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rospects for 2008 look relatively bleak, based on the responses of 215 senior finance executives in *Treasury & Risk's* 2008 Economic Confidence Survey. Forty-nine percent expect the U.S.-economy to be affected by as many negatives as

positives this year, but 53% see a recession as somewhat or very likely. Despite the possibility of a resurgence of inflation, 67% say they have not regained pricing power for their own products. The survey is based on responses from treasurers, assistant treasurers and vice presidents of finance between Dec. 11 and Dec. 14. MORE SURVEY RESULTS CAN BE FOUND ONLINE AT WWW.TREASURYANDRISK.COM

Execs Aren't Facing



Treasury & Risk's
2008 Biannual
Economic Survey

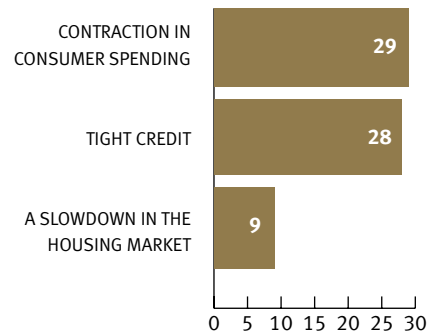
41% says their companies were able to **BENEFIT** from the weakness in the dollar

How confident are you about the state of the U.S. economy {%}
(1=Very Pessimistic; 10=Very Confident)

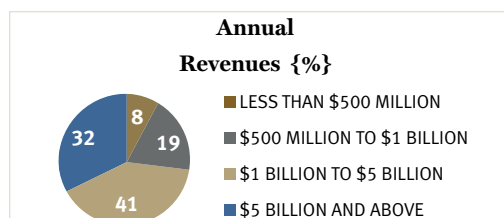
Over the next six months: **5.06**
12/06: **6.27**

Over the next 12 months: **5.52**
12/06: **5.95**

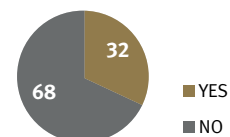
The three biggest threats to economic growth in the next 12 months: {%}



53% of senior executives responding consider a recession very or somewhat **LIKELY**



Have we seen the **WORST** of the subprime crisis? {%}



Do you expect the dollar to be stronger or weaker against the euro over the next 12 months {%}

	12/07	12/06
WEAKER	42	52
STRONGER	27	22
REMAIN THE SAME	31	26

Do you expect the dollar to be stronger or weaker against the yen over the next 12 months {%}

	12/07	12/06
WEAKER	35	49
STRONGER	27	20
REMAIN THE SAME	38	31

Has the Federal Reserve done the right thing? {%}



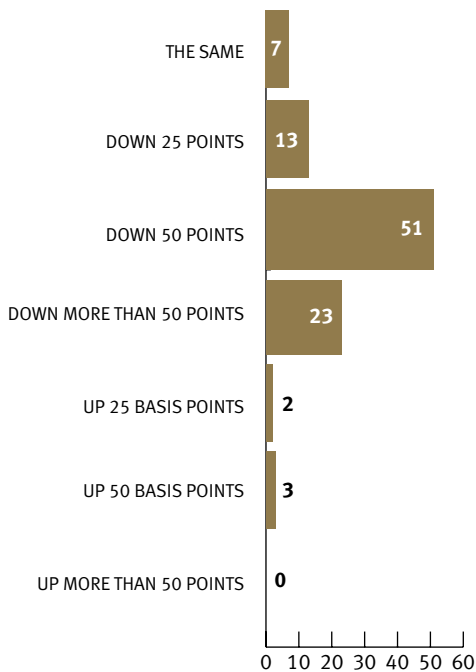
The Corporate View on spending, costs, margins and the workforce {%}

WILL INCREASE CAPITAL SPENDING	34
WILL CUT WORKFORCE	30
EXPECT OPERATING MARGINS WILL SHRINK	30
EXPECT OPERATING COSTS TO INCREASE	53

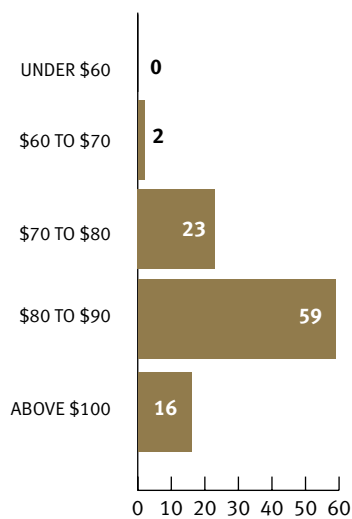
2008 With a Smile

40% think it either likely or possible that the dollar will be dropped as the reserve currency

Expectations for the fed fund rate 12 months from now {%}



The Average Price of Crude Oil over the Next 12 Months {%}



65% of respondents disagree with the Bush administration plan to help subprime borrowers