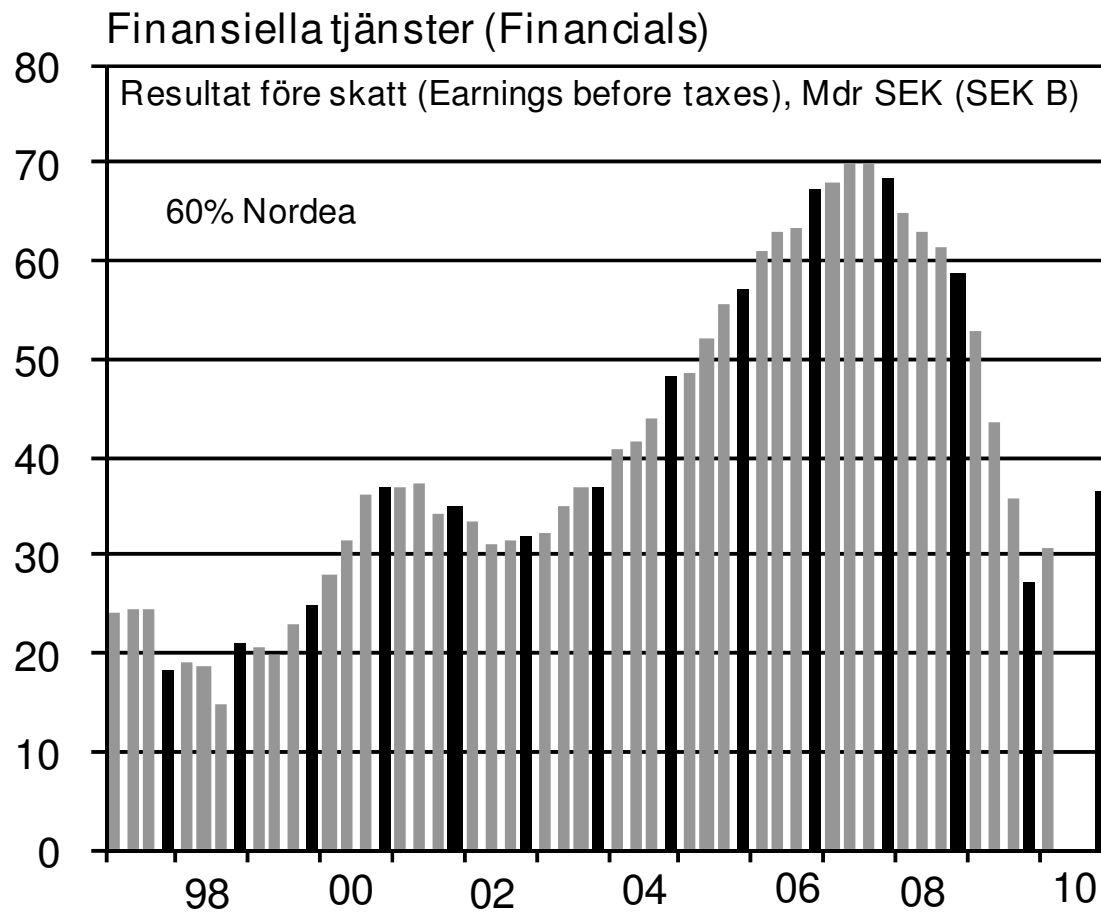
Stockholm – Earnings



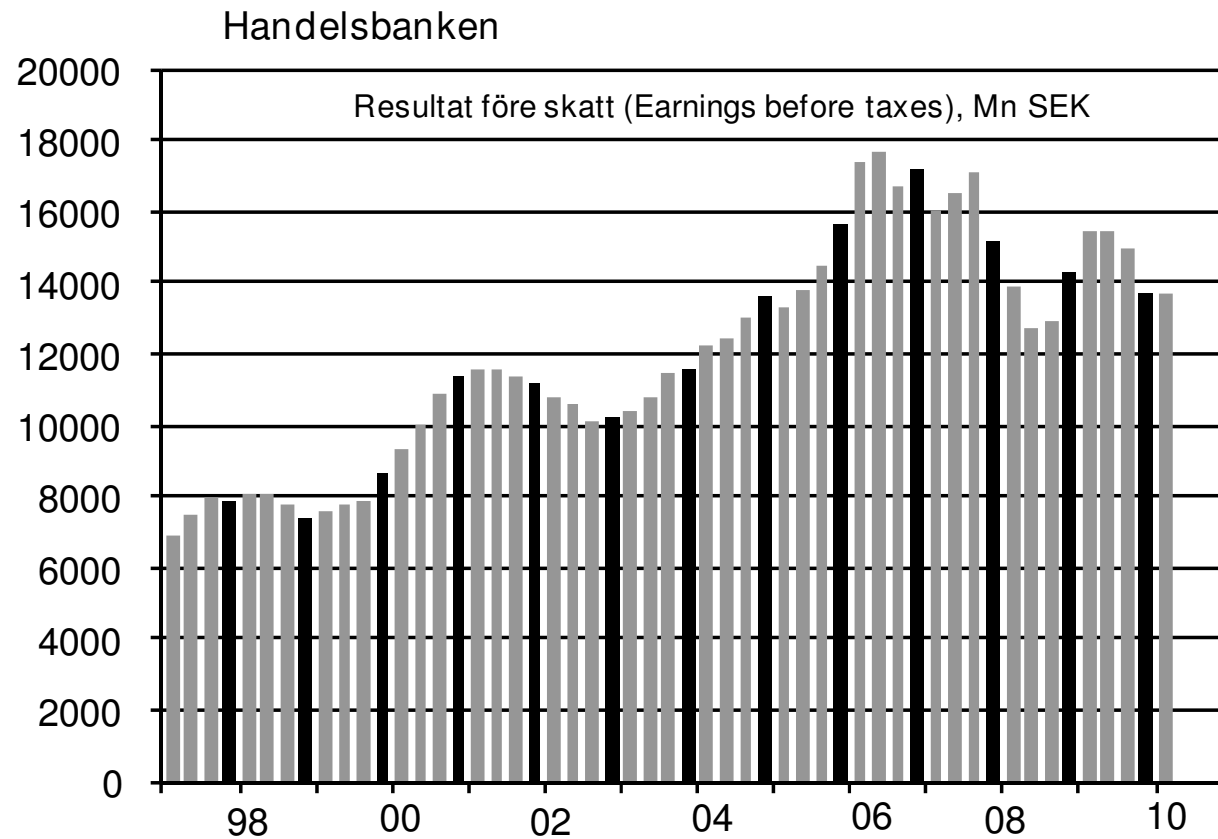
Stockholm – Earnings engineering



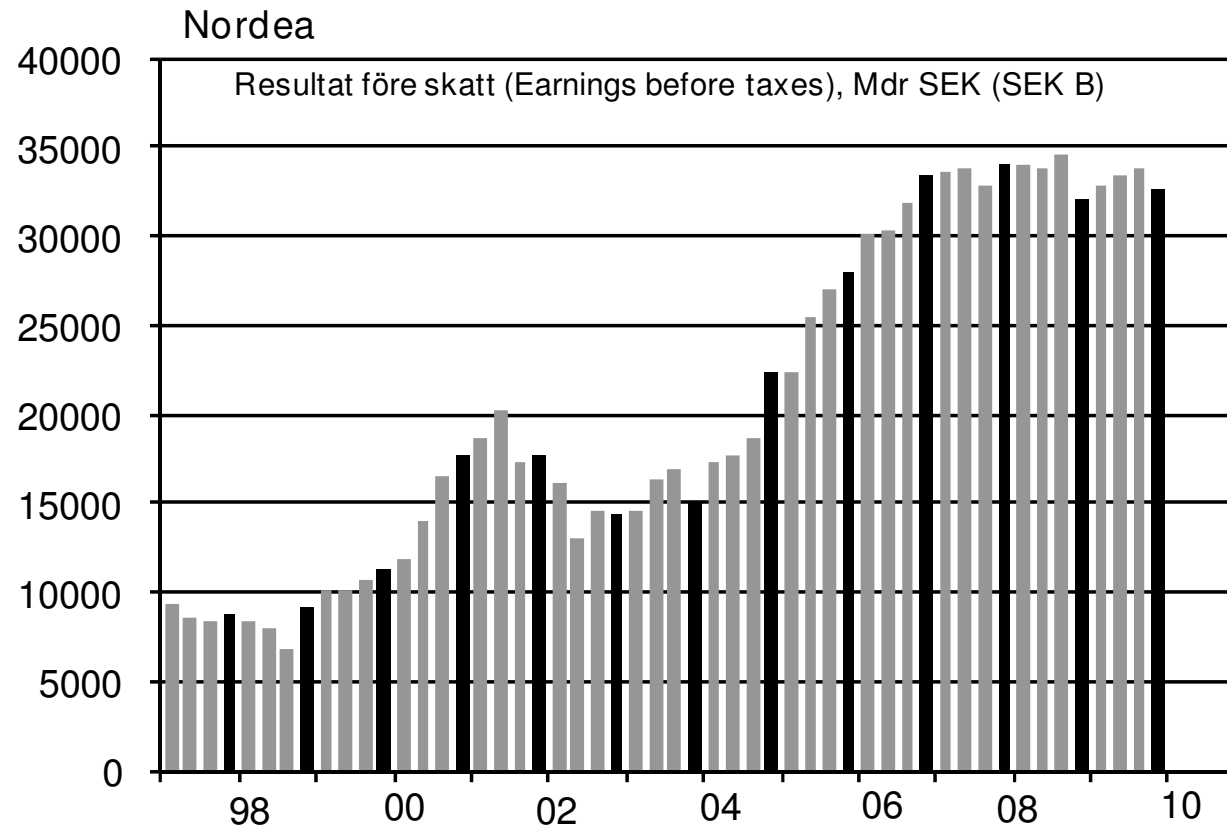
Stockholm – Earnings banks



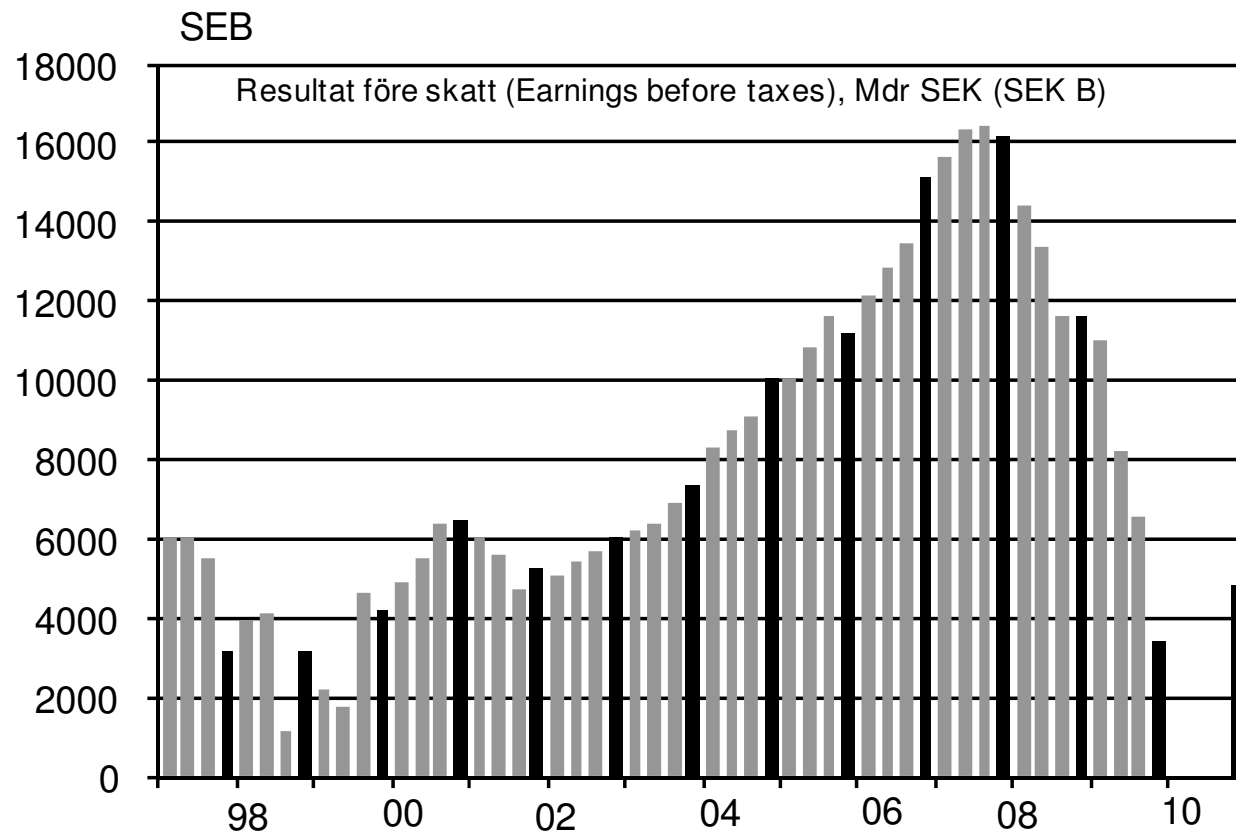
Stockholm – Earnings banks



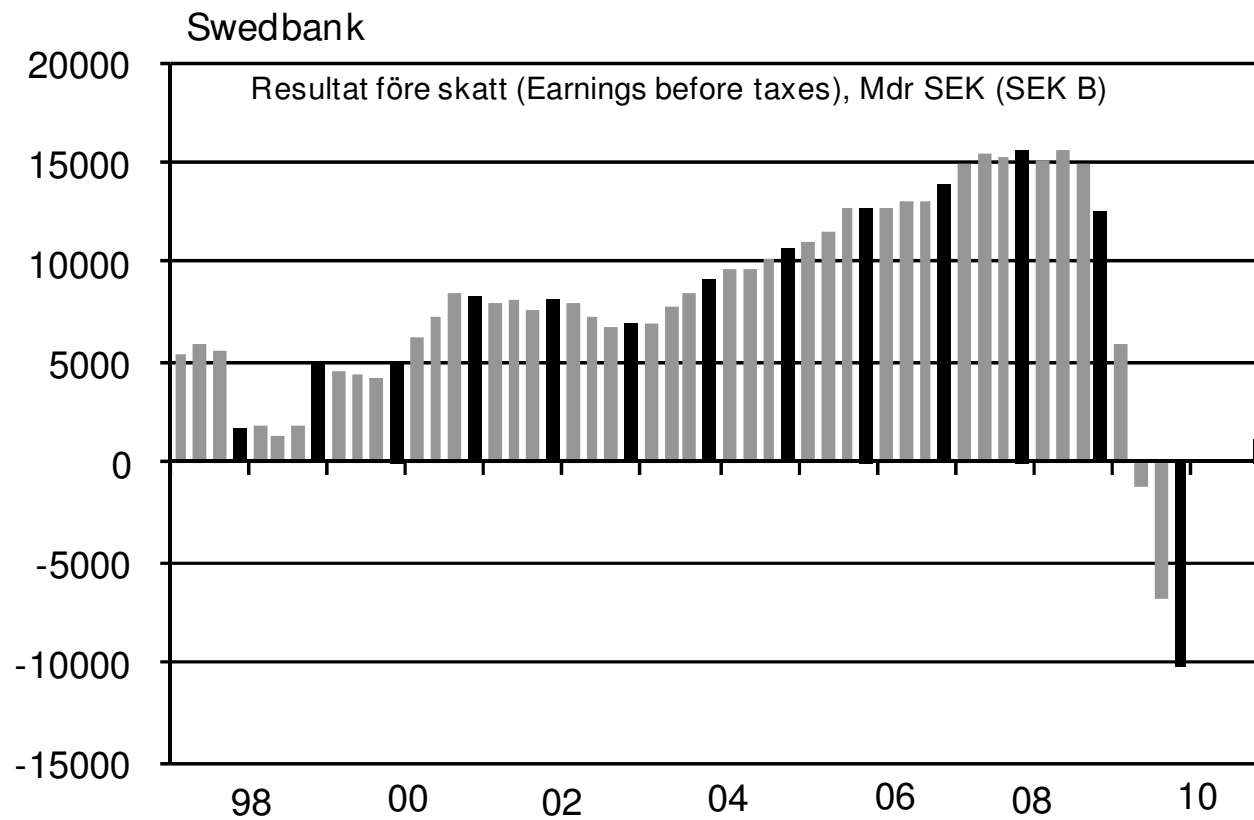
Stockholm – Earnings banks



Stockholm – Earnings banks



Stockholm – Earnings banks

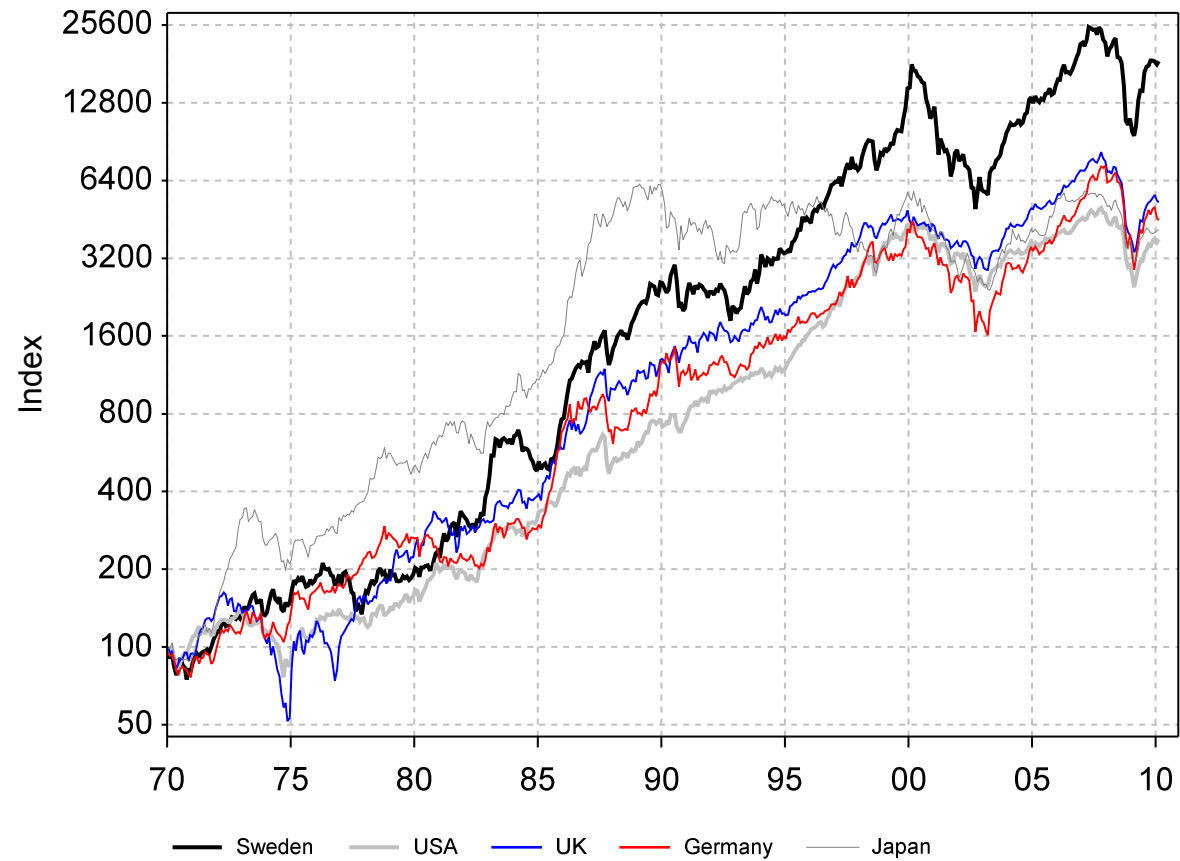


Equity trends

Equity trends

Share price indices

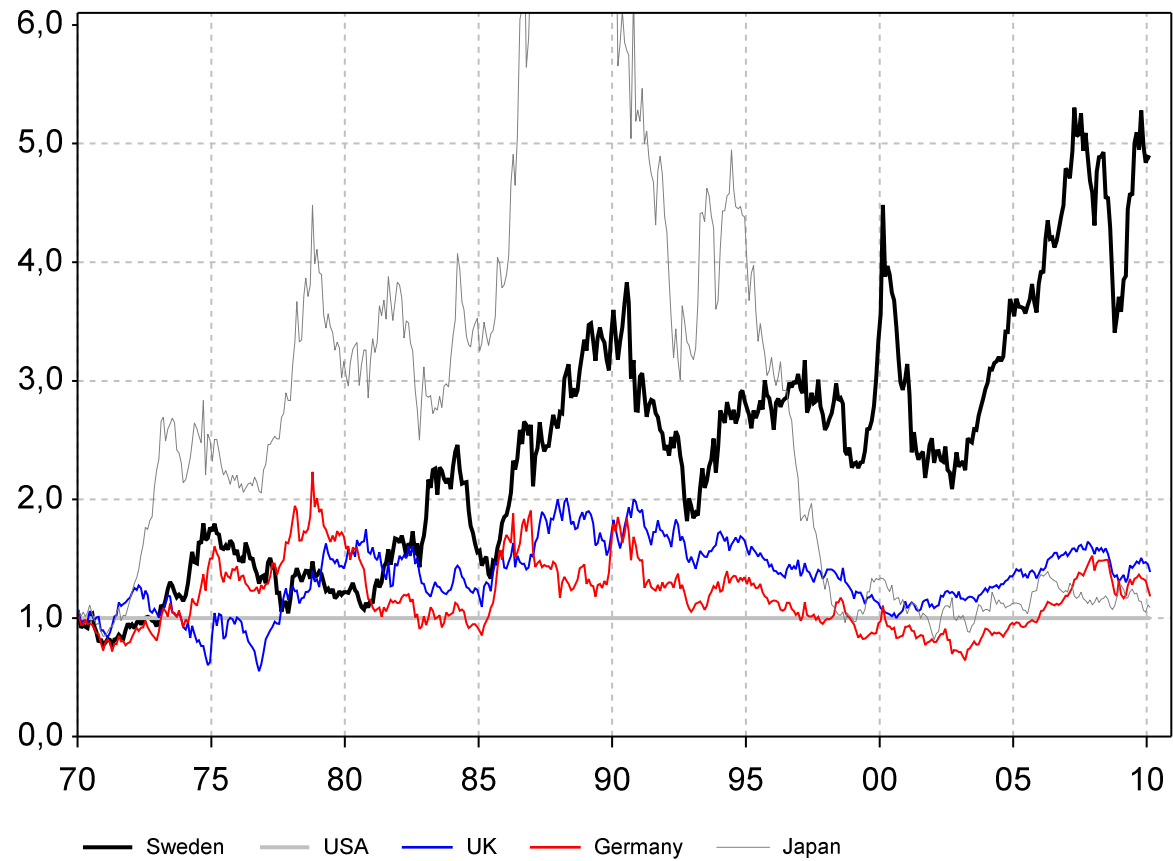
Share prices relative to the U.S



Source: Reuters EcoWin

Share price indices

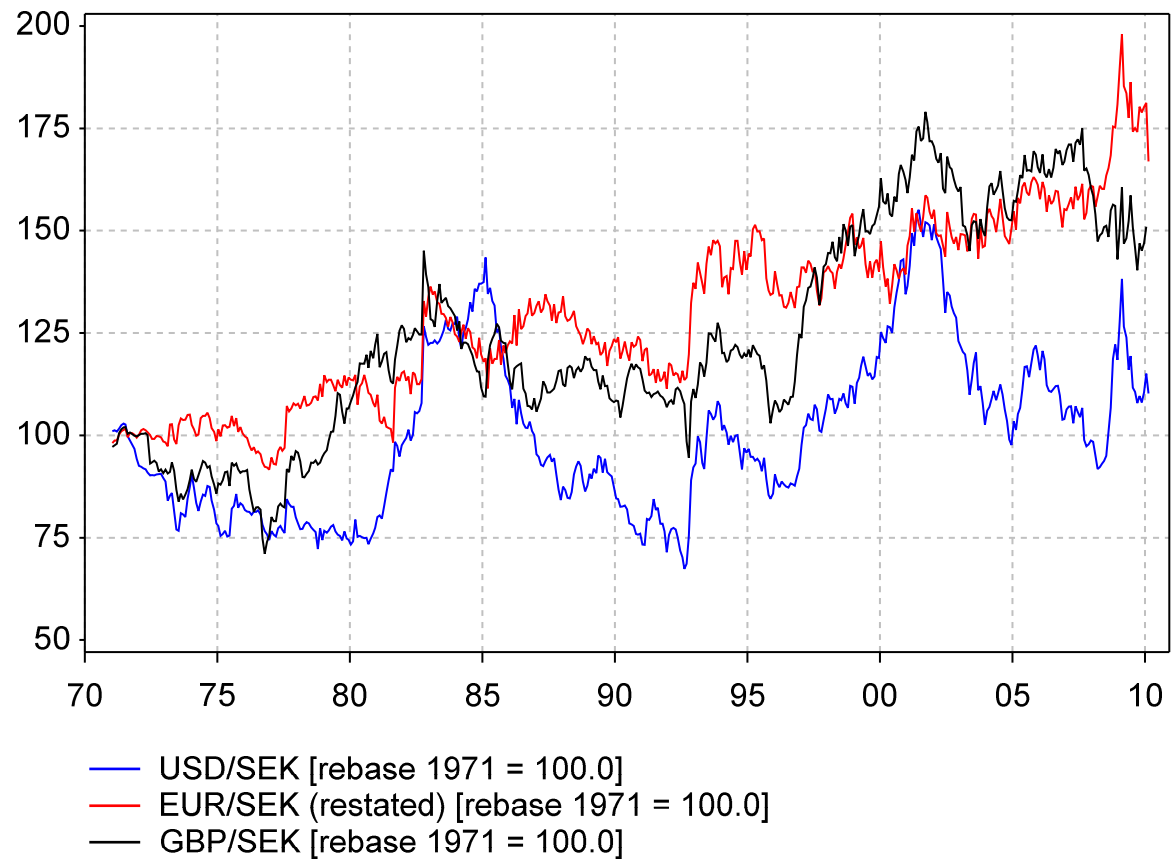
Share prices relative to the U.S



Source: Reuters EcoWin

Currency development

SEK: Inflation adjusted 1971 -



Source: Reuters EcoWin

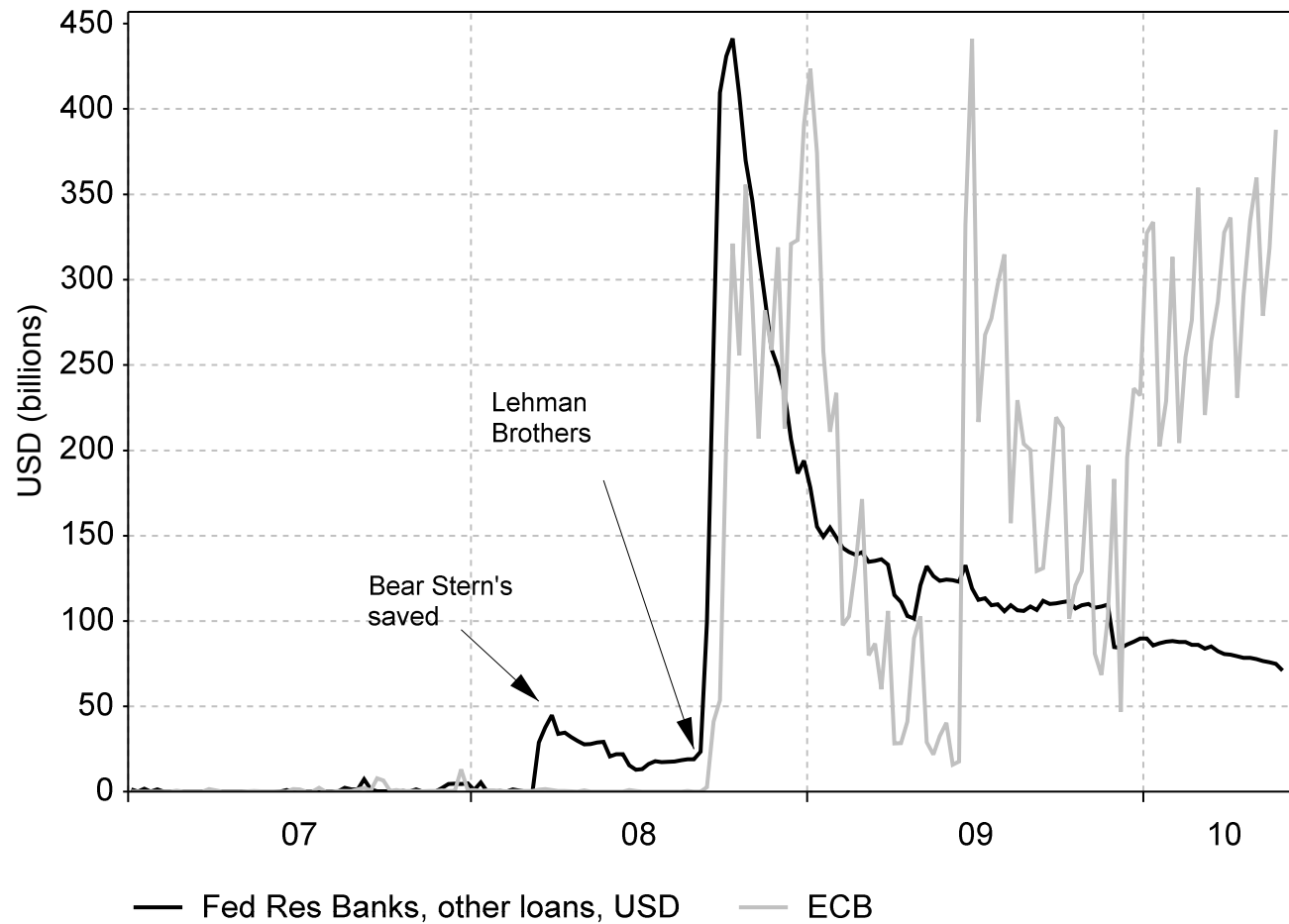
The crash in 2008

The banking crisis 2007-2010

The banking crises

Lehman Brothers

Other borrowings in ECB, FED (Övriga lån i ECB, FED)

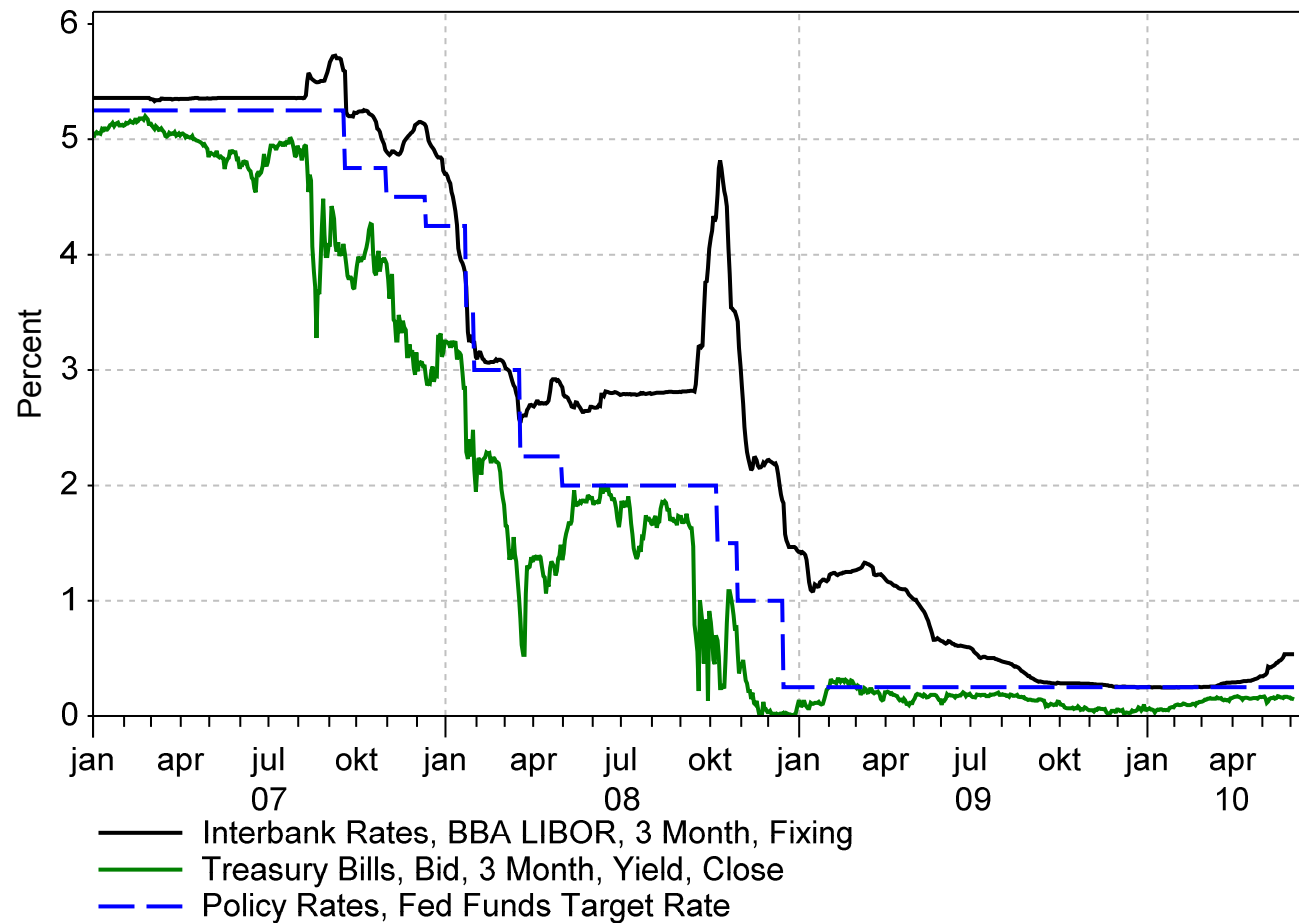


Source: Reuters EcoWin

The banking crises

Lehman Brothers

United States - Interest rates

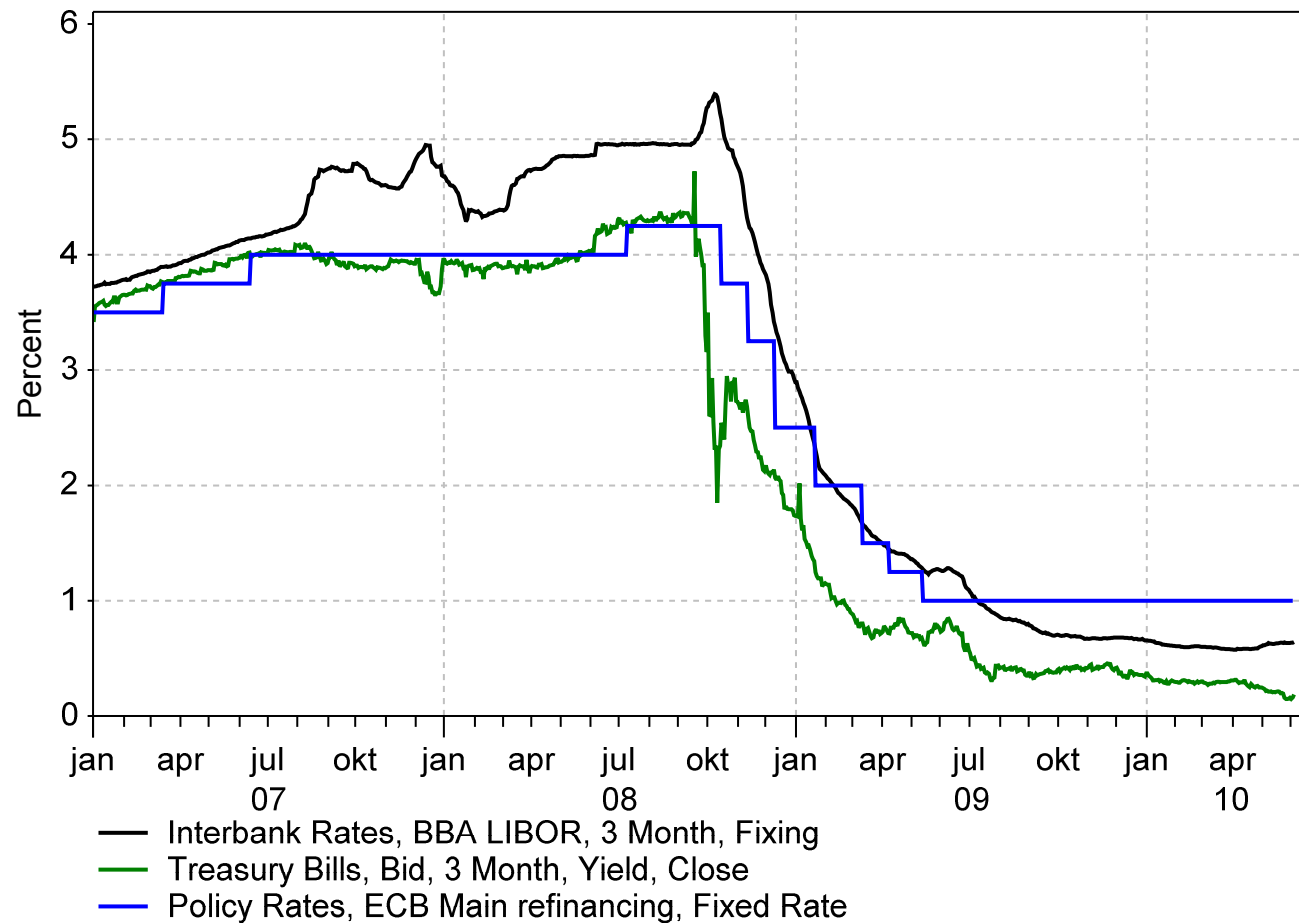


Source: Reuters EcoWin

The banking crises

Lehman Brothers

Euro Zone - Interest rates

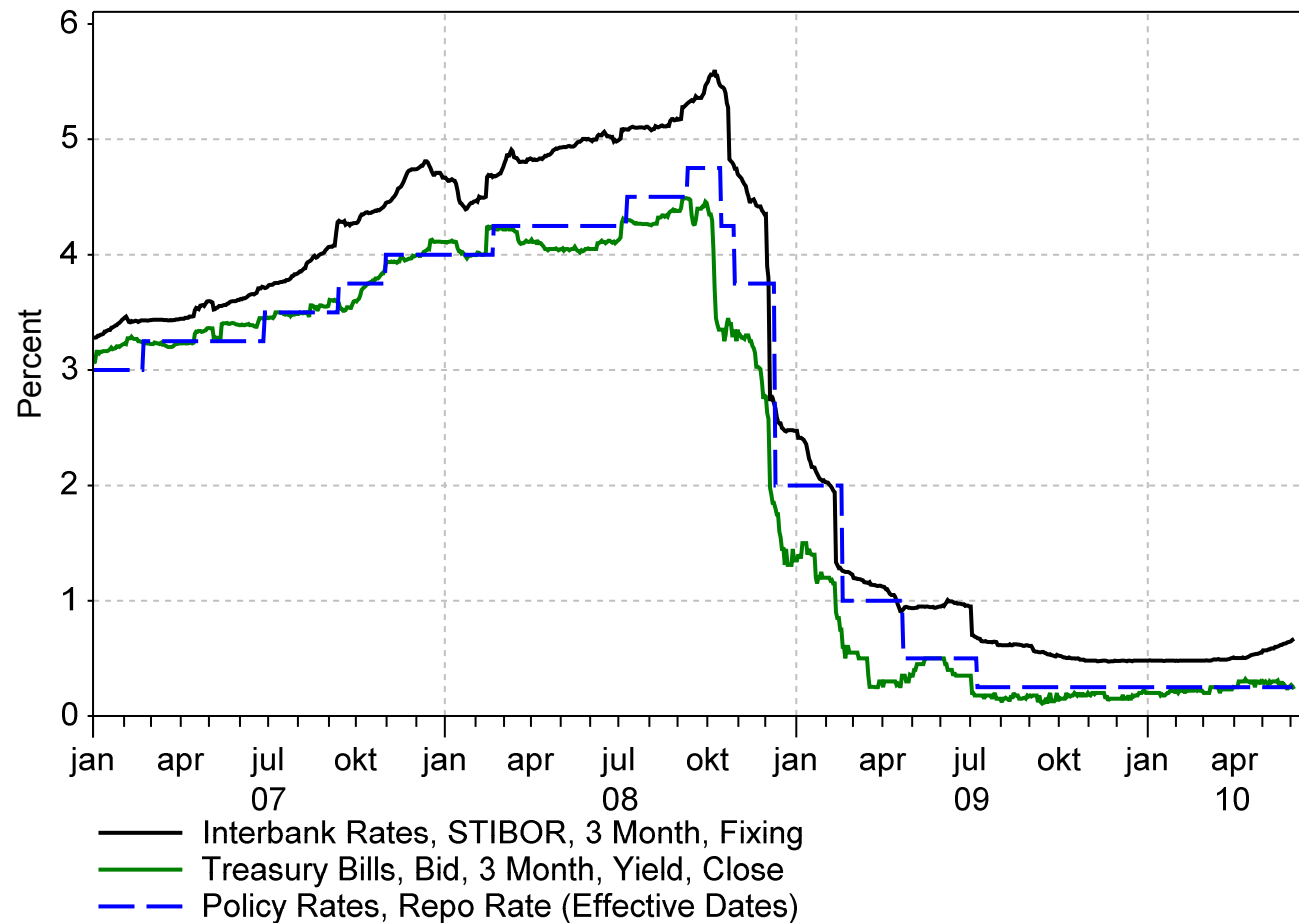


Source: Reuters EcoWin

The banking crises

Lehman Brothers

Sweden - Interest rates

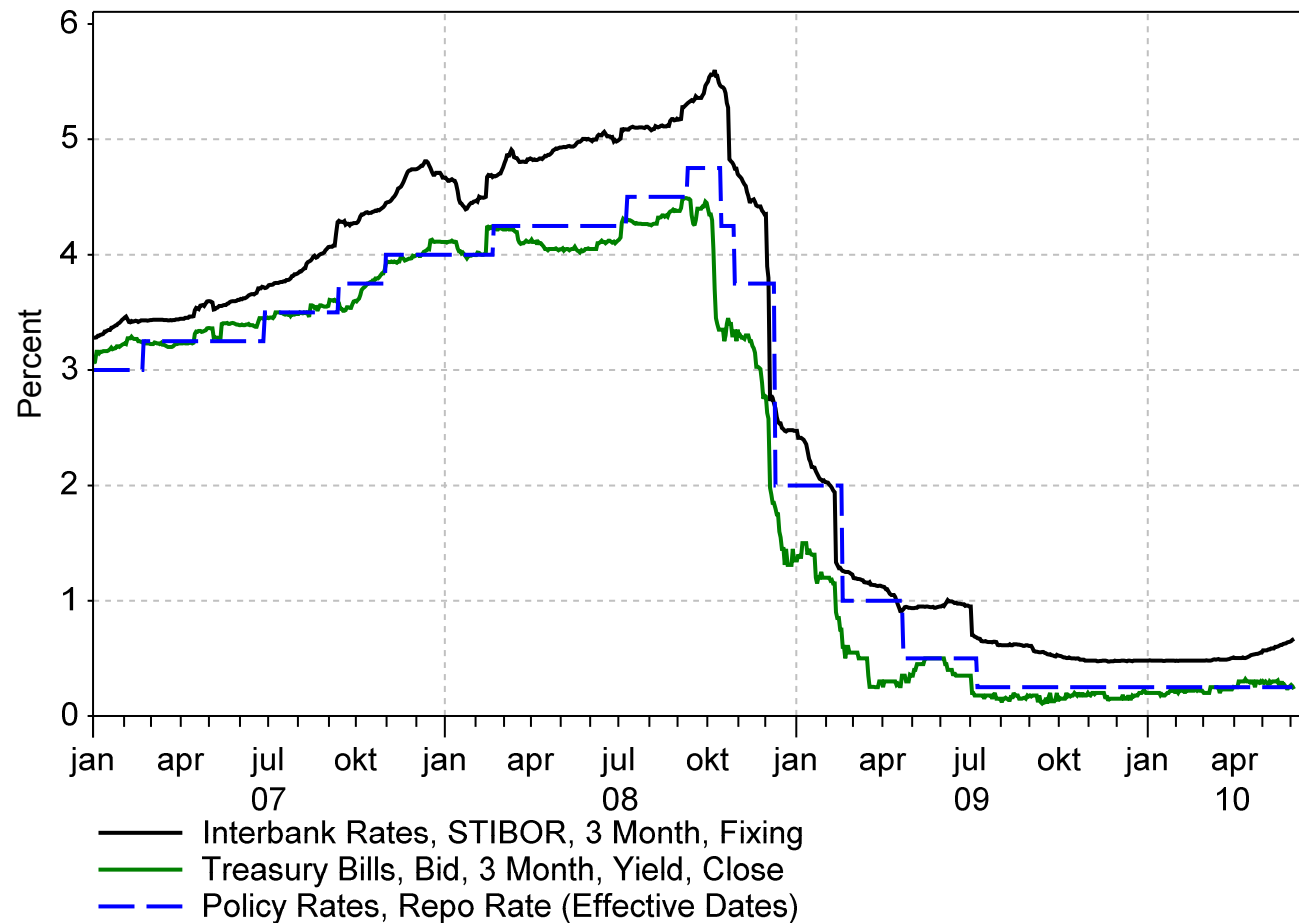


Source: Reuters EcoWin

The banking crises

Lehman Brothers

Sweden - Interest rates

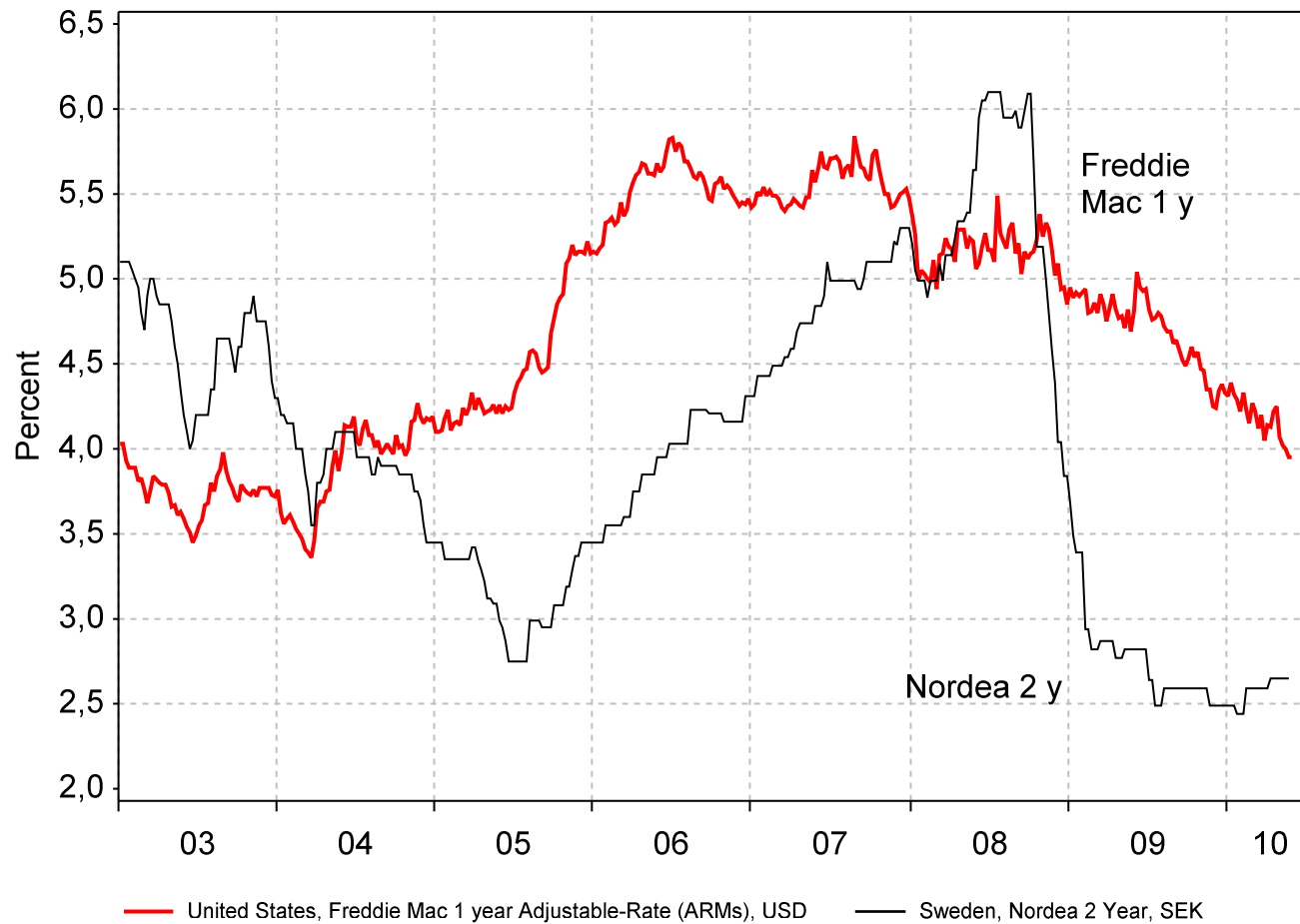


Source: Reuters EcoWin

The banking crises

Lehman Brothers

Short-term interest rates

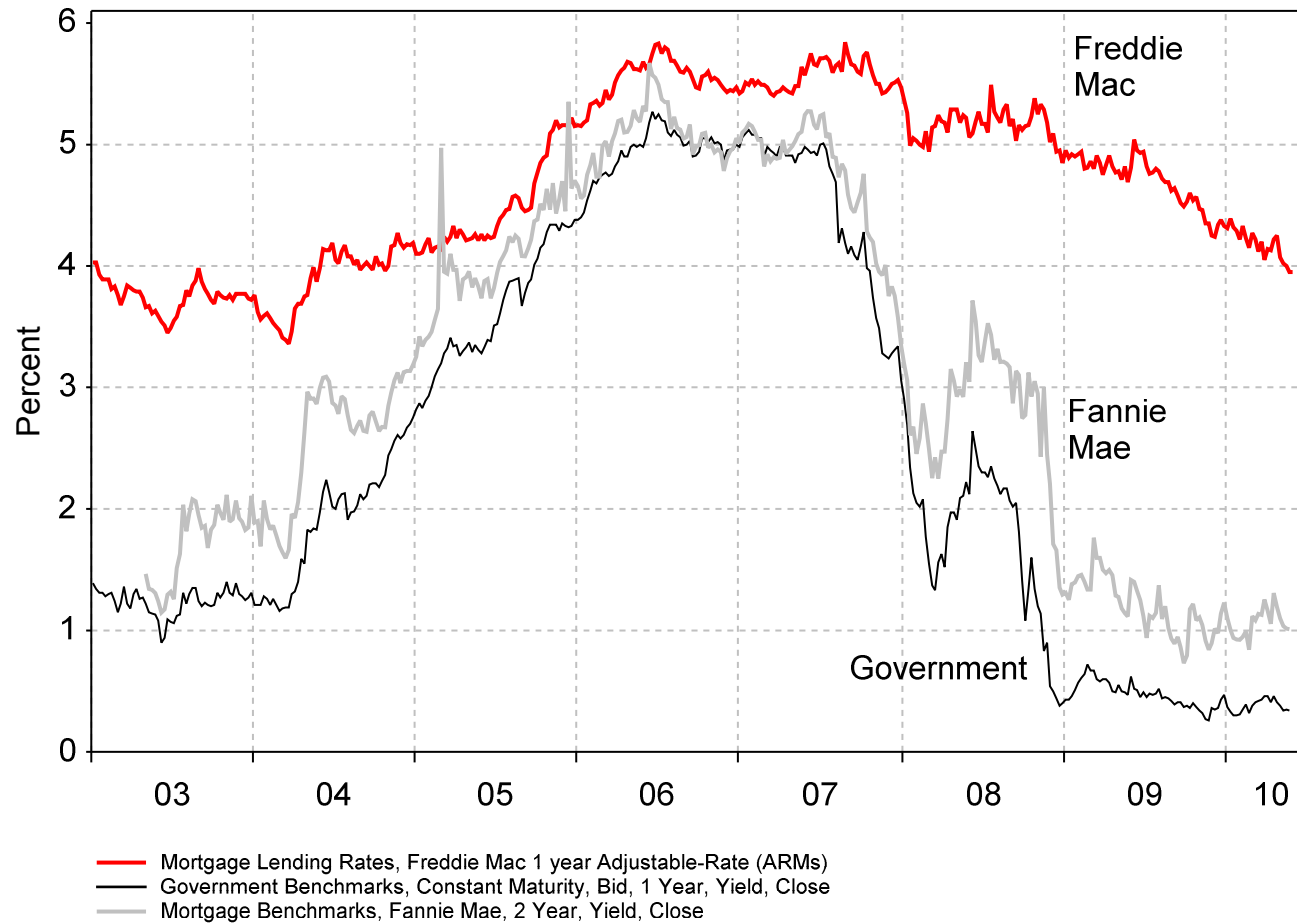


Source: Reuters EcoWin

The banking crises

Lehman Brothers

United States, short-term interest rates

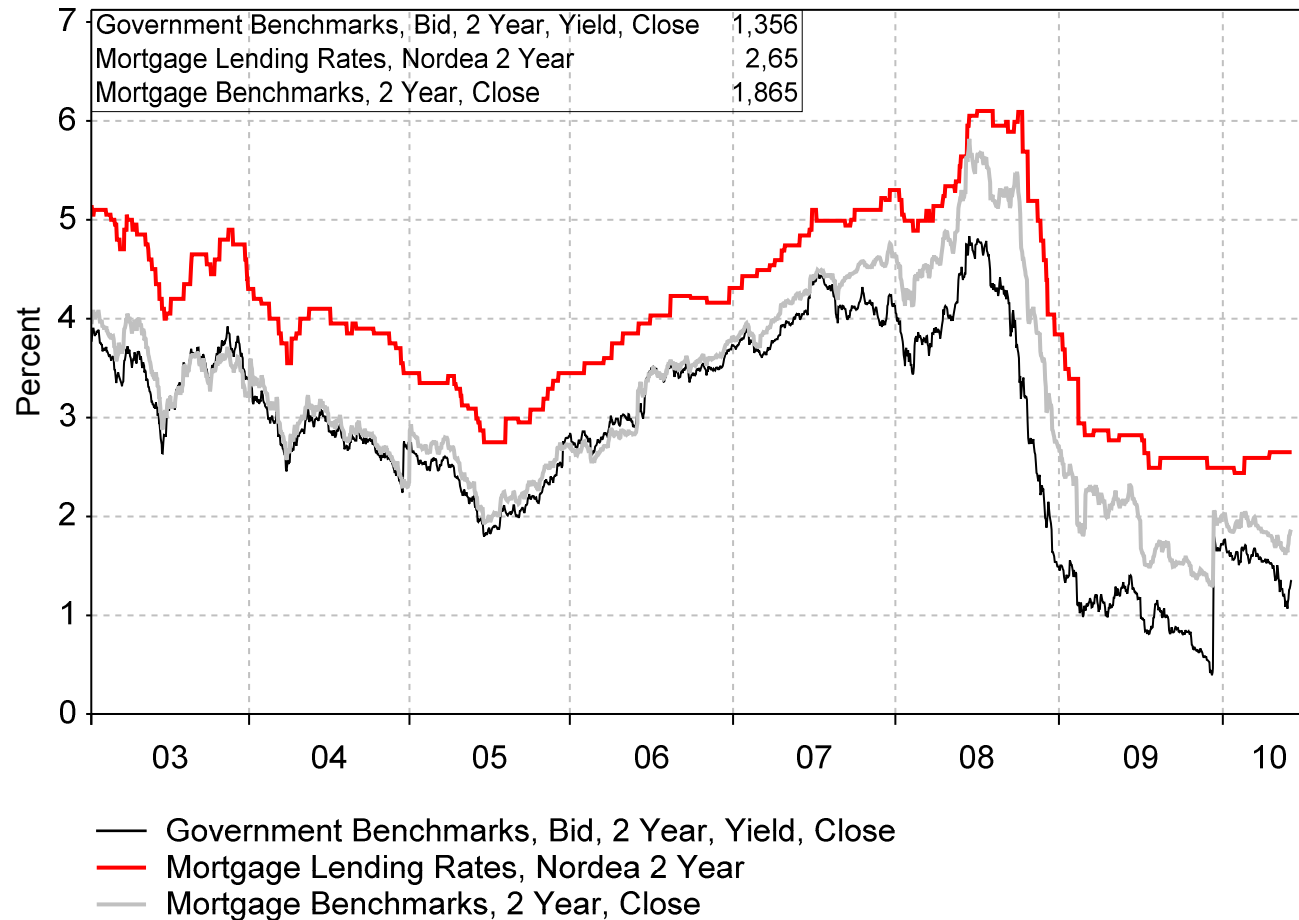


Source: Reuters EcoWin

The banking crises

Lehman Brothers

Sweden - Mortgage lending rates, 2y

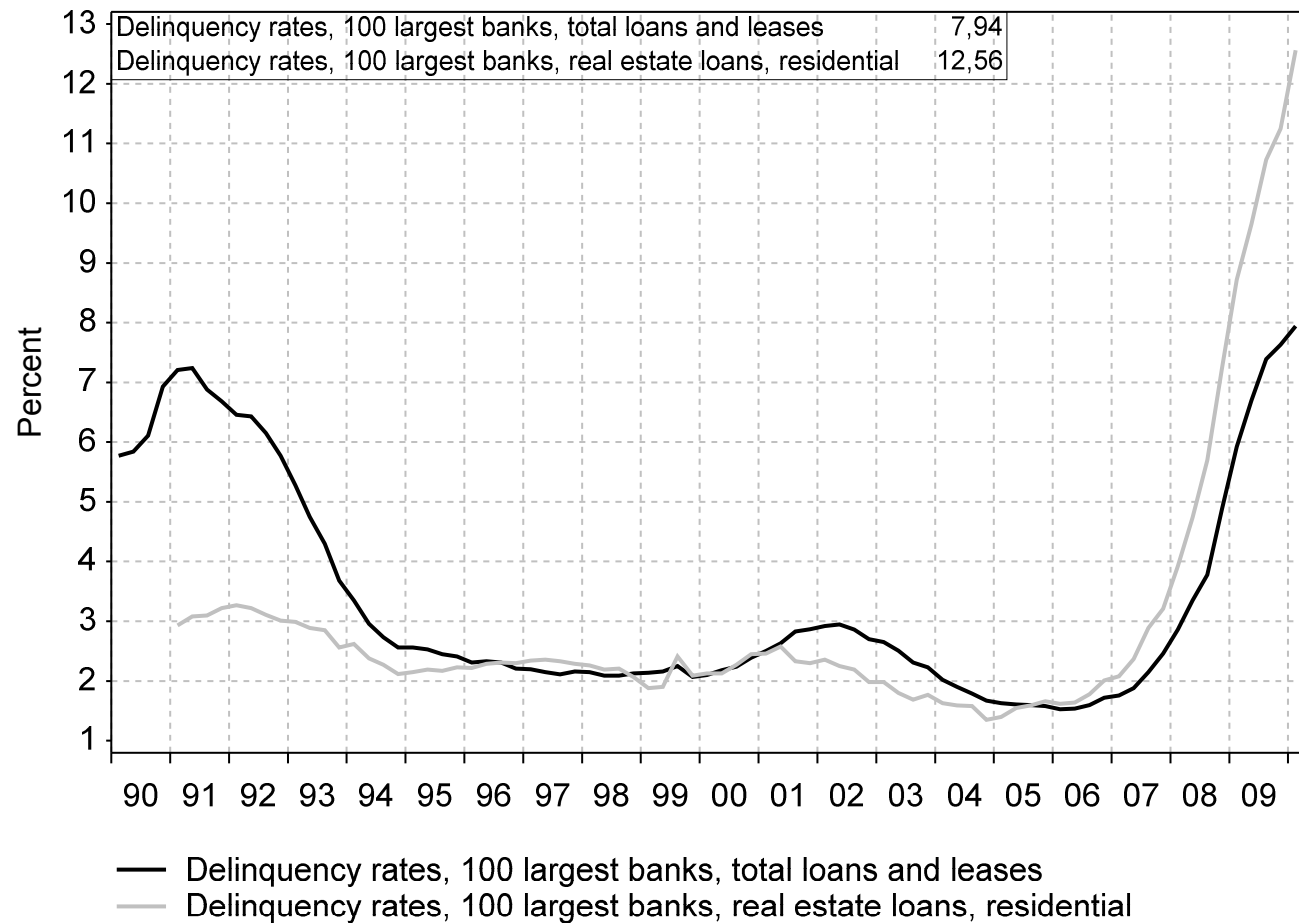


Source: Reuters EcoWin

The banking crises

Lehman Brothers

USA: Delinquency rates 1990-2010



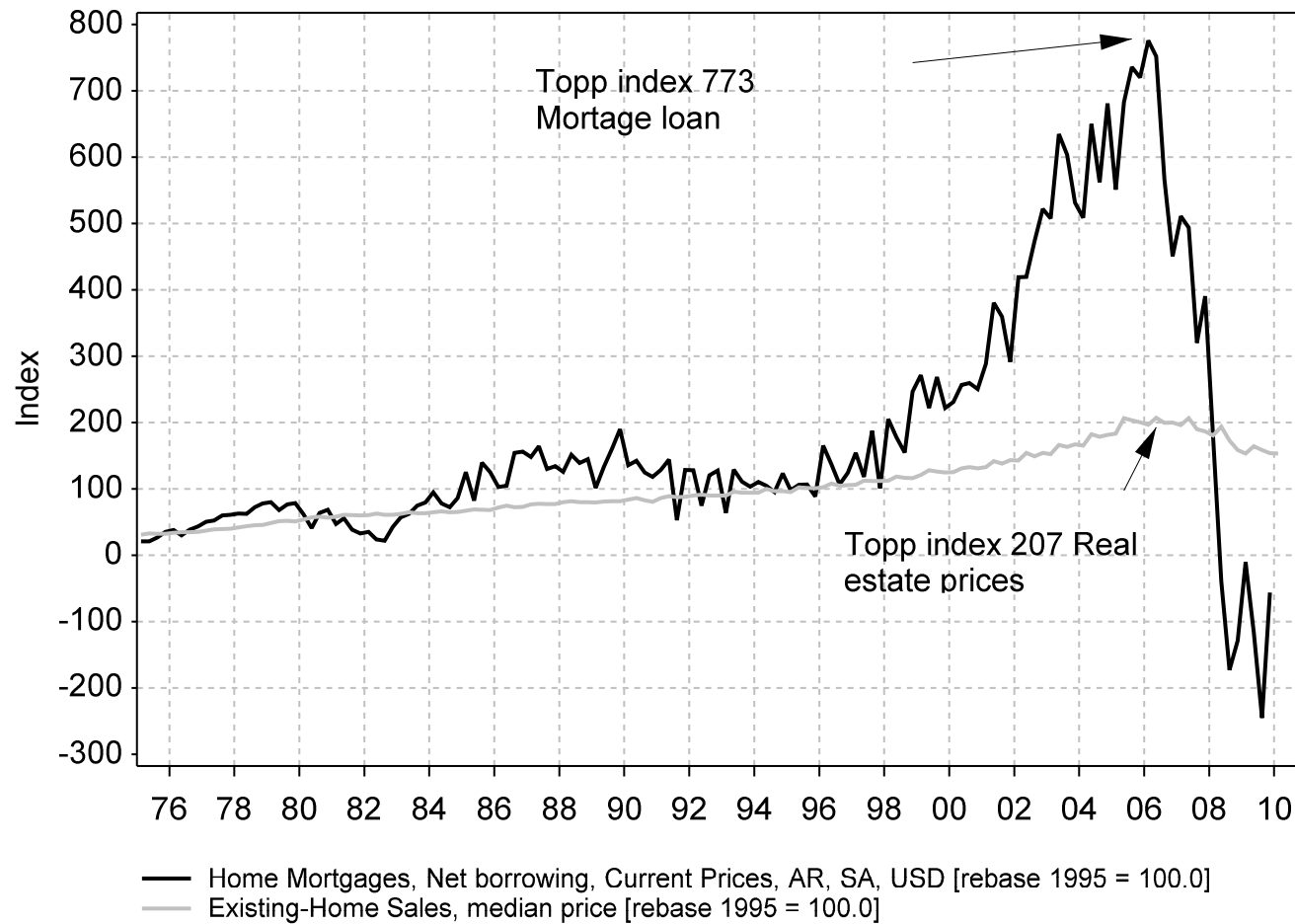
Source: Reuters EcoWin

The crash in 2008

**The real estate crash
2007-2010**

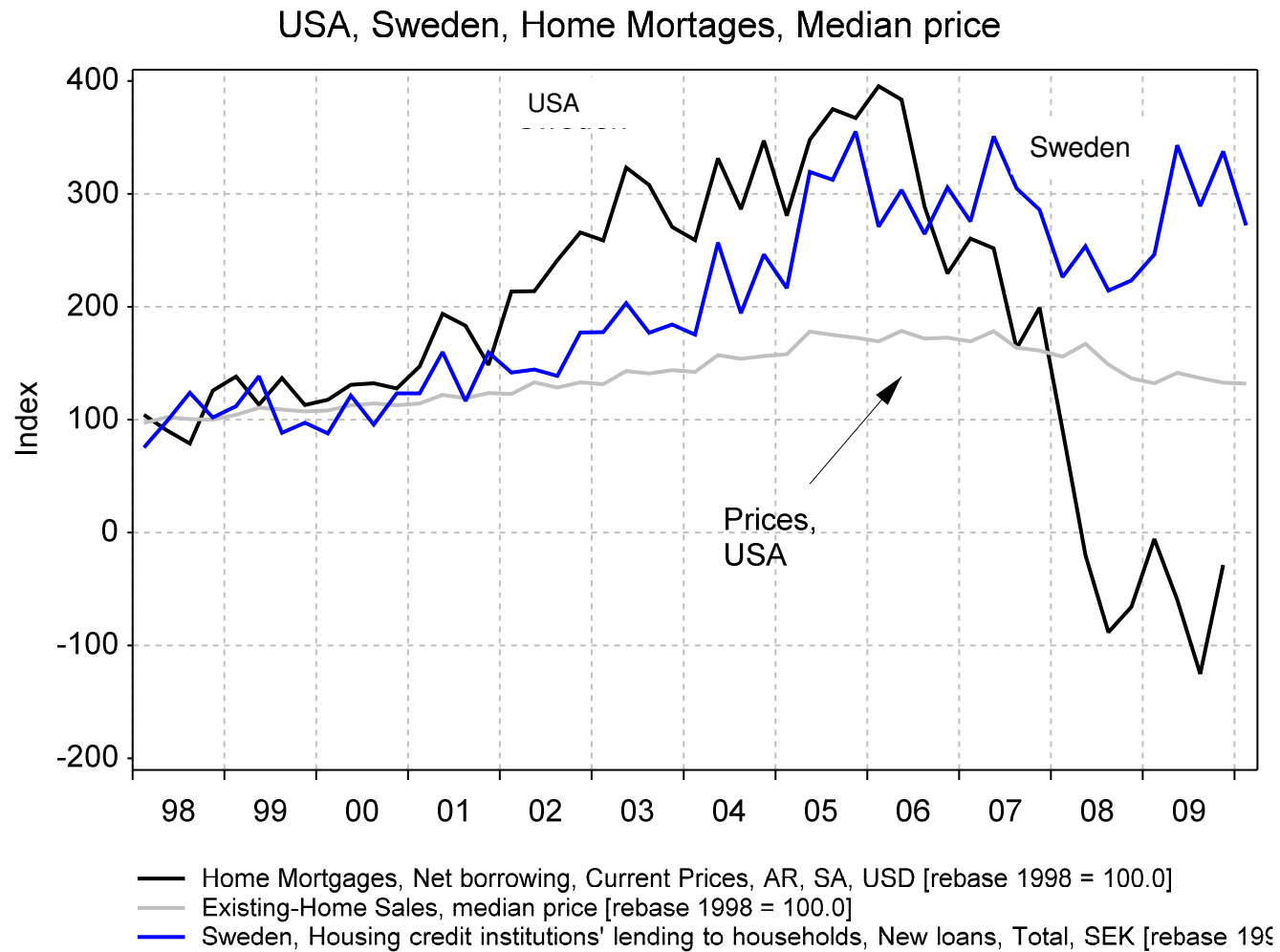
The real estate bubble

United States, Home Mortgages, Median price



Source: Reuters EcoWin

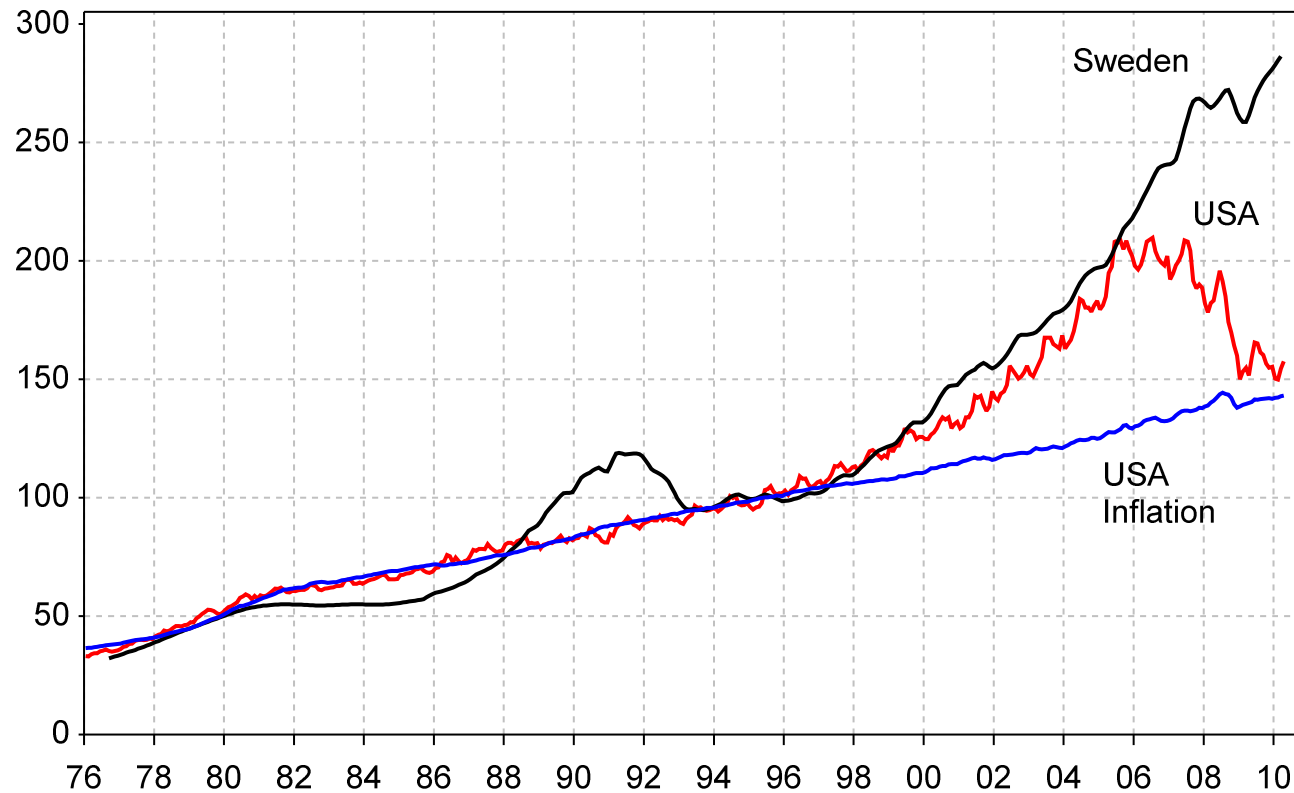
The real estate bubble



Source: Reuters EcoWin

The real estate bubble

USA, Sweden: Housing prices

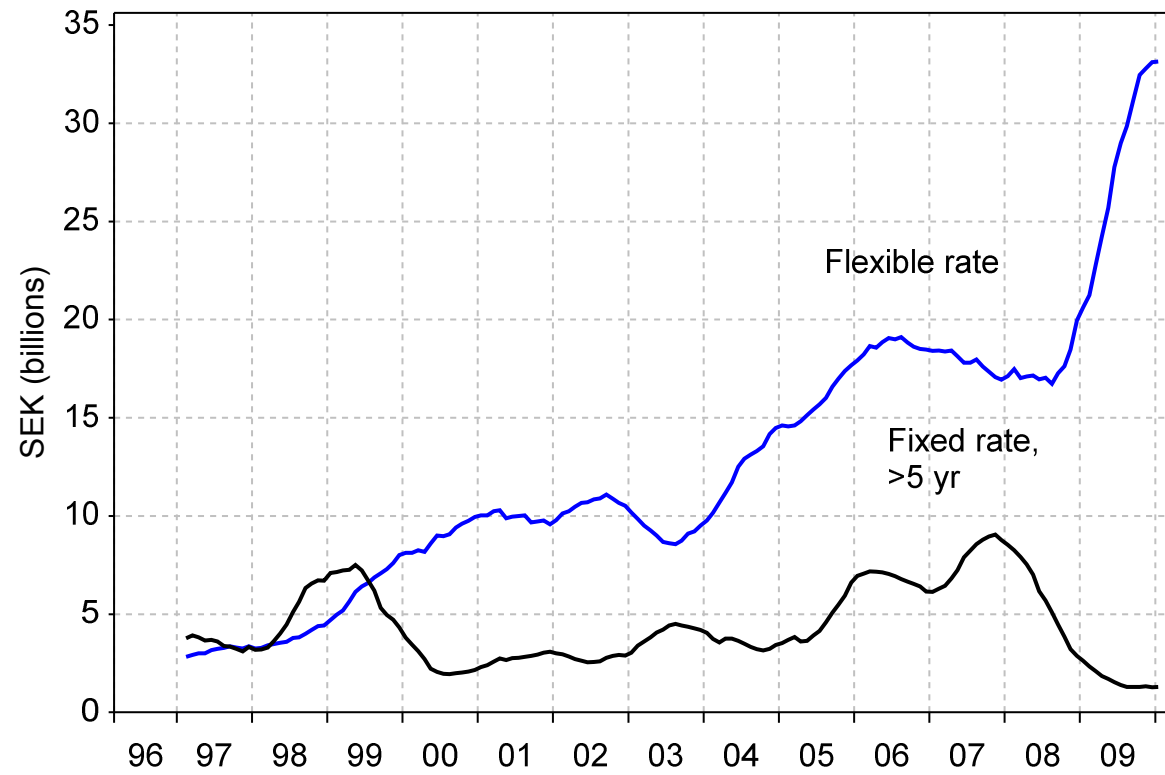


- United States, Existing-Home Sales, Single-Family and Condos, median price [rebase 1995 = 100.0]
- Sweden, House Prices, Owner-occupied one- and two-dwelling buildings, whole country, Index, 1982-1984=100 [rebase 1995 = 100.0]
- United States, Consumer Prices, All items, Index, 1982-1984=100 [rebase 1995 = 100.0]

Source: Reuters EcoWin

The real estate bubble

Sweden - New loans (housing)



— Housing credit inst lending to non-bank public, New loans, Flexible rate [ma 12]
— Housing credit inst lending to non-bank public, New loans, Fixed rate >5 yr [ma 12]

Source: Reuters EcoWin

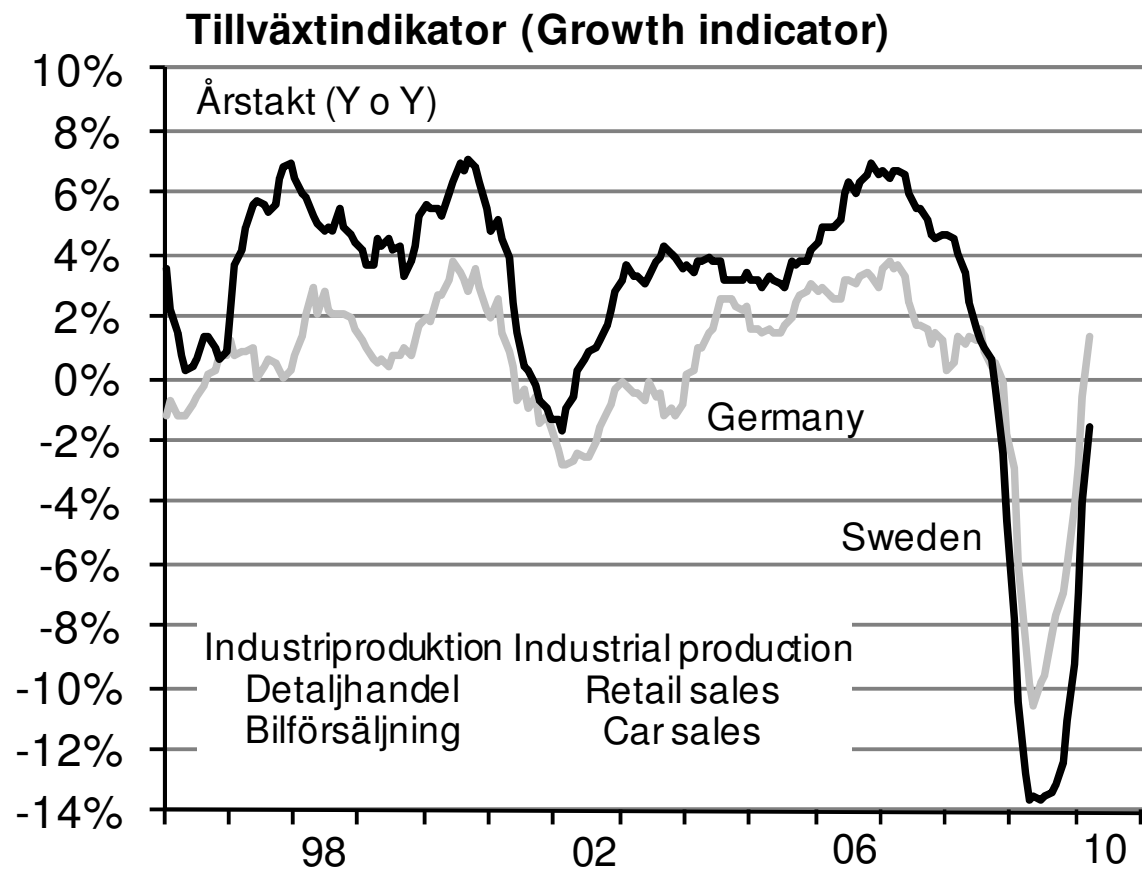
Economic trends

Economic trends

Economic trends



Economic trends



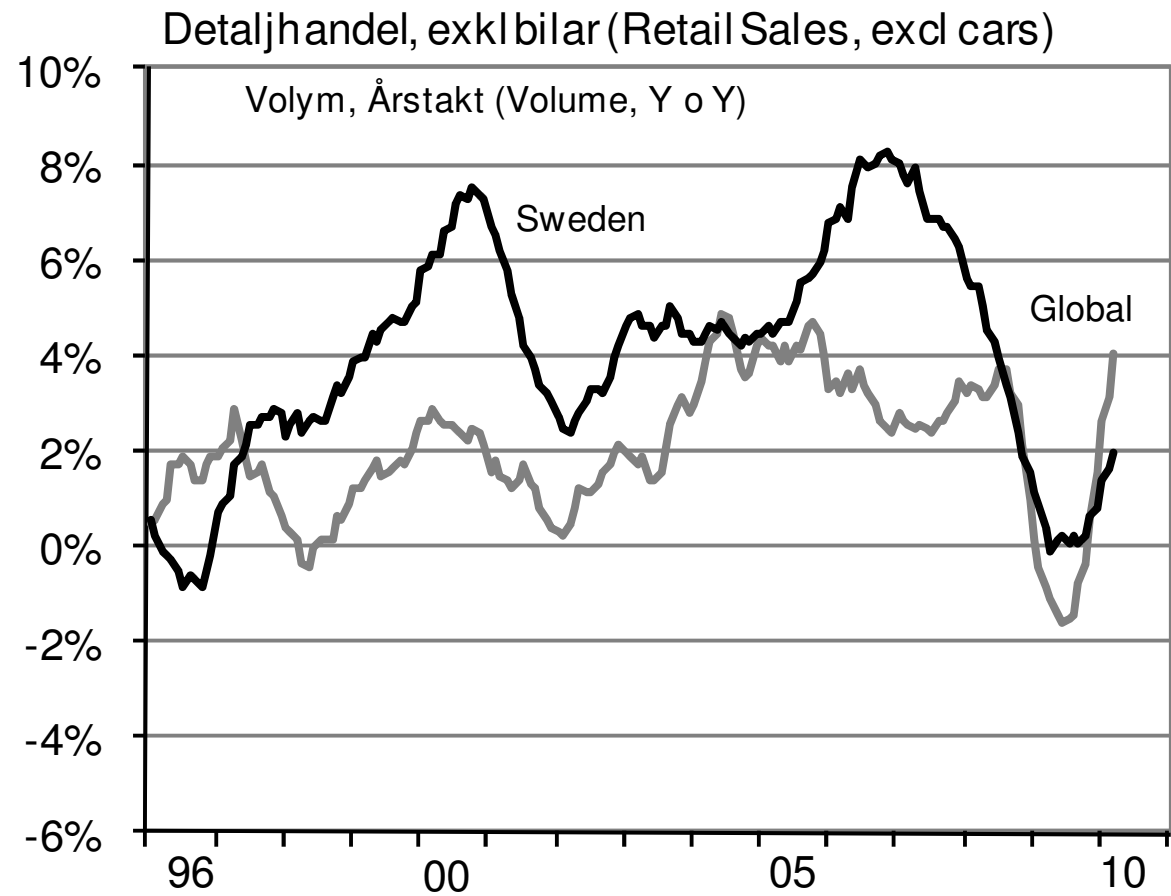
Economic trends



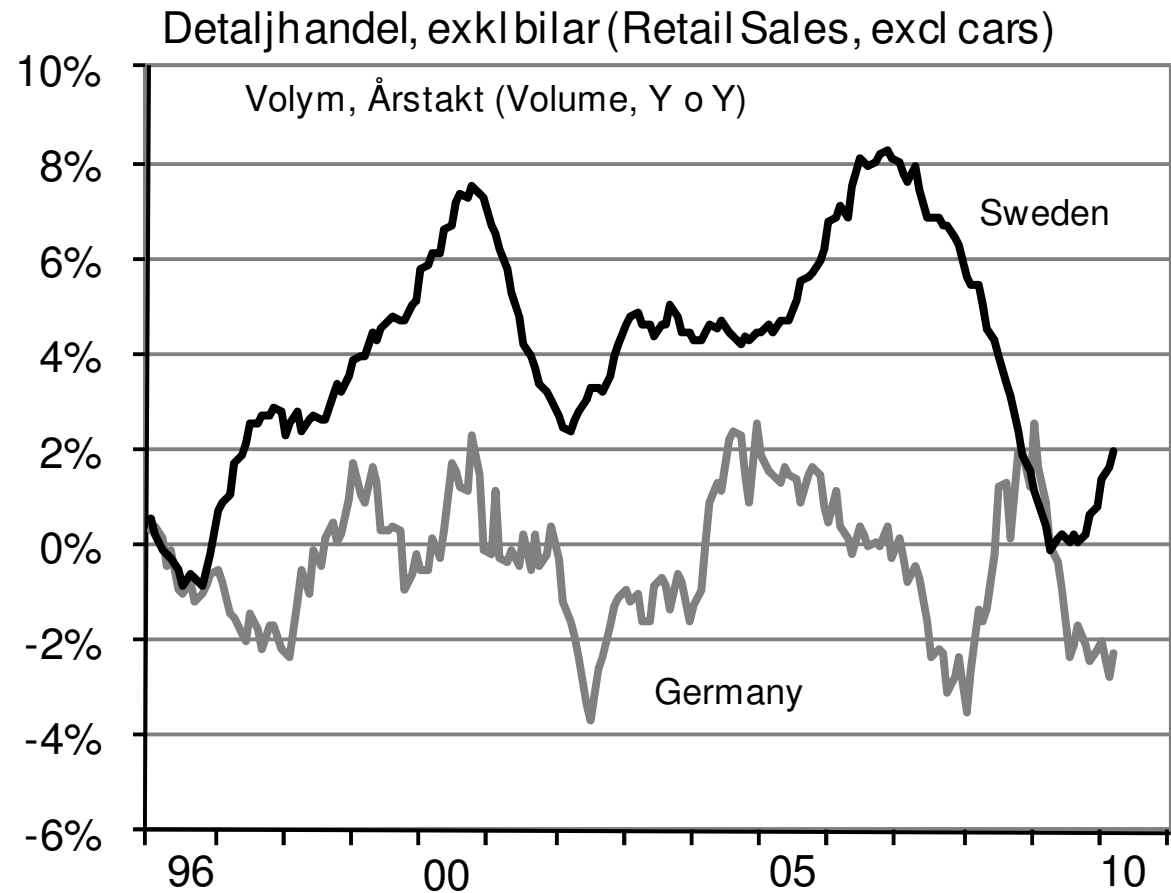
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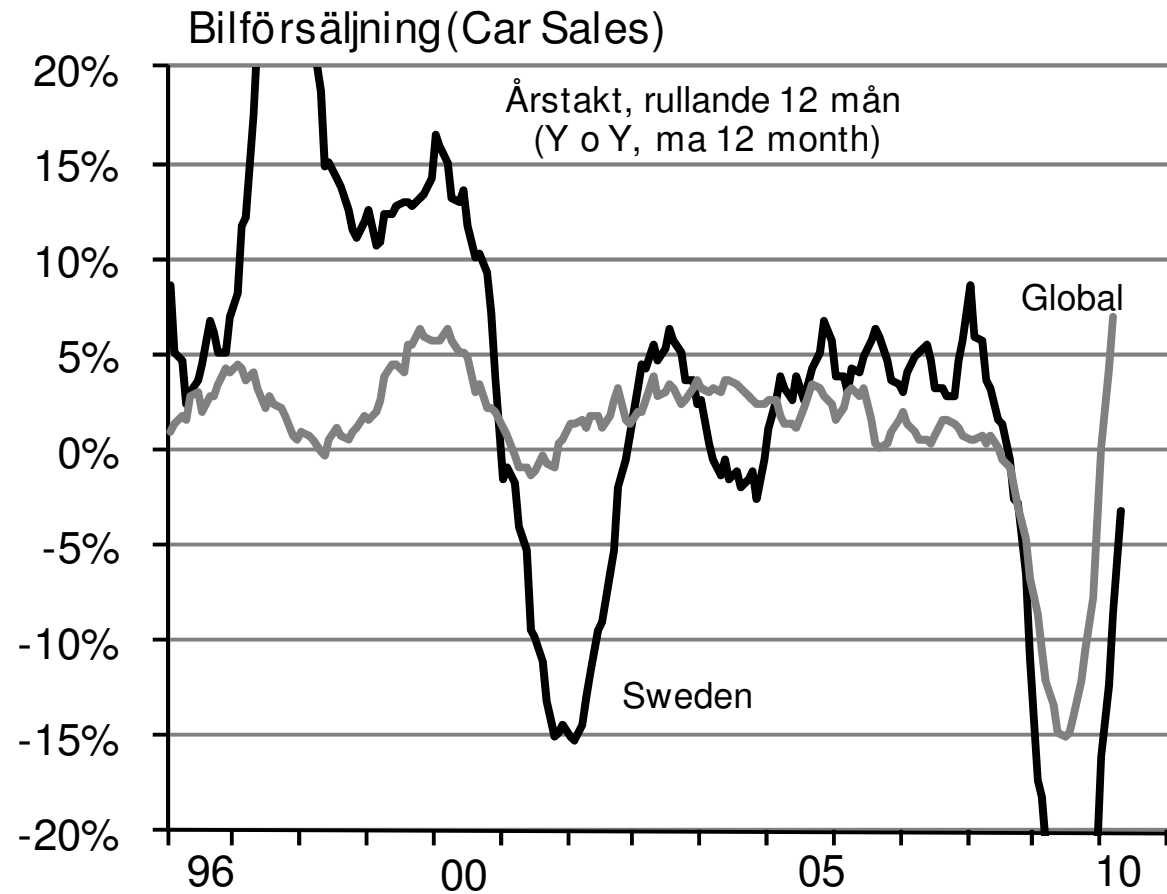
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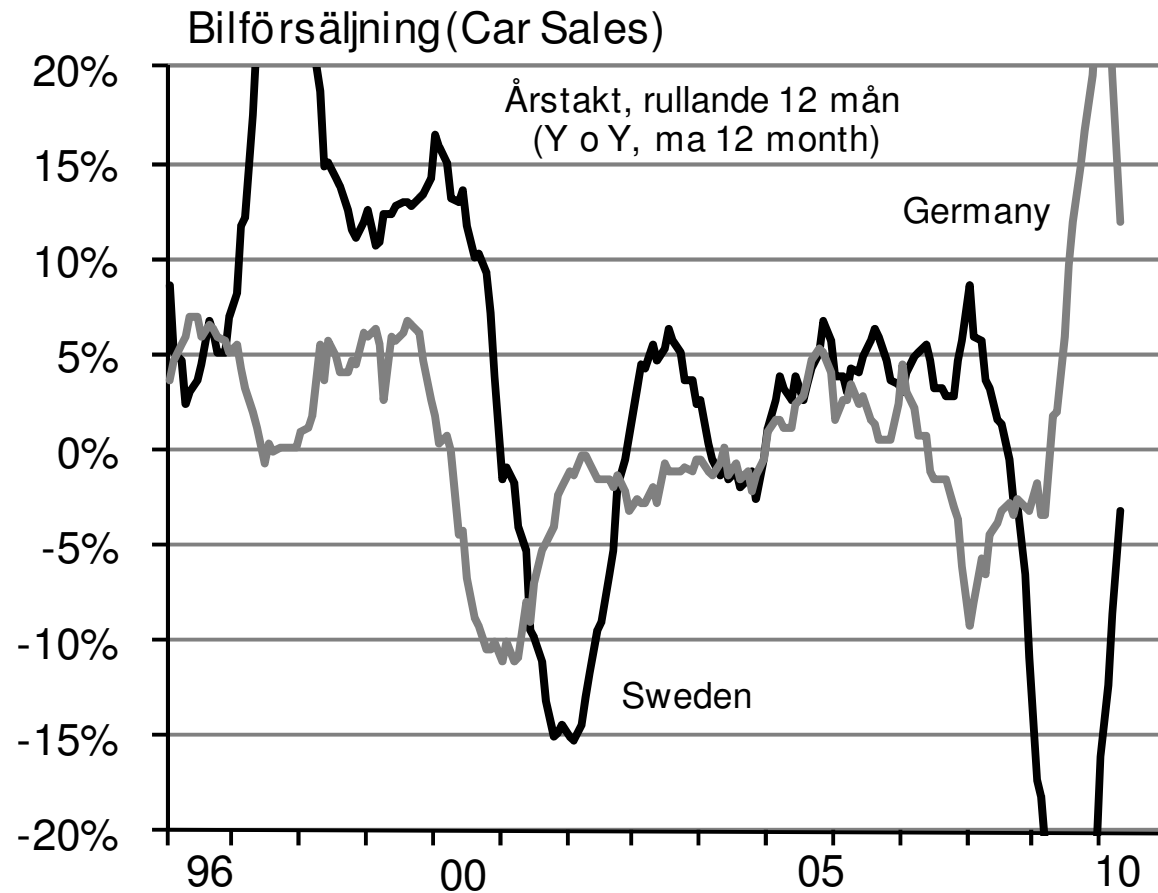
Economic trends



Economic trends



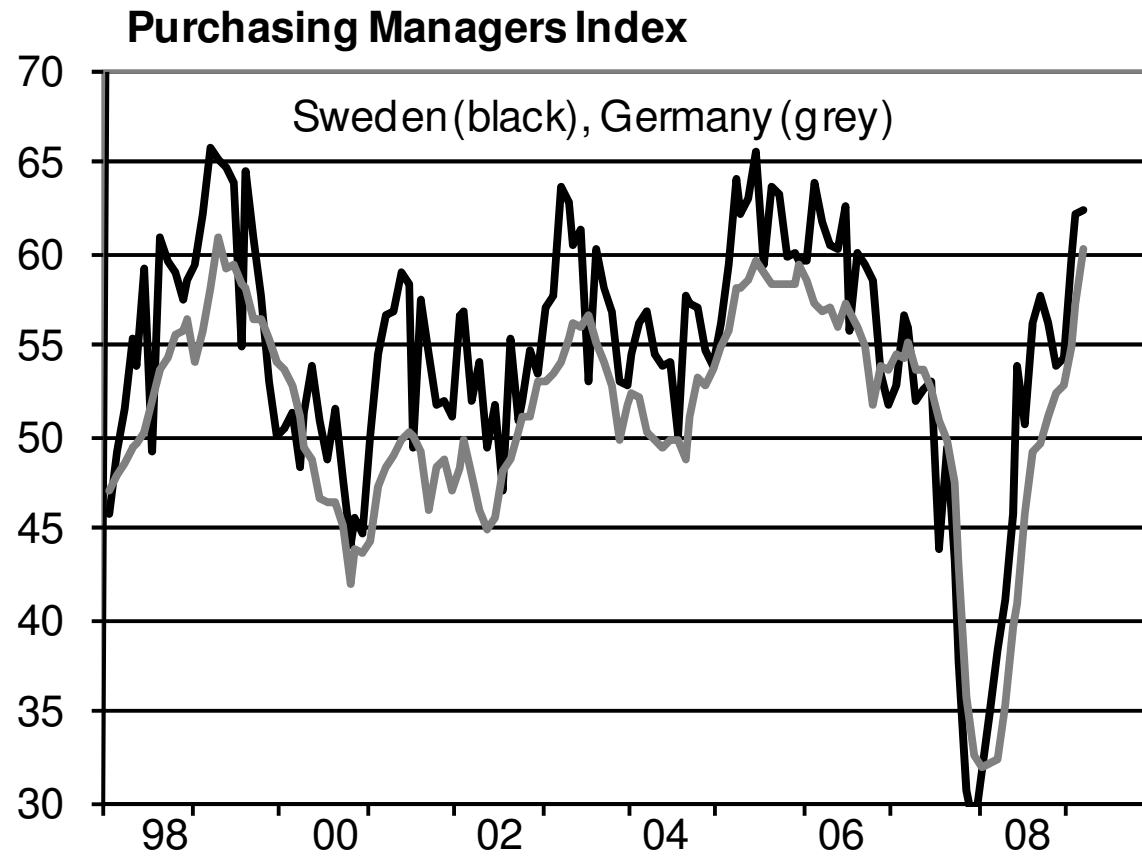
Economic trends



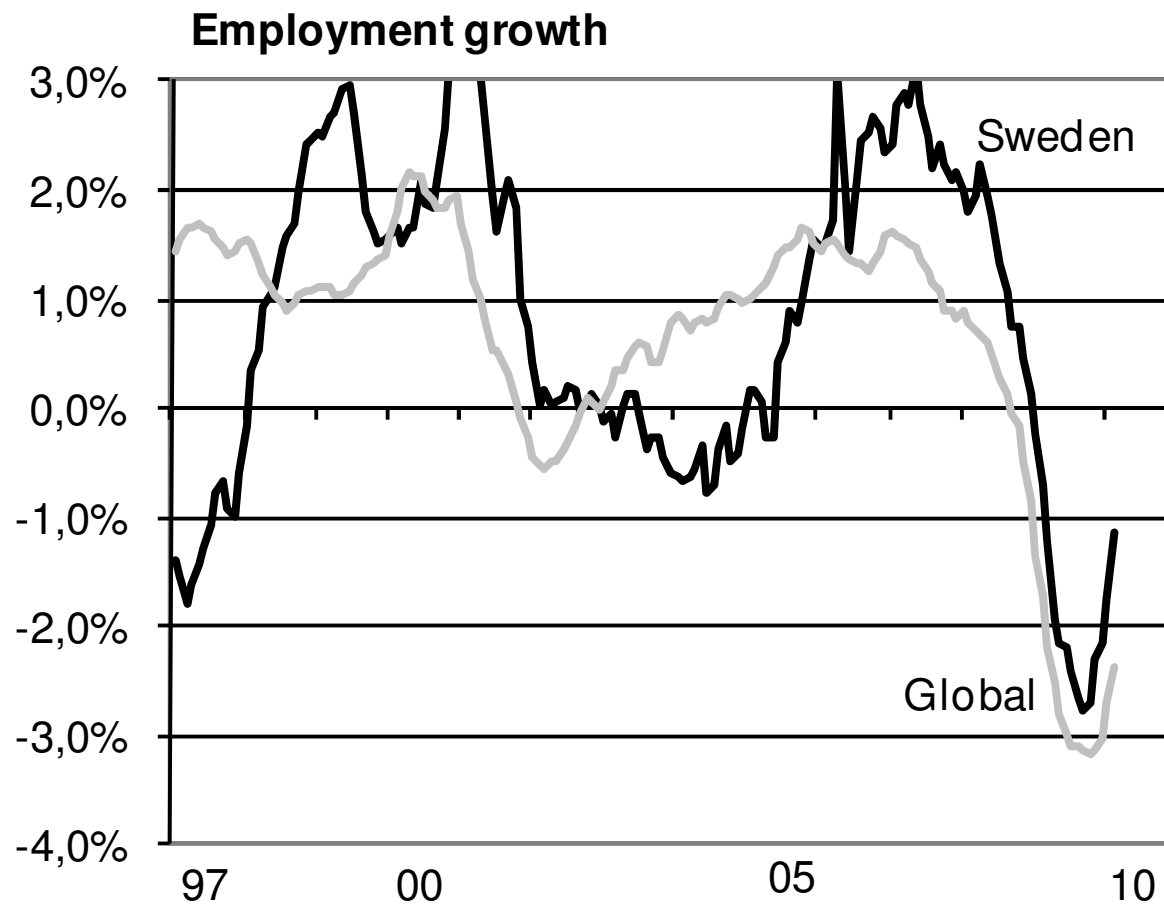
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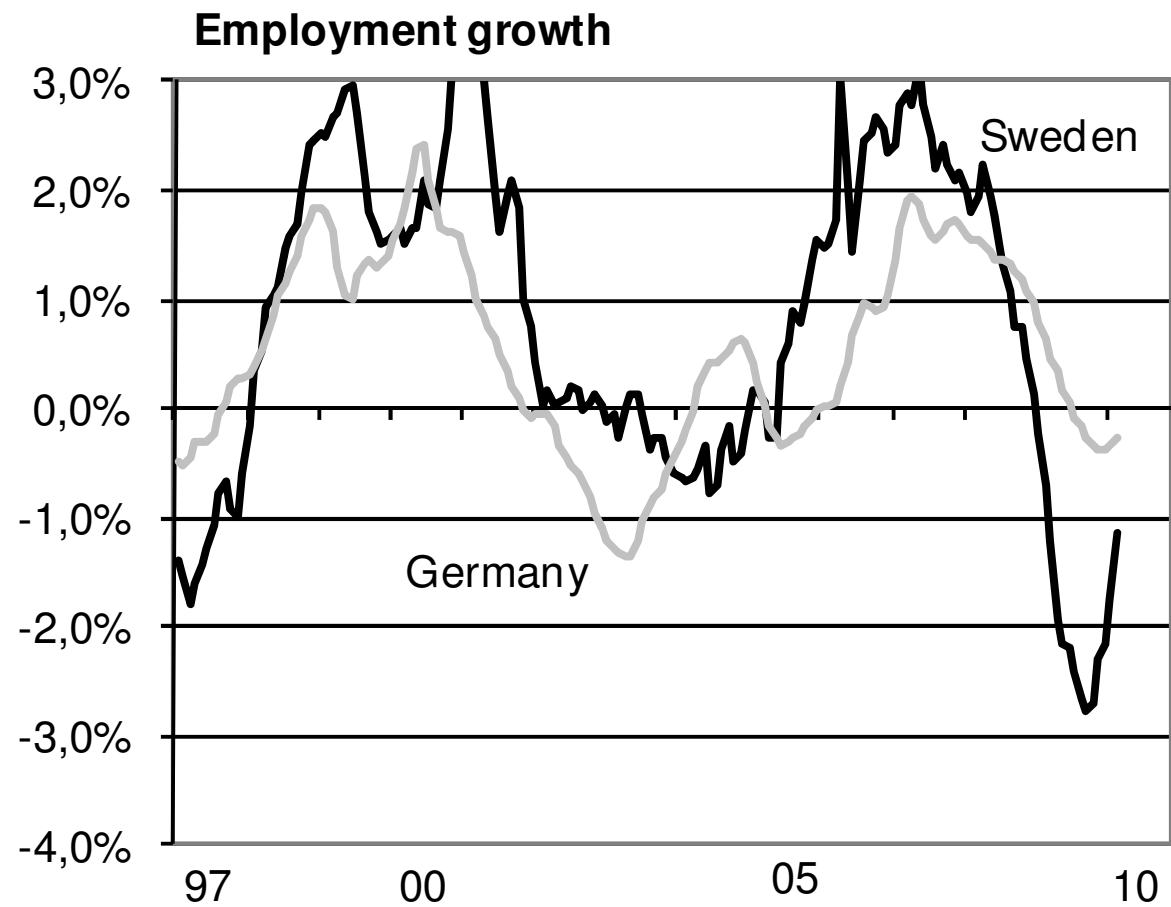
Economic trends



Economic trends

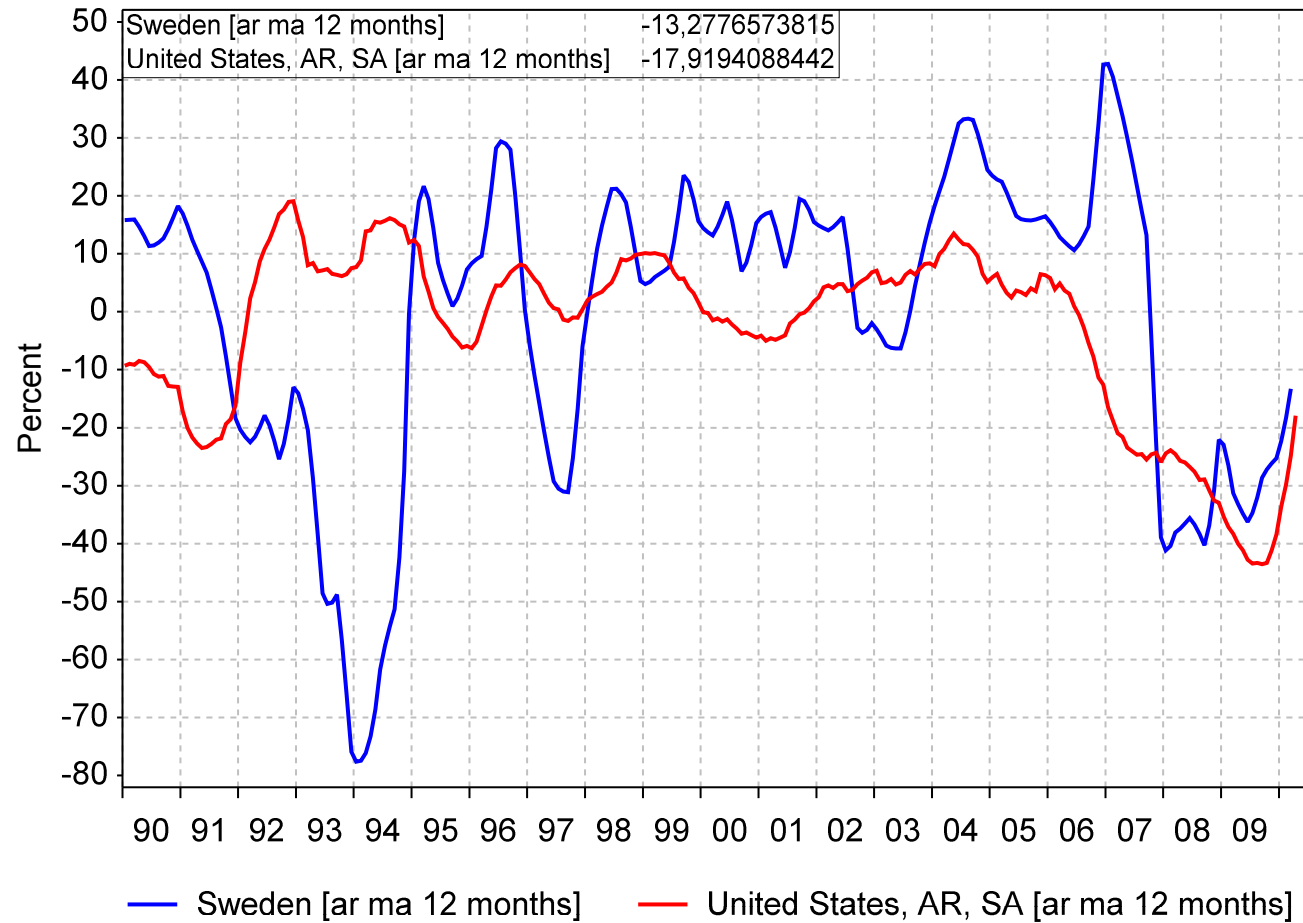


Economic trends



Economic trends

Housing Starts - Sweden, USA



Source: Reuters EcoWin

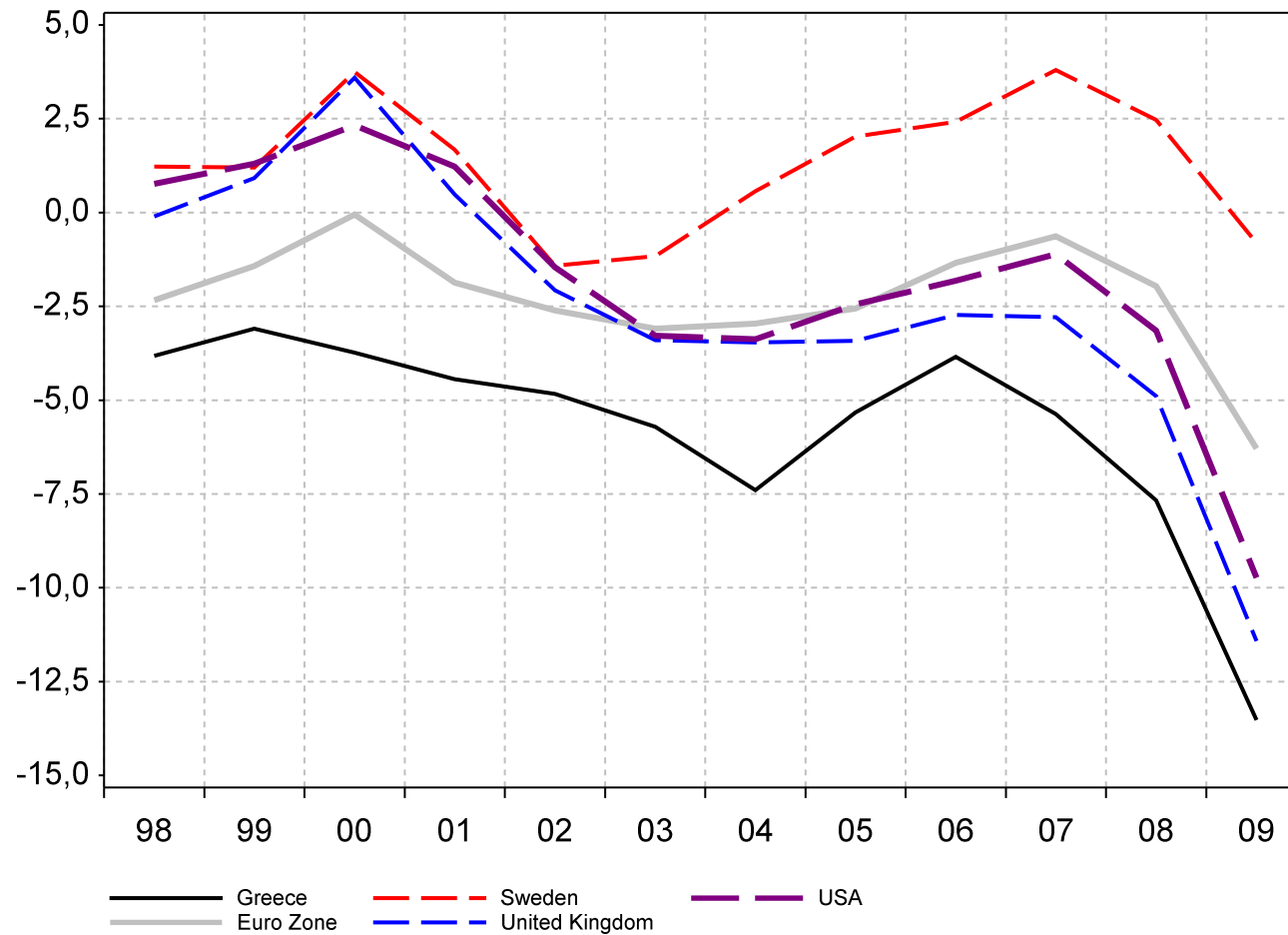
Government finances

The Greek crisis

The Greek crisis

Government budget surplus/deficit % GDP

Budgetsaldo % BNP



Source: Reuters EcoWin

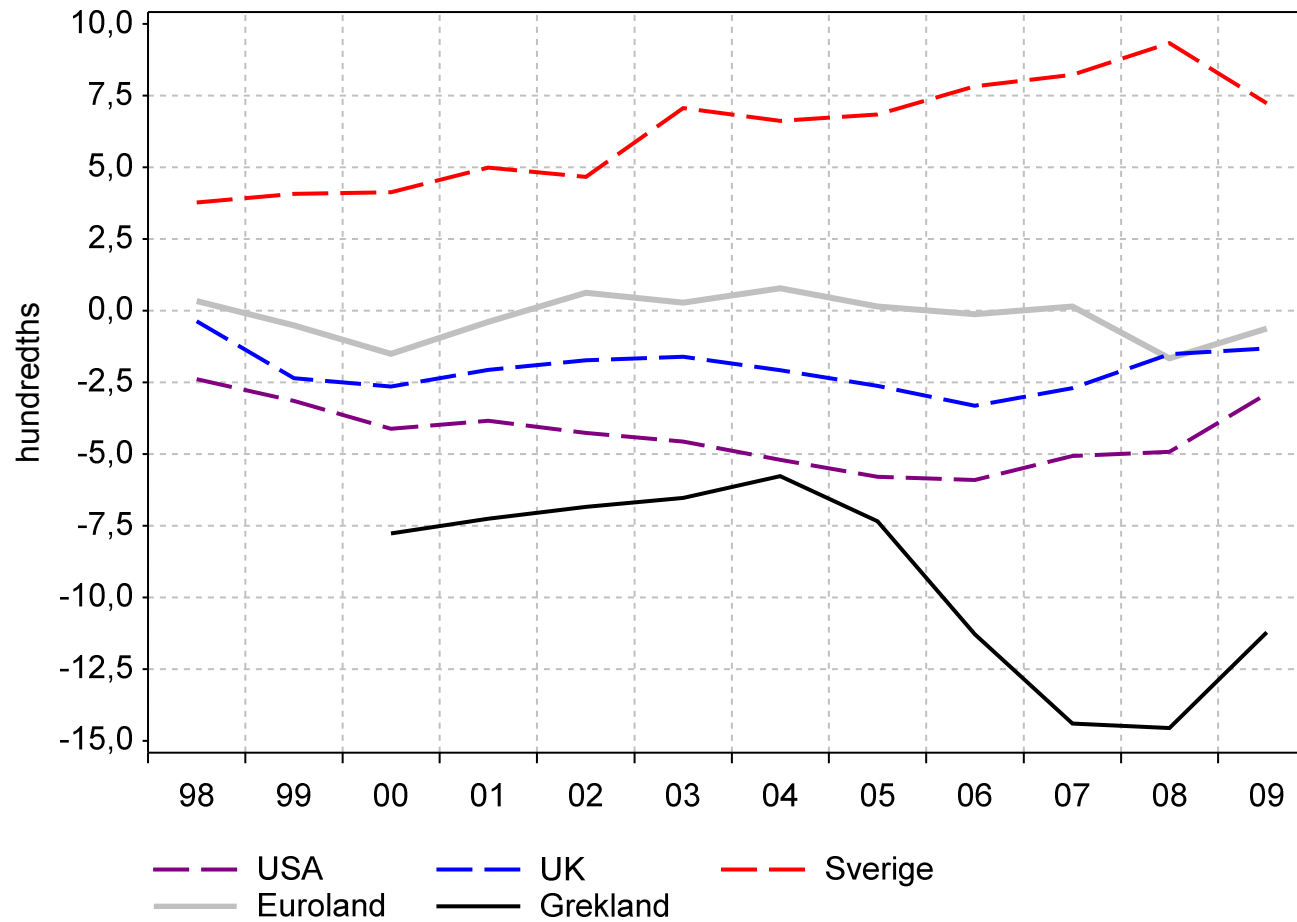
The Greek crisis

2009	Budget deficit % GDP	Governm debt % GDP
Sweden	-0,8	42
Germany	-3,3	73
Italy	-5,2	116
Portugal	-9,4	77
USA	-9,7	85
Spain	-11,2	53
U.K	-11,4	68
Ireland	-12,2	64
Greece	-13,5	115

The Greek crisis

Current account, surplus/deficit % GDP

Bytesbalans % BNP



Source: Reuters EcoWin

The Greek crisis

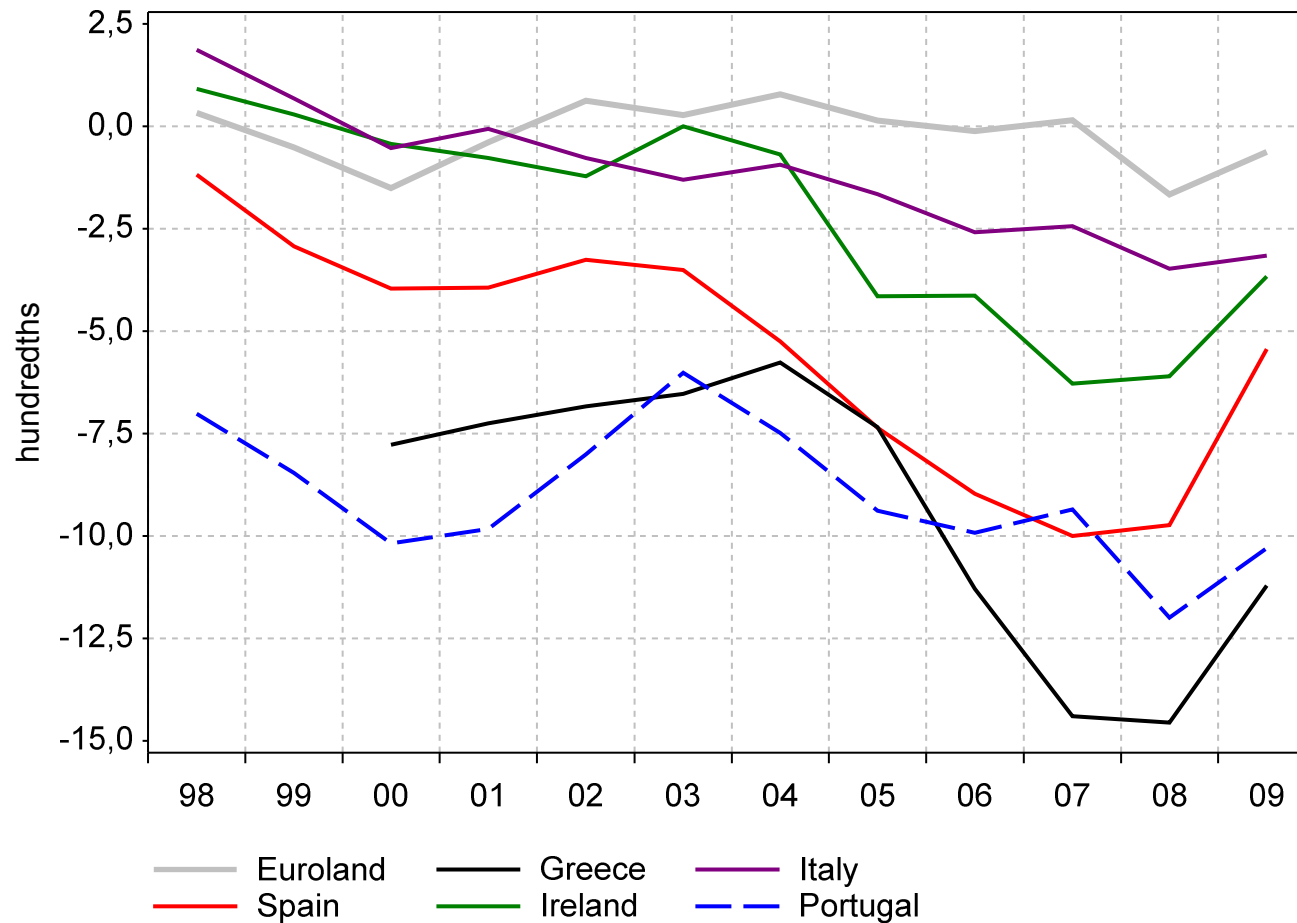
2009	Budget deficit % GDP	Government debt % GDP	Current account % GDP
Sweden	-0,8	42	7,2
Germany	-3,3	73	4,9
Italy	-5,2	116	-3,1
Portugal	-9,4	77	-10,3
USA	-9,7	85	-2,9
Spain	-11,2	53	-5,4
U.K	-11,4	68	-1,3
Ireland	-12,2	64	-3,7
Greece	-13,5	115	-11,2



The Greek crisis

Current account, surplus/deficit % GDP

Bytesbalans % BNP



Source: Reuters EcoWin