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Gold and silver prices - still manipulated / China v market forces / Squabbles over Greece peaking / Iranian mess

Gold and silver prices - still manipulated

Gold and silver are only worth having when you want to swap them for something to keep you alive, fed and warm...otherwise there are too many people speculating on price to be worth our while holding it as a financial asset to make a profit on.

<http://thecrux.com/when-gold-is-declared-illegal/>

All major commodities are now down today and in particular – for 25% of Australian exports – the iron ore price is down below USD50 per tonne.

China v market forces

It seems the crash is now considered unpatriotic and things are simply worsening...

<http://www.bbc.com/news/world-asia-china-33455208>

China freezing the share market by instructing big organisations to buy shares and with about half of the companies not trading due to the rout, the road ahead looks pretty dire. Does this matter? I just don't know....from Seeking Alpha...

“**Chinese shares plunged again** today as investors shrugged off a series of regulatory support measures, including a PBOC statement this morning that affirmed it would support market stability by providing liquidity, while guarding against financial risk. Nearly half of all Chinese listed companies have now suspended their shares from trading to insulate themselves from the meltdown. The panic in mainland markets also rippled across the border, knocking Hong Kong down 5.8% and Japan 3.1%, and across the Pacific - U.S. index futures are down by about 1.1%. Shanghai -5.9%; Shenzhen -2.6%.”

China's oil production looks like it is peaking which means the China Seas territorial grab will be seen as more essential to China...

<http://thediplomat.com/2015/07/china-peak-oil-2015-is-the-year/>

I certainly agree – for the first time ever with Daniel Yergin...the guy who spins the oil industry data for a living...who says the troubles in China will hit the international oil market very hard. So oil pricing will remain soft for a while.

Squabbles over Greece peaking

The New York Stock Exchange could not trade for a while due to a glitch. But when it restarted shares were down. Considering circumstances in China and Greece, that is not surprising...

<http://www.bbc.com/news/business-33454460>

The USA and IMF want Greece to be cut some slack and to remain in the EZ. So the Greece crisis drifts on...from Seeking Alpha...

“**After five months of drama**, false dawns and unpleasant surprises, are Europe's leaders finally ready to show Alexis Tsipras the door? Yesterday, Eurozone officials gave Greece until Friday morning to come up with viable reform proposals, while the ECB provides enough liquidity to keep Greek banks afloat. All 28 members of the EU will then meet on Sunday to decide whether to accept the deal. Economists are now speculating what currency Athens would turn to if a Grexit becomes a reality: Return to the drachma, develop a parallel currency, a euro pegged currency, or keep the euro only as a monetary agreement (like Andorra and Vatican City).”

Meantime the IMF also sees huge systemic risk for global markets if the USA increases interest rates this year....from Seeking Alpha...

“**Minutes from the Federal Reserve's** June policy-making meeting, once expected to be the moment the Fed began to raise interest rates, will be released today at 2 p.m. ET. The action will follow a renewed call from the IMF for the Fed to hold off on hikes until "clear signs of wage and price inflation." The declaration puts itself at odds with Fed Chair Janet Yellen who has said "clear signs" are not a prerequisite for higher rates. Yellen is also scheduled to speak about the economy in Cleveland on Friday, granting a chance to see how her thinking has evolved since the June meeting.”

The global economy is now entering a period of heightened fragility.

Iranian mess

A further extension of the deadline to 10 July just means the Iranians get that closer to having the A bomb. Their negotiators are happy with their progress but it remains to be seen whether the 5+1 are just “patsies”. Unfortunately IMHO we will soon see bombing of Natanz or Iran triumphantly claiming they now have a bomb.

The graphs on this article are fascinating...

<http://ourfiniteworld.com/2015/07/08/what-greece-cyprus-and-puerto-rico-have-in-common/>