



PROPHETIC TIMES

WEEKLY WORLD NEWS UPDATE

OAKLAND, CALIFORNIA

AUGUST 06 2011

GLOBAL STOCK SELL-OFF CONTINUES

August 5, 2011 FT.com reported: "Asian stock markets tumbled at the open with reverberations continuing around the world as global investors shun risk after central bankers failed to stem fears of rapidly slowing growth.

Following the biggest decline since the financial crisis for both the S&P 500 index and US Treasury yields, the Nikkei opened down by down 3.4 per cent in Tokyo, with the South Korean Kospi index down by about the same margin and Australia's S&P/ASX 200 down by 3.8 per cent in early trading. In Hong Kong, the Hang Seng index sank 4.8 per cent while in China the Shanghai Composite index fell 2.3 per cent.

The turmoil was kicked off by a steep fall in the yen after Tokyo intervened on Thursday to weaken the currency in the latest move by a central bank to combat the impact of market turmoil.

Investors are becoming increasingly concerned about the health of the global economy and worried that governments' attempts to tackle fiscal difficulties – particularly in Europe as sovereign debt contagion spreads to Italy and Spain – will only exacerbate the slowdown.

This week's worldwide manufacturing and service sector surveys have shown waning activity and hopes are not high that Friday's sentiment-setting US non-farm payrolls numbers will break the cycle of disappointing data.

The markets falls were also accelerated by news that the European Central Bank would return to the market to buy bonds issued by troubled debtor nations. Despite the extra liquidity those moves provided to markets, traders refused to break their focus on economic hopes that have been lowered by a combination of western government austerity, slowing global industrial production and a looming US jobs report."..."



PUTIN SAYS U.S. IS "PARASITE" ON GLOBAL ECONOMY

August 2, 2011 Reuters reported: "Russian Prime Minister Vladimir Putin accused the United States Monday of living beyond its means 'like a parasite' on the global economy and said dollar dominance was a threat to the financial markets.

'They are living beyond their means and shifting a part of the weight of their problems to the world economy,' Putin told the pro-Kremlin youth group Nashi while touring its lakeside summer camp some five hours drive north of Moscow.

'They are living like parasites off the global economy and their monopoly of the dollar,' Putin said at the open-air meeting with admiring young Russians in what looked like early campaigning before parliamentary and presidential polls.

US President Barack Obama earlier announced a last-ditch deal to cut about \$2.4 trillion from the U.S. deficit over a decade, avoid a crushing debt default and stave off the risk that the nation's AAA credit rating would be downgraded. The deal initially soothed anxieties and led Russian stocks to jump to three-month highs, but jitters remained over the possibility of a credit downgrade.

'Thank god,' Putin said, 'that they had enough common sense and responsibility to make a balanced decision.'

But Putin, who has often criticized the United States' foreign exchange policy, noted that Russia holds a large amount of U.S. bonds and treasuries."..."

JAPAN WARNS OF CHINA'S GROWING NAVAL MUSCLE

August 2, 2011 SpaceWar.com reported: "Japan voiced concern Tuesday over China's growing assertiveness and widening naval reach in nearby waters and the Pacific and over what it called the "opaqueness" of Beijing's military budget. In its annual defence report, Tokyo also pointed to threats from North Korea's series of nuclear tests and development of a new mid-range ballistic missile, and at a lingering island dispute with Russia.

China has been embroiled in separate spats over islands -- with Japan as well as with several Southeast Asian nations including Vietnam and the Philippines -- which have flared up again over the past year.

The report, approved by Prime Minister Naoto Kan's cabinet, used a Japanese word that can be translated as "overbearing" or "assertive" for China's stance in the disputes with its neighbours, including Japan. The report, released by the defence ministry, said that in this context, China's "future direction can be a source of concern".

Defence Minister Toshimi Kitazawa later told reporters that the intended English translation was "assertive", Jiji Press reported.

"We used the expression, thinking the entire international community probably perceives it that way," he said. "This is one way of expressing our hope that China will address these issues through friendly relations."

The paper also said China's defence spending was not transparent, saying that the defence budget publicly announced by China "is widely seen as only part of what Beijing actually spends for military purposes."

"Opaqueness in its defence policies and military movements are concerns for the region, including Japan, and for the international community, and we need to carefully analyse them," it said.

The paper said China is expected to expand its routine activities in the South China Sea, East China Sea and the Pacific Ocean.

"Considering the recent modernisation of China's maritime and air forces, the areas affected by the capabilities will likely expand beyond its nearby waters," the defence paper said."..."

VIETNAM TO GET SUB FLEET IN SIX YEARS

August 4, 2011 AFP reported: "Vietnam will have a submarine fleet within six years, the defence minister reportedly confirmed on Thursday, in what analysts say is intended as a deterrent to China's increasing assertiveness at sea. Russian media reported in December 2009 that Vietnam had agreed to buy half a dozen diesel-electric submarines for about \$2 billion.

"In the coming five to six years, we will have a submarine brigade with six Kilo 636-Class subs," Defence Minister Phung Quang Thanh was quoted as saying by the state-controlled Tuoi Tre newspaper. Thanh said the fleet was "definitely not meant as a menace to regional nations," according to the report.

"Buying submarines, missiles, fighter jets and other equipment is for self-defence," he was quoted as saying.

Ian Storey, a regional security analyst at the Institute of Southeast Asian Studies (ISEAS) in Singapore, said the submarine deal has been driven by events in the South China Sea, where China and Vietnam have a longstanding territorial spat over the Paracel and Spratly archipelagos.

Tensions rose after Vietnam in May accused Chinese marine surveillance vessels of cutting the exploration cables of an oil survey ship inside the country's exclusive economic zone.

"These purchases are designed to deter the Chinese from encroaching on Vietnamese sovereignty," Storey told AFP."..."

US PRESSES N. KOREA FOR 'IRREVERSIBLE' DISARMAMENT MOVE

July 31, 2011 SpaceDaily.com reported: "The United States on Thursday pressed North Korea to take 'concrete and irreversible' steps to give up its nuclear arsenal at talks on how to improve hostile relations. The US State Department said the first day of the talks in New York had been 'serious and businesslike'. North Korea's representative also called the atmosphere 'constructive'.

While the United States has stressed that North Korea must make moves to scrap its nuclear weapons if six decades of tensions are to be ended, it was not clear if North Korea had made any specific demands. The US special envoy on North Korea, Stephen Bosworth, and the North's first vice foreign minister Kim Kye-Gwan held about four-and-a-half hours of talks at the US mission to the United Nations.

'The atmosphere was good, the meeting was constructive and interesting. We exchanged views on general issues,' Kim said during a break.

The US State Department said: 'Today's discussions have been serious and businesslike. We look forward to continuing our meetings tomorrow.'

The department highlighted comments by US Secretary of State Hillary Clinton that the talks are 'exploratory' to determine if North Korea is ready to carry out a 2005 accord and take 'concrete and irreversible steps toward denuclearization.'

State Department spokesman Mark Toner said in Washington that 'words are not enough' and 'we need action' on disarmament. The New York talks are "a chance for us to sound out the North Koreans" and "gauge their seriousness", the spokesman said.

The US government also stressed that it was closely coordinating with South Korea and other partners in talks with the reclusive North."..."

EU TO TOUGHEN SANCTIONS AFTER SYRIA BLOODBATH

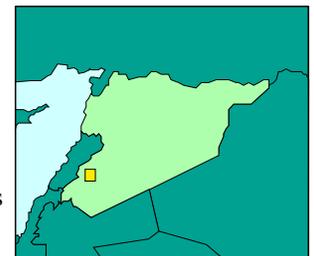
August 1, 2011 The EU Observer reported: "The EU is likely to toughen sanctions against the Syrian regime after some 100 people were reportedly killed in the city of Hama when government tanks stormed in on Sunday (31 July), crushing protests in the five-month-long stand-off with President Bashar Assad.

"I am shocked at the latest reports from Syria that large numbers of civilians have again been killed in a totally unjustified assault by Syrian security forces on the town of Hama, using tanks and other heavy weapons against citizens exercising their right to peaceful protest," EU foreign policy chief Catherine Ashton said in a statement.

Condemning the killing which took place on the eve of the holy month of Ramadan, Ashton said that the actions "once again show the hollowness of the promises of reform made by the government" and urged Assad's government to engage in a real dialogue with opposition.

Germany has requested that the UN Security Council meet on Monday to discuss the situation. Punitive measures have so far been put in place at EU and US level only.

The UN Security Council - made up of 15 permanent and rotating members - has so far failed to agree on even a resolution condemning the Syrian crackdown because Russia and China - both allies of Damascus - have threatened to veto it."..."



Syria

*Compiled by L. Jim Tuck, Pastor
UCGIA Oakland, San Jose, and Santa Rosa
ljt5053@sbcglobal.net*