



Member of Cat Group

Zurich, 12th September 2007

Japanese Premier Shinzo Abe Resigns – The Next Prime Minister

Japan's Prime Minister Shinzo Abe resigned today after failing to regain public support following his party's defeat in the Upper House elections in July. His approval rating is below 30%. Four ministers resigned and one committed suicide because of financial irregularities, inappropriate remarks and a pension fund scandal.

There are quite a few potential candidates but general consensus is for Mr Taro Aso. Mr Aso (66) is Secretary General of the LDP and previous Foreign Minister.

If Mr Aso is elected, no big policy changes are to be expected as both Abe and Aso have similar views; it will be business as usual.

There is still the chance that the new Prime Minister might introduce some unexpected new "reformist" policies. A reformist will of course be welcomed by the market and might be the positive trigger that investors have been waiting for.

Don't hesitate to contact us for more information.

Your Cat team