

Free Bonus

LOP TALK....



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Hello!

I captured these two chats for you...

I cleaned them up so they are much easier to read.

They talk about several of the most important subjects you could read about...CBI and one possible outcome of the LOP.

Both chats took place at <http://www.bondladyscorner.com>

If you read these chats and pay attention to what is being explained, you will not feel like you are in the dark any longer...you're friends and family will be like, "wow, you understand all that?" and you'll make better financial decision with your investment.

This first chat is with Guru Kaperoni...It took place on Friday September 16, 2011. He talks about a timeline of events of the CBI using ARTICLES and GOVERNMENT DOCUMENTS and then explains the LOP situation as he sees it...

Enjoy!

Blanche

www.DinarGuru.com

[kaperoni] Let's get started.

[kaperoni] First, I want to go back and set some timelines....

[kaperoni] Here are some key dates and events

[kaperoni] 3rd

Conference of Ambassadors July 17th-24th teaching them and giving them a presentation on the delete 3 zeros for explanation at their respective states.

[kaperoni] Tuesday, 16/8/2011 – Central Bank Governor; Shabibi, with Mr. Haider Abadi, the Finance Committee of the Council of Representatives, where they discussed what could be called the “touches on the final project,”

[kaperoni] Now, lets see how that relates..

[kaperoni] Now, on the CBI website they have their Laws and Regulations posted. If you click on Laws, and go to page 10, you will see this paragraph.

[kaperoni] “4. If the CBI proposes to issue a regulation pursuant to this Law, it shall publish a draft of the proposed text of the regulation in a form and in a manner determined by it to be best calculated to bring the proposed regulation to the attention of the domestic financial sector and the general public. The draft

shall be accompanied by an explanation of the purpose of the proposed regulation and a request for comments within a specified time of not less than one month after the date of publication of the draft. The CBI shall have regard to any comment received and issue the final text of the regulation accompanied by an account in general terms of the comments. The procedure set out in this paragraph shall not apply if the CBI determines that the delay involved would be a serious threat to the interests of the financial system or hinder the effective conduct of monetary policy, provided that such decision by the CBI shall be explained in the preamble to the regulation.”

[kaperoni] Now, just last weekend we got this quote from an article titled...

[kaperoni] “Representatives discuss deleting zeros currency on Sunday – Sept 10th”

[kaperoni] And a quote..

[kaperoni] “The head of the economy and investment representative Ahmed al-Alwani, had announced earlier in the interview with “Twilight News” that his committee will be discussed with a

number of consultants and specialists of the project submitted by the Central Bank, which provides for deletion of zeros from the current currency.”

[kaperoni] Then we heard on Monday from Deputy Central Bank Governor Mohamed Saleh in this article... The Central Bank of Iraq latraga on deleting zeros 2011-09-13

[kaperoni] “Delay draft deleted three zeros from the currency of Iraq very wrong and we must accelerate the process of deleting zeros for the advancement of economic reality.”

[kaperoni] Then we saw on Tuesday this article and quote...

[kaperoni] Iraq .. Custody of the Economic Commission for new dinar - September 13, 2011

[kaperoni] “Economic Committee in the Iraqi parliament lifted its reservation on the project three zeros from Iraqi dinar,”

[kaperoni] this is getting good.

[kaperoni] Now, just a few days ago we heard from the CBI...

[kaperoni] Restructuring of the Iraqi currency:
the project to delete the three zeroes and the cost of cash
transactions Wed,
15/09/2011

[kaperoni] "The appearance of Mohammed Qasim"

[kaperoni]
"Deputy Governor of the Central Bank of Iraq"

[kaperoni] "In light of
economic conditions and volatile financial pressure and
monetary inflation that
has befallen our country before, and led to negative effects
on the regularity
of the commercial market and the labor markets and
production and living
standards of citizens, it has generated distortions many
structures, economic
relations, among which was the Activity block cash many
zeros of little value
and way that is not commensurate with the future
developments in the present and
the future of the Iraqi economy, which requires a solution to
these conditions
and offal, and these solutions reform the management of
currency cash through
the structure and the deletion of zeros to control the flow
and management of
the cost of the cash block optimally."

[kaperoni] And we see this quote also

confirming the need to do this now...

[kaperoni] "We need today to restructure the currency."

[kaperoni] And...

[kaperoni] "The country needs a monetary system is easy to handle small groups and large reflect the real cost of that structure."

[kaperoni] And this one...last one...lol

[kaperoni] "So Has prepared the Iraqi Central Bank strategic long-term viable future, when the availability of the appropriate opportunity and gradually according to clear instructions and regulations, guidelines provide protection of the rights and interests to suit the stage of prosperity ahead, "

[kaperoni] Ok...so we know the CBI is ready.

[kaperoni] We know that the CBI has followed the Laws to implement this to the letter...and we see that the law states 30 days notice.

[kaperoni] I showed you that above

[kaperoni] Now, that 30 days could have started with the presentation on 8/16/2011, or it could have started on 9/14/2011.

[kaperoni] When Parliament gave Shabs full support

[kaperoni] In any case, we know the following...

[kaperoni] The people are unemployed and frustrated

[kaperoni] There are high levels of poverty

[kaperoni] Investment is in essence on hold

[kaperoni] The budgets are growing and a portion of those budgets would benefit with a better exchange rate

[kaperoni] The banking sector desperately needs an international currency

[kaperoni] Iraq needs a new currency that is less arithmetic with numbers that are less numerous on the level of the accounts of the federal budget, budgets of banks and companies

[kaperoni] They need to reverse the trend of negative effects on the regularity of the commercial market and the labor markets and production and living standards of citizens

[kaperoni] And they need to lower inflation, which is reaching dangerous levels in regard to this policy – 7.68% for Aug.

[kaperoni] Therefore, we can conclude that the CBI will do this within the next 30 days.

[kaperoni] IMO, this could be as soon as this weekend (if the 30 day window started 8/16)

[kaperoni] or it might go out as far as Oct 15th if the window started on 9/14.

[kaperoni] I tend to think, based on the recent article attempting to create a negative effect on the CBI's efforts, we are closer to this than later.

[kaperoni]
Now, I need to put this in perspective

[kaperoni] There are many that still don't feel that this can happen, that the currency will not be honored at face value at the new exchange rate. They are believers of the LOP

theory.

[kaperoni] Lets that a brief look at Turkey as an example...

[kaperoni] First, a LOP, as some call it, would be an abandonment of the current economic monetary policy. They would be saying, in essence, that the current policy has failed and we have no choice but to start over sort of speak.

[kaperoni] That type of action has several side effects. First it would be saying to Shabibi, who has spent 7 years controlling inflation and lowering it to 3% (last Oct) and managing a stable exchange rate for over a year, that your efforts were not successful.

[kaperoni] Telling one of the best economists in the world that..Dr. Shabibi

[kaperoni] That is not going to happen and is factually an incorrect assessment of his work. In fact, Shabibi himself has stated numerous times... "there was a lot for Iraq to learn from Turkey." And "a time so that the entire market does not have to shut down during the transition period"

[kaperoni] You see, he is stating that good economic policies prevents such an event, and would have to occur in a LOP situation (complete shutdown and replacement). He is not going to do that. He is going to do a gradual substitution of notes.

[kaperoni] Large 3 zeros out and small bills in.

[kaperoni] It also states to the world that such action would cause a loss of IMF assistance, and a danger of them losing guarantees on credit and major foreign creditors to further finance reconstruction.

[kaperoni] Again, another reason this will not happen.

[kaperoni] Any such event would be a new currency and a SWIFT code change would be required...and that make no sense when they just a few months ago were recognized with the New Iraq Dinar (NID). Iraq is not introducing a new currency, just new lower denominations.

[kaperoni]
As well, we can look at numbers

[kaperoni] At the time of the event, inflation was 40%, and the Turkish Lira was 1,800,000 to \$1 USD. 1,000 times

greater than currently in Iraq.

[kaperoni] All of these conditions do not exist in Iraq.

[kaperoni] Their policies are sound, their relationship with the IMF is under the frequent review (Standby Agreements), and World Bank, Paris Club have benchmark achievement goals for Iraq under the signed agreements that are frequently reviewed.

[kaperoni] Done

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This next chat is between Newshound Guru Bondlady and Newshound Guru Kaperoni...They further discuss Lop, Turkey's Lop situation and the impact of inflation....

This chat took place on September 16, 2011

[BondLady] ur article sure stirred up some lopsters in a big ol giant pot buddy

[kaperoni] BondLady

[kaperoni] bring it!

[BondLady] man i been fightin lopsters off right an left cause of it

[BondLady] u wanna inerpret it for us kap

[kaperoni] BondLady show them the Turkey facts...that kills most RedLOPsters

[BondLady] ill go get the art for u

[BondLady] an bring it in

[BondLady] i just did kap

[BondLady] u wanna do a chat here on it kap?

[kaperoni] u all know what the exchange rate was in Turkey when they LOP'd?

[kaperoni] um, dont have that much time BL

[BondLady] hold on kap imma grant u vip while ur here brb

[kaperoni] 1, 800,000 to \$1

[kaperoni] yup that right...1 million, 800 thousand to \$1

[kaperoni] that 1000 times worse than Iraq

[BondLady] ok what did u take from that art then'an ill not bring it in just talk about it

[kaperoni] is now

[kaperoni] BL, which article? the CBI assistant one?

[BondLady] the 1 u dropped off here

[kaperoni] k

[BondLady] says lobster fishing all over it

[kaperoni] good one

[BondLady] i didnt see it tho

[kaperoni] kap chat today at 4pm cst

[BondLady] i did see what could be used as a rate tho in it

[BondLady] 1.4

[kaperoni] well that could be a good rate

[BondLady] an i did see other things tho but it did almost come right out an say the dirty word

[kaperoni] many feel it will be 3+

[BondLady] 4 trillion divided by 2.8 billion

[kaperoni] getting back to LOP talk

[BondLady] dn figured it for me came out to be 1.4

[dogznova] when i reread it.. it sayed that the amount of paper currency was gonna drop from 4t to 2.8B.....

[dogznova] but I dont think we can get the rate from that

[kaperoni] when a central bank does a LOP, it is, in essence, complete failure of the monetary policy

[kaperoni] and assuming the CBI was going to LOP, they would be tell Shabibi, sorry your hard work was for nothing

[kaperoni] over the past 7+ years

[kaperoni] and didnt work to control inflation or the exchange rate

[kaperoni] Well that is not the case or is going to happen

[kaperoni] Shabibi has done a great job

[kaperoni] his inflation is under 6%

[kaperoni] and Turkeys was 38%

[BondLady] his inflation is close to 10 now kap

[BondLady] even n the cbi its over 7

[kaperoni] so you all can see, a LOP is a last resort

[kaperoni] and is a complete failure of the economic policies

[BondLady] and if u look at the inflation/ core inflation it went up 2.5% last month alone

[kaperoni] which would be desasterious to Iraq

[kaperoni] and that would never happen

Talk soon,

Blanche

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