# Article Side

Eldridge Financial Blog: UK in recession again as recovery is â€˜paralyzedâ€™ by the European debt crisis, forecasted. by Eldridge Blog

Article published on February 18th 2012 | Finance

Britain is once again suffering a recession and unemployment risks coming close into three million this year as forecasted by the leading economic forecaster. The UKâ€™s economic recovery is â€˜paralyzedâ€™ by Europeâ€™s debt crisis, the Ernst & Young Item club will warn, as it cut its GDP grow forecast from 1.5 per cent to 0.2 per cent.Â According to Eldridge Financial Blog,Â the dire prediction comes after nine European countries including France, have had their credit ratings downgraded on Friday, dropping world stock markets into turmoil.

Â

EconomistsÂ hadÂ hopedÂ thatÂ exportsÂ andÂ businessÂ investmentÂ wouldÂ strengthen theÂ economy year,Â withÂ publicÂ andÂ consumerspendingÂ stillÂ in theÂ doldrums.Â Nevertheless, Europe accounts f more than 40 percent of British trade and business confidence has been roughly hit by insecurity about the future of the Continent and the single currency.Â On Eldridge Financial BlogÂ in the Sunday Telegraph quoted Professor Peter Spencer, chief economist at the Item Club, as saying: â€˜Figures for the last quarter of 2011 and the first quarter of this year are likely to show that we are back in recession, and we are going to have to wait until summer before there are signs of improvement. Although he said the double dip was unlikely to be prolonged, he warned that unemployment was nevertheless likely to hit three million by early next year. Figures set for release on Wednesday are expected to show the jobless figures continued to rise in the three months up until the end of November. Professor Spencer admitted that the Item Clubâ€™s predictions were based on positive assumptions about European policymakersâ€™ ability to keep the euro zone from falling apart. The longer the uncertainty continues, the more debilitating the impact will be on the UKâ€™s economic prospects, he added. The European Commission vice-president for economic affairs, Olli Rehn, yesterday attacked the decision by Standard & Poorâ€™s to cut down the credit ratings of so many European countries.

Â

The downgrades were â€˜inconsistentâ€™, claiming that the euro zone was taking â€˜decisive actionâ€™ economic crisis.

About Eldridge Financial Blog

Find investment ideas, stock quotes, charts, business news, market research and learning a lot of things financially!!! Geared towards the young professional seeking investment ideas and personal financial advice. Never invest into a stock discussed on this web site unless you can afford to lose your entire investment.

Article Source:
http://www.articleside.com/finance-articles/eldridge-financial-blog-uk-in-recession-again-as-recovery-is-paralyzed-by-the-european-debt-crisis-forecasted.htm - Article Side

Eldridge Blog - About Author:
Your online source for advice on how to grow your personal wealth by managing your own money.

Article Keywords:
eldridge financial, eldridge financial blog

You can find more free articles on Article Side. Sign up today and share your knowledge to the community! It is completely FREE!