

## **Government "Sellout" #1: The U.S. Government Has Taken the Goodwill of the Rest of the World for Granted.**

America - as I pointed out before - has become a debtor nation. It depends on the rest of the world investing in America to keep the value of the dollar up. But there's one enormous problem with this idea:

**Foreign nations now can - and will - fight domestic inflation by selling U.S. bonds.**

And yet in spite of this seemingly obvious fact...the U.S. government has sat idly by while nations like Japan and China have amassed more than 50% of outstanding U.S. Treasuries.

That gives Japan and China a **tremendous** amount of leverage over the U.S. economy. One hiccup in the Chinese economy - or one rough morning for Japan's main banker, Mr. Sadakazu Tanigaki - and the dollar could sink to new lows in the blink of an eye.

**Yet our government - shockingly - continues to aid these foreign nations by issuing more and more debt every day.**

### **Backed Into a Corner - With Our Own Treasury Notes!**

America's massive trade deficit with China has already passed a gap of over \$120 billion. That means we actually BUY \$120 billion more in goods from China than we manage to SELL to them. A household can't get rich...or stay rich - if it spends more than it takes in. Neither can a nation. Yet no matter what we try to do to stop the gap from growing...weaken our dollars, create

trade tariffs, perfect production, and slash costs...America just can't keep up. The trade deficit is now exploding at a rate of \$1.5 billion per day. Putting that in perspective...**that means we spend an additional \$1 million on Chinese products... every single passing minute!**

But that's not the worst part. Guess what China is doing with all that money?

- First, the money we send China gets reinvested in the People's Liberation Army, China's massive military. (New reports say China has just built low-profile military bases on several disputed reefs in the Philippines!)
- Second, it goes into funding more huge Chinese factories. With 200 million Chinese looking for jobs, China needs to build places for them to work! It also needs to buy HUGE stockpiles of raw resources to keep the factories running.
- Third, and most dangerous of all, the Chinese government uses a lot of their extra exporting income...to pile up an absolutely SICK number of U.S. Treasury bonds!

That's right. China spends nearly **\$7.8 million an hour...or \$187 million a day**...snapping up U.S. Treasuries and dollars. **The movers and shakers in China now hold the United States hostage to over \$120 billion in Treasuries!**

Now ask yourself: If it's obvious that U.S. interest rates have nowhere to go but up...if it's obvious the U.S. dollar has nowhere to go but down...and if it's obvious that Washington right now is literally spending America into oblivion...

**Why would the Chinese government stock so much faith in U.S. Treasuries?**

Simple. It's not a vote in America's future at all. Instead, it's Beijing's way of backing America into a corner! Think about it. The Feb. 5, 2004, *Wall Street Journal* had already reported that all Asian countries - China and Japan included - hold an eye-popping **\$1.9 TRILLION** in U.S. foreign reserves - are starting to dump U.S. debt. Korea and Thailand dumping is one thing. But when a massive holder like China stops buying U.S. debt and starts dumping, it's a much, MUCH bigger deal. Pressure on U.S. bond yields will skyrocket.

Other foreign investors will run from dollar-priced securities in a panic. Long-term interest rates will jump. **And U.S. consumers, businesses, and investors will get crushed in the jaws of a very powerful "Treasury Trap"!**

It won't take more than a whisper - "sell." And that's your signal. I promised earlier to show you how to protect yourself from exactly this kind of disaster. And that's precisely what you'll discover in your **FREE** e-mail report, ***Election Year Emergency Kit: Seven Things You Need to Do to Save Your Assets in the Wake of the Election.***

Why does our government insist on raising more cash - by selling an increasing number of bonds every day? Can it really be just to finance a catastrophic spending addiction - one with a decades-old history - that has gone way beyond the rehabilitation stage?

In my **FREE** e-report, ***Election Year Emergency Kit: Seven Things You Need to Do to Save Your Assets in the Wake of the Election,*** I'll tell you exactly how we were put in this position...and what will happen next. What's more, I'll also tell you precisely what you need to do to protect yourself from what is certain to be a collapse of historic proportions. In the meantime, though, we also must remember that this is just the first of a trio of betrayals committed against U.S. investors by their own government...

## **Government "Sellout" #2: It's Not Just Our Debt - It's Also Your Neighbor's Job - That Has Been Given Away Behind Our Backs!**

Over the years, our government has preached to you the benefits of globalization, namely lower prices and more choices. It all sounded great.

But what they forgot to mention is that true globalization means a permanent - and distinctly negative - change in the structure of the American labor market.

You see, whether U.S. policymakers understand - or want you to believe - it or not, this is how free markets work. Production moves to the lowest-cost centers. Which, in today's world, means...**production moves out of the United States.**

Chinese workers average 61 cents an hour. U.S. factory workers average \$16 an hour. In other words, U.S. workers make more in *two weeks* than most Chinese laborers make in a *whole year!*

It sounds impossible, but it's true: American jobs are being lost at a blinding pace to those economies able to supply labor for far less than the United States can. And what's most frightening is that these foreign nations on the receiving end of what were once U.S. jobs ***are the very same nations now in complete control of the U.S. economy.***

This enormous - and potentially devastating - trend is already much too far along to be stopped by the current administration. The damage has already been done.

But there is a way for investors to minimize their exposure to this problem...and to protect their hard-earned assets in the process. I spell out the specific steps you can take to do just that in my new **FREE** e-report, ***Election Year Emergency Kit: Seven Things You Need to Do to Save Your Assets in the Wake of the Election.*** In just a moment I'll tell you how you can get your **FREE** copy today.

But first, let's take a look at the third - and final - colossal sellout of the U.S. investor by his own government...

## **Government "Sellout" #3: The Crippling of the American Consumer...**

The third high-level "sellout" of the U.S. investor is - without question - the greatest fleecing of them all.

For several years now, the Fed has gone to great lengths to reflate the U.S. economy through low interest rates. And it is now apparent that that effort has failed miserably.

***"Counting dividends and costs, I've made \$1,618...on an investment of \$3,142...Wish I could always do this well!"***

- Bill Gross

Fed Chairman Alan Greenspan - desperate to keep the bubble from bursting - is at this very moment out of bullets...and he's reaching for a new gun.

**Think about it. Gas prices are high and rising. And long-term interest rates are also rising, increasing the amount consumers have to pay on their adjustable-rate mortgages and credit cards.**

**Now add to those two forces rising consumer prices. What is a consumer to do? If his wages aren't rising, can he afford higher prices, along with already high energy costs and debt service costs?**

**Of course he can't.**

In other words, everything is going up in price. But consumers can't afford to pay those prices. It is nothing less than the end of the consumption-driven American model - the model the rest of the world has tolerated because Americans have been buying on credit. The Great Credit Crunch of 2004 has arrived...

So now - as consumers realize they can't afford higher prices - spending will decrease drastically.

The American consumer has been priced out of the market - and while he wasn't looking, not only did his pay fail to increase...his friends and neighbors all saw their jobs shipped overseas.

The government has made it possible for a huge spike in prices, which - oh, by the way - has effectively crippled the American consumer. The expected response to skyrocketing inflation would be to raise rates. But if - and when - rates begin to rise, consumers will find themselves in even worse shape as their primary investments - their homes - will be threatened.

## **The Enormous U.S. Deficit Has Mortally Wounded Our Economy: Here's What YOU Should Do to Protect Yourself**

As you're well aware by now, the picture I'm painting is not at all a pretty one. But the wheels are already in motion as this nightmare scenario - one that was literally years in the making - reaches its disastrous conclusion.

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The truth is there is really NO WAY OUT of

***"Our children will not see the American dream because of this debt that somebody somewhere dropped on us."***

- H. Ross Perot

this horrific situation. We cannot expect our government to slash spending - particularly in a time of war.

And we can't hope for our own economy to bail us out. The U.S. government will never admit it publicly...but the enormous deficit has actually taken the legs out from under the country, thus eliminating any chance that an economic surge would solve the problem.

What will happen to the American economy when this happens? The answers, as I said before, are not pretty. A dollar sell-off is coming. Standards of living are going to fall. The American government will be just another government that couldn't pay its bills. And millions of Americans will pay dearly for their government's colossal mistakes.

But you're sure to protect yourself and your family with the easy-to-use double-action strategy in your **FREE** copy of my newest special e-report, ***Election Year Emergency Kit: Seven Things You Need to Do to Save Your Assets in the Wake of the Election.***

The recommendation I reveal in this new report could not be simpler. In just two easy steps, you will not only protect yourself from the enormous danger created by our government's disastrous policies...but you'll also position yourself to make...

## **794% Profits While Protecting Your Wealth**

It used to be that the only way you could hedge against a currency was to take a huge chunk of cash down to the bank and throw it all

into the foreign currency market.

But it's not like that anymore. You don't need a huge pile of cash to make a fortune - as George Soros did in 1992, when he made a billion dollars in a single day on a crash of the British pound. And you don't need to buy the actual currency. You can make a similar kind of hedge...get a much bigger *percentage* gain...and do it all with the limited-risk benefits of a unique strategy I've developed.

In your **FREE** copy of ***Election Year Emergency Kit: Seven Things You Need to Do to Save Your Assets in the Wake of the Election***, I show you how. It's as easy as buying a share of a stock. You can get in for only about \$8 a share. And all it takes is a phone call to set it up. With this one simple pick, you could make at least eight times your money...

## ...Plus up to 400% on the Coming Bond Collapse!

OK, now let's look at how you can protect yourself from a bond market collapse. Remember, the Chinese alone hold an estimated \$120 billion in U.S. Treasuries. When they stop buying and start selling, it's crash time for the U.S. bond market.

To keep Treasuries attractive, interest rates have to go up. When interest rates go up, issued bonds with lower yields look less valuable. And the bond

### Triple-Digit Gains While Protecting Your Wealth

*Strategic Investment* readers have become quite familiar with making short- and long-term profits of 100% or more while profiting from our unique - and extraordinarily accurate - insights into "Big



market goes up in flames.

That's bad news for bondholders. But it's good news for you, if you own the bond market hedge I lay out for you in ***Election Year Emergency Kit: Seven Things You Need to Do to Save Your Assets in the Wake of the Election.*** A special group of my readers and I have used this hedge twice in the past few months...

In just eight days, we were able to lock in 50%...in another four days, we socked away an extra 27%...But this is a bigger opportunity, with a slightly longer term. I expect you to make up to 400% or more on just this one pick.

My ***Strategic Investment*** readers made the same kinds of exponential profits when I showed them how to buy puts on the Dow. One reader wrote in to say thanks for a ***586% return on one of my recommendations:***

*"Hello Dan, Thank you for the great advice. I bought my Dow Sept. \$90 puts at \$1.40 and sold them for \$9.60. - a very substantial profit, thanks..." - I. McFarlane*

Another, who quickly made back his investment and is now piling up

Picture" events, just like the end of the U.S. consumption bubble. Here are just a few examples of our most recent success stories...

- 100% gains - in just one month - with Multicorp...
- 92% gains from Southwest Gold, again in under 30 days...
- 249% gains on Philip Morris in just four months...
- 87.6% on Ducommoun...
- 45% on AngloGold...
- 65% twice on Dow Diamonds puts...
- 114% on Euro calls...
- And another 171% on DJX puts...

profits, writes:

*"Dan, I ended up making four times my original investment...who's complaining when the profit margin is 300%!" - M. Mansfield*

**When should you jump on this? As I said earlier, the clock is already ticking...and with more than 35% of U.S. Treasurys due to mature in less than a year, time is almost up! I'll show you exactly how to set up all this low-risk, high-reward trade in your **FREE e-report, *Election Year Emergency Kit: Seven Things You Need to Do to Save Your Assets in the Wake of the Election.*****

Accessing your **FREE** e-copy of ***Election Year Emergency Kit: Seven Things You Need to Do to Save Your Assets in the Wake of the Election*** is actually quite simple. In fact, you can do so - today - with just one click of your mouse.

But there's actually much more to this special, no-risk offer than just this powerful new report. You see, in addition to our ***Election Year Emergency Kit: Seven Things You Need to Do to Save Your Assets in the Wake of the Election*** e- report, my research team and I have also prepared five other reports - each detailing specific financial situations and what you should do to profit.

As *Strategic Investment* subscribers know, in each of our reports we examine situations that present a unique investment opportunity...and we give you everything you need to know in order to take full advantage.

**In order to make absolutely certain that you do everything you can to build and protect your wealth over the coming months, I am prepared to give you five additional e-reports, also**

**absolutely FREE of charge. But first, let's take a look at *Strategic Investment's* past successes:**

## ***Strategic Investment: A History of Predicting History***

Right from the beginning - over 19 years ago - *Strategic Investment* has had a history of getting the world's most profitable trends right... and helping investors protect their money...and get richer!

In 2003 alone, we hit with...

- **A 113% gain on September 86 cent Euro FX calls**
- **A 65% gain on June '03 \$76 Dow Diamonds puts**
- **A 65% gain on June '03 \$88 Dow Diamonds puts**
- **28% on Allied Defense**
- **89% in ASA Ltd., a South African gold fund**
- **38% on our iShares Japan Index Fund**
- **41% on Curtiss-Wright, a midcap defense stock**
- **87.6% on Ducommun Inc.**
- **29% gains on iShares Emerging Markets Index Fund**
- **13% so far in the iShares MSCI Hong Kong Index Fund**
- **74 % on Glamis Gold**
- **37% on Newmont Mining**
- **18% far accumulated in Walgreen Co.**
- **37% on the Prudent Bear Safe Harbor Fund**

Of course, we don't guarantee future profits. As with all investments, there are risks, and losses can and do occur.

No question, the "Big Picture" is the way to invest if you want to build real wealth...by spotting Big Trends before the rest...and raking in very substantial profits ahead of the crowd! Join us in our next long round of profits.

## **Try *Strategic Investment* for 90 Days...Risk-Free**

As you can see, ***Strategic Investment*** has a long - and profitable - history of identifying those trends that are most important to individual investors. For nearly two decades, we've helped investors not only avoid dangerous situations...we've helped them realize enormous profits along the way.

This particular scenario, however - the absolute betrayal of the U.S. investor by his own government - is unlike any other I've seen...and it has the potential to impact a far greater number of people than any of the trends we've seen in the past 20 years.

***"Gentlemen, I've been a life member for a number of years...I'm also a financial planner...I read everything you print and use it in making decisions for myself and my clients. Thank you for your excellent information..."***

- Thomas T. Slaughter

Millions of Americans don't even understand the danger - they do not even know that disaster lies ahead. Imagine their surprise when - virtually overnight - their standard of living is reduced drastically. That same trip to the grocery store that was routine just a few weeks ago now delivers a stunning blow to the family bank account. Imagine their horror when they realize it was their own government that sold

them out.

That's why I feel it's so important you read my new e-report, ***Election Year Emergency Kit: Seven Things You Need to Do to Save Your Assets in the Wake of the Election***, as soon as possible. In fact, I'm convinced this matter is so urgent that I've arranged to rush you a copy by e-mail right away - **FREE** of charge and with no obligation whatsoever.

Accessing your **FREE** copy of this e-report couldn't be simpler. In fact, you can do so with just the click of your mouse.

But there's actually more to this no-risk offer than just one **FREE** e-report. You see, in addition to the report on profiting from the disastrous policies of our government, I have also made arrangements for you to receive four additional e-reports. Each of these e-reports identifies specific profit opportunities that can be acted on immediately...and each e-report also provides the step-by-step instructions needed to do just that.

Each of these e-reports is valued at \$79...and has the potential to help you realize double- or triple-digit profits in the coming months:

**FREE BONUS #1: *Election Year Emergency Kit: Seven Things You Need to Do to Save Your Assets in the Wake of the Election***

**FREE BONUS #2: *America Betrayed: Protect Yourself - and Profit - from the Disastrous Policies of the U.S. Government***

**FREE BONUS #3: *Total Profit Protection from the Coming China***

## ***Crisis***

**FREE BONUS #4: *Make 10 Times Your Money in the Inevitable Resource Explosion of 2004-2005***

**FREE BONUS #5: *How to Make 500% or More Using "Precision-Guided Investments***

## **A 100% Risk-Free Proposition**

As I said before, this offer is 100% RISK-FREE. What that means is that if during the first two months of your subscription - FOR ANY REASON - you feel like my service is not for you, you may cancel anytime, no questions asked, and you'll receive an immediate refund of every penny you paid.

**Five special e-reports - including *Election Year Emergency Kit: Seven Things You Need to Do to Save Your Assets in the Wake of the Election*, which provides SEVEN immediate recommendations for you to act on right away - are yours FREE for just \$49.95 for a one-year membership (that's 50% off!)...and there is absolutely no risk to you whatsoever. Just click below now!**

Why am I giving away over \$400 worth of value - all with no obligation - for a modest \$49.95?

This situation is so critical to the short-term well-being of U.S. investors - and is so time-sensitive - that a **FREE** e-report is the most effective way to get the message out to as many investors as possible.

What's more, I believe so strongly in the value of my service - and the likelihood that you will profit handsomely from my recommendations - that I do not wish to keep your money if you are less than satisfied in any way.

As great as this offer is, however, you must act TODAY if you want to make absolutely certain that your wealth is protected. The threat to the U.S. investors as a result of our government's mistakes is very real. And as I've said throughout this letter, that presents a clear danger to those who are not prepared.

This impending scenario, however, also, presents a tremendous opportunity for you to not only protect your financial well-being...but also to realize enormous profits along the way.

I urge you to join me today for what should prove to be a most successful journey.

Sincerely,

Daniel Denning  
Editor, *Strategic Investment*

P.S. Sign up today and receive immediate access to your three **FREE** special e-reports - you can literally call your broker today and take the steps necessary to protect yourself - and profit handsomely - from the U.S. government's monumental betrayal of the U.S. investor.

P.P.S. If you sign up for a 2-year membership, I am going to give you

another **FREE** e-report...just for giving *Strategic Investment* a try. We'll give you 2 years for just \$99...**that's half off our regular price**. Subscribe now and you'll also receive a copy of my special e-report ***9 Ways to Survive the Crumbling Housing Market***. Just **click below now!**



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