

Trump Is No Outsider

Retrieved Tuesday 25th of July 2017 06:56:35 PM
< class="l">

LAUSANNE, SWITZERLAND – One of the most remarkable conversations on finance we’ve ever had happened here in Lausanne yesterday.

“You mean it costs as much to put money on deposit at a bank as it does to borrow it?”

We asked the question to a colleague who recently bought a house here.

He borrowed the money to buy the house at an interest rate of less than 1%.

Meanwhile, a person with an account at the same bank will pay almost the same amount in negative interest for the privilege of lending money to the bank (putting it on deposit).

“How could that be?” was the question that leaped to our lips.

Recommended Link



[This is The Start of Your Wealth-Building Experience](#)

Jump-start your potential gains with three new trades designed to deliver gains in seven trading days or less. Thanks to renowned stock market pioneer Chris Johnson, we’re identifying massive stock eruptions 48 hours a of time. This advance meant averaging 103% on 8 out of every 10 recommendations during backtesting, so it’s a no-brainer. [Click here](#) to find out you could make bank off these three fresh trades – plus the potential to make serious cash [52 more times this year](#).

Age of Miracles

Imagine two people...

One has a million Swiss francs (roughly equal to \$1 million). Another has nothing. One puts his million in a local bank. He gets 10,000 francs a year in negative interest.

What does he get? A monthly statement!

The other fellow borrows the same million dollars. He pays 10,000 francs a year in interest.

What does he get? A house!

But remember, we live in an age of miracles. Things that wouldn’t make sense in any other era don’t make sense in our era. But we learn to live with them... and gradually come to accept them as normal.

Investors, for example, have come to believe it is entirely meet and right that central banks should not only control the money supply and credit, but also that they should at all times and all places make sure stock prices don’t fall.

This leads them to a further whacky conclusion: Stocks may already be sky high. But so what? They’re headed to the moon!

Judged by a range of valuation metrics – including their CAPE ratio, their price-to-earnings ratio, their price-to-book ratio, and their dividend yield – U.S. stocks are now the most expensive in the world.

(Tomorrow... why investing in the most expensive stocks is not a good idea.)

Recommended Link



[Gov't to Mandate Self-Driving Functions in Every Car by End of 2017?](#)

The U.S. gov't is on the verge of passing a law that will shock the auto industry. You see, by the end of 2017, every single car in America could be required to have this advanced computer on board. [As a result, one company could see its share price rise as much as 1,500% or more over time.](#)

Bezzles and Bamboozles

At the deepest, darkest depths of the last bear market (yes, they exist!), the average working person could buy the S&P 500 Index after just 20 hours of labor.

Today, he would have to huff and puff for nearly three weeks – 110 hours – to buy the same share of America's publicly traded corporations.

Broadly, the working stiffs have added nothing to their wealth in the last 35 years. But the owners of corporate America have seen their wealth – compared to baseline hourly labor rates – go up five and a half times.

That, too, must be a minor miracle.

People who work for a living got nowhere. People who did nothing – other than sit on their stock certificates – got richer still.

That miracle is what lies behind another miracle – the election of a man with no political experience, no ideological position, no political party base, and none of the skills usually required for the job... to the highest office in the world – president of the USA.

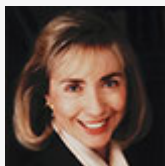
How was that possible?

People in the red states – who earned their money in the Main Street economy by the sweat of their brows – felt left behind and left out.

They didn't know whom to blame. But when the usual suspects presented themselves in the primaries, they revolted against them and went with the impertinent impresario from Queens. For all his faults, Donald J. Trump appeared to be someone who could shake things up.

But wait. Are these real miracles? Or are they tricks, bezzles, and bamboozles?

Recommended Link



[Watch Multimillionaire Humiliate Mainstream Media on Camera](#)

Mainstream Media *refuses* to report 2017's biggest story. [So multimillionaire, who predicted Trump election victory, exposes bombshell bigger than Benghazi.](#)

Bomb-Squad Hustle

Negative interest rates, flat earnings, soaring stocks, and Mr. Trump's election all share the same sordid provenance.

Pull back the curtain, and there are the PhD economists in their rumpled suits. They are pushing levers and turning knobs. Up comes a gush of smoke. Ga-zaaing goes a burst of ersatz lightning. And all around are mirrors that magnify and distort.

What kind of miracle is this?

Money represents wealth. But they've created trillions in new money... with no wealth at all to back it up.

It hots up Wall Street wealth but leaves Main Street cold. It makes rich people richer but leaves ordinary people with nothing to show for 35 years of work. It puts a bomb thrower in the White House... and then surrounds him with a wall of concrete insiders.

Emblematic of this bomb-squad hustle is the nomination of one Randal Quarles to join the Fed as chief Wall Street regulator.

Mr. Quarles is hardly someone who will shake things up. Instead, he is a veteran of both finance and the federal government – a smooth Deep State operative for his entire career who served in various policy posts in the George W. Bush administration.

Not only that, he is married to a relative of Marriner Eccles himself, for whom the Fed's quarters building is named.

With Mr. Quarles to defuse them, it will be a miracle if Mr. Trump's bombs do any damage on Wall Street.

Regards,