

# Phillip Hsia



## DaChan Greatwall Group China



Phillip Hsia is chief financial investment officer of DaChan Greatwall Group, one of Asia's largest integrated food producers.

He specializes in macroeconomic and financial analysis, and leads a team managing foreign exchange hedging, index option trading and business investment valuation.

Hsia was previously an analyst with Goldman Sachs Global Investment Research in New York.

He's also an accomplished Go player.





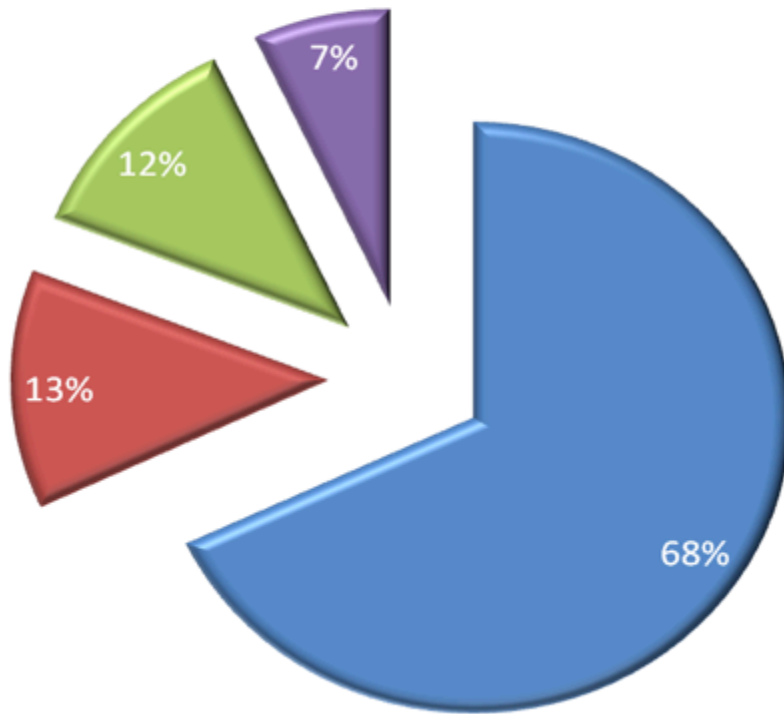
# Global Macro Economics Review

Phillip Hsia

# Seafood Consumption

by Market Share

■ Asia ■ Europe ■ Americas ■ Africa

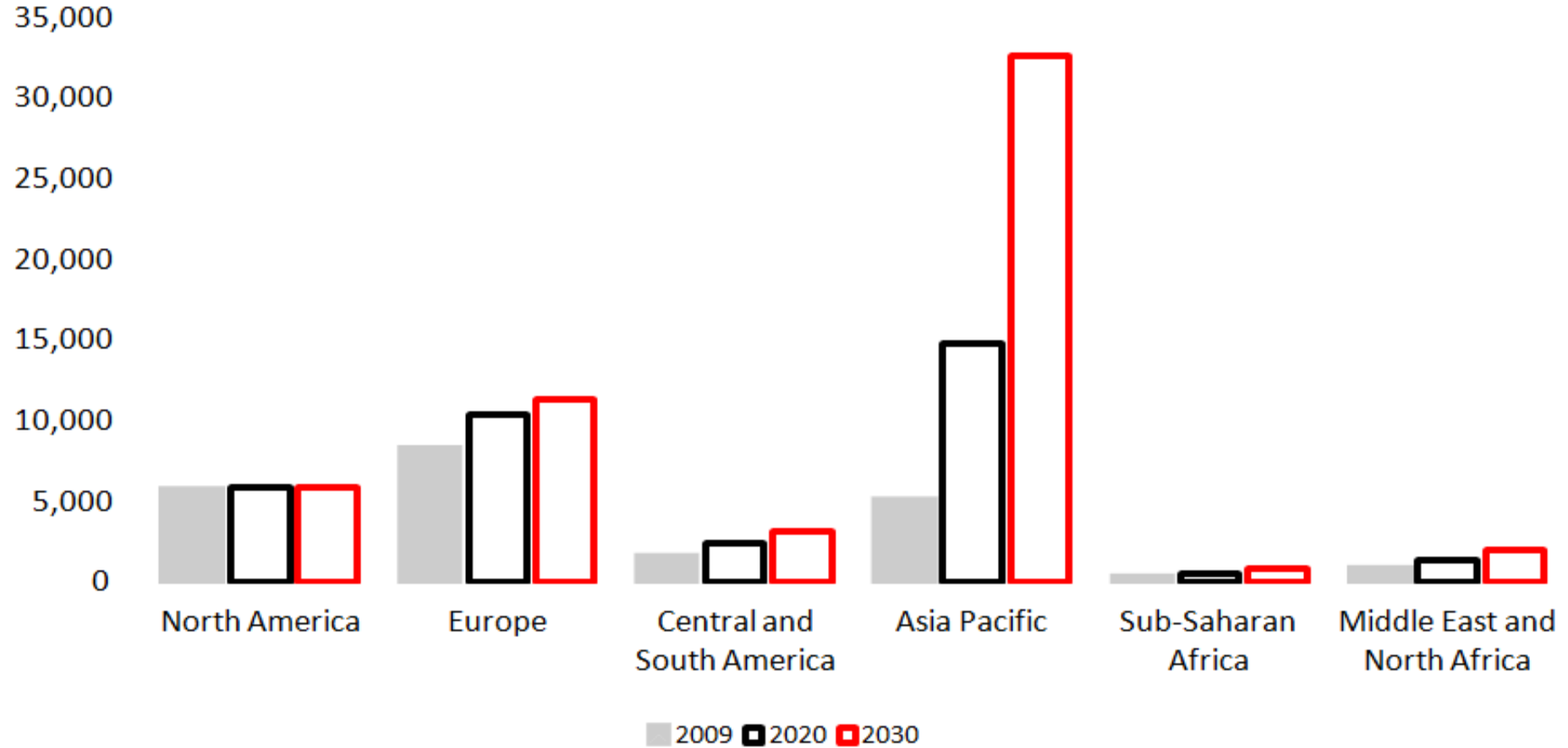


China	34.5%
European Union	9.3%
United States	6.0%
Japan	5.8%
Indonesia	4.9%
South Korea	2.2%



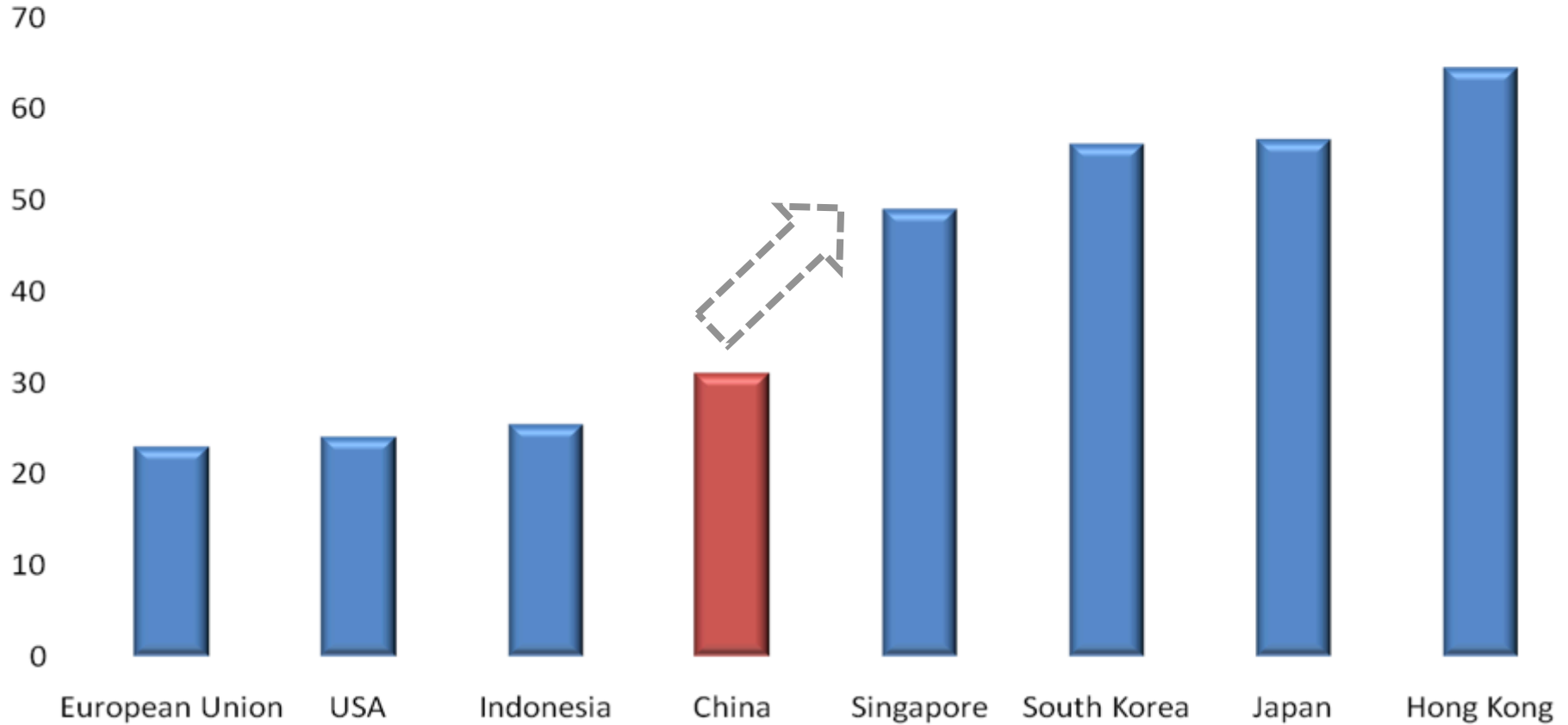
# Total Middle Class Consumption by Regions

USD Billions



# Seafood Consumption Quantity

Kg per Capita per Year



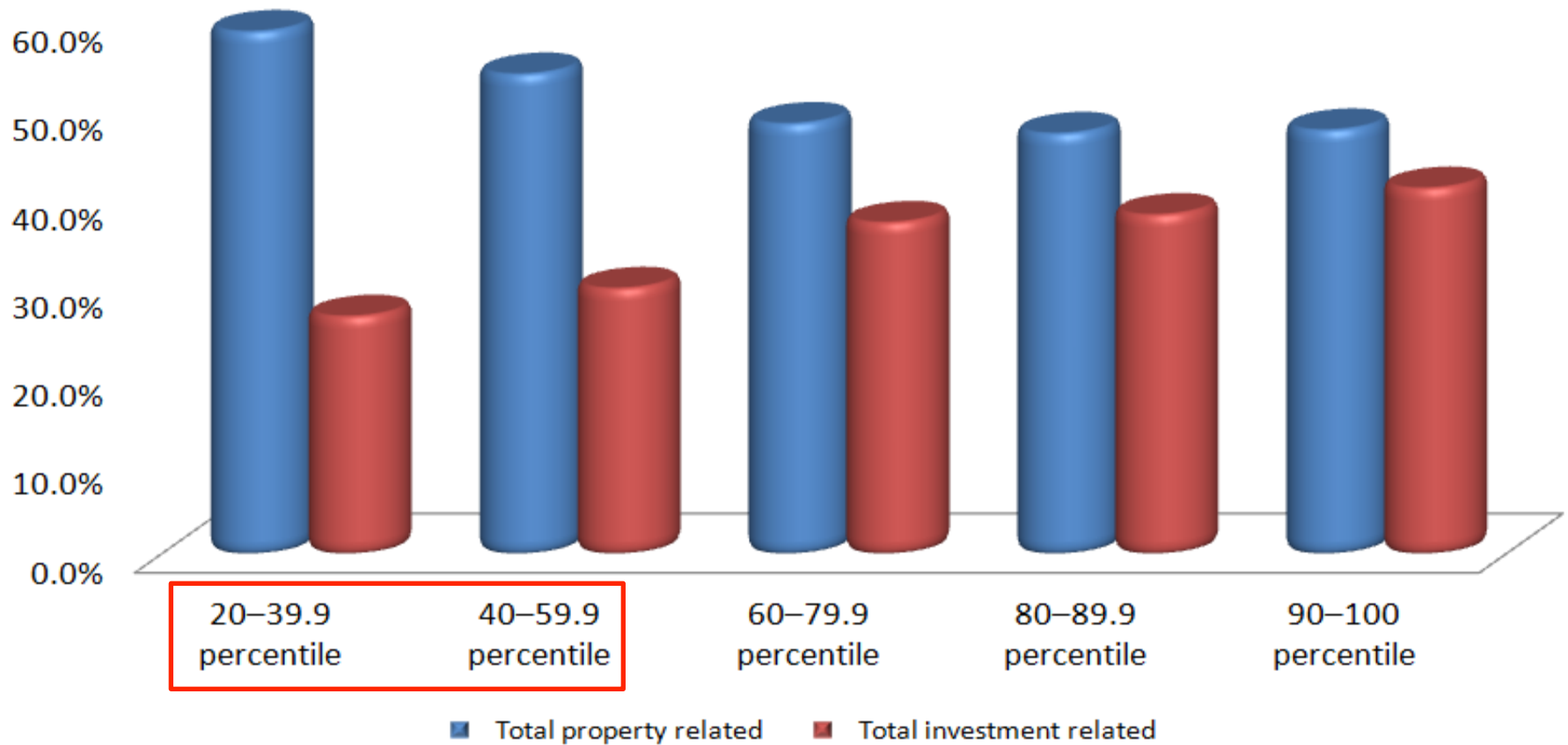
# Global macro environment in a nutshell

- The US housing market had “turned the corner” but... the economic recovery faces many headwinds:
  - (a) Long-term unemployed
  - (b) Consumer deleveraging
  - (c) High public debt
  
- The Eurozone economy mires in many challenges:
  - (a) Real estate bubbles
  - (b) Low economic growth rates
  - (c) Challenges to government balance sheet repair
  
- The outcome of structural rebalance in China is highly uncertain



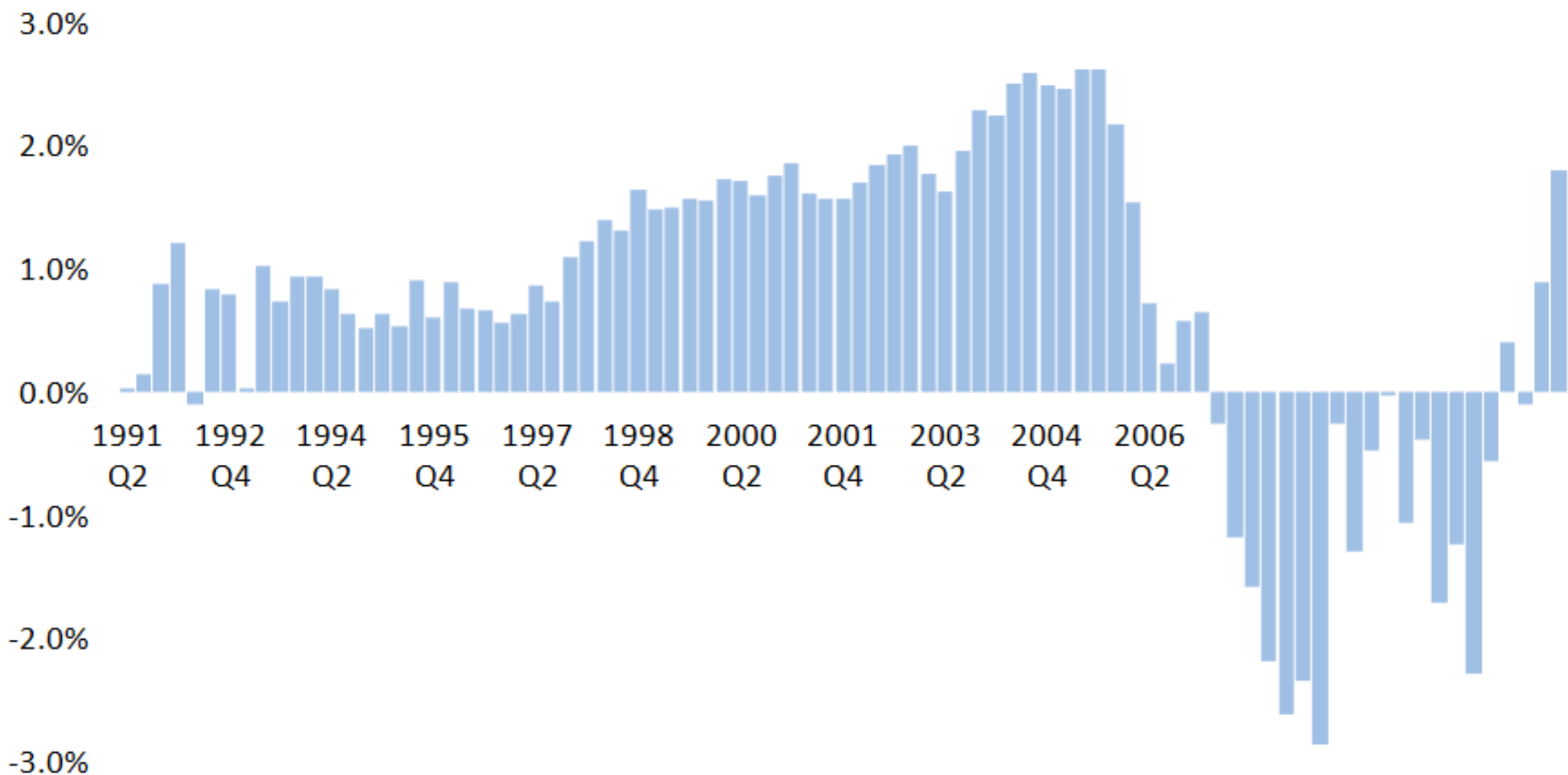
# US Personal Asset Holdings

by Income Characterisitc



# US Housing Prices

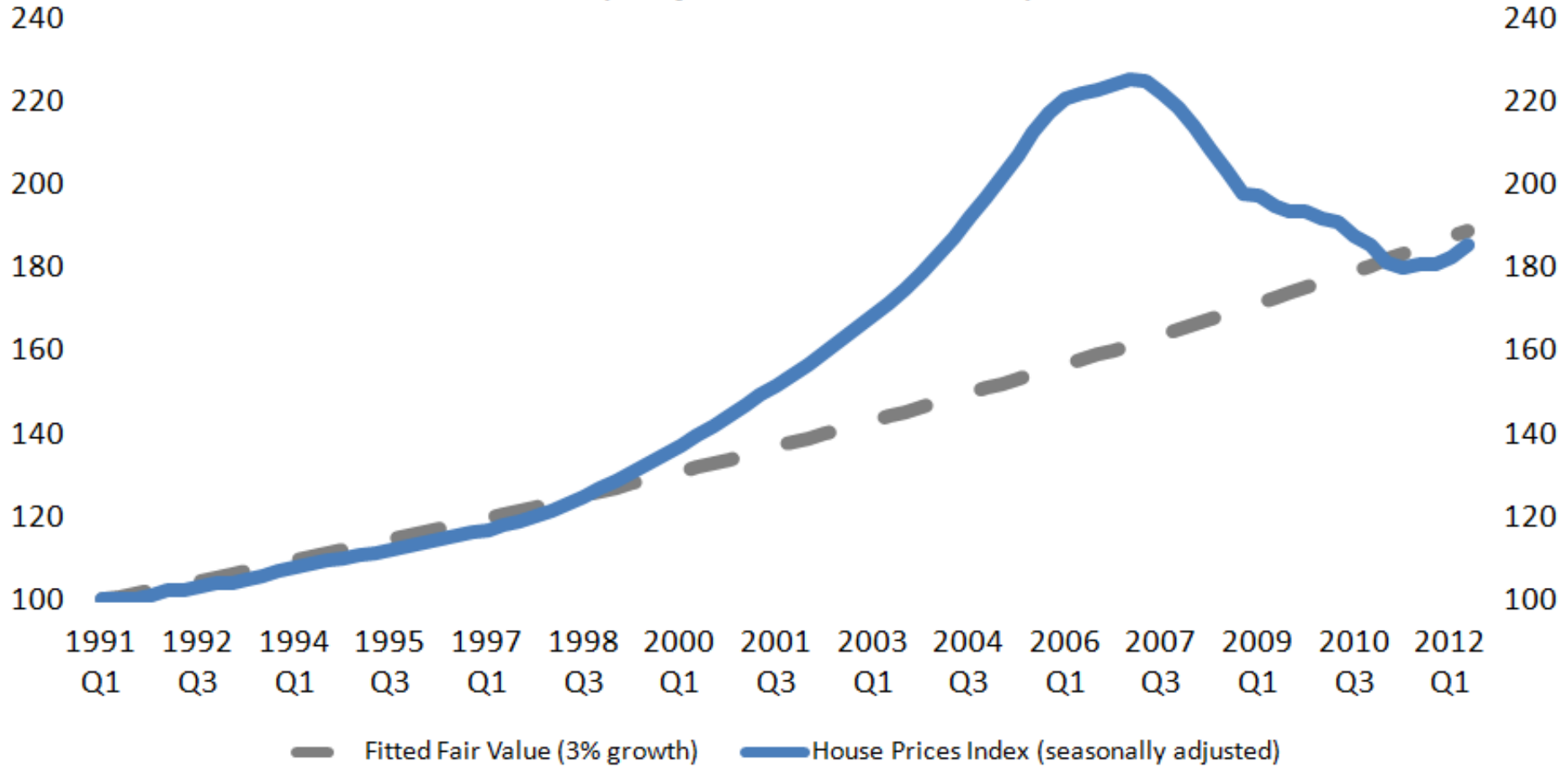
Per cent change over previous Quarter



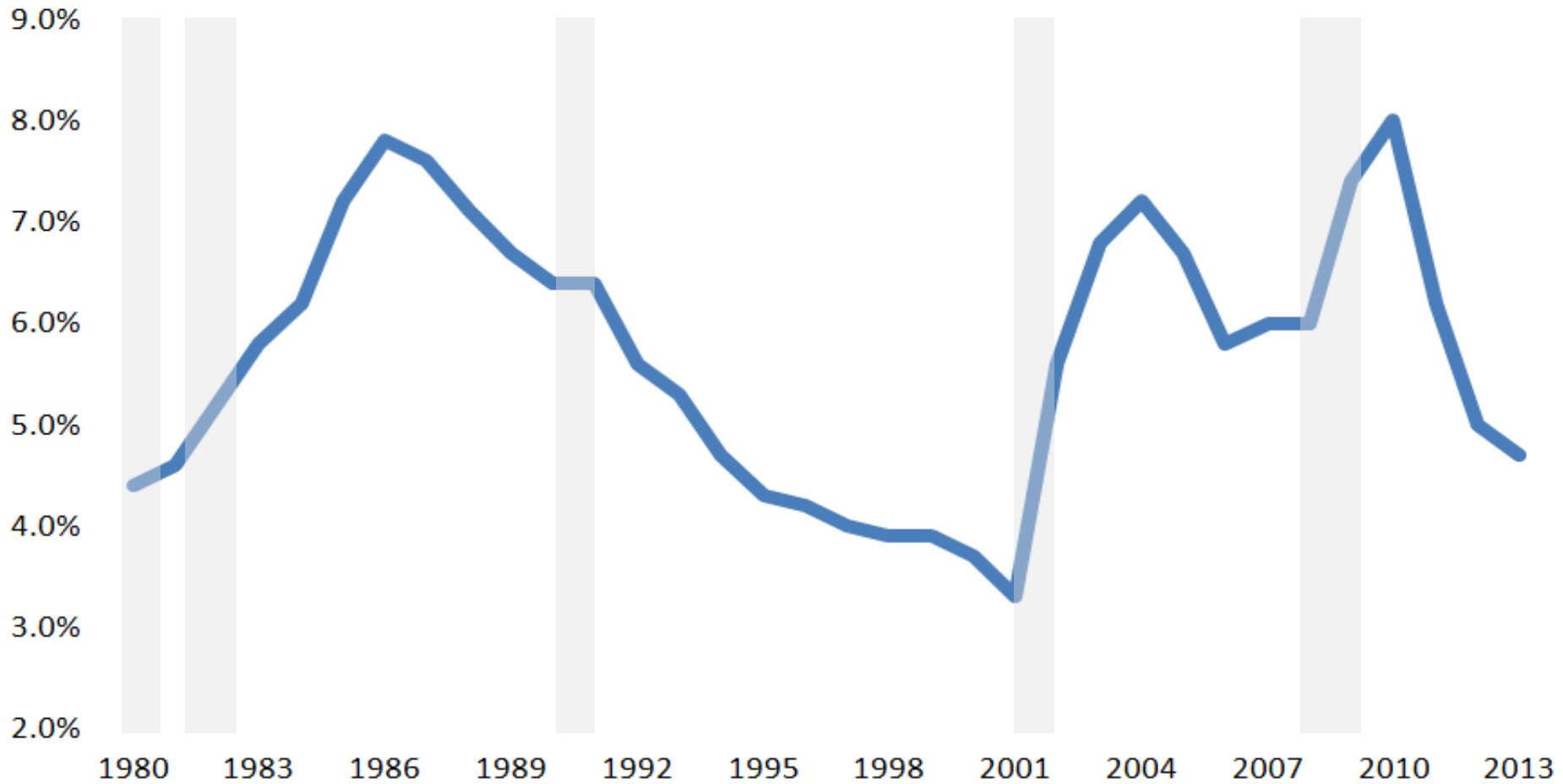


# US Housing Prices Index

Seasonally-adjusted Purchase-only Index

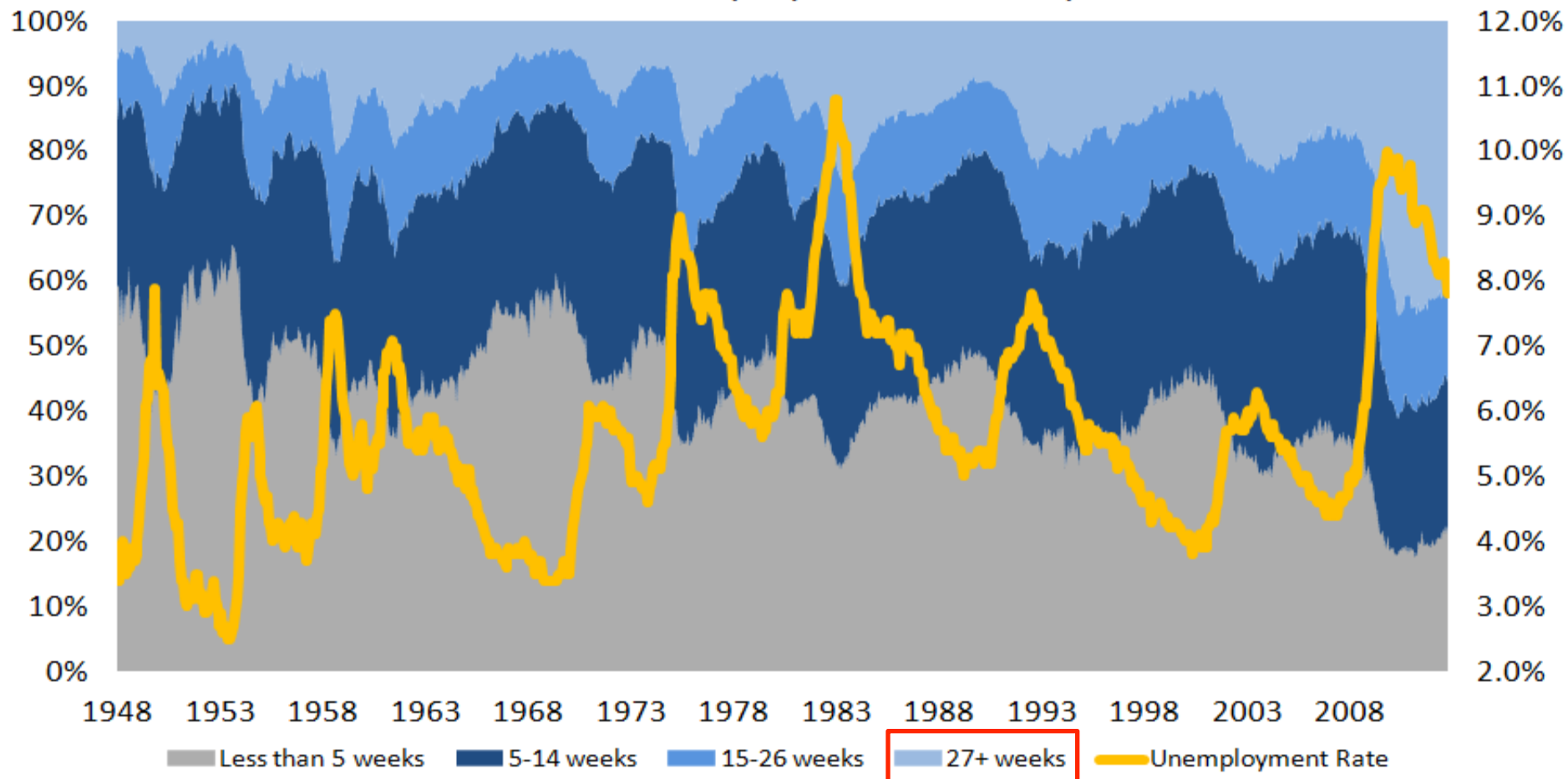


# US Reis Apartment Vacancy Rate



# US Total Unemployment

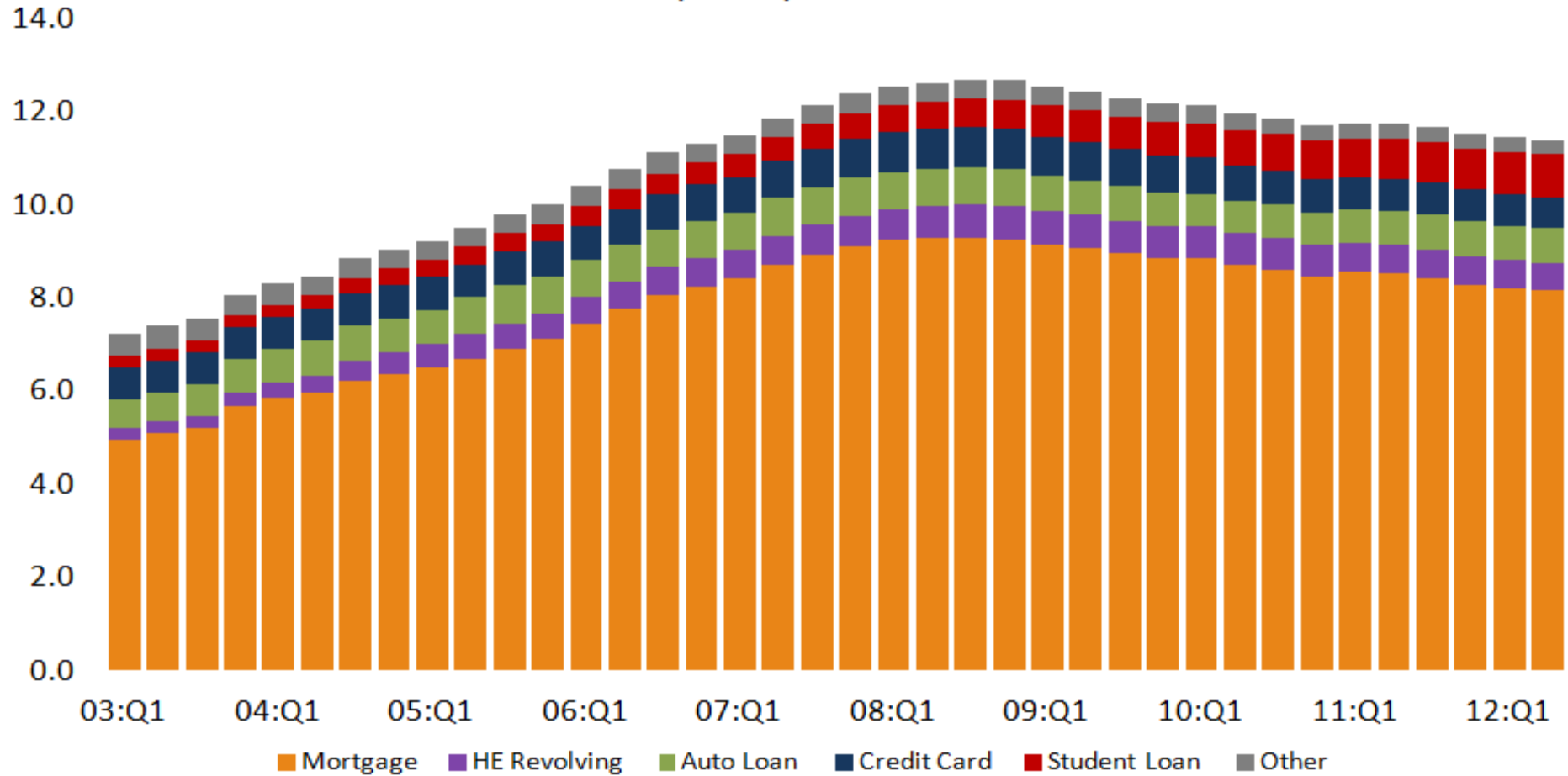
Per cent Unemployed within Groups



# US Consumer Total Debt Balance

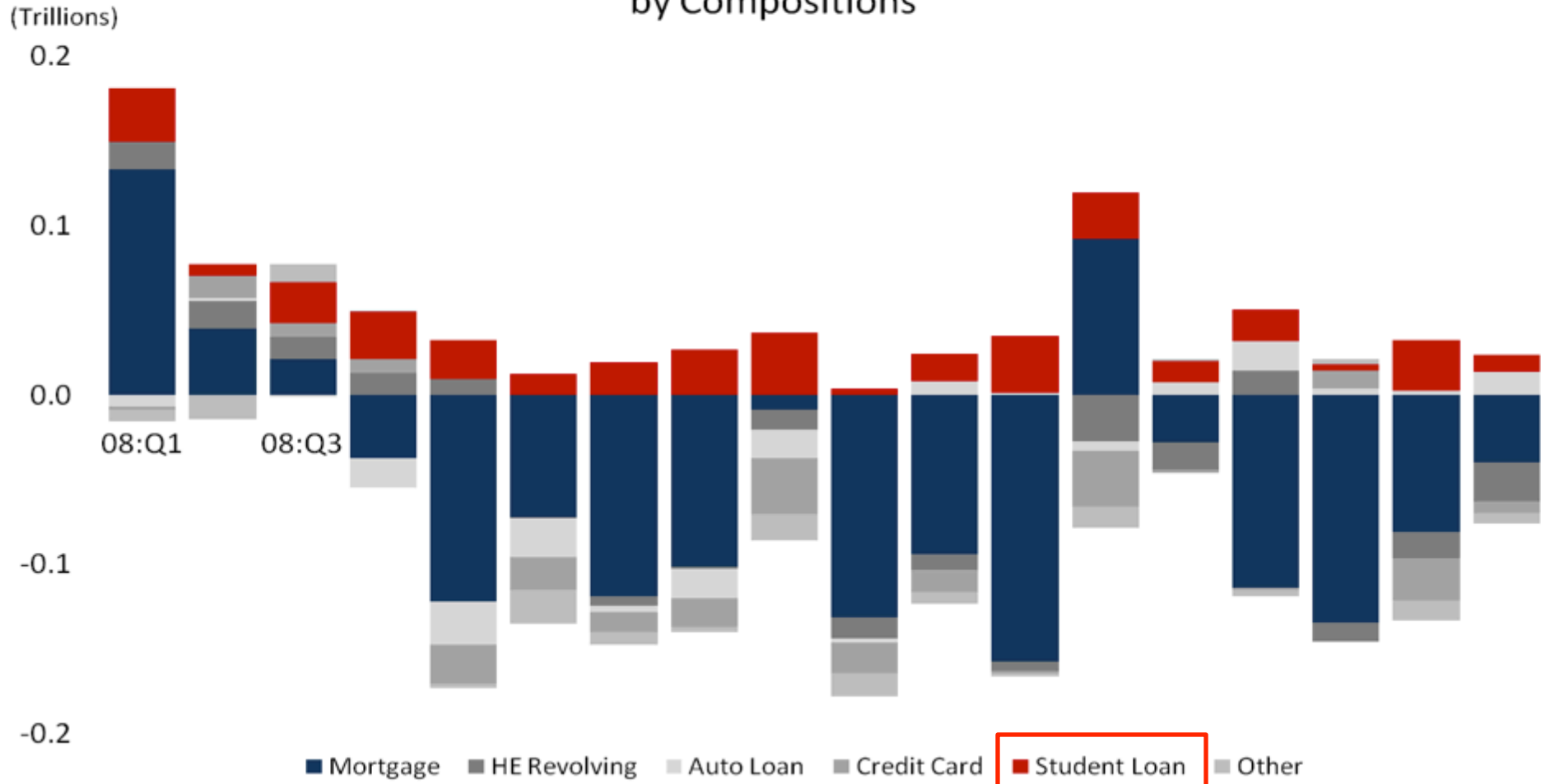
by Compositions

(Trillions)



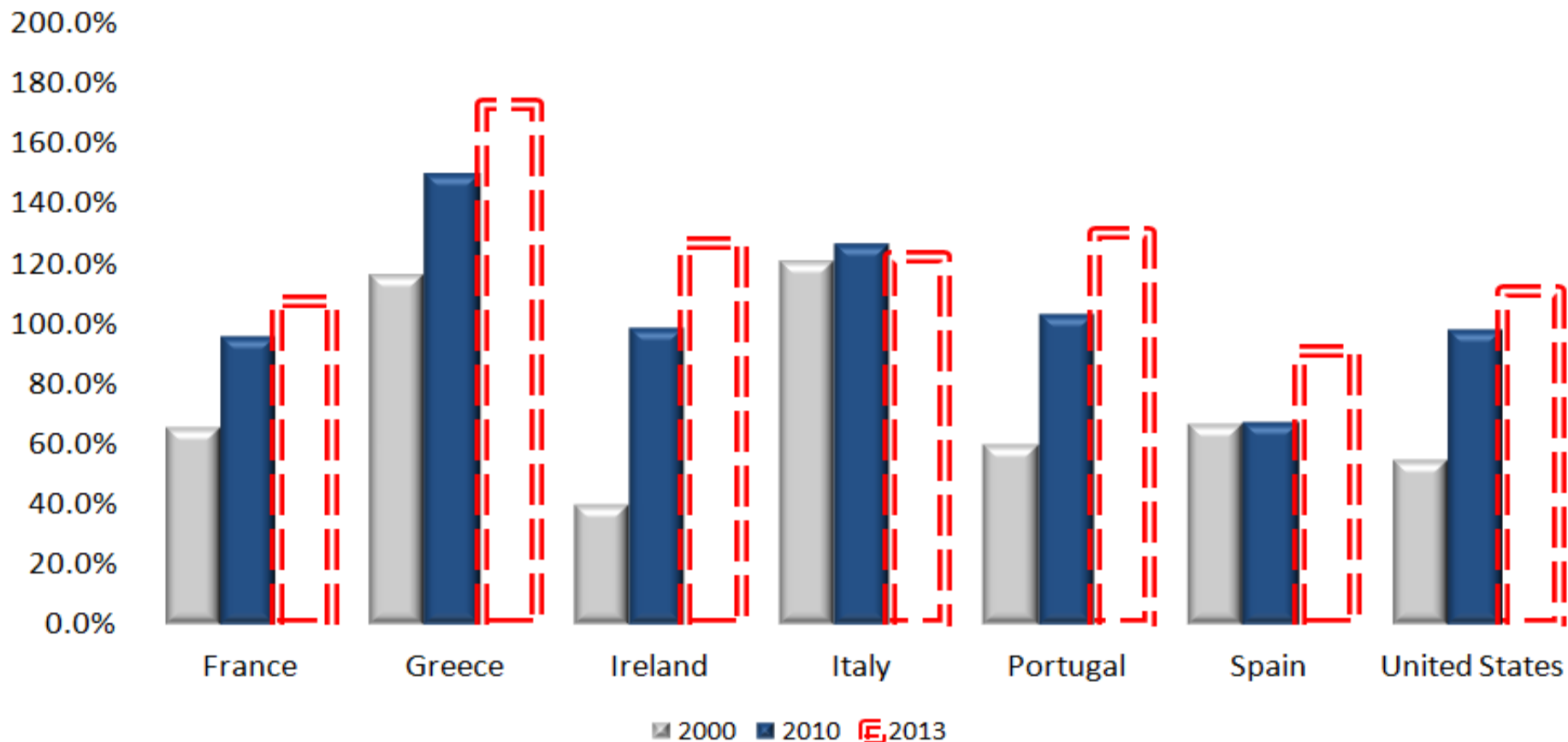
# US Consumer Debt Change

by Compositions



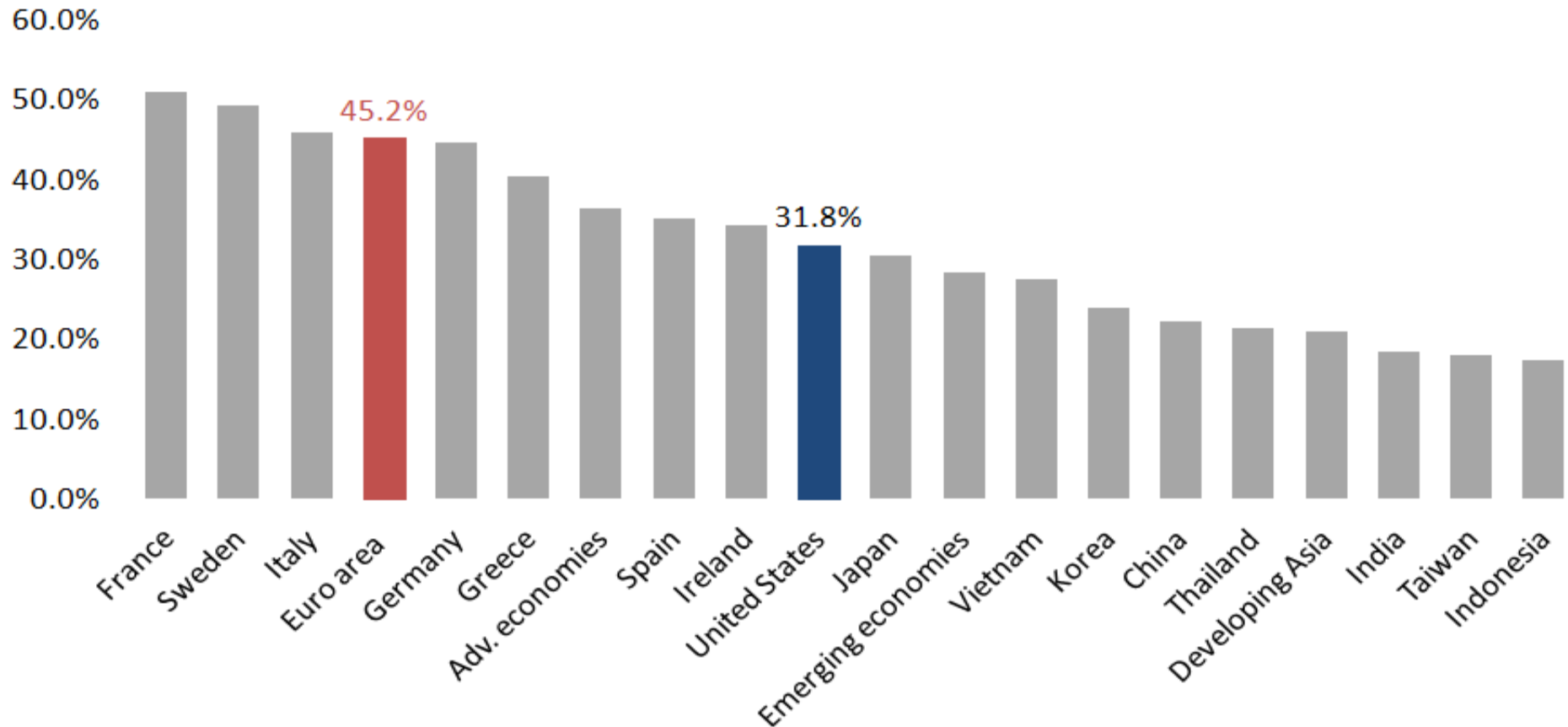
# General Government Gross Debts

Per cent nominal GDP



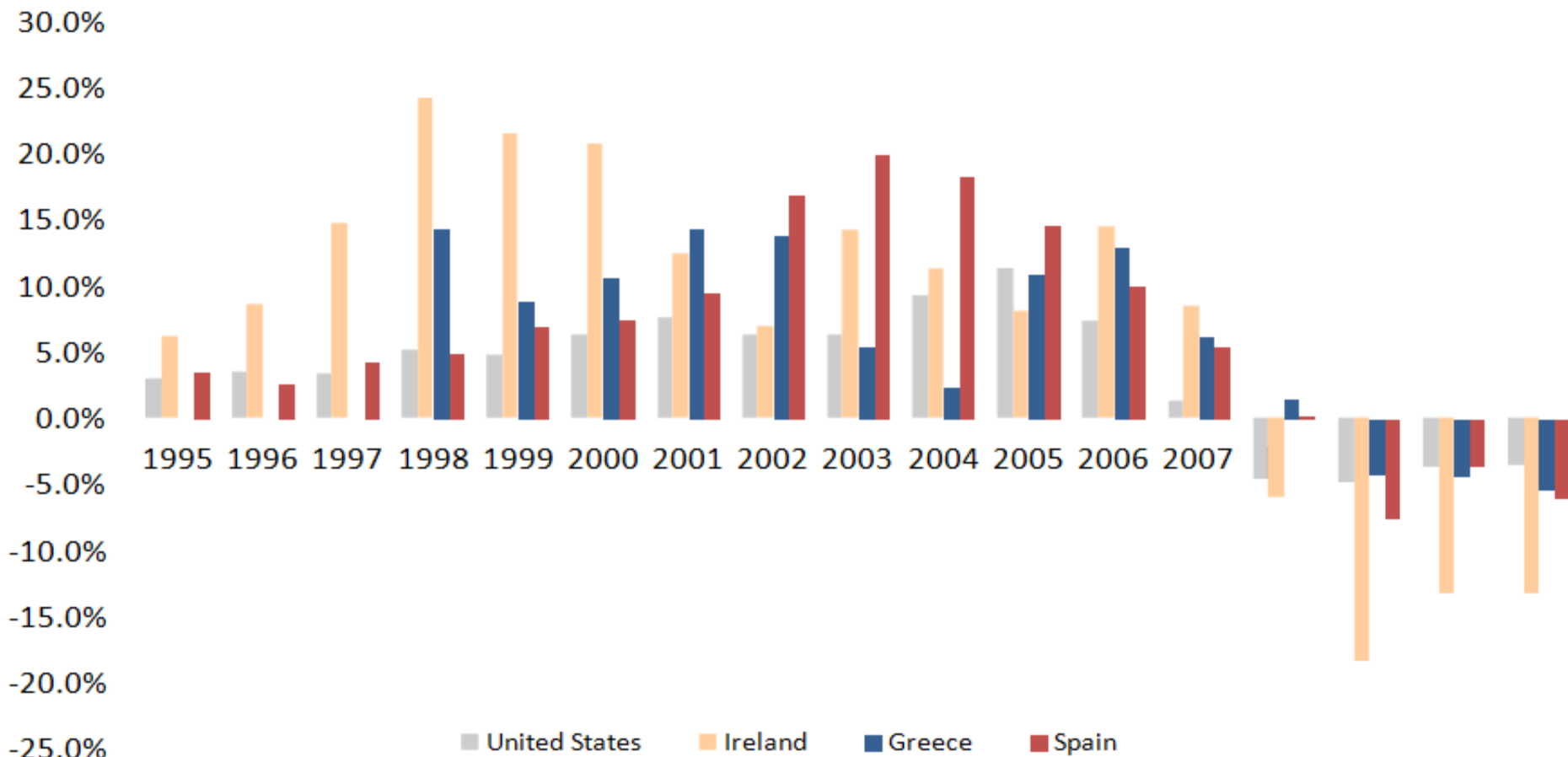
# General Government Revenue

Per cent of 2012 GDP



# Global Housing Prices

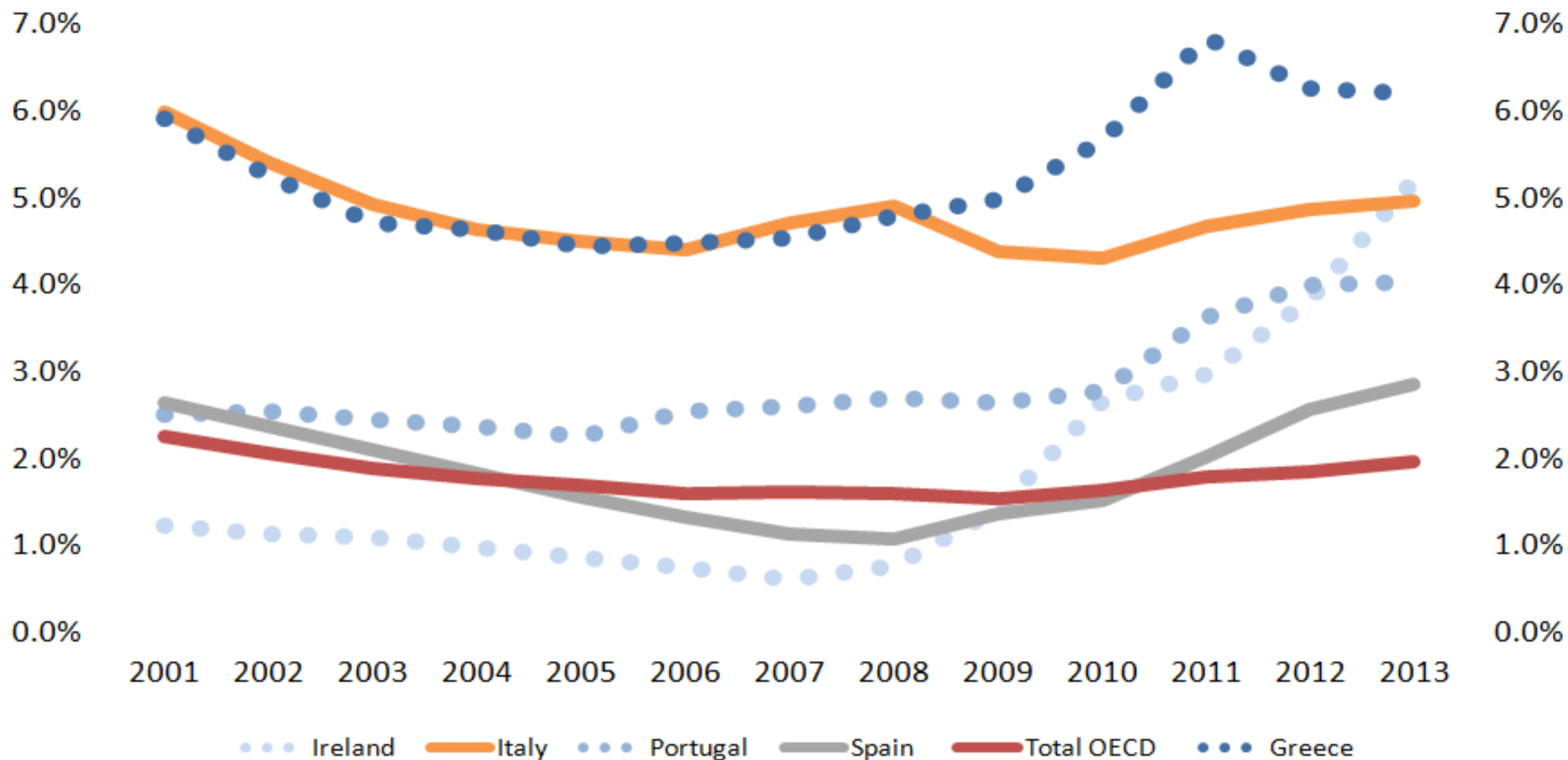
Per cent change from previous year



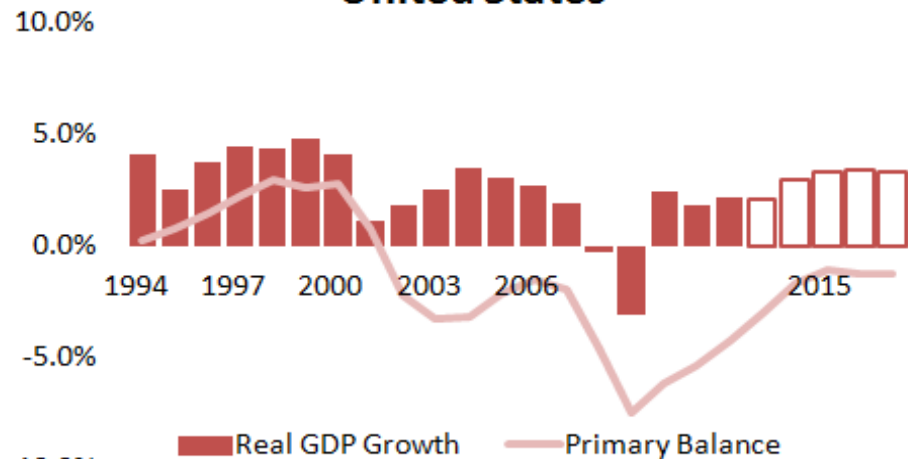


# General Government Debt Interest Payments

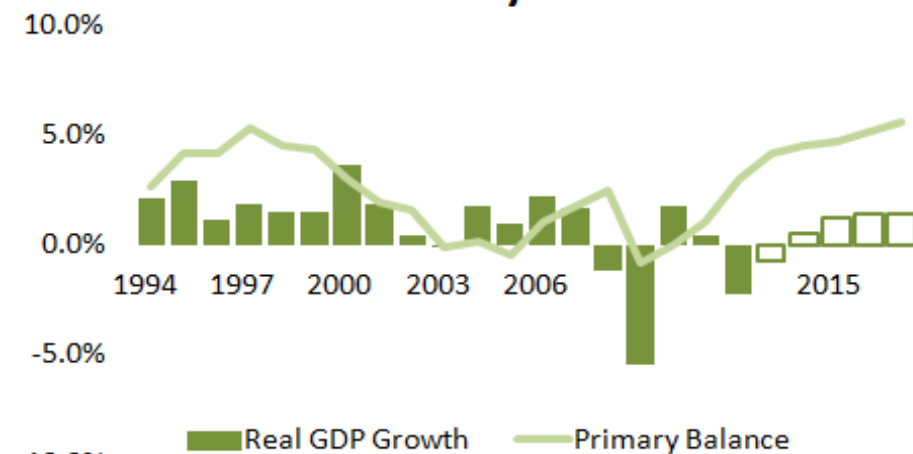
Per cent nominal GDP



## United States



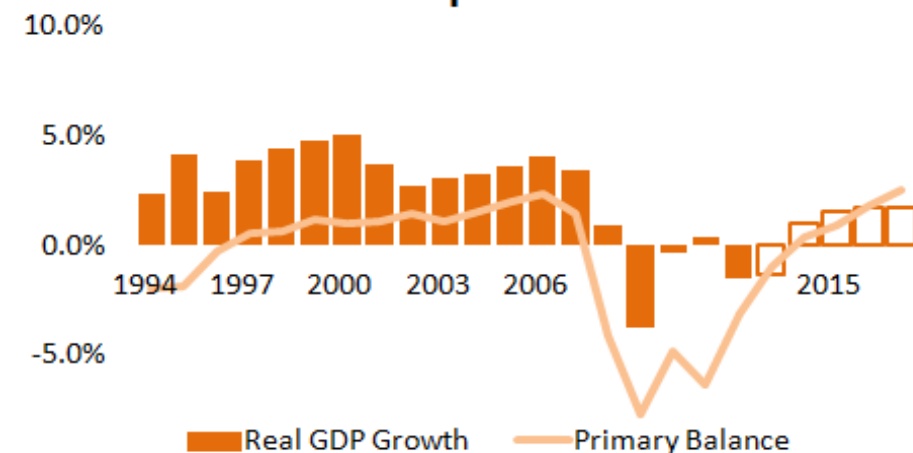
## Italy



## Greece

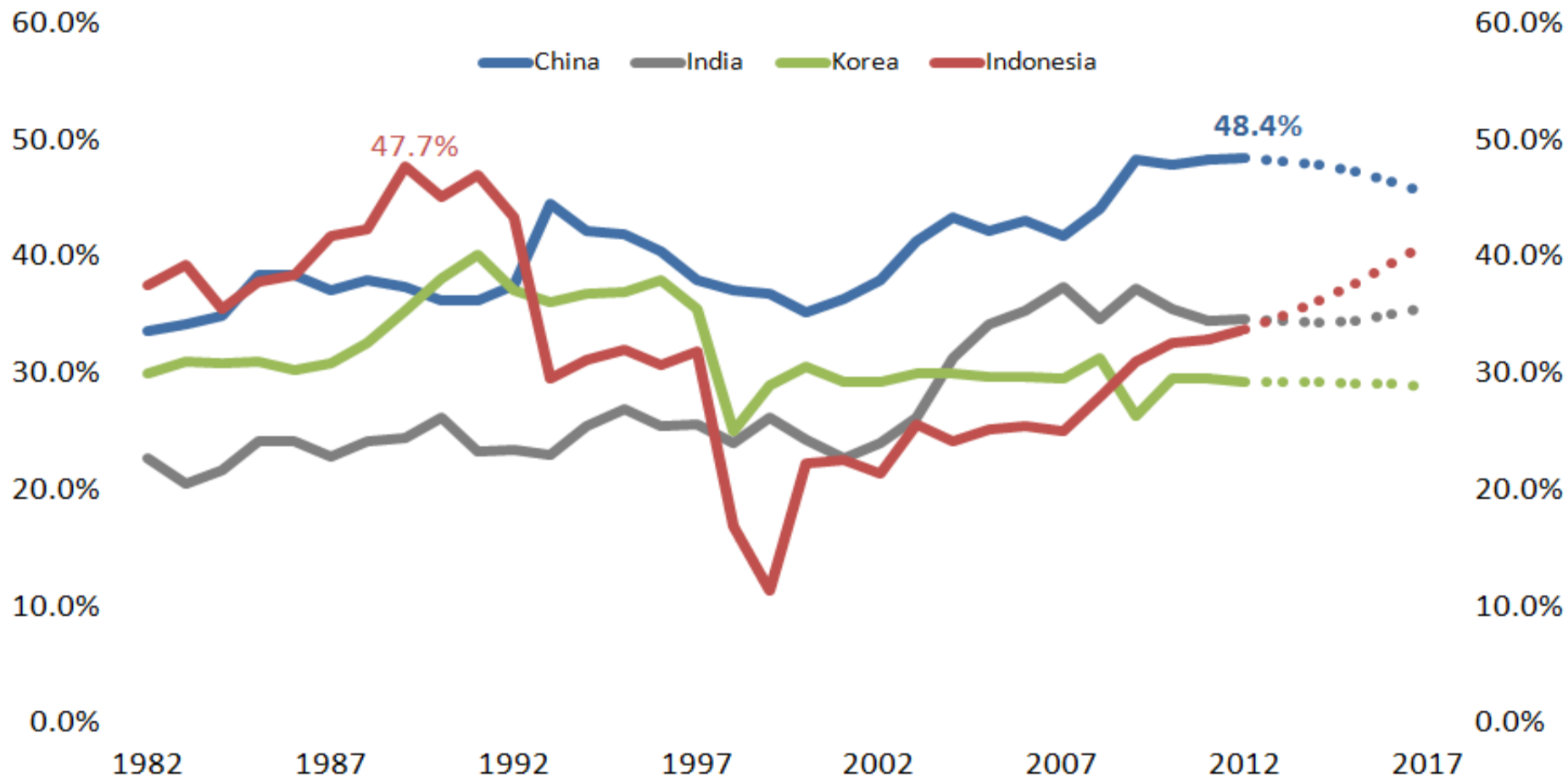


## Spain

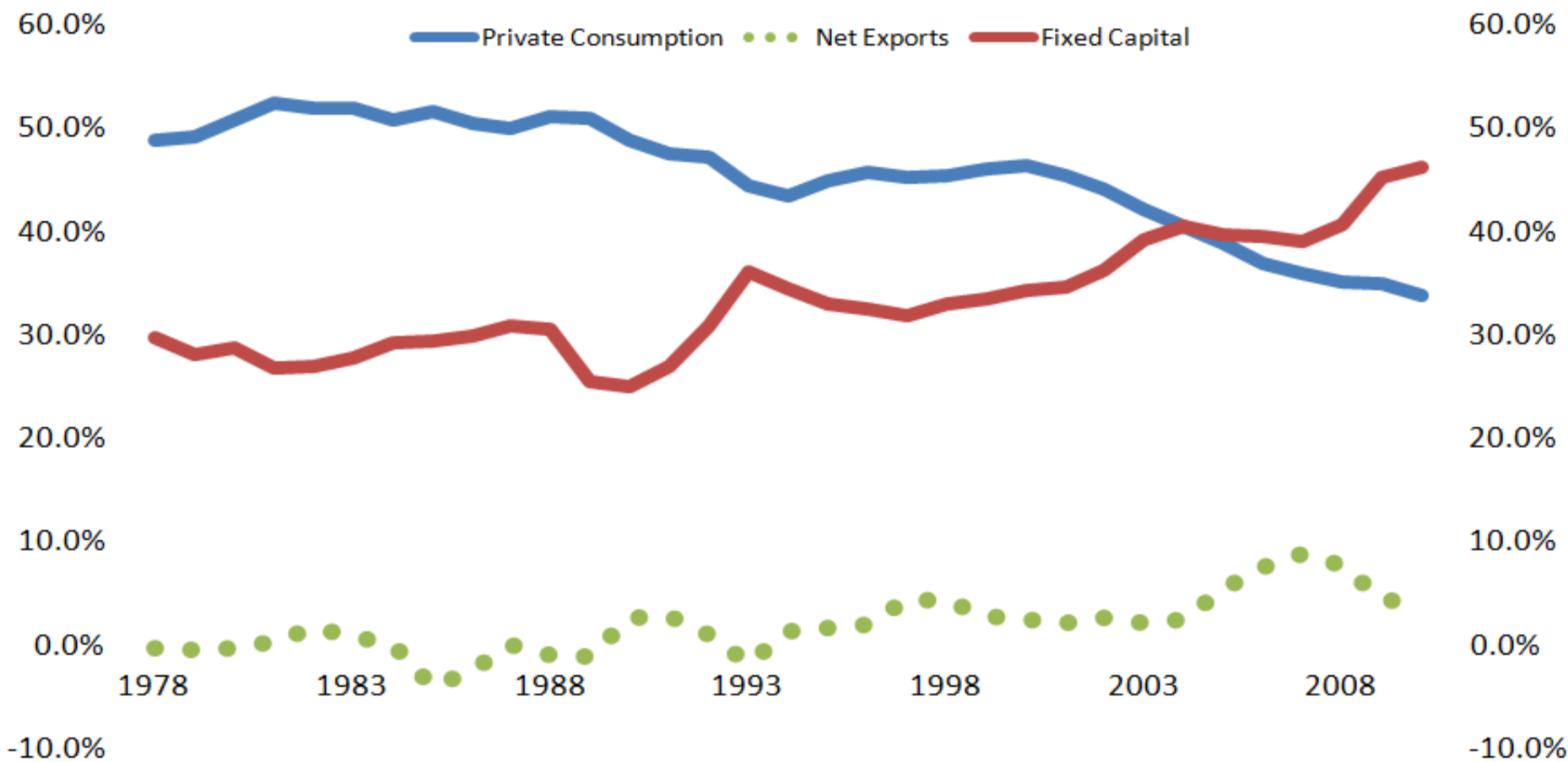


# Total Investment

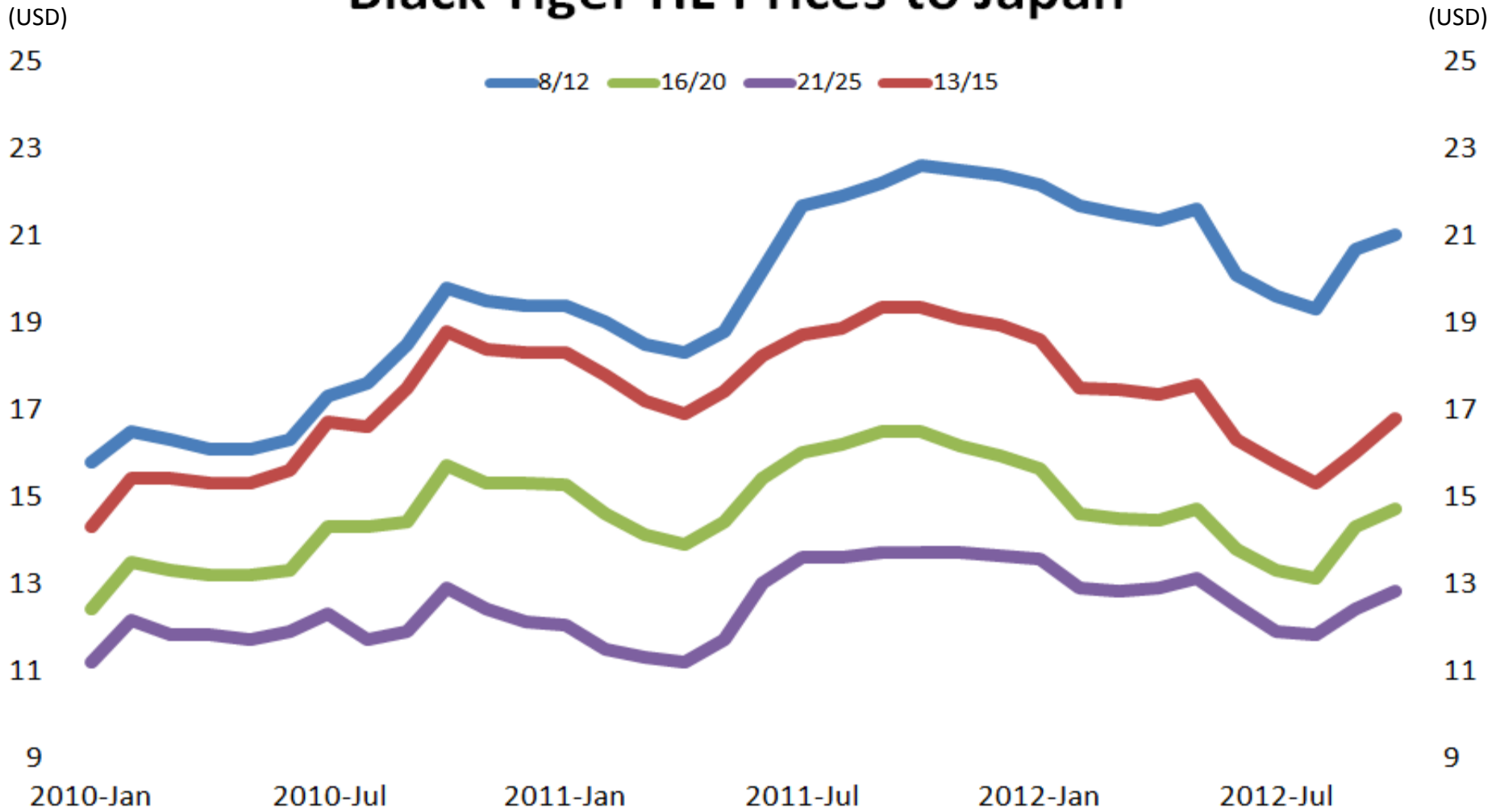
Per cent of GDP



# China Economic Structure by Expenditure



# Black Tiger HL Prices to Japan



# Closing Remarks

- Long-term seafood market growth drivers:
  - (a) The rise of middle income class in Asia Pacific
  - (b) The increasing consumption intensity per person
  
- Near-term challenges:
  - (a) Anemic growth prospects in the advanced economies
  - (b) Structural rebalance will significantly slow the economic growth rate in China
  
- Seafood market opportunities
  - (a) Niche market – organic
  - (b) Demand migration from large to smaller size



# Thank You!

