

Market Crash "Could Hit Within Weeks," Warns Analyst



By Terry Weiss, Money Morning

An alarming new report warns that several European banks could be heading for a "market shock in September or October that will match anything we have ever seen before."

The problem, according to the report recently issued by the Telegraph, is a "shortage of liquidity."

"It feels exactly as it felt in 2008," the report quoted one senior London-based bank executive.

The European debt crisis has been creating havoc on U.S. markets for several years now. Although things have been relatively quiet of late, Eurozone leaders will be under extreme pressure in upcoming meetings to resolve lingering issues.

The European Central Bank meets in Frankfurt September 6 to discuss further bond bail-outs.

Ken Wattret, chief euro-zone economist at BNP Paribas in London told the Wall Street Journal: "The agenda is exceptionally busy. It could be a roller-coaster ride."

So the question remains: Is the threat of collapse for real? And if so, when?

A team of scientists, economists, and geopolitical analysts believes they have proof that the threat is indeed real – and the danger goes far beyond what is happening in Europe.

One member of this team, Chris Martenson, a pathologist and former VP of a Fortune 300 company, explains their findings:

"We found an identical pattern in global debt, total credit market, and money supply that guarantees they're going to fail. This pattern is nearly the same as in any pyramid scheme, one that escalates exponentially fast before it collapses. Governments around the globe are chiefly responsible.

"And what's really disturbing about these findings is that the pattern isn't limited to our economy. We found the same catastrophic pattern in our energy, food, and water systems as well."

According to Martenson: "These systems could all implode at the same time. Food, water, energy, money. Everything."

Another member of this team, Keith Fitz-Gerald, the president of the Fitz-Gerald Group, went on to explain their discoveries.

"What this pattern represents is a dangerous countdown clock that's quickly approaching zero. And when it does, the resulting chaos is going



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WEEKLY CALENDAR

Date	Release
10/22	None scheduled
10/23	FOMC meeting begins; Richmond Fed manufacturing index (10/12)
10/24	Markit flash PMI (10/12); New home sales (9/12); FHFA home prices (8/12); FOMC statement
10/25	Weekly jobless claims (10/20/12); Durable goods orders (9/12); Chicago Fed national activity index (9/12); Pending home sales (9/12)
10/26	GDP (3Q); Univ. of Michigan consumer sentiment index (10/12)

to crush Americans,"
Fitz-Gerald says.

Dr. Kent Moors, an adviser to 16 world governments on energy issues as well as a member of two U.S. State Department task forces on energy also voiced concerns over what he and his colleagues uncovered.

"Most frightening of all is how this exact same pattern keeps appearing in virtually every system critical to our society and way of life," Dr. Moors stated.



The work of this team garnered such attention, they were brought in front of the United Nations, U.K. Parliament, and numerous Fortune 500 companies to share much of their findings. [Click the short video above to see a sample](#)

"It's a pattern that's hard to see unless you understand the way a catastrophe like this gains traction," Dr. Moors says. "At first, it's almost impossible to perceive. Everything looks fine, just like in every pyramid scheme. Yet the insidious growth of the virus keeps doubling in size, over and over again - in shorter and shorter periods of time - until it hits unsustainable levels. And it collapses the system."

Martenson points to the U.S. total credit market debt as an example of this unnerving pattern.

"For 30 years - from the 1940s through the 1970s - our total credit market debt was moderate and entirely reasonable," he says. "But then in seven years, from 1970 to 1977, it quickly doubled. And then it doubled again in seven more years. Then five years to double a third time. And then it doubled two more times after that.

"Where we were sitting at a total credit market debt that was 158% larger than our GDP in the early 1940s... By 2011 that figure was 357%."

Dr. Moors warns this type of unsustainable road to collapse can be seen today in our energy, food and water production. All are tightly connected and contributing to the economic disaster that lies directly ahead.

According to polls, the average American is sensing danger.

A recent survey found that 61% of Americans believe a catastrophe is looming - yet only 15% feel prepared for such a deeply troubling event.

Keith Fitz-Gerald: Germany's military held an investigation into this pattern and concluded it could lead to "political instability and extremism." [Details here.](#)

Fitz-Gerald says people should take steps to protect themselves from what is happening. "The amount of risky financial derivatives floating around the globe is as much as 20 times size of the entire GDP of the world," he says. "It's unsustainable and impossible to unwind in any kind of orderly way."

Moreover, he adds: "People can also forget that the FDIC can only cover a fraction of US bank deposits. It's a false sense of security. Just like state pensions, which could be

suspended at any time. A collapse could wipe out these programs. Entitlements like Social Security and Medicare are already bankrupt and simply being propped up."

We can see the strain on society already.

In two years, Congress won't have any money for transportation, reports the Washington Post. Cities like Trenton, NJ have laid off one-third of the police force due to budget cuts. And other cities like Colorado Springs, CO removed one-third of streetlights, trashcans, and bus routes, reports CNN.

Fitz-Gerald also warns of a period of devastating inflation. A recent survey, reports USA Today, notes that in the coming years it could take \$150,000 a year in household income for a family to afford basic living expenses - and maybe go out to a movie.

Right now, in fact, "52% of Americans feel they barely have enough to afford the basics."

"If our research is right," says Fitz-Gerald, "Americans will have to make some tough choices on how they'll go about surviving when basic necessities become nearly unaffordable and the economy becomes dangerously unstable."

"People need to begin to make preparations with their investments, retirement savings, and personal finances before it's too late." says Fitz-Gerald. 🍏

What The Experts Say: The team has released their investigation to the public and for a limited time you can view a private airing of it online. Learn the steps you can take to prepare your wealth, investments and way of life for this looming catastrophe. [Click here](#) to learn how some of the foremost experts in the world recommend you position yourself for the uncertain time ahead.



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