

Post-Thanksgiving 2015 Financial & Economic Update

To be sure, groups of oil rags are accumulating in the Western financial basement. They await an incident to light them on fire to produce the grandest bonfire in modern history. Many incidents, events, and decisions created the current broken untenable wrecked set of conditions that together comprise the structural breakdown, upon which systemic failure is witnessed each day.

The 1990 decade saw the creation of bank derivatives, which compensated for Western bank system insolvency. It was the dirty secret in backfire from a decade of outsourcing US industry to the Pacific Rim. The refusal by Greenspan to permit a recession early in the 2000 decade interrupted a normal housing correction, and initiated another credit stimulus. The result was the 2007 subprime mortgage crisis which will forever bear the Greenspan signature.

The Lehman Brothers kill-job was important to force the big Western banks to share the load, to tie (lash) themselves together, and to assure the systemic failure in an inexorable march to ruin. The LIBOR rate scandal confirmed that the London hive did not produce honey, but rather scum and dross. The big banks escaped the liability risk, only because it ran into the \$trillions. The London Whale incident demonstrated the system as broken, the derivatives as key, and the loss volumes to be an order of magnitude greater than admitted. The Arab Spring began the planned wreckage of the entire Middle East.

The Ukraine War began the planned wreckage of Europe. The sanctions against Russia are as much a sham as they are deeply damaging to Europe in every sense.

The Syrian War began the final isolation of the United States, from its exposure to creation, supply, and control of ISIS. It is the international terror machine founded by Langley, Virginia, Britain's MI-6, and the Mossad. Almost all wars are to protect the US Dollar from abandonment, while at the same time prevent the Russian and Iranian energy sources from dominating the European supply chain.

The triggers for profound unspeakable sudden crisis are lead by;

- A) A continued decline in the crude oil price,
- B) Bank failures from expired oil contract hedges, and
- C) The default of between \$6 and \$11 trillion in Emerging Market debt.

One or more of these events is likely to occur in the next few months, probably all three. All three are extensions of the death of the US Dollar, which is manifested in its rise. Like a balloon it will pop. The system will not be able to withstand the shock. Systemic breakdown will give way to failure of the entire monetary system upon which the US Dollar rests. The Gold Standard will be urged on, first in trade, then in banking, finally in currency.

The US Dollar will be swept aside, its rubble put in the dustbin of history, the memories likened to Rome during the Nero period.

When the next crisis hits, it will be five times worse than the Lehman event within the United States in 2008. When the next crisis hits, it will be five times worse than the Asian Meltdown internationally in 1998.

The movement has gone international to replace the US Dollar, to install a fair trade payment system, to revert to a sound bank reserves system, to assure an honest currency system. Unfortunately, the dismissal of the King Dollar Reign of Terror cannot be done without surrender by Wall Street banks and the cabal syndicate that runs them, using the central bank franchise system as monetary shackles. Any nation attempting to exit the US Dollar-based system is branded an enemy, subjected to propaganda, slapped with sanctions, and attacked militarily while isolated economically. Many are the non-USD platforms, mechanisms, and channels, far more than two years ago. The days of the USD as global currency reserve are numbered, limited, and few. Expect the RMB to be installed as caretaker vehicle on an interim basis. It will serve well until the Gold Standard arrives in whatever form is decided.

DEATH OF MONEY

The installation of Quantitative Easing assured the Death of the US Dollar. It caused the undermining of capital. It also instigated the sequence of wars. It caused nations to seek an alternative, and therefore to become the object of the US War machine. Any nation with significant savings lodged as foundation for their banking system immediately saw an erosion of value as well as a constant future threat.

They quickly went in search for alternatives. For at least a couple of years, the refrain from the Jackass desk has been that the official monetary policy is highly destructive. Many details have been offered to support the accusations made, that Zero Interest Rate Policy disturbs asset allocation and Quantitative Easing wrecks business capital. Nothing has changed, except for further deep damage to the capital markets and to the US Economy, as both are irretrievably ruined. These are powerful claims and profoundly important premises. However, they are rather easily supported with the evidence, and they are not commonly recognized or admitted. The United States remains stuck in a depression.

QE has made it all worse, assuring a systemic breakdown. Central banks have no options left, can point to no solutions, and instead press the pedals and pull the levers which make all conditions worse. Installing negative rates is equivalent to breathing through the human anal pore, or more commonly stated as breathing through the asshole. The War Machine has succeeded in trimming the economic limbs. Check the VA Hospitals for the many prosthetics.

The US Economy is truly lost, having gone off course in the 1980 decade when outsourcing industry was deemed prudent by the Rockefeller Foundation. All followed the pattern. Nowadays the chief exports by the United States are fraudulent bonds, war material, diabetes, genetically modified foods, deadly laced vaccines, as well as empty vessel containers.

It is curious how easily the rest of the world follows the disastrous US lead, like with housing bubbles, stock bubbles, GMO foods, fracking contamination, sanctions, financial market rigging, hyper monetary inflation, and security strictures toward the fascist state.

Altered states are soon to yield to remedy. Big reforms are coming, if not more violent type of transformation, as change in the wind.

NUMEROUS IMMINENT TRIGGERS

- Crude Oil Price touches \$30 (***)
- Oil Hedge Expiration initiates string of bank failures (***)
- Emerging Market Debt defaults begin in a rash (***)
- Fall of House of Saud, from financial and internal forces
- Saudis concede to Chinese oil sales in RMB currency
- China & Russia inaugurate the Gold Trade Note for payments
- Group of Southern European banks fail simultaneously in a PIGS fit
- Turkey suffers military coup to oust Erdogan, exits NATO
- Deutsche Bank failure, unsuccessful restructure, leading to derivative incident
- Germany & France halt Russian sanctions
- QE Declared a Failure by Renegade Western Bankers
- Wall Street Banks lose control of Interest Rate Derivatives
- US Fed Rate Hike causes immediate derivative incident
- Chain Reaction for nations announcing precious metals backed currency (see Mexico, Russia, Germany, Iran, South Africa)
- Evidence put before United Nations on US-UK-Israel role in ISIS terror
- New Oil Cartel Emerges in Russia, Iran, Saudis to upset global alliances
- United States, NATO, British Crown, Vatican Revealed as Narcotics Agents
- Assassination of one or more Western Elite figures

ZIRP WRECKS ASSET ALLOCATION

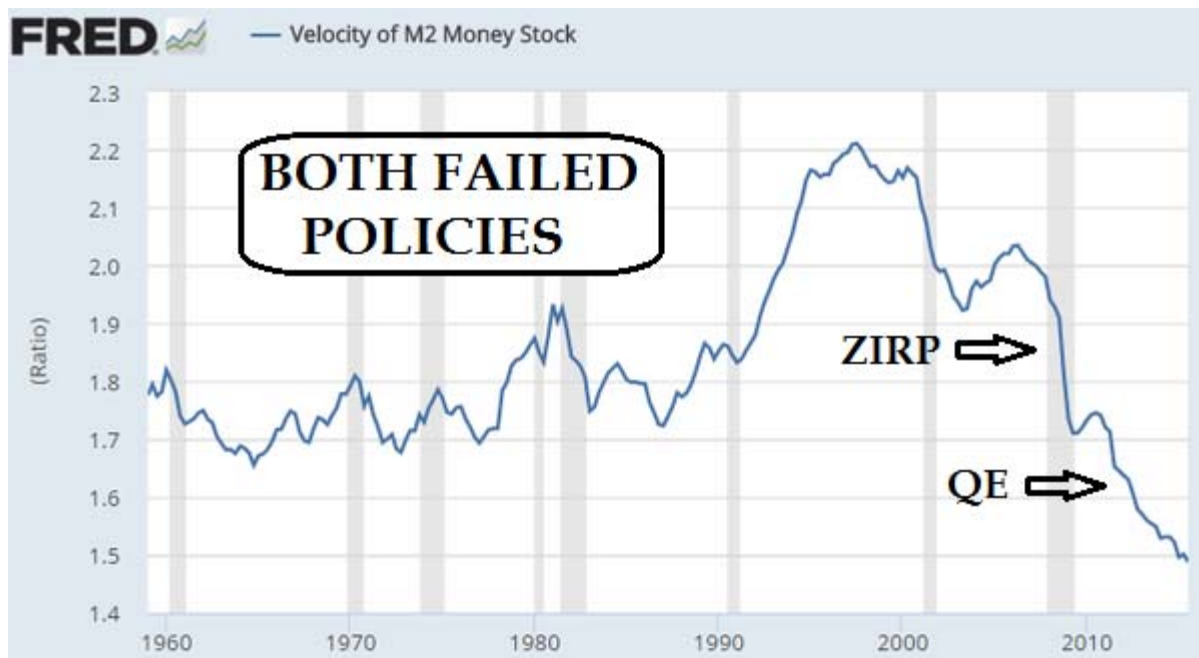
Look no further than the US Stock market and the Emerging Market debt. Both are bloated and on the verge of breakdown, the latter at risk of collapse. Look then at the financial mechanisms that sustain the absurd debt foundation for the monetary system. The Interest Rate Swap machinery keeps the US Treasury Bond stable by means of converting free money into artificial bond demand. This is important since the USGovt debt supply is enormous, at nearly \$1 trillion per year, yet almost no bond investors exist anymore. Curiously, nobody asks the question why the USGovt debt should not be offered at 10%, like in Greece. The allocation of assets has been out of whack for six years. The imbalances are unfixable, intractable, and absurd.

MONEY VELOCITY DOWN FROM QE EFFECT

If Zero Interest Rate Policy was supposed to kick-start the US Economy, then it should have been abandoned after one year. It has failed in open view. Businesses are not making notable capital investment in the United States. Not at all. However, ZIRP is critical to maintain the leverage within all financial markets. If Quantitative Easing (QE) was supposed to give a massive boost to the credit engines of the US Economy, then it should have been abandoned

after one year. It has failed in open view. Businesses are reacting to higher cost structure across the spectrum. Their profit margins have eroded to the point that entire business segments are shut down. Then comes the retired equipment, the idle plant (e.g. factories, office buildings, shipping facilities), followed by capital liquidation. Most US shopping malls are one third empty.

However, QE is critical to maintain the apparent order in the US Treasury Bond market, where the Wall Street banks are busily converting impaired and otherwise toxic bonds under the US Fed roof. They are reliant upon \$1 trillion in hidden QE so as to cover the energy sector losses. Do not be fooled by the falling energy cost to the equation. It is a sign of systemic failure, not an invitation from lower costs. Simply stated, if ZIRP & QE are stimulus, then the Money Velocity would be faster, not slower. The corruption of the financial and monetary policy is so complete, so widespread, so horrendous, that the current policies will continue until the entire United States is left as rubble, ready for colonization by foreign business players, with rebellion the main activity of the day, not reporting to the worksite.



USECONOMY DOWN FROM WAR EFFECT

Any nation that depends upon war as an integral part of its economy is a fascist nation. War is so engrained in the American society that honor guards, giant flags, and tributes to the soldiers are a part of every major sporting event. War is a major American device to force nations to conform to the King Dollar Throne and to kneel before it, even to kiss the ring. The ring is made of gold, the only semblance of anything precious in the entire court. War bears a huge cost. Half the \$18 trillion USGovt debt has been derived from war costs, the rest from both social network spending and failed economic policy like outsourcing industry. War costs money. War costs capital. War is destructive. War costs human lives. War is not noble if the Washington gangsters start it all over the world. War from US destabilization is not constructive.

The US Economy is down hard, due to the war effect, as a result of a full generation of failing to properly invest in the infrastructure, the corporate wings, the business channels, while diverting research, diverting capital, and diverting manpower. Corporate taxes are raised to support the military industrial complex and the cost of foreign wars. Fraud in the same complex is staggering, even offering a shadow over the 9/11 Pentagon incident. War is destructive. War relies upon deep distortions throughout the media networks, to support the movement, to fan the fears, to glorify the losses, to instill nobility in the cause, to tighten the security toward the full fascist state. One would think that economists would warn of this danger. Instead, the United States follows the Fascist Business Model which loves war, adores asset seizures, and celebrates death. Its climax is martial law amidst economic ruin.

NEW SCHEISS DOLLAR & GOLD TRADE STANDARD

Events of the last two or three weeks could not be more disruptive, dangerous, or ominous. The IMF refused inclusion of the RMB in their currency basket, clearly feeling threatened. **In response, expect China to hasten its efforts to dislocate the US Dollar from its perch in trade and banking. Expect extreme pressures to accelerate the increasing required usage of Chinese RMB in trade settlement.** The Chinese are even more motivated after the strategically important Tianjin business center and logistics data center was converted into a crater. Langley finger prints might soon be found. Almost a full decade has passed for setting up the widespread usage of Yuan Swap Facilities for bilateral trade between nations with China. Expect a major step toward coercing the Saudis to accept RMB currency for payment in oil shipments, a movement sure to spread to all Gulf Emirate nations. The oil card is the flash point.

In time, expect an eventual refusal by Eastern manufacturing nations to accept US Treasury Bills in payment. The IMF reversal decision assures this USTBill blockade in time, and might accelerate the timetable. The United States Govt cannot continue on five glaring fronts of gross violations. These violations have prompted the BRICS & Alliance nations to hasten their development of diverse non-USD platforms toward the goal of displacing the US Dollar while at the same time take steps toward the return of the Gold Standard.

The violations are:

- 1) To import finished goods and crude commodities, paying with IOU coupons,
- 2) To commit multi-\$trillion bond fraud in its big banks, done without legal prosecution,
- 3) To do QE bond purchases in applied hyper monetary inflation, monetizing debt,
- 4) To rig all major financial markets in favor of the primal US Dollar, and
- 5) To engage in numerous regional wars to support the US Dollar.

The New Scheiss Dollar will arrive in order to assure continued import supply to the US Economy. It will be given a 30.0% devaluation out of the gate, then many more devaluations of similar variety.

The New Dollar will fail all foreign and Eastern scrutiny. The USGovt will be forced to react to USTBill rejection at the ports. The US Military and Langley threats will not work much longer. The Langley crew might attack the entire world, which could result in an American Quarantine. The US must accommodate with the New Scheiss Dollar in order to assure import supply, and to alleviate the many stalemates to come. The United States finds itself on the slippery slope that leads to the Third World, a Jackass forecast that has been presented since Lehman fell (better described as killed by JPM and GSax).

The Gold price will find its true value and price over \$10,000 per ounce. The Silver price will find its true value and price over \$400 per ounce. In reaching these levels, the ratio will return to the 25-1 range. Several steps have been laid out by the Hat Trick Letter toward the return of proper price to precious metals. The major upcoming events will be exciting to watch unfold, one after the other, in an inevitable sequence away from fascism and concentrated uni-polar power, with a strong movement toward freedom and equitable systems with distributed power. The steps will each involve a quantum jump in the Gold & Silver prices. The process will take a few years, but might be breath-taking in speed once the process is begun. The steps involve:

- the critical mass of rejected USTBills in trade settlement, citing its corrupt roots and illicit monetary policy as foundation
- the return to the Gold Trade Standard and introduction of Gold Trade Notes as letters of credit, in replacement for a fair tangible payment system (no more IOU coupons)
- the recapitalization of the global banking system with Gold as primary reserve asset, so as to relieve the grotesque stagnation, insolvency, and dysfunction
- the seeking of equilibrium in Supply v. Demand in the new fair uninhibited market, with exclusive control removed from London and New York, and placed elsewhere like in Shanghai, Hong Kong, Dubai, and Singapore.
- the seeding of BRICS gold & silver backed currencies from participating nations within the Alliance (likely several with slight variation in features)
- the re-opening of the gold mine industry with some blue sky, and relief from the Evergreen element at Barrick
- the remedy toward owners of over 40,000 tons of re-hypothecated and stolen gold in bullion banks across the world (primarily in Switzerland).