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| Longer Term Issues  5th August 2024  **Last modified** – Ongoing BOJ Intervention (7th June 2024) | |
| **Critical Items**      – Impact**: Possible Immediate Impact** | |
|  | **US-** Monitor - Long & Short term effects of US presidential race on the USD. Possible safe haven demand, & more volatility. (13th June 2024)  **AI Perspective**: [What are the likely effects of a change in USD value because of a presidential... (perplexity.ai)](https://www.perplexity.ai/search/what-are-the-likely-effects-of-HxhWWzNfTRCqxjJd44Miag#1)  **Japan** – Monitor  Ongoing BOJ Intervention Confirmed – (7th June 2024)  https://www.forexfactory.com/news/1288017-japan-finmin-suzuki-fx-intervention-should-be-used?&highlight=japan  **European & UK Elections** – Monitor – Far Right influence + Violence    **All Countries– Inflation**  (Added:  30th April 2023) – Closely monitor the Central Banks (Fed & others) for Recession mitigation   & Interest Rate Changes.  **Israel & Iran & Gaza/Hamas** – Monitor – Conflict Escalation & Possible Nuclear Arsenal   (Update: 14 Oct 2023, 22 Aug 21)  Monitor - Red Sea skirmishes (Added: 23rd Dec 2023)  **US-Iran** – Monitor – War or Retaliation - Tensions Escalate  **China – Real Estate/Evergrande issue - possible deflation setting up**  (Updated: 30 March 2024, 3 Feb 2024, 25 Nov 2023, 19 Aug 2023 & 26 Aug 21) – Monitor - impact on trading partners - esp Aus & NZ  <https://www.forexfactory.com/news/1235581-china-new-loans-plunge-to-2009-low-in?&highlight=china> – Monitor – Another bank, Zhongzhi, has collapsed. It supported construction companies & they are weak.   https://techstory.in/china-deals-with-debt-blow/ – Real Estate crisis threatens banks  <https://creditnews.com/markets/chinas-property-crisis-threatens-the-countrys-largest-banks/> – Evergrande in liquidation  <https://www.cnbc.com/2024/01/29/evergrande-shares-halted-after-hong-kong-court-orders-liquidation-.html> – Zhongzhi Enterprise Group ( China’s largest shadow bank) is declaring itself “severely insolvent.” Involved in trust, wealth funds & real estate projects & management.  <https://english.elpais.com/economy-and-business/2023-11-24/zhongzhi-one-of-chinas-major-shadow-banks-declares-itself-severely-insolvent.html>  – Evergrande has filed for bankruptcy in the US  <https://www.reuters.com/legal/china-evergrande-files-chapter-15-bankruptcy-us-court-filing-2023-08-17/> – Monitor as it could impact China’s banking system – Evergrande defaulted on an [interest payment to Australia 1st Oct 2021](https://www.abc.net.au/news/2021-10-01/asx-stocks-wall-street-inflation-australian-market/100499256)    [**Silicon Valley Bank collapse**](https://www.forexfactory.com/news/1210099-silicon-valley-bank-collapses-after-failing-to-raise) + contagion? (Updated 18 March 2023, Added:  11 March 2023)  Monitor: Still ongoing impacts in US & includes the global banking system.  SVB, Silvergate, Signature, Credit Suisse & now First Republic  <https://en.wikipedia.org/wiki/2023_banking_crisis>  **BRICs – 5 more countries have joined** (Added:  11 March 2023) https://www.cmegroup.com/openmarkets/fx/2023/Are-Threats-to-the-USDs-Role-as-a-Reserve-Currency-Real.html  **All Countries– Covid19** – Corona Virus – Monitor for business changes.  **US vs China**– Monitor Trade war Pay attention to any escalation  **Goldman Sachs Analysis** – Be prudent about the analysis re US economy (22 Aug 2021)  **Afghanistan** – Unfolding Situation (Updated: 22 Aug 21) |
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| **Important Items**      – Impact:**Medium Term Impact** | |
|  | **Impact of AI on workforce** – (Added:  17h May 2024)  Monitor - IMF: likely impact 60% of jobs in advanced economies and 40% of jobs   around the world in the next two years,  https://www.reuters.com/technology/artificial-intelligence-hitting-labour-forces-like-tsunami-imf-chief-2024-05-13/  **US Dollar losing primacy as Reserve Currency** (Added:  23 March 2022)    Russia demanding Roubles or Yuan instead of USD for payments.  <https://www.forexfactory.com/news/1146816-the-us-dollars-global-standing-as-the-top>  <https://www.reuters.com/business/energy/putin-says-russia-will-start-selling-gas-unfriendly-countries-roubles-2022-03-23/>  **Russia Rouble Unsteady** – (Updated: 16 June 2024, 08-2022, 02-2022 & 2021, 07-2023)  Monitor - impact from sanctions & war  <https://www.forexfactory.com/search?searchid=44391641>  **USSR/Ukraine** – Monitor  V Tight Sanctions now in place.   <https://www.newsweek.com/russia-china-yuan-ruble-1912458>  <https://edition.cnn.com/2024/06/13/investing/us-russia-sanctions-dollar-euro-trading/index.html> – Impacts money access, productions, Sales Personal, ports, shippers, oil.  – Impacts incomes = inflation, bank stability.  https://www.washingtonpost.com/world/2024/06/13/russia-sanctions-us-war-ukraine/  **USSR Leadership issues** – Monitor (Added:  1st July 2023)  **USSR/Balkin states** – Monitor (Added 1 Oct 2023) Conflicts are starting to be seen  **Banks under Scrutiny by ECB** – (Added:  4th December 2022)  Monitor for limited credit causing financial problems Effects Deutsche Bank & BNP Paribas  **Banks warned of CRE Risks (Commercial Real Estate)** – (Added:  11th February 2024)  Monitor for limited credit causing financial problems Effects Deutsche Bank & BNP Paribas  <https://financialpost.com/fp-finance/banking/commercial-real-estate-contagion-spreads-to-europe>  <https://www.bnnbloomberg.ca/ecb-warns-banks-to-grasp-real-estate-risks-or-face-capital-hits-1.2033023>  **China/Taiwan** – Monitor for possible aggression as per Chinese general saying military action is considered.  **EU – Poland**– Monitor for possible Issues (Updated: 9 Oct 2021)    after Poland Constitutional Court decision. PolExit?  **European Union Dissolving?** Monitor the EU for interstate difficulties exacerbated by the Covid19 epidemic via EU Council meeting relationships degrading – also monitor Germany’s Constitutional Court Ruling for future implications – re EURO viability, EU partnerships, & possible end of EU? More info here: www.cnbc.com/  **China/Hong Kong** – Monitor  **EU** – Germany’s political situation is not settled Additional EU Entrants possible?  **Syria** – Could disrupt in the markets  **Libya** – Geopolitical/Military escalation could affect Oil Prices  **ECB** – Monitor statements for weakening impacts ECB outlook is becoming more pessimistic re EU Economy Monitor any action taken if/when QE ceases at Year End. |
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| **Ongoing Items**      – Impact: **Very Long Term Repercussions** | |
|  | **Italy** – Monitor (Updated: 17 July 2022, - 14 Feb 2021) Draghi quits as PM, could still impact EU – Monitor – Budget & Banking System – Monitor – Possible EU Penalty & alternate currency  **OPEC** – Monitor (Updated: 16 June 2024, July 2023)   https://www.kitco.com/news/article/2024-06-13/saudi-arabia-ends-petrodollar-agreement-what-it-means-usd-bitcoin-and-gold  – Unexpectedly dropped the price   – considering dropping USD as denomination currency  – Influence of terrorism on production has risen.  **German Bank (WireCard) Bankrupted** – Monitor for possible future ramifications for stability – eg domino effect a la Lehman Brothers.  **Karlsruhe German Constitutional Court**(Updated: 9 May 21) Monitor: Decision re ECB PEPP (QE) Could be revoked causing major impact on the German economy  **China vs India vs Pakistan**– Monitor conflicts along border.  **GBP – Taylor Swift delay Rate Cut?** (Giggle)– (Added:  4th December 2022)  https://www.cnbc.com/2024/06/14/taylor-swift-london-eras-tour-delay-bank-of-england-rate-cut.html |
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