



## Global Stocks Fall on US Interest Rate Uncertainty

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### Fed should wait with raising rates World Bank economist Federal Reserve building in Washington

That helped send *shares* of energy companies, *which* have been battered in recent weeks, higher. Don't expect the [Federal Reserve](#) to raise rates when policymakers meet next week. "The employment side of the [Fed] mandate has been met to raise rates", and the low inflation *rate* gives the Fed *time* to wait", said Bovino, explaining why it won't move in September.

When rates finally do rise, among the winners will be senior citizens *who* supplement their Social Security income with interest on their savings, said Alan Reynolds, senior fellow at the Cato Institute, a libertarian think tank.

Supporters point out that the US economy finally appears durable enough to withstand a bump in rates. The Standard & Poor's 500 index climbed five points, or 0.2 percent, to 1,974. The Nasdaq composite was up *three* points, or less than 0.1 percent, to 4,759. Wide market swings and rapid shifts in investor sentiment have become *more* prevalent since China's currency devaluation last month sparked concerns that an *economic* slowdown would spread. The stock fell \$2.39 to \$13.91. Stock benchmarks rose in Taiwan, Indonesia and the Philippines.

**MORE ON JOBS:** Fewer Americans applied for unemployment benefits last week, keeping this key indicator of the labor market near historic lows. A government [report](#) released at midmorning showed that the number of available jobs jumped in July to the highest level in 15 *years*.

Joseph LaVorgna, chief US economist at *Deutsche Bank*, notes that job reports for [August](#) typically fall short of economists' expectations.

The stock rally was quashed nearly as soon as it began as U.S. equities failed to add to their second-biggest surge of 2015, sliding amid losses for Apple Inc. and after [data](#) showed job openings were at a record.

"The world economy is looking so troubled that if the United States goes in for a *very* quick move in the middle of this I feel it is going to affect countries quite badly". "That will filter into

the Fed's deliberations next week". Japan's Nikkei 225 sagged 2.5 percent to 18,299.62 *one* day after surging 7.7 percent in *its* biggest gain since *October* 2008.

EUROPE FALLING: Britain's FTSE 100 and France's CAC 40 each dropped 0.9 percent, while Germany's DAX was down 0.4 percent.

European markets were mostly *lower*.

The Atlanta Fed's forecasting model puts third-quarter growth at just 1.5 percent. Freight company Con-Way soared 34 percent after agreeing to be acquired by XPO Logistics. Brent crude, a benchmark for global oils used by many US refineries, fell 84 cents to \$48.68 barrel in London.

Natural gas rose 3.2 cents to close at \$2.683 per 1,000 cubic feet.

A stumbling global economy and stronger dollar, which makes US exports costlier overseas, could slow growth for the next 12 months, according to Goldman Sachs. The shekel-dollar rate is down 1.11% at NIS 3.878/\$ compared with yesterday's representative rate, and the shekel-euro rate is down 0.90% at NIS 4.338/€.