

# Inversion Index

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It's always necessary to remind folks that everything reported to them by the captive media – especially regarding the economy – and then every other 'issue' degenerating capitalism must confront – is garbage. It's often impossible to even call them lies. When our government agencies poll major industrial enterprises on the state of their businesses one should expect actual data. Instead all they receive is a 'better, same, worse' which is then given a number, let's say 3, 2, 1 respectively, then merged with the entire industry and reported as if there is some substance to it. It used to be called PMI for Purchasing Managers Index but that name has been buried because corporate executives are notorious liars. Incidentally, a similar method is used when the Fed poles corporate CEO's. The material means exists for a rational economy to keep precise real time records of production and distributions of its commodities. But crooks don't keep accurate records of their crimes. Such is capitalism.

The above is not an inversion but a perversion and it relates to the investor class that perversely bets in the stock exchanges that their capitalist economy will soon be heading south. They are called short sellers because they borrow shares from a broker and sell them in the expectation that with a declining economy they can be repurchased at a lower price.

Today with the announced ending of the bank crisis becoming more like a *whistling past the graveyard* fiction as big depositors sensed danger and drained funds from banks because it's unlikely the FDIC can continue to cover more than the \$250,000 maximum. That also led short sellers to conclude that it's time to cash in. Part of today's Bloomberg headline: **'No One Wants to Be Short' Into Weekend...'**

According to the Financial Times that as of a month ago hedge funds made \$7 billion in profits betting against bank shares – the largest sum since 2008, and now a month later probably in the \$10 billion range. In 2008 the SEC halted short selling in 800 financial institutions but it has not yet done the same this time around. From March 10 to May 1 the US had the second, third and fourth largest bank failures in US history. And every time it's reported that the dire risk has been averted, it makes a return engagement. The FDIC requires that reserves must not fall below 1.35% of insured deposits. The reserves are now below that sum and the Fed will soon be requiring banks to

replenish the reserves which in turn will mean more fees passed on to depositors.

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Despite the manifestly sinking economy Powell this week raised interest rates another quarter per cent. High interest rates is harmful for those with working class incomes. But the Fed chief took a relatively high jobs report as meriting another shot of curative poison to financial system. Powell: *“If we continue to get, for example, strong labor market reports or higher inflation reports, it may well be the case that we have to do more and raise rates more than has been priced in – **We can help the economy by hurting the economy.**”*

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Most people have heard of the US dollar gradually losing its status as the world’s reserve currency. Well it has. The dollar share of global reserves was 73% in 2001, 55% in 2021, and then a 10 times faster slide the next year to 47%. It could very well be down to 30% in a few years, and it would have mostly to do with the international public theft of billions in Russian reserves which caused much of the world outside of North American and Europe to find alternatives to the assertive criminality of the USA. According to the IMF the 5 BRICS nations will contribute more to global growth than the G7 – 32.1% to 29.9%.

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France now has the world’s richest man and woman. Bernard Arnault, the chief executive of the LVMH Moët Hennessy Louis Vuitton luxury empire, and Françoise Bettencourt-Meyers, the heiress of the global cosmetics giant L’Oréal. The first thing that comes to mind is that neither enterprise makes any product that are practical, necessary, and affordable for most people. They may be very nice, but it’s all luxury stuff for *those* people. Perhaps among those people are some neo-fascist sympathizers given that boss at L’Oreal is the daughter of its founder Eugene Schueller, a committed neo-fascist who supported the violent neo-fascist group La Cagoule in the interwar years and was a strong supporter of the Vichy collaborationist regime. Just the kind of person one hates to see worth \$80 billion.

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