

IMF predicts high risk of global depression

Posted At : October 10, 2012 7:58 PM | Posted By : Michael Smith

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If you didn't like the astrology or other technical forecasts of a global depression and stock crash perhaps an International Monetary Fund report would be of interest.

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In a just-released 250-page report, the IMF is warning that there are terrifying storm clouds on the horizon — **“alarmingly high risk” of a deeper global slump.**

Here are just a few bombshells we've gleaned from its hot-off-the-presses report:

The global economy will grow less than any time since the 2009 recession. That means most companies around the world will suffer a big decline in profits for many quarters to come.

The world is choking on government debt: The debt has now reached pandemic proportions — an undeniable reality that raises the likelihood of skyrocketing interest rates, another big negative for growth, profits and stocks.

The U.S. Fiscal Cliff is a huge threat: Unless U.S. lawmakers can somehow avoid the automatic tax increases and spending cuts slated for January 1, it will trigger an even deeper global recession.

Government spending cuts are killing the world economy: Austerity budgets — massive government cutbacks already hitting in Europe and also on the way in the U.S. — are smothering the global economy with no end in sight.

Unemployment “gains” are a mirage: Global growth is far too weak to cause any REAL reductions in the unemployment rate.

Business and consumer confidence is “exceptionally fragile.” In fact, it's already sinking and is likely to fall a lot more.

The stock rally is a trap: According to the IMF, massive, unprecedented central bank money printing — including the Fed's “QE-Infinity” is the ONLY thing buoying economies and investment markets. Moreover, that money printing is making global inflation more likely — another big negative.

- Sources
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