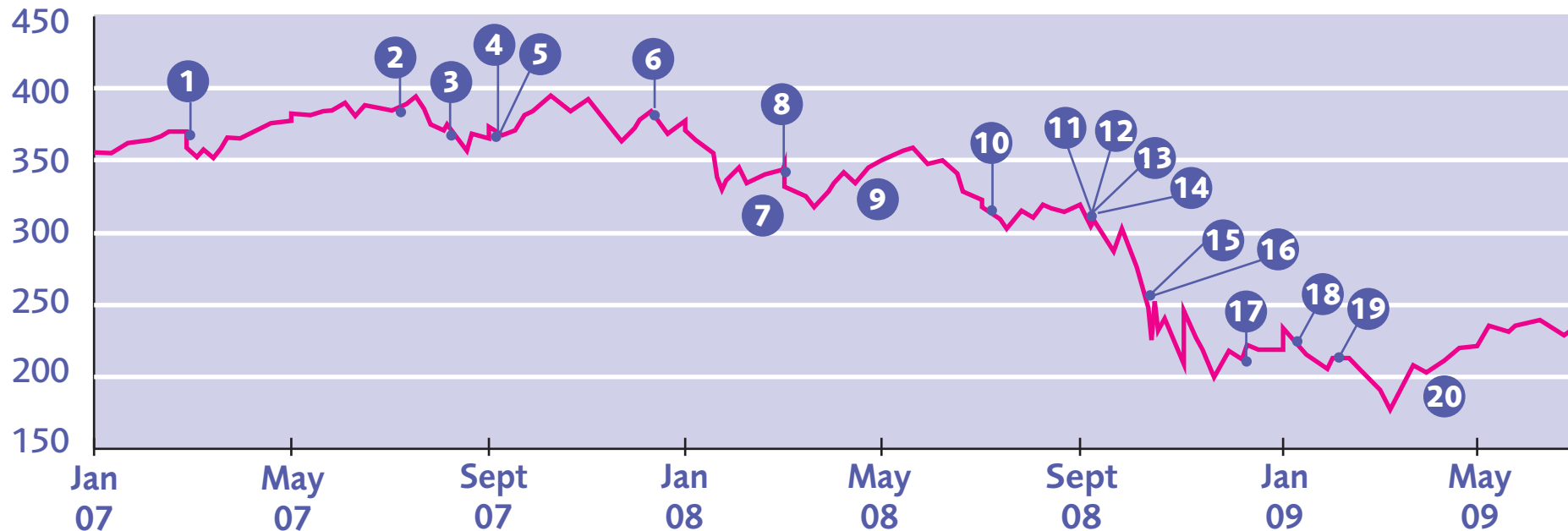


# Credit Crisis Timeline



Source: FTSE World (Local Terms)

- 1 March 2007:** Concerns over Chinese demand
- 2 July 2007:** Credit crunch begins with the subprime mortgage crisis in the US
- 3 August 2007:** Federal Reserve injects \$43 billion into the financial system
- 4 September 2007:** US interest rates lowered
- 5 September 2007:** UK government takes over Northern Rock
- 6 December 2007:** ECB lends European banks \$500 billion over the Christmas period to ease credit crisis
- 7 Q1 2008:** Stockmarkets decline significantly
- 8 March 2008:** Bear Stearns acquired by JP Morgan, avoiding bankruptcy
- 9 Q2 2008:** Stockmarkets rally as investors begin to believe the worst may be over
- 10 July 2008:** ECB increases European interest rates, citing concerns about potentially inflationary conditions due to growth in the economy

- 11 September 2008:** US government takes over Freddie Mac and Fannie Mae (companies operating to facilitate liquidity in the mortgage market in the US)
- 12 September 2008:** Lehman Brothers (160 years old) goes bankrupt and is allowed to fail, with an immediate and catastrophic effect on stockmarkets
- 13 September 2008:** Bailout of the US financial system by the Emergency Economic Stabilisation Act of 2008 proposed by US Treasury Secretary Henry Paulson – the Act provided for the creation of TARP (Troubled Asset Relief Funds) to allow financial institutions to sell troubled assets to the government
- 14 September 2008:** Irish government guarantees the deposits of the main Irish banks
- 15 October 2008:** The three major banks of Iceland are nationalised

- 16 October 2008:** Aggressive global cuts in interest rates
- 17 December 2008:** US economy officially declared to be in recession
- 18 January 2009:** Irish government nationalises Anglo-Irish Bank
- 19 February 2009:** Fears that the global recession will last longer than originally thought drags world stock markets lower
- 20 March - June 2009:** Stock markets rally as investors pick up oversold stocks and the pace of poor economic news begins to slow.

