World Economic Conference

2 0 2 1

The Pawn of Finance

WEC 1998 Forecast Slide

Economic Confidence Model^tm^

Defining the global business cycle

- - - - - - Outlook - - - - - -

1998 = Collapse of Russia
1999 = Low Gold & Oil
2000 = Technology Bubble
(Like Railroads in 1907)
2002 = Bottom US Share Market
2007 = Real Estate Bubble, Oil hits $100
2009 = Start of Sovereign Debt Crisis
2011-15 = Japan Economic Decline
EURO begins to crack due to debt crisis
2015.75 = Sovereign Debt Big Bang

What to Take Home

1) 2022 Major Change in Trend
2) Risk of Major Manipulation trying to Create new Depression
3) Food Shortage will
4) Political Year from Hell

THE FUTURE

World Economic Conference – 2021

PART 2

What you Need to Take Home

1) Destruction of the Bond Markets & Liquidity Crisis
2) Keynesian Economic Theory's Collapsed
3) Political Chaos & Rise of Authoritarianism
4) Capital Flight from Public to Private Assets
5) Regional Disparities & Rise of Separatism
6) Country Risk & Global Contagions
7) How do we Survive this Personally & Institutionally

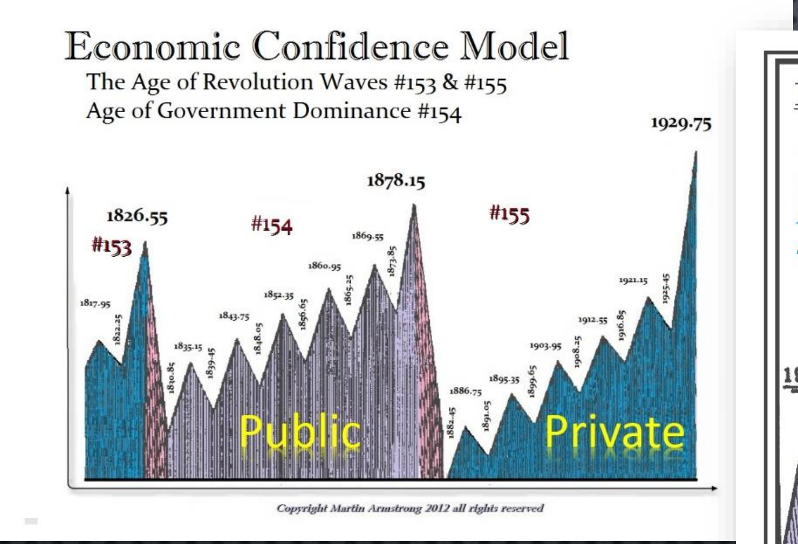
Surviving Your Own Trading Decision

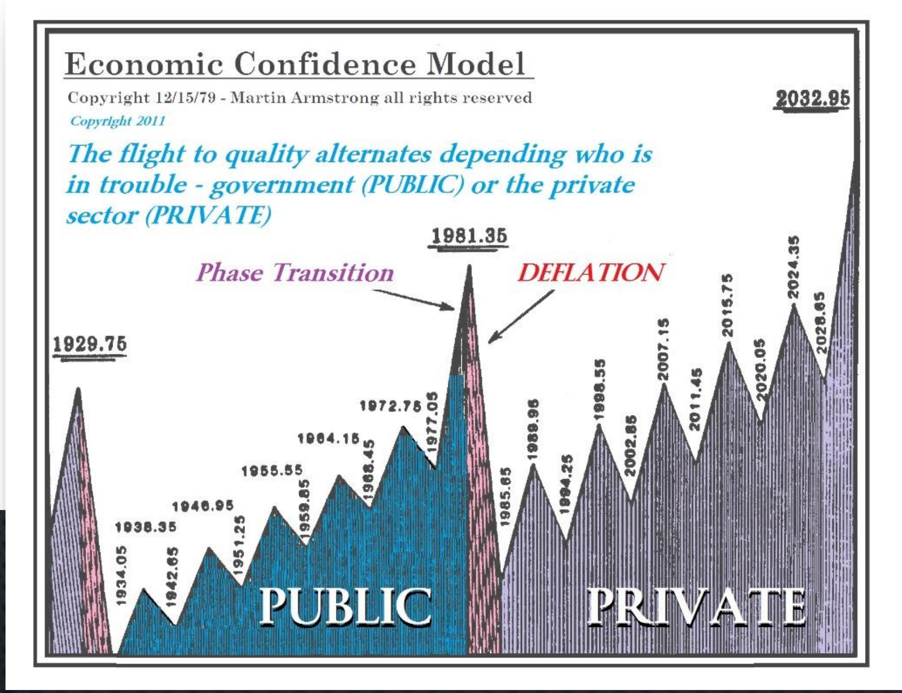
1) You must have Confidence in the trend
2) You must analyze every loss for you learn only from losing trades
3) Never trade out of boredom
4) Also define where each trade is wrong and the objective for the trade

Ultimately, we all ask why?

The Great Unknown

Public v Private





The shift in confidence as to who does capital trust, government or private sector, has been a cycle that extends back into ancient times. Nevertheless, some will argue this is just my opinion. Yes, stock markets appear to rally during a Private Wave on a sustainable basis compared to a Public Wave. But is there any other proof that capital moves in such a manner?

Economic Disparities

Regional Stress Creates Separatist Movements

WHERE TO MOVE

Florida #1

REAL ESTATE EXCLUSIVE

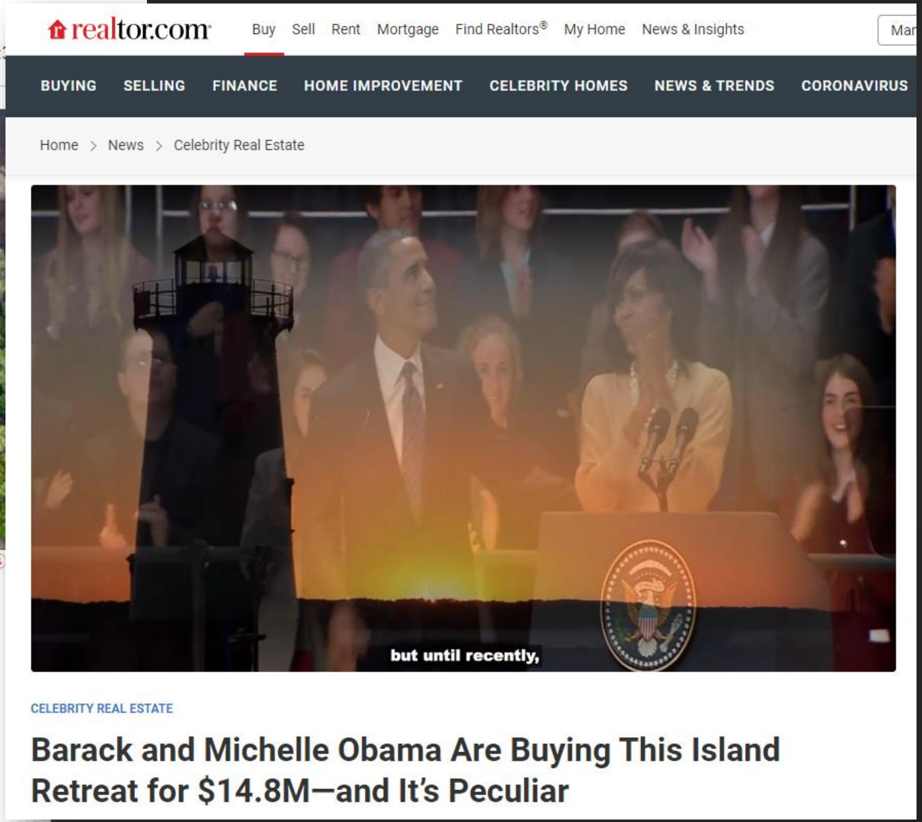
As Jeff Bezos buys up Maui, Hawaiian locals hope for the best

By Mary K. Jacob November 4, 2021 | 5:

Trump and Kushner buy $31 million plot on Miami island known as the "Billionaire's Bunker": report

The New York Post believes the lot was purchased from the Spanish singer Julio Iglesias

By BOB BRIGHAM PUBLISHED DECEMBER 7, 2020 11:56PM (EST)



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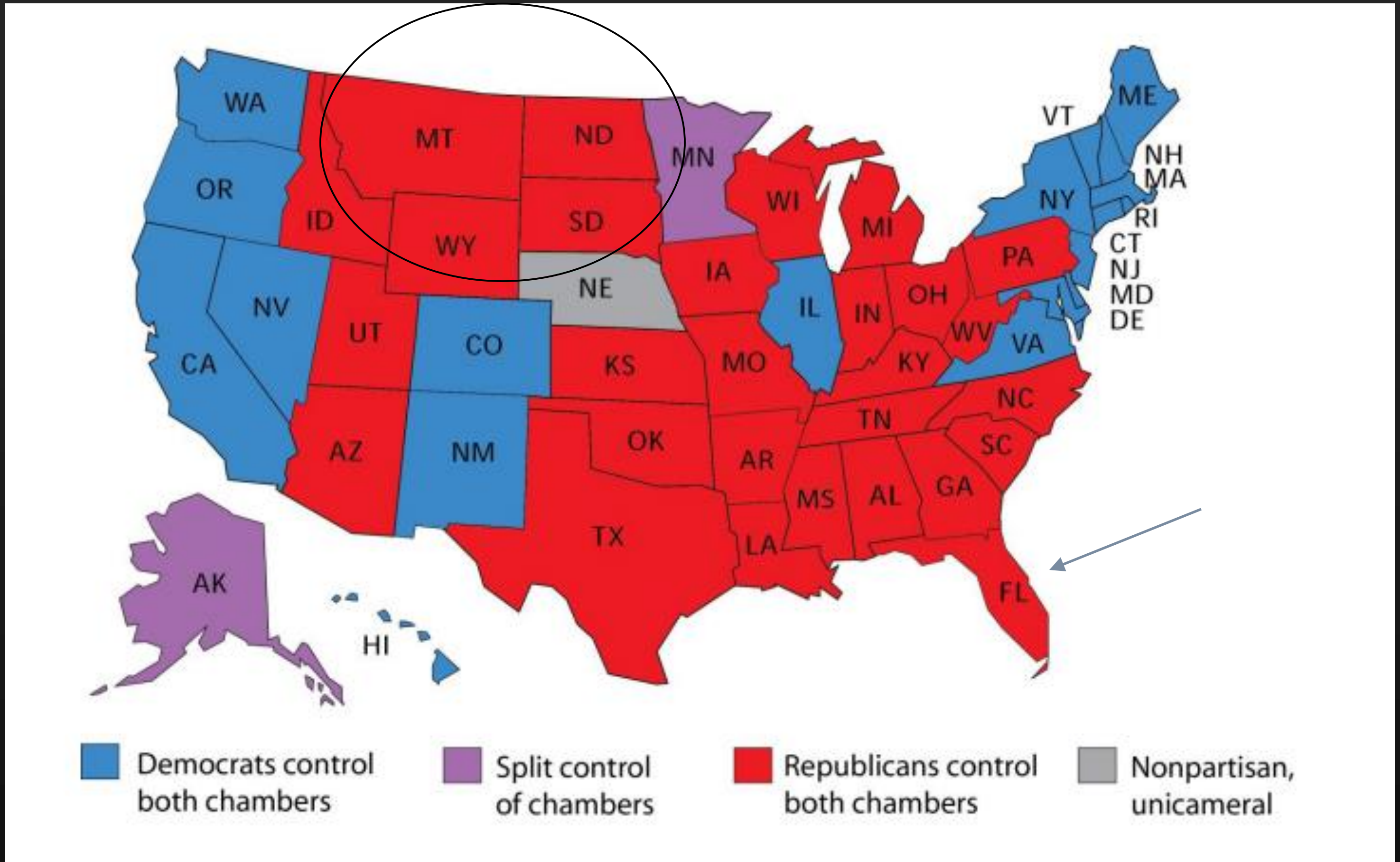
Home > News > Celebrity Real Estate

CELEBRITY REAL ESTATE

Barack and Michelle Obama Are Buying This Island Retreat for $14.8M—and It's Peculiar



WA
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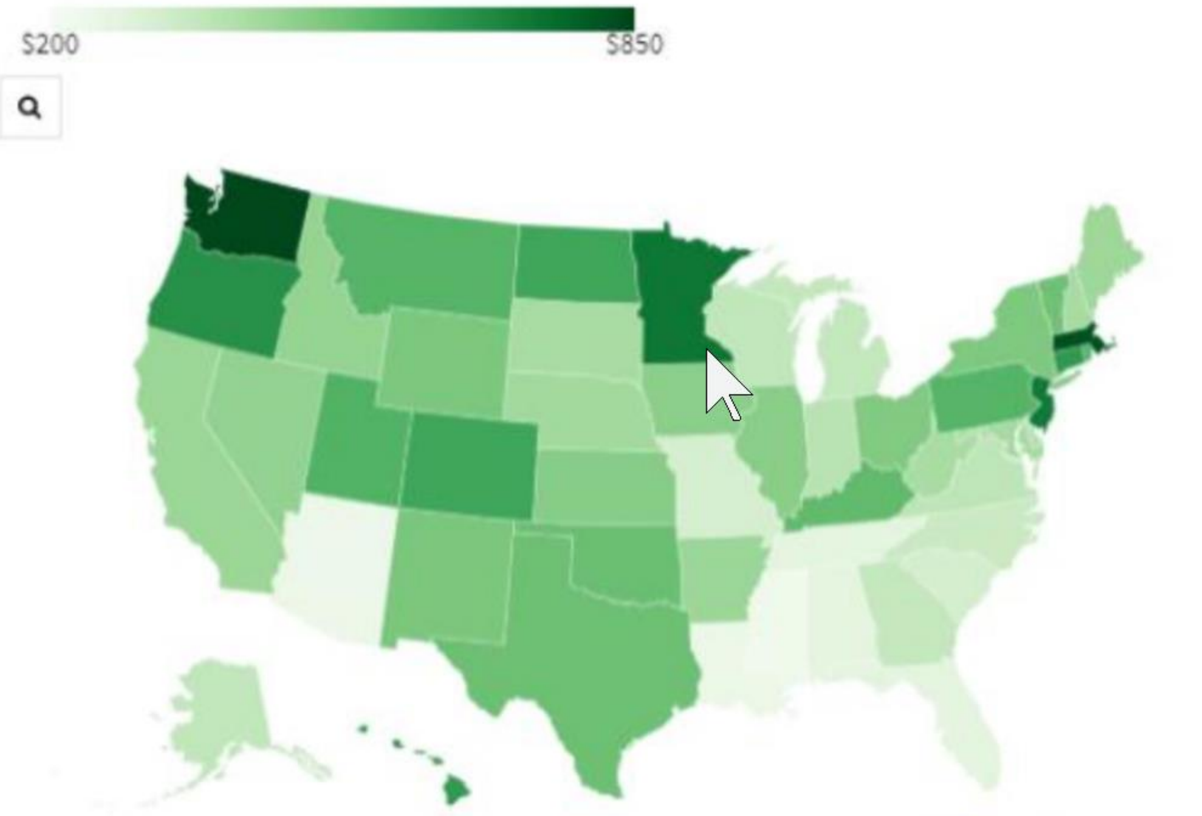
MS
AL
GA
FL
SC
NC
VA
WV
PA
NY
VT
ME
NH
MA
RI
CT
NJ
MD
DE
AK
HI
Democrats control both chambers
Split control of chambers
Republicans control both chambers
Nonpartisan, unicameral

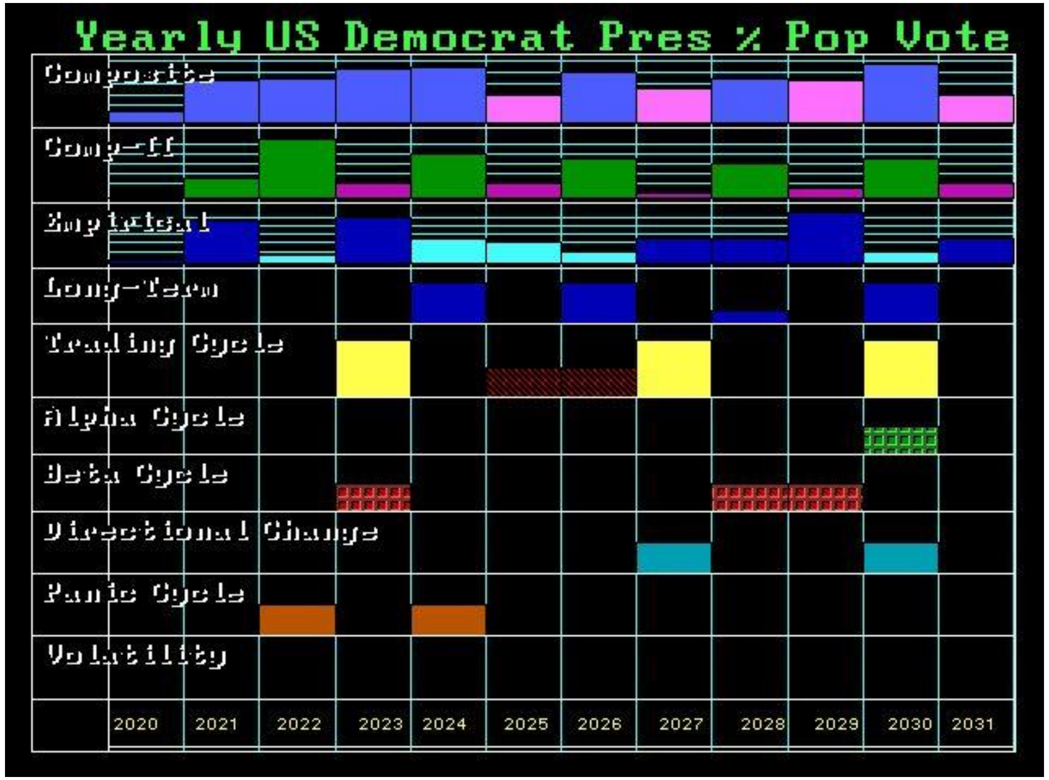
Find your state's unemployment insurance office and the maximum weekly benefit amount for which you could qualify

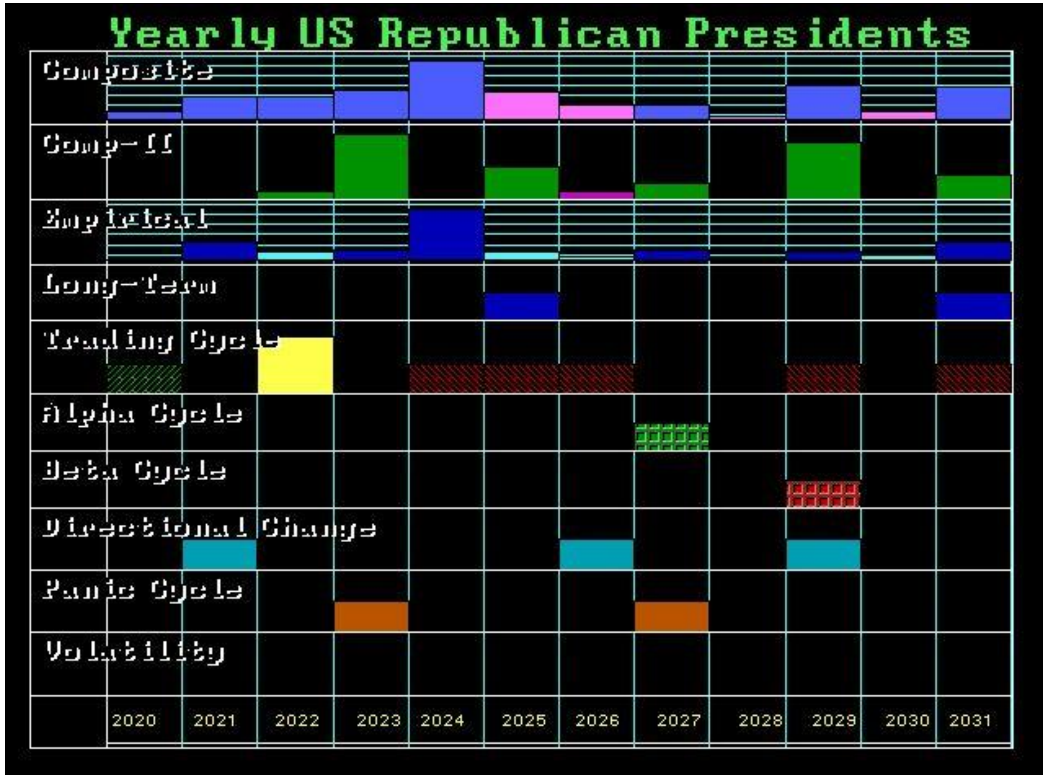
Regular state maximum weekly unemployment insurance benefit amount available for someone without dependents



Source: State Unemployment Offices • Actual benefit amounts depend on prior earnings and determination of eligibility.

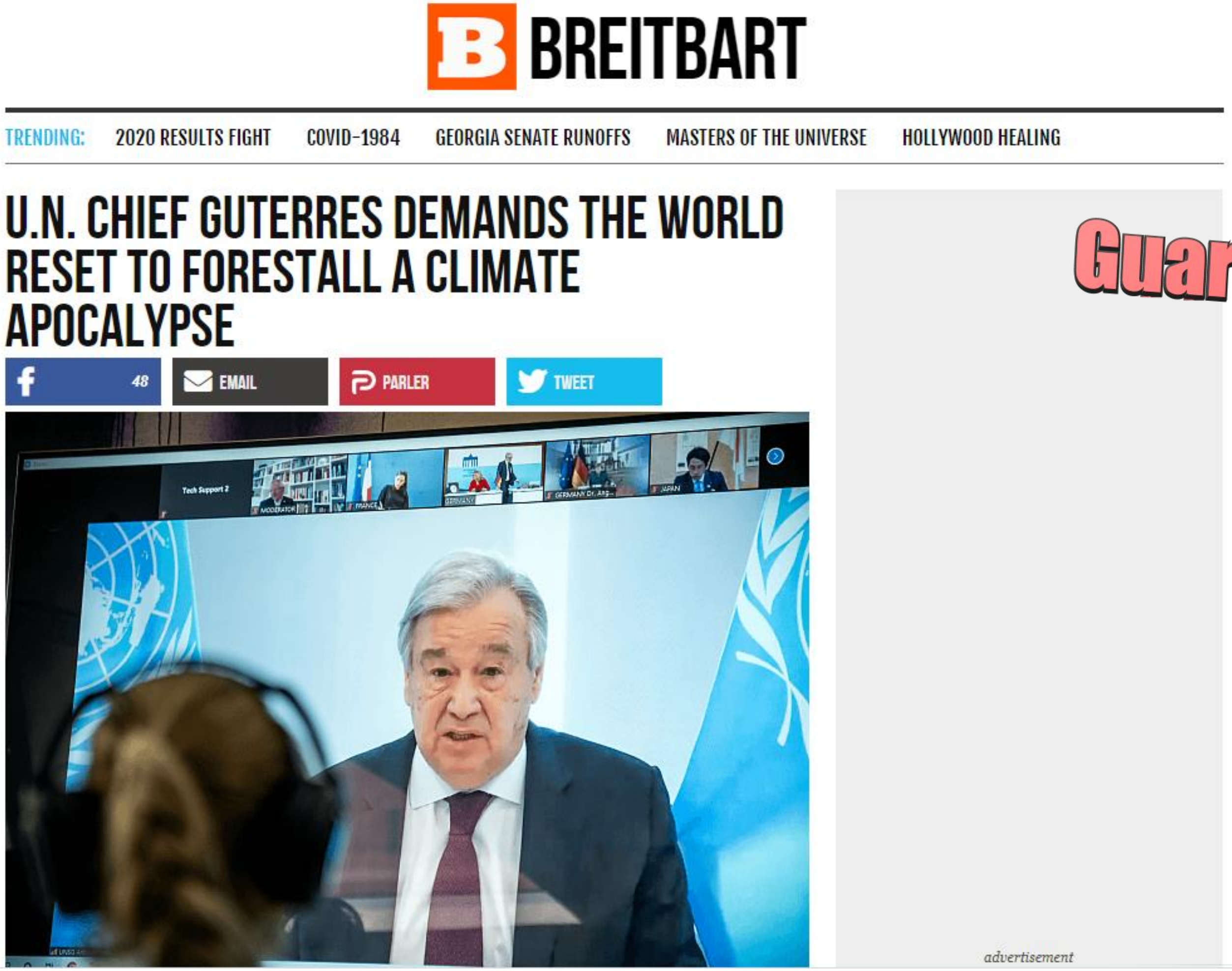
ZipRecruiter





To see Panic Cycles in our Presidential Model forecasts are EXTREMELY Rare. They have not appeared like this since the Great Depression. We have a Directional Change in 2021 for Republicans and against off in 2026. In both cases, 2024 is becoming monumental turning point and if Biden takes office, he may not last past 2022 and because this is a global effort to change democracy more like Europe where the heads of state is select the head of the EU – not the people.

Truedeau wins with
less than even Hitler


BREITBART

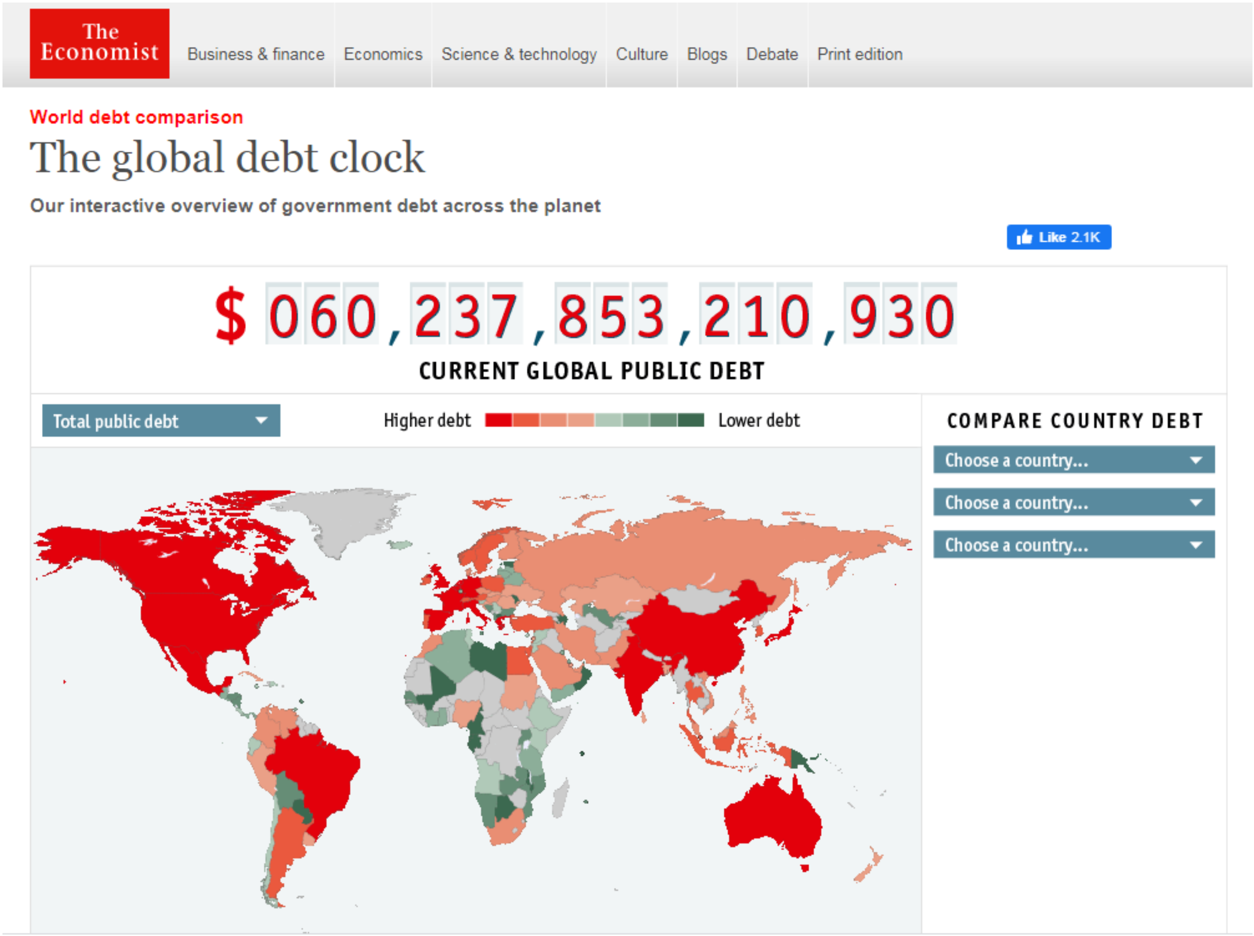
TRENDING: 2020 RESULTS FIGHT | COVID-1984 | GEORGIA SENATE RUNOFFS | MASTERS OF THE UNIVERSE | HOLLYWOOD HEALING

U.N. CHIEF GUTERRES DEMANDS THE WORLD RESET TO FORESTALL A CLIMATE APOCALYPSE

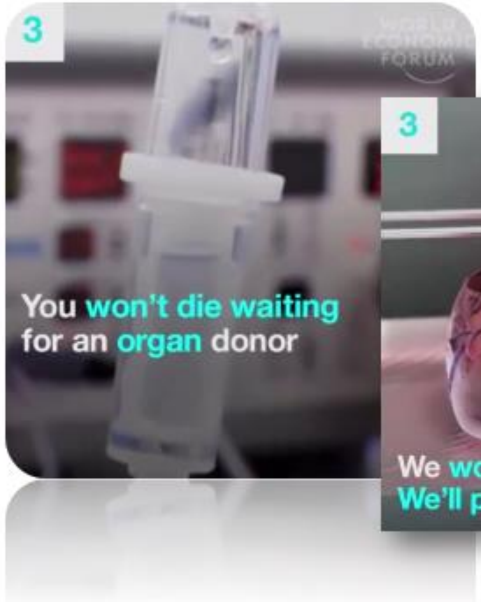
48 | EMAIL | PARLER | TWEET

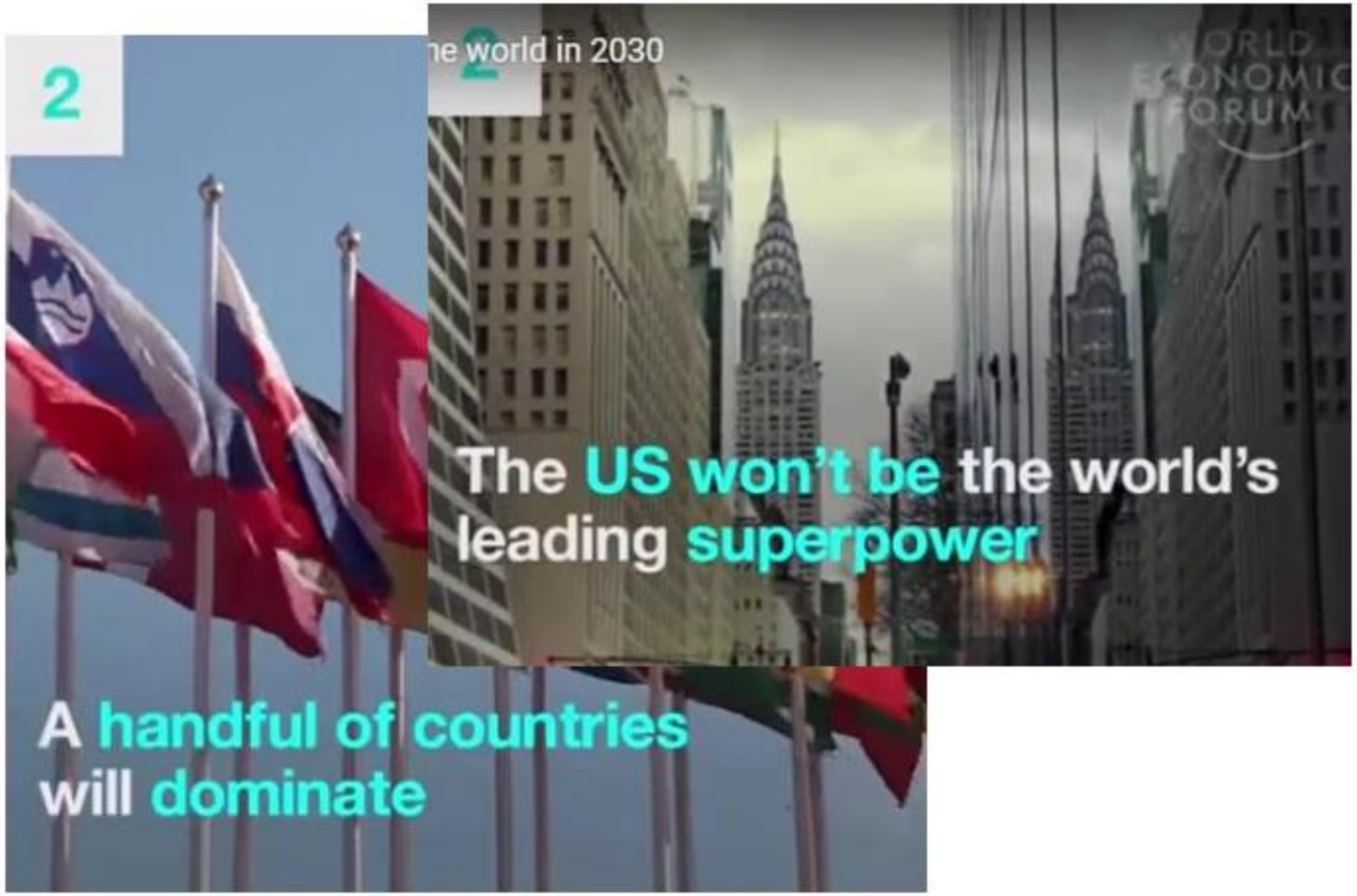
They have used COVID to Achieve the ultimate goal – Redesigning the World Economy

Global Debt
Is now
Approaching $300 Trillion



Living Forever






British Pound Spot
Yearly Timing Arrays
Aggregate
Euro Adjusted Spot
Aggregate
Canadian Dollar Futures
Aggregate
Japanese Yen Spot
Aggregate
Chinese Yuan Spot
Aggregate
Russian Rubles Spot
Aggregate
2020
2021
2022
2023
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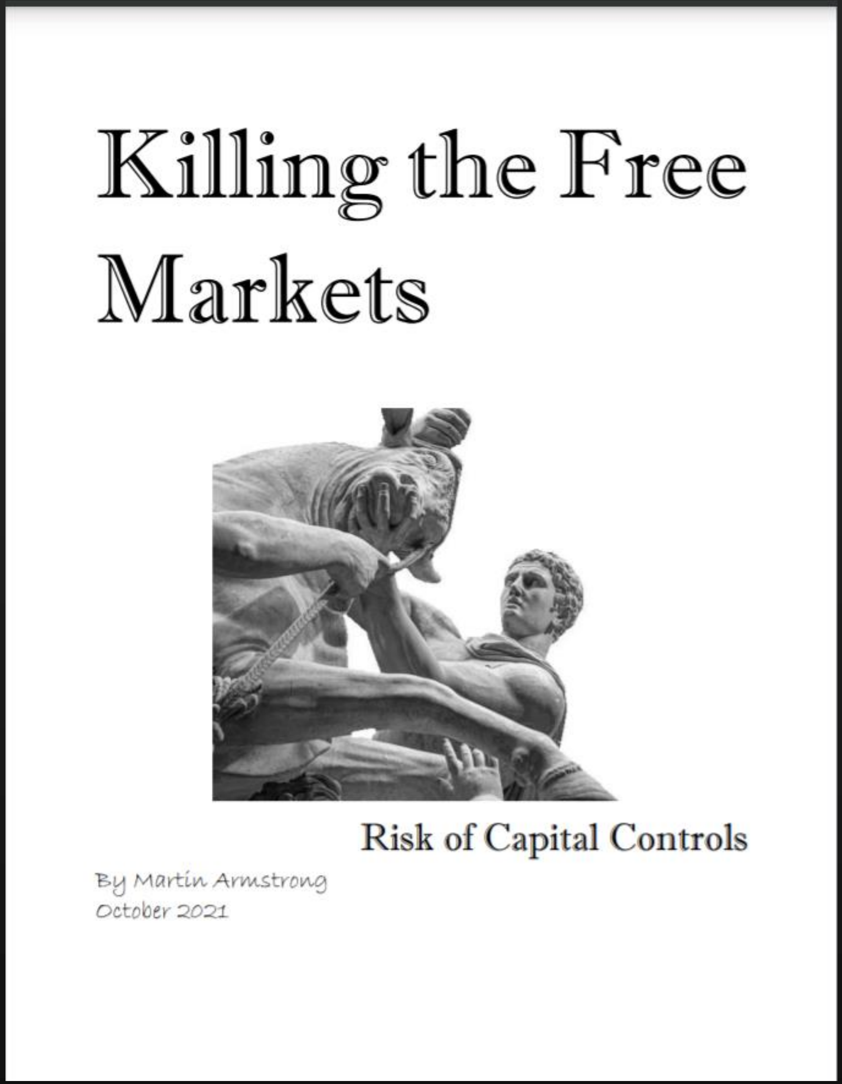
2031


Killing the Free Markets
Risk of Capital Controls
By Martin Armstrong
October 2021

Monetary Crisis Cycle

Right on Time

Terminating Money

Monetary Crisis Cycle 2021

Monetary Crisis Cycle

In the Eurozone, it is well known that from the outset of the Euro I have warned that without a debt consolidation, the Euro would fail. Ever since the financial crisis of 2007-2009, this flaw in the Euro design has been recognized and there has been attempts to create a safe financial instrument, which banks in the Eurozone can buy without having to load up on domestic sovereign bonds. Many placed their hopes in the proposal of a bundle of sovereign bonds called "European Safe Bonds" but that has not materialized.

Eurozone banks hold large portfolios of domestic government bonds so the risks among European banks vary greatly depending upon the country risk. When Greece got into trouble in 2010, investors start doubting the value of these holdings. As a result, a Sovereign Debt Crisis can quickly produce a contagion manifesting in a European-wide banking crisis.

Monetary Crisis Cycle

Failure to Consolidate the Debts

At the heart of the European Monetary Crisis, centers on the high proportion of home country debt held by banks in European countries. If there is a Sovereign Debt Crisis in that particular country, then there will be serious write-offs of reserve asset portfolios at the respective national banks, which in turn lead to capital losses.

The Eurozone has rejected bail-outs because that would mean capital from one country like Germany would flow to Italy for example to save Italian banks. Hence, the Eurozone has rejected bail-outs and adopted bail-ins.

The idea is that a diversified portfolio of government bonds issued by European countries will be pooled together thereby transforming government securities into a single interest rate which in theory would be lower that the sum of the parts using standard securitization techniques. The new European Safe Bonds (ESB) would be the equivalent to safe German bonds, was the argument.

Monetary Crisis Cycle

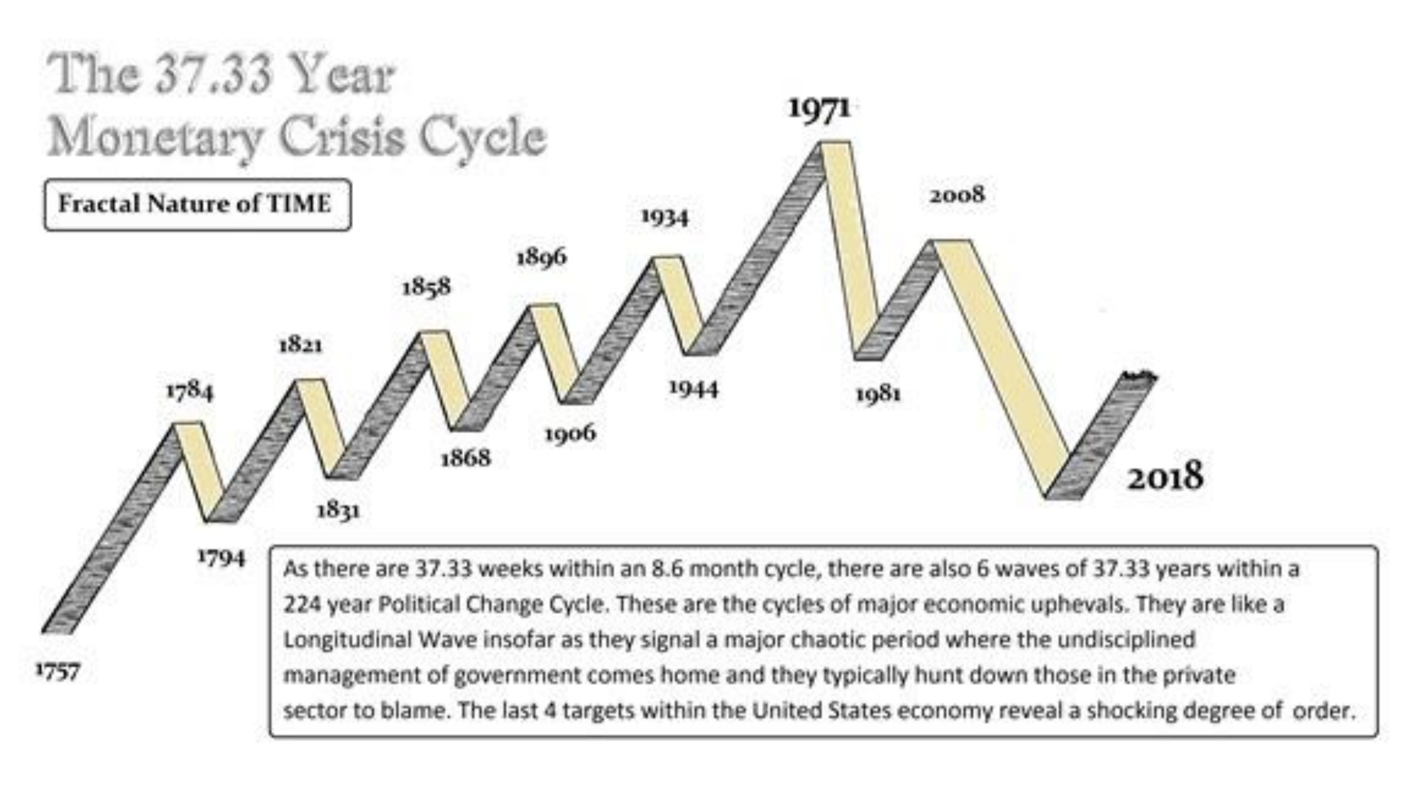
Sovereign-Based Cap and "bank tax"

Banks in economically weaker EU countries are not likely to invest in ESBs. Banks in economically vulnerable countries, such as Greece, Italy or Portugal, are subject to a sovereign-based cap on their credit rating depending on where they are located which falls under Country-Risk considerations. It limits the extent to which their cost of borrowing would fall even if they diversify away from risky domestic government debt to safer assets such as ESBs.

It is true that the credit rating agency Standard & Poor's (S&P) no longer limits a company's credit rating from exceeding that of its sovereign host's, it recognizes that companies are vulnerable to their host Country's credit risks. Banks are perceived as highly sensitive to Country-Risks because they are subject to domestic fiscal policies and regulation. As such, the number of the notches that a bank's credit rating can exceed its host country's sovereign foreign currency bond rating rated 'B' or higher is restricted to two by S&P.

Banks with low-credit ratings are unlikely to invest in safe assets because the return on these assets is lower than their cost of borrowing, thus hurting their profitability.

Monetary Crisis Cycle



1896- JP Morgan bails out USA
1906- SF Earthquake leads to
creation of the Fed in 1913
1934- FDR devalues the dollar
1981- Peak in interest rates
2008- Financial Crisis
2018- The QE Crisis begins

Trying to End Tangible Money

The Dollar Bias

The vast majority of analysts keep preach the collapse of the dollar for decades now. They will eventually be correct just like a broken clock eventually is correct for a split second

All Road Lead to the Dollar for Assets

THE CRYPTO TRAP

The International One-World Regulator Nobody Knows

Euro Adjusted Spot

Yearly Timing Arrays

World Financial Centers

The Ebb & Flow of Capital

We are all connected. There will be no escape for what happens in one region for it will spread to impact everywhere else around the world. The 1998 Long-term Capital Management Crisis saw liquidation globally to raise cash because of losses in the Russian bond market.

Understanding Risk

There is a systemic RISK FACTOR that we must appreciate going forward.

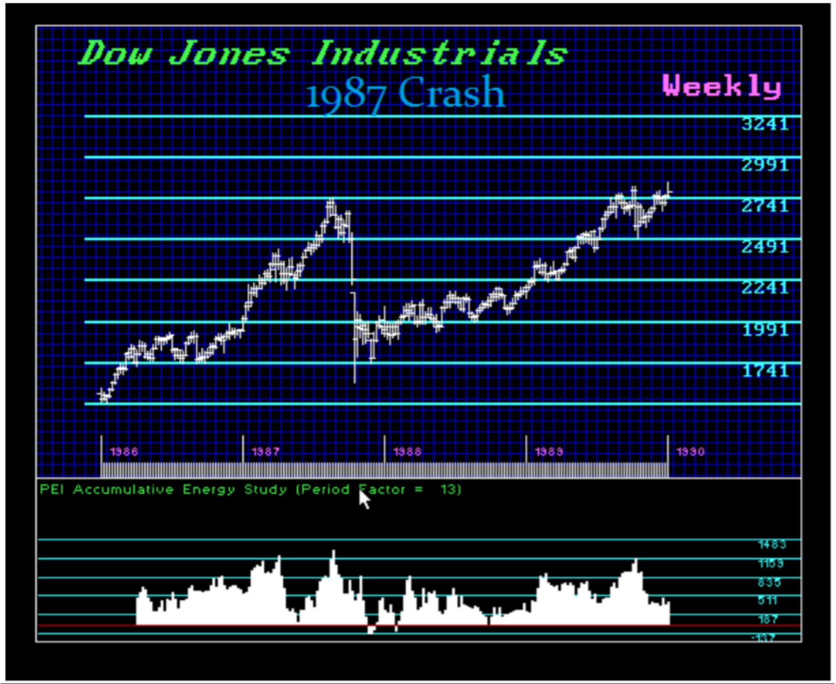
LIQUIDITY CRISIS

There is a growing risk factor which has emerged because of the destruction of the bond markets by Japan and Europe. Capital has run off in search of yield. Much has moved into the Emerging Market debt to get higher yield. Others have moved into buying farm land and renting it out to achieve 5% yields. Many banks have been lending to each other to avoin the negative interest rates at the ECB. All of this has combined to create a liquidity crisis in seach of high yield that will manifest in a serious global crisis that most will never understand.

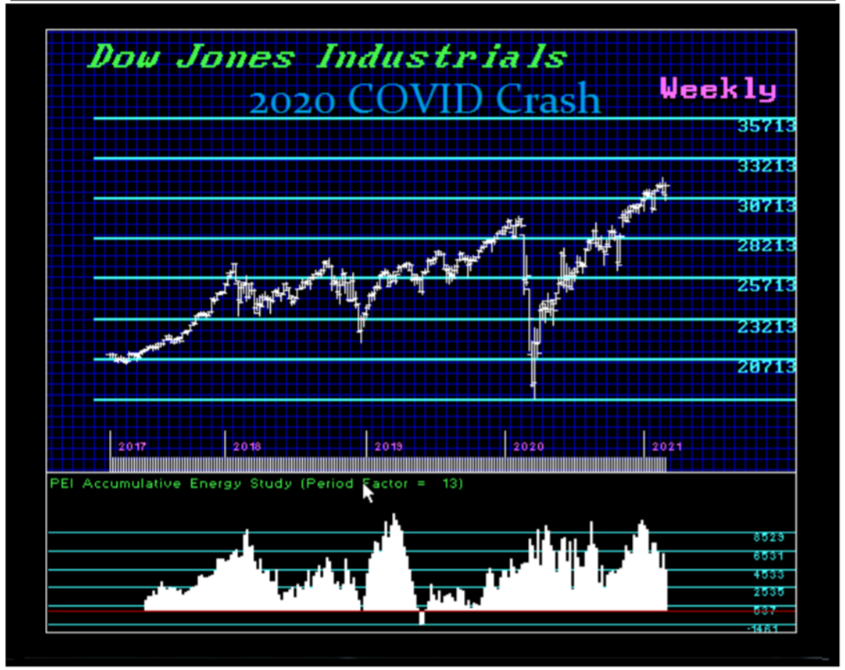
Long-Term Capital Management Crisis

What we must take under advisement is that the vast majority of the financial world is oblivious to what is actually taking place behind the curtain.

Therefore, the major risk factor concerning the markets is almost identical to the 1998 Long-Term Capital Management Crisis. The lack of liquidity in vulnerable sectors will force liquidation in other markets simply to raise cash. This is when fundamentals become irrelevant only increasing the confusion.



Dow Jones Industrials
1987 Crash
Weekly
3241
2991
2741
2491
2241
1991
1741
1986
1987
1988
1989
1990
PEI Accumulative Energy Study (Period Factor = 13)



Dow Jones Industrials
2020 COVID Crash
Weekly
35713
33213
30713
28213
25713
23213
20713
2017
2018
2019
2020
2021
PEI Accumulative Energy Study (Period Factor = 13)

Monetary Crisis Cycle

Right on Time

Ponzi Scheme

CREATING A DEPRESSION

1)Canada's economy will "**shrink significantly**"
2)Fossil Fuels will be targeted so expect "**sharp declines**" to take place.
3)You'll see certain sectors shrink
4)In other words, **telling the bankers not to lend money to these sectors.**
5)transition risk

THE PLOT

NO HYPERINFLATION

Cart Before the Horse?

Quantity Theory of Money

NO HYPERINFLATION

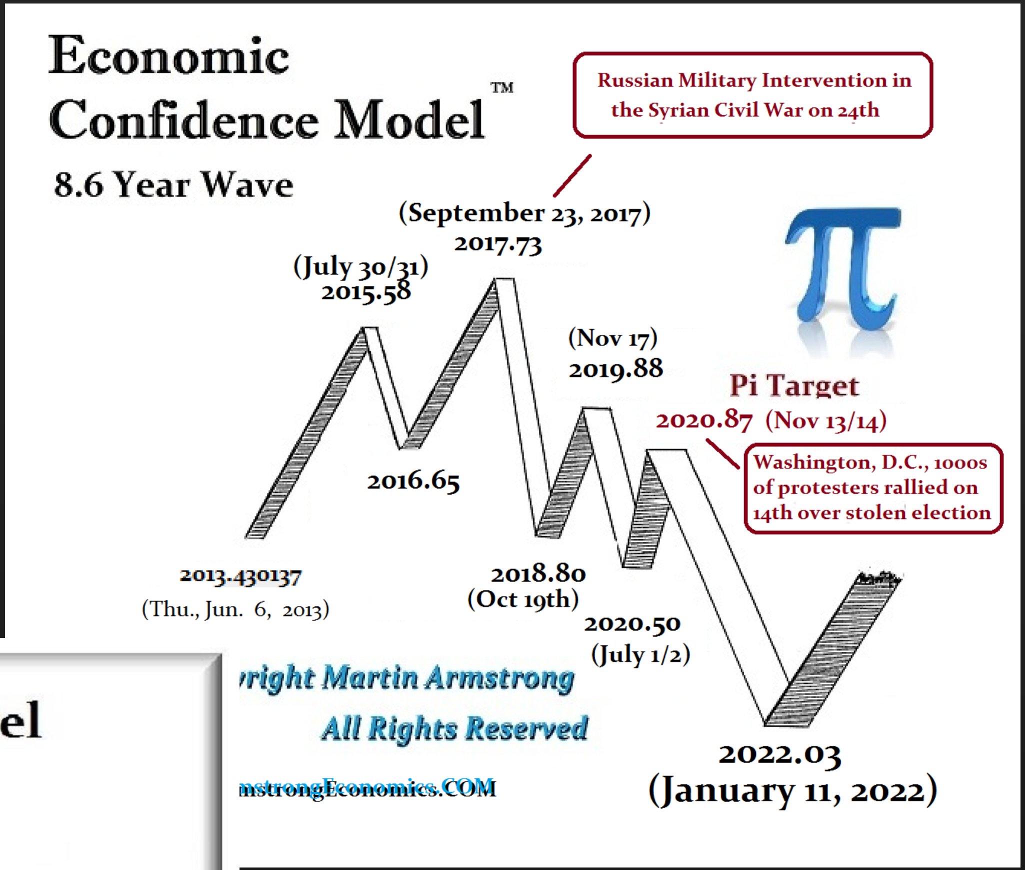
Cart Before the Horse?

Confidence Declines First – Hyperinflation is the Result

ENERGY REALITY

An Alternative for Tomorrow?

The International Energy Agency (I.E.A.) projects global energy demand will rise more **than 25% by 2040, driven by population growth** and rising incomes. Even in the I.E.A.'s most aggressive low-carbon scenario, oil and natural gas will meet approximately half of that demand.



Economic Confidence Model™
8.6 Year Wave
Russian Military Intervention in the Syrian Civil War on 24th
(September 23, 2017)
2017.73
(July 30/31)
2015.58
(Nov 17)
2019.88
Pi Target
2020.87 (Nov 13/14)
Washington, D.C., 1000s of protesters rallied on 14th over stolen election
2016.65
2013.430137
(Thu., Jun. 6, 2013)
2018.80
(Oct 19th)
2020.50
(July 1/2)
right Martin Armstrong
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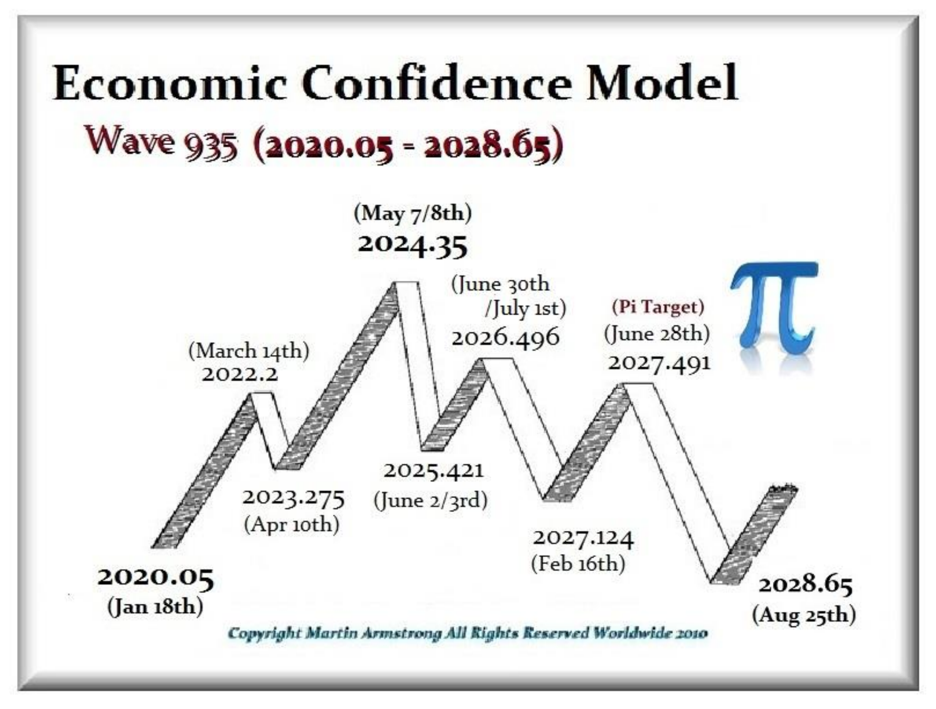
mstrongEconomics.COM
2022.03
(January 11, 2022)



Economic Confidence Model
Wave 935 (2020.05 - 2028.65)
(May 7/8th)
2024.35
(June 30th
/July 1st)
2026.496
(Pi Target)
(June 28th)
2027.491
(March 14th)
2022.2
2025.421
(June 2/3rd)
2023.275
(Apr 10th)
2027.124
(Feb 16th)
2020.05
(Jan 18th)
2028.65
(Aug 25th)
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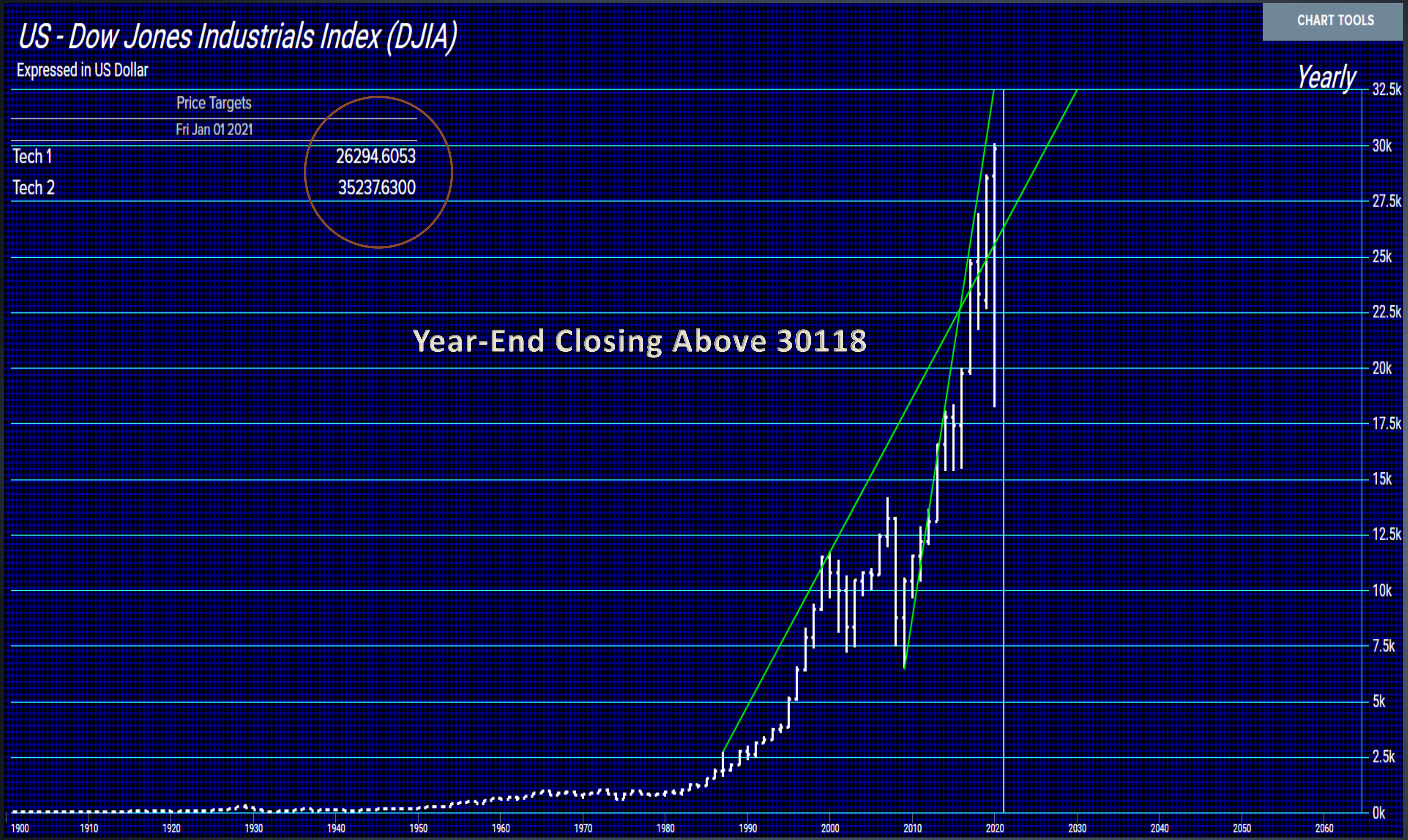
The Fate of the Dow



WEC 2020

Energy

Demand to Exceed Supply by 2023

The IEA's Role in the Coming Oil Crisis

ArmstrongEconomics
researching the past to predict the future

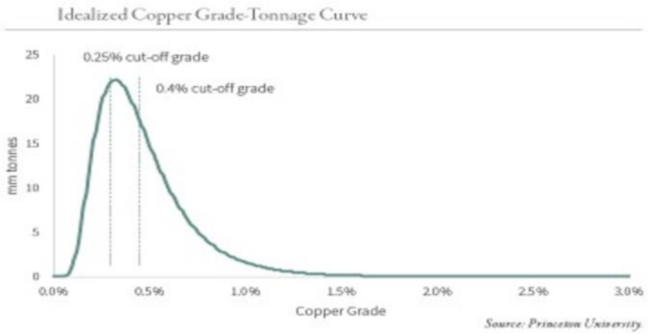
October 2021

The foundation for the upcoming oil crisis is now firmly set in place. Despite recent hiccups related to the delta variant, the world is re-opening and global oil demand is recovering strongly. By the beginning of 2022, global oil demand should be making new highs. ***Non-OPEC oil supply has fallen by over 2 mm barrels per day from its 2019 peak and non-OPEC oil supply growth will turn negative as we progress through this decade.*** A structural gap will soon emerge between supply and demand. ***As early as Q4 of 2022, demand will approach world oil pumping capability — a first in 160 years of oil history. The ramifications will be huge and the investment implications monumental.***

Metals

$1 Billion to Fight Nationalism

New bull chart for $30,000 copper price: porphyries nearly mined out



Source: Goehring & Rozencwajg Q1 2021 Commentary – The Problems with Copper Supply

August 2021

Predictions for copper at double or triple today's level is a fairly recent phenomenon – and bears still outnumber bulls as to what's next for the bellwether metal.

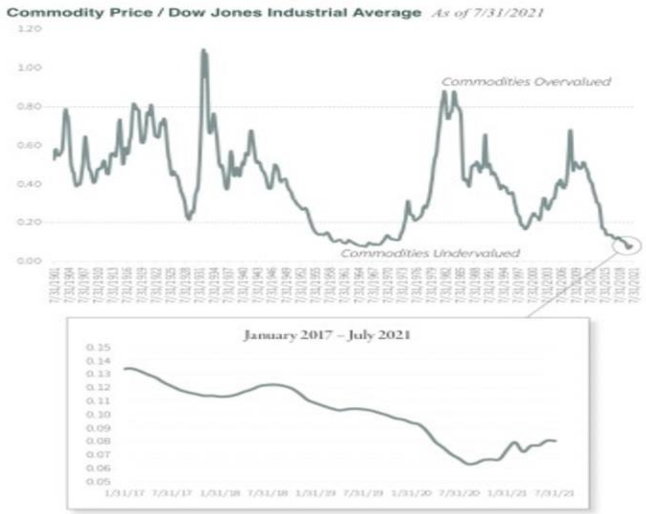
Wall Street natural resource investment house Goehring & Rozencwajg Associates confirmed their place in the superbull camp this week, predicting a copper price north of $30,000:
"The previous copper bull market took place between 2001 and 2011 and saw prices rise seven-fold: from $0.60 to $4.62 per pound. The fundamentals today are even more bullish.
"We would not be surprised to see copper prices again advance a minimum of seven-fold before this bull market is over. ***Using $1.95 as our starting point, we expect copper prices to potentially peak near $15 per pound by the latter part of this decade."***

COMMODITIES

1 2 0 Y e a r s o f C o m m o d i t i e s P r i c e s

120-year chart shows commodities have never been this undervalued

ArmstrongEconomics
researching the past to predict the future



August 2021

Despite the uptick in metals and mineral prices over the past year, there is still a yawning gap and "real assets have never been as undervalued relative to financial assets," according to the authors.

The chart shows other major bottoms occurred in 1929, 1969, and 1999 and, like those cycle nadirs, present an "excellent time to establish real asset positions," according to G&R:

"Prior catalysts have all been monetary related. This time likely as well."

WAR ON GOLD


Quantity
Theory of
Money

WAR ON GOLD

CHART TOOLS
NY Gold Nearest Futures
Expressed in US Dollar
Yearly
2200
2000
1800
1600
1400
1200
1000
800
600
400
200
1990
1995
2000
2005
2010
2015
2020
2025
2030
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