

Life at The Top – Chapter 1603

Looking at Jasper who was smiling at himself, Dean wanted to turn around and jump down from the floor to ceiling windows hanging dozen of stories in the air.

His scalp was tingling.

His scalp was really tingling.

Dean felt as though he had been stripped naked as he stood in front of Jasper. He felt shame, panic, and fear.

Adrenaline frantically secreted. His palms were hot, his body was trembling, and cold sweat was leaking from every one of his pores.

At the same time, Dean was yelling to himself frantically on the inside.

‘You can’t show any flaws at this moment.’

Even if Jasper already knew something, he could not take the initiative to be timid right now.

“I am confused indeed.”

Dean nodded, unconsciously avoiding Jasper’s eyes. He looked at the trading screen, trying to make his voice sound calmer and to stop himself from trembling.

“Didn’t you say you wanted to go long?”

“I am. You saw it too. I invested 200 million US Dollars to go long and now all 200 million US Dollars have been snapped up.”

Jasper stood beside Dean, raised his arm to wrap it around Dean’s shoulder, and said in his ear, “So I think the shorts are going strong now and I’m going to join them, there shouldn’t be much of a problem, right?”

Dean twisted his neck mechanically and looked at Jasper. Then, he said with great difficulty, “But shorting such a large amount of funds is not proportional to the 200 million that you had longed before. I almost feel that you wanted to go short since the start but that you were just hiding it from us.”

Jasper patted Dean on the shoulder and said with a smile, "Be confident, don't feel. That's exactly what I did."

Dean's pupils shrank suddenly. He wanted to speak but Jasper had already let go of him.

"Let me look at the current real time exchange rate graph of Sun Dollars."

Following Jasper's order, the exchange rate chart of Sun Dollars was immediately displayed on the screen.

"Sun Dollars has closed at 1 US Dollar to 107.7 Sun Dollars yesterday. Before we started the offensive, the exchange rate was 1 US Dollar to 105.1 Sun Dollars."

"How much of the 100 billion empty orders we threw out have been devoured?" Jasper asked.

Jake looked at the data. His eyes widened and he said in disbelief, "O One-tenth."

After speaking, he looked at Jasper in amazement.

In fact, whether it was foreign exchange or stock market futures, there was a huge amount of short orders that could not be washed away by buy orders.

What did that mean?

It meant that price suppression on the short side had formed.

For example. The market price of a kilogram of apples was 5 dollars. Now, someone suddenly ran out and claimed that he

had 100 kilograms of fruit and he would be only selling 4 dollars per kilogram. Would anyone want it?

10 kilograms of the 100 kilograms were bought by someone, so only 90 kilograms were left. Therefore, before the 90 kilograms were digested, the market price of apples was 4 dollars.

Even after the 90 kilograms were digested, whether its market price could be restored to 5 dollars would depend solely on whether the buyers in the market chose to wait for others to sell for 4 dollars or buy at 5 dollars.

This was a suppression from the short side, and suppression on the long side was to change the role of a seller into a buyer.

It was very simple.

The bigger the game, the simpler its rules.

This was because only simple rules could be universal. Before seeing this set of data with his own eyes, Jake could never imagine how the seemingly strong Sun Dollars could be so weak.

Even empty orders that were less than 100 billion US Dollars could not be digested instantly.

In the US Dollars or Somer Dollars were in the same situation, they might be gone in the blink of an eye. Was 100 billion US Dollars a lot?

So much!

However, compared with the global currency system and with the currency system of the US Dollars, Sun Dollars, and Somer Dollars, 100 billion US Dollars was really no different from a drop of water in the vast ocean.

However, Sun Dollars unexpectedly could not hold this glass of water.

“It’s surprising, right?” Jasper walked over to Jake and said with a smile.

Jake nodded vigorously, his eyes flashing eagerly. “Mr. Laine, this is not in line with common thinking.”

“Yes, it is not, but if you examine it carefully, it is actually normal.”

Jasper had the intention to nurture Jake, a talent who could be regarded as a financial genius.

“Tell me, what are the factors that affect the exchange rate?”

Jake answered without hesitation, “The country’s comprehensive strength, foreign exchange reserves, gold reserves, and economic policies.”

Jasper replied with a nod, “That’s barely a passable answer.

“This is just what you learned from textbooks. The real currency war is much more complicated than this, and the requirement for information is also higher.”

“Look at Sunrise Land. After the Plaza Accord, the entire national economy of Sunrise Land was almost completely plundered by the United States. So, what was the best way to stimulate economic recovery? With quantitative easing.”

“Printing more banknotes increases the amount of cash in the society while the amount of cash that each citizen can use also increases.”

“Then, lower the loan interest rate and lending requirements, so that companies and individuals can get more loans easily. After that, buy bonds on the open market, so that the people and capital believe that the government is supporting them.”

“The direct result of this is that it'll seem that every company and individual has more money on hand. Now, what should they do if there is too much money?”

“Capital is profit- oriented. They instinctively seek opportunities for investment. The flow of this money will make the stock market prosper so large companies can get more financing, which in turn provides more jobs, R&D, and production.”

“It looks great, doesn't it? But the problem is that under this economic stimulus policy, there will be an inevitable consequence, in the form of debt.”

“The national debt per capita and total social debt will increase sharply because the country issues more currency, which is in turn distributed to the central bank, at which point the central bank distributes the money to the banks. When the banks have money, they will get the green light to lower interest rates and lower loan thresholds. Since every person and company can easily borrow money, everyone will be in debt.”

“In this world, it doesn’t matter if it is an individual, an enterprise, or even the entire society or government, they all follow a common principle that debts must be repaid.”

“If someone knows that you, Jake Cullen, has a debt of several hundred million, but your annual salary is only 1 million, then in the eyes of the people around you, you have no wealth and trust.

“Sunrise Land is a debt-ridden person, and other international speculators and countries are the people around it.”

Jake’s eyes lit up as he listened. Then, he said excitedly, “So Mr. Laine, did you choose to snipe Sun Dollars simply for revenge?”

“Nonsense, who doesn’t want to make money after wasting so much effort? Revenge? If I don’t make money, I won’t even have the time to retaliate against them.”