Zero Hedge
On a long enough timeline the survival rate for everyone drops to zero.

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UPDaTeD AL PoNZi GRouP MoST WaNTeD LiST
Posted by: williambanzai7
Post date: 05/07/2011 - 21:44
Financial terrorists at very very large...

What Does Hyperinflation Look Like?
Posted by: George Washington
Post date: 05/07/2011 - 13:34
Walk down history lane ...

"CEOs at the Nation's Largest Companies Were Paid Better Last Year Than They Were In 2007, When ... Unemployment Was Roughly Half What It Is Today"
Posted by: George Washington
Post date: 05/07/2011 - 13:29
They've FIXED the economy, alright ... in favor of the top .1%

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Sean Corrigan On The Inflationary Diabolus Ex Machina, And Bernanke As The Modern Incarnation Of Shiva, the Shatterer of Worlds

Submitted by Tyler Durden on 05/08/2011 00:20 -0400

AIG American International Group Ben Bernanke Brazil Capital Formation Central Banks Chart Patterns Copper CPI Crude Crude Oil Equity Markets Great Depression Gross Domestic Product Hyperinflation Krugman LBO Monetary Policy Money Supply Moral Hazard Natural Gas Personal Consumption Reality Testimony

Inflationists are typically ignorant of the fact that the complex, multi-

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Latest News From RAN Squawk

05-06 16:30: RANSQUAWK AUDIO CLOSED FOR THE WEEKEND; THE DESK WILL REOPEN MONDAY 0630 (LONDON TIME).
05-06 16:20: RANsquawk 'Market Wrap Up': Video uploaded to www.youtube.com:
05-06 16:03: US EQUITY WRAP
05-06 15:36: Unilever (ULVR LN) receives approval to acquire Alberto Culver
05-06 15:29: US FIXED INCOME WRAP
05-06 15:16: Illinois Tool Works (ITW) authorizes new USD 4bln share repurchase program
05-06 15:14: WEEKLY FX SUMMARY
05-06 15:00: US Consumer Credit (Mar) M/M USD 6.016bln vs. Exp. USD 5.000bln (Prev. USD 7.617bln, Rev. to USD 7.553bln)

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- Fund My Mutal Fund
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- Global Economic Analysis
- Gonzalo Lira
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- Jesse's Café Américain
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- Of Two Minds
- OilPrice.com
- Pension Pulse
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- The Burning Platform
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- The Economic Populist
- The Mad Hedge Fund Trader
- The Market Ticker
- The Technical Take
- The Underground Investor
- Themis Trading
- Wall St. Cheat Sheet
- Washington's Blog
- Wealth.net
- When Genius Prevailed

stage, labour-divided, task-specific, dynamic whole which is a modern economy intimately relies on much more spending than is captured in the flawed totem of GDP. They are further unaware that much of that spending is highly discretionary—that the bulk of it, in fact, represents gross capital formation via saving—if we define saving as making an outlay not to consume what is acquired finally and exhaustively today, but with the aim of giving rise to a greater income tomorrow, most routinely done by adding value in the course of a productive/entrepreneurial process...The key feature of this dense, reticular system of mutually-beneficial interaction is that it in no way relies upon any centralised control function—indeed, for all the weasel words of the rag-bag of anti-market intellectuals, from Krugman and Kaletsky to Stiglitz and Soros, every time the attempt has been made to impose one, the result has been to unleash at least three of the four horsemen of the Apocalypse upon the unfortunate victims of the Planners...To the extent that, in their primitive adherence to the toilet-flush hydraulics of their facile, consumer- demand model of the economy, the Bernankes of this world adulterate that money and deliberately contribute to its inconstancy, they— more than Robert Oppenheimer, even— are the modern- day Shivas, the Shatterers of Worlds before whom we should tremble.

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So Much For Libyan Rebel Oil Exports: Gaddafi

Latest News From The Fly On The Wall

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05-07 22:42: Doral Financial management to meet with B. Riley
05-07 21:39: AboveNet management to meet with RBC Capital
05-07 21:10: Cincinnati Financial management to meet with RBC Capital
05-07 20:54: CSG Systems management to meet with RBC Capital
05-07 20:20: KB Home management to meet with JP Morgan
05-07 20:14: UIL Holdings management to meet with JP Morgan
05-07 20:09: PROS management to meet with JP Morgan

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Forces Destroy Last Fuel Tanks Under Rebel Control; NATO Land Offensive Now Unavoidable

Submitted by Tyler Durden on 05/07/2011 21:00 -0400

Crude **Italy** **Reuters**

And so the badly thought out experiment to supply Libyan rebels with a central bank, to be used to fund an "alternative" fuel industry comes to a prompt and fiery end. Reuters reports that "Libyan government forces destroyed four fuel storage tanks and set several others ablaze in rebel-held Misrata, dealing a blow to the port city's ability to withstand a government siege, rebels said on Saturday." Not surprisingly this fits in perfectly with the assumption first postulated by Zero Hedge that Gaddafi will destroy his entire oil infrastructure before letting it fall into "enemy" hands. This likely marks the end of the Libyan rebellion and will force NATO to launch a land offensive or suffer a crushing blow to its already shaky reputation as globocop, especially now that the US is in theory at least, out of the air campaign against Gaddafi. Which means that the boots on the ground are soon coming. Alas, it will not be the marines in the Kearsarge. As the below naval update map indicates, the Kearsarge has been relieved and now has left the theater of operations, however replaced with LHD 5 Bataan.

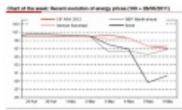
» **269 comments** **Read more**

Crash Or Correction?

SocGen Answers

Submitted by Tyler Durden on 05/07/2011 17:00 -0400

Crude European Central Bank India Japan Middle East Monetary Policy Norway OPEC Portugal Precious Metals SocGen Sovereign Debt Trichet Unemployment United Kingdom



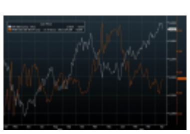
Following last week's crude drubbing brought about by correlations gone wild, following the 5 sequential margin hike-inspired collapse in silver, many are wondering if the silver correction is over, or if the crash is just starting. Here is Soc Gen joining in a very schizophrenic Goldman (a month ago: sell; yesterday: buy) telling clients the coast may be clear now that all the weakest hands have been purged (following SLV 88% share turnover on Thursday any latent mania elements have been exorcised).

» **145 comments** **Read more**

Guest Post: It’s Only PIG: Fears About Spain Are Overblown

Submitted by Tyler Durden on 05/07/2011 16:17 -0400

Belgium Central Banks Derisking Fail Germany Greece Gross Domestic Product Guest Post Ireland Italy Netherlands Portugal recovery Sovereigns Too Big To Fail



The

correlation between the Euro and Spanish credit risk shows that Spain is a domino too big to fail. It is difficult to conceive of a situation where policymakers would say goodbye to their own jobs by permitting a default. These are fundamentals that matter. It is doubtful that policy can actually stave off default, because liquidity provision is the limits of their arsenal. However, liquidity policy can extend kicking the can down the road for a time. The bottom line is cost of funding. Once it reaches a threshold level, there is just too much pain and default becomes the politically acceptable option. We are nowhere near funding costs that in Spanish government bonds. If fact, the relative pricing of synthetic and cash makes for a compelling trade.

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Osama bin Laden's Last Will

Submitted by Tyler Durden on 05/07/2011 15:56 -0400

Afghanistan **Mohammad** **Somalia**

In the name of Allah the merciful the forgiver,

[This is the] Will of a poor man to his god in the highest, Osama bin Mohammad bin Ladin,

Thanks be to Allah, and peace and prayers over the messenger of Allah, his family and all his companions. We implore his justice and guidance and call on him for assistance from our evil and ill deeds. He whom Allah guides, none can lead astray and he whom Allah leads astray, has no guide. And I testify that there is no god be he alone, ascribe no partners to him and I testify that Mohammad is his slave and messenger. We beg him in the highest to accept us in martyrdom along with the righteous of his worshipers and to perish us as Muslims.

Allah had commanded us that in case death approached to leave a will for both parents, relatives and all Muslims [...] and whatever saddens them, saddens me and Allah attests to what I am saying.

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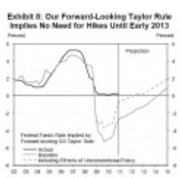
Goldman Lowers 2011 GDP Forecast

Submitted by Tyler Durden on 05/07/2011 12:31 -0400

Ben Bernanke **Congressional Budget Office** **Core CPI** **CPI** **Gross Domestic Product** **HIGHER UNEMPLOYMENT** **Middle East** **Monetary Policy** **Philly Fed** **Unemployment**



Once again Goldman confirms that shooting for the moon, when it comes to an artificial, self-sustainable "virtuous growth" cycle in a centally planned economy is an exercise in futility. As long expected, the gradual roll down in growth forecasts begins, and all of Wall Street's lemmings will rush next week to undercut each other, all the while blaming cold weather, hot weather, and any weather for not being able to see this. Fore one previous example (and there are dozens) of Zero Hedge indicating Goldman's overoptimistic forecast read here.

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EU To Greece: "We

Want To Help You Help Yourself"... And We Want To Own You After You File For Bankruptcy

Submitted by Tyler Durden on 05/07/2011 11:15 -0400

Budget Deficit Creditors Deutsche Bank European Central Bank European Union Eurozone Finland France George Papandreou Germany Greece Gross Domestic Product International Monetary Fund Ireland JPMorgan Chase Newspaper Portugal Recession recovery Sovereign Debt Trichet

Well, nobody is leaving the eurozone (as expected), but EU is merely ratcheting up the rhetoric one notch seeing full well what happens to countries that continue to endorse unlimited banker bail outs. And it is likely that the war of words will simply continue escalating until such time as the Greek restructuring becomes inevitable, which will likely happen not sooner than a year from now due to Greek bailout liquidity availability and nobody will push the country to do the inevitable until there is even one spare euro in the coffers for fears of what will happen to Deutsche Bank and the European financial domino. So for those wondering what happened at last night's secret finance minister meeting, one one hand, as Dow Jones reports, Greece "asked its euro-zone partners to ease the country's deficit targets as it struggles to comply with strict austerity terms set under last year's financial bailout agreement, a senior euro-zone government official said Saturday. The senior official said Greece acknowledged that it is unlikely to be able to return to the bond market next year and might need to tap the European Financial Stability Facility, the EU's new bailout fund, for funding. A German proposal to possibly extend the maturities of Greek debt falling due in 2012 also was discussed, this person said. Athens has a long-term borrowing requirement of EUR27 billion in 2012. "Greece has asked for the deficit targets to be eased, specifically to push the budget deficit target of 3% of GDP in 2014 forward by at least two years."" Alas, as expected the latest panhandling attempt by Greece was met with abject failure: "No decisions were taken, according to the Commission's statement. Greece's request for easier terms didn't win the assent of Germany and other participants in Friday's meeting, according to a senior European official." In other words, the country is on autopilot, and possibly worse. Per Bloomberg: "European Union officials may require Greece to provide collateral for aid as policy makers struggle to prevent the euro area's first sovereign debt restructuring, said a person with direct knowledge of the situation."In other words, for the first time since Weimar, a country may soon be forced to collateralize superpriority debt issuance to foreign creditors: an exercise not really seen in international politics since the Weimar war reparations... and at least Germany had its own currency back then. Summary: **the EU just told Greece to prepare for Debtor in Possession loan issuance.** Basically should Greece default, and it will, the Parthenon will go to Germany, Santorini will go to Luxembourg, Piraeos will likely end up in IMF hands, and the Chinese will own the rest. Welcome to sovereign debt restructurings for the 21st century.

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Weekly Bull-

Bear Recap: May 2-6,2011

Submitted by Tyler Durden on 05/07/2011 10:49 -0400

BLS **Bureau of Labor Statistics** **Gallup** **Great Depression** **Greece** **Housing Market** **Initial Jobless Claims** **Ireland** **Portugal** **Real estate** **Recession** **recovery** **Unemployment** **Unemployment Benefits**

Comprehensive summary of this week's key bullish and bearish events

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Goldman Downgrades 2011-2012 GDP from 3.5%-4.0% To 3.0% To 3.5%

Submitted by Tyler Durden on 05/06/2011 21:25 -0400

Gross Domestic Product

As expected... and this is just the beginning. More tomorrow.

» **75 comments** **Read more**

How The CBOT, Comex And CFTC Coordinated To Break The Last Silver Price Surge

Submitted by Tyler Durden on 05/06/2011 19:08 -0400

Bill Gross **Central Banks** **Commodity Futures Trading Commission** **Futures market** **Japan** **new economy** **Precious Metals** **Recession** **Testimony** **Zurich**

Just like QE is nothing new in the monetary arena, and has seen some incarnation at least since the early 80's primarily in Japan, so parabolic commodity price surges have occurred periodically, most notably in 1980, when Bunker Hunt brought the price of silver to over $50. However, unlike any time before, never in the history of the world have we seen a coordinated worldwide monetary stimulus via relentless credit money "printing" courtesy of global central banks. In that regard, this time really is different, as there is no other remaining backstop to the world financial system: the global banking cartel has used up all its bullets and now can only double down in the most nightmarish Martingale system ever conceived, where each iteration means further fiat absolute value destruction (on a relative basis it simply means a race to the currency bottom, whereby definition only one can be in the lead at any given moment: usually the one with the biggest printing press, and greatest deflationary threat). And while many still believe that QE2 will be the last of domestic US monetary easing episodes, as Bill Gross noted earlier, it is very possible that the US may be headed into a triple-dip recession, for which the only prescription will be another QE round (with political gridlock in DC at unseen levels no fiscal stimulus is even remotely possible). If this happens, precious metals will once again surge. The only question is what will the exchanges do after the next gold and silver spike? Indeed, as we suggest, margin hikes are just the beginning. For a complete playbook of how the CME may proceed after the margin hike approach fails, we once again go back to the curious case of Bunker Hunt. Below, from the Playbook biopic of the Texas billionaire we posted yesterday, we present the walk through of how the CBOT, Comex and CFTC tried to break silver's back. Back in 1980 they succeeded. Have they, and will they succeed this time?

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Greece Update

Submitted by Tyler Durden on 05/06/2011 17:41 -0400

Greece

Just as expected:

- EU'S JUNCKER SAYS `STUPID' TO TALK OF GREECE EURO EXIT
- EU'S JUNCKER SAYS `NO WAY' GREECE WILL LEAVE EURO AREA
- EU MINISTERS TO DISCUSS NEW `ADJUSTMENT PROGRAM' FOR GREECE

But yes, the EURUSD will open at 1.43 on Monday, not 1.45. FX ping pong game mission accomplished.

» **96 comments**

Physical Silver Update

Submitted by Tyler Durden on 05/06/2011 17:34 -0400

And meanwhile, the repulsion to silver as exhibited by both the Comex (where as we predicted yesterday we see the first 32MM ounce handle in registered silver - a new record low), and Scotia Mocatta indicates that the silver paper and physical markets are in perfect unison. Or not. But yes, the feedback loop mechanism of SLV unwinds will likely have a greater impact on the paper market until such time as it once again reverses and aligns paper and physical interests yet again.

» **417 comments** **Read more**

Official Greek

Response To Der Spiegel Article

Submitted by Tyler Durden on 05/06/2011 16:59 -0400

Eurozone Greece

Looks like this one time the Greeks may actually be telling the truth. But who cares: by Monday, when every nation in the eurozone will be right where it was on Friday, the EURUSD will be 200 pips lower. Mission accomplished. Although unlike in 2010, we are absolutely certain no investigation will ever be launched to discover who instigated this EUR hit piece which just end up benefitting both Greece, German and... the eurozone. And yet, should it be uncovered one day that none other than Greece initiated this process to weaken the euro we would be almost as surprised as learning that Greek banks had bought CDS on Greek debt.

» 48 comments Read more

PriceStats - The Beginning Of The End For BLS Data Manipulation?

Submitted by Tyler Durden on 05/06/2011 16:52 -0400

BLS Bureau of Labor Statistics Federal Reserve LBO Monetary Policy State Street Stock Recall

Had enough of neverending BLS inflation data manipulation? You may be in luck. Hot on the heels of the MIT Billion Prices Project (which we were delighted to see recently came back on line), there now is... PriceStats, potentially the most revolutionary concept to come to the fielf of econometrics, and thus fiscal and monetary policy in ages.

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Here Is Who Is Funding Consumer Credit YTD

Submitted by Tyler Durden on 05/06/2011 16:39 -0400

Consumer Credit

Earlier today the Fed announced that consumer credit increased by $6 billion in March, $1 billion greater than expectations, with *seasonally adjusted* revolving credit increasing by $1.9 billion, only the second time it has grown in the past 31 months (as shown below). Non-revolving credit also increased by $4.1 billion, both number to be trumpeted in the mainstream media, as it means that in March US consumers we using the credit cards once again to lever up. Yet two things that will not be discussed is that non-seasonally adjusted credit declined for the third month in a row to $2,407.5, an $8.9 billion drop M/M, following a $16.5 billion drop in February. But probably more importantly, the question of where all this credit comes from is once again perhaps best answered graphically: second chart below. As usual, thank you Uncle Sam... Which simply means that no banks wish to lend yet again. And yes, the government is and continues to be the only major source of credit (primarily for student and car loans).

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