

## Financial crisis still not over, according to investment community

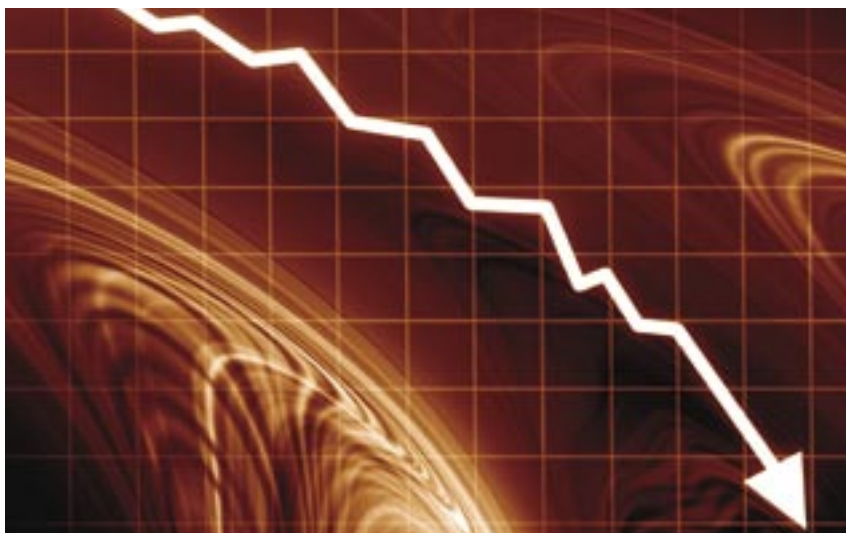
Despite improving economic indicators, senior fund managers at a wide range of leading institutional investors from more than 15 countries, with over US\$2.8 trillion of equity funds under management, overwhelmingly said that the financial crisis was still not over in a new global survey conducted by FTI Consulting last month.

The survey of more than 153 leading institutional investors revealed that 64 per cent of respondents globally said that they did not believe that the financial crisis was over, with 31 per cent saying the crisis was over and five per cent undecided.

UK, US and Australian investors were the most pessimistic, with 73 per cent, 76 per cent and 80 per cent respectively believing the crisis had not ended.

Continental European and Asian (including the Middle East) investors were slightly more optimistic, with 59 per cent and 62 per cent respectively saying the crisis was not over.

“Anecdotal evidence gathered during the survey suggests that across the globe investors were still concerned that



the amount of leverage in the system that caused the original problem has not been reduced. The prevailing view was that there has been so much economic stimulus that markets cannot help but go up. The concern was what would happen when government money runs out,” said Jack Dunn, president and CEO of FTI.

Dunn continued: “These findings suggest a paradox, in that despite the negative outlook, global equity markets have rallied significantly in recent months. This indicates a willingness of investors, for now at least, to focus on factors beyond the fundamental issues that caused our current economic crisis.”