Putin's Last Order Could Mean the End of the Dollar.

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The Fed continues to tighten the monetary screw. But it's too late because the dollar demand in the world is decreasing. Yesterday we saw that gold prices in dollars were approaching resistance. The rise in gold is due not to North Korea, but to a fall in the dollar against other currencies that began in early 2017. However, even this explanation to the rise of gold is too superficial. How is it that the dollar weakens when the Fed is the only major central bank to raise its rates - since 2015 - and start a reduction in its balance sheet? As you can see from the curve of the dollar index, the yesterday's announcement by the Fed of a further increase in rates for the end of the year and the reduction of its balance sheet has provoked a reaction, but nothing very spectacular. The world's elite would prefer that this book does not exist ... On the way to bankruptcy The truth about the secret plan put in place by our leaders: use your money to bail out their mistakes. Learn how to protect yourself by clicking here . For its part, the dollar-denominated gold did not sink at all. Although ironed slightly below $ 1,300 per ounce, there was no violent stall. Supply and demand, even for currency ... Money is no longer a tangible asset or a commodity - but the laws of supply and demand apply as it does to any service. The supply is Treasury bills, deficits and US debt. The demand abroad is made by those who trade and those who are indebted in dollars rather than in their currencies. The dollar index therefore depends on the demand for dollars in the world. China, Russia and some emerging countries are trying to dispense with the dollar. This gives for example titles like these: Many commercial contracts between China, Russia and Brazil are now signed in local currency. China, the world's largest oil importer, will launch oil futures in Chinese yuan and convertible into gold. Oil exporters (including Russia) will very soon have the choice to circumvent the greenback . All this reduces the demand for dollars. On the supply side, let us remember that the debt ceiling no longer exists since September 7. As Bill Bonner said , "less than 48 hours after Congress approved the suspension of the debt ceiling, more than $ 300 billion" were issued. Today, we learn that it is $ 700 billion for the army. Interest rate increases and $ 10 billion less per month do not weigh heavily on such abundance. Under these conditions - supply up and demand down - it is normal for the dollar to fall. Can the screw tightening of the Fed balance this trend? Everyone knows that the huge pyramid of bad debts only holds because the rates are very low. Gold - the financial asset of last resort and the debt of no one - attracts those who want to have it before the cracks in the debt pyramid begin to open gaping under the effect of rate hikes. The day of September 20 does not reverse a key point: the gold bull market resumed in the fall of 2016 and remains intact.