

AUGUST 2008

Component Supply endeavors to continually gather articles, reports, and newsletters from a variety of sources to stay informed and share this information with our customers and potential customers that are in the global marketplace.

ASIA

China's top economic planner announced Thursday night the country will raise the prices of gasoline, diesel oil, aviation kerosene and electricity, revealing an unprecedented broad plan to raise energy prices.

A weakening dollar has contributed to China's inflationary pressure by pushing up commodity prices around the world, said the country's central bank governor.

Even in fast-modernizing China, standard business practices may ignore what can be taken for granted in the U.S. Pallets, for example are costly compared to labor in China, so goods move manually, taking extra time to load and unload as well as increasing the frequency of damage. Paperwork, meanwhile, literally changes hands, passing from driver to driver, truck to truck, all to align with different regional regulations.

At present, China produces just over 6 gigawatts (GW) of wind energy, making it 5th in the world for total wind energy. (Germany leads with 22.2 GW.)

USA

In 2007, the Long Beach Port handled:

More than 7.31 million containers (TEUs)
Cargo valued at more than \$140 billion
More than 87 million metric tons of cargo
On average, the equivalent of 19,900 20-foot containers (TEUs) each day

The LA Port:

1st busiest container port in the U.S.
10th busiest container port in the world
5th busiest container complex in the world when combined with the neighboring Port of Long Beach

The [U.S. Customs and Border Protection](#), the largest uniformed law enforcement agency in the country, plans to hire 6,000 new agents by the end of 2008.



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WHO WE ARE

Component Supply specializes in utilizing our offshore factories relationships and their representatives to provide cost effective sourcing coupled with the assurance that your specifications and standards are met.

WHAT WE DO

Specializing In

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BRIC (Brazil – Russia – India – China)

Now investors are looking for the next generation of growth stars -- the next BRICs. Goldman's list includes Bangladesh, Egypt, Indonesia, Iran, Mexico, Nigeria, Pakistan, the Philippines, South Korea, Turkey and Vietnam.

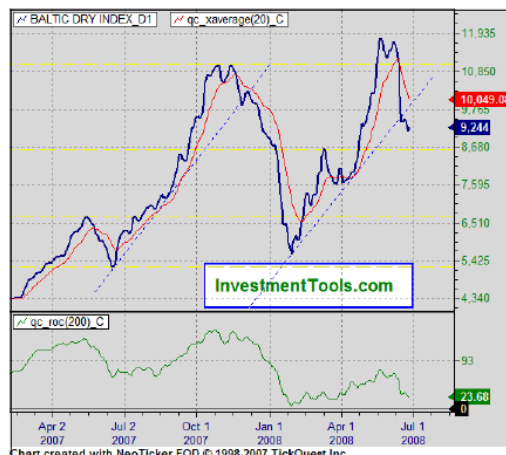
And from the *Forbes* piece by Kerry Dolan on Brazil and its residential building boom -- "Brazil is so behind everywhere in everything that this is not a short-term boost. It's a five-to-ten year cycle we're entering." **Russell Comment** -- Brazil is hot, it's producing sugar, ethanol, cars, crops, and soon oil. Plus amid the prosperity, there's a huge pent-up demand for housing in Brazil.

WORLD ECONOMIES

Record high oil prices and rising food costs are impacting economies and stock markets around the world. For this year, so far, 49 of 52 world stock markets are down. There are only two markets that are up for the year -- they are Jordan up 13.8% and the Czech Republic up 7.9%. The worst -- Iceland down 43.5%, Philippines down 34.8% and Ireland down 15.8%.

GLOBAL FORECASTS		
GDP GROWTH (Descending rank by GDP size)	'08	'09
World	3.8%	3.7%
United States	1.0%	1.5%
Euro Zone	1.7%	1.4%
Japan	1.4%	1.4%
China	10.1%	9.6%
United Kingdom	1.7%	1.4%
Russia	7.2%	6.4%
Canada	1.1%	2.1%
Brazil	4.8%	3.9%
India	7.7%	8.1%
South Korea	4.5%	4.8%
Mexico	2.6%	3.2%

The Baltic Dry Index is "...an assessment of the price of moving the major raw materials by sea." The Baltic Dry Index gives us a pretty good feel for international commerce.



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