Excerpt from

AMERICA'S FINANCIAL RECKONING DAY

How you can survive America's monetary & political decline in the 21st Century

By
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CHAPTER EIGHT

Investing Wisely in an Uncertain World

For my part, whatever anguish of spirit it might cost, I am willing to know the whole truth; to know the worst, and to provide for it.

- Patrick Henry (1736-1799)

We are apt to close our eyes against a painful truth, said Patrick Henry. It is human nature to push away bad news or unpleasant personal circumstances. Behavioral scientists refer to this as "the normalcy bias" when people are confronted with crisis situations. It is the "bias to believe that things will always function the way things normally function."[1] And we see this today with respect to risk in financial markets as central banks have continued to create massive bubbles and malinvestment in the private sector, and unsustainable debts in the public sector. The painful truth is that all bubbles burst with devastating results, and this reckoning day is going to affect millions of people and create a tremendous amount of suffering and dislocation. This is especially true as it relates to a prophetic matrix that has been previously outlined in this book. "But realize this," wrote the Apostle Paul, "that in the last days difficult times will come" (2 Tim. 3:1). These difficult days now appear to be upon us.

So, what can prudent investors do in these uncertain times? What is your best overall strategy for wealth preservation and hedging risk? Only you can make those kinds of decisions. But they must be based on knowledge and truth – the whole truth – so that you can make adequate provision for you and your loved ones. The Bible says, "A prudent man sees evil and hides himself, the naïve proceed and pay the penalty" (Pro. 27:12). President Trump's campaign slogan to "make America great again" resonated with voters in 2016; but we have all heard these kind of campaign promises many times before. In his Inaugural Address in 1929, President Herbert Hoover assured, "In no nation are the fruits of accomplishment more secure. I have no fears for the future of our country." Later in that same year, legendary economist and investor Irving Fisher proclaimed, "Stock prices have reached what looks like a permanently high plateau….I expect to see the stock market a good deal higher within a few months." As we all know, the Great Depression soon followed, and it crushed our nation into financial ruin.

George Bernard Shaw once commented, "If all the economists were laid end to end, they would not reach a conclusion." Even Wall Street economist John Kenneth Galbraith once said, "There are two kinds of forecasters; those who don't know, and those who don't know *they don't know*." The majority of the American people are simply dumbed-down and confused when it comes to personal investment strategies and portfolio management. In this age of central bank interventions, rigged markets and fake news, it is essential that investors take personal responsibility for their financial security. Dr. Laurence J. Kotlikoff, a Boston University economist whom I respect and have quoted often, recently stated that our "fiscal gap" in America now totals a staggering $215 trillion dollars based on contingent liabilities and future obligations.[2] This is one economist that *really knows* what he is forecasting! In his book *The Coming Generational Storm* written with Scott Burns, the authors say this:

> We believe that conventional financial services can do more harm than good – like the person who goes to an emergency room for a broken arm but dies of a hospital-acquired staph infection, much of the "treatment" offered by the retirement-investment complex represents a major threat to the survival of the investing public. Patients who accept a common placebo would lead a financially healthier life.[3]

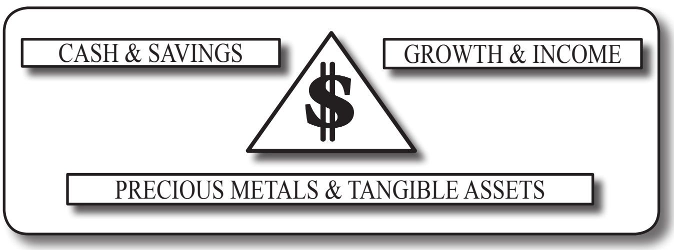
Dr. Kotlikoff and Burns cite three reasons for financial malinvestment today: false promises, wrong targets, and excessive fees. In other words, wrong assumptions are made concerning economic growth, return on investment, and future stability without considering risk variables, which we will see in a moment. In addition, clients are charged excessive fees for retaining this "service." As Woody Allen once joked, "Brokers will invest your money until it is all gone!" What people need is not a common placebo, but common sense. Enough common sense to realize that America's financial reckoning day is fast approaching, and there is a great need for some sensible diversification and serious contingency planning. In the following sections I will make some general recommendations and provide websites and information that I trust you will find helpful in your own financial preparations. "In abundance of counselors there is victory" (Pro. 11:14).

The Need for Financial Diversification

The principle of financial diversification is wise counsel and dates back to King Solomon. "Divide your portion to seven, even eight, for you do not know what misfortune may occur on the earth" (Eccl. 11:2). In today's global economy, the potential for financial misfortune is very great, and this means that we must be careful in our own decisions and risk analysis. Instead of using a conventional straight-line basis for portfolio performance we need a real-world model that will employ standard deviations within the world of macroeconomics. Today, knowledgeable planners use what is called a Monte Carlo Simulation, or analysis, that helps investors with multiple variables to achieve realistic financial objectives. Created by Stanislaw Ulam, and recommended by Dr. Kotlikoff, the Monte Carlo Simulation employs a spreadsheet/stochastic risk analysis that considers economic trends in domestic and global financial markets. You can learn more by going to www.esplanner.com.

Perhaps the most important macroeconomic development in recent years has been the recalibration of the SDR as a future reserve currency for international trade settlement as I covered in chapter four. This will diminish the U.S. dollar as the sole reserve currency in the world, and also reduce our standard of living when the global monetary system requires a "reset" and restructuring of sovereign debts. According to the McKinsey Global Institute, global debt (public and private) has grown from $142 trillion in 2008 to almost $230 trillion in 2018. The response to the financial crisis of 2008 was to *merely paper over* this crisis with trillions in new debt, and now the world is in even worse shape. Because of this unsustainable debt, the central banks of the world have been trapped into a policy of low (even negative) interest rates that has been doing great harm to pensioners, retirees and savers. This credit expansion has also caused the U.S. stock market to rise to record levels in recent years and will end badly for complacent retail investors when this collapses. Unfortunately, the response to the next crisis will be more of the same from the central banks throughout the world.

This kind of reckless fiscal environment makes it nearly impossible for investors and retirees to assess overall risk and will eventually lead to hyperinflation and a financial catastrophe. In his book *Empire of Debt: The Rise of an Epic Financial Crisis*, Bill Bonner writes, "A great empire is to the world of geopolitics what a great bubble is to the world of economics. It's attractive at the outset but a catastrophe eventually."[4] It was Russian economist Nikolai Kondratieff (1892-1938) who proposed that Western capitalist societies experience long-term cycles of boom followed by bust. These business cycles, or grand supercycles, generally run 50-60 years with the present cycle beginning in 1949.[5] This Kondratieff wave has proved to be right on course as our financial and monetary crisis began in 2008-2009. So what investors need today is a defensive strategy for capital preservation, liquidity, and growth, which I have illustrated in the following investment triangle for your consideration.



At the foundation of this investment triangle is the precious metals complex that has stood the test of time along with tangible assets. It is also necessary to have cash and liquidity in addition to growth and income strategies which do not require extensive market timing. Although it can be profitable to chart market trends and daily movements, it requires a considerable amount of attention. "One must know precisely when to buy, when to sell, and at what price," notes G. Edward Griffin. "To know all that, the investor must become expert on the nature of the industries involved and must monitor the daily shifts in market forces."[6] For this reason we suggest various sectors and asset classes that represent a good buy-and-hold position for financial diversification and capital preservation.

This can include international investments as a hedge against the U.S. economy. As Adam Starchild remarks in his book *Using Offshore Havens for Privacy and Profit*, "Your investments must be as safe as possible and that requires analyzing your national economy in the same dispassionate way a stock analyst would judge the reliability of any large corporation."[7] In a later section I will make reference to several offshore opportunities. An international perspective is practical for spreading financial risk and diversification, and a good resource is with my friend Mark Nestmann, a privacy and offshore expert for more than 30 years that specializes in numerous strategies for asset protection and privacy. Mark is the president of the Nestmann Group, and his website has many free offerings in addition to excellent reports that can be downloaded for a nominal fee at www.nestmann.com. I also recommend that you subscribe to my free in-depth monthly newsletter, if you have not done so already, that covers current events, precious metals and financial markets at www.idpconsultinggroup.com.

Investing in Precious Metals

Precious metals represent a necessary component for privacy and asset protection and serves as an excellent hedge against monetary inflation. For 6,000 years gold and silver have been a trusted medium of exchange and its intrinsic value has survived wars, revolutions, and currency devaluations. As a consistent store of value, precious metals are scarce and have been limited by nature itself. For example, it has been estimated that all of the gold mined in world history is equivalent to 187,000 metric tons and would fit into a cube measuring just 70 feet on each side. To put this in perspective, U.S. steel producers pour about 240,000 tons of steel *each day*!

Since the Middle Ages, there has never been a year that the world's gold supply has increased by more than 5%. During the 19th and 20th century, the average annual yield has been closer to 2% or less. It is for this reason that gold-backed currencies have always held inflation in check and has led to financial stability since economic growth is constrained by nature's production. Our Founding Fathers understood this fundamental principle and insisted that only gold and silver should be used as "payment of debts" (Art. I, Sec. 10, Clause 1). Silver has actually been more plentiful throughout history, but during the late 1800s the banking cartel on Wall Street sought to limit silver and create a single gold standard. The Gold Act of 1900 eliminated a bimetallic standard for our currency and helped consolidate power among Wall Street bankers, which soon led to our central bank, monetary inflation, and boom/bust cycles. Today, central banks have abandoned any metallic standard and are basically forcing the masses to accept their counterfeit currency backed with legal tender laws. Real money (like gold and silver) is always readily accepted, and *never* needs the force of legal tender laws. You are encouraged to learn much more about this intriguing history by visiting www.themoneymasters.com and ordering their monumental DVD documentary for only $19.95 with free shipping.

It is also worth pointing out that the central banks of the world have significant gold reserves, but it is not for the purpose of backing their fiat currency. According to the World Gold Council, the central banks of the world have a total of 33,260 tons of gold in reserve (2017). This figure has been steadily climbing since the financial crisis in 2008. In 2010, the Bank of International Settlements (BIS) in Basel, Switzerland adopted a new accord known as Basel III that elevated gold from a "risky" Tier 3 asset to a Tier 1 "riskless" asset. The Basel Committee on Banking Supervision communicated to their member central banks of the world that "gold bullion" held in their vaults should be "risk-weighted at 0%." Why is this important? Since this directive in 2010, central banks have switched from sellers to *net buyers* of gold in order to recapitalize their failed banks in the next financial crisis. Basel III is to be strictly adopted by 2019. The European Banking Authority in Europe is dragging its feet on this issue, but they will see the light when they feel the heat, as they say. Here in the U.S., the FDIC issued a notice in June 2012, that assigned "a zero percent risk weight to cash" and included "gold bullion" in this category. This was in response to the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, but there has been no reforming Wall Street and consumers are not being protected for the next financial crisis. How can you equate fiat currency with the intrinsic value of gold? This is another example of banker deception. Prior to the financial crisis in 2008, mortgage-backed securities (MBS) were rated AAA and Tier 1 assets, and we all know how that ended.

At this point, the international monetary system is facing a critical challenge. As I stated earlier, the most important macroeconomic development since 2008, has been the promotion of a new reserve currency through the International Monetary Fund (IMF) known as a Special Drawing Right (SDR). Bank authorities know that a financial reckoning day is coming, and they intend to restructure debt and rebalance the system with a gold component to restore confidence. In 1944, the U.S. dollar was established as the reserve currency with a nominal gold-backing at the Bretton Woods Agreement. The London Gold Pool conspired to cap the price of gold from 1961 to 1968. When this failed, they introduced the SDR in 1969 with a nominal gold-backing to supplement the U.S. dollar for world trade. By 1971, the U.S. canceled the Bretton Woods Agreement and *defaulted* on its gold delivery guarantee, and the world has been on a worthless fiat currency regime ever since. You can find this information at www.imf.org and search SDR. It is extremely noteworthy that the BIS, founded in 1930, switched from the Swiss gold franc to the SDR as their unit of account in 2013. The central banks are quietly positioning the SDR as a new metric within the architecture of a new global monetary system. It is also revealing that the Treasury's secretive Exchange Stabilization Fund has 20% allocated in SDRs. In his book *The Death of Money; The Coming Collapse of the International Monetary System*, James Rickards mentions how the SDR will eventually be backed by gold.

> Since the SDR already exists, it is a perfectly suitable candidate for the new global money. But this new SDR would be gold backed and freely convertible into gold or the local currency of any participant in the system. It would not be the paper SDR that exists today….In order to participate in the new gold SDR system, a member nation would have to have an open capital account, meaning that its currency would have to be freely convertible into SDRs, gold, or currencies of the other participating members…. Global markets in oil and other natural resources would now be priced in SDRs rather than dollars.[8]

Several things should be noted here. Article IV. Sec. 2.b of the IMF Articles of Agreement only permits members to value their currencies in terms of "the SDR, or another denominator, *other than gold*." This means that members cannot have a gold backed currency, but the new SDR will have a gold component, just like the old SDR did in 1969. In 2016, the Chinese currency was finally included in the SDR, and it is no secret that China has been buying tons of gold and is also the largest producer of gold in the world. They are not doing this to back their yuan with gold, and they are prevented from doing this as a key member of the IMF and the present SDR. The Chinese see a day coming when the current central bank credit expansion, particularly in the U.S., will force a monetary reset that will enhance the role of a new gold backed SDR. In this scenario, gold will have to be officially "repriced" within the international monetary system. James Rickards suggests $10,000 an ounce and based on the M1 and M2 money supply of the Fed, ECB, Bank of Japan and China even $17,500 an ounce! As Rickards states, "the *quantity* of gold is never an impediment to a gold standard as long as the *price* is appropriate to the targeted money supply."[9]

Official gold reserves in China are reported to be 1,842 tons, but nobody believes this figure. More reliable estimates are as high as 20,000 or *30,000* tons of gold! This is considerably more than the 8,100 tons that the U.S. alleges it has or the collective 12,000 tons in the EU. As a member of the SDR, China can now freely trade its currency in world trade and can even issue SDR bonds to facilitate this trade. SDR bonds were first introduced in 1975 and have been increased in recent years as a new SDR draws near. It is also interesting that the transit tolls through the Suez Canal have been denominated in SDRs since 1975. This was the same year that COMEX paper futures trading market was established to cap the price of gold (and silver), but this phony price fixing scheme will default when genuine price discovery is forced upon the world, and China sees this coming. More on this in a moment. Since 1975, crude oil contracts in OPEC have been denominated in dollars, known as petrodollars, but this will switch to SDRs and the Chinese have already introduced a yuan denominated crude oil contract that is convertible to gold! This is a direct challenge to U.S. dollar hegemony, and also bullish for gold. All of these factors point to much higher gold prices for contrarian investors.

When it comes to financial diversification, it has to include a core position in the precious metals complex. As Wall Street wizard Gerald M. Loeb writes in his book *The Battle for Investment Survival*, "Diversification is a necessity for the beginner. On the other hand, the really great fortunes were made by concentration."[10] By this he means concentration in metals. Few people realize that Aristotle Onassis became super wealthy by investing his shipping fortune in gold during the 1970s, and smart investors recognize a similar opportunity. Today shrewd NY hedge fund managers like John Paulson and David Einhorn have a significant stake in gold and silver along with billionaires George Soros and Bill Gates. In 1997, billionaire Warren Buffett bought 140 million ounces of silver for almost $5/oz. and later sold at 7.40/oz. in 2006. As Warren Buffett now recounts, "I sold too soon."

Gold is everyone's sentimental favorite, and you can buy it in pure bullion form (Krugerrands, Maple Leafs, Gold Eagles, gold bars, etc.) or in the older numismatic gold coins minted prior to 1933. Most Americans are not aware that private ownership of gold was banned from 1933 to 1975 when FDR issued an Executive Order and nationalized gold. This emergency order carried heavy fines and imprisonment. But it must also be remembered, according to Milton Freidman, that fully 78% of the American people did *not* surrender their gold in 1933.[11] This means that only 3.9 million ounces were actually confiscated while 13.9 million ounces remained in the hands of the American people. I mention this historical fact because nearly all coin dealers (like those seen on TV ads) aggressively promote semi-numismatic and numismatic (extremely rare) gold coins to "avoid" any future confiscation by the U.S. government since the original EO exempted "gold coins having a recognized value to collectors." But is this a valid argument today? Privacy expert Mark Nestmann asserts that this concern is "overblown" and irrelevant today:

> There remains legal authority for a future forced sale or confiscation of precious metals, but the government's need for gold and silver is much lower than it was in 1933. Roosevelt's emergency order was issued when gold and silver coins still circulated as currency, the U.S. dollar was backed by gold, and both individual citizens and foreign central banks could exchange U.S. dollars for gold. *Today, none of these conditions exist. In addition, relatively few Americans own precious metals* (emphasis added).[12]

Nestmann also points out the obvious fact that there are much more lucrative targets for the U.S. government, and there is implicitly no guarantee that numismatic coins would be exempt in any future prohibition since *any* government can act arbitrarily (as they did in 1933). The Industry Council on Tangible Assets (ICTA) sought an IRS ruling in 1984 to determine that any gold coin with a "15% premium over bullion" would be considered numismatic, but this ruling was never adopted.[13] And it hardly matters since The Bullion Act of 1985 determined that even Gold Eagle bullion coins fall into the numismatic category.[14] The only reason to purchase a PCGS/NGC graded $20 gold coin minted from 1877-1933 (Liberty/St. Gaudens) is for the upside potential in an active gold market so that they can be later exchanged for more bullion coins, and then held in your private possession.

On this final point, it must be further noted that the only gold coins ever confiscated in 1933 were gold coins held in bank safety deposit boxes. In other words, you are advised to be cautious when using the banking system, which is in full cooperation with government regulators. Banks are also preparing for "bank bail-ins" during the next financial crisis and this is reason enough to avoid having too many assets in your bank. A safety deposit box can be used for a short period, but they are not FDIC insured and there are other alternatives you can choose. Around the house you could hide valuables behind baseboards, walls, paneling, ventilation vents, electrical outlets, even in houseplants or PVC pipe in your backyard. To guard against fire damage, I recommend a small Sentry safe available at Walmart or hardware stores. For the ultimate safety you can purchase a new or used gun safe or create a hidden floor safe. For a full line of excellent safes go to www.amsecusa.com or www.libertysafe.com. You can also order the book *How to Hide Anything* by Michael Connor for some useful ideas at www.amazon.com. For large acquisitions and storage of gold and silver an independent depository is also recommended that I will cover in this section.

Silver is especially difficult for storage and delivery. But silver is more affordable and arguably has more upside potential compared to gold as I have stressed many times in my monthly newsletters. The market capitalization for gold is estimated to be around $6 trillion dollars, but *a mere $20 billion* would buy all of the available above ground silver for investment. And when you consider that there are 2,043 billionaires in the world, according to Forbes (2017), there is not very much silver (or gold) to go around! This is in addition to $76 trillion in global stocks and $111 trillion in bonds that will be looking for a safe haven in the precious metals sector when a financial reckoning day comes. Both silver and gold reached peak production in 2015 and they have been steadily declining. In the case of silver, only 25% is produced by primary miners, and 75% is refined as a byproduct of mining for copper, gold zinc and lead. As I mentioned earlier, all the gold in the world would fit into a 70-foot square cube, but in the past 100 years 90% of all the silver has been used up for industrial purposes. This is creating scarcity at the margin since 55% of annual production is consumed for industrial applications like solar and electronics, with 35% for jewelry and only 10% remaining for investment purposes. These are very bullish factors for silver, and even more so when you consider what is going on with silver demand from India. The Indian people buy so much gold each year that it creates a trade deficit in India. In July of 2017, the Indian government slapped a 10% tariff on gold imports in addition to a 3% Goods and Services Tax (GST) to further discourage gold consumption. Unlike families in the West, the average household in India has two kilos of gold (64 oz.) and they buy $25 billion in gold each year. This demand is now switching to silver, and I will let you do the math.

Since the financial crisis of 2008, both gold and silver experienced a steady climb until 2011. Gold was near the $2,000 index and silver almost breached its former high of $50 set in 1980. What happened to the precious metals complex that has since seen gold and silver trading near the cost of production despite global demand? James Rickards also comments that, "most analysts have been baffled by the paradox of strong demand for physical gold [and silver] around the world and the simultaneous weakness in the price of gold [silver] futures traded on the COMEX exchange since the August peak in gold prices."[15] Indeed, what accounts for this? It is nothing less than a criminal conspiracy by the central banks to suppress and manipulate the paper price of precious metals since COMEX was launched in 1975. Gold and silver is like kryptonite to the banksters, as we like to call them, because any interest in gold and silver suggest weakness in our debt-based global fiat fractional reserve banking system. At the very center of this suppression scheme has been JP Morgan Chase. In March of 2008, Bear Stearns investment firm declared bankruptcy and they were immediately acquired by JP Morgan Chase at the request of the NY Fed. Why was this an important event? Silver analyst Ted Butler has documented that Bear Stearns had a significant naked short position on silver contracts at COMEX, and JP Morgan Chase was needed to cap the paper price of silver. Butler states that if JP Morgan Chase had not intervened the price of silver would have catapulted to more than $100 an ounce! This collusion was so obvious that the regulators at the CFTC were bombarded with petitions to enforce position limits and bring justice to those committing this fraud. The CFTC responded with a five-year sham investigation that concluded that JP Morgan Chase was innocent. In 2010, class-action lawsuits were filed against JP Morgan Chase and HSBC in New York by investors for "conspiracy" and "collusion" to "deviously control" and "depress" silver prices. In 2012, the CFTC again issued a worthless response, which only proves that financial markets are rigged by crony capitalists on Wall Street.

Ted Butler has since revealed that JP Morgan Chase has now acquired nearly *700,000,000 ounces* of physical silver since 2011, and this can only mean one thing. JP Morgan Chase is playing both sides of the silver trade with their concentrated short position at COMEX (often called CRIMEX), while they acquire physical silver on the cheap. Ted Butler concludes with this rather bullish observation:

> In addition to being the biggest physical silver accumulator in history, JPMorgan has simultaneously been the largest short seller in COMEX silver futures for the entire time since it acquired Bear Stearns in early 2008. JPMorgan has pulled off something that couldn't possibly be replicated not just in silver but in any other world commodity. Never again will any one entity be able to accumulate 45% of the world's supply of a commodity. JPMorgan's accumulation is more bullish for silver than any other single consideration by a factor of 1,000.[16]

This research and commentary not only reveals a pattern of deceit and fraud on the part of JP Morgan Chase, but a certain level of desperation at the highest levels of Wall Street and our government. And this is why the criminal suppression of silver is *more bullish* than any other single consideration. Even more so than gold. Why do we say this? The historical silver/gold ratio is normally around 15:1, which indicates how many ounces it would take to buy an ounce of gold. Since 2011, this ratio has been closer to 75:1 or higher. This suggests that silver is the *most undervalued* asset in the world with the greatest upside potential in the metals space. Historically, silver has been mined at a 9:1 ratio since Egyptian and Roman times, and silver miners today like Keith Neumeyer, CEO of First Majestic Silver, suggest that this should be the actual price of silver. With a gold price of $1,500 this would translate to $166/oz. silver, and a 15:1 ratio would indicate $100/oz. for silver. With the strong likelihood of gold rising ten-fold we could see a twenty-fold increase in silver (like rhodium did from 2003-2008). The silver market is much smaller than gold, and it is for this reason that there is greater potential. "If gold could be compared to a Boeing 747, then silver is an F-16," writes James Turk. "An F-16 takes off on a dime and is pointing toward the stratosphere in moments, while a 747 takes (relatively speaking) ages to gain altitude."[17] In this future scenario, futures markets like COMEX will suffer delivery defaults (*force majeure*) and impact the price of silver, and the trading desk at JP Morgan Chase apparently knows this very well. Silver is called "the poor man's gold" and will someday represent the largest transfer of wealth in human history. It is for this reason that we recommend more silver than gold in a precious metals portfolio, and there are a few different ways you can invest in silver.

In 1965, the U.S. Treasury withdrew 90% pure silver dimes, quarters, and half dollars from circulation. You can purchase these coins in certified "junk bags" having a $1,000 face value and containing approximately 715 ounces. One-ounce silver bullion coins are also a popular way to acquire physical silver. They usually come in rolls of 20-25 and you can choose from American Silver Eagles, Silver Maple Leafs, or generic Buffalo Silver Rounds. The American Silver Eagles are packaged in a plastic U.S. Mint box and contain 500 ounces of pure (.999) silver, or 25 rolls. Silver Maple Leafs have lower premiums and silver rounds represent the best value for investors. For larger purchases of silver in excess of $100,000, a commercial storage facility is a more practical alternative for physical storage of metals, and this can include 100 or 1,000 ounce silver bars. Our firm, IDP Consulting Group, LLC, uses the custodial services of Dakota Depository Company located in Fargo, North Dakota. DDC is the largest precious metals depository in the upper Midwest and is a full-service depository and logistics firm that offers security for allocated and segregated accounts for a nominal annual fee. Due to weight considerations, shipping and logistics it is more cost effective to secure professional storage of bulk metals and avoid the risks of theft, damage or loss. A precious metals security vault combines the convenience of physical ownership with the liquidity of a solid cash equivalent. In other words, your physical assets on deposit represent a "store of value" that can easily be converting into cash, with settlement made by check or bankwire. As a valued customer you can be sure that DDC will safely secure your precious metals investment and hold all of your business affairs in strict confidence.

If you currently have an IRA account or qualified plan, you can easily convert these funds into a Precious Metals IRA for safekeeping and peace of mind. A transfer or rollover is a penalty-free transaction and all capital gains within your IRA account are tax-deferred with low annual fees. A Precious Metals IRA account allows you to fund your IRA with pure gold and silver bullion that is securely held in a fully insured institutional account that is managed by a leading custodial firm for IRA compliance. IDP Consulting Group, LLC uses the custodial services of Equity Institutional, a division of Equity Trust Company, located in Westlake, Ohio. Most employer pension and profit sharing plans, TSA, 401(k), 403(b), 457(b), SEP 408(k), SIMPLE IRA 408(p), Keogh, ROTH, and traditional IRA accounts can be converted to a Precious Metals IRA. Our firm assists all clients with ordinary IRA distributions, and an important consideration for account holders is when to sell the assets in their Precious Metals IRA account and retain the advantages of a tax-deferred IRA. As an exclusive service for all Precious Metals IRAs managed by IDP, we offer a strategic alliance with Meixler Investment Management, Ltd to rollover or transfer accounts when market timing and/or conditions deem necessary, to maximize capital gains and protect the principal within your IRA. Meixler Investment Management Ltd. is an independent SEC Registered Investment Advisory firm that specializes in growth and retirement income portfolios for discerning individuals and closely-held businesses using the broker-dealer services of Charles Schwab & Company.

Will Rogers once said he was more concerned about the *return* of his money rather than the return *on* his money. In today's volatile markets you need to adopt a contrarian investment strategy for wealth preservation and growth, and precious metals provide a safe and profitable alternative to various asset classes. If we can assist you with a core position in precious metals for physical delivery, storage or a Precious Metals IRA account you can learn more at our website www.idpconsultinggroup.com, or call toll-free at 1-855-860-6800 (MST) and arrange for a free consultation. All new clients receive a signed copy of my book to share and you are encouraged to sign up for my free monthly newsletter at the above website or www.chuckcoppes.com. For more information and research on the precious metals markets you can bookmark the following websites: www.silverseek.com, www.goldseek.com, www.kingworldnews.com.

Investing in Tangible Assets

When it comes to tangible assets, precious metals represent a concentration of wealth, but the strongest concentration of wealth and portability has always been found in diamonds. Precious stones provide an excellent hedge against financial or political volatility since they can be easily hidden, discreetly transported, and are very liquid. Additionally, they are not considered monetary instruments subject to reporting requirements and can be passed on to heirs within your estate. For high net worth individuals, a good strategy for investing in diamonds is to favor the extremely rare colored stone variety. Among the estimated 88 million carats of diamonds mined each year, only 2,000 (or 0.002%) are considered to be high quality colored stones. Around 80% of these stones fall into various intensities of brown. The remaining discoveries include pink, blue, yellow, green, orange, violet, and the rarest of all is red. These stunning gems have increased in value every year since 1970. Recently, there has been a strong demand for pink diamonds. Noted celebrities include Jennifer Lopez, Kobe Bryant and soccer star David Beckham. To invest in these pristine beauties you need a specialized dealer and independent certification from the Gemological Institute of America (GIA).

Investing in tangible assets has the distinct advantage of preserving wealth, privacy, profit, and liquidity. These assets can include collectibles, antiques, art, stamps, documents, oriental rugs, rare coins, silverware sets, fancy guns, and of course, real estate. According to the 2018 S&P/Case-Shiller U.S. National Home Price Index, housing prices are now *5% higher* than the former peak in 2006. Some have suggested that this is a good outlook for real estate, while others see housing prices in a bubble caused by lows rate and easy credit from the Fed. Now that the Fed is preparing to raise rates this will likely have the same effect that it did in 2006 when housing prices dropped by 27%. According to the St. Louis Fed, homeownership in the U.S. is now the lowest since 1967, and the trend is worsening with flat wages and tougher credit requirements since the sub-prime real estate collapse that I covered in an earlier chapter. Home ownership is currently 63% and ranks 43rd in the world with China leading the way at 90%. China will have its own problems when their real estate/credit bubble bursts since real estate represents 74% of their household wealth as opposed to 24% in the U.S.

So, what should investors and property owners do today? In his book *Conquer the Crash*, Robert Prechter advises people to avoid real estate investment trusts (REIT) and other speculative ventures including commercial properties. An exception might be healthcare properties like HCP, Inc. (www.hpci.com) which is one of the largest healthcare-focused REITs that derives 96% of its income from private-pay services (not Medicare and Medicaid). HCP has 800 properties in their portfolio and will be enhanced by an aging demographic. This REIT pays a 5.7% dividend yield and is a good combination of income, downside protection and long-term growth potential. The best position for property owners is to own your home free and clear, lower your exposure to leveraged property and pay down debt. Property taxes are becoming an issue as state budgets operate in the red. According to the American Community Survey the highest tax states are (in this order) NJ, CT, NY, NH, RI, VT, MA, IL, and CA, while the lowest states are AL, WV, AR, LA and MS. With homeownership at a record low the rental market is rising, and this could be a good source of revenue for investors. In his book *The Age of Deleveraging: Investment Strategies for a Decade of Slow Growth*, economist Gary Shilling predicts a depressed real estate market. For investors, and potential home owners, one of the most important things you can do is increase your overall liquidity in cash, savings, and tangible assets like gold and silver. As Robert Prechter predicted, "At the bottom buy the home, office building or business facility of your dreams for ten cents or less per dollar of its peak value."[18] With financial leverage you can pick up great real estate deals in the future. At www.realtytrac.com you can search millions of properties by zip code and the monthly fee is only $29. Another consideration is to invest in real estate offshore. Why do this? The opportunities are great, money can be tied up in a tangible asset, obtaining judgments is rather difficult, and you can enjoy an international lifestyle! I recommend subscribing to *International Living* magazine for only $49 per year at www.internationalliving.com.

Cash and Savings Accounts

On the cash side of our investment triangle there are several options available. What percentage you feel comfortable setting aside depends entirely on your personal situation. One of your biggest concerns should be the safety of the banking system in general and your own banking institution in particular. The commercial banking system in the U.S. is thinly capitalized and poses a structural risk to all funds on deposit. According to the Federal Reserve, the net loan-to-deposit ratio is currently 90%. But this figure does not include excessive liabilities and the Federal Deposit Insurance Corporation (FDIC) website states that its minimum reserve ratio can be as low as 1.35%. Put simply, bank operations are over-extended and depositors are given a false sense of security. The FDIC guarantees each *depositor* (not individual deposit) up to $250,000. Most of the institutional funding for FDIC comes from member banks and the actual amount to cover losses is barely 50 cents for every $100. In other words, the entire system has a risk exposure greater than 99%. As indicated earlier, the banking system is proposing bank bail-ins for failed banks. The Dodd-Frank Reform Act of 2010 (Section 716) states that taxpayers shall not be liable for Credit Default Swap (CDS) derivatives of large US banks. "Rather than relying on public funds to bail-out one of these institutions," said Robert Young, Director at Moody's, "we expect that bank (unsecured) creditors will be bailed-in and thereby shoulder much of the burden to help recapitalize a failing bank." This is precisely what happened to depositors in Cyprus in 2012-2013. It is recommended that you should have a physical cash reserve in low denomination bills to cover expenses for 3-6 months if you are able. You should also obtain a bank safety rating of your own institution through independent services like www.bankrate.com, www.veribanc.com or www.weissratings.com.

The Office of the Comptroller of the Currency requires all banks to report their holdings in high-risk derivatives, which are now approaching a notional value of more than $600 trillion worldwide. These leveraged financial instruments are heavily concentrated in the banking industry and most depositors are completely unaware of the enormous risk that this poses to the entire financial system in America. The U.S. banks with the largest exposure are J.P. Morgan Chase ($46 trillion), Citigroup ($47 trillion), Bank of America ($33 trillion), Goldman Sachs ($41 trillion), Morgan Stanley ($28 trillion) and Wells Fargo ($7 trillion). Smaller regional banks offer a better alternative for depositors. Most banks and brokerage firms offer money market accounts, but these are comprised of repurchase agreements, discounted mortgage notes from Fannie Mae and Freddie Mac, commercial paper, banker's acceptances, CDs, Treasury bills and so on. It should also be noted that in response to the stress posed to money market funds in 2008, the SEC has ruled that institutions can have a "floating net asset value (NAV)" and even *suspend redemptions* to prevent a run on these accounts. This ruling went into effect in October 2016, and a safer bet might be a money market account funded in short-term (4, 13, 26 week) U.S. Treasury bills even though the yields are near zero. The following is a list of some of these Treasury-only Money Market Funds:

- American Century Cap Preservation Fund (CPFXX)
  1-800-345-2021 (www.americancentury.com)
- Dreyfus 100% U.S. Treasury Fund (DUSXX)
  1-888-782-6620 (www.dreyfus.com)
- Fidelity U.S. Treasury Money Market (FDLXX)
  1-800-343-3548 (www.fidelity.com)
- U.S. Treasury Securities Cash Fund (USTXX)
  1-800-873-8637 (www.usfunds.com)
- T. Rowe Price U.S. Treasury Money Fund (PRTXX)
  1-800-638-5660 (www.individual.troweprice.com)
- Schwab U.S. Treasury Money Fund (SWUXX)
  1-800-435-4000 (www.schwab.com)

You can consider these accounts which have check writing privileges, low minimums, and are fully backed by the U.S. government. You can also buy short-term securities directly from the U.S. Treasury by going to www.treasurydirect.gov and open an account for as little as $100. Instead of receiving actual T-bills you get a bookkeeping entry that says you own T-bills. I realize that these accounts still represent government debt instruments, but they avoid risks associated with regular money market funds and can fit into a short-term strategy for safety and liquidity.

One of the best ways to avoid the inherent risk of holding U.S. dollars is to open a savings or time deposit account denominated in a foreign currency. Perhaps the most innovative bank in the U.S. that offers the convenience of foreign currency accounts is EverBank Financial Corp. headquartered in Jacksonville, Florida. For a minimum of $2,500 you can open a WorldCurrency Access Deposit Account in a single currency like the Canadian dollar or Swiss franc. This is strictly a savings account that pays interest on amounts over $10,000, there are no monthly fees, and you get a monthly statement by mail with online access. For $10,000 you can also open a WorldCurrency CD for 3 to 12 months which provides access to emerging markets. Short-term CDs have marginal yields, but account holders can realize capital gains as the dollar depreciates. For $20,000 you can choose among the Economic/Geographic/Commodity-themed Basket CDs that offer a wide variety of global strategies. To learn more about EverBank you can call 1-800-926-4922 or go online at www.everbank.com. Another way to hold foreign currency is to purchase American Express Travelers Checks denominated in a foreign currency or contact Travelex for foreign currency at 1-877-414-6359 (wwwtravelex.com). If you have an interest in foreign currencies we might suggest *The Aden Forecast* that tracks all global markets and currencies with a proven track record. A subscription is $65 for three months or $250 per year at their website at www.adenforecast.com.

Cash and savings accounts can also include offshore bank accounts for privacy, protection, and profit, but these involve U.S. reporting requirements and confidence in your offshore banks. All U.S. citizens must file a form TDF 90-22.1 with the Financial Crimes Enforcement Center (FinCEN) by June 30th of each year if they have "signatory authority" on aggregate bank and security accounts that exceed $10,000. This regulation should not discourage you from banking offshore. Among the 200,000 forms filed each year, only 560 cases have been identified with criminal activity under Sec. 314 (a) of the USA PATRIOT Act since 2002 (www.fincen.gov).[19] An offshore bank account (with no U.S. branch) can provide asset protection against creditors, foreign investment, and diversification out of the U.S. dollar. We personally recommend the following banks. For $30,000 you can open an account at Jyske Private Bank in Denmark. Moody Investor Service ranks Jyske as their #1 pick and you can contact Thomas Fischer at 011+(45) 89-89-6232 or www.jyskebank.com. Out of 390 banks in Switzerland, Union Bank of Switzerland (UBS) is the largest with total assets of $1.4 trillion (www.ubs.com). The second largest bank in Switzerland is Credit Suisse Bank with total assets of $1 trillion (www.credit-suisse.com). There are other good banks like the Royal Bank of Canada, the Bank of Montreal, the Royal Bank of Scotland, Scotia Bank and Lloyds Bank (Isle of Man). All that is required is a passport number, reference from your domestic bank, and some ID concerning the beneficial account holder to secure these accounts.

Even though the media, politicians, domestic brokers and our federal government would like to convince you otherwise, there is nothing illegal, immoral, or unpatriotic with protecting yourself from America's impending bankruptcy and financial ruin. In his usual candor, the late Richard Russell often pondered if the U.S. dollar will survive as the reserve currency in the world today. "This is the single biggest question facing the U.S. today," says Russell, "Ironically, 99% of Americans don't know enough to ask that question."[20] Sadly, this is true despite evidence that the U.S. dollar will not remain as the world's reserve currency. If you wish to protect against this risk contagion there are a few ways you can do this like the Merk Hard

Currency Fund (MERKX) that is also 80% denominated in foreign currencies and is rated five-star among 183 similar funds. Funds that hedge against the U.S. dollar futures index (USDX) are the Falling U.S. Dollar ProFund (FDPIX) and the Rydex Dynamic Weakening Dollar Fund (RYWJX) which moves inversely 200% against the dollar (www.profunds.com and www.rydexfunds.com). A final consideration is the Powershares US Dollar Index Bearish Fund (UDN) that shorts the U.S. dollar against the Euro, Japanese yen, British pound, Canadian dollar, Swedish krona and Swiss franc.

All of these efforts to save, secure, hedge, trade and exchange paper money should serve as a reminder to us all that fiat currencies are fundamentally corrupt, and there is really only one safe form of money – gold and silver. In recent months, Bitcoin and cryptocurrencies have caused speculation and flight from traditional banking and fiat currencies, but they have proved unstable and lack any intrinsic value like gold and silver. Richard Russell leaves us with this comment to think about:

> Paper money is now being created wholesale throughout the world. Stated simply, all paper currency is now valued against each other. But more important, ultimately all paper is ultimately valued against the only true, intrinsic money – gold. In world history, no irredeemable paper currency has ever survived. Since all the world's currency is now irredeemable (in gold), this means that in the end, the only form of money that will survive is real intrinsic money – gold.[21]

Growth and Income Strategies

As mentioned at the outset of this final chapter, structural imbalances, economic distortions, fiscal bankruptcy and global tensions are going to make it very problematic for investors to chart a safe course over the next several months or years. Growth and income is certainly possible in the near-term, but you need to be extremely cautious with your personal decisions to invest in the following sectors. There are several reasons to believe that the U.S. economy is entering into some dangerous territory with threats of a continual downgrade of all U.S. Treasury long-term debt and other serious matters prior to the election year of 2016. To be a genuine contrarian you also have to be willing to restructure your investment portfolio and keep a watchful eye on world events. In this section, I have included stock/fund symbols for your convenience and quick reference. It is incumbent that you do your own research and due diligence regarding these suggestions and recommendations, and I need to issue the following disclaimer on behalf of myself and all representatives from IDP Consulting Group, LLC.

Investing involves substantial risk. None of the following suggestions, recommendations or statements should be considered an offer or solicitation to buy or sell securities. While we believe this information to be reliable and accurate we cannot guarantee or warrant its reliability and investors are required to do their own research and due diligence, including carefully reviewing the prospectus and other public filings of issuing firms. The advice and strategies contained herein may not be suitable for every situation. Past performance is not necessarily a guarantee of future performance, and you are advised to seek your own professionals who are licensed in securities and legal/tax matters for further counsel. We specifically disclaim all warranties, including without limitation warranties of fitness for a particular purpose and we shall not be held liable for any losses or damages arising from the following suggestions, recommendations or statements contained herein.

Someone once said that a recession is when your neighbor is out of work, and a depression is when *you* are out of work. As the Japanese have learned since 1989, after every boom there is a bust and millions of Americans are now suffering chronic unemployment with nearly one in seven living on food stamps and extended unemployment benefits. Despite the arrival of Trump, a majority are living from paycheck to paycheck, wages have been stagnant for years, money velocity is the lowest on record, revolving credit is a new record and the U.S. has the lowest savings rate in the industrial world. Any growth related to the stock market has been due to massive corporate stock buy backs and outright intervention by the Fed and high-frequency trading.

In October 2007, the Dow hit 14,198 points and then had record losses during 2008. By March 2009 the Dow hit a 16-month low of 10,365 points, a 54% drop from 2007. In early 2018, the Dow hit a record 26,000 points and volatility spiked (VIX Index). Blue chip stocks have traditionally been considered a long-term hold. The top 20 U.S. companies by market cap are; ExxonMobile (XOM), Apple (AAPL), Microsoft (MSFT), General Electric (GE), Chevron (CVX), IBM (IBM), Berkshire Hathaway (BRK-A), Wal-Mart (WMT), AT&T (T), Proctor & Gamble (PG), Johnson & Johnson (JNJ), Oracle (ORCL), Google (GOOG), Pfizer (PFE), Coca-Cola (KO), Intel (INTC), Philip Morris (PM), Merck (MRK), Schlumberger (SLB) and PepsiCo (PEP). Others to consider are Verizon (VZ), Cisco Systems (CSCO), Amazon (AMZN), McDonald's (MCD), United Technologies (UTX), UPS (UPS), Caterpillar (CAT), 3M (MMM), Home Depot (HD) and Kraft Foods (KFT). Walmart is particularly resilient in market downturns and the Vanguard High Dividend Yield ETF (VYM) tracks 400 stocks with above average yields. Defense stocks have tripled since 1992 and the notable "Big Five" are Boeing (BA), General Dynamics (GD), Lockheed Martin (LMT), Northrop Grumman (NOC) and Raytheon (RTN). Among these Boeing has the most risk to the airline industry while General Dynamics is top-rated. Another consideration is L-3 (LLL).

As we know, the stock market made a sudden rebound in March of 2009 and Wall Street pundits and shills eagerly trumped this turnaround as proof of a solid economic recovery. But was this true or another case of government intervention into the marketplace? In February 2009, the American Recovery and Reinvestment Act pumped a whopping $787 billion dollars into the economy. Add to this, on March 18, 2009 the Fed expanded the multi-billion MBS program to $1.25 trillion as part of QE1 with QE2 and QE3 to follow. And further evidence points to a clandestine operation known as the Plunge Protection Team, or the Working Group on Financial Markets. Following the market crash of 23% on October 19, 1987 (known as Black Monday) the government created this "team" (EO 12631) that consists of the Fed chairman, SEC chairman, CFTC chairman and U.S. Treasury Secretary. The goal of the PPT is to prevent a sudden stock market drop. How do they do this? Allegedly they buy S&P 500 futures and other index futures to bid up the market, activity that is forbidden by law. According to Charles Biderman, CEO of TrimTabs Investment Research that tracks money flows, U.S. market cap mysteriously increased by *$6 trillion* from early 2009 to early 2010![22] Here then is another case of fraud and manipulation by the Fed, Wall Street banks and our government that enhances capital markets while suppressing the metals market. Since 2016, President Trump has foolishly taken credit for a rise in the Dow Index and any downturn will now be blamed on him and the GOP. Stock P/E ratios are *higher* than the Crash of 1929, and this does not bode well. Investors should be cautious and consider shorting the Dow and S&P 500 with different funds, a topic that I will address in a moment.

Energy stocks and funds have had an interesting decline and rise since 2008. This period has seen an 80% increase in U.S. oil production. Advanced hydraulic fracking and horizontal drilling has sparked a shale oil boom, but this industry is heavily indebted and production levels cannot be sustained. Fracking for oil causes a sharp "bell curve" of production and depletion. The Bakken shale operations have declined in North Dakota along with others, and the largest remaining shale deposit is in the Permian Basin of Texas discovered in 2016. Both Chris Martenson and Steve St. Angelo have shown that shale oil production is limited and only proves that easily accessible sweet crude oil is getting harder to find. Learn more at www.srsroccoreport.com and www.peakprosperity.com. As senior financial advisor Jim Puplava has noted, "The majority of oil geologists generally agree that the era of cheap, plentiful oil is approaching an end. Oil fields have lifetimes and they typically begin to peak within a decade or more after discovery."[23] The world is literally addicted to oil and products produced by the petrochemical industry. This includes lubricating oils, grease, paints, lacquers, polishes, printing ink, candles, paraffin, asphalt, roofing, synthetic rubber, plastics and so on.

Some energy funds you might consider are the Profunds UltraSector Oil & Gas (ENPIX), BlackRock All-Cap (BACSX), Rydex Energy (RYEIX), Fidelity Select Energy (FSENX) and Guinness Atkinson Global Energy (GAGEX). Popular ETFs (Exchanged Traded Funds) are iShares Energy (IYE), PowerShares Energy (DBE), Energy Select Sector (XLE) and United States Gasoline (UGA) that tracks fuel costs at the pump. Companies that yield nice dividends are San Juan Basin (SGT), Hogoton Royalty Trust (HGT) and Canadian firms Penn West Petroleum (PWE), Enerplus Corp. (ERF) and Canadian Oil Sands (COSWF.PK). The leading oil majors based on market cap are ExxonMobile (XOM), ChevronTexaco (CVX), BP Amoco-Arco (BP), Royal Dutch-Shell (RDSA.L), ConocoPhillips (COP), Occidental Petroleum (OXY), Apache Oil (APA), Devon Energy (DVN), Sunoco (SUN, Apache Oil (APA), and Teco Energy (TE). On world markets, Russia has challenged Saudi Arabia (Aramco) as the world's largest oil producer. These over-the-counter (OTC) stocks include Lukoil (LUKOY.PK) which has soared since 1998 and Gazprom Neft (GZPFY.PK).

Closely related to energy is food production, fertilizers and water. Firms involved in agriculture are Archer-Daniels-Midland (ADM) and Monsanto (MON) along with a focus on potash and phosphates are Mosaic (MOS) and Canadian firms Potash Corp (POT) and Agrium (AGU). Agriculture ETFs include Market Vectors Ag (MOO), PowerShares Ag (DBA), PowerShares Commodities (DBC), Dow Jones UBS Grains Tota (JJG), Consumer Staples (XLP), IQ Global Ag (CROP), VanEck Natural Resource (HAP) and Elements (RJA) that tracks 20 commodities. Another consideration is firms and ETFs focused on water like Watts Water Tech (WTS), Global Water (PIO) and PowerShares Water Resources (PHO) and Guggenheim Global Water Index (PHO). Finally, with talk of repairing U.S. infrastructure you might consider MasTec (MTZ), Fluor Corp (FLR) along with top ETFs iShares Global Infrastructure (IGF), SPDR Global Infrastructure (GII), STOXX Global Infrastructure (NFRA) and Legg Mason Global (INFR).

Energy, agriculture and water sectors will continue to be in demand strictly for practical reasons, but the most dynamic commodity sector will be in the precious metals complex. Why is this? Apart from the industrial uses for metals (like silver), these metals also represent real intrinsic monetary value as Richard Russell stated earlier. As the global economy continues to struggle and pose capital market risk there will be a continued move into the hard asset class. Although mining stocks and funds can be volatile the overall trend looks promising. Mining shares can often trail precious metals indexes simply because they are traded as equities. When it comes to picking winners in this sector it is necessary to understand the difference between "hedged" and "unhedged" mining production. When a mining firm is hedged, it means that they have hedged their loss potential by locking in the price for future delivery of metals. When they are unhedged, it means that they will sell metals at the prevailing market price. For this reason, it is better to select unhedged industry giants like Barrick (ABX), Newmont (NEM), and AngloGold Ashanti, Ltd. (AU) for more profitability. These top mining firms represent 35% of the industry market cap through aggressive management and acquisitions. For example, in late 2006, Barrick acquired Placer Dome and Pioneer Metals to replace Newmont as the world's largest mining firm with unhedged reserves. As James Turk points out these mergers are fairly common:

> Gold mining is always a beehive of mergers and acquisitions, but lately the pace has accelerated. Why? Mostly because of the gold investment community's relatively narrow focus…. majors are able to let smaller companies do the risky exploration work, then swoop in and buy them up once their properties are demonstrably valuable.[24]

The pace of these mergers and acquisitions has accelerated in recent years. The next leading firms based on global production are Gold Corp (GG), Kinross Gold (KGC), Newcrest Mining (NCM.AX), Gold Fields (GFI), Franco-Nevada Corp (FNV), Agnacio Eagle (AEM), and Sibanye Gold (SBGL). Other firms to consider are Harmony Gold (HMY),), Randgold (GOLD) and ASA, Ltd. (ASA), Freeport McMoran (FCX), Royal Gold (RGLD), Hecla Mining (HL) in Coeur d'Alene, Idaho along with Coeur d'Alene that also mines for silver (CDE). Canadian firms that focus on silver are Silver Wheaton (WPM), Pan American Silver (PAAS), Silver Standard (SSRI) and Endeavor Silver Corp (EXK). Sprott, Inc. is a leading firm in Canada that acquired Central Fund of Canada in early 2018 and now offers the Sprott Physical Gold & Silver Trust (CEF) for physical purchase and storage that is tax-advantaged for U.S. citizens since capital gains are 15-20% instead of 28% (www.sprott.com). For a gutsy play on gold/silver you can get a 300% boost on indexes with Direxion Daily Gold Bull Miners Bull 3X (NUGT) and the VelocityShares 3X Long Gold (UGLD) and 3X Long Silver (USLV). If you are interested in mining shares IDP has partnered with veteran broker John Miller with Interactive Brokers than can assist you. His firm has adopted the Gold Stock Analysis by successful economist John C. Doody with impressive results. You can find out more at our Diversification link at our IDP website or email him at wallst101@hotmail.com.

Mutual funds are another way to invest in gold and silver, but also have expense ratios. The following are listed in order of returns, Vanguard Precious Metals & Mining (VGPMX), US Global Investors Gold & Precious Metals (USERX), Oppenheimer Gold & Special Minerals (OPGSX), Fidelity Select Gold Portfolio (FGDAX), American Century Global Gold Fund (ACGGX), First Eagle Gold Fund (SGGDX), VanEck International Investors Fund (INIVX), Gabelli Gold (GLDAX), Tocqueville Gold (TGLDX), USAA Precious Metals (USAGX) and Invesco Gold & Precious Metals (IGDAX). ETFs are a popular way for gold and silver allocation with iShares Gold Trust (IAU), iShares Silver Trust (SLV), SPDR Gold Shares (GLD) and the VanEck Merk Gold Trust (OUNZ) that allows you to take delivery of physical gold in exchange for shares. For an excellent spread of 12 to 16 mining firms you can select between the PHLX Gold/Silver Sector (XAU) and AMEX Gold Bugs (HUI). A final and strategic consideration is the "rare earth" mining sector (dominated by China). James Dines is a legendary forecaster and his Dines Rare Earth Index is up 1,128% since 2009. These strategic metals like cerium, tungsten and 15 other chemical elements are essential for jet engines, batteries, hybrid cars, flat-screen TVs, cellular phones, digital devices and so on. The VanEck Vectors Rare Earths/Strategic Metals ETF is a good resource (REMX), and *The Dines Letter* is a highly recommended subscription service at his website www.dinesletter.com.

All equity funds carry risk along with considerable fee and expense ratios, but they can be very rewarding. As a defensive strategy, it is a good idea to diversify a portion of your portfolio into inverse index funds, also known as short funds or bear funds. These funds use a shorting strategy to move inversely of equity fund indexes. In other words, if stocks go down 23% like they did on Black Monday 1987, your position moves up 23% or more. Prior to the financial crisis of 2008, I urged readers to diversify into the Grizzly Short (GRZZX), Federated Prudent Bear (BEARX) and the UltraBear Profund (URPIX) and all three funds had gains of 73%, 63% and 65% respectively, while most U.S. investors *lost* corresponding amounts! The same was true for funds like RYVTX (87%) and RYIDX (54%). Today, you can weight a portion of your portfolio in funds that short the Dow Index by multiples of 100% and 200% like (DOG, DXD), the S&P 500 (SH, SDS), and the NASDAQ-100 (PSQ, QID). Be careful.

In these uncertain times it might also be good for investors to consider "Long-Term Equity Anticipation Securities" known as LEAPS. Introduced in 1990, LEAPS are options traded on the Chicago Board of Trade (CBOT) that have a life span of 24 months (instead of shorter periods) and provide investors the benefit of long-term growth of stocks without making outright purchases. In other words, you can hedge by being either bullish or bearish based on prevailing market conditions. For a small premium, another way to manage risk is using "covered calls" that is a transaction in which the seller of call options owns the corresponding amount of stocks or securities. If the trader buys the underlying instrument at the same time as he sells the call, the strategy is often called a "buy-write" strategy. In equilibrium, the strategy has the same payoffs as writing a put option. For expert advice in this area I recommend Mike Meixler at Meixler Investment Management, Ltd. As indicated earlier, we have a strategic alliance with his firm to assist our clients at IDP when they exit their Precious Metals IRA accounts to protect their principal and tax-free capital gains. The minimum for new accounts is $200,000. Their firm has been founded on the premise that the conventional financial planning industry has been based on mass-marketing to investors with high expense ratios and commissions that are structured to benefit agents and brokerage firms at the expense of their clients. As a fee-based management service, they focus on customized accounts for each client that are consistent with individual financial goals based on their deep analytical research and a "value investment" approach to achieve growth and income while protecting investor's principal. Their goal is to build wealth over the long-term while managing downside risk in volatile markets by anticipating market trends and allowing large margins of safety for their clients. Portfolio management fees are calculated as a percentage of the overall market value and performance of your account, and this incentive provides maximum return for your investments based on personal attention, diversification and discretionary trading within your account.

Mike Meixler has been serving a discriminating nationwide client base for almost 25 years, and his independent trading platform and RIA designation allows for objective financial advice and estate planning. Mike is a long-time student of classical free market thinkers like Ludwig von Mises, Carl Menger, Friedrich Hayek, Murray Rothbard and other luminaries that comprise the Austrian School of Economics that is based on individualism and sound money. In addition to creating an Austrian Global Macroeconomic Portfolio for clients, his firm also applies the strategies and techniques of deep value investing based on the principles of Benjamin Graham and David Dodd (*Security Analysis*, 1934), that have also guided Warren Buffet's successful investment strategy. In 2009, Mike was recognized in *Barron's* annual list of Top 1,000 Advisers and was ranked 24th in Arizona, the 16th largest state in the US. These top 1,000 advisers represent the elite 1% of all advisers in our nation. If you would like to arrange for a confidential consultation with Mike Meixler you can contact his staff for an appointment at 1-866-537-4044. His staff will answer questions related to insurance, retirement, estate planning and finance with professionalism and integrity (www.meixlerinvestments.com).

Concluding, the intermediate and long-term U.S. Treasury bond complex is going to be risky for bondholders. The bond market is currently suffering from a "flat yield curve" and this does not bode well for a government-engineered economic recovery. As *Barron's Financial Guide* notes, "The existence of a flat yield curve generally indicates a high level of economic uncertainty and low levels of confidence."[25] Adding to this uncertainty was the stunning announcement on August 5, 2011 by Standard & Poor's to *downgrade* U.S. debt with a "negative" outlook. This might be a tipping point that could eventually lead to a sovereign debt default for the first time in U.S. history. This would be the financial reckoning day. As Robert Prechter writes, the U.S. is going to lose its ability to honor its debt and this can lead to systemic risk in the public and private sector:

> Any bond issued by a borrower who cannot pay goes to *zero* in a depression. In the Great Depression, bonds of many companies, municipalities and foreign governments were crushed. They became wallpaper as their issuers went bankrupt and defaulted.[26]

Making matters even worse, on October 17, 2013 the Dagong Credit Rating Company in Beijing, China also downgraded U.S. debt citing "the vulnerability of the federal government's solvency." More recently, on January 16, 2018 the Chinese again downgraded U.S. Treasuries to BBB+ in light of proposed U.S. tax cuts and increased unsustainable spending. Another reason cited for this downgrade was "the U.S. abusing the right of issuance [of] the U.S. dollar as the international reserve currency." This statement translated from Chinese concludes that the U.S. is "likely to become the detonator of the next financial crisis."[27] You can read more at that footnote. This is rather serious when you realize that China is *our banker!* They are the largest holder of U.S. debt at $1.2 trillion (20% of $6.3 trillion held offshore), and they recognize that the U.S. is the largest debtor nation in the world and will likely trigger the collapse of the international monetary system. So why do they hold so much of our debt? Due to our trade deficit with China they are holding $3 trillion U.S. dollars. They use these dollars to buy U.S. Treasuries to create a stronger dollar against their currency, thus giving them an export trade advantage. What they don't like is the Fed inflating (eroding) the value of the dollars they are holding. Something *oblivious* to most Americans. This is why they are aggressively hedging in gold/silver and will someday dump U.S. bonds or switch to SDR bonds. I would generally avoid the bond market, and especially as the Fed tries to unwind trillions in U.S. bonds.

In the 1930s, all bonds, including AAA bonds, suffered but they did make a comeback because the U.S. dollar was still linked to gold. Today, the global bond market is vulnerable to a "supernova" according to Bill Gross, known as the bond king. Bill Gross currently heads up the Janus Henderson Global Unconstrained Bond Fund (JUCIX) and is among *Kiplinger's* top firms including the Vanguard Short-Term Investment Grade

Investor (VFSYX), Metropolitan West Unconstrained Bond (MWCRX) and PIMCO Total Return (PMBIX). In this era of near zero rates bond yields are low, but some are better than others. Investors can hedge the U.S. bond market in funds with foreign bonds like Vanguard Total International Bond Index (VTIBX), T. Rowe Price International Bond (RPIBX) and American Century International Bond (BEGBX). With rising rates another strategy is to short bonds with inverse funds ranked here by total assets, Proshares Short 20+ Year Treasury (TBF), Direxion Daily 20-Yr Treasury Bear (TMV), Ultrashort Barclays 7-10 Year Treasury (PST) and Proshares Short High Yield (SJB). Municipal bonds have a low default rate (.09% in the past 46 years) and are tax-advantaged. Average yield is 2% and *Kiplinger* picks the high-grade Vanguard Ltd-Term (VMLTX), while low/medium-grade funds can yield 3.8%, or 5.9% taxable equivalent yields like the T. Rowe Price Tx-Free High Yield (PRFHX). Another consideration is Treasury Inflation Protected Securities (TIPS) that are linked to the Consumer Price Index (CPI), but even these can suffer negative real returns since the CPI core index *excludes* food and energy costs (VIPSX, FINPX). All government savings bonds (Series EE and Series 1) should be avoided, and again, all prospective investors should do their own research and due diligence.

Global and Domestic Contingency Planning

A final consideration for diversification and preservation of wealth is to adopt a more global approach with your financial assets for privacy, protection, and tax advantages. It should be clear by now that the U.S. financial system is a highly leveraged time bomb, and it is only prudent to hedge yourself with some contingency planning. The Oxford Club is a private, international network of 157,000 knowledgeable investors and entrepreneurs who understand the need to profitably seek out offshore opportunities around the globe. You can benefit from this unique organization by becoming a member for only $99 per year by calling 1-800-992-0205 (www.oxfordclub.com). As Adam Starchild suggested earlier, it is a good idea to shop around the world for the best deal and place a portion of your investment portfolio abroad. This view is shared by the Oxford Club's sister organization The Sovereign Society in their publication *Offshore Basics A-Z*:

> Offshore you can often get a significantly better deal – for your finances, your business or your investments – than is possible at home – and you don't even need to leave your own home [country] to take advantage of many offshore opportunities. By simply restructuring certain aspects of your affairs you can add beneficial offshore dimensions to your life which the average individual at 'home' has to manage without.[28]

Most people are trained to only think about their home country when it comes to their personal finances, and the retirement-investment community is pleased that people think this way. But it is quite easy to think "outside the box" once you gain some knowledge. It is estimated that one third of all offshore investments are either located or managed in Switzerland. The Swiss are legendary for their efficient money management and innovative financial services, and this is particularly true with their fixed and variable annuities. These insurance contracts usually have minimums of $50,000, but for high-net worth individuals they can take advantage of a Swiss Strategy Portfolio Annuity or Liechtenstein Portfolio Bond. The Swiss Strategy Portfolio Annuity is basically a variable annuity in which the value depends on the underlying investments held in the structure. This strategy involves using a Liechtenstein insurance company which opens a Swiss bank account in the insurance company name in order that the annuity can be managed by a Swiss fund manager. In this way the contract holder achieves anonymity and protection under Liechtenstein's strict asset protection and privacy laws combined with Swiss management. With a minimum of $1,000,000, this policy can invest in global stocks, bonds, and funds denominated in foreign currencies. For more information on these policies you can check out www.swiss-annuity.com and www.swiss-annuity-brokers.com.

The Liechtenstein Portfolio Bond is very similar in structure, but there are no withdrawal penalties associated with annuity contracts and its operation is easier than a foreign trust or corporation. The Liechtenstein Portfolio Bond is merely an insurance policy, or holding policy, issued by a Liechtenstein insurance company purchased by a U.S. client who can name a trust or corporation as the beneficiary. As a client of the insurance company, the company opens an account with a bank of your choice and you achieve the same benefits as above. Now you can buy, sell, or trade all of your offshore investments through the insurance company or designate an investment advisor to manage the account. In this way the portfolio bond provides an insurance wrapper around all of your investments for complete privacy and asset protection. As an offshore intermediary you, or your agent, can now invest in over 40,000 funds that are not normally available to U.S. citizens. This strategy requires $1,000,000, and the IRS does impose a 1% excise tax once you fund the policy (state-of-the-art asset protection comes with a price).[29] If you declare bankruptcy the policy is automatically transferred to your beneficiary for protection from creditors. Management fees are typically 5%, or less for larger accounts. All profits are reportable to the U.S., but all income can be legally tax deferred if you arrange to relinquish control to your manager. You can contact Marc-Andre Sola at www.1291switzerland.ch for a consultation.

Is this kind of asset protection and privacy really that important? If you have something to lose the answer is yes! And particularly if you have *a lot* to lose. Over 50,000 (mostly frivolous) lawsuits are filed each week in the U.S. with almost $200 billion awarded in damages and lawyer's fees each year. According to the *National Law Journal*, punitive damage awards for the largest jury verdicts have increased by 20 times in a single year! It is a good idea to restructure certain aspects of your financial affairs for profit as well as protection. For a lesser amount you can open an account at Jyske Private Bank as I mentioned earlier. Again, there is nothing illegal, immoral, or unpatriotic with arranging your affairs for safety, diversification, and minimizing taxes. In 1934, U.S. Circuit Judge Learned Hand issued this clear statement in *Helvering v. Gregory*:

> Anyone may arrange his affairs so that his taxes shall be as low as possible; he is not bound to choose that pattern which best pays the treasury. There is not even a patriotic duty to increase one's taxes. Over and over again the courts have said that there is nothing sinister in so arranging affairs as to keep taxes as low as possible. Everyone does it, rich and poor alike and all do right, for nobody owes any public duty to pay more than the law demands.[30]

John D. Rockefeller once said, "I would rather own nothing and control everything." By using offshore entities which are properly structured you can enjoy the same benefits shared among the wealthy and their estates. For example, in 1972 the Rolling Stones rock band started banking in Holland, and since 1986 they have paid only 1.6% in taxes on total earnings of £1.1 billion British pounds (almost $1.5 billion). They have done this by creating a network of trusts and corporations in the Netherlands where they have no direct tax on royalty. The Beatles made similar arrangements along with Madonna, U2, Sylvester Stallone and scores of others. If you have an interest in discussing these legal matters I suggest you contact Gideon Rothschild with Moses & Singer (www.mosesssinger.com) in New York at 1-212-554-7806, or the Duke Law Firm in Alabama at 1-205-823-3900 (www.assetlaw.com). In California, tax attorney Michael Chatzky, CPA can also assist you with these offshore wealth preservation structures at 1-858-457-1000. As mentioned, Mark Nestmann is a noted privacy expert with a Masters of Law (LL.M) in international taxation and you can inquire about his professional services by calling 1-602-688-7552.

Privacy should be everyone's concern, and especially when it comes to our financial affairs. "Civilization is the progress toward a society of privacy," said Ayn Rand, "Civilization is the process of setting man free from men." Our Founding Fathers understood this basic principle when they penned the

4th Amendment to our Constitution. But today, the right to privacy is being violated by our government, greedy lawyers, identity thieves, and others. According to a recent Harris Poll, almost 15% of Americans have been victims of identity theft or fraud and the FTC reports that this is the fastest growing crime in America. To help defend yourself, you can learn more at www.identitytheft.org and www.lifelock.com. In addition to this privacy threat, the banking and financial service industries have been deputized by the federal government to spy on the American people. In his book *The Lifeboat Strategy*, Mark Nestmann documents how various laws and regulations in the U.S. have been enhanced by the USA Patriot Act and the government's "war on terrorism." Immediately following the tragic events of 9/11, George Bush issued Proclamation 7463, on September 14, 2001:

> NOW THEREFORE, I, GEORGE W. BUSH, President of the United States of America, by virtue of the authority vested in me as President by the Constitution and laws of the United States, I hereby declare that the national emergency has existed since September 11, 2001, and, pursuant to the National Emergencies Act (50 U.S.C. 1601 et seq.), I intend to utilize the following statutes, Sections 123, 123a, 527, 2201(c), 12006 and 12302 of Title 10, U.S. Code, and sections 331, 359, and 367 of Title 14, U.S. Code.[31]

It is extremely noteworthy that we have been in a state of national emergency since 2001, and this is allowing the government to probe deeper into our lives and basically expand the role of government into our personal affairs. Under the National Emergencies Act, national emergencies expire after a year, unless the president renews them by notifying Congress. This "emergency" has been renewed each year by Bush, Obama and now, Donald Trump on September 14, 2017. This is how, *and why*, the Deep State with 17 intelligence agencies has morphed into a modern surveillance state, as I have related in chapter four. This *temporary edict* has now become permanent. "It stretches credulity to think Congress hasn't had time to act since 9/11 happened," says Elizabeth Goitein, co-director of the Liberty and National Security Program at the Brennan Center for Justice. "We should not be treating 9/11 as an emergency in 2017."[32] Indeed, and in their book *Power Surge* Gene Healy and Timothy Lynch state that this kind of executive power is "sharply at odds with the text, history, and structure of our Constitution, which authorizes a government of limited powers."[33] It is this kind of *power surge* and degradation of our civil liberties, privacy and freedom that concerns patriotic Americans today. Authorities say if you have nothing to hide you have nothing to worry about. But William Pitt responds that "Necessity is the argument of tyrants, it is the creed of slaves."

The war on terror has become an abstraction that has now been turned against U.S. citizens. Many Americans are making the decision to not only move their assets offshore, but also becoming expatriates and leaving the U.S. altogether. This may sound like a radical idea at first, but there are several benefits that are worth noting. Not only are you closer to your money, but you also gain more privacy, affordability, less crime, warmer beaches, and a $104,100 Foreign Earned Income Exclusion for 2018. If your spouse accompanies you overseas, you can jointly earn up to $208,200 free of U.S. tax obligations along with tax credits for housing. Sound too good to be true? Perhaps, but millions of Americans are taking advantage of this legal arrangement even though Congress routinely threatens to eliminate this IRS exclusion. Among other conditions, this exclusion applies only to earned income (not investment income), you must establish legal residency or live somewhere 330 days during any 12-month consecutive period, and self-employment is still subject to Social Security and Medicare tax. For more information on this process The Nestmann Group is your best resource as I mentioned above.

For those with a sense of adventure, expatriation can be a beneficial experience, and there is plenty you can learn online. Europe can be expensive (especially Switzerland, Austria, and Liechtenstein), but there are several options at www.expatica.com or www.escapeartist.com. Costa Rica and Panama are popular choices, and Panama has an excellent *pensionado visa* program for retirees. All that is needed is a minimum of $1,000 per month pension income or a $200,000 deposit for a private income visa (www.movetopanama.com). To learn more, you can contact the law offices of Henley & Partners at www.henleyglobal.com. Canada, Australia, and New Zealand are good destinations, but immigration is restricted by a rigid point system. Canada used to have an Immigrant Investor Program based on Section 94 of their Income Tax Act that allowed individuals with $1.6 million to invest $800,000 that would be repaid in 60 months. In this same period individuals could live tax-free in Canada and obtain citizenship. In 2014, they cancelled this program because their Hong Kong offices were literally overwhelmed with wealthy Chinese trying to expatriate to Vancouver, BC. There are plans to reintroduce this incentive program, but probably not any time soon. You can inquire about Canadian citizenship through Henley & Partners by contacting Domenic Presutti in Montreal at 1-514-288-1997.

The decision to expatriate is a serious step, but it is worth considering for financial and personal reasons. As I indicated already, the Rolling Stones are living a virtually tax-free lifestyle with global investments and royalty income. In order to achieve this level of freedom and prosperity, however, they had to leave Britain in 1986 and establish permanent residency elsewhere. Since the U.S. does not have a territorial tax system, but taxes its citizens on *worldwide income*, the only option for Americans is to formally turn in their passport and renounce citizenship. In wealthy circles, this is considered the best estate planning tool available to U.S. citizens. But as Mark Nestmann counsels, "The decision to give up U.S. citizenship is a serious one. It is a step that you should take only after deliberating with your family and professional advisors."[34] But worsening conditions in the U.S. are convincing more and more people to reflect on these issues. Prior to 2009, less than 400 citizens renounced citizenship, but this number has steadily risen from 4,004 in 2015 to 5,411 in 2016 and 6,813 in 2017. Each year the federal government shames those who renounce by listing their names in the quarterly *Federal Register*.[35] This despicable practice is designed to intimidate those who wish to vote with their feet. Punitive reporting requirements have contributed to this increase (FACTA), but there is a general sense that this is the time to get out. As Robert Prechter has concluded in his book *Conquer the Crash*, America's fiscal problems and cultural decline "…could make domestic life highly unstable." Furthermore, "if authoritarians assume power at the federal level near the bottom of a depression…difficulties could arise from domestic sources."[36] In other words, necessity will become the argument of tyrants as the U.S. sinks into a hyperinflationary depression and American citizens are subject to more domestic surveillance, control and loss of liberty.

The goal to invest and plan wisely is a challenging proposition in these changing times, but whatever anguish of spirit it might cost we must make adequate contingency plans. As Warren Buffet likes to remind people, "It wasn't raining when Noah built the ark." As I mentioned at the beginning, you must act decisively to arrange your own affairs and overcome the "normalcy bias" that causes people to underestimate the dangers that we are facing in the hopes that everything will be fine and the U.S. will be great again. The only way to overcome this cognitive bias is to have "situational awareness" – the kind of awareness that acknowledges the truth and accepts reality. A contemporary analogy can be found in the Matrix movie trilogy in which the lead character is offered a "red pill" to break through his illusionary computer-enhanced world or take the "blue pill" to remain in a serene and delusional world. The movie's hero takes the red pill and finally breaks free from the matrix.[37] This is what you must do. The best way to survive America's monetary and political decline is to seek some sensible diversification which I have outlined in this chapter, and our investment triangle can serve as a general guideline for you.

Finally, domestic contingency planning needs to include what I call the "Four Gs," which are God, guns, gold and groceries. Things can, and will, become difficult in the days ahead and I would like to recommend some websites that will be helpful for you. If you are concerned about living in an urban center, I suggest Joel Skousen's book *Strategic Relocation: North American Guide to Safe Places* for a comprehensive overview of safer areas at www.joelskousen.com, and you can also check out www.freestateproject.org for a new initiative in New Hampshire. If you are restricted to an urban area, I might suggest www.urbansurvivalsite.com for some very practical considerations when times get tough. If you are a serious prepper, the most comprehensive website for resilient living is www.survivalblog.com hosted by James Wesley Rawles. Another resource is www.peakprosperity, and their Take Action link states "that when it comes to preparations, it's better to be a year early than a day late." Good advice. Now is the time to make some contingency plans for manmade or natural disasters.

Regarding food storage and household preparations, these are essential in any scenario. The following sites are highly recommended, and they are listed in order of online rankings. The Wise Food Storage company in Salt Lake City, Utah is the top-rated company with competitive prices, quality service and a 99% satisfaction rating for many years. Their wholly owned and operated manufacturing facility offers one-year food storage supplies for an individual, couple or family of four ranging from $2,200 to $8,000. They also offer gluten-free products in addition to a full line of freeze-dried meats, vegetables, fruits and powdered milk and eggs. These products are shipped in large buckets for storage and they also offer survival packs, auto kits and emergency supplies like first aid kits, seeds, heating, power and water supplies. IDP Consulting Group is a corporate sponsor and affiliate of Wise Food Storage and you can request a free food sample by calling 1-800-393-2570. They ship within 10-14 days by FedEx and have a 90-day return policy. You can also request their 24-page catalog or access their digital catalog on their website at www.wisefoodstorage.com.

Emergency Essentials is also located in Utah and features their own brand of food reserves along with the popular Mountain House freeze-dried products in addition to dehydrated and powder foods. They offer a variety of packages from one-year food storage to food buckets, MREs, pouches and pails of grains and other bulk foods. This includes meats, grains, fruits, vegetables, legumes, desserts, dairy and baking supplies and grain mills. They also have a full line of emergency items and gear ranging from emergency kits, communication, navigation, cooking, power, heating, lighting, water and sanitation. If you are on a budget, they have a "PrepAsYouGo" program that ships to you monthly based on their five different plans that range from $69 to $389 per month that is auto-billed to your credit card and shipped free. They also feature close-out and sale items for you to select, and customer satisfaction is guaranteed. You can call 1-800-999-1863 and request a catalog. They ship by UPS and accept all major credit cards with a 30-day return policy at www.beprepared.com. I have ordered many times from this fine company and love their product line.

The Ready Store is another highly-rated food storage company out of Utah that has features one-year food storage systems ranging from $1,000 to $8,000 that includes eight different brands of food storage products. Their products are guaranteed to last up to 20-30 years, and they have a full line of military grade MREs (meals-ready-to-eat) that can be purchased in small units or MRE cases from $600 to $7,000 for a one-year supply. They offer products related to water storage, tools, emergency gear and kits along with lighting, heating and pet supplies. They also have a unique "ReadyPrep" line of food storage that is designed to provide one bucket per person that includes breakfast, lunch and dinner for one month that can also be expanded to three months, six months or one year. For a free sample or catalog you can call 1-800-773-5331, or go to www.thereadystore.com.

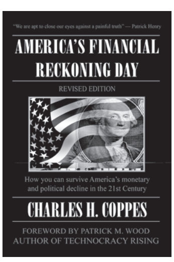
When it comes to guns, firearms and personal defense I need to let you decide what your priorities are for you as an individual, or your own family situation. On my website I have a Contingency link that features emergency and food links along with the book *The Prepper's Blueprint: The Step-by-Step Guide to Help You Prepare for Any Disaster* by Tess Pennington. The book is presented in three sections and 55 chapters concerning immediate priorities (home security and emergencies), short-term preparedness and long-term preparedness (430 pages). This book has a wealth of practical information for contingency planning.

Concluding, it is vital that we have a firm reliance and faith in our Lord Jesus Christ, as I have stressed in chapter seven. The Lord is our ultimate refuge in an uncertain and transitory world. "God is our refuge and strength…therefore we will not fear" (Ps. 46:1). It is important to be prepared, but Jesus said that "Man shall not live by bread alone, but on every word that proceeds out of the mouth of God" (Mt. 4:4). We need to be trusting in His providence and abiding in His word. Jesus said, "If you abide in my word, then you are truly disciples of Mine; and you shall know the truth, and the truth shall make you free" (Jn. 8:31-32). What did our Lord mean when He said the truth will set you free? In the context, He was speaking to the Jewish elders who were trying to earn their salvation by good deeds and keeping religious traditions. In contrast, Jesus offers forgiveness of sin and eternal life by simple faith (Jn. 3:16). Dr. John MacArthur adds, "Our Lord [was] saying to them, the Gospel truth will give you spiritual freedom, which is freedom from slavery to sin, from sin's total power, total control, freedom from spiritual blindness, spiritual oppression, Satanic dominion, freedom from the fear of death, the fear of judgment, the prospect of eternal hell, freedom in the purest and truest sense."[38] Jesus sets us free from the impossible burden of trying to get to heaven on our own merit. Have you placed your faith and trust in Him? If not, I have a Good News link on my website that shares the Gospel truth, and I encourage you to make this all-important discovery. As I like to say, God has never promised us a smooth flight in this life; just a safe landing. This is the only way to *really survive* America's monetary and political decline in the 21st Century, as I state in my book subtitle.

If you have questions related to spiritual matters, financial diversification in precious metals or contingency planning, please send me an email or call 1-855-860-6800 (MST). I will give you my personal attention, and I waive all consulting fees for new IDP clients who also receive signed copies of my book and materials to share with others. I will look forward to hearing from you, and may God bless you and your loved ones as we prepare for whatever comes in the future. Indeed, the flight through this life may not be smooth as we would prefer, but we can be assured of that "safe landing" that the Lord promises to all who look to Him in faith (2 Tim. 4:18). Amen.

"Mr. Coppes' book is incredibly important and might just
save you from losing your hard earned investments when
America faces its Financial Reckoning Day.
I recommend you buy several copies for your loved ones and friends."
~ Colleen Gordon

Charles H. (Chuck) Coppes has been a licensed securities and precious metals broker with national firms, and is the founder and president of IDP Consulting Group, LLC, which is an independent precious metals and consulting firm. A *summa cum laude* graduate with a degree in Christian Apologetics, he has been a featured guest on local and national radio programs and currently resides in the beautiful high country of Arizona.



To purchase a copy of Chuck's book you can go to www.chuckcoppes.com or place an order at www.Amazon.com. If you would like to have a consultation with Chuck you can contact him at his website below. As stated in this book Introduction, it is Chuck's goal to challenge people's thinking and move them to make important personal and financial decisions, but our most important decision is to place our trust in God in these very uncertain times (Ps. 46).

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