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Large institutional investors trying to cover themselves in a relatively small market (for futures).

Interview Jim Reed (City Corp)

Stage set by interest rate rise in April

20 times price-earnings ($\approx 5\%$ yield!)

and 10% long term interest rates
are incompatible

there was "inflation in financial assets"

1 trillion \$ loan — where is it ???

Reed assumes growth of 0.5 instead of 3 p.c

Provide liquidity or ~~support~~ support dollar?

Market for junk bonds bad — that may
discourage takeovers.