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Bankers and Finance Ministers Gather in Emergency Meeting

WESTLAKE VILLAGE, CA, USA, April 19, 2016 /EINPresswire.com/ -- On April 18, 2016, in the latest market update the Equity Management Academy (EMA) argued that slowing car sales, rising student debt, decreasing manufacturing, and other weak economic indications have forced global economic leaders to meet in Washington to discuss ways of controlling the coming economic collapse.

EMA said that US central banks have been able to push the stock market up and gold is being suppressed once again, but each time gold gets “higher and higher,” and the effect of “the suppression is getting smaller and smaller.” EMA argued that governments are “losing control over what is going on.” We are “Starting to see this picture of a total collapse right in front of us…We are almost there.”

In a rare occurrence President Obama and Vice President Biden attended the closed-door meetings to discuss, EMA argued, the economy. EMA said, “Economic indicators around the world are falling faster than they can manipulate them. Everything is moving faster and faster.”

The data points indicate that used car inventories have hit record highs, which has forced dealers to lower their prices on new cars. The price increase has led to a sales slowdown. Used car prices are falling as they did in 2008, with household spending on new automobiles also beginning to decline and, with that decline auto manufacturing is beginning to fall. Since January of 2012, car manufacturing accounted for about 40% of economic growth, so without it, the economy would be contracting.

The government can engineer ways to give free money to hedge funds and banks to drive prices up in stocks and bonds, EMA said. The government has also lowered interest rates so banks can make loans to “anyone with a heartbeat.” Even so, EMA said, “They can’t control how people are spending their money.” This shows up in retail, with “a lot of stores are closing.” Retail sales are down because “Americans just don’t have the money.” There was a .3% decrease in retail spending in March.

EMA argued that “Everything is declining.” The business inventories-to-sales ratio is at 1.41. In 2008 it hit 1.47 and we are almost there again. In 2008 when we hit that new high, everything fell apart.

EMA argued that we are “In the middle of a dead-cat bounce in the market.” The Baltic Dry Index is at all-time historical lows and “nothing has improved.”

The IMF is predicting only .3% growth and stagnation in the global economy, with more layoffs. “The economic illusion,” EMA said, “does not make sense. Things are rapidly falling apart. Facts are showing us that the entire economy is going in a direction...and it’s going to end up collapsing.”

The government can prop up stocks, bail-out banks, and guarantee loans for houses, EMA said, but there is a problem with student loans. The government can’t really bail them out. Even so, the government has slowly expanded student loan write-offs, starting with lawyers and then the disabled. The government is “continually” adding “different groups.” This tactic makes it “possible for the government, really the US taxpayer, to bailout the trillion dollar student debt market.” Disabled students owe about $7.7 billion in debt, which is a significant start to reducing the size of the student-debt bubble.

EMA argued that major banks lack plans to stave off a crisis because the “Banks really don’t care.” If a major crisis hits, they will just “start taking the people’s money.” The update argued that just such an outcome happened in Austria, Cyprus and Italy, and “it’s going to happen everywhere” because governments don’t have enough in their insurance funds to cover all the deposits in all the banks if they all go.

The IMF reported recently that they expect stock markets around the world to fall 20% or more. EMA argued that, since the IMF is usually overly conservative, the fall will probably be “far worse,” in the 50% or 60% range.

EMA concluded that with the increasing loss of confidence, “markets will drop dramatically.” EMA predicted that in the “Next couple of months we are going to start to see things really start to rip apart.”

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