

TradingFloor.com releases new video commenting on Eurozone crisis

Submitted by: pr-sending-enterprises

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TradingFloor.com has released a new video featuring Steen Jakobsen, chief economist at Saxo Bank, warning that solutions to the Eurozone debt problems need to be found before the Cannes G-20 Summit in November.

The new video

(<http://www.tradingfloor.com/blogs/macro-ad-hoc/video-eurozone-crisis-and-greece-solutions-before-cannes-g-20-103882109>) highlights the sense of urgency for a solution to Eurozone problems, which has increased with market reaction clearly indicating intolerance with the current pace of progress, especially of late concerning the ratification of the 21 July changes to the European Financial Stability Facility and a solution for Greece.

Jakobsen mentions that there are some significant steps to take these days like key Eurozone member votes on EFSF ratification. Despite previously strong opposition to further rescue measures for troubled Eurozone members, anything but ratification is unlikely, says Steen. The Slovenian and German parliament has already given its thumbs up with Finland and Austria expected to follow suit by the end of the week. Though once approved by all member states this supposed knight in shining armour will not be able to ride easily to the rescue of failing nations. Unanimous (not majority) votes are required for decisions - like expansions of the facility - to be passed.

Meanwhile, talk about the concept of a European Investment Bank leveraging on the EFSF to ring-fence European banks from any fallout from the EU debt crisis, is hardly seen as a band aid but rather a ploy which will hardly solve anything, according to Steen.

Steen likens Greece's attempts at new austerity packages as an attempt to save the troubled nation at the goal line. With 99 per cent probability of default then talk of saving Greece is actually quite comical, he says. Meanwhile, austerity fatigue is apparent as evidenced by more strikes across Athens. Ultimately Greece needs debt forgiveness and a clean slate but a free-ticket to safety would hardly go down well with other troubled Eurozone nations. Nevertheless, Greece has become kind of a scapegoat due to increased talk of contagion (which is not an economic concept but rather a policymakers' excuse for not doing what needs to be done domestically). Contagion or not, it doesn't change the fact that there is no way out for Greece other than default, concluded Steen.

About TradingFloor.com:

TradingFloor.com is the web portal home of Saxo Bank's trading commentary, financial research and analysis.

TradingFloor.com's diverse contributors who range from macroeconomists to trading advisors, all strive to deliver insightful, enlightened commentary on trading in the financial markets - particularly on forex (<http://www.saxobank.com/en/trading-products/forex/pages/forex-trading.aspx>) and forex trading (<http://www.saxobank.com/en/trading-products/forex/pages/forex-trading.aspx>), equities, stocks and commodities. Tradingfloor.com also publishes periodical model-based research and analysis to help longer-term traders allocate funds between and within asset classes.

TradingFloor.com's commentary and analysis is delivered in text and video via the website, where users can watch forex videos (<http://video.saxobank.com/>) and receive information on products such as CFDs (<http://www.saxobank.com/en/trading-products/cfds-stocks/pages/online-cfd-trading.aspx>).

The website is also embedded in all Saxo Bank's trading platforms. Users can also subscribe to content from TradingFloor.com, or from their favorite contributor, via RSS feed or via Twitter.

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