301 - European Banking and Finance 30062016

Good morning Matthew, welcome back for the second piece today

And yes this short snippet of information is about the European banking situation which is in trouble, to put it in plain language

So, you’ve had the disruption of the referendum here in your country Matthew, and to a certain extent this has taken everybody’s eyes off the banking and finance situation in Europe, which is not to put too fine a point on it, rather dire

The ongoing situation in Europe in the main is that growth remains flat, with one or two notable exceptions, and this has now been the case for quite some time. There are a number of issues bubbling under the surface which are soon to erupt, and the main one is that of a banking crisis across Europe

This will come as no surprise to the more informed people amongst you. The issue is that the structural problems within many of the European banks have not been satisfactorily addressed. There has been an element of tinkering and window dressing, but many of these banks remain fundamentally weak

The economies of many of the European countries, with one notable exception, are also weak and have not been delivering

So you have a situation where there is an enormous amount of accumulated corporate debt, as well as that of the individual, and this is going to flare up into a full-blown banking and finance crisis in a short while across the European Union

So this will compound the problems which the ‘Brexit’ vote has already caused. The European Union is going to be under increasing pressure, and as you will see it is going to buckle under this pressure. It’s a case of *when* rather than *if* this will happen

So we will leave it at that for now; there is a lot more information to come, which we will pass through Matthew as and when

Good morning