



# EC NEWS Letter 1



The Worlds Trading Machine!

## ECONOMIC CONSULTANTS

News letter 2 / 2012

*Mr. Aquilino "Jun" Bernaldez JR*

**New Philippine Representative**

Editor

**Lars Johan Myrtroen,**

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## EU Still in Pain!

Nothing much has actually changed over the last month or so. Mrs Merkel had her victory, the Brits refused to go along as we all new would happen, and the Swedes got their own deal. Sweden, lead by a very successful conservative government and one of the very few European countries making money has the strength to dictate their own terms and will join as an observer.

Interesting though is what might come out of this. Will we see countries like Greece, Italy and Portugal turn from a 50% black economy to a more foreseeable and controllable economy? How long will it take? And will new means bring a solution to the enormous debt problem. I am unfortunately afraid that the PIGI countries will resist as long as possible, and that it will be impossible to avoid huge losses for banks and North Western European countries. Europe's biggest problem has been and will be the lack of a common fiscal policy. Before that is in place there will still be problems. New and similar tax systems has to be in place and the same goes for pensions. The Greeks can not anticipate that German workers will continue working into their late sixties while they drop off in their early fifties. So the price for the bail out will be a harmonised system dictated by the Germans and perhaps in three to five years time from now, we will see a more united Europe than ever before going forward in strength. I think we have seen the last of Britain's influence in shaping European mainland policies and in the future will see a more independent England making

its own deals and stick to their Pound. And as I have said earlier a stronger alliance with Norway may come as a result of the fact that Norway will not become a member although both the labour party's elite and the conservatives want to join, the population will stop it. With Norway's enormous gas and oil reserves that might not be such a bad idea for the next 25 years ahead of us.

## Currency

The Norwegian Krone has strengthen again against most currencies apart from the British Pound.

Since the peak in early May last year (1.49) the Euro has fallen against the US\$, now stumbling around 1.31/2. It was reason to believe that yesterdays agreement would have given some strength to the Euro, but the small raise did not last for too long and it seems like no one believes that the European Union will be able to avoid what's coming.

The Swedish Krone is as predicted stable and standing strong against the Euro. If it continues like now they will have gone back to last February's 8,79 level in a couple of weeks. The drop in the Euro has been dramatic falling from 11.18 in March 2009. If looking at the development against the USD you will see a different picture and it will exiting to see if the SEK will continue strengthening its position or if it is over for now.

## Interest Rates

With little growth in the Norwegian

economy another drop in interest rates is likely to come. The Norwegian Central Bank has always had a tendency of late (often too late) reactions so we may have to wait until March before we will have a change. Whether Mr. Olsen will be as bold as last time remains to be seen, but a cut will come. And with still a slow European marked our prediction of a reduction before the end of Q1 has become even more likely.

For Europe and the UK we will still see a stable level of interest rates and as we have said earlier it is not much more to go on. Key factors will be if they will be able to handle the sky high unemployment levels and bring growth into the economy. With heavy cut backs in government spending growth must come from the private sector. It is still hard to see how that can happen without finding ways of stimulating trade and here I guess we will see the difference of socialistic and liberal models. The country most successful is Sweden and Germany and the first one is most impressive since they have managed to turn the disaster their socialist government had managed to create. A model well worth studying.

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Operating System; Genuine Windows® 7 Home Premium (64 BIT). Exceptionally slim and stunningly powerful at 23 mm (0.9) thin and starting at 1.98 kgs (4.36 lbs) the XPS™ 14z is with a built-in DVD player and discrete graphics.



Yet it delivers uncompromising performance with 2nd Gen Intel® Core™ iX processor. With up to 6 hours 42 minutes of battery life, you're ready to go. And for those interested in details, please start reading; Memory 144MB 1333MHz Dual Channel DDR3 SDRAM [1x4096 + 1x2048] 8192MB 1333MHz Dual Channel DDR3 SDRAM [2x4096] Chipset Intel® HM67 Video Card 1GB NVIDIA® GeForce® GT 520M Graphics Card with Optimus. Display; 14.0" (36cm) HD WLED True-Life W/ETE & Slim Bezel (1366x768) with 1.3 Mega Pixel HD Camera. Audio and Speakers; High Definition Audio +Waves MaxxAudio® 5.1 Surround sound can be supported via HDMI.



Hard Drive Up to 750GB SATA hard drive (7200RPM). Up to 256GB Solid State hard drive. Optical Drive, Slot load 8x DVD +/- RW (reads & writes to CD/DVD) (9.5mm). Power; 8-Cell Prismatic (58WWhr, 2.0Ahr) AC Adapter 65 Watt AC adaptor for UMA graphics, 90 Watt AC adaptor for discrete graphics. Camera 1.3MP HD with dual array digital microphones. Wireless 10/100/1000 Ethernet network standard Intel® Centrino® Advanced-N 6230 802.11 a/g/n (2x2) Bluetooth 3.0 (not available in Russia) Intel® Wireless Display ready\*Media Card Reader 7-in-1 supporting MMC, SD, xD, MS, MS Pro, MS Duo, MS Pro Duo. Ports, Slots & Chassis HDMI 1.4 (1), Mini DisplayPort (1), RJ-45 (1), headphone (1), microphone (1) 2 total USB ports; USB 3.0 (1); USB 2.0 (1) Starting at 4.36lbs (1.98 kg) Starting at 4.12lbs (1.87 kg) with optional SSD Dimensions (HxWxD) Height: 0.9" (23mm) / Width: 13.9" (335mm) / Depth 9.21" (234mm) Display; 14" High Definition (720p) WLED with TrueLife™ with edge-to-edge glass (1366x768); 200-nit typical Keyboard/Touchpad Standard full size, backlit chiclet keyboard; spill-resistant Multi-Touchpad with Integrated Scrolling & Gestures and two mechanical buttons; 100 x 53 mm - centered on system Productivity & Entertainment Software Dell™ Stage & WebCam Central,

Skype™, Cozi, Adobe® Acrobat® Reader X, Adobe Photoshop® Elements Trial 8, Microsoft® Office Starter 2010 (reduced-functionality versions of Word and Excel with advertising), Internet Explorer 8, Windows Live™, McAfee SecurityCenter trial, Dell DataSafe; Roxio Creator Starter. Services; Dell Basic 1 Year Mail-in Service and Limited Hardware Warranty\* standard. For more information; <http://www.dell.com/> ! UK price from GBP 890.

## EC Organisation

We decided last year to strengthen the EC organisation. We will still continue working as before with a more loosely formed organisation, but representatives with a close connection will be added to the group. First out in January is **Mr. Aquilino "Jun" Bernaldez JR.** Jun is based in the Philippines and will make a great asset to the organisation.

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If you want any information on our exiting projects, you are more than welcome to contact us. A number of new and useful Templates are published every month. Stay on top go to the

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regularly!

**LJ Myrtroen**

Senior Partner