

Views expressed in GETAnalysis reports and commentaries are strictly for information only. All images and content contained herein are subject to copyright. All rights reserved.

WRITTEN BY: ASHOK DHILLON



Ashok Dhillon has 40 years of front-line business experience in Canada and International markets. He incorporated his first construction company in 1974, and since then has founded and led companies in construction and international power development.

Over the last 20 years Mr. Dhillon, has led and worked with top Canadian talent in the legal, engineering and accounting firms, such as Fasken Martineau, Russell & DuMullen, Stikeman Elliott; Hatch, Monoco Agra, New Brunswick Power, SNC Lavalin; and Ernst & Young, Arthur Anderson, and Grant Thornton. And in London, worked with Perkins Couie and Morgan Grenfell. Mr. Dhillon's companies have partnered and worked with Pan Canadian Oil & Gas, WestCoast Energy, TransCanada Pipelines, and international companies such as AES, Enron Power, Hyundai Heavy Industries.

Mr. Dhillon has worked and negotiated with highest levels of Governments in Canada and India. He has pursued and won mandates to develop power plants in Canada, and foreign jurisdictions such as Hungary, Iran, Pakistan and India with uncompromising ethical standards. His extensive experience in securing and negotiating multi-hundred million and billion dollar mandates in power project development, gives him in-depth knowledge and intuitive insights into macro and micro, national and international, geo-political and economic realities and trends.

Mr. Dhillon has been invited to speak on international business at various forums, including as an expert witness for the Standing Senate Committee, Government of Canada, on "The Rise of Russia, China and India".

## Economic Recovery - Suspect

In September, 2012, in our first Report, and the subsequent two Reports, we had reiterated our view that in spite of constant and massive financial stimulus being undertaken by most of the major economies of the world, sustainable global economic recovery was not possible, as the fundamental structural reforms needed in these economies were not being undertaken by most of the governments concerned.

Six months later, our prognostications have been proving right, as all economies are still struggling to get any real traction on the path to real recovery. We use the words "real traction" as we do not consider the positive numbers being posted by the major economies as quite "real". Firstly, the current numbers are primarily driven by excessive stimulus, which means that if that stimulus were to be withdrawn today the growth numbers would collapse, today! Therefore in our view, that type of economic recovery is not quite "real". Secondly, we are suspect of the numbers being posted, as we know that in desperately trying to put the best face on a truly grim picture, governments of all stripes and colour, in all countries, will push the numbers to the top most side of optimism, to put it politely. In other words, we are not convinced that even the anemic picture being presented today is quite real, but is more of what can be painted without arousing open disbelief and incredulity.

In North America (Canada and the U.S.) the economies had been showing poor but positive growth rates, but that "recovery" has suddenly become suspect, as the latest negative job numbers for the month of March have dramatically called established assumptions into question. This is in spite of unprecedented stimulus now having been applied for years. If there is such weakness in the economies after the extraordinarily prolonged and

unprecedented stimulus, then surely the patient has been more dead, than just sick. But, what about the record setting stock markets, you might ask. Yes, people have been taking great comfort from the high flying stock markets, seeing their extraordinary rise as some sort of definitive proof, that fundamentally the economies must have mended to justify such euphoria in the markets, particularly in the U.S., where they have been soaring and setting new record highs. May we politely remind you, that at most times, the financial markets are driven by those in the driver's seat, in isolation to the economy at large. It certainly is the case now, as excessive cash liquidity in the form of \$85 Billion a month, is what is driving the stock markets, not the fundamentals of the economy. That not only means, that there should be no comfort taken from the markets regarding the health of the economies, but that the sustainability of the high flying markets themselves is quite suspect - in our view.

Europe is a dangerous basket case at the moment, economically speaking, and still has the potential of derailing the entire global economy.

China and India are showing growth numbers that look almost respectable but are they quite real, or are they "target" numbers, of command (planned) economies whose legions of bureaucrats toil tirelessly to produce the precise numbers that the masters want, for projecting the right image needed at the time?