

IN THE NEWS

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World News

China continues to stress its neighbors in the South China Sea. For instance, Japan fighter jets had to scramble twice as many times this year in response to Chinese incursions [1]. Furthermore, there are new concerns there will be conflict if China tries to assert control over Scarborough Shoal (located near the Philippines) [2]. This comes as reports indicate North Korea successfully launched a ballistic missile from submarine [3].

For years, the US has encouraged its allies, Japan and South Korea, not to develop nuclear weapons. However, China has not done the same with respect to North Korea. Case in point, North Korea attempted to launch additional ballistic missiles [4]. What's more, China's UN ambassador is supporting consideration of North Korea's nuclear halting proposal [5]. The question here is what does China hope to gain with nuclear armed North Korea? In response to the growing ballistic missile threat, the US is planning on including lasers for defense of incoming missiles [6].

Fighting in Syria continues to scar that country. In Northern Syria, Russia has moved artillery to positions near the city of Aleppo [7]. Concurrently, the city is under near bombardment from air strikes [8]. The airstrikes from the Syrian government included a hospital [9].

Meanwhile, Iran continues its aggressive military expansion. For instance, they launched a new space rocket; believed to be part of their ballistic missile program [10]. Iran is also marketed an invasion of Israel as recruitment tool for volunteers to fight in Syria [11].

1. Taylor, Guy, Washington Times, *Japan fighter jet 'scrambles' double in response to China*, April 22, 2016.

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Security

It appears a malware exploited a vulnerability with the Society for Worldwide Interbank Financial Telecommunication (SWIFT) system; resulting in an \$81 million loss in Bangladesh [1]. Additionally, SWIFT warned they are experiencing additional attacks similar to the one in Bangladesh [2].

Meanwhile, the critical infrastructure remains a security concern. For example, in Germany a nuclear

power plant was shut down as a precaution following the discovery of malicious software [3].

In the foreign trade wars, China continues to use whatever tools they can to gain an edge. For instance, US Steel accused China of hacking into its computers and stealing intellectual property regarding manufacturing lightweight steel [4].

The Internet continues to

be a place where viruses propagate. By one estimate, 760,000 websites are compromised annually [5]. Unfortunately, there are so many vulnerable application on the Internet; it will remain a malicious software breeding ground for some time.

1. Olenick, Doug, SC Magazine, *Bangladesh banking hack due to SWIFT vulnerability*,

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Special points of interest:

- \$47.1 billion February U.S. Trade deficit
- Second bank in 2016 shuttered

Security

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- April 25, 2016.
2. Olenick, Doug, SC Magazine, *SWIFT confirms additional cyberattacks on its messaging system*, April 27, 2016.
3. Davis, Jeremy Seth, SC Magazine, *Malware in nuclear power plant prompts plant shutdown*, April 27, 2016.
4. Miller, Jown W., Wall Street Journal, *U.S. Steel Accuses China of Hacking*, April 28, 2016.
5. Davis, Jeremy Seth, SC Magazine, *Google releases study on infected websites; more than 760K sites compromised annually*, April 19, 2016..

*I know no method to
secure the repeal of bad or
obnoxious laws so effective
as their stringent
execution—Ulysses S.*

Grant

World News

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2. Gertz, Bill, Washington Free Beacon, *Pentagon Warns of Conflict Over Chinese Buildup on Disputed Island*, April 29, 2016.
3. Stanglin, Doug, USA Today, *N. Korea fires apparent ballistic missile from submarine, South says*, April 23, 2016.
4. Gaouette, Nicole, CNN, *North Korean military moves: What can the U.S. do?*, April 28, 2016.
5. AP/Washington Times, *China ambassador says North Korean proposal merits study*, April 29, 2016.
6. Gertz, Bill, Washington Times, *Inside the Ring: Pentagon to Counter Hypersonic Missiles with Lasers*, April 21, 2016.
7. Chalfant, Morgan, Washington Free Beacon, *Report: Russia Moves Artillery Units to Northern Syria*, April 20, 2016.
8. Reuters/CNBC, *Bombardment of Syria city Aleppo continues for ninth days*, May 1, 2015.
9. NPR, *Hospital In Aleppo 'Fully Destroyed' In Air strike*, Red Cross Says, April 28, 2016.
10. Gertz, Bill, Washington Free Beacon, *Iran Conducts Space Launch*, April 20, 2016.
11. Scarborough, Rowan, The Washington Times, *Iran touts Israel invasion to recruit teenage boys to fight in Syria*, April 28, 2016

Terrorism

In Kabul, a suicide car bombing killed at least 28 people [1]. Once again, the Taliban are believed to be behind the attack [2].

In Jerusalem, a terrorist bomb exploded on a commercial bus wounding at least 21 people [3]. Following the attack, the Hamas group praised that attack and called the Palestinian responsible a martyr [4]. Domestically, one piece indicates the Islamic State (IS) is planning to use the porous border with Mexico for the purpose of moving terrorists into the US [5].

In northern Iraq, all is not well amongst the anti-IS fighters. Case in point Iranian backed militia, are battling Kurds in in the northern Iraqi city of Tuz-Khurmatu [6]. Meanwhile, the Islamic State

(IS) claimed responsibility for a bombing in Baghdad that killed at least 21 people [7].

1. Popalzai, Masoud, and Ullah, Zahra, CNN, *Dozens killed, hundreds injured in Kabul suicide attack*, April 19, 2016.
2. Craig, Tim, and Salahuddin, Sayed, Washington Post, *Taliban strikes in heart of Kabul in deadly attack on elite agency*, April 19, 2016.
3. New York Daily News/AP, *Jerusalem bus bombing wounds at least 21 in 'terror attack' in city center*, April 18, 2016.
4. AP/Washington Times, *Hamas praises Jerusalem bus bomber as 'martyr'*, April 21, 2016.
5. Fox News, *ISIS suspect*
6. Burton, Douglas, Washington Free Beacon, *Kurds Clash With Iran-Backed Militia in Northeast Iraq*, April 27, 2016.
7. AP/Washington Times, *ISIS claims responsibility for Baghdad bombing that killed 21*, April 30, 2016.

*The very first requirement
in a hospital is that it
should do the sick no
harm—Florence
Nightingale*

Economy

According to the Labor Department, for the week ending April 16, the number of first time unemployment claims was 247,000 [1]. For the following week, the number was 257,000 [2]. Meanwhile, the US gross domestic product was only 0.5% growth rate [3]. That works out to 0.125% actual growth for the quarter. With the population growing at a faster rate, these numbers are troubling.

On the trade front, there is a piece that indicates China is cracking down on Apple products [4]. This cannot have a happy ending for the imbalanced trade with China.

What's more, according to the Bureau of Labor Statistics, in 19.7% of American families, no one works [5]. As long as unfair trade policies move US jobs elsewhere, the employment picture looks problematic.

Meanwhile, banking regulators closed another financial institution, The Trust Compa-

ny Bank in Tennessee became the second shuttered this year [6].

1. CNBC/Reuters, *US weekly jobless claims total 247,000 vs 263,000 estimate*, April 21, 2016.
2. Leubsdork, Ben, Wall Street Journal, *U.S. Jobless Claims Rise but Remain Historically Low*, April 28, 2016.
3. Mutikani, Lucia, Reuters, *U.S. economy stalls in first quarter as activity weakens broadly*, April 28, 2016.
4. Mozur, Paul, and Perlez, Jane, New York Times, *Apple No Longer Immune to China's Scrutiny of U.S. Tech Firms*, April 21, 2016.
5. Meyer, Ali, Washington Free Beacon, *In 1 in 5 Families in the U.S., No One Works*, April 22, 2016.
6. WWW.FDIC.GOV

If I can save 25 billion dollars in terms of reduction of import, I will be adding one percent to the GDP. By conserving the oil energy by the people, the GDP will become 5.5 percent, and this will change the economy of the country—Veerappa Moily
