

A Global Contagion, Bankster Interventions, & Minsky Moment

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By www.chuckcoppes.com



"The CCP's organizational disorder causes human disasters to be greater than natural disasters, which may lead to great changes." - Professor Xu Zhangrun, Tsinghua University

"The bigger issue now is that central banks are very much at risk of losing final control here, having left themselves vulnerable, and now they have precious little ammunition to deal with a real emergency if the coronavirus is turning into something much more serious."

- Sven Henrich, Northman Trader Blogger (Feb. 25, 2020)

"Central banks have done nothing to put an end to the boom-and-bust cycle. Instead, their unscrupulous interventions in credit markets just prolong the boom."

- Thorstein Polleit, The Mises Institute (Feb. 1, 2020)

"The Federal Reserve's reckless monetary policies will cause problems in the years to come. The Federal Reserve has to be reined in or we will soon be Greece."

- Donald J. Trump, Future President (Dec. 28, 2011)

"There is nothing about this economy that is out of kilter or imbalanced"

- Fed Chairman Jay Powell, Feb. 12, 2020

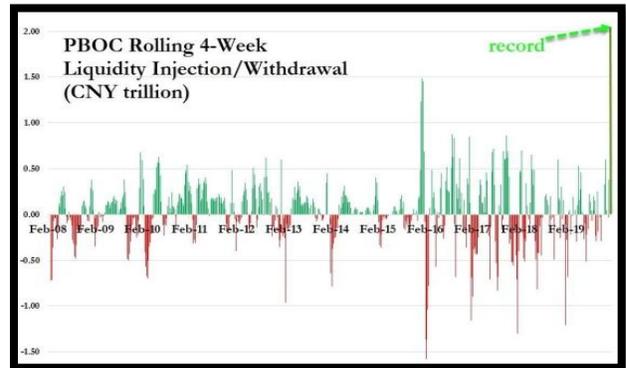
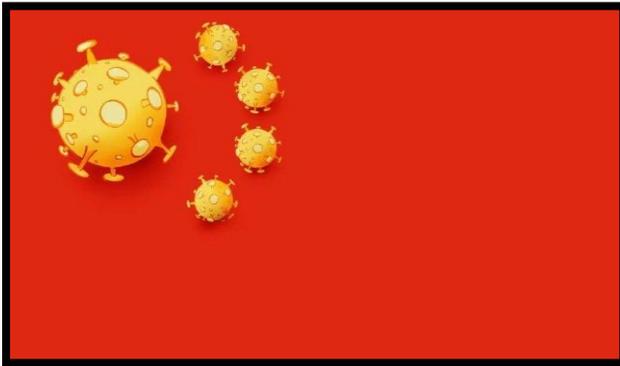
"The next bear market should be one that makes the Great Recession of 2008 seem benign in comparison."

- Michael Pento, Pento Portfolio Strategies

Greetings to All in These Cautious Times,

They say that the first casualty in war is...the truth. And mark my words, we have been in a war since the Fed introduced QE1 in March of 2009, after the so-called *Great Recession of 2008*. The evil central banksters never allowed the (free) market to clear toxic debts, risk and failure. Instead, we have had the *illusion/delusion* that we have had a recovery, growth and prosperity; and now we are learning that it was all a big fat LIE! The Dow, S&P 500 and Russell 2000 Index all hit new record highs on February 19th, and since then we have witnessed the massive destruction of the "wealth effect" that was created by the Fed. Our highly leveraged bubble economy has finally been exposed with the invisible threat of the coronavirus pandemic that has become a global contagion. A Black Swan event that has triggered a Minsky Moment of epic proportions. The panic in the markets is long, long overdue and will cause much suffering in addition to the spreading death of this virus.

The Chinese Coronavirus: A *Global Contagion*



"Not every problem can be solved by cutting rates or with additional quantitative easing. It's a disease, not a housing bubble!" - Zerohedge Blogger (2/25/20)

I literally read dozens of reports every day on current events. My last newsletter made no mention of the emerging virus out of **Wuhan**, but now it dominates the daily news cycle. In typical fashion, the **The People's Bank of China** has pushed record liquidity (debt) into their economy (above), but this has done nothing to stimulate the **velocity of money**. The official version is that this virus broke out at a seafood market in **Wuhan** that happens to be **900 feet** away from the only biological warfare lab in **China** as seen below (some say 20 miles). *The Global Times* broke the story that the coronavirus was leaked from this ultra-secret lab and you can read the **full story** at [THIS LINK](#). What does this mean? It means this is **NOT** a typical flu virus or animal disease. It is a killer biological warfare agent!

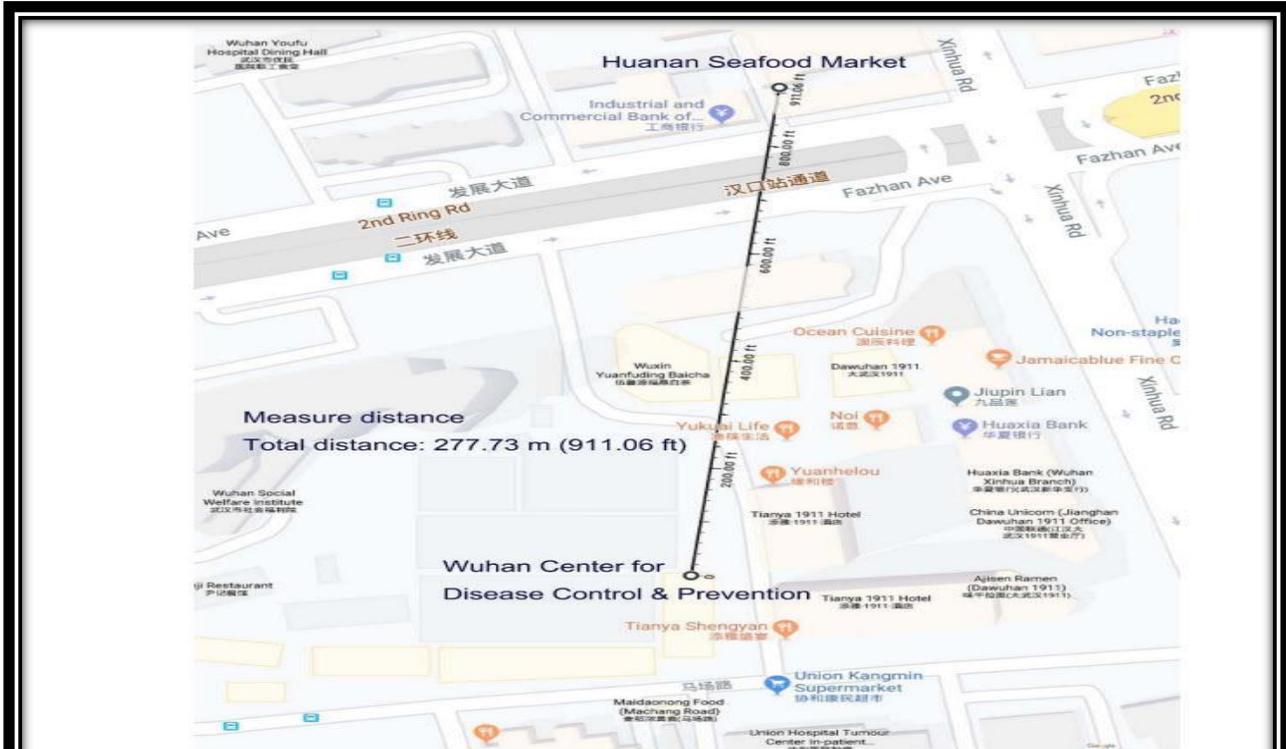
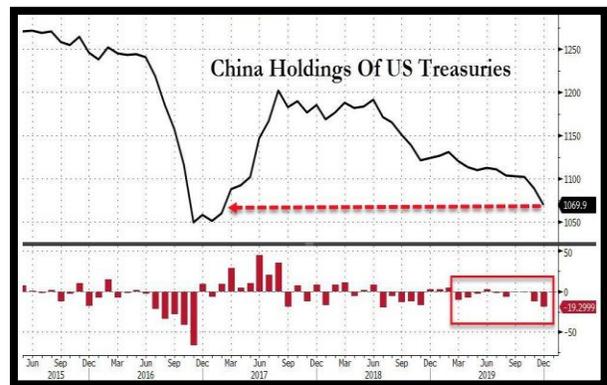
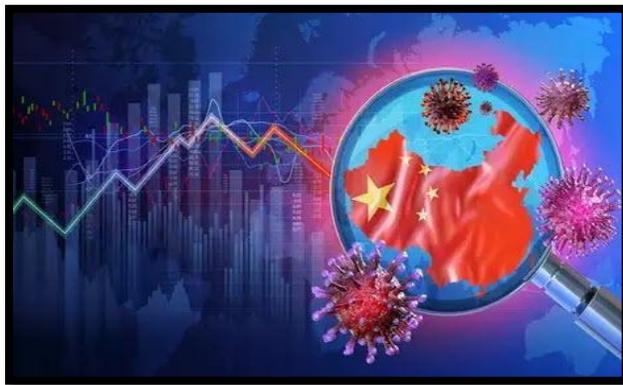


Figure 1. The Huanan Seafood Market is close to the WHCDC (from Baidu and Google maps).

Further evidence that this is a leaked agent from this lab are several breaking studies. It appears that the Chicoms have been developing this killer agent from the SARS-CoV viral pandemic in 2003, and this newer version has now spread around the world. You can see the timeline at [THIS LINK](#) and more at [THIS LINK](#) and [THIS LINK](#). This is a truly dangerous and frightening contagion, and especially when you realize that a vaccine cannot be developed and tested for another *12-18 months!*

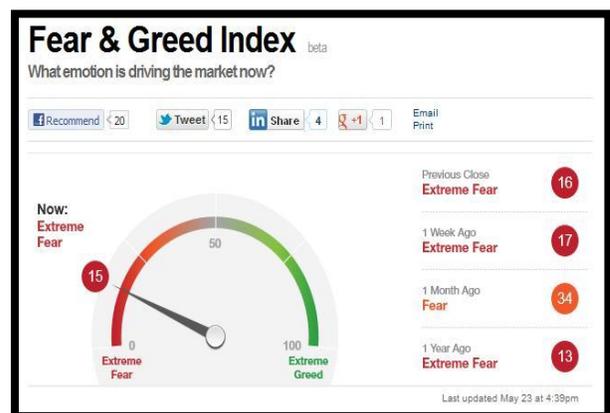
Doctor Francis Boyle: Coronavirus is a Biological Warfare Weapon

Dr. Francis Boyle is a bioweapon expert and creator of the Biological Weapons Act. In this **38-minute clip** he provides a chilling account of how this pathogen was created with a "gain of function" that means that it has an **83% infection rate** and can infect people in the **air** and through the **eyes**. This lethal super virus clearly violates the Biological Weapon Convention and is consistent with the goal of **asymmetrical warfare** by the Chicoms (EMP, etc.). Another example is the dumping of **US bonds** as seen in **this chart below**. You can also read the full transcript with **Dr. Boyle** at [THIS LINK](#).



"The CCP's organizational disorder causes human disasters to be greater than natural disasters, which may lead to great changes." - **Professor Xu Zhangrun, Tsinghua University School of Law**

Are you getting a sense of how serious this is? I urge you to listen to the **interview above** and be prepared. He concludes that he has been blacklisted by the media and government to suppress the truth. The **WHO** is also complicit in this cover-up and the central planners in **China** and the **West** will never reveal the true nature of this threat until it is too late. Independent researcher **David Icke** has just produced a video that collaborates what **Dr. Boyle** has said and warns about globalists agendas and **vaccines**, and so on at [THIS LINK](#). As you can see, the **global shipping index** has completely collapsed and I will share more a bit later. The **CNN Fear Index** is also at very extreme levels now.

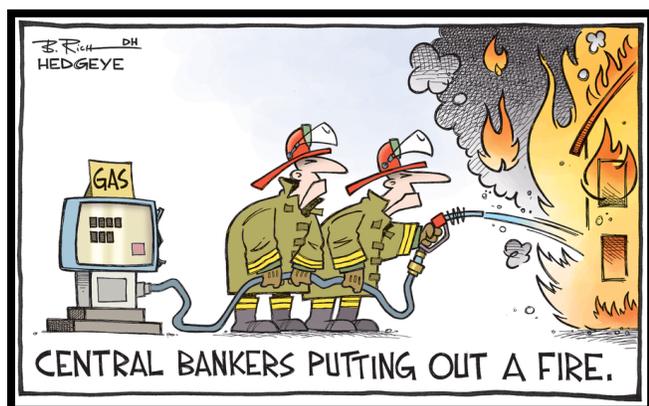


It should be noted that the [Wuhan Center for Disease Control & Prevention](#) was established in 1956 and is the only biosafety level 4 (BSL-4) laboratory in **China** as noted. So renowned is this lab that a novel was written in 1981 entitled *The Eyes of Darkness* by [Dean Koontz](#) that depicts a virus outbreak from a "military lab" called **Wuhan-400** that spreads around the whole world. Rather prophetic huh? We now have word today (3/4/20) that the [official seafood market outbreak narrative has been totally "demolished" and so has the market itself](#) by the Chicoms! What does that tell you? Here in the **US**, **Senator Tom Cotton** (AR) was the only voice to question the Chicom narrative a month ago and has been called a "racist" by the **Chinese** ambassador as noted [HERE](#). Again, do not expect government shills and central planners to ever tell us the truth. In fact, in **China** they are [destroying physical cash](#) suspected of contamination and the **WHO** is urging people to [go "cashless" to be safe](#), and this plays right into the evil bankster endgame of a [cashless society](#) - [and this is very prophetic indeed](#) (666).



The central planners, globalists and elite always have hidden agendas. A global crisis is a perfect opportunity to exploit a crisis, so be aware. But let us now turn our attention to the **risk contagion** that has been caused by the evil banksters and their **endless interventions** that will cause untold misery and **loss** for millions when our **bubble economies** implode on their watch and destroy wealth like a plague.

Bankster Interventions & Fake US Economy!



“There is nothing about this economy that is out of kilter or imbalanced” - **Fed Chair Jerome Powell**

The above quote is from February 12th. Really? Let's start with your **imbalanced** stock market since 2009, which has recently reached **158% to GDP** and now is *way out of kilter*. The **Fed** has intervened at every juncture, and their only response has always been **more liquidity** (gas) to produce an "orgy of debt-fueled spending" to produce a **fake US bubble economy** that is now imploding.

Again, the 450% gain in the US stock market since 2009 has been a delusion and a big lie. I have written extensively about stock buybacks (on margin), lack of earnings, record P/E ratios and the fact that just four (4) tech companies lead the indexes. In fact, prior to the drop they accounted for 67% of the YTD gains on the S&P 500 - *talk about imbalanced and out of kilter!* All of this **wealth effect** is vanishing like a fart in the wind. A week ago, Mike Whitney ([Unz Review](#)) penned this:

*"Despite persistent warnings from the IMF and other establishment institutions, **Central Banks have done nothing to curtail the 11-year orgy of debt-fueled spending or the rampant reckless speculation that has sent stock prices through the roof** even while workers wages have remained flat and standards of living have continued to slip. **For more than a decade the Fed has kept interest rates locked on their emergency setting while pumping trillions in liquidity into the financial system at the first sign of trouble.** So now stocks are the biggest bubble in history and the Fed finds itself without the tools it needs to counter the effects of the coronavirus. This has all the makings of a major catastrophe."*

The banksters are out of bullets, and all they have left is a **gas pump** to burn down the house. We are heading for a **major catastrophe.** The venerable **Doug Casey** could not agree more. "The **Fed** officials pretend to be **The Great Wizard of Oz,** and *Boobus Americanus* is trained to think they're omniscient," he writes. "Thus whenever the rate of growth slips too low, officials are expected to give 'the economy' a suitable push. Conversely, whenever the economy is growing too fast, the officials are supposed to step in to cool it. It's all an embarrassing and destructive charade." Casey concludes thusly, "I remain of the opinion that **we're headed into the biggest economic smashup in history.**"



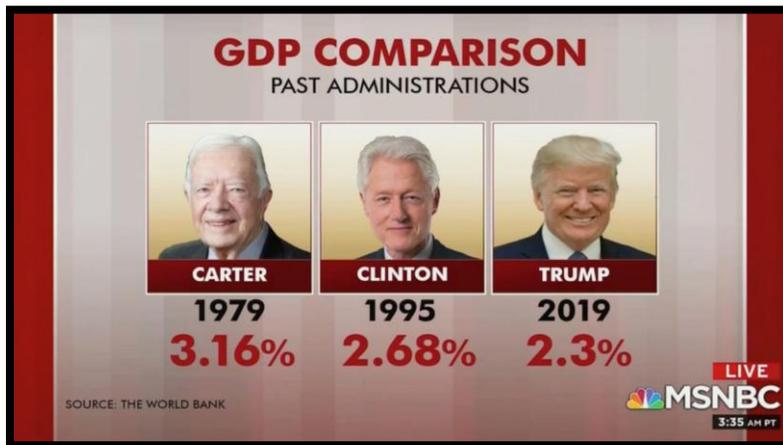
"The bigger issue now is that central banks are very much at risk of losing final control here, having left themselves vulnerable, and now they have precious little ammunition to deal with a real emergency if the coronavirus is turning into something much more serious."

- Sven Henrich, Northman Trader Blogger (Feb. 25, 2020)

Fed Chair Powell announced an "emergency" rate cut of .50%, and the stock market promptly sold off! That was **NOT** supposed to happen! It was an utter and complete failure. More than **70%** of the US economy is **consumer spending** and rate cuts are meant to encourage people to go out and *spend more* - what economists call *the velocity of money*. People are spending alright, on sanitizer, toilet paper, soups and other emergency supplies! But they will NOT be going out to public places like restaurants, malls, sporting events, theaters and so on. And these low-paying retail jobs will cause even more **business failures** (more in a moment). The banksters are trapped, and **Charles Hugh Smith** has rightly concluded, "...by claiming god-like control of interest rates, financial markets and the economy, the **Fed** must now accept responsibility for what happens in the end-game of the Moral-Hazard Monster Bubble it created: either allow a 25% to 30% wipeout of speculative excess now or feed the final stampede to financial collapse." I expect a **50-60% wipeout,** and this is why the evil banksters pose a **greater risk contagion** to our personal wealth and financial future. **Jefferson** said that he feared "banking institutions" more than standing armies *because they can cause more collateral damage to a nation.* We will see **deflation** in stocks, bonds and real estate and then *hyperinflation* as we face sovereign debt defaults, pension failures, bank closures, systemic failure and much more.



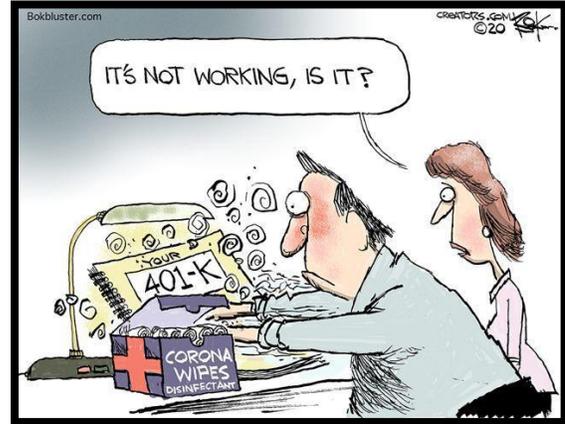
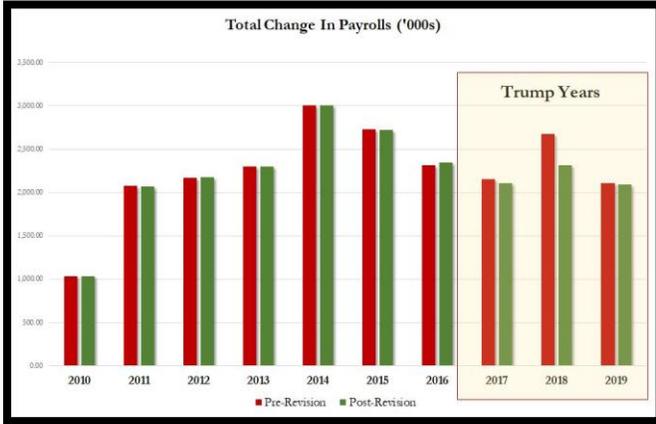
Meanwhile, The Donald has been (foolishly) taking credit for the US bubble economy. In a braggadocios tweet that will live in infamy, he ignorantly referred to 401ks as "409ks" and mocked any investors *who were not playing* in the rigged **Wall Street casino** being fueled by the **Fed**. I mean, does it get any more pathetic than this? As one blogger commented, "Politicians of all colors and ideology congratulate themselves on the rise in bonds and stocks as if it were the result of their policies, *and not of the dangerous and perennial monetary insanity of central banks*. This is an important problem because risk is not only disguised, reckless fiscal policies are rewarded." Let's be clear. This is **NOT** the **Trump economy**. It is the **Powell economy**. Further, there is **\$29 trillion** in retirement assets, and only 19% (\$5.7 trillion) are in 401ks. In fact, latest data from the Census Bureau indicates *that only 14% of employers even offer 401k plans!* So, the repeated reference to 401ks/409ks is meaningless to 80% of the American people. In another braggadocios moment two years ago, **Trump** predicted that we would see **4%, 5% and even 6%** annual **GDP** growth! It has been a tepid 2.3%, and doesn't even compare with other Democrat administrations. You can **watch the short clip** at [THIS LINK](#).



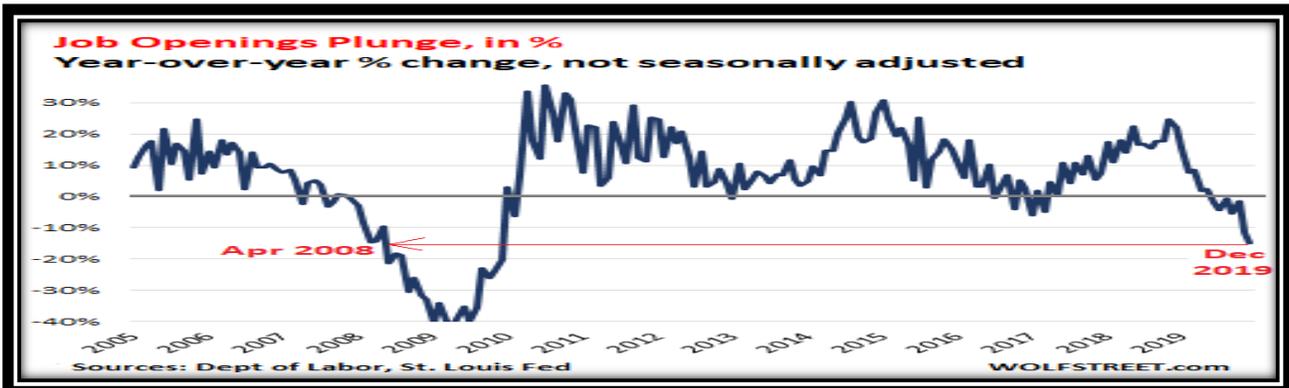
Some say that I am too hard on Trump. Fact-checking and *embarrassing* him. He is *better* than Hillary and so on. Folks, we just want *the truth*. **Trump** is the *worst messenger* we could have in a time of national crisis. I am not at all confident going forward, and I agree with David Stockman:

"The Donald is not remotely the force of nature he's been made to seem by the Trump-obsessed journalists and talking heads. To the contrary, he's actually a political flyweight, megalomaniacal incompetent and bile-ridden bully who stumbled into the Oval Office against all odds; and then lucked-out a second time by riding high on the final three-year crest of a deeply impaired and unsustainable economic recovery and monumental stock market bubble..... Accordingly, we think the Donald will mainly be remembered not as the restorer of MAGA nor as the statesman who rescued America from a day of reckoning that has been building for more than three decades. Instead, the Donald is destined to be remembered as the Great Disrupter. His lasting contribution will be that he rambunctiously discredited the handiwork of Imperial Washington."

I invite you to read the entire article written by Stockman at [THIS LINK](#). It is entitled *Next Comes the Turbulent Twenties* and a prescient look at the failure of Keynesian banking, the "tsunami of baby boomer retirement demographics" and "...the threats to our Constitutional foundation." Not good.



Have we seen better job growth in the Trump years? Not really when you compare it over the past ten years including the **Obama** years as seen above. The red lines are stated job growth numbers, and the green are the revised numbers. As I commented last month, the jobs today are low-paying, part-time jobs with no benefits. The gig economy. We can also see that **job openings** have now *declined* to **2008** levels as seen below. Also note that **this decline** started *a year ago* and it continues.....

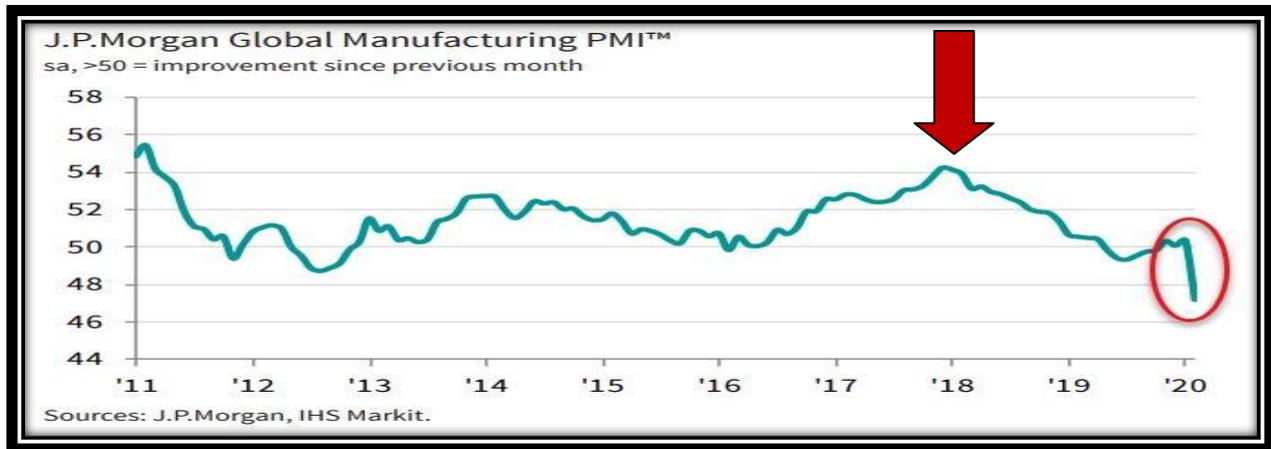


Perhaps the most painful reality for Americans, is that wages have been flat for nearly 40 years. Yes, you heard me right and this is easy to fact-check. **Wage percentages** go up and down, but the net result is still **zero**. And to make matters extremely worse **REAL** inflation is running at **10% or more!**

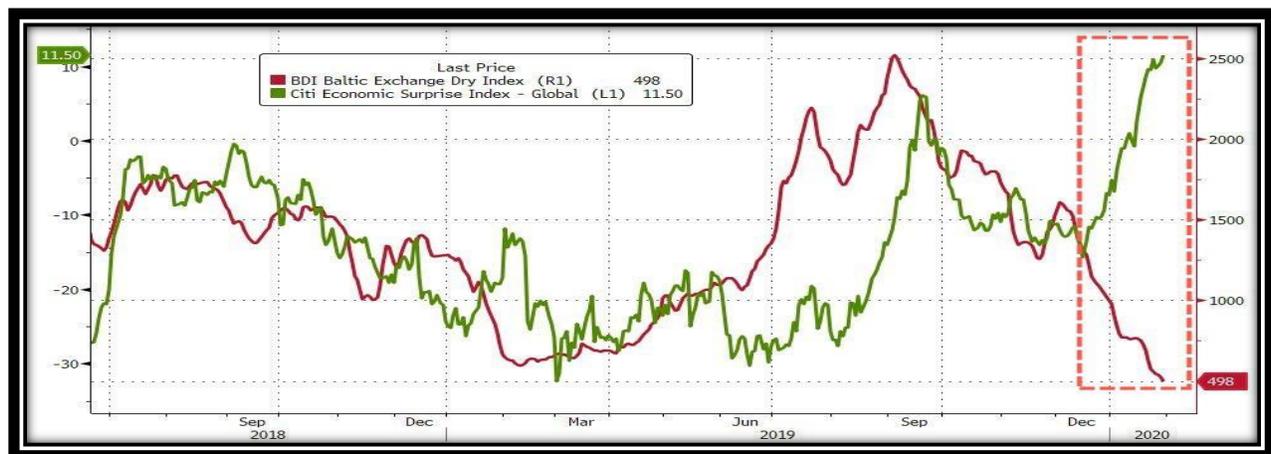


[Peter Schiff Video: The Coming Trump Train Wreck \(Feb. 12, 2020\)](#)

The Trump (Powell) economy is NOT making us great again. The coronavirus pin has *exposed* the bubble economy that has been long, long overdue. And this will be particularly devastating for the baby boomers and seniors. Just prior to the recent market crash, **Peter Schiff** gave this **16 minute** presentation noting that **Trump** called the market a "big fat bubble" as a candidate in **2016**, and since then he has always been bragging about the stock market, so any downturn will be blamed on him! The result could be a Socialist like **Bernie Sanders** winning the presidency, but **Schiff** says **Trump's** debt and spending is *already funding a socialist welfare/warfare state!* Take a listen if you have time.

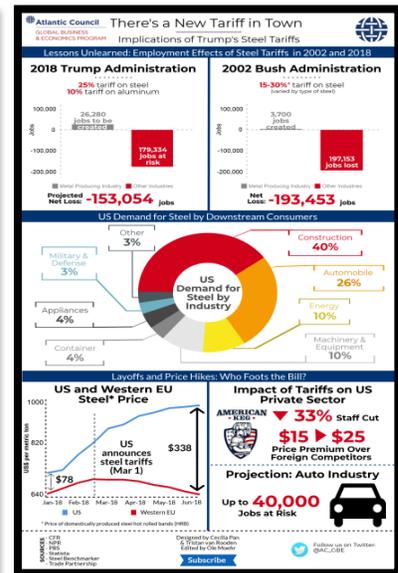
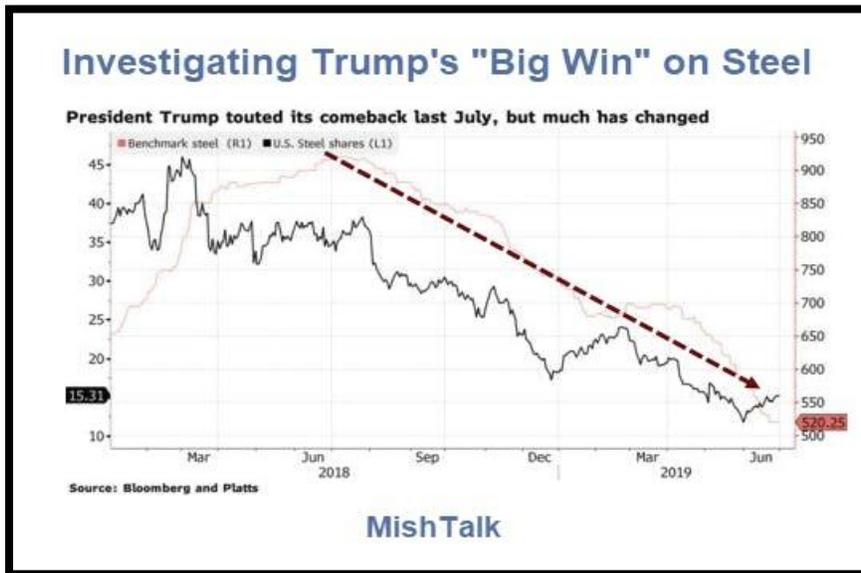


We now come to some hard data that is very disconcerting. The **Producers Manufacturing Index (PMI)** is a solid indicator of economic activity, and it has been declining since the *20% swoon* in **December 2018** (when the recession *should* have began). This is the sharpest drop since 2009!



The spread of the coronavirus contagion is having a severe impact on global shipping! As you can see, the **Baltic Dry Index** has collapsed in **December** and the **Economic Surprise Index** has spiked. What is this index? It is a measure of how **WRONG** the financial pundits and experts were in their predictions and prognostications. There were "surprised" you see. We may all be *surprised* that a **Black Swan** event is spreading around **the globe**, but it is *NO surprise* that we have been facing a fiscal/monetary crisis of epic proportions since **2008**. These indexes have been flashing recession for more than a year! A month ago, **Michael Pento** said, "The next bear market should be one that makes the Great Recession of 2008 seem benign in comparison." That next bear market is now upon us.

Trump Trade War *Backfires on Steel and Coal!*



This is so hard to report on, and I hope that you bear with me. I am amazed at how the support for **Trump** continues as he *mortgages* the future for the **young** (unsustainable debt); *removes all yield* for the **elderly** by insisting on zero, or *negative*, rates (pensioners, savers, fixed income); *encourages* the gap between the rich and **poor** by fueling Wall Street (Fed); and *destroys American business* with his trade wars (tariffs/tax/levies paid by US firms!). Yes, you heard me right. The **US steel industry** once trusted **Trump** the "business man" (and con man). But not anymore. So let me explain this to you.

On January 28, 2019, the president sent out a **braggadocios tweet** announcing that tariffs/levies on imported steel has "totally revived our steel industry" and "new and expanded plants are happening all over the US" and we have "created many jobs" and "billions paid to our Treasury. A BIG WIN FOR THE US [all in large caps of course]." But is this true? NO. The **chart on the left** reveals that **US steel has lost 70% of its market value**, or **\$5.5 billion in 16 months!** The **chart on the right** is small, but so far **153,000 jobs** have been lost in the steel industry and more than **40,000** in the **US auto sector!**

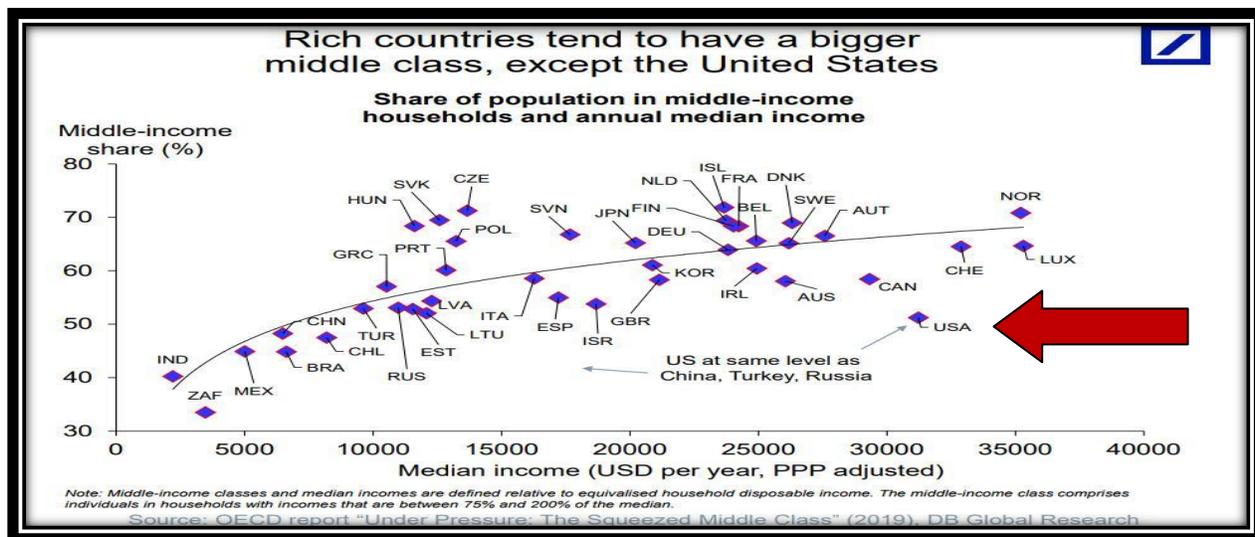
What has caused this disaster? Put simply, an import tariff is a tax on goods. ALL firms in the US are being betrayed because these **15-25% tariffs** are being paid by US firms. **John Hirtz, CEO of JSW Steel** has filed a lawsuit against the Trump administration because they import steel from **India** and **Mexico** and the Trump administration has "refused to exempt them from paying the tariffs/levies" that the company imports. **I'm trying to get my head around this**, and the **FULL LINK IS HERE**. In essence, **Mr. Hirtz** was "in lockstep with the president" but even his director of imports said "It is the *hypocritical nature of these tariffs that's completely dumbfounding us.*" In other words, they were conned by **Trump**. Plants are closing, jobs are lost and families ruined. I *seriously doubt* that **FOX News** will be reporting on this calamity that is now being *compounded* by the **coronavirus pandemic**.

As market analyst **Mish Shedlock** has documented, the **US Commerce Department** estimated that in **2018** they might have 4,500 "petitions for tariff relief." **A year ago**, they had **50,000** from steel and aluminum producers! As of January 2020, there are now **141,000 firms begging for relief!** As one exasperated **steel CEO** said, "We're an American company with American workers represented by American unions. *That's what sucks.*" What really sucks is trusting in a **TV reality star** "that stumbled into the **Oval Office**." This is what we are dealing with folks, so don't shoot the messengers.

As far as the US coal industry, it has been equally exasperating. In a [braggadocious tweet](#) in June 12, 2017, Trump promised to make coal "great again." Has this happened? NO. As Zerohedge reported [just a month ago](#) regarding the Twin Ports in MN and WI, they have all been devastated:

"President Trump vowed to make "Coal Great Again" and restore the industrial heartland. But it seems as Trump's many campaign promises to coal miners have been broken, as there's hardly a peep from the administration about the imploding industry. A.P. said 8 million tons of coal moved through the Twin Ports, the lowest volume since 1985. U.S. coal production has plunged from 1.2 billion tons in 2008 to 597 million last year. Despite Trump's promises to revive the industry, production continues to decline. Trump was silent last year after a significant bankruptcy wave devastated the industry."

As noted above, there has been a *damnable silence* from Trump, and his handlers, concerning the demise of the US coal industry with the *lowest volumes in 35 years*. As Peter Schiff often points out, **The Donald** rails against the *fake* media, but he is peddling a *fake* economic recovery. As I mentioned (p. 7), we have a **gig economy** with low-paying, part-time jobs, job growth is mediocre as the baby-boomers retire *en mass*, we have flat wages and the **Fed** has become completely impotent. Real world unemployment in the US is currently **21.2%** according to the latest post by **Shadowstats**, which can be seen at [THIS LINK](#) (not 3.4%). We are entering into a time when the truth is vital. We need honest messengers. But as **James Quinn** [recently concluded](#), "The blizzard of lies obfuscating the reality of our economic decline has been so persistent, critical thinking Americans have lost all trust in the existing social order." And this was written a few days before the **coronavirus contagion** hit the US that will challenge the social order as never seen before. The sad reality is that most of the developed world (EU, Japan, etc.) has a *larger middle class* than the US. According to **this chart** by the **OECD**, the US ranks far below and on a par with Turkey, Russia and China. Bet you've never seen this huh?

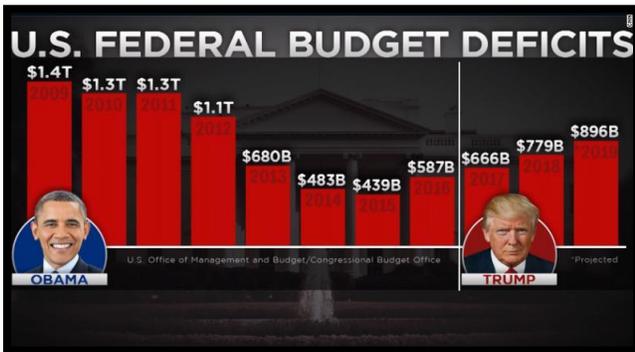


"The Federal Reserve's reckless monetary policies will cause problems in the years to come. The Federal Reserve has to be reined in or we will soon be Greece."

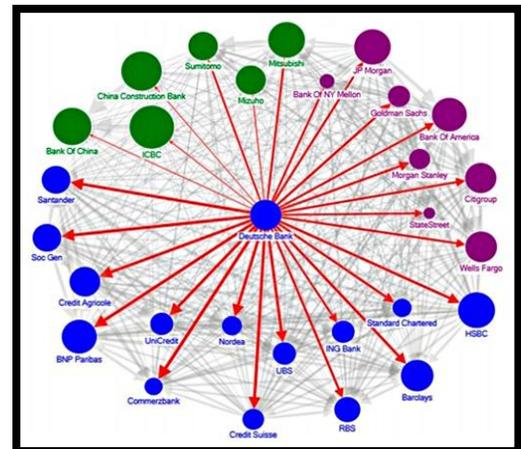
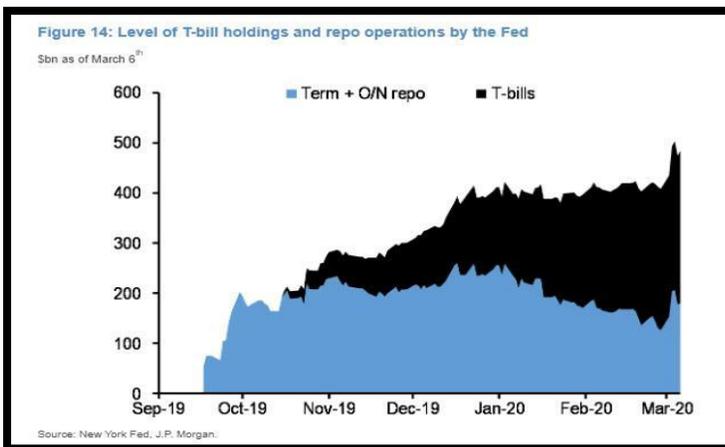
- Donald J. Trump, Future US President (December 28, 2011)

We are in a war for the truth. The Fed's reckless monetary policies have been a destructive charade that they have god-like powers. **Citizen Trump** once spoke the truth about the **Fed**. But now our debt to **GDP** is the same as **Greece**, and all we have left is the *illusion of greatness* and a **Minsky Moment** that will make the **Great Depression** seem like a market correction. Let us now take a closer look at the serious risk contagion that is being posed by the **evil central banksters** and likely outcomes.

Unsustainable US Debt & the Minsky Moment



The US is on an unsustainable path. Since **Trump** has taken office **federal spending** has increased by **\$180 billion per year** compared to Bush, Jr. (\$120 billion), Obama (\$80 billion) and Clinton (\$40 billion). Federal budgets are always in the red because **88% is fixed mandatory spending** to fund the welfare/warfare state. **Trump** is too late on the scene to reign in reckless policies, and now we have a global pandemic to deal with. "The coronavirus is now exposing a far more deadly disease," writes **David Stockman**. "Namely, the poisonous brew of easy money, cheap debt, sweeping financialization and unbridled speculation that has been injected into the US economy by the Fed and Washington politicians." The **Fed** has been cutting rates, buying up treasuries (QE4) and providing massive liquidity to the **repo market** up and down **Wall Street**. As I reported in my December newsletter, the overnight lending rate (from bank to bank) went from 2% to 10% on **September 16th**. The **Fed** immediately intervened and drove the rate down to 1.6%, and has been providing *billions* every day since **as seen in this chart** (repo funds and T-Bill holdings). Where is all this going and why?



"When the financial history of this era is written, it is fairly likely that historians will identify the onset of the global economic crisis as September 16, 2019." - **Dr. Tuomas Malinen, University of Helsinki**

The NY Fed is refusing to disclose recipients of this largess. The last time the **Fed** supported the repo market was prior to the *collapse* of **Lehman in 2008**. It is highly suspect that **Deutsche Bank** in Germany (and several others) are on the verge of collapse. In **2016**, the **IMF** identified **DB** as the most systemically important bank in the world with counterparty risk to all major banks (chart on the right). **DB** is the largest bank in Germany and only has a market cap of **\$15 billion** versus **\$49 trillion** in notional derivatives! Its share price has fallen like a rock and is also under criminal investigations, and **most noteworthy** - it is among the **24 Primary Dealer Banks** of the **Fed** that sells **US Treasury bonds**!

CONFIDENCE. For the **past dozen years** I am frequently asked *when* does the reckoning day occur, or *how* does it occur? The bottom falls out when people lose confidence. Confidence in the **Fed** to rescue every sector of society. Confidence that youthful **financial advisers** (who have never seen a primary bear market) know what the hell they are talking about! Confidence that the **reassurances and statistics** peddled in the financial media and **Trump's** twitter account are truthful. Confidence that **Janet Yellen** will "never see a financial crisis in her lifetime." **Charles Hugh Smith** responds:

"The loss of confidence is akin to a loss of faith or loss of credibility: none of these can be restored overnight....Once your trust in authorities has been shattered by gross incompetence, authoritarian suppression and a laughably unbelievable tsunami of lies, you don't wake up the next morning with your trust in bogus statistics and reassurances fully restored. Once credibility has been destroyed by an endless parade of fabrications, lies and transparently false reassurances, your faith and trust that what you're being told 24/7 is actually true is not magically restored."

All that has ever been between things being "normal" and fear/panic is confidence in the **status quo**. Some call this the **Normalcy Bias**...and how people resist warnings. The Moral-Hazard Monster Bubble created by the **Fed** has burst and all of the bad actors, pundits, shills and hucksters have now *lost all credibility*. We see the **same issue** with this viral contagion. The **WHO, CDC** and others have been *loath* to call this toxic virus a pandemic, and you will never hear that this is a **BSL-4 biological warfare agent** that leaked out of a **Wuhan** facility. **Dr. Francis Boyle** is a trusted source, and I do encourage you to listen to **that interview** (p. 3). In addition, financial analyst **George Gammon** has released this **urgent video** and this is a must watch. It is a bit technical, but only **20 minutes**:

Coronavirus Nightmare Much Worse Than They Are Telling You!

In this shocking overview **Gammon** explains (illustrates) how a **dollar collapse** is coming when **China** dumps our bonds, and the **Fed** hyperinflates. But first he relates the serious **compounding of cycles** with the coronavirus including the infection and fatality rates **as illustrated in this chart**:

		Cycles												
		1	2	3	4	5	6	7	8	9	10	20		
RO	New Infections each cycle	→											Total Infections	
1.00	1.0	1	1	1	1	1	1	1	1	1	1	1	1	20
1.28	1.0	1.28	1.64	2	3	3	4	6	7	9	109	494		
2.00	1.0	2	4	8	16	32	64	128	256	512	524,288	1,048,575		
2.50	1.0	3	6	16	39	98	244	610	1,526	3,815	36,379,788	60,632,979		
3.00	1.0	3	9	27	81	243	729	2,187	6,561	19,683	1,162,261,467	1,743,392,200		
4.00	1.0	4	16	64	256	1,024	4,096	16,384	65,536	262,144	274,877,906,944	366,503,875,925		

What you are seeing here is a comparison to a common flu (1.28) and this weaponized pathogen, which is closer to **four** on this chart. The staggering implications are that we could see more fatalities than the **Spanish Flu in 1918!** This level of concern was also expressed recently by **Dr. Richard Hatchett**, author of the *National Strategy for Pandemic Influenza Implementation Plan* and head of the Coalition for Epidemic Preparedness Innovations. **Hatchett** says that **50-70%** of the global population could be infected by this **pandemic**. "This is the most frightening disease I've ever encountered in my career, and that includes Ebola, it includes MERS, it includes SARS. And it's frightening because of the combination of infectiousness and a lethality that appears to be many fold higher than flu." Get that? This is **NOT** a "common flu" that you are hearing about on **FOX News**. That is because it is not a normal flu or virus. It is a killer biological warfare agent. Please watch **the video** above.

Will Swing Voters Swing to Socialism in 2020?

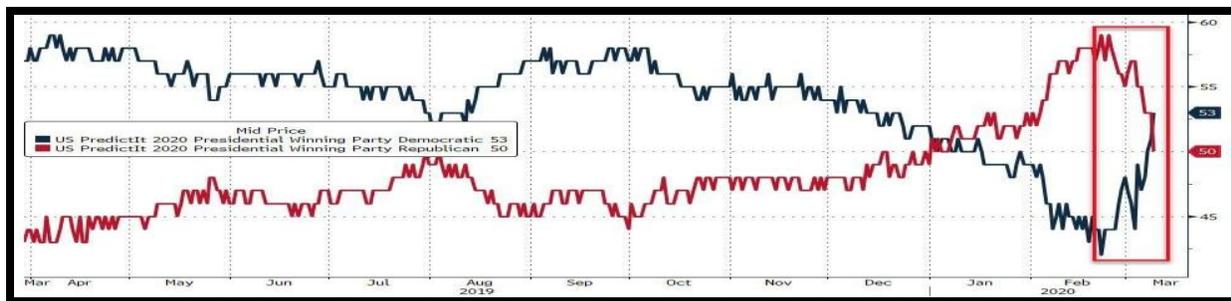


"Government is a broker in pillage, and every election is a sort of advance auction sale of stolen goods." - H. L. Mencken, Social Critic (1880 - 1956)

Another potential outcome that could occur with this viral contagion that has now exposed the risk contagion in **financial and credit markets** is a **Democrat** victory in **November**. Don't think this can happen? I hate to be cynical, *but people vote their pocketbook*. They want to know what have you done for me lately? In a [recent post](#), market technician **Sven Henrich** stated it clearly.

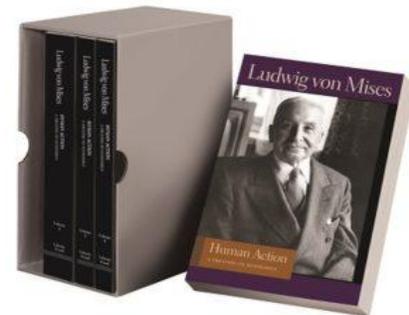
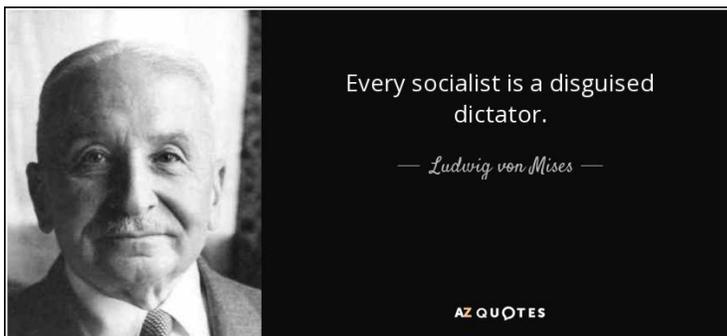
*"Whatever one's political leanings, **many people also vote with their pocket books.... Many will vote for President Trump no matter what, some will vote for whoever the Democratic nominee will be no matter what. But US elections are decided on the margin of swing voters. And swing voters will vote with their pocketbook.**"*

Henrich wrote this comment prior to the financial contagion that is destroying the wealth effect, paychecks, jobs, livelihoods and normal life faster than an African locust plague. He also hinted that the **Powell Economy** had the upper hand. But no more. These ignorant *swing voters* are cheering for **Socialism** and lots of **free stuff**. They even listen to a **former bartender from Queens** who stupidly referred to "famed economist **Milton Keynes**" in a [recent lecture for free Universal Basic Income](#) (confusing Milton Friedman and J. M. Keynes). Perhaps **Einstein** was right when he said, "the only element in the universe more common than hydrogen is stupidity." And **stupid people vote** for *more government and stolen goods* from **political auctioneers** every election cycle in the **US**. [Recent evidence](#) from "market predictions" indicate that a **Democrat** win is now likely this **Fall** (see below).



Again, why is this happening? It is happening because the **Bragger in Chief** has stupidly hitched his wagon to the **Powell Economy**, and now it has *slammed* into the **Minsky Moment**. The **Crash of 1929** is *why FDR defeated Hoover in 1932*. People lost **confidence**. People voted their pocketbooks. Just like **Peter Schiff** stated earlier (p. 8). It is as simple as that. The **swing voters** hold our future.

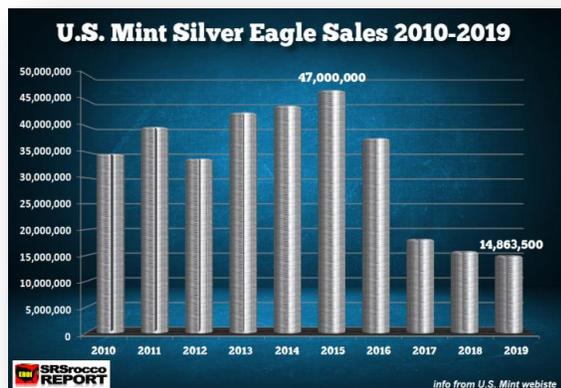
Swing voters and the MAGA Faithful. As most of you know, I am a **political atheist**. I hate both political parties like H. L. Mencken, Dr. Ron Paul, Schiff, Shedlock, Stockman, Casey, Pento, Henrich, Quinn, Rubio, Celente, Kunstler, Smith, Armstrong, Lew Rockwell, John Whitehead, Chuck Baldwin, Mike Adams, Tom Woods, Pat Wood and a host of critical thinkers too long to list. And like our **Founding Fathers**, we see government *as the problem*, and *never the solution*. The "swing voters" are a feckless low-information ignorant/stupid class that take time out from "the pursuit of happiness" to register a vote every two to four years. Right now they are seeing the **failure of crony capitalism** as I said earlier (not free market capitalism). So they are embracing **Socialism**. The **Wall Street** bull market for **11** years is officially over. The **Dow** is **10%** away from when **Trump** took office in **2017**. It has all vanished and so has the centerpiece of Trump's scorecard. **CNN** is now anticipating a win in **November**. Many **Trump** supporters have become what **Mike Adam's** calls "coronavirus denialists" in their zeal to secure a **GOP** victory ([HIS LINK](#)). The effort to downplay this viral contagion is now failing. **WHO** has finally declared it a **global pandemic**, predictions are that **MOST** Americans will be infected and **Dr. Fauci** warns that it is "ten times more lethal than the seasonal flu" with a death rate that is **60 times higher** than the flu (Adams - [LINK HERE](#))! We should also remember that the **MAGA** faithful vote their pocketbooks. The **US** has the lowest middle class percentage in the industrialized world, retirement funds have collapsed, small businesses are suffering and the wealth gap has forced many to live **paycheck to paycheck** in the *gig economy* with unemployment at **1929** levels. The **Fear Index** is now at its most extreme level and it remains to be seen what the political outcome will be, but one thing is for sure, the Powell/Trump Economy has failed. And this is primarily a failure of the **Fed**, a Socialist central planning institution that has produced the **monetary crisis and chaos** that we are now seeing (p. 12). Socialism is very bad economics. It is based purely on force and coercion. It has never worked when tried and that is because people are not self-educated in economics. **Ludwig von Mises** is the dean of the [Austrian School of economics](#), and I love **this quote** which is from his *magnum opus* entitled *Human Action* that I have also posted on my [author home page](#). Here, the good doctor stresses our need to understand sound economics and why it is our primary civic duty!!



"Economics must not be relegated to classrooms and statistical offices and must not be left to esoteric circles. It is the philosophy of human life and action and concerns everybody and everything. It is the pith of civilization and of man's human existence..... All present-day political issues concern problems commonly called economic..... Everybody thinks of economics whether he is aware of it or not. In joining a political party and in casting his ballot, the citizen implicitly takes a stand upon essential economic theories..... As conditions are today, nothing can be more important to every intelligent man than economics. His own fate and that of his progeny is at stake. Very few are capable of contributing any consequential idea to the body of economic thought. But all reasonable men are called upon to familiarize themselves with the teachings of economics. This is, in our age, the primary civic duty..... Economics deals with society's fundamental problems; it concerns everyone and belongs to all. It is the main and proper study of every citizen."

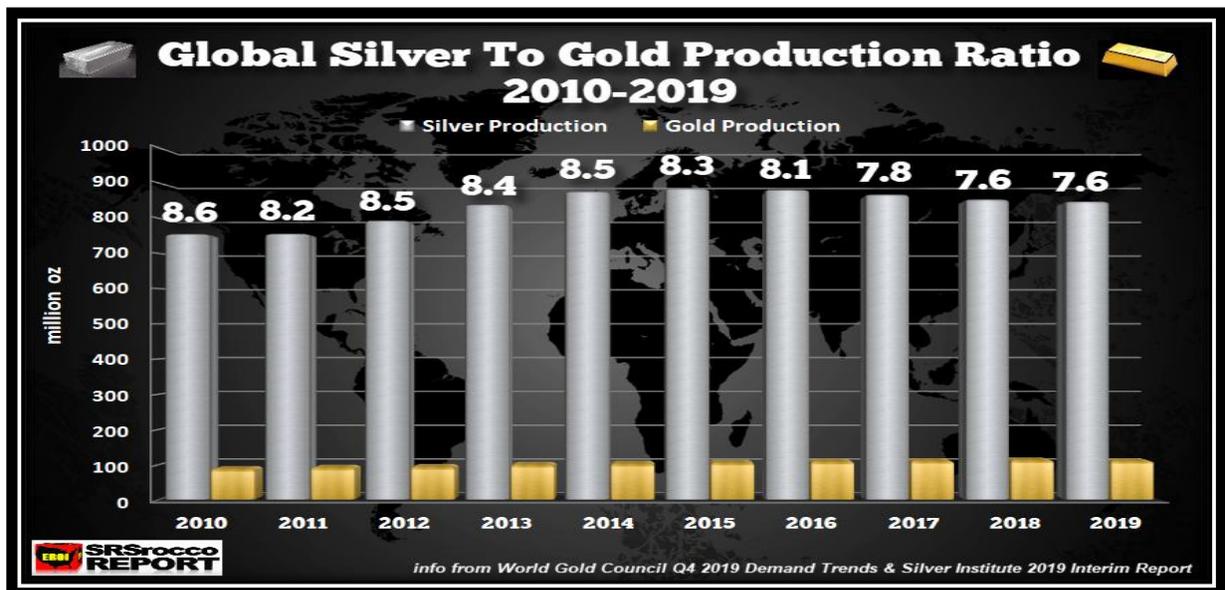
To summarize. Economics "is the philosophy of human life and action and concerns everybody and everything," as **Mises** said. This is why I concern myself with geopolitics, macroeconomics and the more important discipline of **Christian apologetics** that I will address in my conclusion. In my radio interviews, I often state that we have gone from a **financial crisis** (2008) to an **economic crisis** (2020) and soon to a **monetary crisis** (reset). This collapse in the stock market is not the reckoning day as I write about. The reckoning day will be in the bond market. And we are already seeing a bankster liquidity crisis in the **repo market** that we have not seen since **Lehman** (p. 11). This is *way under reported* and I suggest you **bookmark THIS LINK** to stay informed. The narrative that we have a "robust economy" has now met the coronavirus pin that has burst the fake bubble economy. A **Minsky Moment** indeed. In his second Oval Office address, **Trump** assured that this is *not a financial crisis*.

The war continues that we have growth and prosperity, and that this viral pandemic *will soon pass*. Folks, POTUS is the *worst possible messenger* in a time of national crisis. Earlier (p. 7), I mentioned an important article by **Stockman**, *Next Comes the Turbulent Twenties* that provides some perspective on where things are going. I now urge you to **listen to THIS INTERVIEW** by **Stockman** that covers this topic. It is **26 minutes**. Do it. The killer **Black Swan** has launched a **financial contagion** that will be *deflationary* for things you own and *inflationary* for things you need - **Stagflation**. Even worse, as **George Gammon** has clearly demonstrated in his **video clip**, from a macroeconomic perspective we are facing a **US dollar collapse** (due to China holdings) and hyperinflation (p. 13). This will be the **reckoning day - the monetary reset**. At this point there is no political, medical or financial solution. The bottom has fallen out, people are losing **confidence** and it cannot be *magically restored* with more gross incompetence and suppression of the truth. It is time for some serious contingency planning.



First of all, I trust that you are prepping as best that you can with the basics. Beyond food and personal items, medicines, hand cleaners, etc. we need to be prepped for a **financial contagion**. As you can see, the demand for silver has exploded. **Silver** investors have been living in a **Groundhog Day** since **April 2011**, and folks *I feel your pain*. Since **Trump** released the animal spirits in **2017**, the metals have been **flat** (chart on the left). But **US Mint silver sales** have soared (chart on the right). These charts are provided by **Steve St. Angelo**. He was a "coronavirus denier" and has now confessed that *he was wrong* after "researching" the matter that is **LINKED HERE**. He repented after spending time with **Chris Martenson (LINK)**, and **Mike Adams (LINK)**. The latest video from **Martenson** is rather *urgent* at **THIS LINK**. Share this with your MAGA friends in the spirit of compassion, truth and reason, and pray that they also **come to their senses** before it is too late for them. They say that exponential/compounding crisis always has this affect on people. **The Normalcy Bias**. People with "situational awareness" are the **first responders** and dedicated to **triage** and using their "street smarts" to help others. And this is what I am committed to doing for my clients as we go forward.

But what about gold? I report on **gold** every month, but generally **favor silver** for a multitude of reasons. Not the least is the **silver to gold ratio** that is currently a stunning record of **100:1!!** They say anything above **50** is a buy signal. This is screaming at prudent investors! For **IRA** accounts over \$50k I recommend **10-20%** in gold for some diversification, but I don't see any downside risk for **silver** at this point. As I have been reporting, last year the Bank of International Settlements adopted the **Basel III Accord** mandating that central banks and Globally Systemic Important Banks (GSIB) raise **gold** from a Tier III asset to a Tier I risk-free cash-equivalent. This was years in coming but the hard deadline was a year ago (April) and thus central banks bought **650 tons**, which is the most since **Nixon** decoupled gold from the **US dollar in 1971!** The banksters are buying gold. What does that tell you? Currently, the global market cap for stocks is **\$80 trillion** (and falling) and around **\$100 trillion** in bonds. According to **Jeffrey Christian** at CPM Group gold accounts for a mere **0.52%** of financial assets (up from **0.51%** in 2018). This is miniscule and the figure for **silver** would be much less. **Gold** is a concentration of wealth and more portable, but **silver** is *the poor man's gold* and has more upside and more practical for barter, etc. Also, consider the fact that gold and silver has historically been mined at a **10:1** ratio, and **as you can see** it is presently closer to **8:1**. This should be the price ratio.

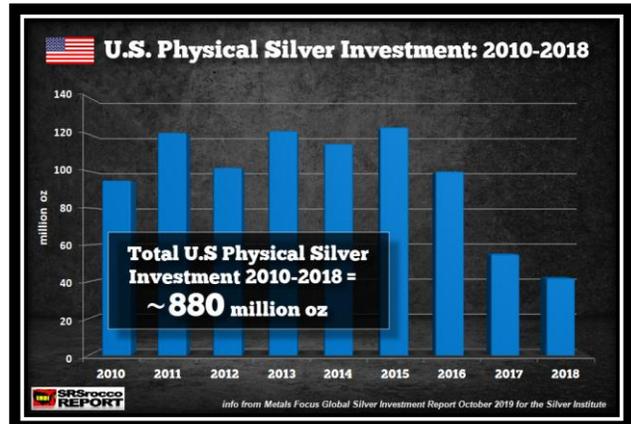


Silver is the only asset in the world that has not exceeded its former high of \$50/oz. in 1980. As **Peter Schiff and his staff have commented**, "Silver has hit an all-time high of \$49 per ounce twice – in January 1980 and then again in **April 2011**. If you adjust that \$49 high for inflation, you're looking at a price of around \$150 per ounce. In other words, **silver** has a long way to run up." I would simply add that when gold goes to \$5,000-10,000/oz. a normal **15:1** ratio would suggest **\$300-600/oz for silver**.

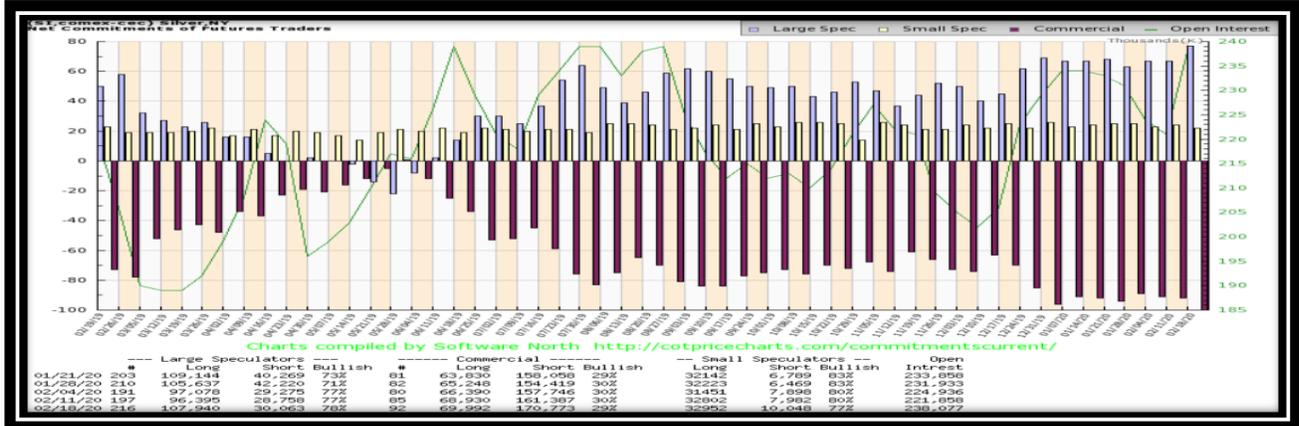
As things are unfolding right now, people have a binary choice: Fiat Paper or Metals. As monetary historian **Alasdair MacLeod** recently observed in **THIS** article, **silver** is about to assert a monetary role (like gold) when all of the fiat paper and debt becomes worthless. His comment:

*"For both gold and silver, we can expect initial moves reflecting their eventual replacement of failing fiat as the trusted money in circulation....**When fiat fails, it is likely that silver will regain a secondary monetary role, and its remonetisation will have a substantial impact on its purchasing power. From a current gold/silver ratio of 87 times, a move towards the old ratio of approximately 15 times means that for speculators buying into the sound money argument, silver is likely to be the catch-up form of sound money.**"*

J. P. Morgan: *Crime Syndicate & Silver Hoard!*



As most of you know, the silver market was ambushed with a drive-by shooting in April of 2011. The **evil banksters** raised margin limits in the pre-Asian market and smashed **silver** from **\$49/oz.** down to **\$30/oz.**, and it has been trailing in the teens ever since. Notice that *those pulling the strings* (as I illustrated on page one) do *NOT* want **silver** to break the psychological barrier of **\$50/oz.** But the *more important issue* is that **JP Morgan** - the largest naked short entity at **Comex/Crimex** - has been steadily acquiring **silver** on the cheap and they now have a staggering **900,000,000 ounce physical silver hoard** according to silver expert **Ted Butler** ([LINK HERE](#)). Folks, this is more than **ten years** of silver investment (chart above)! Remarkably, this crime syndicate has not had a losing trading day for *nine years* but now the [DOJ and FBI are investigating](#). Below is what a crime scene looks like.



The red lines represent the evil commercial banksters using paper futures contracts to *suppress silver*. This is not a real market. A real market would be like **Purell** selling for **\$100** a bottle now. At some point there will be **massive delivery defaults** at the warehouses and metals will be freed their death grip. Then we will have *genuine price discovery* and perhaps the largest wealth transfer in history. Just prior to this historic stock crash, **David Morgan** spoke about **silver and miners** at this link:

[Greg Hunter: David Morgan Interview on Silver & Mining Outlook](#)

Gold and silver is like kryptonite to the banksters, but it is immune to viruses and financial contagion. As usual, if I can assist you with physical delivery of **silver** or transferring qualified retirement funds into a **Precious Metals IRA** contact be below. I have never seen a better time in 30 years.

Conclusion. I you might expect, this is the **most urgent newsletter** I have written in **ten years**. I have tried to be concise and recommend that you send it to friends or skeptics. You can **listen** to my latest podcast at [THIS LINK](#), and share it also. As I said at the outset, the **god-like evil banksters** never allowed the malinvestment from **2008** to be cleared and now we have hell to pay. There has been a **war** to suppress the truth (and metals), but now assets are finally being marked-to-market as we go into the Turbulent Twenties. A deadly **viral contagion** is spreading, but the spreading **financial contagion** is far more worrisome in my opinion. Yes, [our currency might be contaminated and toxic, but the fiat currency itself is toxic!](#) [There is NO store of value and it can become worthless.](#) The **Fed** is spending us into a **reckoning day**, and as famed economist **Franz Pick** once stated, "The destiny of the currency is, and will be, the destiny of the nation." This financial/economic disaster is leading to a **monetary reset** that I outline in my book. There will also be a push for a cashless society just as the **Bible** predicts. All the more reason to have a low-profile asset like silver and gold. In addition, here is a **checklist of things** to have from a good prepper website and their book *The Prepper's Blueprint* that I feature at my **IDP** site - [CLICK HERE](#). I hope you have an [N-95 or N-99 mask](#), and I think it is also important to cover your **eyes** to prevent a viral infection. You don't hear people talking about this! [HERE IS A LINK](#) for consideration.



Finally, the **most serious and deadly contagion** is mankind's fallen sin nature from **Adam**. "Just as



through one man sin entered into the world, and death through sin, [and so death spread to all men](#)" (Rom. 5:12). All men die because we are all born sinners, and we need a **Savior**. **Jesus** is referred to as the **Second Adam** because **His** death on the cross paid the penalty for our sin (1 Cor. 15:45). Our forensic sin curse is **100%** fatal and eternal, but "Whosoever will call upon the Lord will be saved" (Rom. 10:13). [The cure for this deadly contagion is 100% free by faith alone in Christ, and is available to all.](#) Do you have this cure? Do you want this cure? I invite you to click [HERE](#) for more information from my website. People are losing **confidence** in the world system. "It is better to take refuge in the Lord

than to trust in man" (Ps. 118:8). "Therefore let us draw near with **confidence** to the throne of grace, so that we may receive mercy and find grace to help in time of need" (Heb. 4:16). God bless you and welcome to my new subscribers. I will try to mail something next month in these hectic times.

Until Next Time, Your Messenger from Pinetop 

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