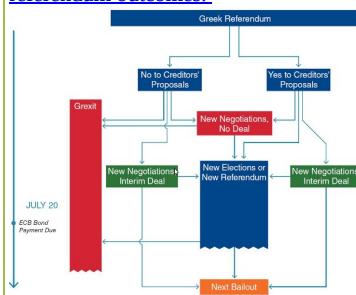


July 22, 2015

MidLincoln Emerging Markets Chart Art

Mining for Emerging Markets Ideas

[Chart is featuring Bloomberg chart on referendum outcomes.](#)



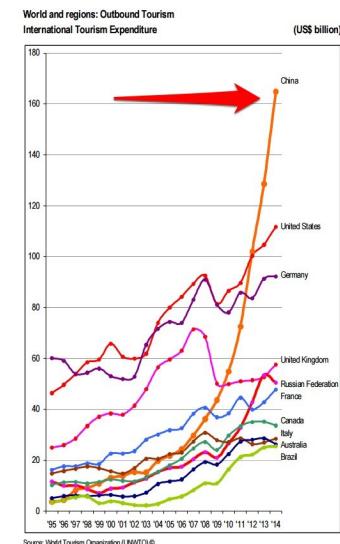
[It's difficult for the BRICS countries to start using.](#)

INDIA'S TRADE WITH BRICS PARTNERS, 2014-15

	Exports (in US \$ bn)	Imports (in US \$ bn)
Brazil	5.96	5.40
China	11.93	60.40
Russia	2.09	4.24
South Africa	5.29	6.49

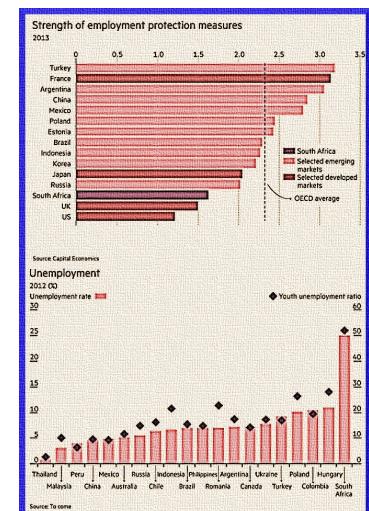
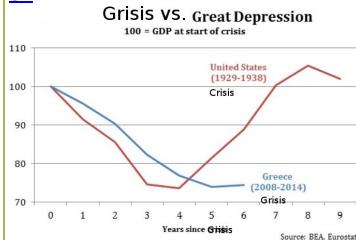
Source: Ministry of Commerce, Government of India

[China spends 180bn\\$ on tourism according to world.](#)



[Some data bits on FDI. FDI was down by 16% globally.](#) [SA has an employment problem. Its jobless rate is c.35%](#)

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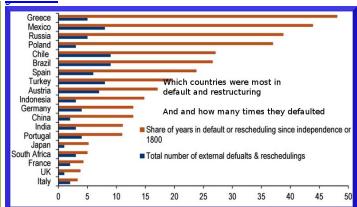


[Some support insight for sugar prices as Brazilian.](#)

	Scenario 1			Scenario 2			Scenario 3		
	2015/16e	(-5% cane)	(-5% cane & high ethanol mix)	2015/16e	(-5% cane)	(-5% cane & high ethanol mix)	2015/16e	(-5% cane)	(Low ATR and High ethanol mix)
Cane crushing	592	562.4	562.4	592	562.4	562.4	592	562.4	562.4
kg TRS/in cane	135	135	135	135	135	135	128	128	128
Total TRS (mn kg)	79,920	75,924	75,924	75,924	75,924	75,924	75,776	75,776	75,776
Anhydrous	23%	23%	23%	23%	23%	23%	23%	23%	23%
Hydrous	36%	37%	39%	39%	39%	39%	39%	39%	39%
Sugar	42%	40%	39%	39%	39%	39%	39%	39%	39%

[I have heard that Greece was in default 800 years.](#)

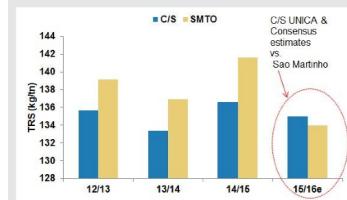
[BRICS and SCO Summit in UFA starting](#)



tommorow: Topics

UFA RUSSIA 2015

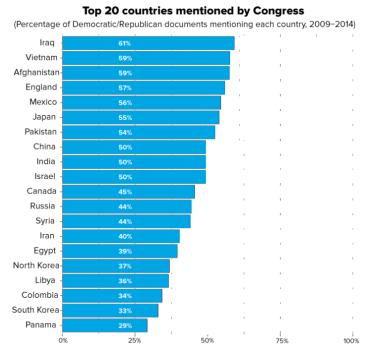
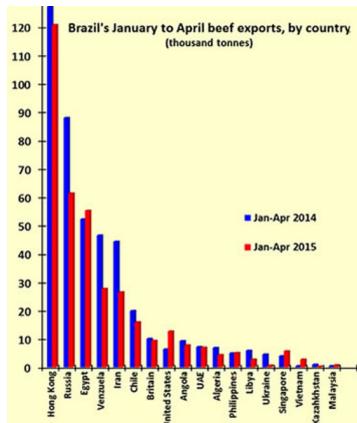
Anhydrous (bn lts)	10	10	10	10
Hydrous (bn lts)	17	17	17	17
Sugar (mn tns)	32	29	28	28



[Despite US crude export ban, lightly processed crude](#)

[Here is one example of BRICS cooperation: Brazil Beef](#)

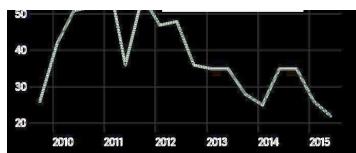
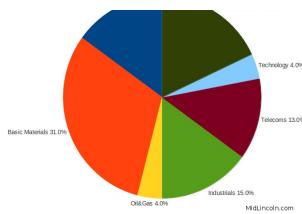
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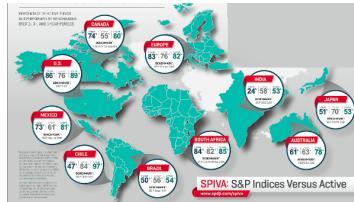




[Gold is almost down to the levels before all the QEs](#)



[S&P studied active fund performance of funds benchmarked](#)



Some Popular Charts

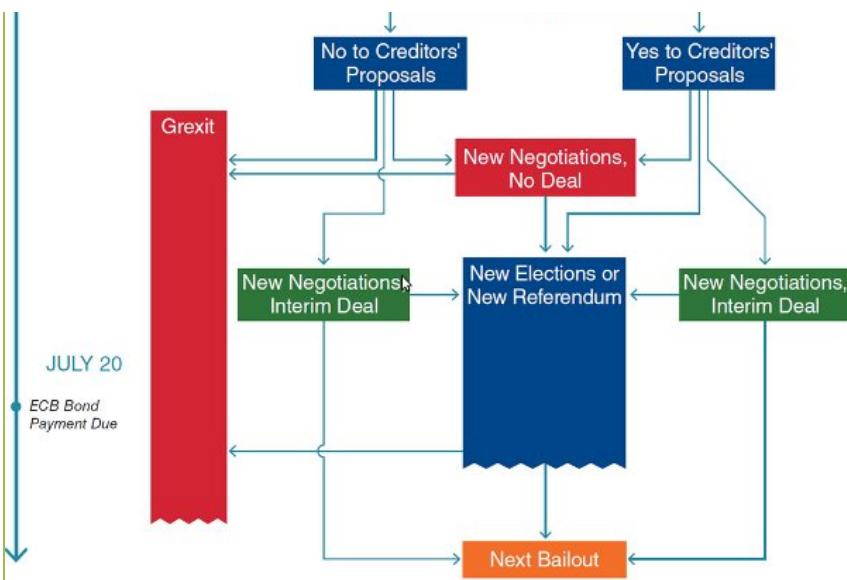
[Charts](#)

Charts

Chart is featuring Bloomberg chart on referendum outcomes.

Chart is featuring Bloomberg chart on referendum outcomes. The bailout is still quite possible, but would probably only delay the grexit.





It's difficult for the BRICS countries to start using

It's difficult for the BRICS countries to start using their local currencies for mutual settlements - (from indianexpress.com). Take India as an example. India trade with BRICS is tiny except China. India's own exchange rate is pegged to a basket of currencies, and not just to the US dollar, trading in the local currency does not add to efficiency purely from the monetary policy point of view, given the complexities of exchange rate management. Also there is effectively no rupee-ruble currency market today. So in arriving at a rupee-ruble exchange rate, the reference again is the US dollar, because there are deep and liquid currency markets with strong demand-supply helping to discover a rupee-dollar exchange rate...

INDIA'S TRADE WITH BRICS PARTNERS, 2014-15

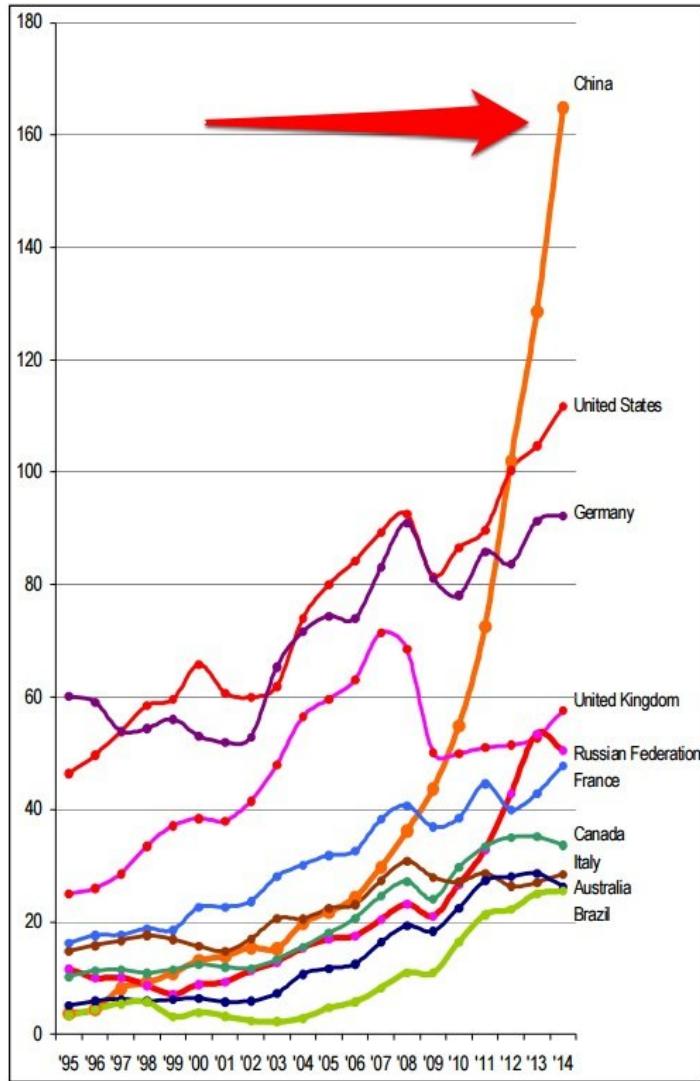
	Exports (in US \$ bn)	Imports (in US \$ bn)
Brazil	5.96	5.40
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South Africa	5.29	6.49

Source: Ministry of Commerce,
Government of India

Source: MidLincoln

China spends 180bn\$ on tourism according to world

China spends 180bn\$ on tourism according to world tourism association. We have been very bullish on China domestic airline stocks especially in the lower oil price environment.



Source: World Tourism Organization (UNWTO) ©

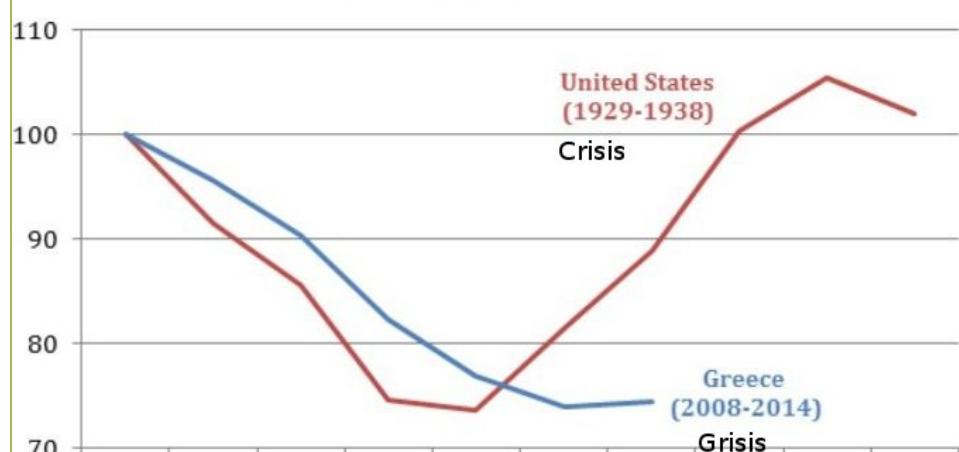
Source: MidLincoln

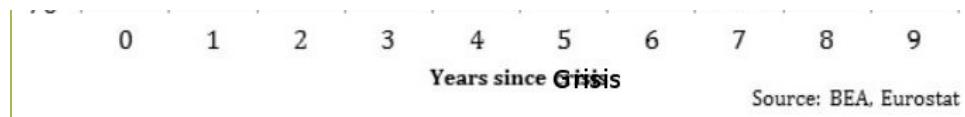
Grisis is worst then Great Depression in terms of

Grisis is worst then Great Depression in terms of days. Some, like (AEI's Desmond Lachman) argue that all sorts of austerity is to blame. That despite the austerity within a Euro straitjacket public debt to GDP ratio has risen to 180 percent.

Grisis VS. Great Depression

100 = GDP at start of crisis





Source: MidLincoln

Some databits on FDI. FDI was down by 16% globally

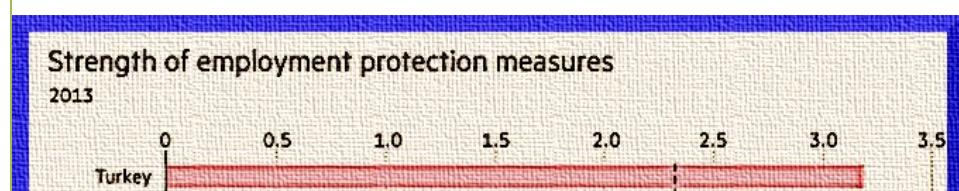
Some databits on FDI. FDI was down by 16% globally in 2014, to \$1.2 trillion. FDI flows to developed countries dropped by 28%, to \$499 billion. Inflows to the US fell by 60%, to \$92 billion, due to Vodafone's divestment of Verizon. Flows to Europe fell by 11%, to \$289 billion. Developing economies (mostly in Asia) share of FDI inflows is rising steadily to 55% of the global total. FDIs into services continue to prevail, accounting for 63% of the global FDI stock. (Data summarised by the Economist.com)

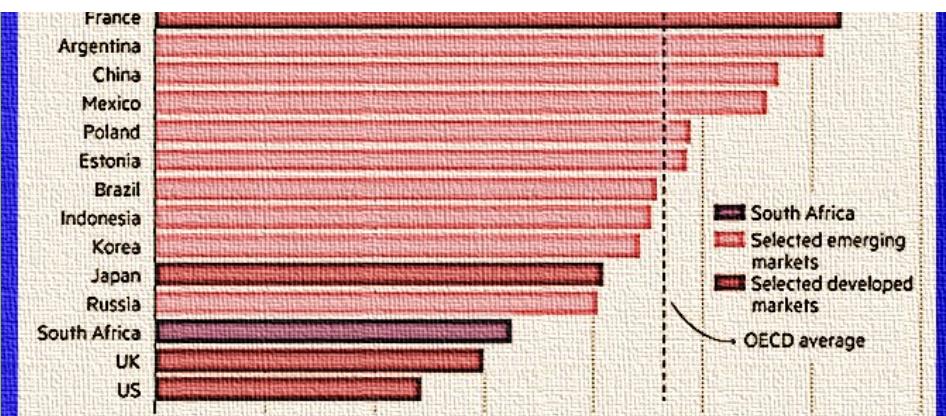


Source: MidLincoln

SA has an employment problem. Its jobless rate is c.35%

SA has an employment problem. Its jobless rate is c.35% (26% according to official numbers). Imagine the rerating of SA economy if it ever occurs when the unemployment goes to normal numbers e.g. c.10% (Charts are from FT and Capital Economics)





Source: Capital Economics

Unemployment

2012 (%)

Unemployment rate

◆ Youth unemployment ratio

30

60

25

30

20

40

15

50

10

30

5

20

0

0

Thailand, Peru, China, Mexico, Australia, Russia, Chile, Indonesia, Philippines, Romania, Argentina, Canada, Ukraine, Turkey, Poland, Colombia, Hungary, South Africa

Source: To come

Source: MidLincoln

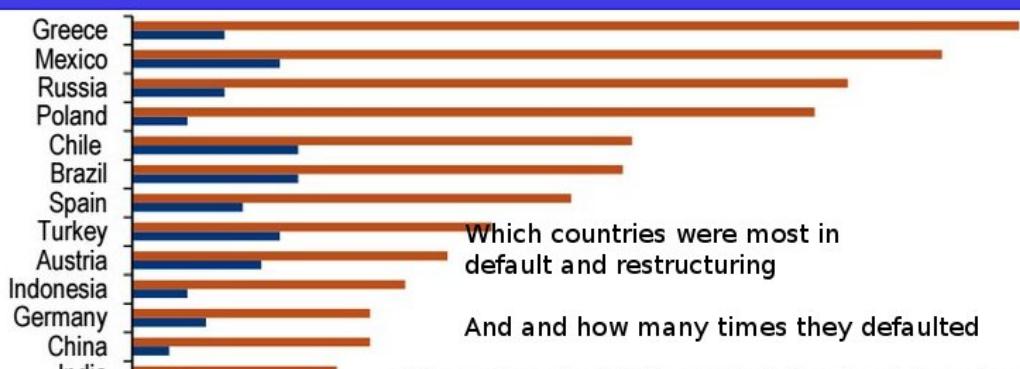
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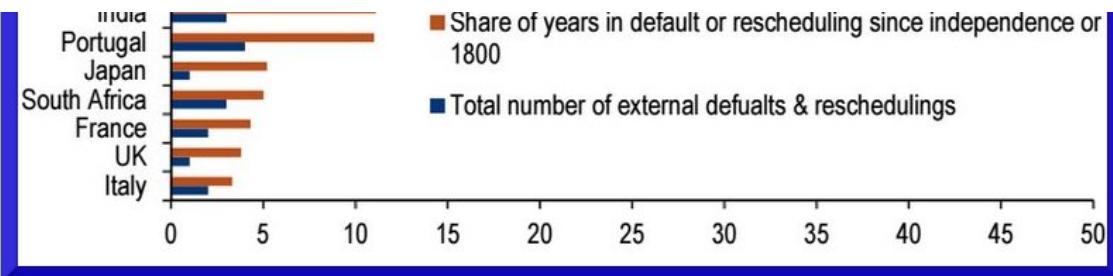
I have heard that Greece was in default 800 years from the last 1000, but could not find any data on that. However this BofAML chart from BusinessInsider.com shows that Greece has spent 90 out of the last 196 years in financial crisis which is almost 50% of the time since its independence. And the other bad borrowers include Mexico 44% of the time in default, Russia - 40% of the time measured either from 1990, but measured from 1920 it's even worse, and Poland 37% of the time

On the other end of the spectrum, Italy 3%, the UK 4%, and France 4.5% have spent the least amount of time in default or rescheduling among the group.

In terms of the number of defaults and rescheduling, Chile and Brazil lead the way.

source: <http://www.businessinsider.com/>





Source: MidLincoln

BRICS and SCO Summit in UFA starting tomorrow: Topics

BRICS and SCO Summit in UFA starting tomorrow: Topics to be discussed: SCO DEVELOPMENT STRATEGY TOWARDS 2025, POLITICAL CONSOLIDATION AND PRACTICAL INTERACTION, EXPANSION OF THE PARTNERSHIP

WITHIN THE SCO, STRENGTHEN THE SCO'S ROLE AS A VENUE FOR DIALOGUE, CREATION OF THE SCO CENTRE TO DEAL WITH THE SECURITY THREATS, EXPANSION OF ECONOMIC AND CULTURAL RELATIONS



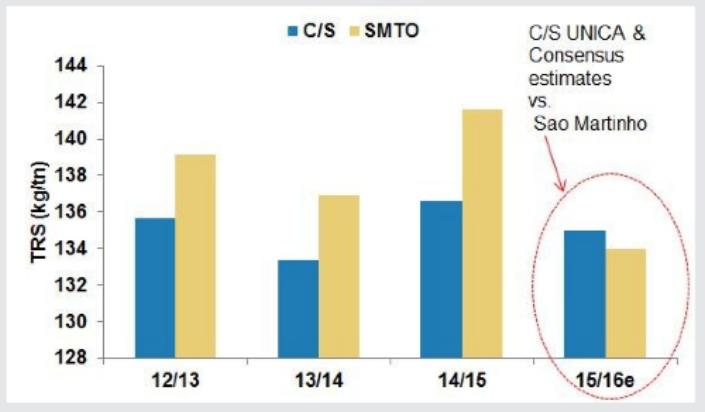
Source: MidLincoln

Some support insight for sugar prices as Brazilian

Some support insight for sugar prices as Brazilian output is expected to stay low. ♦Brazil's output and sugar mix to 7-year lows, as government policies spur the largest YoY increase in hydrous demand since 2008, diverting cane from sugar to ethanol production. Source: www.benzinga.com

	2015/16e	Scenario 1 (-5% cane)	Scenario 2 (-5% cane & high ethanol mix)	Scenario 3 (Low ATR and High ethanol mix))
Cane crushing	592	562.4	562.4	592
kg TRS/tn cane	135	135	135	128
Total TRS /mn kcal	79.920	75.924	75.924	75.776

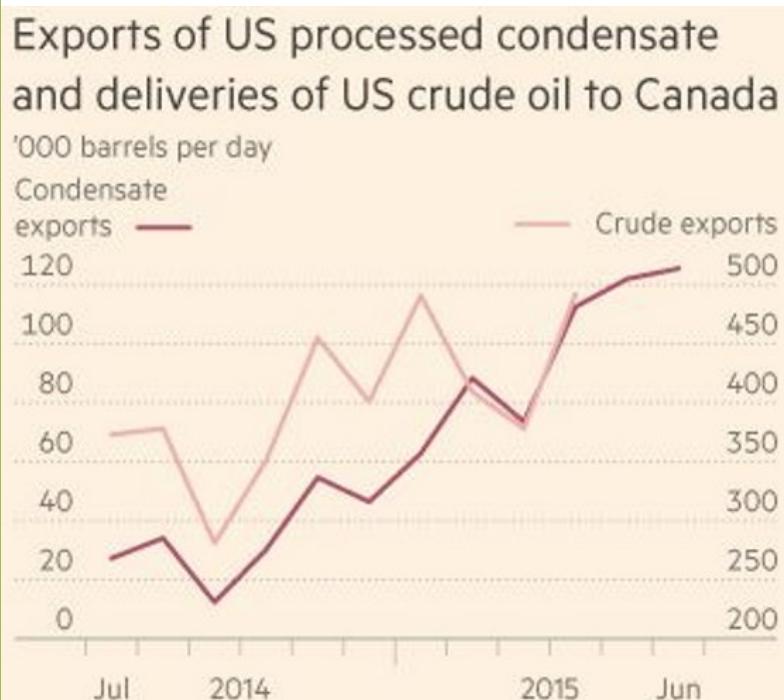
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Source: MidLincoln

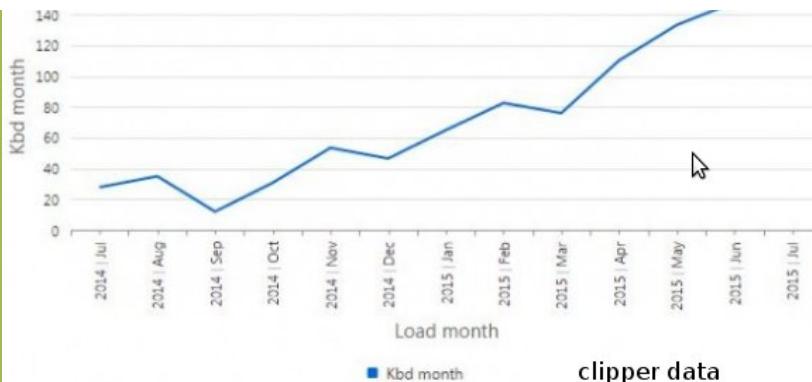
Despite US crude export ban, lightly processed crude

Despite US crude export ban, lightly processed crude (condensate) deliveries to Canada and to Europe from the US increase 5 fold. US shale market share creeping higher despite the ME producers efforts to keep their market share. Implying that oil prices are there to stay at current levels or even decline when Iran goes online after the lift on embargo. Data from fuelfix.com, FT and Clipper.



Sources: Clipper Data; EIA

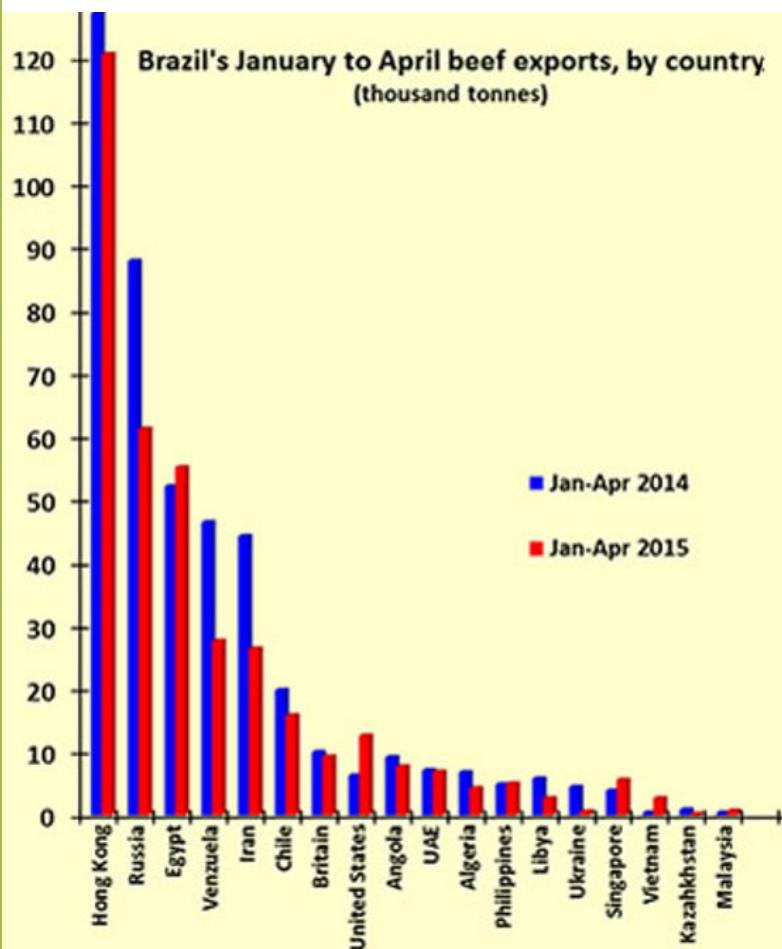
US Delivers of condensate to Europe



Source:MidLincoln

Here is one example of BRICS cooperation: Brazil Beef

Here is one example of BRICS cooperation: Brazil Beef Exports to Russia have fallen in 2015 despite that Russia cut imports of beef from US, Europe, Australia and NZ due to reciprocal sanctions. The ruble devaluation is the cause of that fall. In addition Russia banned imports from 13 key Brazilian suppliers due to sanitary reasons. source: www.beefcentral.com



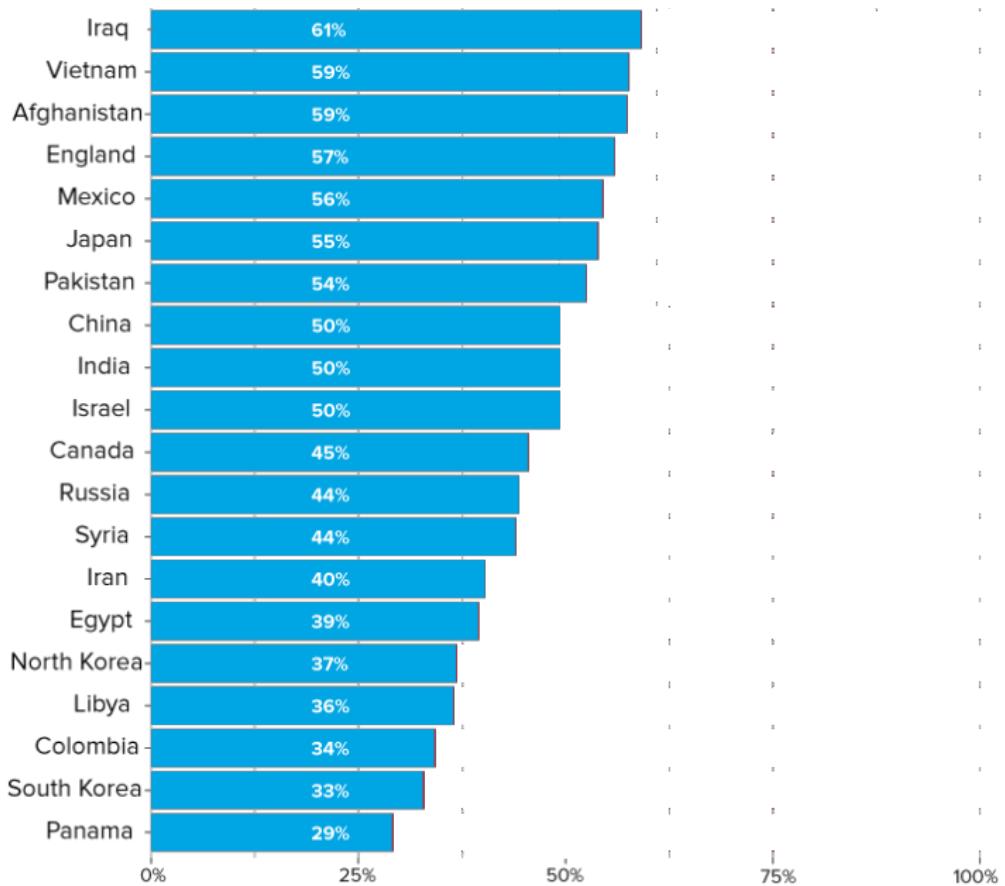
Source:MidLincoln

This is a chart of mentions of different countries

This is a chart of mentions of different countries in US congress by either democrats or republicans. Interestingly Vietnam is so up high. Greece was not on the agenda. (Chart is from politico.eu)

Top 20 countries mentioned by Congress

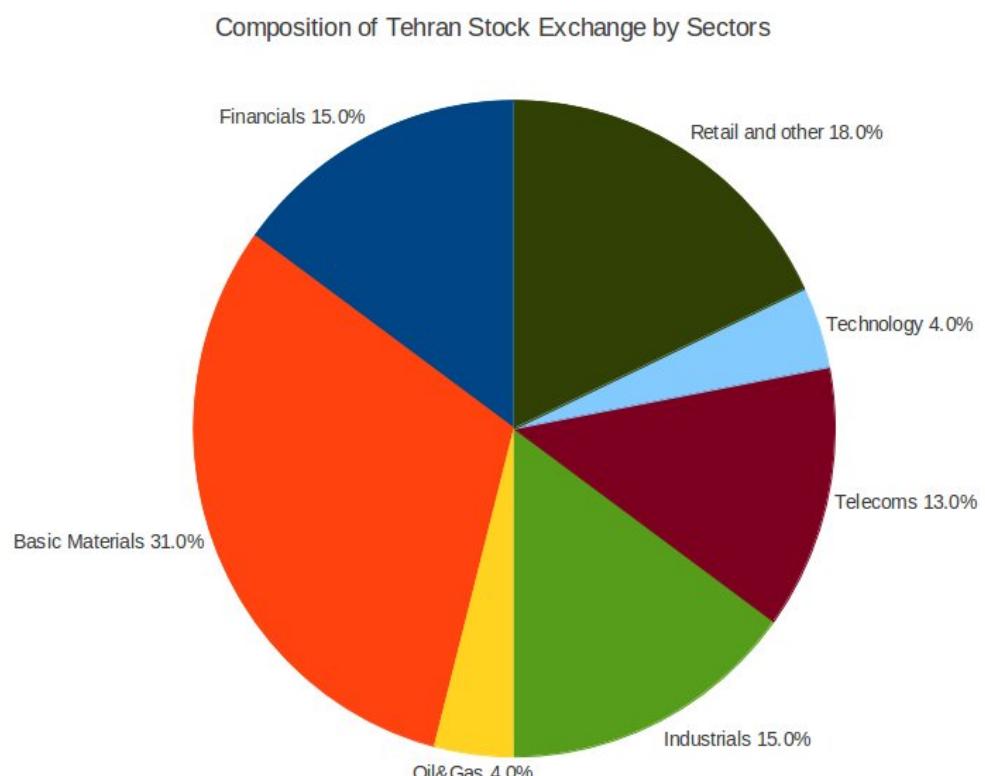
(Percentage of Democratic/Republican documents mentioning each country, 2009–2014)



Source: MidLincoln

Here are our estimates of the Tehran stock market

Here are our estimates of the Tehran stock market composition by sector.. quite exciting, and pretty similar to Turkey



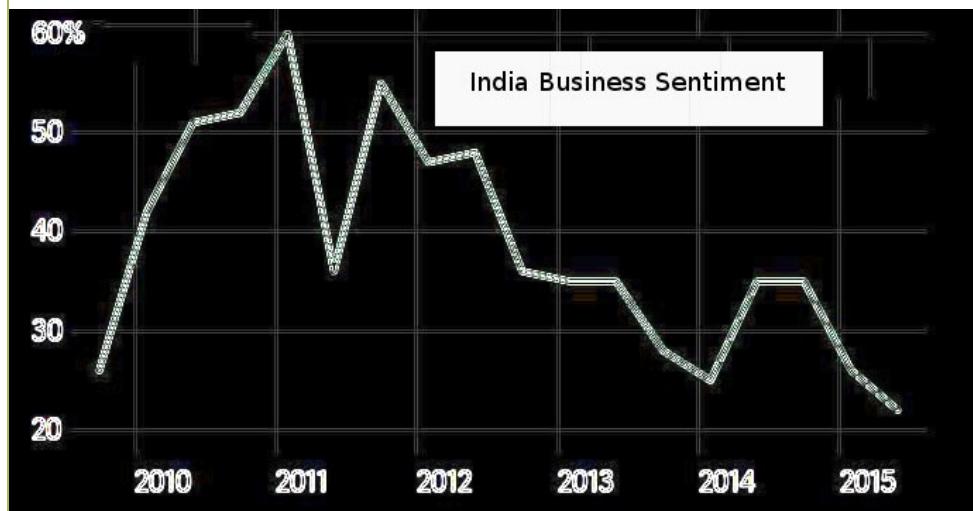
Source: MidLincoln

MidLincoln.com

Despite India's promising growth and reform momentum

Despite India's promising growth and reform momentum,

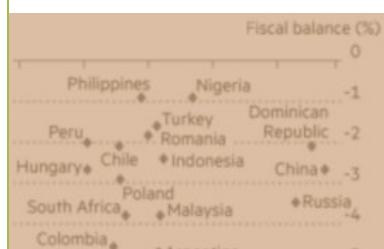
Despite India's promising growth and reform momentum, business sentiment in India is on decline, according to Markit survey. This is a worring sign unless Markit was surveying India's cabbies, under pressure from Uber.

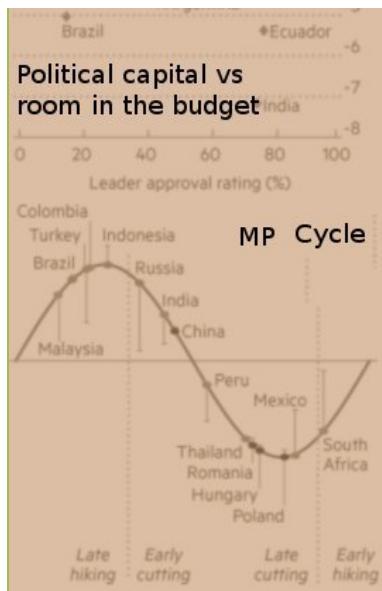


Source:MidLincoln

Out of the countries that are likely to loosen their

Out of the countries that are likely to loosen their MP stance in the next 12 month, Russia is least stressed on the budget side while Brazil is the most stressed. Chart comes from the FT and JPMAM





Source: MidLincoln

Gold is almost down to the levels before all the QEs

Gold is almost down to the levels before all the QEs started, possibly signaling upcoming higher rates environment.



Source: MidLincoln

S&P studied active fund performance of funds benchmarked

S&P studied active fund performance of funds benchmarked to their indexes vs. benchmark performances. The results are not supportive of active managers. In this chart the numbers in circles is the percentage of funds outperformed by benchmark over 1yr 3yr and 5yr periods.



