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On a long enough timeline the survival rate for everyone drops to zero.

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**Will We Have Inflation, Deflation, or Hyperinflation? Part 3**

Posted by: Econophile  
 Post date: 06/28/2010 - 00:48  
 This is Part 3 of a major four part series dealing with what I feel is the primary question investors must now answer: is our future to be inflation or deflation? The answer has vast implications to our investment planning and decisions for the near term, and possibly for our long term. It is a very complex question with a lot of moving parts involving economics and politics.

**Showdown: U.S. Sends Warships to Confront Iran**

Posted by: George Washington  
 Post date: 06/27/2010 - 23:25  
 What's really going on with Iran?

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Posted by: George Washington  
 Post date: 06/27/2010 - 23:15  
 Things are not as they seem ...

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**Evans-Pritchard Announces Fed Contemplating \$5 Trillion QE Expansion**



Submitted by [Tyler Durden](#) on 06/24/2010 23:38 -0500

[Ben Bernanke](#) [Bob Janjuah](#) [Central Banks](#) [Discount Window](#) [Evans-Pritchard](#) [Quantitative Easing](#) [RBS](#) [Unemployment](#)

In his latest column, the Daily Telegraph's A. Evans-Pritchard does a good job of recapping all the various reasons why Bernanke has now completely cornered himself, and facing a newly collapsing economy, is left with just one recourse: the printing of more, *more, more* paper. This should not come as a surprise to anyone who has read even a few posts on Zero Hedge - the only response the Fed is left with as deflation accelerates, and as the Fed and the banking cabal refuse to do an orderly reorganization whereby financial firms grow into their balance sheets via a debt restructuring (and equity wipe out), is the spewage of more, inflation-stimulating, fiat. Ironically, as this newly printed and rapidly diluted monetary representation (because it increasingly is not equivalent to money) makes its way only and almost exclusively to those with direct discount window access, i.e., the mega banks (and for some ungodly reason, the clearinghouses soon), the assets that will be bid up are all tangible commodities, while secondary assets, which are contingent on a properly functioning reserve banking (money multiplier) system, collapse in a deflated heap of liquidations. Yet one notable section in AEP's post draw our attention: **"Key members of the five-man Board are quietly mulling a fresh burst of asset purchases, if necessary by pushing the Fed's balance sheet from \$2.4 trillion (£1.6 trillion) to uncharted levels of \$5 trillion."** We are very curious where the DT's reporter has found this information, since if it comes from a credible source this is a massive game changer, and while many have speculated this will happen *sooner or later*, to know for a fact that QE is definitely coming is major news, and, if true, we are stunned the WSJ's Jon Hilsenrath, who recently *has had* his ear "very close" to the Fed's internal process, has not reported on this yet.

Incidentally, the \$5 trillion number was [referenced previously](#) on Zero Hedge in a post by RBS economist, and uber-realist, Bob Janjuah, as follows:

*All that's now left, as I have said before, is for the Fed to shift to a USD5trn or so new QE programme, likely in coordination with a bunch of other central banks, which in total may give us USD10trn or more of new QE. But this isn't happening until much much later this yr or, more likely, next yr.*

We agree with Bob: the next QE phase will most certainly not occur before the midterms, which as the recent abdication of a national budget demonstrated, are a critical priority for the administration, over and above the telegraphing of the country's catastrophic state to the general population, which is precisely what a nuclear monetary blast would be (let alone a new fiscal one - it is no incident that today, for the first time, a new \$35 billion unemployment stimulus bill crashed in the Congress after it could not muster enough votes). Therefore, we are confident that the Fed has its hands tied well until December, although we anticipate a January lift off date for QE version 2 and final, which, as Bob Janjuah notes, will likely come in collaboration with every single central bank in the world, in one last (failed) reflation attempt: the final spasm for the Keynesian religion.

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- 06-28 07:46: German banks top Europe bad loan table - study
- 06-28 07:46: German bund futures hit fresh session high at 129.20, highest since June 11
- 06-28 07:39: Romania Leu (RON) extends losses after VAT hike, hits all time vs. EUR and now down 1.8% on day
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- 06-28 07:33: Apple (AAPL) says sold over 1.7mln of its iPhone 4 through Saturday June 26

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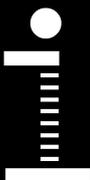
- 06-28 07:39: FreeSeas announces charter agreements on seven of Its Handysize vessels
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- 06-28 07:33: Apple says iPhone 4 sales top 1.7M units
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