

Outlook for March, 2013: “Drag Racing to a Non-existent finish line!”

With the Bank of Japan fully joining the Quantitative Easing party it is quite obvious that equity markets the world over are rejoicing some more this month. The visual of all three Central Banks (the US Federal Reserve, the European Central Bank and the Bank of Japan) racing down a drag strip, throttle fully open, to a non-existent finish line is an enduring (not endearing, mind you!) one.

A central banker will never admit to this, but when one launches a pre-emptive strike on the external value of their own currency with the intention of weakening it substantially (by euphemistically calling it quantitative easing),

In a race at such break neck speed, as it inevitably happens on a slick surface, one of the drivers could well lose control. There is no question in our mind that what the three central bankers want (to weaken each of their currencies against the other two's) is essentially unattainable – for a

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