



Answering Your Questions

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“There are significant downside risks to the economic outlook, including strains in global financial markets.”

Federal Reserve, September 21st, 2011

Political Inaction is Creating A Financial Meltdown

The world is coming unglued and the politicians are creating a nightmare. The Republican debates called for Bernanke's resignation. Some said they would fire him. This just goes to show they are unqualified to run for office. Bernanke did his best to dance between the raindrops. He did the best he could do to direct his comments at Europe. As for the **“Operation Twist,”** well when you have nothing left to do, they feel the pressure to do something. When you are really in such a position or the President, you cannot speak as freely as a firecracker running for office trying to impress people with nonsense. Whatever you say is NEWS and what Bernanke said was about as pointed as one can be in political office. The candidate knew what they were doing blaming Bernanke. They know the dance and pretend it does exist to argue vote for them. Obama argued against Guantanamo Bay and Military Trials. After losing all but one count out of 224, he's back to Military Trials because they can't trust the people. They all say one thing when running, and then adopt the opposite position when in office. Nothing will ever change under this system until the people really get pissed-off (mad not drunk for the UK readers).

Euro (Monthly 1999-Date)



I warned that the sharemarkets that peaked in 2000 are poised to make new record lows under that of 2009 going into 2012. We are in serious trouble. The end of this first phase is where assets decline as capital seeks (1) security, and (2) liquidity. This means we must complete the sideways to lower bear market phase that began in 2000. The rally into 2007 was the blue chips with the Dow leading the way. The S&P 500 and NASDAQ remain in the 2000 slot as does FTSE, CAC40, and many others.

Many of these markets will make new lows in 2012, flush out the longs, and then Phase II will begin where capital will begin to flee from the bonds into the equities. For now, as hard as it may be for Americans to accept, the USA is the least economic disaster compared to Europe and Japan.

We are in very serious economic trouble. People in charge are too worried about elections and are not generally qualified to manage the economy. Some in Washington have the guts to actually say – ***“All this is doom and gloom. Isn’t there some good news?”*** As long as they keep trying to ignore the problems, there isn’t going to be any good news for quite a while.

This is like calling the fire department after the house has burned down. The greatest problem we face is the politicians refusing to deal with the problems. In Europe you have 17 different countries all blaming someone else, and nobody is willing to do a damn thing about anything.

Does anyone really expect the Greeks to be sent into poverty and force those that do earn a living to pay up half of that to other countries lending money to try to keep the Euro together? There is NOBODY in the financial industry that I know of who expects any bailout to work. Everyone is waiting for Greece to default and let’s get on with it. That will at least be a step in the right direction of relief.

This whole crisis is brought to you by politicians. Either do the damn job or get the hell out of the way. This is **NOT** time for personal grand-standing so stop pretending you even understand what to do. This is getting to be really dangerous. Commodities are tumbling for they too were at the peak and were predicated upon economic growth in China, Brazil, and India. Those economies are at risk now and this whole crisis is getting out of hand. Sorry for the doom and gloom. But unless people put pressure on politicians, there is no hope at all. Go to some remote island and wait for the mushroom cloud to appear on the horizon and you will know it is at last safe to come out. And by the way, they clocked neutrinos moving faster than light at CERN. So if Einstein’s Theory of Relativity ($e=mc^2$) no longer works, why in anyone’s name would you think the old economic theories are valid?



Analytical Technical Training Seminar
& World Economic Conference (2 Separate Days)

Due to the overwhelming requests for a Analytical Technical Training Seminar, I will hold a full one-day session in Philadelphia on December 3rd and the following day December 4th a global forecasting session. The price for the entire weekend will be \$2500, and those who just wish to attend the second day that price will be \$750. (Prices include luncheon)

The Analytical Technical Training Seminar will include a DVD of the session and the manuals.

**Reservations are required: Please email
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