

Here It Comes! The Dollar's 7-Year Slide

But You Could Make Once-in-a-Lifetime Gains as the Dollar Heads Even Lower!

Dear Reader,

One day very soon, you could wake up to find that gallon of gas costs \$5... milk \$4 a gallon... and bread \$6 a loaf.

On Wall Street, the Dow will be at 5,000... the Nasdaq at triple-digits. Treasury bonds will be hardly better than junk.

But at the same time, you'd be raking in bigger profits than you ever have before!

All thanks to the sinking dollar.

The recent headlines are just the first signs of what is about to happen.

- **"Dollar Tumbles to Record Low Against Euro"** - Reuters
- **"2005: Year of the weak dollar"** - AFP
- **"Dollar's Fall Is a Wake-Up Call"** - Bloomberg.com
- **"Dollar's Decline Is Reverberating"** - *Los Angeles Times*

And we're already seeing some of the fallout.

BusinessWeek reports that OPEC has "been squeezed by the dollar's slide." The oil cartel voted to cut production to strengthen prices

The Philadelphia Inquirer points out that November 2004 wholesale prices "were up 4.4 percent over a year ago, while the retail or consumer inflation rate was clocked at 3.2 percent... faster than the big price indexes have risen in years."

Bloomberg notes that foreign purchases of U.S. assets in October were "at the slowest pace in a year."

Despite the danger, no one seems concerned. The economy hasn't tanked. Wall Street hasn't crashed. In fact, while the dollar has fallen nearly 10% against the euro over the past year... the Dow is up over 8%!

It's clear that investors have no idea how the falling dollar affects them.

They're still buying things they can't afford - stocks... houses... even cars - with money they don't have. It's like they're speeding towards a busy intersection - without knowing what a red light means.

You and I know better, however. U.S. dollars are the bricks and mortar of the American economy. They're also a key pillar in many foreign economies, too. Now the "bricks" are crumbling around us - and there's no telling how long it will last.

But if history is any guide, this dollar crisis could last seven to nine years.

You see, since 1972, we've only really had four major currency trends.

- **Weak dollar 1972-1978 (6 years)**

- Strong dollar 1979-1985 (6 years)
- Weak dollar 1986-1995 (9 years)
- Strong dollar 1996-2001 (5 years)
- Weak dollar 2002-???? (? years)



So the current cycle still has a number of years to run.

Luckily, there is still time for you to hedge against this fall. Better still, there are ways for you to make handsome profits as this cycle plays itself out.

But you must hurry, because you don't have very much time left. The dollar is doomed - even without government interventions and "managed devaluations." And it's not hard to see why...

The Problem With the U.S. Dollar

Today there are 1.3 trillion U.S. dollars floating around - and a full 66% are believed to be outside the

"[T]he dollar's fate never hinged on the outcome of the presidential election. Now that

United States. Each day, millions more dollars head overseas... never to return.

the dust has settled, the currency is back on its long-term path: downward."

- The New York Times

Part of the problem is the United States' huge trade deficit. Last year Americans spent \$530 billion more buying foreign products than foreigners spent buying from the United States. And that number will grow to \$600 by the end of the year.

That's \$600 billion - gone! And as you can imagine, even a country can't spend more than it earns for so long.

You'd think the government would be concerned. But it's not. President Bush recently said. "People can buy more United States products if they're worried about the trade deficit."

If only it were that simple!

The fact is, there are much fewer American products for people to buy. Since 1997, the number of U.S. manufacturing jobs has fallen 20%. And since 2000, orders for U.S. manufactured goods have fallen \$3 billion.

"Kurt Richebächer is an extraordinary thinker who can draw from years of experience with past cycles to clearly explain the intricacies of the global economic system."

- David W. Tice CFA

But it gets even scarier. Because foreigners also hold a huge amount of American stocks and bonds. At last count, foreigners had \$542 billion in Treasury notes... \$1.9 trillion in bonds... and \$1.5 trillion worth of stocks.

Every time the dollar dips, those investments lose value. Even a small dip can be deadly. Just consider that the dollar has "only" fallen 8.3% the past year... *but it translates into a \$124 billion loss for foreign stockholders!* (And that's regardless of whether their stocks are up or down!)

How long will foreign investors stand losses like that? *How long would you?* If the dollar keeps slipping, foreigners will start dumping their U.S. investments - selling for any price they can get.

The flood of unwanted shares will utterly destroy stock prices. The major indexes will hit lows not seen in *decades!* And the money people have in stocks or bonds will vanish.

And they can lay the blame on one man: Fed Chairman Alan Greenspan.

Greenspan, the Pied Piper of American Bankruptcy

Since the Great Depression, the Federal Reserve has used interest rates to control the economy. When the economy is growing too fast, the Fed raises rates, which slows down borrowing - and, ultimately, spending. Lowering interest rates is supposed to have the opposite effect.

So when the economy looked like it was in trouble in late 2000, Alan Greenspan convinced the Fed to start lowering rates. Between January 2001 and June 2003, the Federal Reserve cut rates an unprecedented 13 times.

It seemed like the right move. The U.S. GDP's annual growth rate had fallen from 4.7% in 1999 to 1.7% at the start of 2001. The major stock indexes had fallen as much as 55% from their highs.

But Greenspan made a big mistake. The problem wasn't that Americans weren't borrowing or spending enough... the problem was that *they'd already borrowed and spent too much!*

It's simple, really. The stock market run-up made Americans feel richer than they were. If they'd put \$25,000 in the Dow in 1990, just 10 years later they would have been sitting on \$103,500. And they could have made even more in tech stocks.

Foreigners also got into the action. Between 1996 and 2000, the value of their U.S. stock holdings jumped nearly 150%! Of course, all that money flooding into Wall Street only made stocks go higher.

Greenspan's Phony Prosperity

With the market booming, Americans certainly seemed like they were getting richer. Personal spending shot from \$3.8 trillion in 1990 to \$6.6 trillion in 2000 - a \$2.8 trillion jump.

"Kurt Richebächer is one of the greatest living economists."

- Michael Belkin, Investment Analyst

But the truth is, they weren't getting richer at all.

The simple fact is, rising stock prices does mean rising wealth. The only way to make money from stock gains is to sell the stocks. Sure, people bought more and more stuff... but only because they borrowed more and more money. Between 1990 and 2000, personal *debt* zoomed from \$3.6 trillion to over \$7 trillion - a \$3.4 trillion increase.

People borrowed the money because they expected their stocks to go up forever. They certainly weren't expecting better pay. Salaries

had only increased \$2.1 trillion over the decade.

So when the stock market turned south - the money put into stocks just disappeared.

People had no choice but to draw on their savings. From 1990 to 2000, the national savings rate dropped to from 6.6% to just 2.9%. And by the start of 2001, it had fallen to just 1.1%. That's a 62% drop... in just one year!

Of course, a drawdown like that couldn't last.

America was facing a small crisis. Without higher wages, people couldn't keep up with rising living costs. And they didn't have savings to fall back on. Americans only had two choices - cut back on spending... or go deeper in debt.

The Fed's rate cuts made the choice easy.

The Greenspan Trap

With record-low interest rates, Americans started borrowing out of control. And they used that money to buy everything from stocks to houses to products from overseas. That put even more money into foreign pockets... and put Americans deeper in debt.

Today's debt outstanding - the government's and the private sector's included - is \$2.4 trillion. And every cent will eventually have to be paid back.

But how?

Americans still have no savings. Their salaries are stagnant. Their stocks and bonds will collapse when foreigners start dumping them. And borrowing more money is just no longer an option.

Many Americans are barreling blindly into disaster.

But you don't have to go along for the ride. A little knowledge is all you need to keep your money safe. In fact, since you understand what's happening, you could even discover ways to make 400% profits as the dollar's slide continues.

Dr. Kurt Richebächer can show you how.

Your Guide to the Numbers That Matter Most

At over 80 years old, Dr. Richebächer seems like the stereotypical "grumpy old man." His white hair seems impossible to tame. He's not afraid to yell. And he emphasizes his points with a loud thump of his silver-tipped cane.

"Sometimes I think that the job of central bankers is to prove Kurt Richebächer wrong."

- Paul Volcker, Former Fed Chairman

But one look at the conviction in his eyes will tell you how earnest his predictions are. And listening to his findings, you'll realize that beneath the gruff exterior is the fine voice of sanity.

That's because Dr. Richebächer has studied the financial markets for nearly 60 years. His digs deep into economic statistics and numbers, making sense of arcane statistics in a way few can match.

Back in 1999, at the height of the Internet boom, Dr. Richebächer took a close look at companies' balance sheets. His conclusion was clear as a bell: a "great bear market is inevitable."

Just two months later, the major indexes peaked... and didn't stop falling until 2003. Dr. Richebächer didn't lose a single cent in the collapse. (Readers who followed his advice didn't either!)

In fact, when so many investors lost millions of dollars, he was adding a fortune to his bank account. As he watched the government ravage the American economy, he took action and pocketed huge profits.

Just a few months later he recognized the U.S. dollar was about to fall. In June 2002 he alerted his readers that, "while the consensus expects a strong dollar again next year, we see it falling over time to new all-time lows against the major currencies."

Sure enough, over the next year the dollar fell 21% against the euro. That's a GIANT move for a currency... and it still hasn't recovered!

Readers who followed specific recommendations based on his findings had a chance to see profits of up to 425%.

But more than anything else, he has warned investors not to trust Fed Chairman Alan Greenspan.

Uncovering Greenspan's Mistakes

Dr. Richebächer first became suspicious of Alan Greenspan's ability to control the economy back in December 1996. That's when

Greenspan asked the American Enterprise Institute for Public Policy Research, "how do we know when irrational exuberance has unduly escalated asset values?"

In other words, Greenspan was saying he wouldn't know if stocks were overvalued until it was too late.

Dr. Richebächer knew better. He warned readers that the Fed had already caused "severe dislocations in America's liquid resources -- forcing a shift from safety to speculation."

Sure enough, investors who didn't get Dr. Richebächer's advice were burned. The Dow peaked on Jan. 14, 2000. The Nasdaq hit its top on March 9, 2000. It was all downhill from there.

And Alan Greenspan had some explaining to do. Why hadn't he seen stocks were dangerously overvalued? His excuse - it's "very difficult to definitively identify a bubble until after the fact - that is, when it's bursting confirmed its existence."

In other words, the Fed couldn't stop the bubble from bursting because it didn't know one was forming.

"Rubbish!" said Dr. Richebächer. "The bubble was as apparent to everybody as the emperor without clothes. The only thing needed to see and say the obvious was integrity and honesty among policymakers and economists."

It's those kind of unbiased insights and bold predictions that thousands around the world depend on each month. He's known for speaking the truth... regardless of the consequences. As analyst Leo Hood, editor of the *Ripples in the Wave* newsletter, once said,

"You may not like what he has to say, but ignore him at your own peril."

And now Dr. Richebächer is making his most dire prediction ever: "the U.S. economy is much weaker and much more vulnerable than various official statistics make it seem."

Even worse, the dollar is on "a certain road to a severe crisis"!

That's why he's publishing his proven wealth-building strategies... which could bring you 400% profits in the months ahead.

But before I get any further, let me warn you - these plays are for serious investors only. Dr. Richebächer doesn't cater to people who want stock picks handed to them on a silver platter. His analysis and advice is only for people who care about what's *really* happening to the U.S. economy... and who know America is caught in a vicious spiral it cannot escape.

How to Create an Economic Disaster

Don't kid yourself. America and foreign governments know what's coming. They just don't plan on doing anything about it.

As *China Daily* recently reported, "a market-led orderly depreciation in the US dollar is perhaps the only option" to avoid catastrophe. But according to Greg Anderson, senior currency strategist at AMB Amro, "An officially sanctioned Group of Seven call for a weaker dollar... will only be considered if the United States falls into recession."

By then it will be too late. And if

"Wise Americans like Warren

you're not prepared, your money will just disappear.

Buffett are now betting on a fall of the dollar. And a falling dollar means a weaker, poorer, less-respected America."

- Pat Buchanan, Times-Republican

The mainstream media are only now beginning to warn about the danger. But Dr. Kurt Richebächer has been warning his readers for the past six years. Now he says the worst is about to come.

And smart readers have come to trust his predictions.

Back in 1996-1997, Dr. Richebächer warned his readers that the Asian Tigers "were teetering on the edge of a cliff" and these countries were about to face "tremendous currency turmoil."

Sure enough, in July 1997 the currencies began to fall like dominoes... and French national newspaper *Le Figaro* proclaimed Dr. Richebächer "the man who predicted the Asian crisis."

In July 1998 Dr. Richebächer's research showed that Brazil's external debt was out of control, and its currency, the real, was in serious jeopardy. The real crashed in early 1999 and holders of Brazilian stocks were badly burned.

In January 2000 he warned investors that the Internet stocks' days were numbered. "Next Christmas," he predicted, "very many of them will not be around." In March 2000, the bubble popped... tech companies collapsed and declared bankruptcy in droves... and \$8 trillion of investors' wealth disappeared.

Now he says the U.S. dollar is doomed. And he's prepared a special report for you so you can see for yourself exactly what's

about to happen. It's called ***Doomsday for the Dollar: Why the Dollar Will Crash and How You Can Profit.***

And it's yours FREE, just by subscribing to *The Richebächer Letter*.

Cash in on the Dollar's Collapse

In your FREE copy of ***Doomsday for the Dollar: Why the Dollar Will Crash and How You Can Profit***, Dr. Richebächer spells out the case for a collapsing dollar.

You'll understand the problem from a totally new perspective... one you can't find anywhere else.

"Dr. Richebächer writes an incisive and penetrating newsletter. His understanding of credit and the global economic picture makes for a powerful combination."

- William Tehan, Investment Advisor

Even more importantly, ***Doomsday for the Dollar: Why the Dollar Will Crash and How You Can Profit*** has two specific recommendations based on Dr. Richebächer's analysis. These limited-risk investments are the perfect way to cash in on the falling dollar.

In the past, similar recommendations have led to profits of 40%... 96%... 292%... even 425%. In fact, since The Richebächer team started issuing recommendations in 2003, there has only made one wrong call. Overall our recommendations have had an average gain - including winners and losers - of 115%.

And if Dr. Richebächer is right again, the recommendations in ***Doomsday for the Dollar: Why the Dollar Will Crash and How***

You Can Profit could help you quickly turn \$1,000 into \$5,000!

Try The Richebächer Letter Risk-Free

In these perilous times, Dr. Richebächer is a virtual insurance policy for your investments. And as the dollar marches towards its fatal fall, you need the absolute latest insight and advice.

Dr. Richebächer's monthly newsletter will guide you through the crisis. And the Richebächer Letter team keeps you informed in-between issues with special whenever there's something to report.

But keep in mind, Dr. Richebächer is probably unlike any newsletter you've ever read before. We don't guarantee profits. We don't even guarantee you'll get more specific investment recommendations. Instead, you'll receive the most thorough insights and analysis of the U.S. economy you'll find - anywhere.

"I've been a subscriber to your newsletter since June, 2000 and let me tell you that you are full of great ideas... You know how to protect against slowdowns and crises... I've subscribed to other newsletters and information services, but yours is the best, by far! You've inspired me and attracted me to the economics field. Thanks."

- P.L.M, Subscriber

If you're someone who can appreciate the big picture, you need to sign up for *The Richebächer Letter* -- and your free reports -- right away.

Normally a two-year subscription -- 24 issues -- would cost you \$994. Certainly not cheap compared to some newsletters... but a bargain when you consider the value of the advice you'll receive.

Subscribe now, however, and you won't pay that much. For a limited time -- and for new subscribers only -- you'll save \$300 off the normal subscription rate. That's just \$694 for 24 months of service.

And in addition to your monthly issues and periodic e-mails, you'll receive four FREE bonus reports:

Doomsday for the Dollar: Why the Dollar Will Crash and How You Can Profit - This is it! Everything you need to know about the coming dollar disaster. Dr. Richebächer spells it all out for you - from the dollar's crash in 1987 to forces working against it today. Then, Richebächer's research team offers a specific recommendations to play the dollar's fall. You could turn \$1,000 into \$5,000!

The "Bogus" Recovery vs. The "Real" Economy: Who Will Win and What Will Happen Next? - Over the years, Dr. Richebächer has earned quite a reputation... and quite a following. In fact, James Cook, president of Investment Rarities Incorporated, calls Dr. Richebächer "the master of classical economists, and perhaps, the best analytical economic thinker in the world today."

Awhile back, Mr. Cook sat down with Dr. Richebächer to discuss developments in the U.S. economy and why most investors and analysts are blind to the inevitable financial disaster ahead. Here is the whole interview, to immediately bring you up to speed on Dr. Richebächer's research and analysis

The Systematic Deception of Investors: Wall Street and the Myth of a Recovery -The dollar isn't the only thing you have worry about. Washington and Wall Street have distorted the entire

economy. In this FREE report, you'll get full details about these scandals in the making. Discover how the government counts jobs that probably don't exist... just to make employment numbers sound better.

And if you're thinking of buying a house, or even refinancing, I urge you to read what Dr. Richebächer has to say about it first.

This Time It Is Different! Will the United States Lead the World Into Recession? -The dollar's fate is sealed, and the coming crisis threatens to drag the rest of the world into it. But it's not all bad news. In fact, Dr. Richebächer has identified the one economy that's ready to weather the coming storm.

These four reports will immediately fill you in on what the mainstream press isn't telling you. And all four are yours FREE if you join the Richebächer Letter for two years.

Or, if you prefer, sign up for a single year and save \$100. You'll only pay \$397 and receive two bonus reports:

- ***Doomsday for the Dollar: Why the Dollar Will Crash and How You Can Profit***
- ***The "Bogus" Recovery vs. The "Real" Economy: Who Will Win and What Will Happen Next?***

Better yet, you can sign up for our special easy-pay Quarterly Billing Option Plan. You pay only \$100 right now to get the information you need to protect yourself against the coming dollar collapse. Then every three months your credit card will be billed the same low amount. You'll get all four special investor reports, and you can cancel at any time.

And your satisfaction is 100% guaranteed. As soon as you receive your first issue, read it from cover to cover. If you don't feel that Dr. Richebächer's insights can help you in all of your investment decisions... or if you're confident you can see through Alan Greenspan's rosy predictions and misleading numbers on your own... let us know right away. We'll immediately refund your money -- and the free reports are yours to keep.

Cancel anytime after that, and we'll promptly send you a full refund for all unmailed issues remaining on your subscription.

But I'm not worried about you canceling. You see, four out of five people who try *The Richebächer Letter* find its unique perspective too important to be without. And I'm sure you'll see that Dr. Richebächer's advice can be essential to your investment success as well.

We're headed for dangerous times, and you cannot trust Alan Greenspan or the Fed to get you through them. But the insights Dr. Richebächer reveals every month could help you turn disaster into an unparalleled profit opportunity. I urge you to sign up now.

Sincerely,

Addison Wiggin
Publisher
The Richebächer Letter

P.S. Don't forget, some of Dr. Richebächer's readers have already used his insights for the chance to quickly make 292% and 425% profits... and the readers have seen posted profits on all but one of these recommendations since 2003. But the dollar is far from hitting

bottom...

Now his latest recommendations have a chance to help you turn \$1,000 into \$5,000. But time is running out... if you want to cash in on Dr. Richebächer's advice, you must join today!

[Subscribe Now](#)