



NORTH KOREA SET TO DEPLOY KN08 BALLISTIC MISSILE

February 18, 2016 SpaceDaily.com reported: "North Korea has taken steps toward the deployment of its KN08 (Hwasong-13) road-mobile intercontinental ballistic missile (ICBM) which could potentially launch a nuclear strike on the United States. North Korea has formed a new "military unit" subordinate to Strategic Rocket Forces to deploy the weapon, Yonhap reported Sunday, citing US and South Korean officials.

On February 9 US director of national intelligence James R. Clapper said in a report to the senate armed services committee that North Korea had begun fielding the KN08 system, despite the fact that it "has not been flight-tested."

"North Korea's nuclear weapons and missile programs will continue to pose a serious threat to US interests and to the security environment in East Asia in 2016," he stated. "Pyongyang is committed to developing a nuclear-armed missile capable of posing a direct threat to the United States."

On February 12 the Pentagon issued its annual North Korea Military Report, stating, "if successfully designed and developed, the KN08 likely would be capable of reaching much of the continental United States."

However, the report noted that the intercontinental ballistic missiles cannot be considered reliable without additional trials, stating that multiple flight tests are required to identify and correct design and manufacturing defects of the "extremely complex systems." The pace of the development process will be slower without aid from abroad, according to Pentagon statements, and currently the northern state lacks the technology for a nuclear strike against the US.

In its 10 October 2015 military parade celebrating the 70th anniversary of the Workers' Party of Korea, Pyongyang unveiled a modified version of the ICBM with an apparent smaller and blunter nuclear warhead.

Last month North Korea surprised the international community by announcing that it had successfully tested a hydrogen bomb. Earlier this month, Pyongyang violated UN resolutions by launching a long-range rocket, claiming it was part of a "purely scientific space programme."

South Korea, the US, Russia, Japan and other countries highly criticized the move, saying it was a disguised ballistic missile test."..."

CHINA DEPLOYS MISSILES ON DISPUTED SOUTH CHINA SEA ISLAND: REPORT

February 17, 2016 SpaceDaily.com reported: "China has deployed a surface-to-air missile system on one of its contested islands in the South China Sea, a report said Tuesday just as President Barack Obama called for "tangible steps" to reduce tensions in the region. Fox News said that images from civilian firm ImageSat International show two batteries of eight missile launchers and a radar system arrived within the past week on Woody Island, part of the Paracels chain.

A US warship last month sailed close to another island in the chain -- which is claimed by China, Taiwan and Vietnam -- in a gesture to assert freedom of navigation in the region which drew a quick protest from Beijing. The report on the missile batteries came as Obama wrapped up a two-day Southeast Asian summit in California where leaders voiced concern over Beijing's military build-up in the strategic and resource-rich area.

"We discussed the need for tangible steps in the South China Sea to lower tensions," Obama said, calling for "a halt to further reclamation, new construction and militarization of disputed areas."

China's increasingly muscular actions in the vital waterway featured heavily at the Association of Southeast Asian Nations (ASEAN) talks at Sunnylands, a sprawling California desert retreat.

In a joint statement, Obama and the 10 ASEAN leaders demanded the "peaceful resolution" of a myriad of competing territorial claims over islands, atolls and reefs. Obama has tried to muster an informal coalition of Pacific allies to demand that Beijing respect the rule of law, hoping that China will want to avoid being painted as a regional bully."

EXCLUSIVE: RADIOACTIVE MATERIAL STOLEN IN IRAQ RAISES SECURITY FEARS

February 17, 2016 Reuters.com reported: "Iraq is searching for "highly dangerous" radioactive material stolen last year, according to an environment ministry document and seven security, environmental and provincial officials who fear it could be used as a weapon if acquired by Islamic State.

The material, stored in a protective case the size of a laptop computer, went missing in November from a storage facility near the southern city of Basra belonging to U.S. oilfield services company Weatherford WFT.N, the document seen by Reuters showed and officials confirmed.

A spokesman for Iraq's environment ministry said he could not discuss the issue, citing national security concerns. Weatherford said in a statement that it was not responsible or liable for the theft. "We do not own, operate or control sources or the bunker where the sources are stored," it said.

The material, which uses gamma rays to test flaws in materials used for oil and gas pipelines in a process called industrial gamma radiography, is owned by Istanbul-based SGS Turkey, according to the document and officials. An SGS official in Iraq declined to comment and referred Reuters to its Turkish headquarters, which did not respond to phone calls and emails.

The U.S. State Department said it was aware of the reports but has seen no sign that Islamic State or other militant groups have acquired it.

A U.S. official said separately that Iraq had reported a missing specialized camera containing highly radioactive Iridium-192 to the International Atomic Energy Agency (IAEA), the Vienna-based U.N. nuclear watchdog, in November."..."



CHINA WASHES ITS HANDS OF NORTH KOREA: ROGUE STATE IS 'U.S. OBLIGATION'

February 16, 2016 Breitbart.com reported: “Facing growing international pressure to intervene as the nation almost solely responsible for North Korea’s survival, China has decreed the rogue nation’s containment a ‘U.S. obligation,’ protesting that ‘The U.S. should not always try to outsource its problems to China.’”

This according to a Chinese politician described as a ‘senior lawmaker,’ Fu Ying, in China’s state-run Global Times on Monday, who protested that ‘The key to solving concerns over North Korea security lies in the Americans’ hands.’ Beijing is becoming increasingly vocal against potential American activity to protect its ally South Korea from Kim Jong-un’s communist regime, particularly in light of the potential deployment of a U.S. Terminal High Altitude Area Defense (THAAD) system to South Korea. Seoul seeks this elevated missile defense technology to protect from rockets flying over the border, citing Pyongyang’s recent satellite launch as evidence that North Korea is seeking to improve its rocket technology.

While there is no evidence that the satellite North Korea placed into orbit is working, the launch succeeded in testing the rocket used to send it into space, which can be easily weaponized and shot towards an enemy nation...”

U.S. MISSILE SYSTEM IN SOUTH KOREA WOULD HURT CHINA’S INTERESTS

February 15, 2016 SpaceDaily.com reported: “The possible US deployment of a missile defence system on the Korean peninsula in response to Pyongyang’s ballistic missile programme would threaten China’s strategic interests, Beijing said on Monday. Washington and Seoul will begin talks about the Terminal High Altitude Area Defence System (THAAD), they said a week ago following a surprise nuclear test and satellite launch by the hermit kingdom that raised fresh concerns about its weapons ambitions.

‘We are firmly opposed to the relevant country’s attempts to damage China’s strategic and security interests, with the nuclear issue as an excuse,’ foreign ministry spokesman Hong Lei told a regular briefing. China was ‘seriously concerned about the possible deployment of the THAAD system’, he added, saying it ‘covers a range that is far beyond the needs of defence of the Korean peninsula’.

Beijing argues that the THAAD deployment would trigger an arms race in the region The system fires anti-ballistic missiles into the sky to smash into enemy missiles either inside or outside the Earth’s atmosphere during their final flight phase. The interceptor missiles carry no warheads, instead relying on kinetic energy to destroy their targets. China summoned the South Korean ambassador in Beijing following the country’s announcement that it would begin talks with the US, expected as early as this week.

“We will not allow our legitimate rights and national security interests to be damaged,” Hong said.”...”

MAPPED: NEGATIVE CENTRAL BANK INTEREST RATES NOW HERALD NEW DANGER FOR THE WORLD

February 15, 2016 The Telegraph.co.uk reported: “The world’s tentative experiment with negative interest rates got off to an unremarkable start. Sweden’s Riksbank - the world’s oldest central bank - became the first major monetary authority to cross the rubicon and take its main policy rate into the red exactly a year ago to the month. The Riksbank’s move followed the likes of Switzerland and Denmark, who had turned negative in a bid to stimulate flagging inflation and halt the punishing appreciation of their currencies. But the introduction of sub-zero rates caused no immediate panic that central bankers were “losing control”.



Neither did they seem to produce deleterious economic effects in their host countries, as savers continued to keep their money deposited in banks rather than fleeing for the safety of cash. Commercial lenders, meanwhile, adjusted their business models to help maintain profitability.

In September, Andy Haldane, chief economist at the Bank of England, joined a chorus of influential thinkers in positing that negative rates could be necessary to protect the UK and the other advanced economies from the next global recession. But recessionary fears have crept up on the world much faster than the likes of Mr Haldane may have anticipated.

Global markets have crashed into bear market territory. A cocktail of fears, including the collapsing price of oil, the creaking health of the world’s biggest banks and China’s competence in managing its economic slowdown, have ignited fears that investor panic may lead the world into a new downturn. Bank shares have been in the eye of the selling storm, concentrating minds on just what negative interest rates mean for the financial system.

Jitters were set off by the Bank of Japan’s shock decision to join the negative rate club at the end of January. One year into the negative rates experiment, it seemed monetary authorities were getting desperate in their attempts to stimulate growth and inflation with their limited policy tools. Like its counterparts in northern Europe, Japan’s sub-zero rates were intended to drive down the value of its currency, the yen. It didn’t work. The yen has now risen by 10pc against the US dollar since the Bank of Japan’s negative interest rate decision on January 30.

Sweden soon followed suit in the competitive devaluation cycle, slashing its already negative repo rate to -0.5pc to generate inflation by weakening the value of the krona. With the ECB expected to head further into negative territory next month, the world has entered a “new abnormal” of negative rates, says Scott Mather at Pimco, the world’s biggest bond fund.

One of the unintended consequences of global central banks’ race to the bottom (which seemingly has no bottom) is that negative interest rates act as a tax on the banking system. By penalising commercial lenders for parking their reserves at the central bank, it erodes the profit margin they make on charging already low interest rates while raising the cost of capital.

So far, “banks seem unable or unwilling to pass negative deposit rates to their retail customers, leaving them with few options to offset costs”, note analysts at JP Morgan. They also highlight that, should banks start imposing higher lending costs on their customers, this would have the reverse effect of easy monetary policy, crimping credit creation and tightening financial conditions.”