

In USA the market for automobile is going recessive.

PMI fell under 50 and the sales of the retailers are falling slightly.

The deficit was going over the threshold, so the US President Donald Trump opens the budget. He eliminated the budget shutdown with eliminating the limit to avoid further budget shut downs.

The debt for cars increases dramatically. And every loan conversion narrows the gap between payoffs and the repayments for the credits. In USA the banks has started to sell the loans for cars as securities like they did in the mortgage crisis. If the deposit to secure the credits for the cars fell short many will use their homes for mortgages.

This system could collapse the same way like the mortgage crisis. As result of the mortgage crisis the Federal Deficit exploded in the late 2000s from \$161 billion in 2007 to \$1,413 billion in 2009 including over \$700 billion in bank bailouts under the TARP program.

The federal deficit to GDP ratio fivefold from 1960 to 2019. The same time population of USA doubled. The deficit was going over the threshold, so the US President Donald Trump opens the budget. He eliminated the budget deficit threshold to avoid further budget shutdowns.

The United States imposed sanctions on China, Iran, EU member states and Russia. It is in negotiation with India about sanctions because of oil imports from Venezuela and its ties to Iran. India has a huge harbour project in Iran and wants to establish a trade route to Afghanistan and Africa to side track Pakistan. As reaction these states imposes sanctions on US goods. If the US needs to boost the car sales it has to rethink the sanctions on EU and China, if the finance system has to be stable it has to rethink the financing of the consumer spending. The results like mortgage crisis, private credit and credit card crisis in the early 2000's shows that credits and loans are only a possibility if the pay offs are stable or increasing. A system with credit financed consumer spending and free developing pay offs is only possible if the people are able to make savings. But like the chart below shows the people don't make savings very much.

US has a record military budget this time to counter chinese effort for military hegemony. This bolsters the economy. The laser technology is forced and the first rocket is shot successfully by laser.

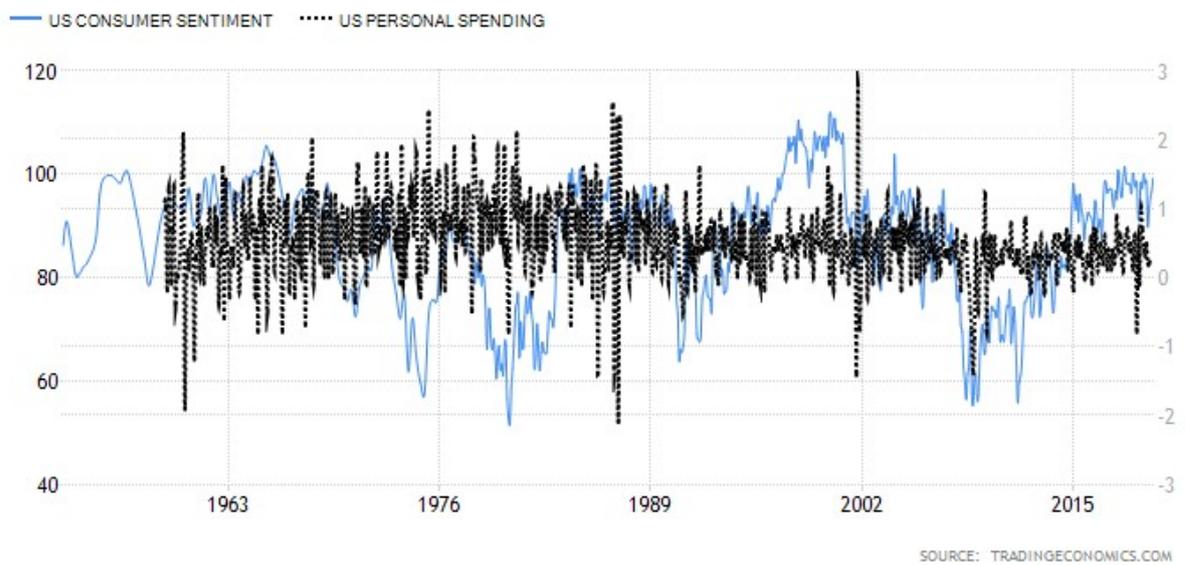
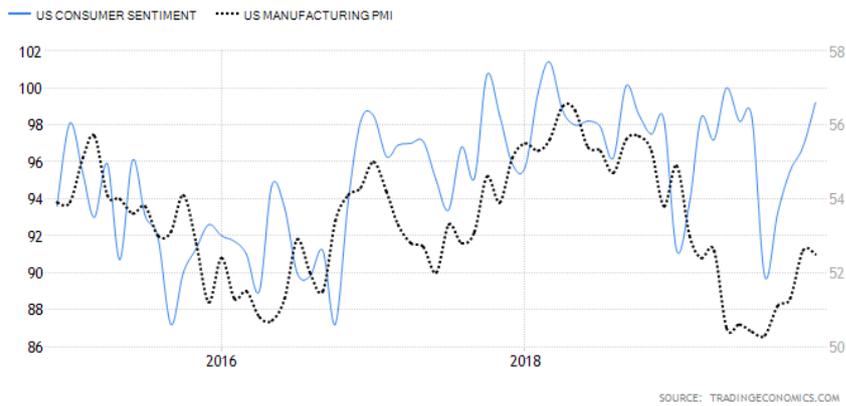
The unemployment ratio fell under 3%, so the industry discuss with the politics the opening of the border for new workforce.

Total retail sales in the United States were projected to amount to 6.03 trillion U.S. dollars in 2022, up from around 5.4 trillion U.S. dollars in 2018. There are around four million retail establishments in the United States. (statista).

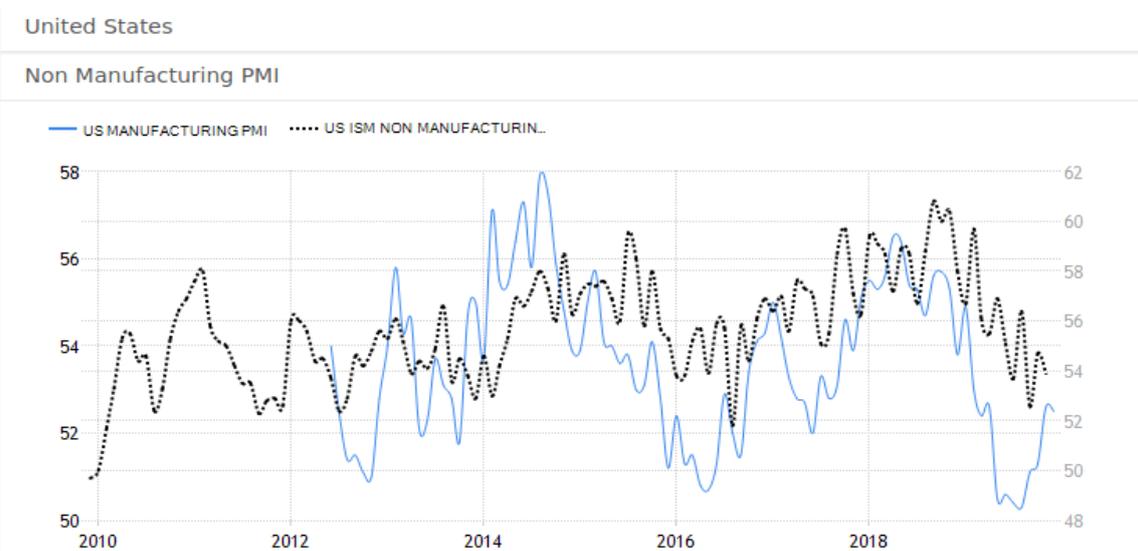
All that shows an upcoming economy. But the states budget and the infrastructure shows another signal. The US private debt to GDP ratio was 196,7% in 2018 and is roughly 200% in 2019. The budget for domestic market is low. The federal budget is also very overstrained. And the government has an impeachment with presidential elections in 2020. Nobody can say who will govern the USA by the end of this year.

This situation is very good for traders because the assets probably will be volatile.

This Chart of Consumer Confidence shows how the pendula moves from high to low consumer confidence. It's like the economic development.



But personal spending didn't change very much despite the consumer sentiment. This means the people have to pay their bills regardless of their confidence in the economy and that the most people don't make very much savings.



If US manufacturing PMI and non manufacturing PMI intersect, the direction of the manufacturing PMI changes and the non manufacturing PMI affirms direction . So the PMI probably will increase in spring 2020. This could mean a recovery of US economy. But looking forward with trading economics, Manufacturing PMI in the United States will stand at 50.90 in 12 months time. This means an economic downturn. So opening the deficit could be a possibility for the US to bolster the economy with state orders by example for infrastructure projects which are very necessary. There were some electricity shortcuts. The net has to be upgraded. The railway and internet also.