

The House Of Cards Is Coming Down

written by Egon von Greyerz | February 12, 2016

The House Of Cards Is Coming Down

by Egon von Greyerz

Deutsche Bank is bankrupt. China's \$30 trillion credit bubble will implode. Most banks will not survive. Banks stocks are down 20-50% this year and credit default swaps are surging in price. Hedge funds and speculators are losing fortunes on a surging yen. Short Yen was a guaranteed winner. But that carry trade is leading to massive market losses with the Yen gaining 10% in 12 days.

Yellen is now worried about interest rates. Well, we told her so in December. More countries are lowering rates to negative. Sweden just cut another 15 basis points to minus 0.5%. Crude oil is making new lows at \$26. Stock are crashing around the world.

So what is the good news? Well there is no good news and it will get a lot worse. This is just the very beginning. What happened in 2007-9 was just a light rehearsal. This is the real thing and it will be extremely unpleasant for the world to say the least.

Well, I wasn't quite truthful about there being no good news. For the 0.5% of investors who own gold and gold stocks, 2016 has started extremely well. But most investors still don't see the need for wealth preservation in the form of physical gold. I have recently been speaking to a number of UHNWIs and they are still sticking to private equity, hedge funds, property, bonds and stocks. They don't see that they will lose most of their wealth.

The world is now starting to sink but most investors still believe that they will be saved by the money printers or central banks again. The sad thing for them is that they won't. **This is it!** It is time to put on the life jackets and jump in the lifeboats. But for most investors the band on the Titanic is still playing and nothing terrible will happen to them. At the time they react, it will be too late.

For more bad news about the world economy and good news about how to protect yourself, [click here](#) to see my latest KWN interview.

Egon von Greyerz

Matterhorn.gold

GoldSwitzerland.com