



Americas Watchdog's Expresses Grave Concerns Over Wall Streets Three Biggest Con Jobs Related To Auction Rate Securities, The Mortgage Mega Disaster, & Lowering Interest Rates

Americas Watchdog is expressing grave concerns over the degree that Wall Street seems to be manipulating public perception with respect to, auction rate securities, the mortgage mega disaster, and expected interest rate cuts by the Federal Reserve. In the case of auction rate securities, Americas Watchdog calls it, "The worst single case of fraud in US history." In the case of the US mortgage mega disaster, Americas Watchdog is calling Wall Street, "A pack of liars in their attempts to gloss over the problem," and in the case of Wall Street's pressuring the Federal Reserve to lower interest rates, Americas Watchdog calls it "insanity, with the end product being hyper inflation."

Washington, DC ([PRWEB](#)) April 30, 2008 -- Americas Watchdog is blasting Wall Street for one ethical lapse or failed self promotion after another. These self promotions have all had disturbing consequences for the economy and consumer confidence in Wall Street. According to Americas Watchdog, "Wall Street continues lie, cheat and steal, and at this point only a very foolish person would believe anything coming out of a US stock brokers, or US bankers mouth. Its just one lie, or embellishment after another, with the US consumer or taxpayer picking up the tab."

Here are three perfect examples, according to Americas Watchdog:

1. Auction Rate Securities: Auction rate securities, also known as auction rate shares or auction rate preferred shares are a \$320 billion dollar con job sold by Wall Street stock brokers, investment bankers, and US name brand banks, to tens of thousands of unsuspecting US consumers. While Wall Street stock brokers, investment bankers and name brand US banks sold these exotic securities as "same as cash, safe, no risk, backed up two to one." According to Americas Watchdog, "ARPS or ARS were in fact exotic investments that were not the same as cash, they were extremely high risk, and they were not safe." In mid February of this year, the auctions failed, and now tens of thousands of US citizens live in fear that their life savings are gone. \$320 Billion in investment limbo, & the Securities and Exchange Commission has done nothing? Americas Watchdog has called for the resignation of SEC Commissioner Christopher Cox for a do nothing approach on the part of his federal agency. \$320 billion in peoples life savings, and the banks or stock brokerage firms have not cashed out US consumers on this, "just like cash investment with zero risk?" Lawsuits have been filed against UBS, Citi Group, Merrill Lynch, J P Morgan, Bank of America, Wachovia Bank, Morgan Stanley, Oppenheimer Holdings, TD Ameritrade, Wells Fargo Bank, Deutsche Bank, Sun Trust Bank, Eaton Vance, and many others. (check the Internet for specific case filings). If a person who purchased a auction rate security feels like they were lied to with respect "a safe & liquid investment", they are welcome to call Americas Watchdog anytime at 866-714-6466. Their auction rate securities web site is located at <http://ARSWatchdog.com>.

2. The US Real Estate Disaster: Wall Street continues to call the current US real estate disaster the "sub-prime mess" or "short term". According to Americas Watchdog, while sub-prime mortgages played a role in the disaster, the bigger issues are non-existent underwriting standards in all categories of borrowers, suicidal mortgage products called "pay option adjustable rate mortgages", banks & home builders intentionally inflating the value of homes nationwide, stated income mortgages, real estate flippers being qualified as owner occupants, two trillion dollars in non-existent equity, etc. According to the Federal Reserve, "Currently 1 in 7



US homeowners owe more on their home than it is worth." With accelerating foreclosures, Americas Watchdog is predicting that by mid 2009, 1 in 4 US homeowners will owe more on their home than it is worth. Americas Watchdog characterizes Wall Street types talking about a US real estate turn around in 2008 as, "a pipe dream". According to Americas Watchdog, "Wall Street is trying its best to sucker consumers or small investors back into the market; when the stock market or real estate market is the last place most US citizens should be at this time."

Note: According to Americas Watchdog, the US Congress (Barney Frank-Democrat & Senator Chris Dodd-Democrat) could do a lot to help millions of US citizens in the future by requiring banks and mortgage bankers to disclose a little known huge mortgage kick back called a yield spread premium. According to Americas Watchdog's National Mortgage Complaint Center, "50 million US homeowners pay a higher monthly mortgage payment, because a bank, or mortgage banker had no obligation to disclose a huge kick back called a yield spread premium. According to Americas Watchdog, mortgage brokers must disclose the kick back, banks and mortgage bankers do not have to disclose---even though they get them too. Americas Watchdog asks, "How, or why can the current Congress allow for ridiculous mortgage double standards?" The National Mortgage Complaint Center's web site is located at <http://NationalMortgageComplaintCenter.com>.

3. The Federal Reserve & Inflation: Finally Americas Watchdog is deeply concerned about interest rate cuts on the part of the Federal Reserve that appear to be accelerating inflation in gasoline, food, transportation, etc. Americas Watchdog asks, "Why should the Federal Reserve save Wall Street from a mess it got into on its own? Why should the Federal Reserve continue to lower interest rates, given the fact that these actions are diminishing the value of the US dollar? Federal Reserve interest rate cuts could end up destroying the economy." Americas Watchdog is alleging that "a very foolish Federal Reserve got us into this mortgage mess, with an asleep at the switch approach in 2003-2007, and now they are trying to bail out the banks with cheaper money? The result is suffering consumers who are now unable to afford gas or food. Perhaps its time for a shake up at the Federal Reserve."

Americas Watchdog is demanding that Wall Street clean up its act on issues related to auction rate securities, they are demanding that Congress create consumer friendly legislation that protects consumers from hidden mortgage kick backs like the yield spread premium, that will apply to banks and mortgage bankers, and they are demanding that the Federal Reserve stop mindless interest rate cuts, designed to help Wall Street, that in fact end up hurting the average US citizen and the US economy.

Americas Watchdog is all about consumer protection and corporate fair play.

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