



SYSTEMIC RISK AND A NEW PARADIGM FOR RISK MANAGEMENT

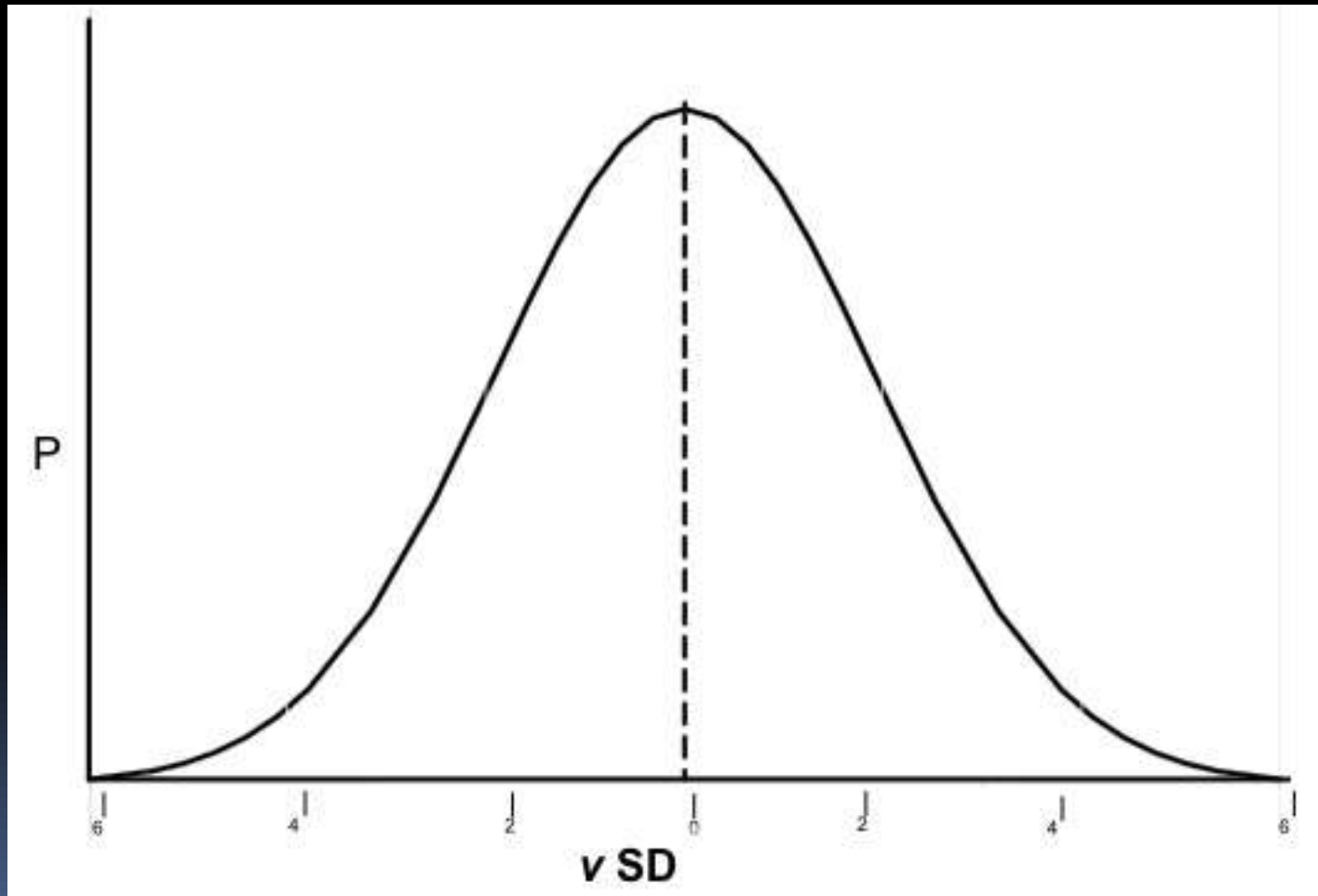
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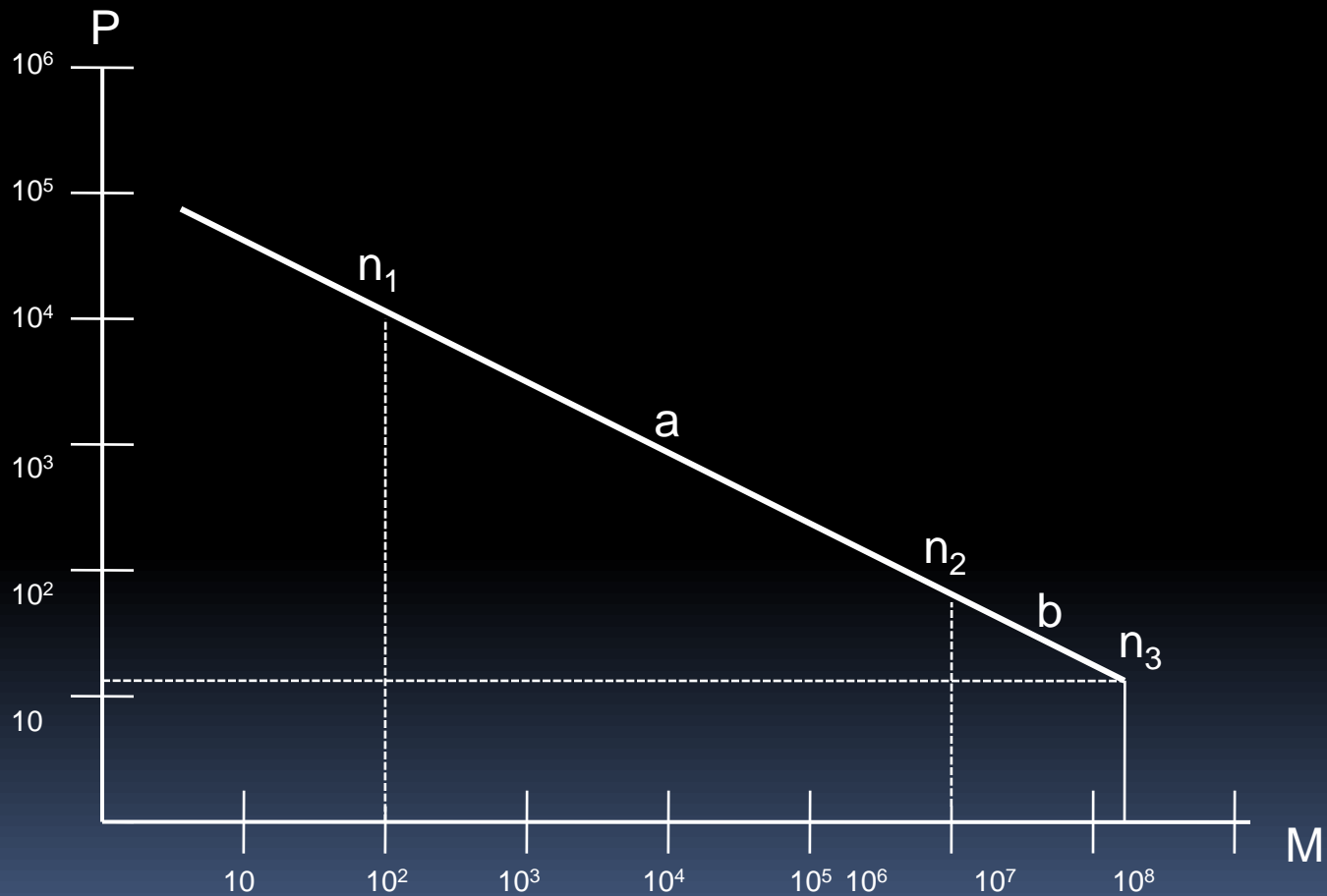
**SIXTH ANNUAL CONFERENCE ON ASIAN SECURITIES
LENDING MANDARIN ORIENTAL, KUALA LUMPUR,
MALAYSIA
MARCH 3 – 5, 2009**

**PAN ASIAN SECURITIES LENDING ASSOCIATION
RISK MANAGEMENT ASSOCIATION**

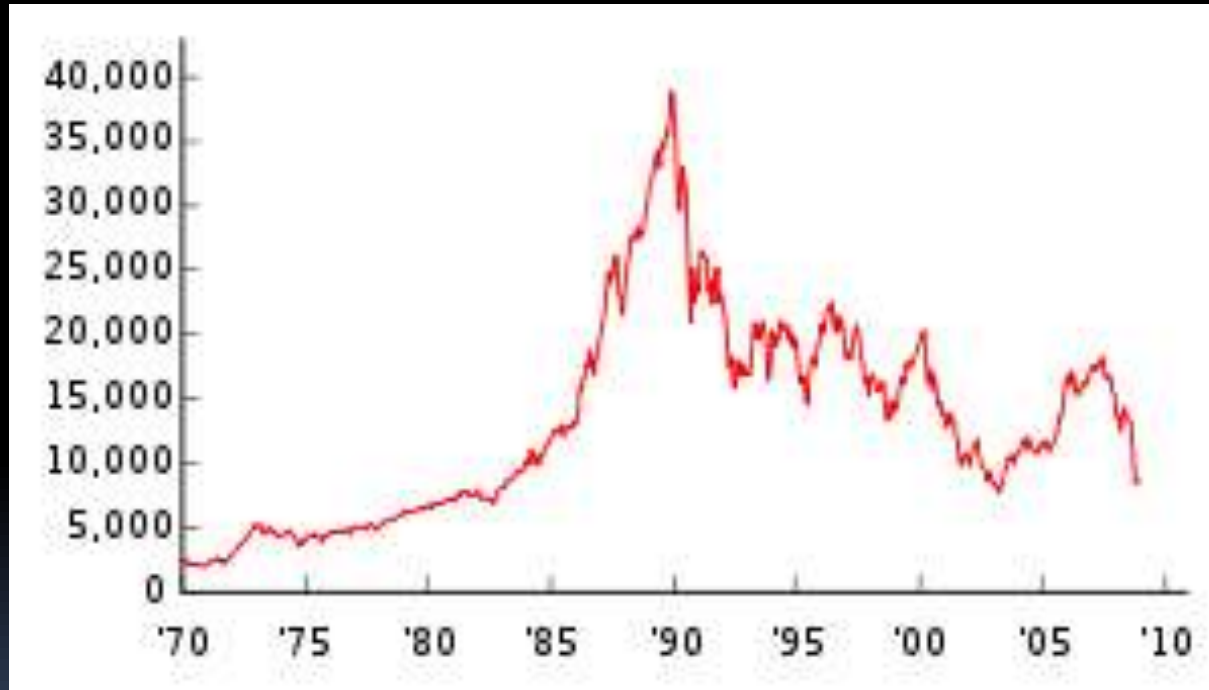
Normal Distribution – “The Bell Curve”



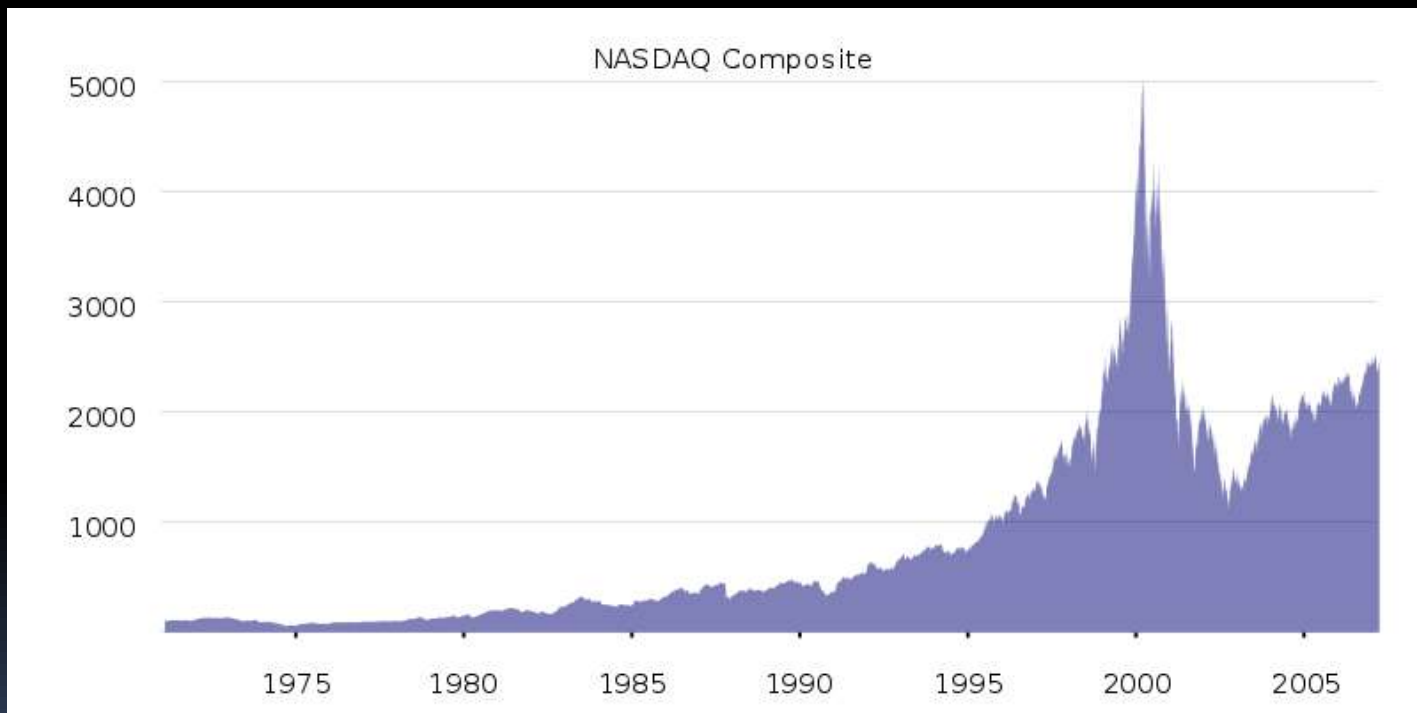
THE POWER CURVE



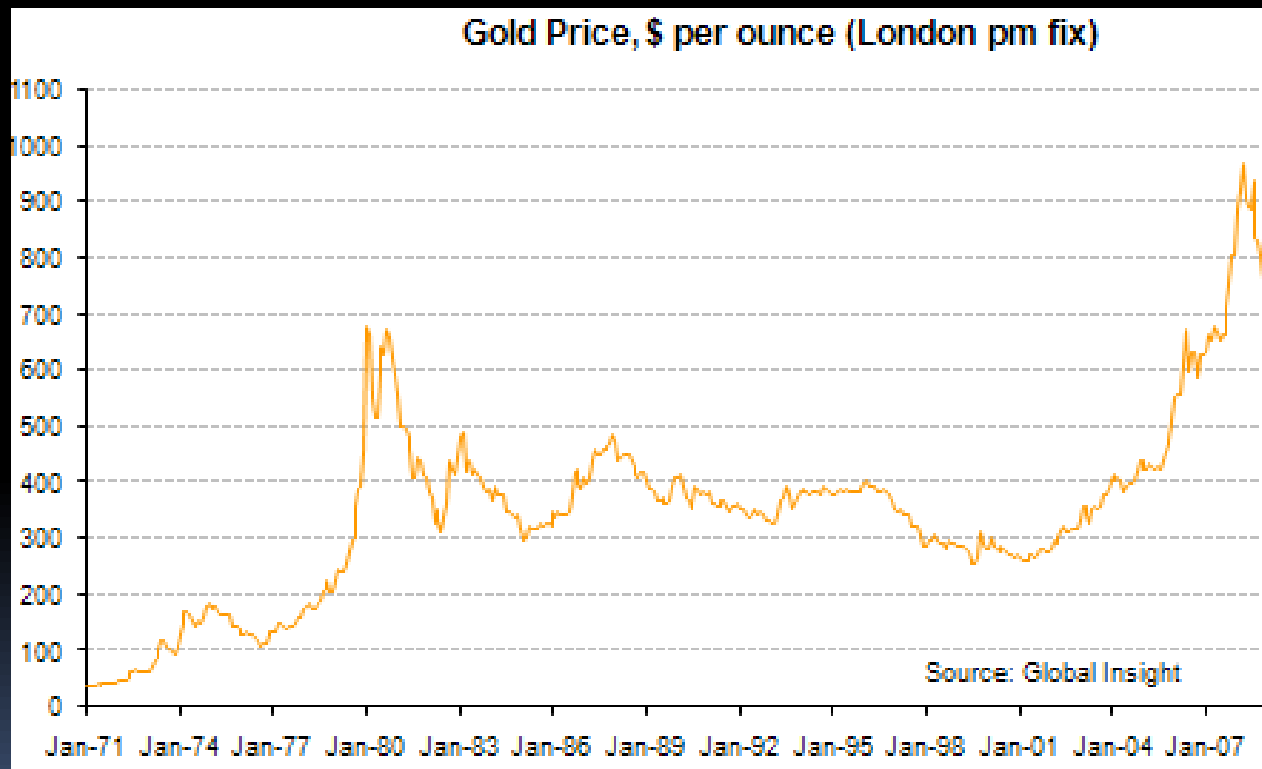
Nikkei 225 Index - 1970 to 2009




NASDAQ Composite 1970 to 2007

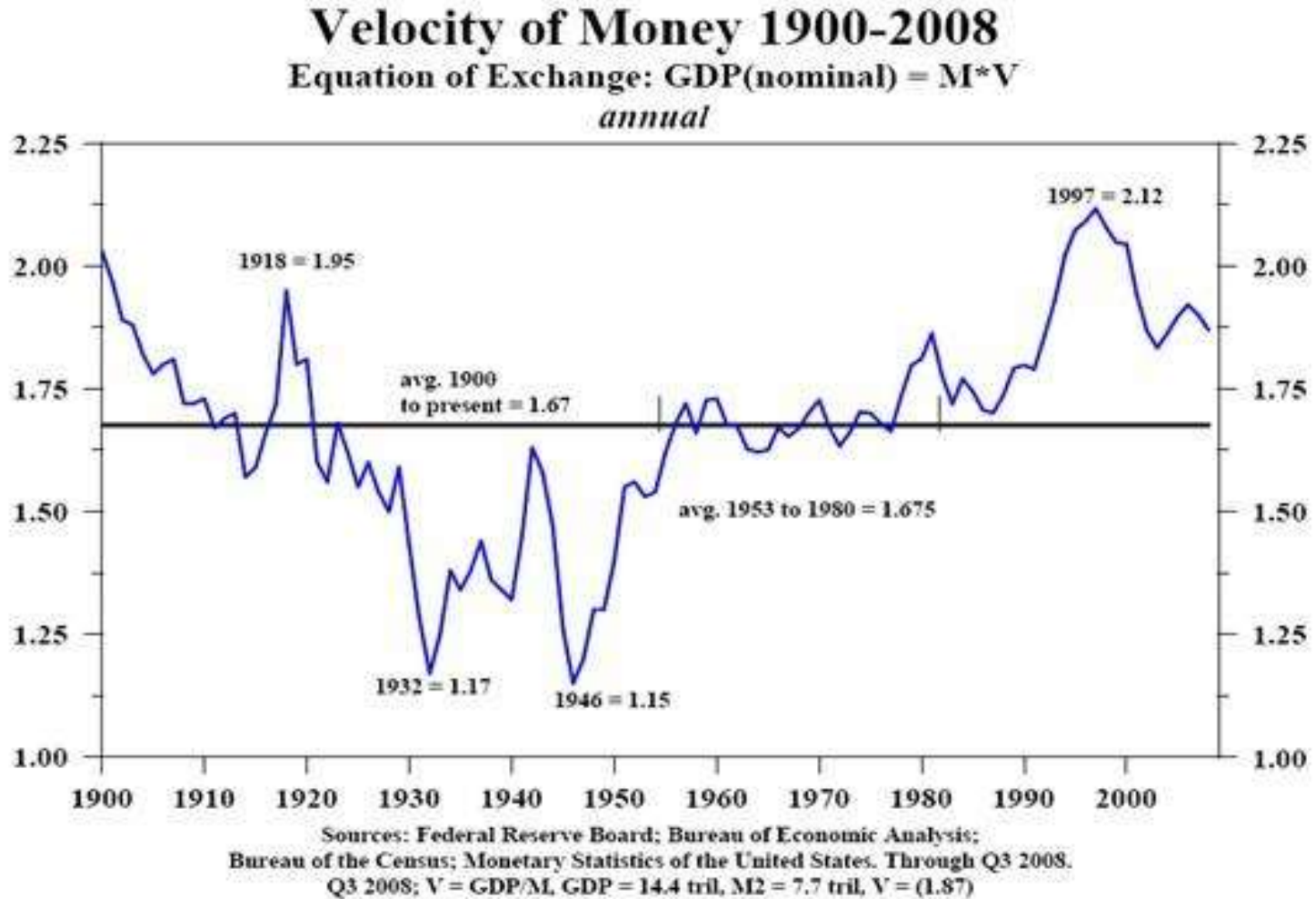


Gold – London Fix 1971 to 2008




$$MV = Py$$

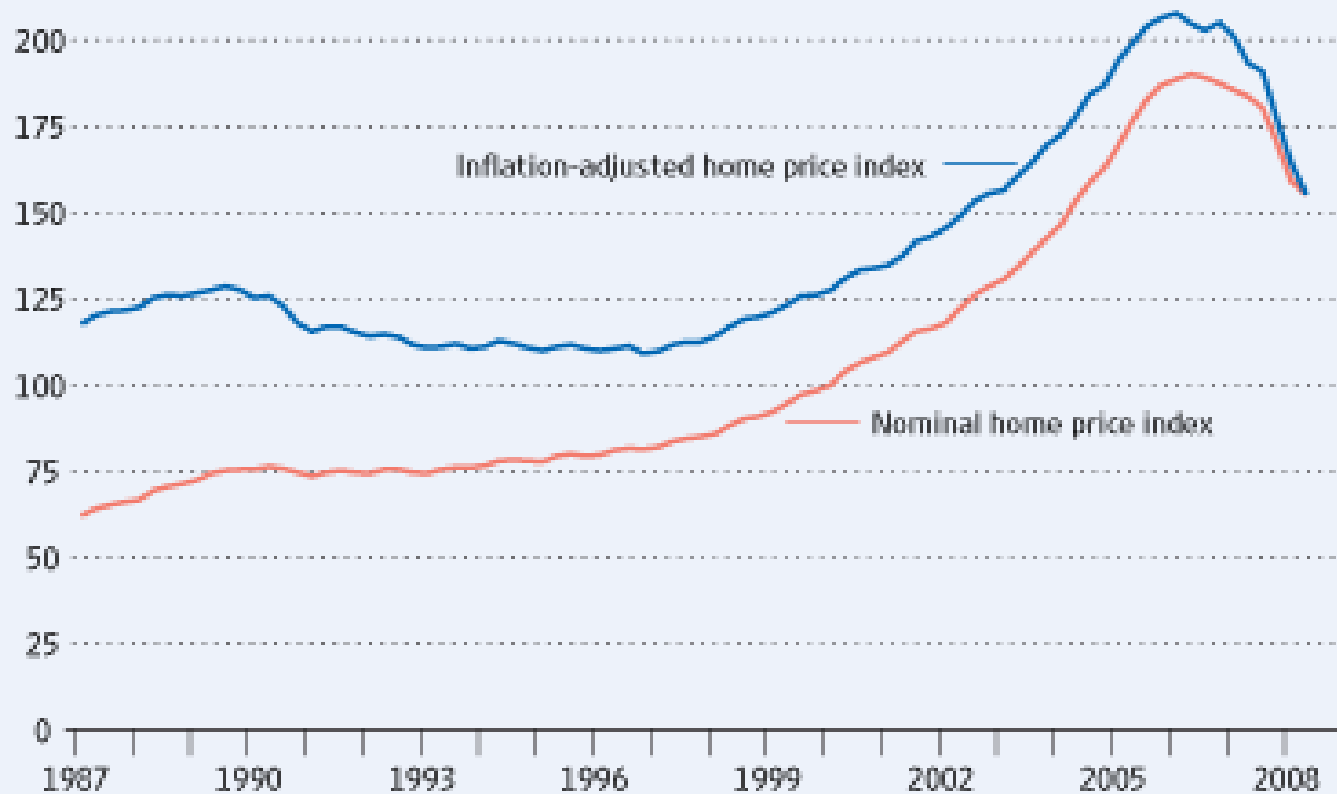
Velocity is NOT Constant



Housing Shows Bubble Behavior

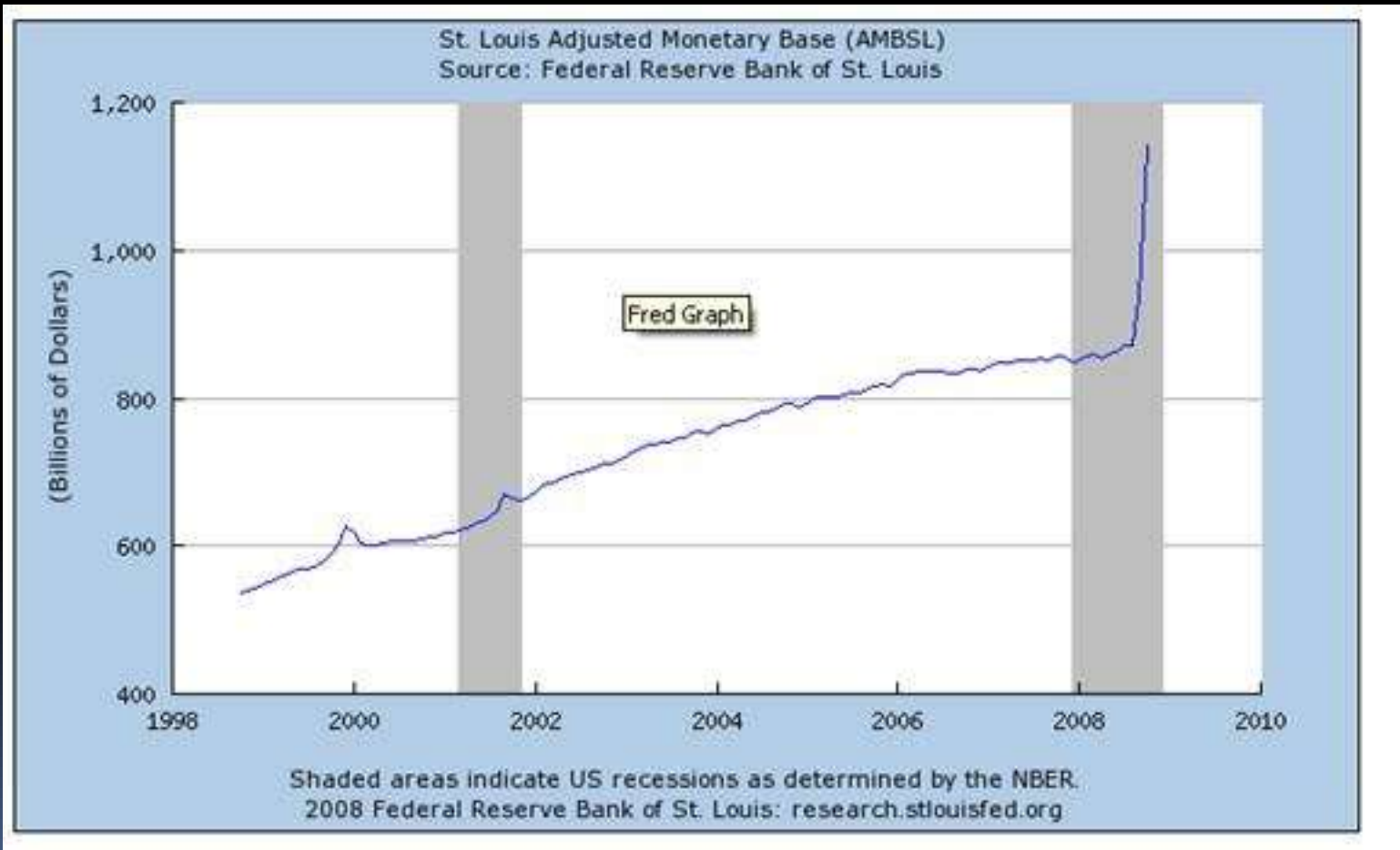
The Housing Bubble

S&P/Case-Shiller National Home Price Index, 1987-2008

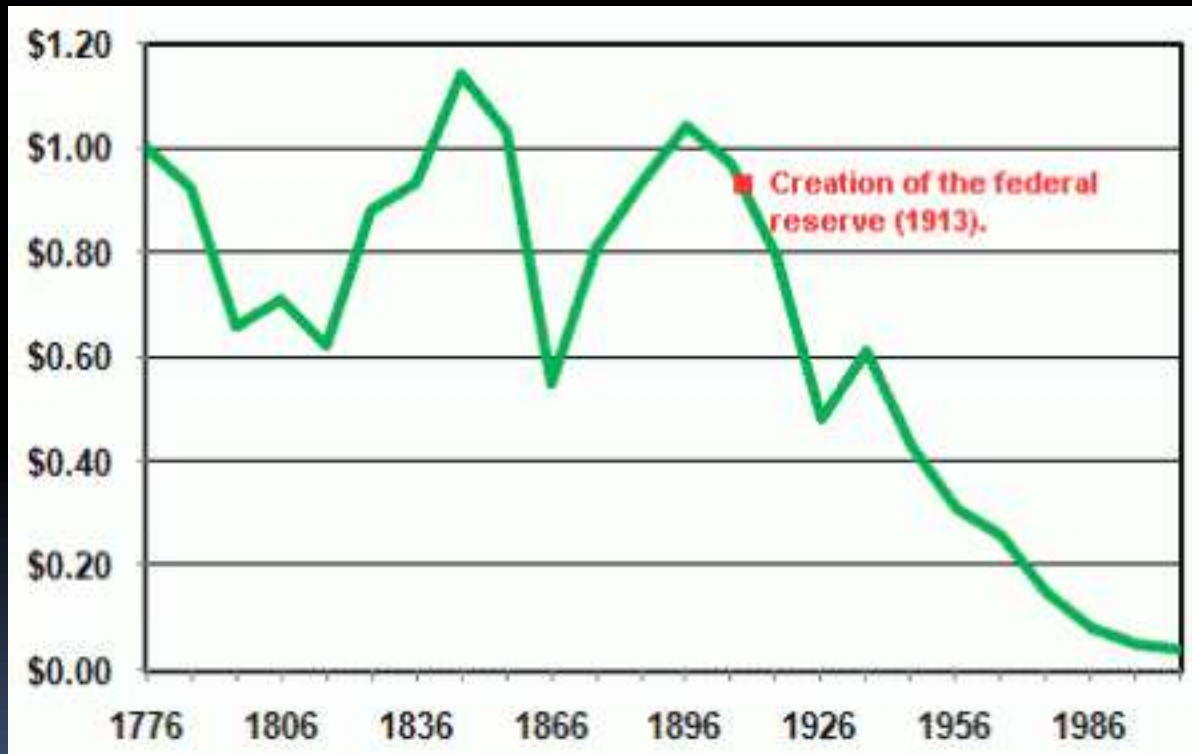


Source: Standard & Poors

Fed Expansion of U.S. Money Supply



Federal Reserve and Money





THANK-YOU

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