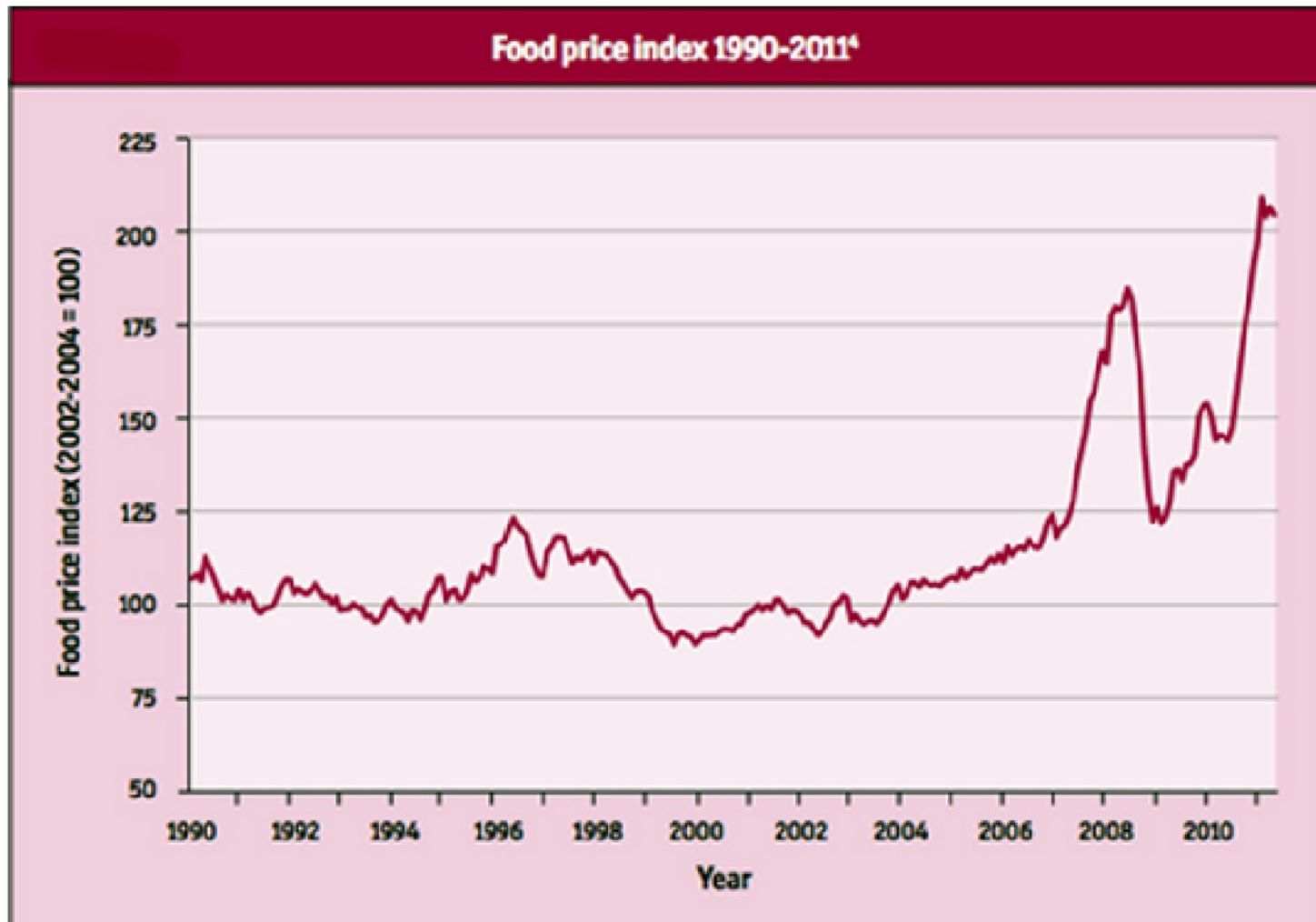


FeedingManchester

**the campaign against
food speculation**

www.wdm.org.uk/food-speculation

The global food crisis



Volatile Markets

- Food prices rise by 80% to record levels in 18 months up to 2008
- Maize climbs 180%
- July 2010 alone sees wheat prices increase 60%
- New records reached in early 2011



Poverty and Hunger

- 2008 over one billion people hungry and rising malnutrition
- Last six months 2010 sees 44 million driven into extreme poverty by the food crisis



What's causing it?

- Rising price of oil, biofuel production, adverse weather conditions, currency fluctuations fail to explain the extreme volatility in markets
- Research shows 2008 crisis caused primarily by speculation on the price of food in financial markets



The rise of speculators in food futures markets

- In 15 years speculators' market share of food derivatives has risen from 12% to 60%
- In last five years assets in these markets almost doubled to \$126bn
- Biggest players include Barclays Capital, Goldman Sachs, Morgan Stanley, Citibank, Deutsche Bank, HSBC and JP Morgan



Regulating food commodity markets: what we need from MiFIR and the EU

- Strict position limits
- Move trading to exchange markets
- Position reporting and transparency
- Banning damaging financial products

