MONETARY SCENARIOS

January 7 2020

Global Monetary Viewpoint

Author:
Dr Brendan Brown

EXECUTIVE SUMMARY:
Symptoms of monetary inflation – both in goods and asset markets – are becoming more serious, as we enter the 2020s. There are no grounds for complacency, based on narratives spun by central bankers or by finance professionals.

The central bankers tell us (via their giant propaganda machines) that they have everything under control, in the world of the 2 per cent inflation standard. But this is an emperor's new clothes tale.

Efficient marketeers, whose doctrines have helped spur a fantastic growth of passive investment via ETFs are in effect "sirens" of asset inflation.

Investors should continue to expect the worst about Europe's financial and monetary outlook. Negative interest rate policy is on its way out but other flaws are deepening as asset inflation strengthens.

New Decade: new inflation challenges

Diagnosing asset inflation at start of new decade

Goods inflation emerging from camouflage of disinflation

Absurdity of central banks reliance on econometrics .

Fama's doctrine of market efficiency – a big monetary problem

.

Random walkers down Wall Street beware.

Business cycle forecasts are futile but intuition possible .

Investment challenges 2020

Potential downward forces on global economy in 2020

In Europe, NIRP on way out, but euro unlikely to gain.

Bottom Line:

.

DEAR READER

We invite you to read the full version of this report by visiting our associate website:
www.macrohedgeadvisors.com
And as always, we welcome your feedback and any questions.
Best regards,
Dr. Brendan Brown
e-mail:
brendan@macrohedgeadvisors.com