

# “The Grand Chessboard: The Birth Of A New World”

Moscow: June 2015

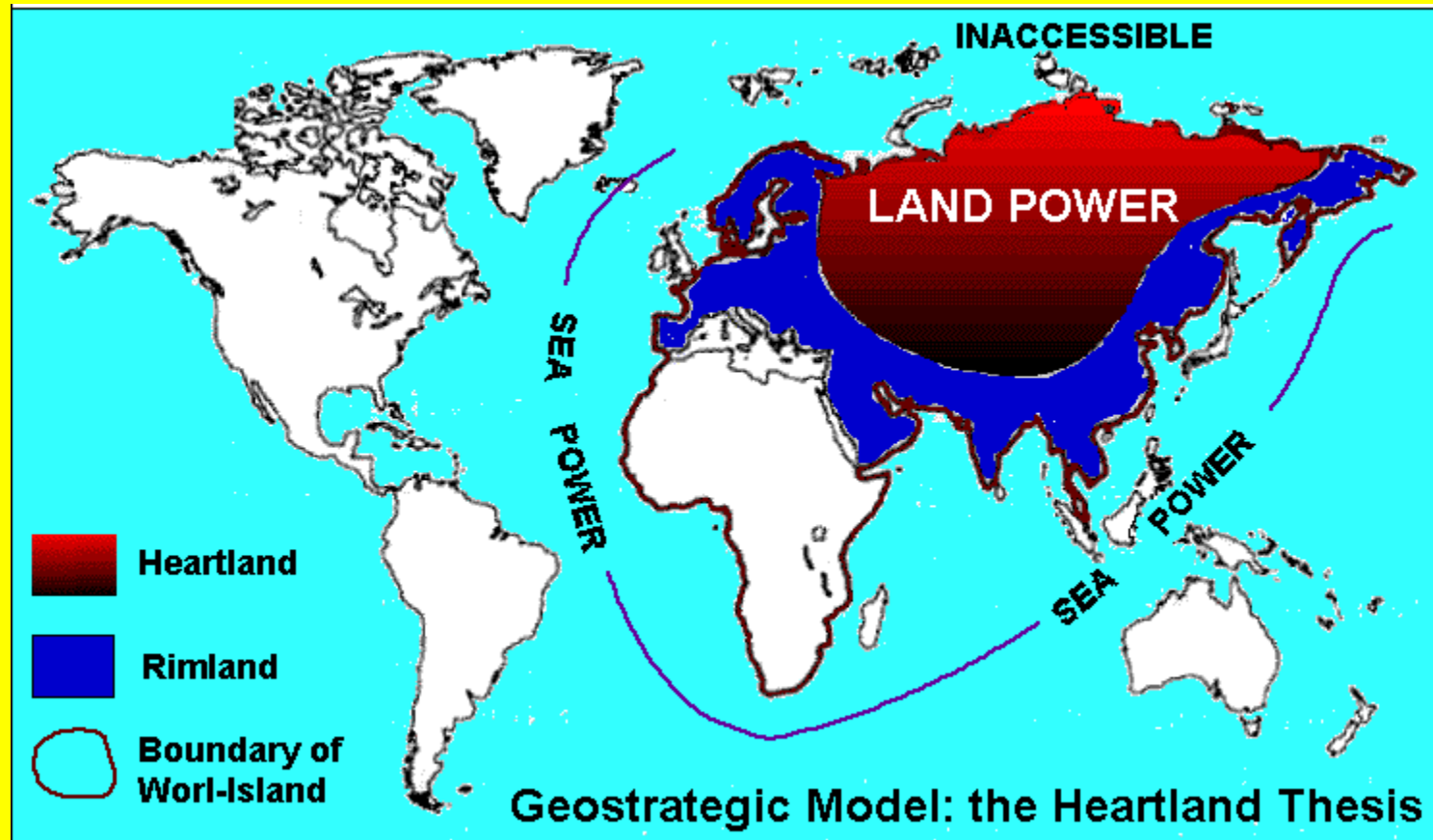
By

Simon Hunt

Simon Hunt Strategic Services



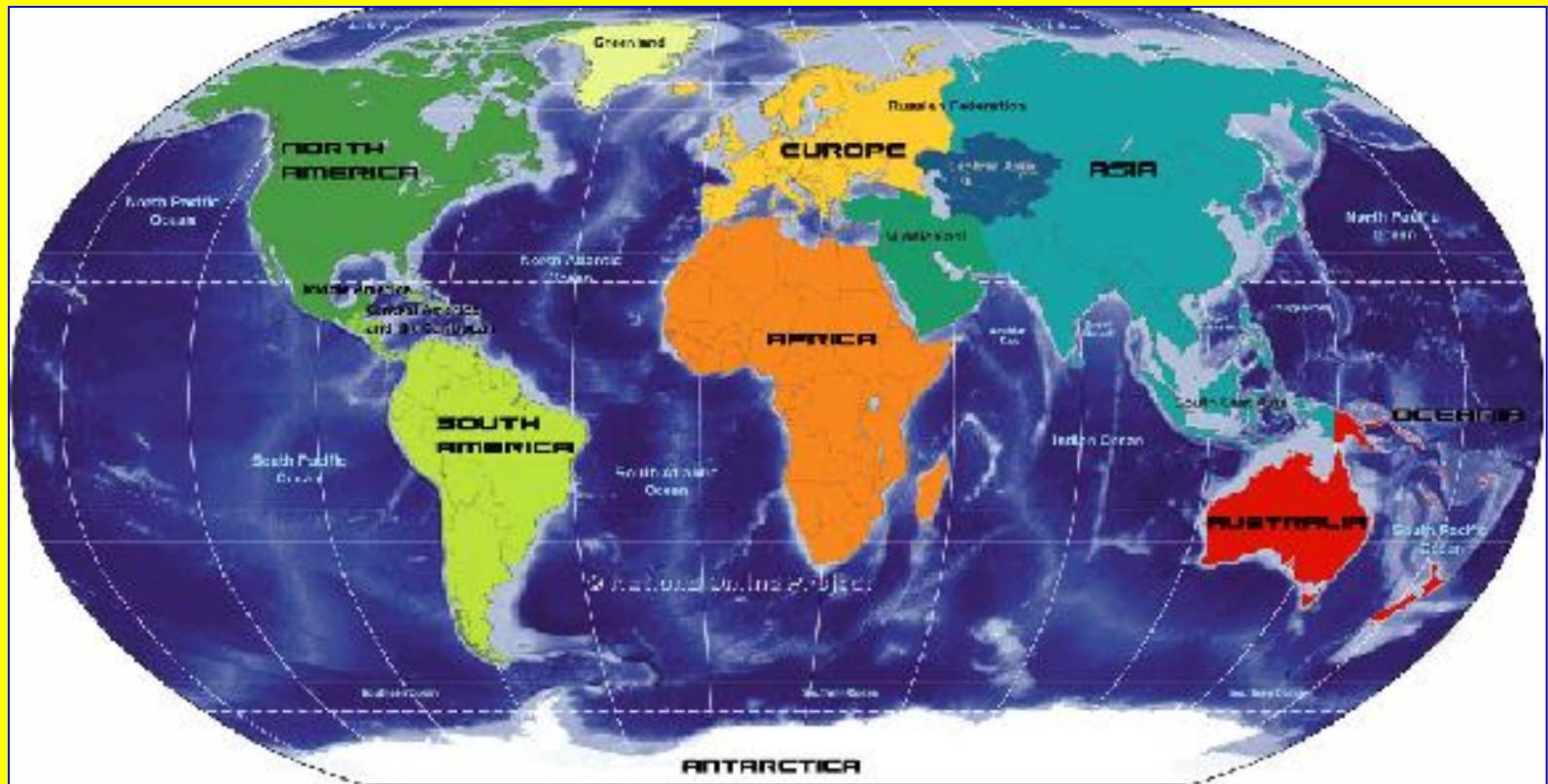
# Mackinder's Pivot State



Source: McKinsey Global Institute

“Eurasia is thus the chessboard on which the struggle for global primacy continues to be played, and that he who controls Eurasia controls the world. In the meantime it is important that no Asian challenger emerges capable of dominating Eurasia and thus also challenging America”

# World Continents and Regions

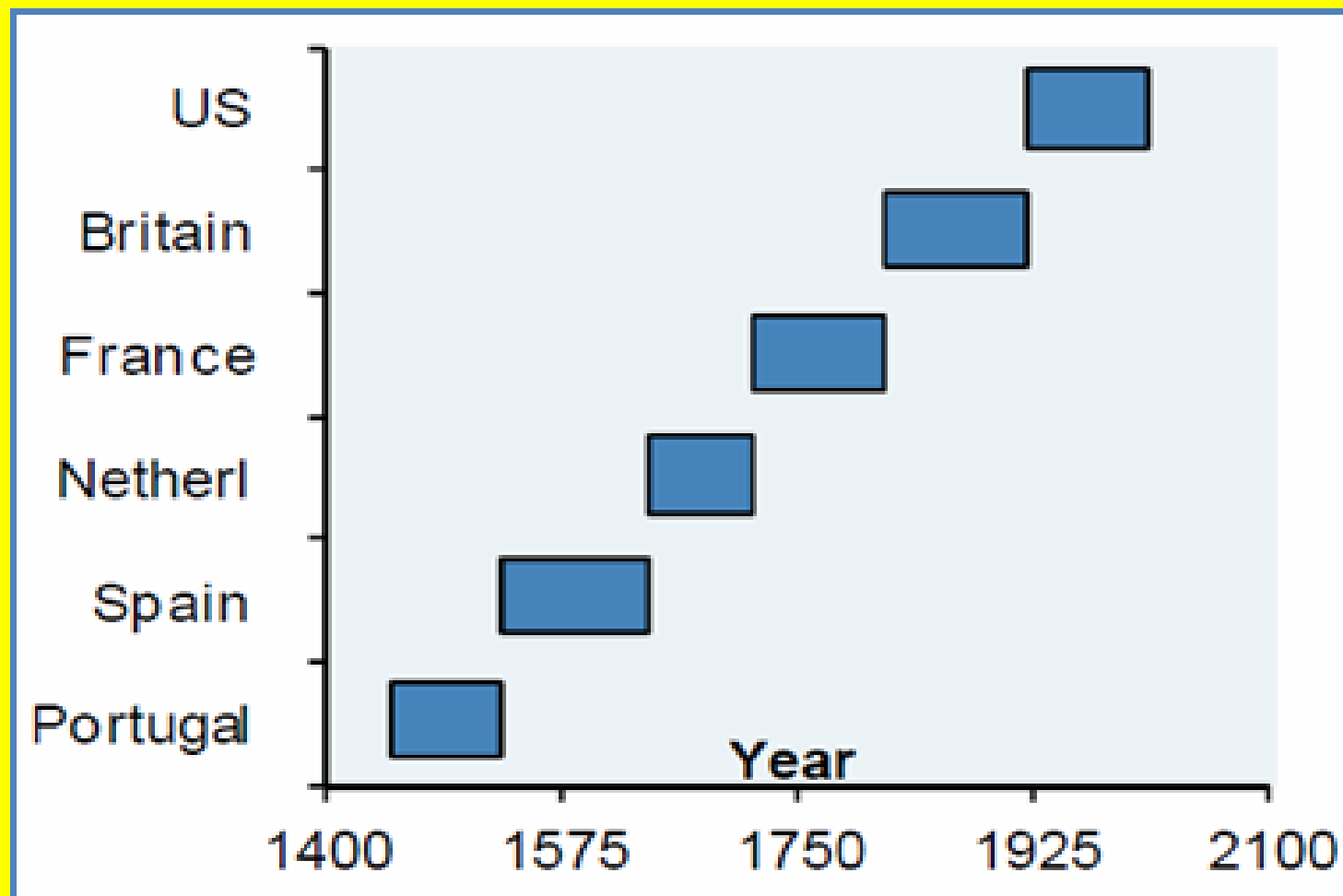


# China's New Silk Road: Overland and on The Sea



Source: Xinhuanet.com via The Diplomat

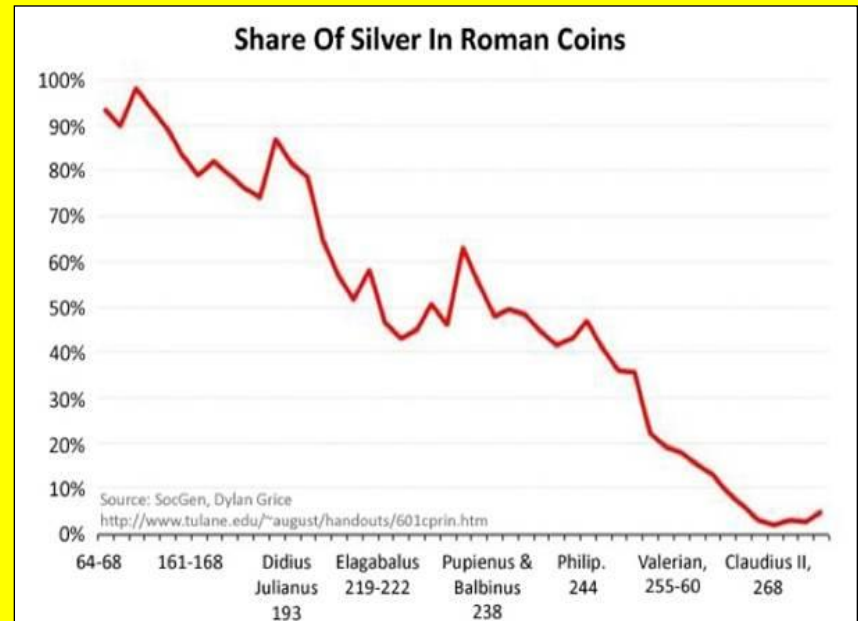
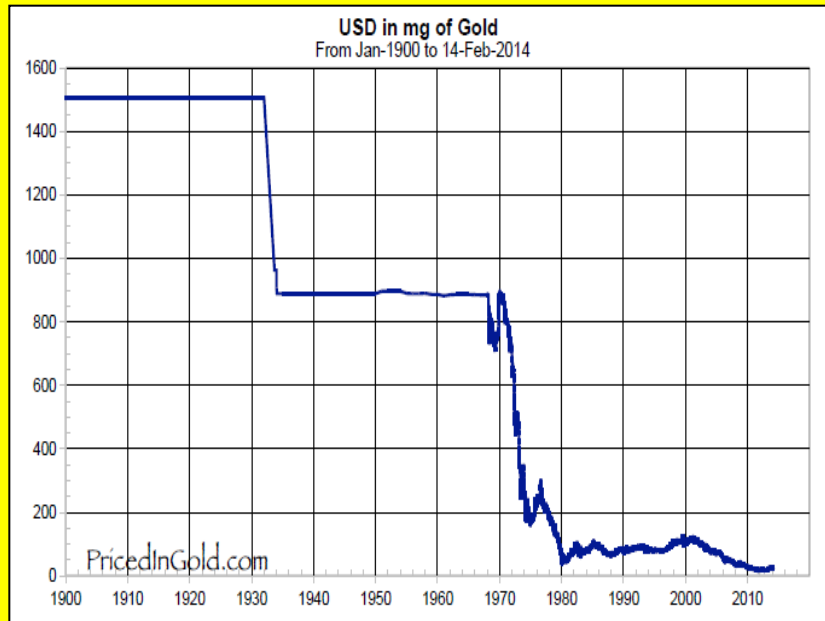
# Reserve Currency Status Does Not Last Forever



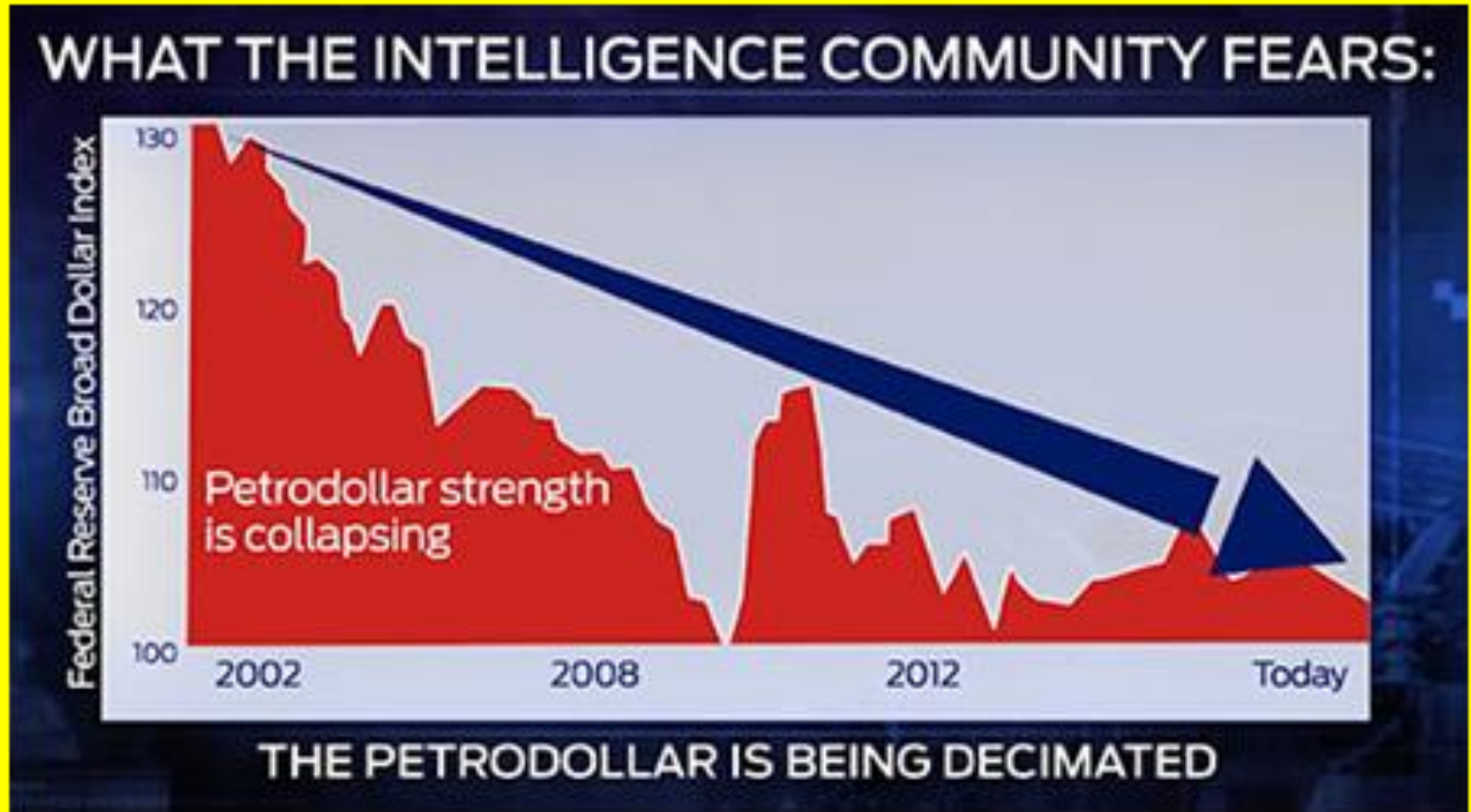
Source: Zero Hedge Fund



# Currency Debasement



# The Petro Dollar is Being Decimated



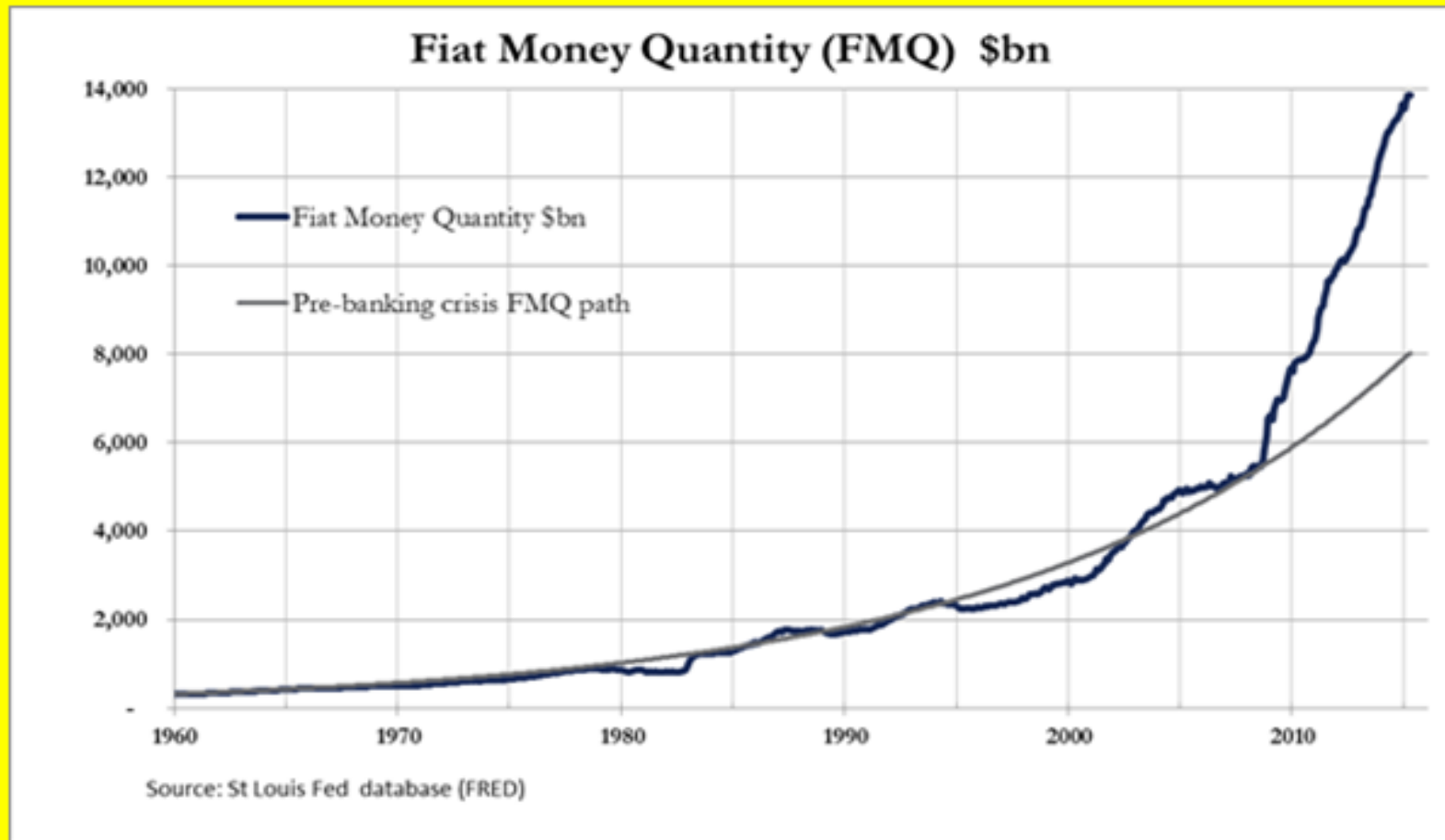
Source: Jim Rickards



# Shanghai Cooperation Organisation



# Fiat Money Quantity (FMQ) US\$bn



Source: St Louis Fed

# Simplified Gold Supply 1983-2002

|  |               |
|--|---------------|
| Official sales by central banks  | 4,856         |
| Estimated leasing in addition (Median est. <a href="#">Veneroso 2002</a> ) | 14,000        |
| Mine Production  | 41,994        |
| Net western divestment: bullion, jewellery and scrap (est.)                | 15,000        |
| <b>TOTAL</b>   | <b>75,850</b> |
|  |               |
| Possibly bought by:  |               |
| Middle East governments and individuals                                    | 30,000        |
| India  | 7,000         |
| Turkey   | 4,000         |
| SE Asia  | 5,000         |
| China  | 25,000        |
| Others   | 4,850         |
| <b>TOTAL</b>   | <b>75,850</b> |

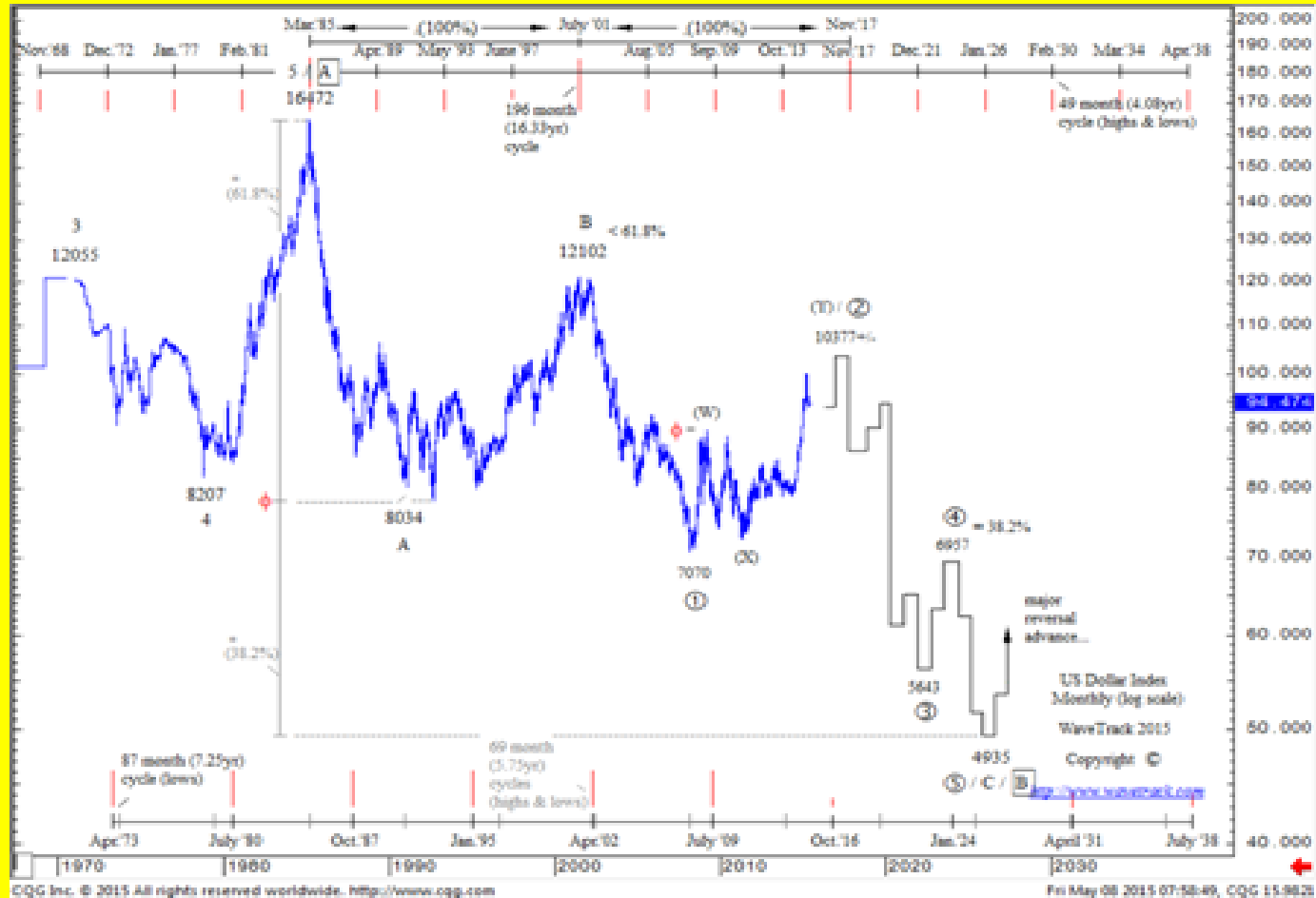
Source: Alasdair Macleod

# GMI Multi Currency Gold Index



Source: Bloomberg, Global Macro Investor

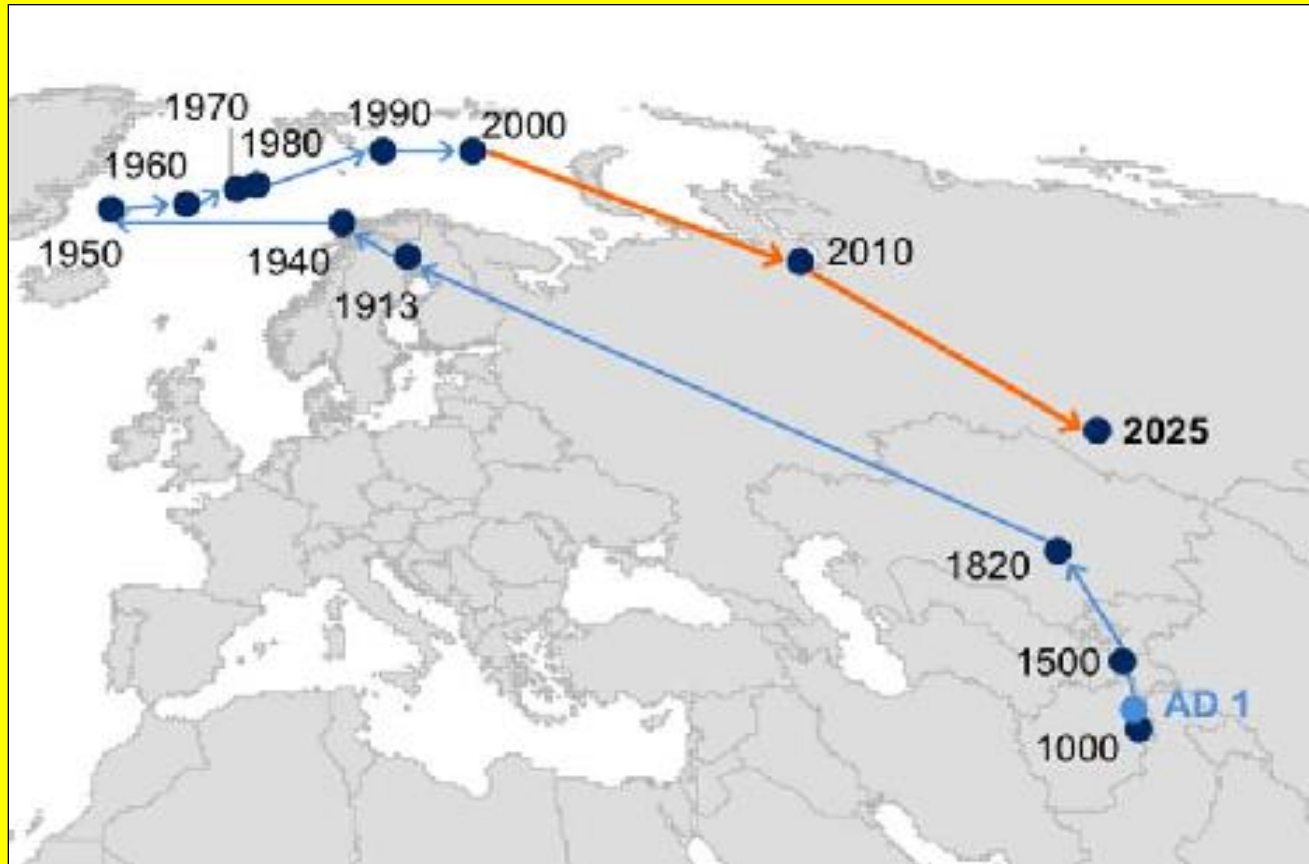
# US Dollar Index



Source: WaveTrack



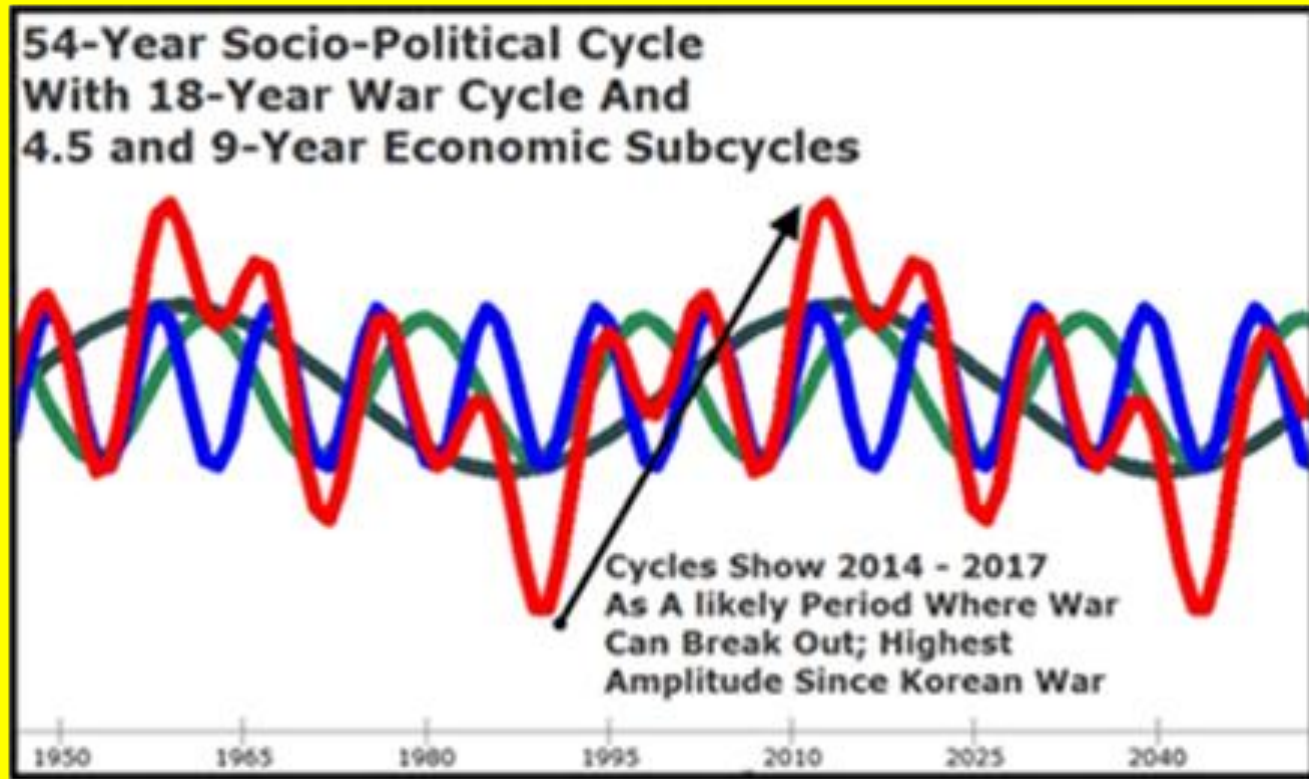
# Evolution of Earth's Economic Centres of Gravity



Source: McKinsey Global Institute

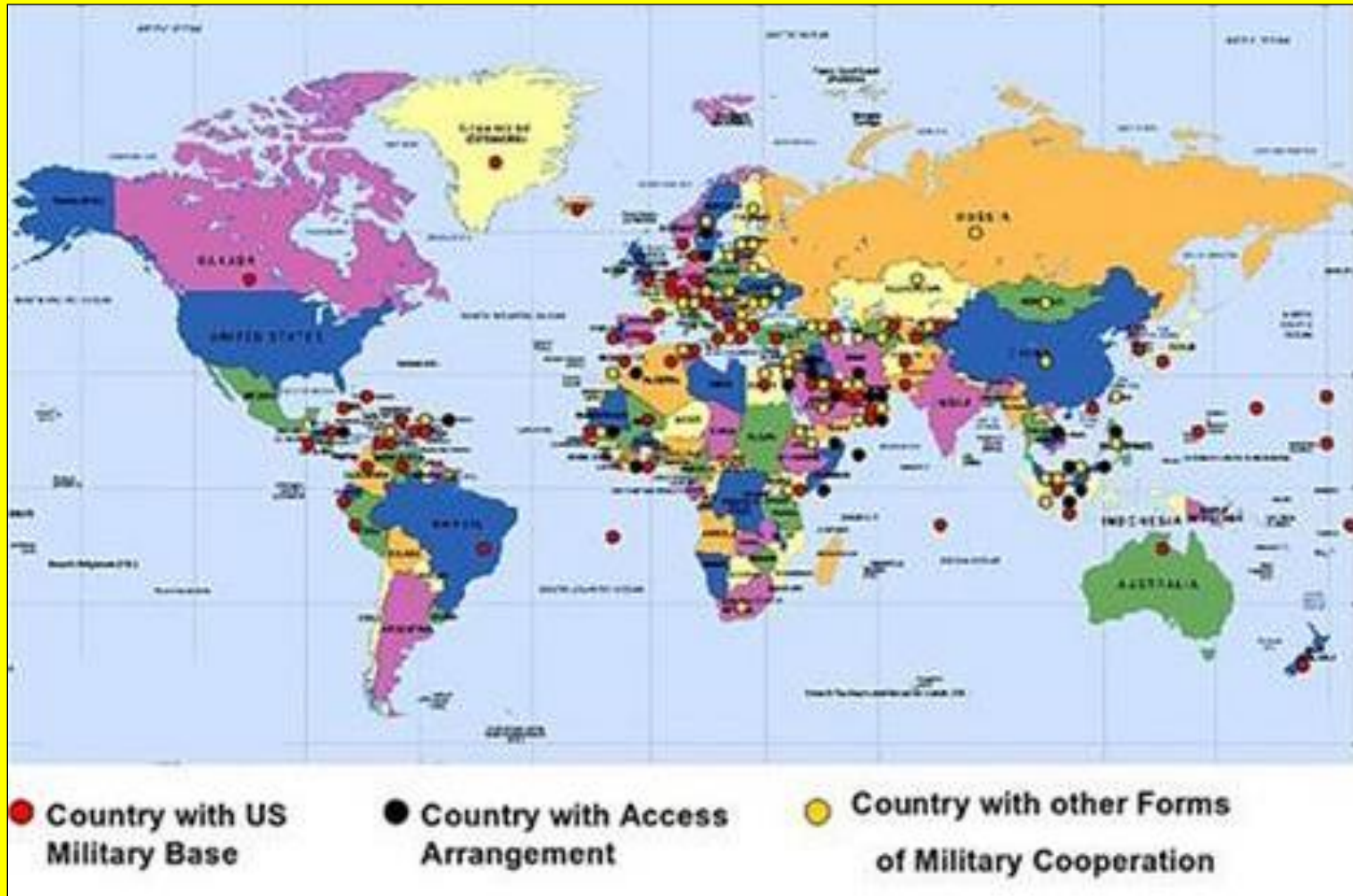


# 54-Year Social-Political Cycle



Source: Larry Edelson

# US Military Presence Overseas



# NATO Expansion

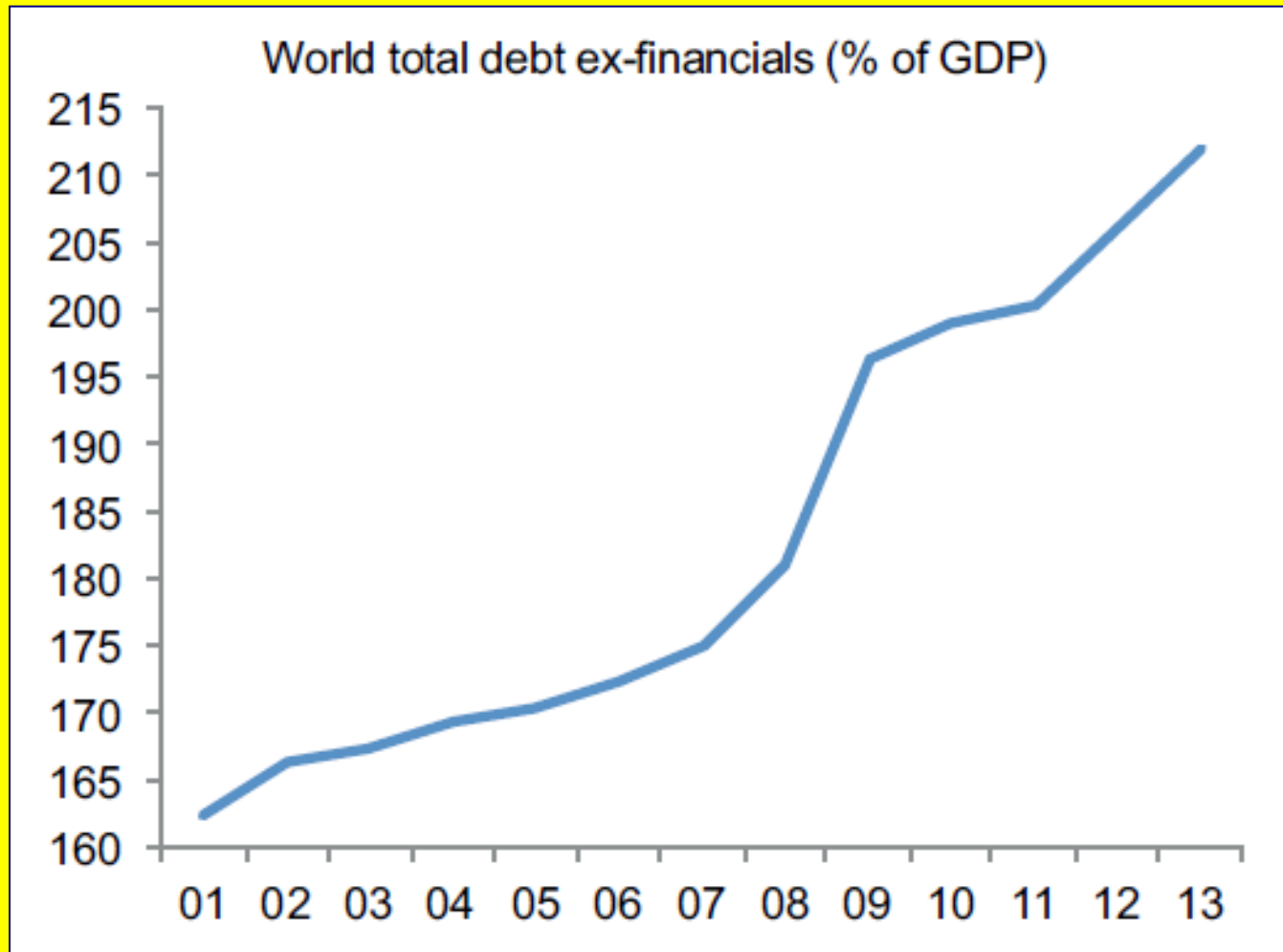


# US Strategic Encirclement of China in Eurasia



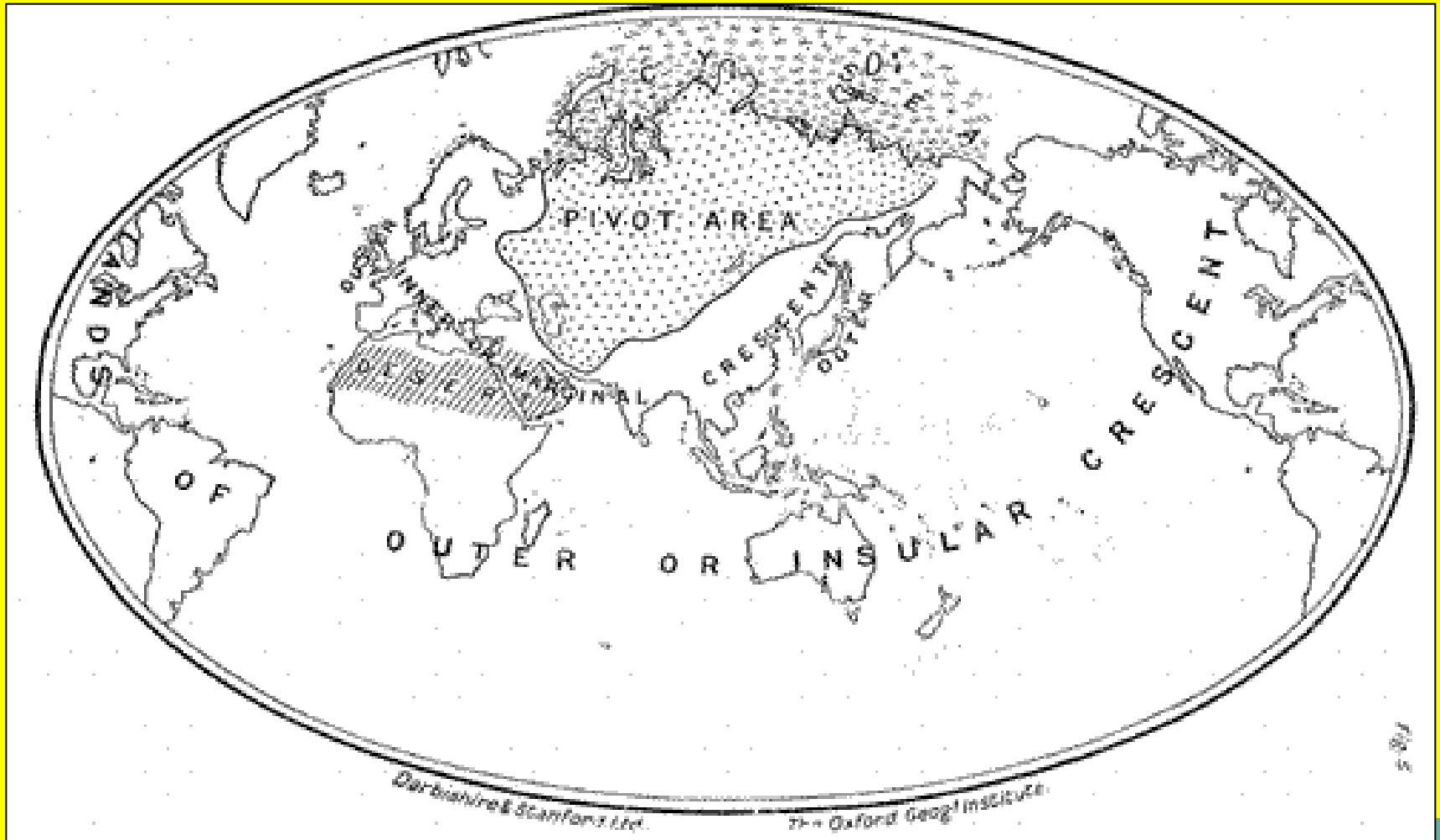


# World Debt



Source: Deleveraging: What Deleveraging? International Centre for Monetary & Banking Studies, Geneva

# Mackinder's Original Map Circa 1904



Source: Mackinder



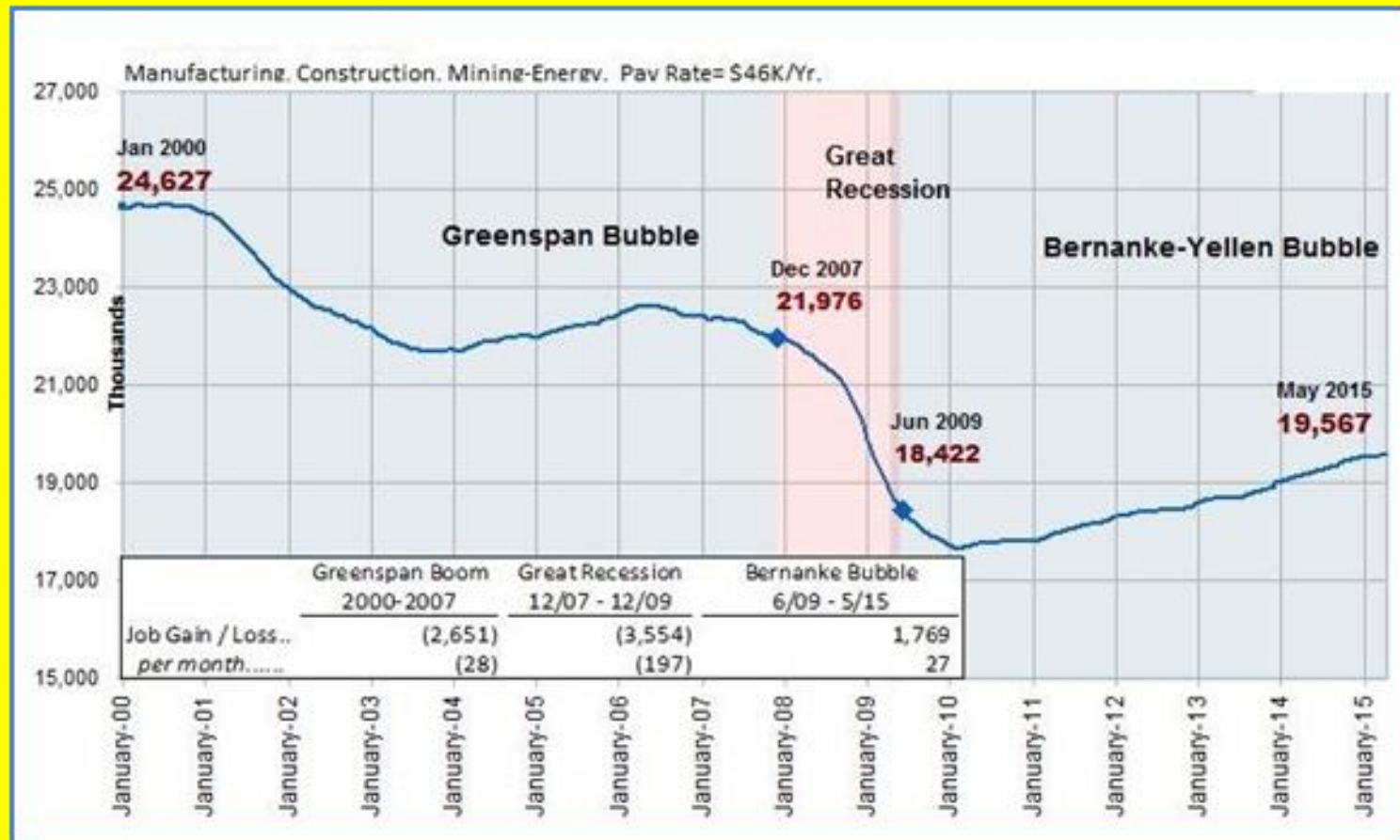
# US Labour Participation Rate

Labor force status: Civilian labor force participation rate  
Type of data: Percent or rate  
Age: 16 years and over



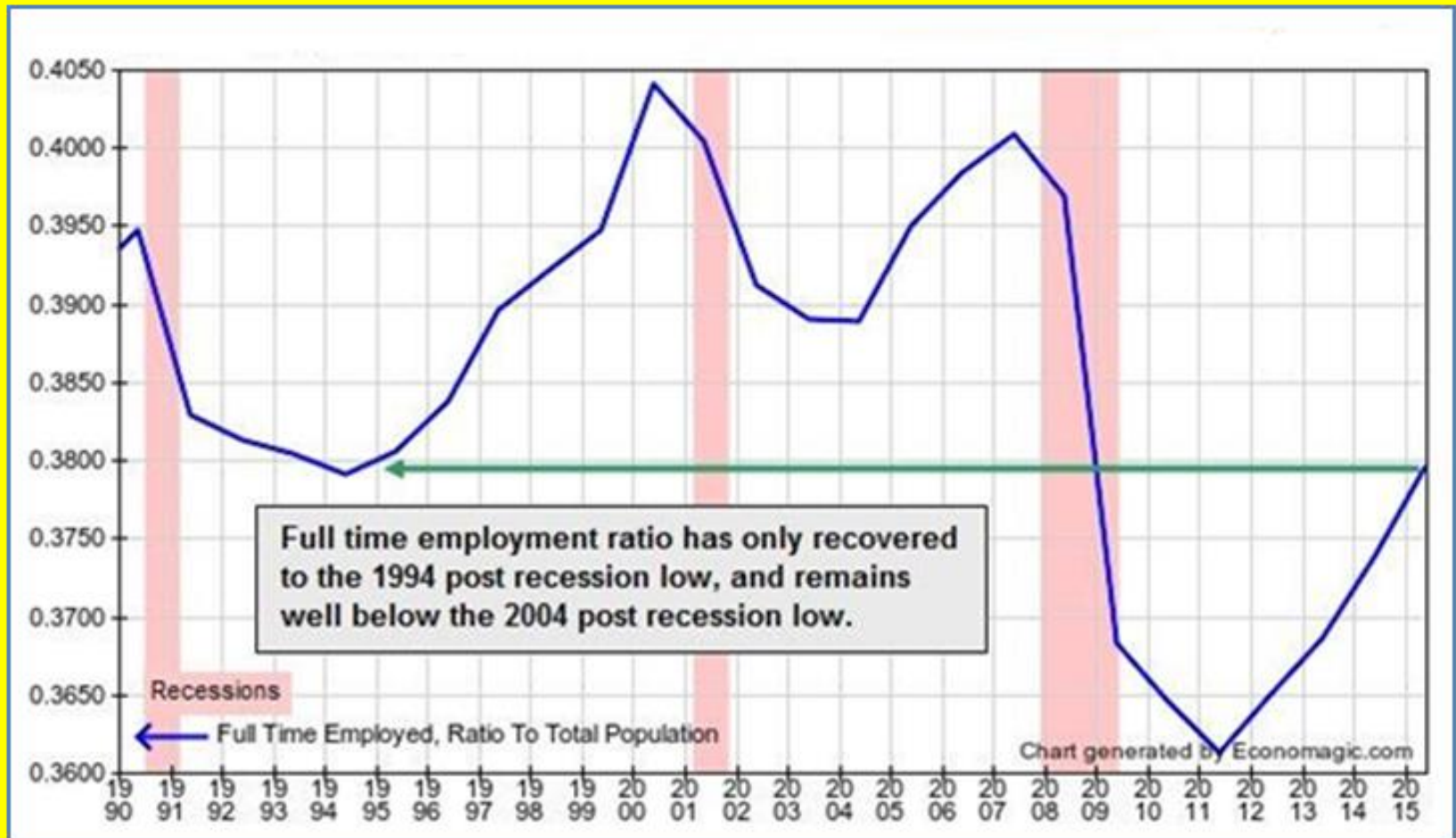
Source: BLS

# US Goods Producing Economy



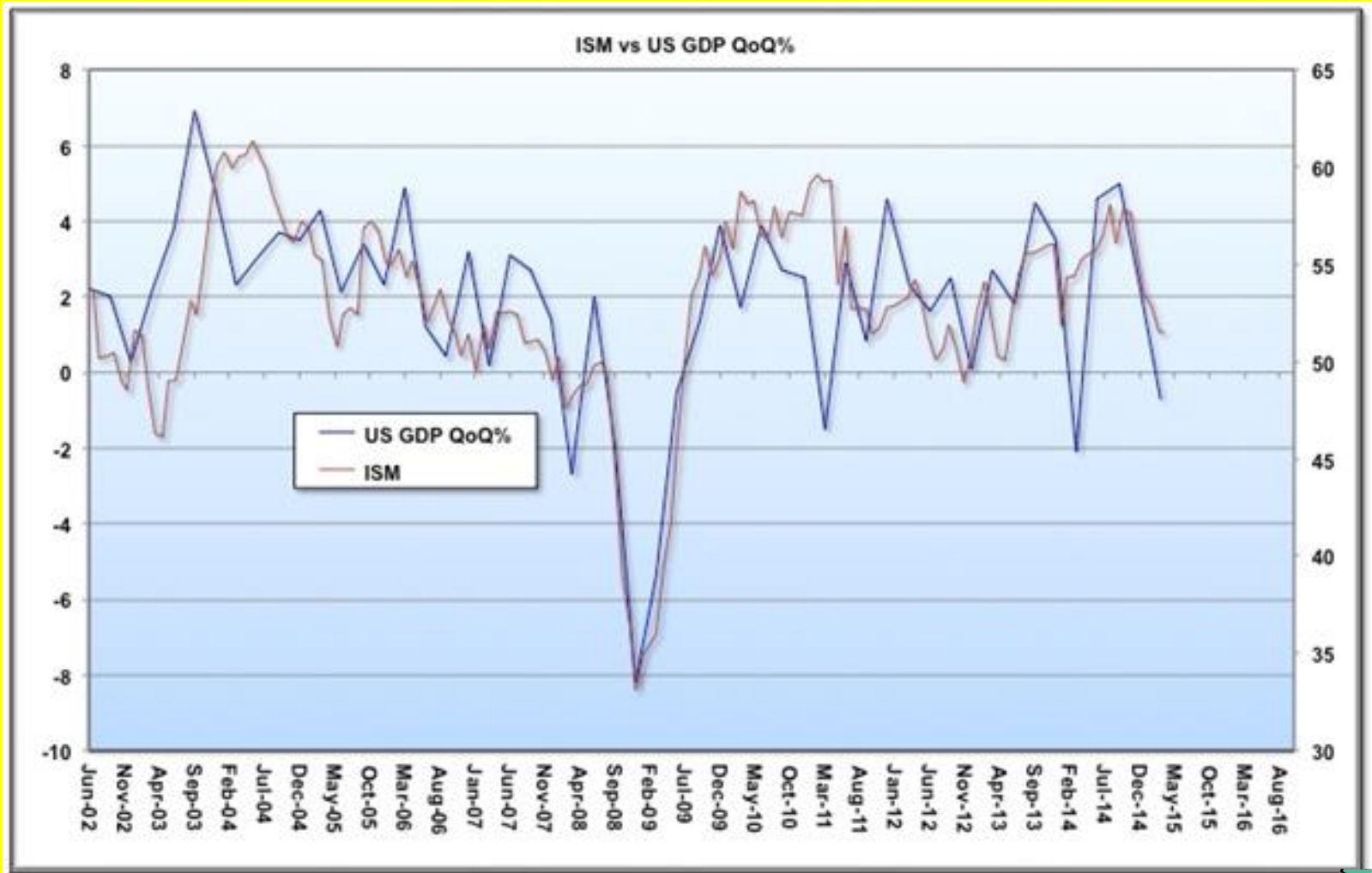
Source: David Stockman

# Full Time Employment to Population Ratio

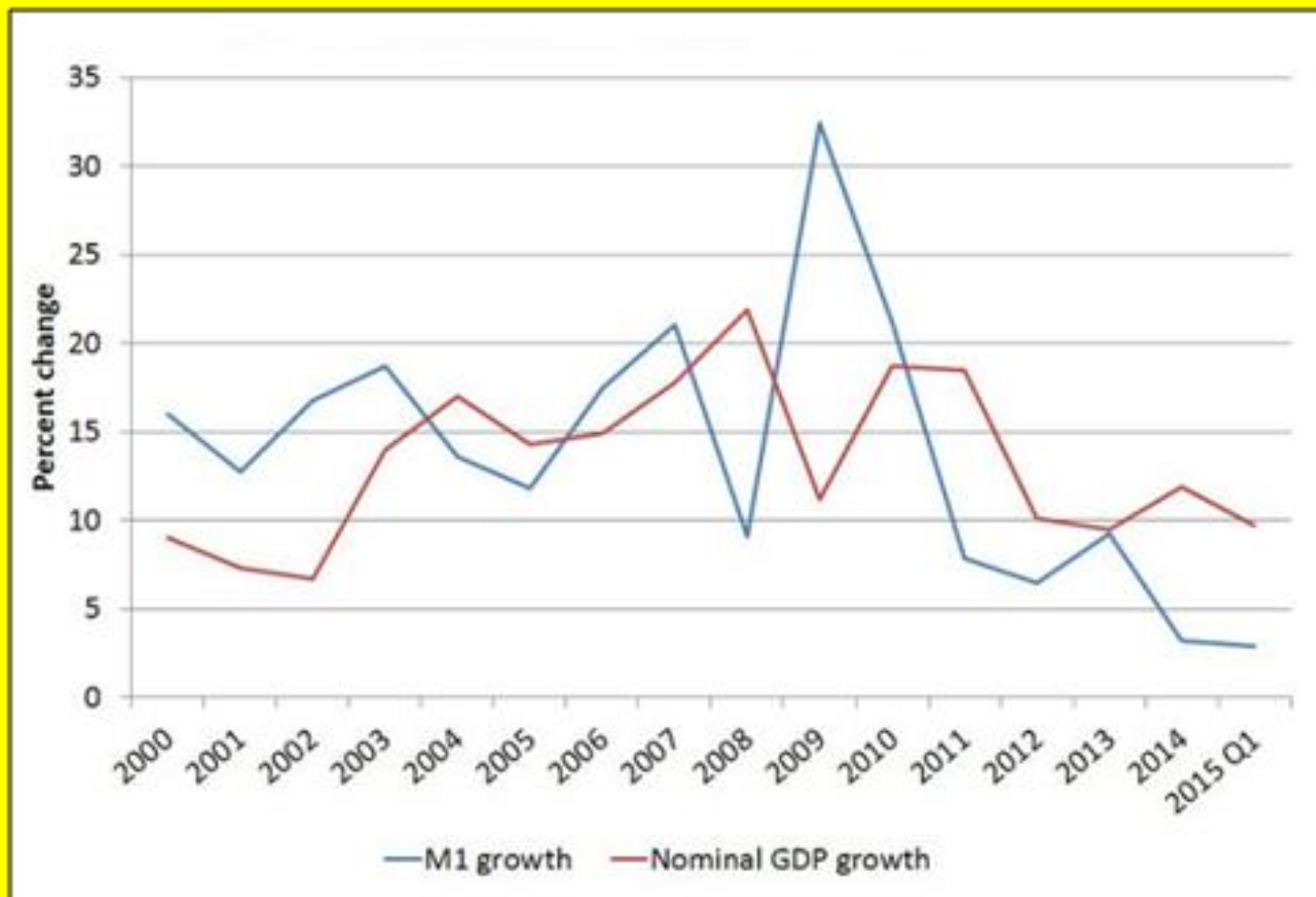


Source: Economagic.com

# ISM vs US GDP

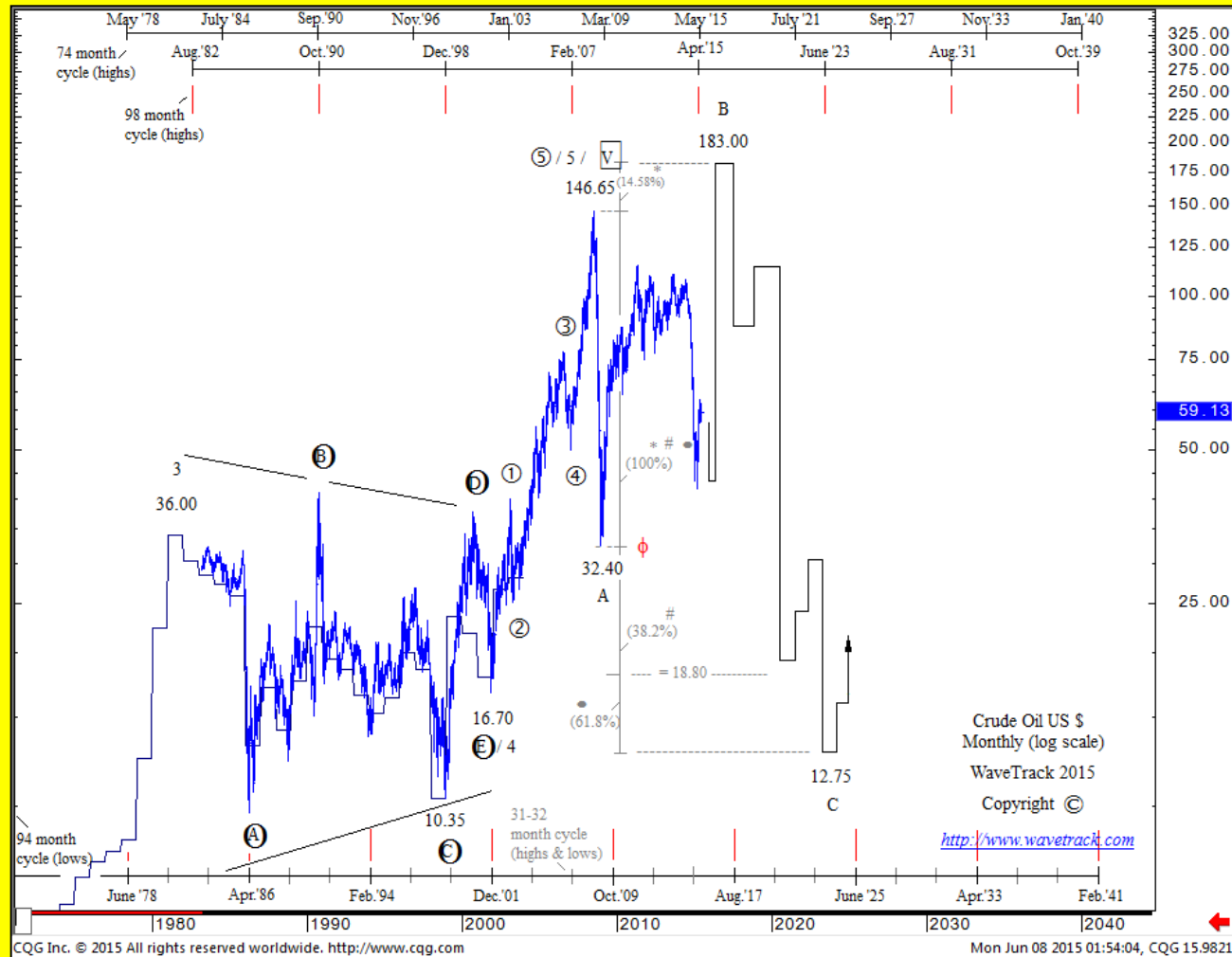


# China M1 and Nominal GDP



Source: China Monthly Statistics

# Oil Prices

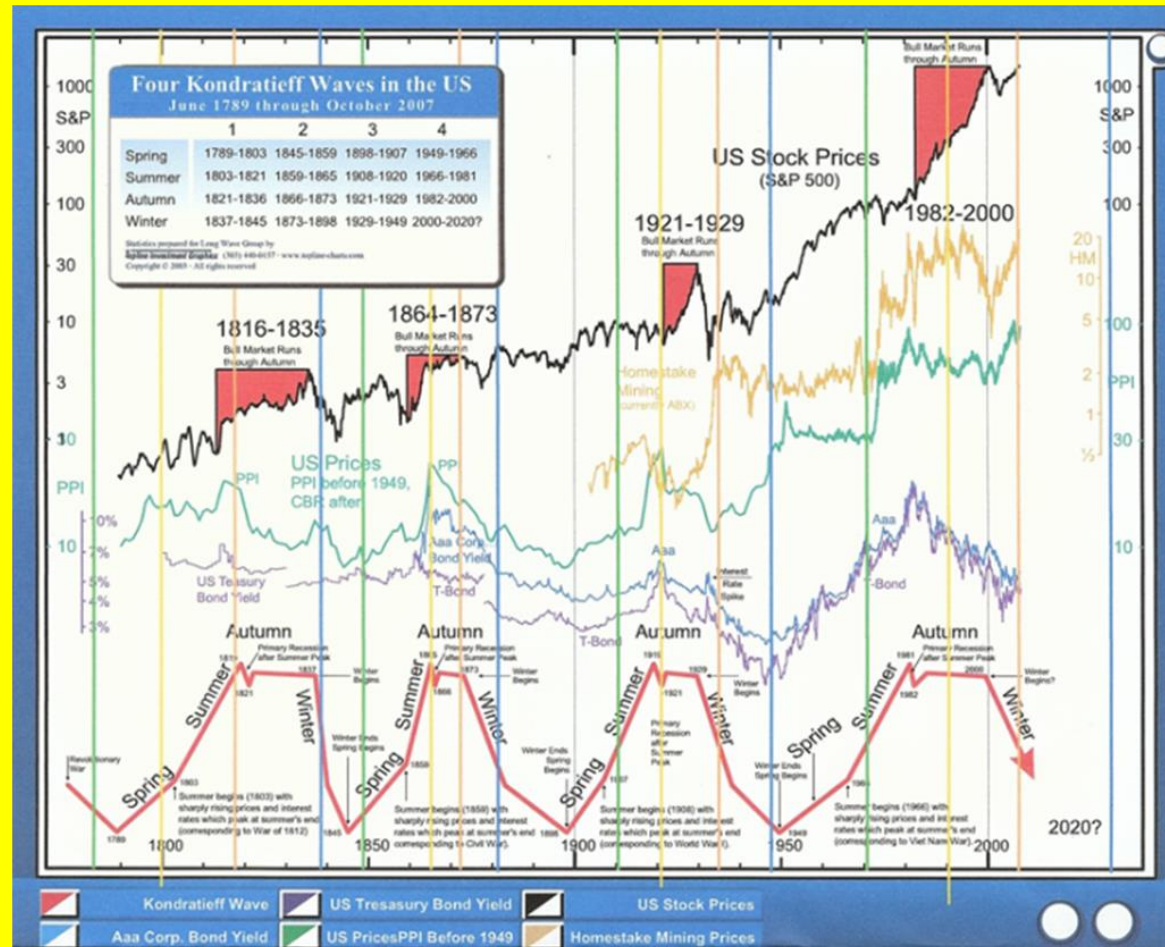


Source: WaveTrack





# Kondratieff Waves in The US



# THANK YOU

