

Higher Rates Rallied the Dollar and Wrecked the Euro

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We are still in London ... in meetings ... with French, Americans, English, Spaniards, Germans, Australians ...

The Stock Exchange takes a hit ...

As reported by Boursorama, the Paris Stock Exchange opened a 0.63% decline today (15 June) ... after the Fed announced an increase in its rates yesterday.

As expected, Fed leader Janet Yellen announced a key interest rate hike of 0.25%.

Analysts believed that the market had "integrated" the scenario of the rate hike that was preparing ... but the downturn we saw today could signal that the market was hoping the Fed would postpone the rise to later.

On Wall Street, Yellen's announcement seems to have depressed investors ... who expect the Fed to continue to push up its rate.

The New York Times:

"[Investors] believe the Fed will raise its short-term rate again before the end of 2017, and three more times in 2018, despite low inflation, which may well fall below the expected 2% By the Fed. "

While the Fed raises its rates, which strengthens the dollar, the ECB intends to keep current rates.

The result?

The euro has gone down against the dollar.

The media in France take note of Bitcoin ...

As the euro declines, the Bitcoin, Ethereum, and other currencies explode ...

Ethereum, for example, rose from less than \$ 8 in early January 2017, to more than \$ 400 per "piece" today ...

Les Echos note:

"There are no longer any limits to the evolution of the bitcoin: 10,000, 100,000 and 1 million dollars, are the next psychological targets and thresholds for the currency in the months and years to come."

In general, when the media talk about an asset, then this asset has reached a "peak ..."

When everyone knows the story of the Bitcoin, then the ascent is over ...

In 2014, Bitcoin experienced a lot of publicity in the media, who first noticed the currency ...

After reaching a peak in early 2014, the currency fell by half in the following 18 months ...

Even if Bitcoin can go higher in term, we could see a significant downturn in the coming months ...

What's the point of having a Baccalaureate?

A friend talked to us about a high school nearby our ... the success of the Bac is 100% ... and the rate of "very good" is about 80%.

Our leaders have spent the last 30 years reducing the difficulty of the Bac ...

A journalist for Le Monde says what is obvious: the success rate of 90% in France has nothing to do with the level of students:

"... the results of the bac are no longer determined by the level of the candidates: they derive above all from numerical targets set by the National Education."

Of course, the State believes that "doing well ..." even if no positive result results ...

What to do...?

Similarly, the state devalues ??savings by reducing our interest rates ... and believes "do well," even if the economy does not leave.

How can we defend ourselves ...?

We will return to this topic in the next few days.

Truly,

Henri Bonner