

## International Trade Minutes

March 20, 2017

We had 20 attendees

Committee Chair, David Vennie opening remarks:

- Why we are here and what is the international trade Committee
- Review of last meeting – Heavy focus on Latin America and Asia – iphone app discussion
- Focus of today's meeting and overall view
  - Forecasting growth \ where are the hotspots
  - Smart phone travel Apps – top 5 – finalize who will write the article for powerline
  - Trade shows – best around the world
  - Nominations and election of a new vice chair for the committee

Introductions around the room: Name, company, why international committee, languages spoken and favorite country to visit.

Ice Breaker: Got in small groups of 4 and found 10 things in common with that group and shared those with everyone. Good fun and helps get everyone involved and find out more about everyone to help foster more networking opportunities among the group.

World Economic Overview WEO

- Global economy picking up pace 2017-18
- US change in administration
- Commodities – Stability
- Forecast – who is up and who is down

United States

- Change in admin - Donald Trump elected president
- US\$ continues to strengthen, appreciating 3% since election day
- Dow is up over 15% since election day
- Interest rates expected to raise 3 times in 2017
- YPO Global Pulse survey - CEO confidence up 4.2%
- However, still many uncertainties surrounding the US admin, and its global ramifications.

Commodity prices & Inflation

- Oil - \$110 in Oct. 2014, down to a low of \$26 in 2015, \$49 now. WEO projecting firming of oil prices in the 50's following the agreement among OPEC members and major producers to limit supply.

- With increased investments in infrastructure in China, as well as fiscal easing in the US, base metal prices are up and forecasted to remain up.
- Inflation slightly up in China, but generally inflation still remains below average..

#### Who is up and who is down...

- Europe – Spain and UK came in stronger than anticipated after the Brexit vote.
- Asia – Japan and China both stronger results than forecasted with signs of it to continue.  
India
- Latin America – Venezuela, Argentina, and Brazil are still facing large difficulties...

#### Forecast: 2017-2018 (up)

- Global Growth for 2017-2018 is projected to be 3.4 and 3.6% up from 3.1% in 2016
- U.S. fiscal stimulus forecasted to raise growth 2.3% and GDP increase of ½ a percentage point.
- Growth projections have also been revised UP for Germany, Spain, UK, and Japan, based on strong end of year 2016.
- China revised up to 6.5% due to continued government policy support and stimulus.

#### Forecast: 2017-2018 (down)

- India forecasted down to 0.4% - primarily due to negative consumption shock induced by cash shortages, payment disruptions associated with currency note withdrawal and exchange initiative.
- Indonesia down due to lower than expected private investment, and Thailand down due to decrease in tourism.
- Latin America – growth downgrade reflects lowered expectations for short term recovery in Argentina and Brazil. Uncertainty in Mexico due to tighter financial conditions and headwinds from the US. Venezuela deterioration to continue.
- Middle East growth in Saudi expected to be weaker than previously forecasted, and turmoil in many ME countries.

#### Forecast: Risks....

- Advanced economies – extended shortfall in private demand, and inadequate progress on reforms hurting bank balance sheets
- Emerging economies – High corporate debt, declining profits (due to low commodities) and weak bank balance sheets
- Geopolitical - conflict in the ME, refugee and migrants in neighboring regions, and increased restrictions on global trade.
- Positive – China and US policy stimulus could be more than anticipated and help all of their trading partners

## Traveling Apps

- WhatsApp / Viber – Free texting and calls on wifi
- Google Translate
- SMART Traveler – DOS for US embassy
- Citymaps – downloadable apps (waze)
- Travel Smart – medical app
- Like a local – similar to yelp
- Oanda – currency converter

## Trade Shows around the Globe

- Name the best trade shows you have been to around the world for Electric Power
- i.e. - Middle East Electric Show
- Power-Gen - US
- Any in Asia?? In Africa? Europe? Canada? Latin America?

We ended up running out of time on the trade show discussion so we will work on putting more of this together during the offseason, between now and the Minneapolis show...

## Nominations & Elections

With 3 nominees there was a new Vice Chair elected. Congratulations Patricia Arauz-Corow from Quest Power International

Also, Cliff Jacobs with PG controls and Harold Jarrett with Omni-Metrix will work together on an article for Power line magazine on the five must have apps for your iphone when traveling internationally

Ideas for the next meeting....

1. Lets look at electricity rates around the world... how much is electricity to purchase in other areas of the world...
2. Website, google, SEO was another hot topic. We had a speaker on that back in San Antonio and there is interest to have another person come in for the Minneapolis meeting.
3. Gold Key was discussed again, with others not knowing what it is, and wanting to know more about it. XM bank came up as well. An idea of possibly having someone do gold key and xm bank discussion.
4. Letters of credit popped up a lot.. Potential to bring in someone to speak on that.

Patricia, Dave, and Bob will get together to formalize the meeting agenda for Minneapolis.