

Does the US bankless control of the money system?

Retrieved Tuesday 21st of March 2017 06:37:23 PM



This week, the US Fed has spent the last 16 months interest rates. These were the **First increases for 11 years**. Janet Yellen and the world's leading provider of financial services to the banking system, from 0.75% to 1%. The US central bank responded, in the first period, latest. **Will the higher rates of interest now trigger a recession in the US or even worldwide? Is the global economic crisis in the making?** Will the gold price fall due to higher interest rates?

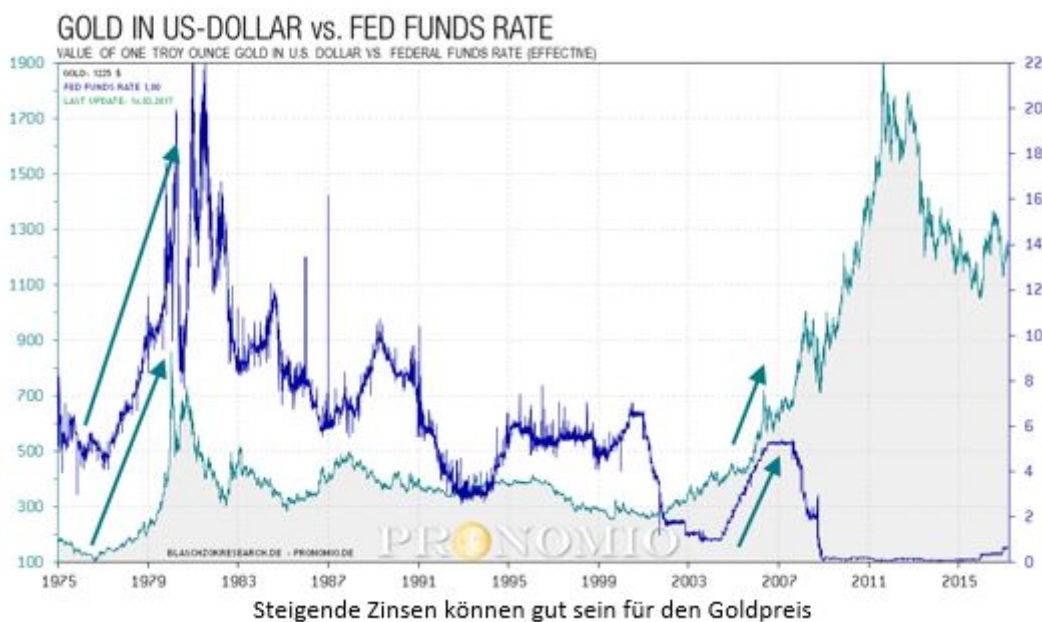
The markets reacted to the interest rate hike

Typically, the markets always react with the same pattern on interest rate. The stock markets and the gold price fall as the dollar and securities rise. This time, however, the markets reacted completely. The gold price rose by \$ 34 to \$ 1.234 (+ 2.8%), the American stock market earned a percentage, and the US dollar shed, while the euro was able to gain a US cent against the dollar. The reason for this seemingly contradictory behavior is the following: The markets had a tightening of monetary policy after the election of Donald Trump. The Fed in Washington only counted with the promulgation of four instead of three. As monetary policy is not exacerbated and the same, the market reaction was rather than raised.

The markets should be differentiated than the US bank planned. Has it lost control of the markets? Probably the FED was surprised by the reaction, which gave them a dash through the bill. **I would like to thank you for your comments.**

Gold profits from rising interest rates

As the following chart shows, In the 1970s interest rates in the US were increased by 20%, while the price of gold increased. Even today, the price of gold rose further.



Please note: It does not matter much, but why, interest rates are rising.

- If interest rates rise as a result of a strong economy while maintaining the same time maintaining price stability, this is not the only source of income.
- However, interest rates can also rise as a result of inflation, as inflation is always chalked on interest rates. In the 1970s, inflation and currency devaluations in the western world after the end of the gold standard. The banknotes followed only by the market trend. The central bank thus expects the interest rate level and the high inflation rate (inflation) to continue. Even the ECB was thinking of raising interest rates in this environment, rising interest rates. The exact same scenario we are experiencing again today.

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As long as the real interest rate is negative, the price of gold will continue to rise in the double-digit range. The US government bonds in the seventies, despite the historically high key interest rates, the real interest rates on the markets were negative and the gold price continued to rise. Since 1996, real interest rates have been permanent negative, which explains why the price of gold has been rising from \$ 260 to \$ 1900. The.



Do not let the rise of interest in the US. Inflation is rising. In times of inflation, gold and silver are the best protection to secure your assets. The rising market interest rates will have an impact on the economy and this will slide into a recession or even depression. But every. If you are looking for gold and silver, you can protect your assets from inflation by inflation and thus outperform the coming economic crisis.

Your

A handwritten signature in blue ink, appearing to read 'M. Blaschzok', written in a cursive style.

[Markus Blaschzok](#)

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