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SUMMER of War

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TRENDS JOURNAL
HISTORY BEFORE IT HAPPENS®

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About the TRENDS JOURNAL

Gerald Celente is the Founder/Director of the Trends Research Institute and Publisher of the weekly **Trends Journal** magazine. He is the author of the highly acclaimed and best-selling books *Trend Tracking* and *Trends 2000* (Warner Books).

With a 40-year track record of identifying, tracking, and forecasting trends, Celente is world-renowned as today's #1 Trend Forecaster. Celente has earned the reputation as a trusted name in trends for his many accurate forecasts; among them the 1987 Stock Market crash, Dot com bust, "Gold Bull Run," the "Panic of '08," the rise of organic foods, and the popularity of gourmet coffee long before Starbucks was a household name.

Self-described as a "Warrior for the Prince of Peace," Gerald Celente is also the Founder "Occupy Peace & Freedom," a not-for-profit movement to honor the Constitution and Bill of Rights and restore Freedoms.

INSIDE

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SUMMER OF WAR

Welcome to this week's **Trends Journal**: "Summer of War"

Jens Stoltenberg, NATO's secretary-general, announced as we were going to press that Turkey agreed to lift its objection to Sweden and Finland joining the Alliance, which means Russia will likely make good on its threat to line up ballistic missiles on its border with Finland.

And paving the path to World War III, Stoltenberg is bragging that NATO will increase its forces and deployments near Russia from 40,000 troops to 300,000 troops.

These announcements came at the G7 meeting in the Bavarian Alps where they also announced fictitious plans on how to cap Russian oil prices. One other notable exchange from the meeting was how these "leaders" showed what clowns they are by the way they expressed their contempt for Russian President Vladimir Putin.

Video emerged that showed French President Emmanuel Macron, British Prime Minister Boris Johnson, U.S. President Joe Biden, and Canadian Prime Minister Justin Trudeau mocking the Russian leader over the years-old photo that showed him riding bare-chested on horseback.

These are the people the world is relying on to keep us from nuclear Armageddon. Peace needs to go on the offensive.

Occupy Peace will be holding a rally on Saturday, July 23, in Kingston, N.Y., that aims to be a flashpoint of a global peace movement. There has only been talk of more weapons and more bloodshed. The fight for peace begins at the Four Corners of Freedom where the seeds of democracy were sown.

Sincerely,

Gerald Celente and the Trends Journal Team

COMMENTS

NEW WORLD DISORDER 2.0
People with all the money that they can possibly spend now want absolute power! They want to tell people how to live, what they can have and what they can't! What they can say and what they can't, etc. etc.

Michael Dickerson

CONTROLLED FINANCIAL DEMOLITION
Whatever the central banks do it is with an intended result. The intended result appears to be the destruction of the world economy. They are not morons constantly getting it wrong. They are evil psychopaths who want to control everything.

Michael Ullman

INSANE ASYLUM EXPENSES
PCR is correct! We have an asylum in Washington, DC and what we are witnessing is "One Flew Over The Cuckoo's Nest" led by the corrupt politicians in the Democrat and Republican Circus arenas!!! And we are paying them to enslave us!!!! Today, AOC stated to the media we aren't paying the psychopaths in DC enough compensation to do a good job enslaving the population of the US!!!! Get your wallet out and ante up to the nut house!!!!

harlow53

INFLATION CONUNDRUM
Won't increasingly higher prices encourage consumers to buy more in the near-term under the assumption that things will only get more expensive if they wait?

Brettagher

YOU ARE EXPENDABLE SOUNDS LIKE MUST READING
If "YOU ARE EXPENDABLE! ©2003 by Bradley J. Steiner" is unpublished, where do we get a copy?

Stephen Elliott

BROKE, WOKE JOKE
Let's think clearly about this, shall we? Since Biden has been taking war-like steps against Russia by sending all kinds of blood money to Ukraine, and placing additional forces in NATO-Landia-Germany, we are at war with them? Well, if we are at war with Russia or at least on the verge of it, how can we possibly be trading with China on such a large scale???

We have a massive pipeline of money flowing to the Chinese daily and yet we are at war with their closest ally? Really? At what point do the American people wake up from their zombie state and see that we are out of our minds? America, leader of the free world? Yeah, right. Biden, leader of the free world? Yeah, right.

And just a few days ago, women were "twerking" in state capitals sticking their asses up in the air and shaking them as if that made any sense. Well, I guess that beats the defunding the police protests where I saw women pulling their pants down and taking a crap on police cars. We are such a noble, broke, woke, joke nation now. God help us.

Mark Ellis

LIMITS OF PACIFISM
The ideology of pacifism leads not to social justice, but rather, the peace one finds in cemeteries.

Ann Hansen (memoirs of an urban guerrilla.)

Larry Inn

TRENDS ON THE ECONOMIC AND MARKET FRONT

ECONOMIC UPDATE, MARKET OVERVIEW

It's all in the numbers.

Life on Earth is getting more miserable by the day.

A Gallup poll released today shows that thanks to the dictators who locked down the world to fight the COVID War, the "World is Unhappier, More Stressed Out Than Ever." Their findings show that:

> "Emotionally, the second year of the pandemic was an even tougher year for the world than the first one" according to the latest annual global update on the negative and positive experiences that people are having each day.

> "As 2021 served up a steady diet of uncertainty, the world became a slightly sadder, more worried and more stressed-out place than it was the year before—which helped push Gallup's Negative Experience Index to yet another new high of 33 in 2021."

A Gallup survey of adults in 122 countries found that four in 10 adults said they experienced a lot of worry (42 percent) or stress (41 percent), and slightly more than three in 10 experienced a lot of physical pain (31 percent). More than one in four experienced sadness (28 percent), and slightly fewer experienced anger (23 percent).

Duh!

Of course, this comes as no surprise. The political science, not medical science, used to justify the massive lockdowns and mandates imposed on citizens and businesses since the COVID War was launched by the Chinese on their Lunar New Year, "The Year of the Rat," in 2020, was unprecedented in world history.

And as we have long detailed, with politicians across the globe following the Chinese lead, they have destroyed the lives and livelihoods of billions... while doing next to nothing to kill the virus. And as the Gallup survey confirms, by robbing people of their freedom and their future, the COVID War has put billions of people over the mental edge.

Among the businesses that survived the lockdowns, many are a shadow of what they were in 2019. Remember how those who looked up to the politicians and "health officials" who locked them up and closed them down gleefully repeated their stupidity that "It'll come back," in their belief that the devastation caused by the COVID War did not exist and would not persist?

And as we have greatly detailed, the economies and equity markets that were artificially propped up with cheap money and record low interest rates will turn as unhappy and stressed out as is Gallup's survey of society.

While inflation worries are now a central concern to the central banks, as we have long noted, they were either too stupid or they were lying about the scope and depth of

inflation. Among the numerous examples of their incompetence, back in May of 2021, we quoted former Fed Head and now U.S. Treasury Secretary Janet Yellen spouting that inflation above 2 percent will be small and temporary as supply chains and the economy in general recover.

"I don't think there's going to be an inflationary problem, but if there is, the Fed can be counted on to address it," U.S. Treasury Secretary Janet Yellen said in a 5 May statement quoted by the WSJ.

Again, as we noted in great detail, central Banksters across the globe spewed out the bullshit for some two years that inflation was "temporary" and then "transitory.

Among the leaders selling the lie or stupidity of no inflation was the former head of the International ~~Mafia~~ Monetary Fund and now head of the European Central Banksters, Christine Lagarde. Two weeks ago she noted how off-trend the Banksters are by declaring that "All international institutions have made the same mistake" of underestimating inflation's speed and power.

In fact, back in January Lagarde dismissed rising inflation rates and rejected calls for the ECB to raise its base interest rate from -0.50 percent, where it had remained since 2014. (See "ECB: More Monetary Methadone," 27 Apr 2021 and "ECB Pledges to Keep Rates Lower Longer," 27 Jul 2021, among other articles.)

Still spewing out bullshit, today Lagarde played down the risk of inflation hitting Europe, stating that "... we are still expecting positive growth rates due to the domestic buffers against the loss of growth momentum."

TREND FORECAST: *As we have noted, the ECB's raising interest rates from -.50 percent to -.25 percent this month is symbolic, not substantive.*

Moving rates from negative to positive territory will jolt Europe's economy slightly this fall, but businesses and consumers will have to adjust after eight years of living in a different financial world.

With Europe's inflation at 8.1 percent now quadruple the ECB's target, and the central bank's interest rate creeping up by .25 basis points, the hikes will have no meaningful impact on inflation.

And, to make a very bad situation worse, as we have extensively detailed in the ***Trends Journal****s, the sanctions NATO and U.S. leaders have imposed on Russia are making a very bad inflation situation much worse as food and fuel prices skyrocket.*

As the Bank for International Settlement noted Sunday, "Gradually raising policy rates at a pace that falls short of inflation increases means falling real interest rates. This is hard to reconcile with the need to keep inflation risks in check. Given the extent of the inflationary pressure unleashed over the past year, real policy rates will need to increase significantly in order to moderate demand."

Taking into account what the BIS is stating, considering the tiny amount of rate hikes that will be imposed by the ECB, inflation will move higher while the economies fall lower: Dragflation.

Up and Down

However, as the **Trends Journal** forecast for nearly two years, inflation is a hot trend that will keep rising, and despite the Fed claiming they have the "tools" to deal with it, the only tool they have is to raise interest rates much higher. As we repeatedly note, the higher interest rates rise, the deeper equities and the economy will fall.

And the fall is under way. On the inflation downside are the decline of key commodity prices.

Among them copper, or as we have referred to the metal as "Dr. Copper" because it is said to have a Ph.D. in economics because the price at which it is selling accurately signals changes in global economic trends.

From heavy industry to hi-tech, copper is an essential manufacturing component. Therefore, the higher the demand, the higher the price for not only copper but other commodities needed to build expanding economies.

Thus, when copper prices drop sharply, it is a signal that economies will dive down as well. Selling at its lowest level since early February 2021, copper prices have fallen some 25 percent from its March peak. In addition to copper, a number of other industrial metals such as zinc, lead, aluminum, tin, nickel are down 10 to 20 percent from their highs.

Beyond rising interest rates that are bringing down base metals, China's zero COVID policy lockdowns which have lessened demand for the products are also responsible for the commodity price drops.

TREND FORECAST: *While many commodity prices are down from their recent highs, they are still far above their previous lows. Therefore, we maintain our forecast for Dragflation: Negative economic growth and rising inflation.*

In fact, the Bank of International Settlements said in its annual report that it released this week that the global economy may well face negative growth and higher inflation... which the media still inaccurately terms stagflation. Again, economies that decline are not "stagnant."

What the world is facing now is unprecedented in world history. Again, never before has the globe been shut down as psychopathic, pathological lying politicians did to fight the COVID War.

And never before have interest rates been in negative and zero range and never before had governments poured in countless trillions to artificially prop up economies that they killed with their lockdown and draconian mandates.

LAST WEEK: MARKETS BOUNCE BACK AFTER THREE WEEKS OF LOSSES

Buoyed by new optimism regarding the U.S. Federal Reserve's plan for interest rates, among other things, U.S. equity markets reversed three consecutive weeks of losses.

The Dow Jones Industrial Average soared 800 points on Friday and gained 5.4 percent for the week.

The NASDAQ added 7.5 percent and saw a record 3.3 billion shares change hands during Friday's closing auction.

The Standard & Poor's 500 grew by 6.4 percent, bouncing out of the bear market that it fell into last week. On Friday, it rose 3.1 percent, its biggest one-day spurt in two years.

All 11 of the S&P's sectors rose, with gains especially strong in consumer discretionary stocks, financials, materials, and technology.

However, the S&P remains about 18 percent lower than it began the year.

Stock prices had slipped recently on fears that the Fed would lift interest rates so high so fast that the economy would stumble into a recession.

Last week, bargain hunters went shopping and some speculators went long on the belief that recent worse-than-expected news on inflation might persuade the Fed to raise rates in smaller increments, *The Wall Street Journal* said.

"It's clear that economic activity is cooling, which should cool down inflation," Luc Phillips, investment chief at SYZ Private Banking, told the *WSJ*. "That is rather positive."

TREND FORECAST: *To say economic activity is cooling and it will bring down inflation is "rather positive," we see as "rather stupid."*

Unlike past interest rate hikes that were accelerated to cool inflation, unlike back then, this time, global economies were driven into recession by the COVID War lockdowns and were artificially boosted with cheap money and record low interest rates. Therefore, when what had juiced them up dries up, we forecast an economic calamity the likes of which were never seen in modern history.

Need more proof? This month, the University of Michigan's index of consumer sentiment plunged to its lowest level ever. The gloomy outlook may prompt consumers to spend less, which also would tend to slow inflation.

The survey's purchasing managers index covering manufacturing and services dropped to a five-month low in June, further underlining economic weakness that could cause prices to throttle back.

The 10-year treasury note's yield closed the week at 3.136 percent, slipping from 3.238 the week before. Yields fall as securities' prices rise, indicating more investors want to buy them.

Down and Up

Gold slid gently through the week to close down a fraction at $1,826.

Bitcoin eked out a minor gain for the week, closing up 2.2 percent at $21,000.

Benchmark Brent crude oil closed at $108.87, sliding on growing indications of a global economic slowdown. West Texas Intermediate, the standard for U.S. oil prices, finished the week at $106.61.

Overseas, Europe's Stoxx 600 index rose 2.2 percent last week, leaping on Friday in tandem with U.S. markets.

The Japanese Nikkei 225 gained 1.4 percent for the five-day trading span. South Korea's KOSPI gave up 3.3 percent on a glum outlook for its export-centered economy.

The Hang Seng index in Hong Kong added 3.5 percent, China's SSE Composite edged up 1.1 percent, and the mainland's CSI Composite took on another 1.6 percent.

YESTERDAY: ALL QUIET IN THE WESTERN MARKET

One stock investor described Monday's trading day in the U.S. as "very sleepy."

The Dow Jones Industrial average shed 62.42 points, or 0.3 percent, to end the day at 31438.26 and the S&P 500 was also down 11.63 points to 3900.11. The Nasdaq Composite Index fell 83.07 points, or 0.7 percent, to 11524.55.

As though this signaled a major trend, and ignoring the broad consumer retail market sector which accounts for some 70 percent of America's GDP, the mainstream media pumped up the news that one of the bright spots in the market, given supply chain issues and high inflation was Nike, the sneaker company. The Oregon-based company posted better-than-expected revenue for the quarter despite these challenges, and said it did not notice customers altering buying habits due to inflation.

Indeed, you can't talk about the stock market too long before considering inflation and the Federal Reserve's interest rate hikes. But stock brokers think they see a light at the end of the tunnel and have expressed "optimism" that the worst days are behind us.

In fact, so certain are they that Happy Days will be here again, analysts at UBS said investors are more confident that the Fed will start cutting rates in mid-2023, according to *The Wall Street Journal.*

Fewer traders also believe the Fed will raise interest rates by another 2 percentage points by the end of the year, the paper said. Last week, 74 percent of those polled thought the country would have to take its medicine with another 2 percent hike, but that number is now 52 percent.

Russia defaulted on its foreign debt after missing the payment of $100 million to bondholders, but that did nothing to hit global equities or Russia's ruble which is still at a seven year high.

And, totally absent from the mainstream warmongering Western media is that Russia could have easily paid the $100 million if the U.S. didn't seize—or more appropriately steal—more than $300 billion of Russian central bank assets.

The default was not seen as a risk for a “ripple effect” in the markets, and Moscow blamed the West for erecting barriers so it could not make the payments and was thus pegged with the “default’ label, according to the paper. The report pointed out that Russia has the money to make the payments but sanctions have cut the country off from the banking system.

Russia has been pulling in about as much money on energy exports as before the war, which has prompted leaders at the G7 meeting in Germany to call for price caps on Russian crude.

“The goal here is to starve Russia, starve Putin of his main source of cash and force down the price of Russian oil to help blunt the impact of Putin's war at the pump,” a senior U.S. administration official told CNN.

Elsewhere, the Stoxx Europe 600 rose 0.6 percent and the FTSE, the U.K. benchmark, gained 0.7 percent.

GOLD: Spot gold shed 0.22 percent on Monday to about $1,822.30 per ounce due to continued pressure from an elevated dollar. U.S. gold futures fell 0.36 percent to $1,823.70. As the **Trends Journal** pointed out, gold loses its appeal when the dollar is strong and central banks hike up interest rates. Investors see gold as an attractive long-term investment due to the risk of recession by the end of 2022 due to the Federal Reserve’s interest rate increases.

BITCOIN: The world’s largest cryptocurrency traded between $20,550 and $20,650 on Monday. Overall crypto market capitalization is roughly $877 billion. The peak was when the crypto market hit $2.9 trillion in November.

Goldman Sachs on Monday cut Coinbase’s rating to “sell” from “neutral,” according to CoinDesk.com. The bank said Coinbase would need higher crypto prices and volatility to drive an increase in revenue in the short term. The report said the bank forecasts “breakeven to negative adjusted EBITDA over the next several years.”

TODAY: DOW FALLS 491 POINTS AFTER NEW REPORT ON CONSUMER OUTLOOK

As it has been for the past few months, it was another roller coaster day on Wall Street with the Dow and S&P 500 both erasing early gains. Ten of the 11 major sectors in the S&P which fell 2.01 percent, ended the day in negative territory and the index is on track for its biggest first-half percentage drop since 1970.

Dow Jones Industrial Average fell 491.23 points, or 1.56 percent, to 30,946.99 while the tech-heavy Nasdaq Composite slumped nearly 3 percent to 11,181.54.

Traders were trying to determine if stock prices, that are up 8 percent in the last four sessions, would stick. But a new report on consumers' outlook splashed cold water on hopes the trend would continue.

The main driver for losses was the report from the Conference Board that showed consumers' short-term outlook fell to 98.7 in June, which is down 4.5 points from its May reading of 103.2.

The report is the latest sign that inflationary pressures have been impacting the American consumer. The University of Michigan said last week that consumer sentiment reached 50 in June, which is the lowest reading in 70 years.

TREND FORECAST: *With some 70 percent of America's GDP consumer based, the reality of an inflation weary, wage declining Main Street is hitting Wall Street. As goes the American consumer so goes the stock market. And, as interest rates move higher and as food and fuel prices keep rising, the deeper Main Street falls, the further The Street will fall.*

TREND FORECAST: *The* ***Trends Journal*** *has long warned subscribers that the central bank Banksters were either too stupid to see inflation rising, or are totally in the game of rigging the markets, and were fully aware that the higher interest rates reach, the harder the market will fall.*

As we continue to note, while the average person feels the economic pain as inflation rises and it costs them more to buy less, the true levels of economic devastation will not be realized by the general population until Wall Street crashes. Therefore, the Bankster Bandits and The Wall Street White Shoe Boys will do all they can behind the scenes to delay the market crash. In fact, the Feds may even ease up on rising interest rates if the economy and equites move into crash landing mode.

Europe's Stoxx 600 was up 0.2 percent, to 416.19, and Britain's FTSE 100 was up 65.09 points to 7323.41. South Korea's Kospi was also up 20.17, or 0.84 percent to 2422.09. Japan's Nikkei jumped 178.20 points, or 0.66 percent to end at 27049.47. I

The Stoxx 600 is down 17 percent after touching its all-time high in January.

The European market responded to reports that China will continue to ease some of its COVID-19 restrictions. China announced that it will cut the quarantine period for international travelers.

The National Health Commission announced that international travelers will only need to quarantine at a centralized facility for seven days upon arrival in mainland China. CNBC pointed out that the previous rule was that travelers had to quarantine for up to 21 days.

City officials in Shanghai also announced that they were able to limit COVID-19 transmission in the city and the war was over. There were still some rules in place in the city of nearly 25 million as China continues to pursue its "Zero COVID" strategy.

Stocks in China also responded positively to the news and were higher today, with the Shanghai Composite was up 0.89 percent to close at 3409.21. The Shenzhen Component increased by 157.12 points, or 1.23 percent to about 12982.69. Hong Kong's Hang Seng gained 189.45 points, or 0.85 percent, to close at 22418.59.

GOLD/SILVER: Gold was down 3.30, or 0.1808 percent to 1821.50 per ounce at 2:30 p.m. ET on today as U.S. Treasury yields rose from 3.193 percent on Monday to 3.201 percent.

As the **Trends Journal** has long pointed out, gold prices are vulnerable to higher Treasury yields and interest rates. The Conference Board Consumer Confidence Index reached its lowest level since February 2021, which means the Fed could act bolder to rein in inflation.

“Consumers' grimmer outlook was driven by increasing concerns about inflation, in particular rising gas and food prices. Expectations have now fallen well below a reading of 80, suggesting weaker growth in the second half of 2022 as well as growing risk of recession by year end,” Lynn Franco, senior director of Economic Indicators at the Conference Board, said in a statement obtained by the **Trends Journal.**

Mike Mullaney, director of global markets research at Boston Partners, told *The Wall Street Journal* that these inflation expectations means the Fed “will be “much more aggressive in squashing inflation.”

The U.S. dollar came down slightly over the last few sessions, but its strength compared to other currencies has also made gold a less appealing option for foreign investors.

TREND FORECAST: *We maintain our forecast that for gold to maintain strength, prices must stay in the high $1,900 per ounce range and when they solidify above $2,200 per ounce, gold will spike to new highs. On the downside, should gold fall below $1,800, its bottom will be in the $1,730 range.*

OIL: Oil was up 1.9 percent on Tuesday to 111.63 per barrel. Brent crude was also up 2.20 percent to 117.59 per barrel and West Texas Intermediate was trading 1.77 percent higher at 111.54 as of 2:33 p.m. ET.

Bank of America analysts wrote in a recent note to investors that inflationary “pressures from food to energy to services, coupled with fast paced interest rate hikes, suggest oil demand will struggle to fully recover to pre-pandemic levels until next year.”

Energy prices have been soaring for much of the world even prior to the 24 February invasion of Ukraine. Countries that took part in the G7 meeting in Germany announced

Tuesday that they have reached a preliminary agreement to put a price cap on oil flowing from Russia.

Olaf Scholz, the German chancellor, admitted to reporters that the effort is ambitious "and there is still a lot of work to be done."

Americans are dealing with record prices at the gas pump and many have turned to reducing the amount of gas they purchase. President Joe Biden has floated the idea of a three-month holiday from a federal gas tax that would save Americans about 18 cents per gallon at the pump. Economists pointed out that the sum would not make much of a difference in Americans' lives. If the holiday is approved by Congress, Americans can save up to $88 over a 12-week period.

TREND FORECAST: *The picture is clear. The higher oil prices rise, the faster inflation will rise and the greater the pressure on central banks to raise interest rates. And the higher interest rates rise, the deeper equity markets and economies will fall.*

BITCOIN: Bitcoin edged downward today and hovered between $20,550 and $20,689. The crypto was trading at $20,689.90 at 1 p.m. ET. After volatile trading over the past few weeks, bitcoin remained relatively stable over the weekend.

The **Trends Journal** has pointed out that the world's most popular crypto has lost more than half its value since November when it was trading at $68,982 per coin.

Gary Gensler, the chairman of the U.S. Securities and Exchange Commission, said in an interview with CNBC Monday that bitcoin is the only cryptocurrency that he considers a commodity. His comments seemed to be directed at other popular coins like Ethereum. Ethereum is trading at $1,175.44 a coin.

James Seyffart, an ETF analyst at Bloomberg Intelligence, took to Twitter after Gensler's comments and said they are "definitely positive" for the coin, in his opinion. But he said it remains to be seen if it moves the needle vis-â-vis Grayscale's application to convert its Bitcoin Trust into a spot-based ETF, The Coin Telegraph reported.

Michael Sonnenshein, Grayscale's CEO, said Monday in a letter to investors that he remains encouraged by the SEC's actions over the past eight months, "which have signaled an increased recognition of and comfort with the maturity of the underlying bitcoin market."

Gensler's SEC, in October, approved the first ETFs to take positions in bitcoin futures. (It's worth mentioning that Gensler taught a class on bitcoin at the Massachusetts Institute of Technology.)

Cryptos have generally been lagging due to the macro environment and concerns about future moves by central banks to raise interest rates.

We have pointed out that these rates set by the Fed can impact cryptos because of an increased competition for capital. Speculative investments, like cryptos, tend to lose. These rising rates are seen as altering the risk-reward calculation for major investors and hedge funds.

TREND FORECAST: *We had long forecast, the downward breakout point is when prices fall below $25,000 per coin. They are now below that breakout point, thus bitcoin could fall back to $10,000 per coin or lower.*

On the upside, we maintain our forecast that bitcoin will find strength to hit new highs when it breaks above $55,500 per coin.

We have long noted that cryptos would be hurt when governments act to regulate these trades. Gensler said in the interview that "many of this crypto financial assets have the key attributes of a security. Some of them are under the Securities and Exchange Commission (jurisdiction)."

*The **Trends Journal** has long pointed out that if an asset is considered by the SEC to be a security, those involved in the transactions must comply with the rules.*

U.S. ECONOMY STRONG BUT RECESSION IS POSSIBLE, POWELL SAYS

A U.S. recession is "not our intended outcome at all but it's certainly a possibility," U.S. Federal Reserve chair Jerome Powell said in testimony before the Senate banking committee on 22 June.

The nation's economy is "very strong," he told lawmakers, but warned that new inflation surprises "could be in store."

Containing inflation, running at 8.6 percent in May, has become more challenging for the Fed, he admitted.

Regarding the Fed's goal of reining inflation back to the central bank's 2-percent target, Powell said, "the question of whether we are going to accomplish it is going to depend to some extent on factors we don't control," such as commodity prices spiking in the wake of the Ukraine war and the possibility that China might impose more anti-COVID lockdowns.

A key urgency is to keep inflation from becoming embedded in the economy, Powell said.

"We know from history that that will hurt people in the lower income spectrum," he added.

TREND FORECAST: *If Powell were to be blunt, which is not his habit, he would say that the U.S. economy is weakening along with the rest of the world. A combination of a slowing economy and rising prices is the definition of Dragflation, a Top 2022 Trend.*

But who would listen to Powell and believe what he says? As for the Feds getting inflation forecasts wrong, see our article, "Fed Officials Send Mixed Signals on Policy Shift" (29 Jun 2021). We noted that, "At his December 2020 press conference, Fed

chair Jerome Powell pointed to "disinflationary pressures around the globe" and said "It's not going to be easy to have inflation move up."

A month later, Powell acknowledged that inflation was on the move but said any rise above the Fed's 2-percent target rate would be "transient."
Also, while the Fed insisted that it would not raise rates until 2024—which goes totally unreported—we had forecast that hikes would begin sooner because inflation would spike and the damage could no longer be covered up... which they now have done.

The U.S. is already hedging on Dragflation, a condition that will worsen as interest rates rise higher, and consumers pay more to buy less and the phony propped up residential real estate market retracts.

***TREND FORECAST:** As we note above, the Bank for International Settlement has warned of the economic dangers ahead and earlier this month the World Bank warned that global growth could essentially be choked due to the Ukraine War, supply chain issues, COVID lockdowns in major Chinese cities, and dramatic increases in food and energy prices.*

David Malpass, the bank's president, said, "For many countries, recession will be hard to avoid."

And last week, the International Monetary Fund (IMF) slashed its forecast for growth in the U.S. economy from 3.7 percent to 2.9 percent for the year.

"There is a narrowing path to avoiding a recession in the U.S.," IMF Managing Director Kristalina Georgieva said in announcing the revised forecast. However, the U.S. will "narrowly" avert a recession, the agency predicted. They also forecast that the U.S. growth rate in 2023 will be 1.7 percent, not 2.3 percent as the IMF had predicted two months ago.

There are too many wild cards being played in the socioeconomic and geopolitical deck to give an accurate forecast. Among the two major ones are the Ukraine War and how fast and how high the U.S. and the EU will raise interest rates.

FED READY TO RAISE RATES SHARPLY AGAIN IN JULY

More members of the U.S. Federal Reserve's rate-setting Open Market Committee are ready to raise the key federal funds interest rate another three-quarters of a point at the group's meeting next month, the *Financial Times* reported.

Michelle Bowman, a member of the Fed's board of governors, voiced support for the bump "based on current inflation readings."

Increases of "at least" a half-point at each of the committee's next few meetings likely will be needed "as long as incoming data support them," she added.

"In my view, our number-one responsibility is to reduce inflation," she said.

On 26 June, Christopher Waller, another Fed governor, said the central bank is "all in on establishing price stability" and that he plans to support another three-quarter-point hike next month if the data is as expected.

Neel Kashkari, president of the Federal Reserve Bank of Minneapolis, has been more reluctant than many of his colleagues to raise the rate so much so quickly, but he recently said that a three-quarter-point rise next month might be necessary.

Most bank officials now expect the benchmark Fed funds rate to climb to 3.75 percent by December, according to the *FT*.

TREND FORECAST: *The Fed, like other central banks in G7 countries, waited too long to begin raising interest rates to tackle inflation. Now it has to play catch-up, a game that will result in a lose-lose situation.*

To master inflation, the Fed would have to raise interest rates so high so fast that the economy would crash. And considering how the economy was ramped up with fake cheap money and historically low interest rates, even raising rates to 3.75 by December would crash the economy without, by itself, defeating inflation.

Instead, the Fed will steadily raise its rate by increments while it keeps on hoping that supply lines will continue to unkink themselves, solving shortages that push up prices, and that high prices will force consumers to sit on their wallets, cooling demand and allowing prices to drop back to some degree.

That strategy itself is risky. Rising prices and a weakening economy are teeing up the U.S. and the rest of the world for Dragflation, our Top 2022 Trend in which prices rise in a shrinking economy.

MORTGAGE RATES REACH 13-YEAR HIGH

During the week ending 24 June, the average U.S. interest rate for a 30-year, fixed-rate mortgage reached 5.81 percent, another in a series of 13-year high marks.

The rate was the highest since November 2008, *The Wall Street Journal* said.

The rate moved up from 5.78 percent the week ending 17 June and 5.23 percent the week before that, according to the Federal Home Loan Mortgage Corp.

That week-to-week leap of 55 basis points was the steepest since 1984, the *WSJ* noted.

Rates are rising in the aftermath of the U.S. Federal Reserve's half-point interest rate hike earlier this month.

The higher rate has made mortgages more expensive but has done nothing to soften home prices. The average selling price of a U.S. home in May topped $400,000, according to the National Association of Realtors.

Some lenders are now quoting rates above 6 percent, the *WSJ* noted.

TREND FORECAST: *We predicted that the housing market would see a dramatic downturn when the U.S. Federal Reserve raised its base interest rate to or past 1.5 percent.*

The turn began after the Fed hiked rates in March, as we reported in "Pace of Existing April Home Sales Slowest in Two Years" (24 May 2022).

This month's additional rate boost has lofted rates to our target level. What has been a red-hot U.S. housing market will now enter a clear decline from the record prices that have dominated the past two years.

However, the shortage of homes and of land on which to build them will—minus a wild card such as escalating war with Russia and/or war in the Middle East with Israel and its U.S. allies against Iran—put a floor under prices, which will not return to pre-COVID levels.

RAIL JAMS SLOWING MOVEMENT OF GOODS IN U.S.

Cargo containers arriving on ships at U.S. ports can sit for weeks before moving inland because railroads are overwhelmed by the sheer number of steel boxes they must manage, *The Wall Street Journal* reported.

About 29,000 containers are stacked in yards at the Los Angeles port waiting for trains to take them away, triple the usual number, port authorities said.

Containers were sitting in yards at the ports of Long Beach and Los Angeles an average of 11.3 days in May, 18 percent longer than in April and three times as long as when this year began, the Pacific Merchant Shipping Association said.

Some retailers are abandoning the idea of rail freight and instead are bringing their shipments to warehouses on trucks, the *WSJ* said, which take longer and are more costly per mile.

The rail clogs are extending from coastal ports to inland freight hubs such as Chicago, where containers wait 20 percent longer than they did a year earlier, BNSF Railroad reported.

BNSF, a main rail artery connecting West Coast ports to the heartland, has limited the number of cargo containers it will tote out of California's ports because of the number that has piled up in its railyards.

The jams are caused by retailers' delays in unloading containers and taking away their goods, rail officials have said, a problem worsened by the nation's shortage of truck drivers.

The slowdown is sharpening the mismatch between retailers' inventories and consumers' needs.

Many shipments that were ordered for winter or spring are now arriving at a time when consumers are shopping for summer or curtailing spending as inflation pinches.

Demand for intermodal transport, combining trains and trucks, plunged last summer and fall, then soared again as this year began, logistics consultant Lawrence Gross told the *WSJ*.

Railroads "don't have warning of what's coming and the changes are severe," he said.

TRENDPOST: *As we report in "Rates to Sail Goods From China to U.S. Fall By a Third" in this issue, coastal ports are clearing their backlogs of ships that have been waiting to offload their cargo. That is a necessary first step in untangling supply chains.*

The next step will be railroads clearing the tsunami of shipping containers coming their way. However, the flood of cargo containers into the rail system further illustrates the antiquated U.S. infrastructure and rail system.

We have noted that the 20th century was the American century but the 21st will be the Chinese century. Why? Because the business of America—as clearly evidenced by the Ukraine War and the $57 billion sent to that country to keep bloodying the killing fields—is, and has been, war... while the business of China is business.

Indeed, as the United State has squandered countless scores of trillions to start and fight wars, China has been spending its trillions on building its infrastructure.

In the past 10 years alone China built 1.1 million km (683,508 miles) of railway lines and roads. And last year, railroad haulage was 4.78 billion tons, up more than 22 percent from 2012.

TREND FORECAST: *Rail freight tie-ups will continue to hold inflation's rate high through the summer at least.*

However, with supply lines unwinding and consumers buying less ("Retail Sales Down, Prices Up," 21 Jun 2022), supply chains should largely have cleared before this year ends, barring unforeseen shocks.

U.S. BANKS TAKE A HIT ON BOND ISSUES

Major U.S. investment banks are taking sharp losses on bond issues agreed to before the U.S. Federal Reserve began raising interest rates, the *Financial Times* reported.

When banks structure bond issues, they specify the maximum interest rate the bonds will pay, with a little wiggle room included—usually around 5 percent—in case markets move.

However, since several recent deals were closed, Russia invaded Ukraine, the global economy has hit the brakes, inflation has risen further, central banks have stopped buying bonds, and the U.S. Federal Reserve has raised interest rates higher and faster than expected, the *FT* noted.

As a result, investors are demanding lower prices and higher yields to compensate them for the added risks they take by buying the bonds.

In response, banks have dropped bond prices, which cuts into their fees for structuring and managing the bond sales.

“Almost every single deal that was underwritten will have to come at a discount and underwriters are having to pay for it,” an unnamed U.S. banker told the *FT*.

When underwriting banks have to discount bonds, they eat the loss. When discounts fall below 95 cents on the dollar, those losses begin to mount quickly.

Intertape Polymer, a packaging corporation with a poor credit rating, borrowed $400 million in mid-June and had to offer 10 percent interest, the top rate specified in the bond issue.

Still, there were few takers and underwriter Deutsche Bank had to drop the bond price by 18 percent, booking a loss of around $50 million for itself and Bank of Montreal, Credit Suisse, Golub Capital, and Jeffries, its other partners in the bond issue.

The Intertape fiasco was only the sixth bond issue since 2008 to have to drop to, or below, 82 cents on the dollar, the *FT* said.

Also this month, an $895-million bond issue led by Morgan Stanley for chip-maker Entegris sported a 5.95-percent interest rate, the highest included in the deal when it was structured late last year, the FT said.

To move the bonds, the underwriters had to drop the price below 92 cents on the dollar.

Barclays, Bank of America, PNC, Truist, and Wells Fargo shared a $35-million loss with Morgan Stanley.

ICE Data Services' index of high-yield bond prices – junk-grade issues – has fallen 13 percent so far this year.

TREND FORECAST: *The situation will worsen as central banks keep raising interest rates to slow inflation... which will continue to stay high as the Ukraine War and the sanctions the United States, NATO and its allies have imposed on Russia keeps pushing food and fuel prices higher.*

WALL STREET, DEAD STREET. OFFICE BUILDINGS GOING CONDO

Silverstein Properties and Metro Loft, two New York City developers, have partnered to purchase a Wall Street office building and will convert it into 571 apartments over the next three or four years, the firms announced.

The building, which has housed financial service and tech firms since it was opened in 1967, now stands one-third empty after the permanent shift to remote work and financial services' firms migration to Florida, which we reported in "U.S. Financiers: Bye-Bye Wall Street" (2 Feb 2021).

The two trends have skyrocketed the city's office vacancy rate, *The Wall Street Journal* reported.

Nationally, emptied office space has been converted into more than 13,000 apartments during 2020 and 2021, according to RentCafe, an online apartment search site.

The conversions are "the right evolution for these struggling, underperforming, older office assets that are approaching their obsolescence," Metro Loft founder Nathan Berman said in comments quoted by the *WSJ*.

The rate of conversions is unlikely to have a noticeable impact on the soaring demand for apartments nationwide.

To make a significant difference, office rents would have to fall 25 to 50 percent below their current levels to persuade enough landlords to convert their buildings to flats or sell to residential developers, Jeffrey Havsy, who monitors the commercial real estate market for Moody's, told the *WSJ*.

The conversions "will not be something that will solve our housing crisis or be such a dramatic trend that it will significantly change our cities," he said.

That is partly because such conversions carry several challenges, as we noted in "Midtown Manhattan Still Has the COVID Blues" (29 Mar 2022) and "Plan to Turn New York's Vacant Hotels to Housing Not Working" (5 Apr 2022).

Office buildings are designed with large, open spaces and centralized plumbing. They do little to block noise coming through walls and can leave large swaths of floorspace far from natural light.

In addition, city zoning and building codes often are barriers to such conversions, requiring developers to spend time and lawyers' fees challenging them or winning exemptions or special permissions.

However, "there are very few obstacles we can't overcome," Berman said of his partnership's plans.

TREND FORECAST: *Early in the COVID War, we warned that office space would crash in articles such as "Real Estate's Reality" (7 Jul 2020). Events have long since proven our prediction correct.*

The permanent shift to remote work has left many cities with an identity crisis: they were business hubs where commuters flooded into office buildings every day and spent while in town, supporting a broad and deep retail ecosystem.

Those days are history and more office buildings will see large amounts of empty space.

TREND FORECAST: *To maintain property values and tax revenues, landlords and cities will collaborate to repurpose the vacant offices.*

More people have returned to cities, as we noted in "Manhattan Apartment Rentals Snap Back" (19 Jan 2021). But we forecast that snap back has peaked.

While large numbers of them have returned not because they have to be close to the office but because they see cities as rich and exciting places to live, as the economy continues to decline and crime and violence rise, the big move in will escalate to a big move out.

TRENDPOST: *To meet that demand for experiences, city governments will ease zoning ordinances and building codes to allow offices to be used not only as apartments, but also as yoga studios, music academies, coffee houses, adult education centers, and other service-oriented enterprises.*

Not all empty office space can or will be saved and the process of repurposing the vacancies will be slow and bumpy.

TRENDS ON THE GLOBAL ECONOMIC FRONT

TOP 2022 TREND, DRAGFLATION: EUROPEAN, U.S. ECONOMIES DRAG THROUGH JUNE

Economic activity in Europe and the U.S. braked sharply in June as food and fuel prices continued their relentless rise and central banks raised rates yet again.

The S&P Global purchasing managers index (PMI) for manufacturing slipped from 53.6 in May to 51.2 this month, a five-month low.

Europe's manufacturing PMI registered 51.9 in June, compared to 54.8 last month.

Readings above 50 signal expansion; ratings below 50 indicate contraction.

The services sector in both regions also sank this month, surveys show, and producer prices rose sharply.

Consequently, manufacturing sectors in Europe and the U.S. are sliding uncomfortably close to recession.

In May, for the first time this year, U.S. retail sales shrank. The number of home sales has fallen for four months in a row. The interest rate on a 30-year, fixed-rate mortgage averaged 5.81 percent for the week ending 23 June, its highest since 2008.

Inflation in the U.S. ran at 8.6 percent in May, the latest in a string of 40-year highs.

The data indicate the U.S. economy will expand by less than 1 percent this month and contract in the next quarter, according to Chris Williamson, S&P Global's chief business economist.

In Europe, June's slowdown was the most dramatic monthly contraction since November 2008, during the worst of the Great Recession, he noted.

Europe's economy will eke out 0.2 percent growth this quarter, a third of the 0.6-percent expansion during this year's first three months, Williamson said.

"With the price indices remaining extremely strong, the Eurozone seems to have entered a period of stagflation," economist Jack Allen-Reynolds at Capital Economics, told *The Wall Street Journal*, referring to a period of no economic growth amid ongoing inflation.

The U.S. economy will manage to grow 2.2 percent this year and 1.1 percent in 2023, Barclays analysts predicted.

They foresee Europe in a recession in this year's last quarter and next year's first one, with the continent's GDP growing 0.5 percent in 2023, compared with 2.1 percent forecast earlier.

TREND FORECAST: *Like the U.S., Europe has entered a period of Dragflation, with weakening economies and rising prices.*

Prices will continue to rise through the rest of this year, helping squelch economic activity and prolonging Dragflation at least until 2023.

EUROPEAN CENTRAL BANK HEADS WARN ON PERSISTENT INFLATION

Businesses and households in France and Germany increasingly believe that inflation will remain higher longer than they did six months ago, according to surveys by the Bundesbank and Banque de France.

Germans expect inflation to average 5.3 percent annually for the next five years, the poll found. A previous poll reported the expectation at below 4 percent.

At the end of last year, German businesses were expecting inflation to average 3.4 percent a year for the next five years. Now they see it averaging 4.7 percent.

In France, consumers see inflation at 5 percent a year from now, no longer the 3 percent they expected as of the end of 2021.

The finding is “worrying” and “bad news,” Bundesbank governor Joachim Nagel and Francois Villeroy de Galhau, governor of the French central bank, said in a joint press briefing.

If consumers and businesses believe that prices will continue to rise, they are more likely to buy and hoard supplies now, driving inflation higher than it otherwise would rise.

They also are more likely to spend now instead of saving for the future as inflation steals value from money.

As inflation dilutes purchasing power, workers demand higher pay. Businesses then must raise prices to cover the additional cost, fueling inflation.

Wages and prices then chase each other in a wage-price spiral, a cycle that has proven difficult to break in the past.

The S&P Global purchasing managers index (PMI) for manufacturing slipped from 53.6 in May to 51.2 this month, a five-month low.

In June, Europe's S&P Global manufacturing purchasing managers index (PMI) slipped from 54.8 in May to 51.9 in June. Readings above 50 signal expansion; ratings below 50 indicate contraction.

The services sector also slipped, as we report in "European, U.S. Economies Drag Through June" in this issue.

TRENDPOST: *Again, as we continue to note, inflation was rapidly rising but the central Banksters kept selling their bullshit that it was only temporary. Go back to last November, inflation among the Eurozone's 27 member countries averaged 4.9 percent in November, year over year, setting a record as energy costs, ongoing supply-chain disruptions, and lockdowns against a new COVID variant all pushed prices up.*

The rate blew through economists' expectations for a 4.5-percent price hike. The previous record was 4.1 percent, set in July 2008 and matched this year in October.

Inflation in Belgium and Spain in November ran at 5.6 percent, Spain's highest rate since 1992.

ECB president Christine Lagarde maintained back then that it would be "wrong" to raise interest rates now because inflation will begin to cool by the time the new rates would have a chance to impact the economy.

And even before the Ukraine War, between 50 and 60 percent of Europe's inflation pressure had come from high energy prices. But Lagarde said that there was "reason to believe that by the end of 2022 it will have declined significantly."

Bullshit Has its Own Sound

Inflation is peaking, Lagarde had also said in comments back then. "I see an inflation profile that looks like a hump…and a hump eventually declines," she said, repeating that the ECB is "very unlikely" to alter its interest rate—which has remained negative since 2014.

Once inflation stabilizes at the bank's target rate of slightly above 2 percent, the ECB "would not hesitate to act" and increase interest rates, Lagarde lied.

REAL ESTATE MARKETS DOWN AS INTEREST RATES RISE

No surprise! Rising interest rates and global economic uncertainty have left real estate markets skidding.

"The change in the cost of debt is having a big impact on all markets, across everything," Chris Brett, a capital markets manager at real estate consulting firm CBRE, told the *Financial Times*.

"The speed has taken us all by surprise," he added.

The Dow Jones U.S. Real Estate Index has lost about 25 percent of its value this year; U.K. property-company stocks have lost 20 percent.

The number of potential buyers actively seeking new properties has fallen by more than half, dropping from 3,395 in 2021's final quarter to 1,602 now, MSCI data show.

Also, just €12 billion in property purchases were under contract in Europe on 31 March, compared to €17 billion a year earlier, MSCI said.

More than 25 million square feet of office space in Great Britain is now “surplus to requirements” as renters are eager to drop space as soon as they can, a survey this month by consulting firm Lambert Smith Hampton found.

Deals under contract are failing or being renegotiated.

“Everyone selling everything is being [price-] chipped by prospective buyers or else [buyers] are walking away,” Ronald Dickerman, president of investment firm Madison International Realty, said to the *FT*.

“I cannot overemphasize the amount of repricing going on at the moment,” he added.

Final bids for New York City’s office towers are typically 15 percent below asked prices, Justin Curlow, head of research and strategy at asset manager Axa IM, said to the *FT*.

“The reason is simple,” the *FT* said.

An investor buying a $100-million property early this year could have taken a 60-million mortgage at 3 percent interest.

“Today, they might have to pay 5 percent, wiping out any upside,” the *FT* explained.

“All the big investors want residential, urban logistics, high-quality offices – defensive properties” most likely to ride above any economic downturn, senior researcher Tom Leahy at data service MSCI, said in an *FT* interview.

Many owners of those “defensive” properties who bought when the market was flying high and now must refinance face the prospect of “negative leverage”—making mortgage payments larger than their incomes from their buildings, the *FT* noted.

There is no data showing how many property owners are now struggling with negative leverage, “but, anecdotally, it’s fairly widespread,” Lea Overby, a mortgage-backed securities researcher at Barclays, said to the *FT*.

Landlords "thought they could increase rents 10 percent a year for 10 years and expenses would be flat but the consumer is being whacked with inflation and [landlords] can't pass on costs," Manus Clancy, senior managing director at data service Trepp, told the *FT*.

The value of New York City office buildings ultimately will drop by as much as a third, according to a recent study titled "Work-From-Home and the Real Estate Apocalypse," creating a "cataclysm" for landlords and the cities that depend on real estate taxes, the *FT* warned.

"Our view is that the entire office stock is worth 30 percent less than it was in 2019," New York University professor and study co-author Stijn Van Nieuwerburgh, said in comments quoted by the *FT*.

The shock has not yet been seen because many landlords are private companies and not publicly traded.

However, when they need to sell or refinance their properties, the drastic loss of value will become apparent, Van Nieuwerburgh said. If values shrink even more dramatically, mortgage defaults could become a systemic danger.

"If your loan to value is above 70 percent and your property's value falls 30 percent, your mortgage is underwater," he noted. "A lot of offices have more than 30-percent mortgages."

The entire commercial industry is set for a long period of decline reminiscent of the 1970s, Dickerman at Madison International said to the *FT*.

TREND FORECAST: *Early in the COVID War, we warned of a commercial real estate bust in articles such as "Real Estate's Reality" (7 Jul 2020). Events have now proven our prediction correct.*

TREND FORECAST: *As we noted in "Commercial Real Estate: Boom or Bust?" (25 May 2021), Fitch Ratings has calculated that if companies give up 10 percent of their office space, the value of office buildings could plunge as much as 40 percent.*

As we forecast in articles such as "Return to Office Postponed: Commercial Real Estate Bust?" (14 Sep 2021), the new normal of remote work has redefined economic ecosystems in those urban centers.

Commuters buy lunch, gifts, clothes, gadgets, and other items in locales where they work; as workers stay home, downtown stores and restaurants will lose their traditional customer base and gas stations along commuter routes will see business plummet.

At the bottom of this downward spiral: cities themselves and the people who live in them.

As we have noted in "New York Office Vacancies Set Record" (13 Jul 2021) and elsewhere, cities depend heavily on property taxes for revenue. (Property taxes account for more than 40 percent of New York City's annual budget.)

Less revenue means fewer services, leading to a reduced quality of life, persuading even more people to move away, reducing property tax revenue.

To avoid catastrophe, commercial landlords and municipal governments will collaborate to repurpose empty offices as places that enrich the lives of people, especially the young, who live in cities not because their jobs demand it but because they like urban life.

But as we have detailed, many of those office buildings will not be suitable for repurposing into apartments... especially those built over the past 50 years.

“CHAOS” UNLESS EUROPE DRAFTS A GAS ALLOCATION PLAN

European solidarity will unravel if Russia cuts off its natural gas exports to the continent and European governments lack a plan for sharing fuel, Markus Krebber, CEO of RWE, Germany’s largest power company, said last week in a *Financial Times* interview.

Germany and the Netherlands have terminals to import liquefied natural gas and could be accused of hoarding if the bounty is not shared equitably with other nations, he worries.

“I’m not so much concerned that we cannot find agreement, but it is better to discuss emergency proceedings when you still have time and not when the house is on fire,” he told the *FT*.

“If you don’t operationalize it, you wind up in chaos,” he added.

Europe must prepare now to lose all Russian gas imports as the country retaliates for Western opposition to its war in Ukraine, the International Energy Agency warned last week.

In the past, legal battles have erupted over countries’ right to define protected customers themselves instead of collectively, the *FT* noted.

RWE is now receiving just 40 percent of the Russian gas it has contracted for, spurring the company and the German government to reawaken shuttered coal-fired electric generating stations.

Germany is working on its own plan to distribute power among businesses and households, but a framework needs to be designed to move gas to countries such as the Czech Republic and Hungary, while ensuring that priority customers are defined in much the same terms among participating nations, Krebber said.

“Otherwise, transmission system operators do not know on what basis to make decisions,” he pointed out, “how much gas to keep and how much to send to other countries.”

In April, Italy mandated that buildings not be heated above 19°C in winter or cooled below 25°C in summer, roughly 66°F and 77°F.

Other European Union countries have yet to set limits of their own.

TREND FORECAST: *We maintain our forecast that despite actions taken by nations dependent on Russian gas and oil, it will be many years before they can replace what they have lost. Furthermore the limits and mandates being imposed by governments to cut back on industrial and consumer use will prove both negligible and costly.*

Illustrating the depth and scope of the energy shortage and its consequences, yesterday, The Wall Street Journal reported that due to shortages of Russian gas, the German chemicals giant BASF may be forced to cease production at the world's biggest chemicals plant in Ludwigshafen..

"Cutting down production at this site will be a huge task," said BASF senior economist Peter Westerheide, as quoted by the WSJ. "We've never seen situations like this before. It's hard to imagine."

Yes, “hard to imagine” but politicians who impose these sanctions that did nothing to stop or slow down Russia’s Ukraine War, lack the imagination of the socioeconomic consequences of their actions.

SPOTLIGHT: WHEN THE ECONOMY FALLS JOBS GO WITH IT

Inflation and interest rate hikes are causing companies in many sectors to lay off employees. To illustrate the employment trends and the socioeconomic implications, each week we will list job losses.

Some of the most notable are in the growth stock sectors, which just a few months ago were pushing for more employees but are now retracting those offers. They include Twitter Inc., Redfin Corp., Uber, Meta and Coinbase Global Inc.

- JP Morgan Chase will reassign and layoff hundreds of employees in its home lending business. More than 1,000 workers will be affected.
- Netflix cuts 300 employees after weak earnings report.
- Amount has laid off 18 percent of its workforce.
- MasterClass fires 20 percent of its 600 person staff.
- CityMall lays off 191 employees.
- Notarize experiences a 25 percent staff reduction.
- Wealthsimple lays off 159 people or 13 percent.
- Bird fires 23 percent of its workforce.
- OneTrust laid off 950 employees or 25 percent.
- FarEye cut 250 of its staff.
- CVS Health let go of 208 employees.
- TomTom fired 500 people or 10 percent.
- StartTek laid off 472 from its workforce.

FOREIGN INVESTORS HOARD DOLLARS

Investors who live outside the U.S. are selling their dollar-denominated stocks and bonds amid the range of market uncertainties and piling up dollars in cash, *The Wall Street Journal* reported.

Investors hoarding dollars has sent the buck's value close to records against other major currencies, the *WSJ* said.

The WSJ Dollar Index, which values the greenback against a collection of 16 other major currencies, shows the dollar has gained about 8.5 percent this year as of 22 June.

"The dollar has assumed the role of the global stagflation hedge, with dollar cash being one of the few financial assets offering returns," George Saravelos, a Deutsche Bank currency strategist, wrote in a note to clients.

U.S. stocks have entered, or are close to, bear markets. Europe's Stoxx 600 index is also hovering near the border of a bear market, described as a decline of 20 percent or more from the most recent high.

Japan's yen and the Swiss franc also have been harbors of value in the past.

However, the yen's value has been sliding for months as the Bank of Japan has held interest rates at -0.10 percent, tamping down the yen's value in an attempt to control domestic inflation.

The Swiss National Bank also has continued to keep its key interest rate in negative numbers.

The British pound advanced against the dollar recently after the Bank of England bumped its rate by another quarter point earlier this month to 1.25 percent.

However, the pound is still down against the American currency by about 11 percent over the past 12 months.

“With high inflation, you would expect the dollar to depreciate in the long run,” Ugo Lancioni, Neuberger Berman’s global currency manager, told the *WSJ*.

“That’s what the theory says, but the picture is tricky,” he added.

The dollar’s value will soften once the outlook for global growth brightens and global tensions, such as the Ukraine war, move toward settlement, he predicted.

TREND FORECAST: *The dollar will remain strong because other country’s currencies are weak. And the higher the U.S. central bank raises interest rates, the stronger the dollar will get... until Wall Street crashes. Then, the reality will hit that rising interest rates are not only increasing the cost of servicing the nation’s $30 trillion debt, the high rates will crash the general economy that has been artificially propped up with zero interest rates and trillions of dollars of government stimulus.*

COPPER PRICES FALL ON RECESSION FEARS

As of 23 June, copper prices had fallen 14 percent this year to end at $8,387 a ton, the *Financial Times* reported, as fears of a recession deflated the outlook for industrial metals.

As we have previously noted, copper is often referred to as “Dr. Copper” because it is reputed to have a Ph.D. in economics due to its ability to predict trends in the global economy because it is used in almost every industry.

As copper goes, so goes the world economy.

Copper prices shot to record highs last year, as we reported in our "U.S. Markets Overview" section of 11 May, 2021, and surged again after Russia invaded Ukraine.

Now they have slipped as central banks have jacked up interest rates and China stands ready to reimpose drastic lockdowns if the COVID virus returns, the *FT* said.

"Metals have given up their year of gains, with aluminum and copper touching yearly lows" last week, Ehsan Khoman, MUFG's head of emerging markets research, told the *FT*.

"Zinc and nickel [are] not too far behind as Chinese demand and higher-than-expected Russian supply is depositing more [copper] onto European exchanges," he said.

Falling metals prices have dragged down share prices for mining companies this month. Rio Tinto's market value has lost about 13 percent and Anglo American has shed more than 18 percent.

In June, Europe's S&P Global manufacturing purchasing managers index (PMI) slipped from 54.8 in May to 51.9 in June. Readings above 50 signal expansion; ratings below 50 indicate contraction, as we report in "European, U.S. Economies Drag Through June" in this issue.

TREND FORECAST: *The global economic slowdown and Dragflation, our Top 2022 Trend now under way, will bring metals prices lower. However, demand will remain above mines' and processors' capacities to meet it.*

Therefore, many metals prices will not return to pre-COVID levels.

See "TRENDS ON THE ECONOMIC AND MARKET FRONT" in this ***Trends Journal*** *for more data on Dr. Copper and its implications.*

RATES TO SAIL GOODS FROM CHINA TO U.S. FALL BY A THIRD

The cost to send a cargo container from China to the U.S. west coast stood at $9,585 in mid-June, 34 percent lower than at the beginning of 2022 and half of what it was a year ago, according to the Freightos Baltic Index.

However, the cost is still four times the June 2020 rate.

The falling cost is a sign that supply chains might be untangling.

Another sign: the California ports of Long Beach and Los Angeles together handled 936,937 containers in May, the most in 12 months.

Port clogs also may be clearing because fewer goods are flowing through them.

The number of inbound containers at the 10 largest U.S. ports during the first half of June was 25 percent less than in May, *The Wall Street Journal* reported.

During the week of 13 June, only 22 ships were anchored off the two California ports waiting for berths, compared to a record 109 in January.

Target, Walmart, and other large retailers report having too much inventory on hand: supply chains have opened and back orders are being filled just as consumers are starting to close their wallets against relentless inflation, as we reported in our "Economic and Market Overview" and "Retailers and Manufacturers Whack Jobs, Leisure Venues Hire," both in our 7 June, 2022, issue.

The cost to send a filled container between continents will remain above pre-COVID levels at least through next year, industry analysts told *The Wall Street Journal*, as fuel prices set records.

Fuel for seagoing ships is now $670 a ton, 80 percent more than the pre-COVID price, according to Braemar, a consulting firm.

“The test for freight rates will come in a few weeks when the peak season is in full swing,” Lars Jensen, CEO of the Vespucci Maritime shipping line, told the *WSJ*.

“If spot rates don’t go up in summer, it will be a strong sign that demand is falling,” he noted. That would mean “lower rates going forward, but not falling off a cliff.”

NORWAY’S CENTRAL BANK LIFTS INTEREST RATE BY A HALF-POINT

On 23 June, Norges Bank boosted its base interest rate by a half-point for the first time in almost 20 years, lifting it to 1.25 percent.

“Prospects for a more prolonged period of high inflation suggest a faster rise in the policy rate than projected earlier,” bank governor Ida Bache said in a statement announcing the rate increase.

“A faster rate rise now will reduce the risk of inflation remaining high and the need for a sharper tightening of policy further out,” she added.

Inflation in Norway reached 5.7 percent in May, according to Statistics Norway.

Norway’s higher interest rate is unlikely to risk a recession, the *Financial Times* noted.

The country on the North Sea is collecting windfall income from oil sales, unemployment is minimal, and the economy has little spare capacity, the bank pointed out.

Norway also has the world's largest sovereign wealth fund, now valued at $1.2 trillion.

Norway's economy will grow by 3.5 percent this year, the bank predicted, slightly reducing its previous forecast.

Earlier this month, the Swiss National Bank boosted its key interest rate by a half-point to -0.25 percent and the Czech Republic's central bank jacked its base rate by 1.25 percentage points to 7 percent.

The rate hikes have quickly followed the U.S. Federal Reserve's addition this month of a half-point to its rate.

TREND FORECAST: *Norway is banking on its oil revenues to keep inflation from damaging its economy.*

However, as oil prices soften amid a global economic slowdown, the central bank will have to lift rates again to keep ahead of Dragflation, when prices keep rising as economic activity throttles down.

SPOTLIGHT: INFLATION

TOP TREND, NEW WORLD DISORDER: WAGES DOWN IN EUROPE AND ITS GETTING WORSE

Europeans' purchasing power is falling faster than their U.S. counterparts as the Ukraine war has a more direct impact on the continent's economy, driving food and fuel prices steadily higher than wages, *The Wall Street Journal* reported.

U.S. real wages—pay rates adjusted for inflation—will fall 0.6 percent this year, according to the Organization for Economic Cooperation and Development.

In comparison, real wages will shrink 2.5 percent in Germany, 3 percent in the U.K., and 4.5 percent in Spain, the group predicted.

Half of French workers, 60 percent of British employees, and 70 percent of working Italians believe their paychecks will not grow at all this year, according to a survey of 4,000 Europeans by research firm Dynata.

Purchasing power between Americans and Europeans remained close together before the COVID era, with U.S. wages growing 1.6 percent in 2019 and 1.1 percent in Germany.

Before Russia invaded Ukraine, the European Central Bank expected the Eurozone's 2022 overall inflation rate to be 3.2 percent; now the bank has more than doubled its expectation to 6.8 percent.

A similar recent poll by Ireland's central bank found that "among respondents who expect their earnings to increase, the vast majority expect their earnings to increase less than consumer prices," the bank said.

Workers are pressing for wage boosts in an attempt to keep pace with rising prices.

In mid-June, IG Metall, Germany's largest metalworkers' union, won a 6.5-percent wage increase as part of a new contract with iron and steel companies.

The new pay rate is "just about acceptable," union president Heinz Fuhrmann said of the deal.

In the U.K., transit workers, criminal defense lawyers, public sector employees, and health care workers are either on strike or threatening job actions, as we report in "U.K. Inflation Passes 9 Percent in May" in this issue.

TREND FORECAST: *The increasing distance between wages and prices is sparking unrest, as labor actions in Britain highlight.*

The greater the distance becomes, the greater the unrest, which could grow to political instability, demands for new parliamentary elections, and added strength in the ideological extremes.

Economic damage also is increasingly likely to shatter the NATO alliance's resolve to hold sanctions in place against Russia as it continues its war on Ukraine.

If and when Russia shuts off all gas exports to Europe, the sanctions and the cohesiveness of the European Union itself will be stress-tested unlike ever before.

U.K. INFLATION PASSES 9 PERCENT IN MAY

After reaching 9.0 percent in April, Britain's annual inflation rate edged up to 9.1 percent in May, the national statistics agency reported, setting the latest in a string of 40-year-high inflation rates.

The rate is the highest among so-called G7 countries this year.

Britons' real purchasing power has fallen the most in a decade, *The Wall Street Journal* said, even though average pay has risen 8.2 percent over the past 12 months, almost double the U.S. rate of increase.

Food and energy prices in particular drove the increase, with bread, cereal, and meat rising 10 percent in price last month, year over year.

The union's exit from the European Union has added 6 percent to food costs through 2020 and 2021 due to import tariffs and other bureaucratic expenses and snafus, according to a study by the London School of Economics.

The Ukraine war has rocketed up fuel costs to record levels.

The prices British manufacturers charge for their products jumped 15.7 percent for the month, the largest monthly gain since 1977, pushed higher mainly by increased costs related to processing foods.

The U.K.'s economic malaise has weakened the pound, making imports more expensive.

Imported oil and natural gas almost always must be paid for in dollars, which it now takes more pounds sterling to buy to cover those costs.

The general economic mess has come to be known in the U.K. as the "cost-of-living crisis," the *WSJ* reported, which now tops the COVID threat and the Ukraine war as voters' chief concern.

Inflation will rise even higher in October when the government raises the cap on prices households pay for electricity and natural gas.

Home energy bills could rise by as much as 51 percent, given supply uncertainties and recent spikes in natural gas prices, consulting firm Cornwall Insight warned.

After that, inflation in the U.K. will peak above 11 percent before slowing late this year or early next, the Bank of England has predicted.

Britain's inflation rate for 2022 will average 8.8 percent, according to a forecast by the Organization for Economic Cooperation and Development, compared to about 7 percent for the European Union and the U.S.

The Bank of England has raised its base interest rate five times in the past seven months, lifting it to 1.25 percent.

The U.K.'s latest inflation report was released during a week in which transport workers went on strike to demand, among other things, pay rates that match rises in the cost of living.

This week, criminal defense lawyers will strike to protest cuts in legal aid funding.

Teachers and health care workers also are threatening to stop work.

Public sector workers' pay has risen only 1.6 percent over the past year, leading them to threaten to strike as well.

TREND FORECAST: *"Labor unions' renewed strength" is one of our Top 2022 Trends and we have seen it from Amazon warehouses in the U.S. to France and now to the U.K.*

With workers still in short supply in key industries, workers will flex their muscles, demanding more pay and better benefits in sectors, industries, and companies where unions never succeeded before.

However, demand for wages that keep pace with inflation can easily set off a wage-price spiral, in which the two chase each other ever upward in a spiral that governments and central banks have found especially difficult to reverse.

JAPAN'S INFLATION REACHES 2.5 PERCENT, PRESSURING BOJ TO LIFT RATES

In May, Japan's consumer price index rose 2.5 percent year on year, the fastest clip since 1991 and the second consecutive month that price increases have blown past the Bank of Japan's 2-percent target rate, *The Wall Street Journal* reported.

Inflation's surprising strength has heightened pressure on the central bank to raise its interest rate above -0.10 percent, where it has been since 2016.

However, bank governor Haruhiko Kuroda and political leaders insist the country's inflation is temporary and will reverse when energy prices settle down.

The bank believes Japan's economy, which was weakening before the COVID War, has not yet recovered enough from past demands and weakness to withstand higher interest rates.

In addition, the bank has continued buying bonds each month at rock-bottom interest rates to hold bond yields below its 0.25-percent target.

The bank's policies have tanked the yen, sinking it to a 24-year low against the dollar and raising prices for imports of everything from beer to cooking oil.

Earlier this month, the yen fell to ¥136 to the dollar, its lowest ebb since 1998. The yen closed at ¥TK on 27 June.

TREND FORECAST: *For over a decade, Japan's central bank has been buying up stocks, bonds, and keeping interest rates low as the nation teeters in and out of recession in addition to keeping interest rates negative.*

Clearly, the strategy is a failure, yet the bank's officials double down on their incompetence... and get away with it as all Bankster Bandits do in a country near you.

As we said in "Yen Slides Further as Bank of Japan Holds to Negative Interest Rate" (21 Jun 2022) Japan's economy will remain weak as the global economy continues to slow down. Also, 78 percent of its oil consumption is imported. Japan's inflation rate will float on the price of oil and natural gas and the economy and the country's economy will sink deeper.

SPOTLIGHT: BIGS GET BIGGER

Each week, we report instances where the money junky hedge funds, private equity groups and the already big companies swallow another piece of the global economy.

Here are some more of what the BIGS have been gobbling up and how the Bigs keep getting bigger and the rich keep getting richer.

It should be noted that when interest rates in the U.S. were floating at near zero, merger and acquisition hit an all-time high in 2021. Now with rates rising, M&A activity is slowing down.

And most importantly, a lot of these acquisitions were made with the belief of rising economic growth. Now, as economies go down and interest rates rise, the debt burden from these M&A's will grow heavier, crashing many of them into bankruptcy and default on debt.

EQUITY FUND PARTNERSHIP PAYS $10.2 BILLION TO BUY ZENDESK

A group of private equity funds is buying Zendesk, which makes software for customer sales and services, for $77.50 a share, or about $10.2 billion, and will take the company private.

The price is a 34-percent premium over Zendesk's closing share price on 23 June. The company's stock value jumped 27 percent the next day.

Zendesk's board of directors unanimously approved the takeover.

The partners making the buy include Hellman & Friedman, London-based Permira, the Abu Dhabi Investment Authority, and GIC, Singapore's sovereign wealth fund.

BARCLAYS BUYS BRITISH MORTGAGE LENDER

Barclays, the multinational British bank, will buy Kensington Mortgage Co. Ltd. from Blackstone and Sixth Street Partners, its current owners, for $2.8 billion.

The current owners bought Kensington in 2014 for $300 million.

Kensington holds about $2.4 billion in mortgage loans and also operates a loan-servicing business.

Kensington bundles loans into securities and issues bonds against them. The company will now keep the loans on its own books, Barclays announced.

In April, Barclays announced a 5-percent revenue increase in this year's first quarter because of higher net interest income from its mortgage loan portfolio, which was valued at $196 billion at the time, *The Wall Street Journal* reported.

For several years, large British banks have been taking over smaller ones and specialized financial businesses.

The takeovers have been helped by looser regulations, but those rules also allow banks less leeway for losses if loans go bad.

Home prices are still rising in England but the rate of increase has slowed as the Bank of England has upped its base interest rate five times this year and inflation ran at 9.1 percent in May.

FUND PARTNERS CHECK INTO THE STUDENT HOTEL

GIC, Singapore's sovereign wealth fund, and Dutch pension fund manager APG have partnered to buy majority ownership of The Student Hotel (TSH), a company specializing in student housing.

THS has 15 student residences across Europe with 10 more in development and 10,000 beds in eight countries across Europe.

APG and THS owner Charlie MacGregor already are owners and will increase their stakes as part of the deal; GIC is making its first investment in the business. Aermont, a British private equity firm, is selling its portion of the company.

The new arrangement values TSH at about €2.1 billion.

The company has announced plans to expand its number of residences to 50.

Student housing has been a fertile field for private equity investors recently.

Blackstone, Brookfield Asset Management, and other private equity firms have sunk billions into creating or buying upscale off-campus housing for college students, as we reported in "Investors Now Targeting Off-Campus Student Housing" (14 Sep 2021).

Deals involving student housing totaled $2.52 billion during the first six months of 2021, compared to $1.68 billion during the first half of 2020, *The Wall Street Journal* reported.

Residences for college students provide more stable, long-term occupancy than hotels, giving investors comfort, especially during times of economic uncertainty.

“It’s very stable on the downside but also able to take the upside when the market returns,” MacGregor told the *Financial Times*.

GIC has been an especially active investor.

In May, it joined with Greystar Real Estate Partners to buy Student Roost, which owns more than 50 student residence buildings with more than 23,000 beds across the U.K.

The purchase was valued at €3.3 billion.

Bookings for the 2022-23 academic year have reached record levels, TSH reported.

PFIZER PAYS €90.5 MILLION FOR A PIECE OF VALNEVA

Drug giant Pfizer continued its shopping spree, agreeing last week to pay €90.5 million for 8.1 percent of Valneva, a French vaccine maker testing a Lyme Disease preventive.

The purchase was read as a sign of confidence in Valneva, which has floundered after its COVID vaccine proved in trials to be less effective than its competitors.

The British government canceled an order for the drug that would have guaranteed public investment in a Scottish manufacturing site; the European Union also has canceled its purchase of the vaccine.

Pfizer and Valnera will now work together on the latter’s Lyme vaccine project and are planning stage 3 clinical trials later this year.

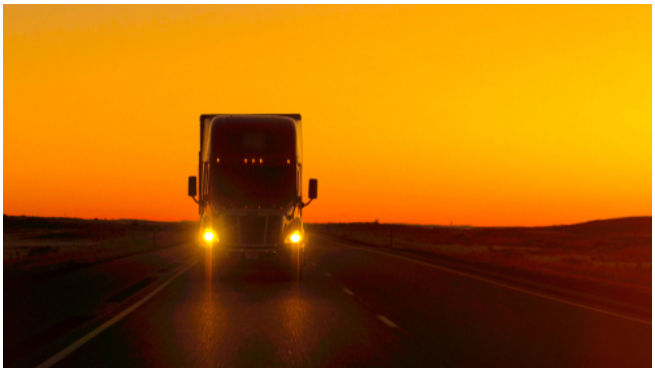
Valneva’s stock bounced up 28 percent on news of the Pfizer deal.

Several of Pfizer's lucrative patents will expire in the next few years. The company has said it will add $25 billion in annual revenue by 2030 through acquisitions paid for by its windfall COVID vaccine profits, as we reported in "After Record Revenues, Pfizer is On the Hunt" (15 Feb 2022).

Last September, Pfizer bought Trillium Therapeutics, a cancer biotech firm for $2.26 billion. In March, Pfizer bought Arena Pharmaceuticals, with its promising drug to treat inflammatory bowel disease, for $6.7 billion.

Recently, Pfizer announced its intent to snap up Reviral, which makes oral antiviral drugs, for $525 million. Last month, Pfizer shelled out $11.6 billion to buy the portion of conglomerate Biohaven Pharmaceutical Holdings it did not already own.

LOGISTICS GIANT BUYS USA TRUCK



DB Schenker, an international logistics firm, has agreed to buy USA Truck, an interstate freight hauler, for about $435 million in cash and debt.

Schenker is paying $31.72 a share for USA Truck, more than double its closing price of $14.58 on 23 June.

The Arkansas-based trucker has about 1,800 trucks in its fleet.

The purchase advances Schenker's "strategic ambition to expand our network in North America and foster our position as a leading global logistics provider," Schenker CEO Jochen Thewes said in announcing the purchase.

Schenker is a division of Deutsche Bahn, Germany's national railway.

International logistics firms have taken an enthusiastic part in this year's consolidation in the U.S. trucking industry.

Global shipper A.P. Moller-Maersk bought Pennsylvania's Pilot Freight Services earlier this year as part of its plan to create a factory-to-front-porch logistics chain, as we reported in "Maersk Building End-to-End Logistics Service" (12 Oct 2021).

TINY LITHUANIA RAMPS UP MILITARY SPENDING

Following the lead of its fellow European peers, Lithuania, a tiny nation with a population of 2.7 million—half the size of South Carolina—has ramped up both its war talk and military budget following Russia's invasion of Ukraine.

AntiWar.org reported that Lithuania hopes to be able to host more NATO troops in the future. Its current infrastructure cannot accommodate an entire NATO brigade, which is up to 5,000 soldiers. The country hopes to correct the issue by 2027.

"We are talking about hundreds of millions of euros for that purpose," Gitanas Nauseda, the Lithuanian president, said. "And this is also a serious amount of money which allows me to talk about the necessity of achieving 3 percent of defense spending in the coming years."

Lithuania, officially the Republic of Lithuania, is a country in the Baltic region of Europe that shares a border with Russia. There have been tensions between Moscow and Vilnius over Lithuania's move to ban transit of goods between Russia and Kaliningrad, according to CBS News.

Kaliningrad, Russia's only access to the Baltic Sea, is the capital of the Russian province of the same name that is sandwiched between Poland and Lithuania along the Baltic coast. Russia relies on freight routes through Lithuania and Belarus for shipments like coal and construction materials from the port.

"Russia will certainly respond to such hostile actions," Nikolai Patrushev, the secretary-general of Russia's Security Council, said, according to the report. "The consequences will have a serious negative impact on the population of Lithuania."

Alexander Lukashenko, the president of Belarus and close Putin ally, said the Lithuanian blockade is "akin to a declaration of war." Lithuania said it is merely upholding sanctions that have been put in place by the EU. Lithuania has a meager military, but is protected under NATO's Article 5.

The West has made clear that any attack on a NATO member would mobilize the entire Alliance.

Lithuania recently sent a delegation to France to buy 18 new-generation 155mm Caesar self-propelled howitzers.

"The acquisition of the French Caesar Mark II new generation artillery systems will be the largest project the Lithuanian Armed Forces has ever had with France," Arvydas Anušauskas, Lithuania's defense minister, said, according to *Euractiv.* He continued, "The war against Ukraine has made it obvious that indirect fire capability is essential, and therefore it is vital for us to provide it for the Lithuanian Armed Forces. We cannot afford to wait until the next war."

TREND FORECAST: *Lunacy rule? While small minds are not limited to small countries, it makes pure maniacal sense for this tiny country to ramp up both its war talk and military budget against Russia.*

We have reported that the Russian invasion of Ukraine has spurred a lot of tough talk from Baltic countries that rely solely on U.S. and NATO protection from Russia. (See "BALTIC STATES TALK TOUGH WHEN IT COMES TO DEFEATING PUTIN.")

Lithuania's military consists of 23,000 active members and 7,100 reserve personnel. Russia's military has 1.01 million active personnel and has some of the most advanced weaponry on earth. Lithuania's GDP is about $55.89 billion, so its military expenditure will be about $1.6 billion. As we point out in this issue, the U.S.'s House Armed Services Committee just passed a military budget of $840 billion.

Should war break out between the two nations, Russia will easily control it.

HUNGARY CALLS FOR CEASEFIRE IN UKRAINE: "IT'S THE ECONOMY, STUPID"

Hungary said last week that the only way that Europe can avoid a recession is if there is an immediate ceasefire announced in Ukraine and warned that Europeans will grow weary of a war that is unfolding "far away."

Balázs Orbán, the political director for Prime Minister Viktor Orbán (no relation), told the *Financial Times* that the EU should move towards "rationality" and, instead of backing the Ukrainian military, call for a peaceful settlement.

"They see that they can beat Putin, they can occupy the Kremlin and that's their goal," he told the paper. "At the beginning of the conflict, at least in the media, that was the mainstream opinion. But I would make a bet with you [on] how it will look in four months' time… more rationality will come up."

He told the paper that the middle class will begin to suffer in Europe and that will lead to new pressure for politicians.

“In Portugal or in Spain, people will not accept the fact that they are at war because they are far away…So it will cause political tension for sure,” he said.

His comments are in lockstep with his boss, the prime minister, who said that he is opposed to additional sanctions imposed against Russia and that the world should look to peace.

“We say yes to peace and no to more sanctions,” the prime minister said, according to Prensa Latina. He made the comments at the European Union summit in Brussels.

GLOBSEC institute conducted a recent opinion poll in Central and Eastern Europe that found only 48 percent of Hungarians blamed Russia for the Ukraine invasion.

There's an ongoing debate in the EU about how long a united front against Russia could last when the fall and winter roll around and these countries are forced to function without Russian gas.

Markus Krebber, the head of German utility RWE, told the paper in an interview that there could be “chaos” when these gas supplies are turned off.

“The real fear I have is that European solidarity will come under significant stress if we don't sort it out before the situation happens,” he said.

Citing multiple sources familiar with the situation, CNN reported that U.S. officials have been meeting with their British and European allies to discuss a negotiated settlement. The report said the framework would include Ukraine committing to neutrality vis-à-vis NATO and “negotiations between Ukraine and Russia on the future of Crimea and the Donbas region.”

We have pointed out that Ukrainian officials have said they would be unwilling to give up one inch of their country. Ukrainian President Volodymyr Zelensky said last week that Russia now occupies about 20 percent of the country.

TREND FORECAST: *Russia took control of the key city of Severodonetsk in the eastern Donbas region which was Ukraine's last stronghold in the region. Forces have been clashing in this city for months, which led to much of the city's destruction according to the Ukraine military.*

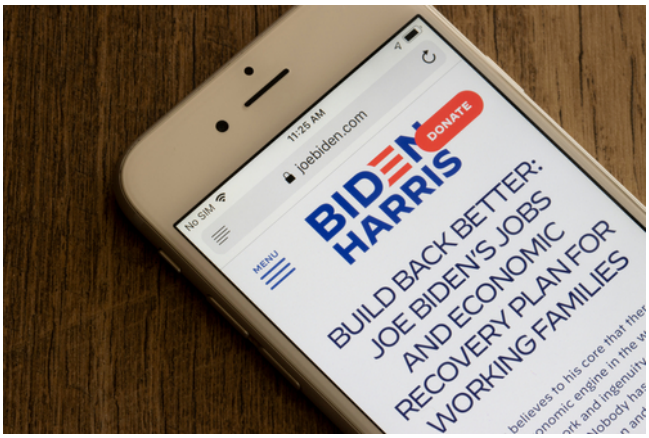
Rather than admitting complete defeat, the Western media instead trumped-up what the Ukraine government called "tactical withdrawal." Again, with Russia now controlling some 20 percent of Ukraine, as we had forecast before the war began on 24 February, Ukraine would be in a better position to have negotiated for peace before the war escalated since they would not defeat Russia and billions of dollars would not be wasted in to bloody the killing fields and cities would not be destroyed.

TRENDPOST: *The Western media has been one-sided in its coverage of the war and did its best to frame the early stages of the war as though Ukraine would somehow emerge victorious through their grit.*

The Trends Journal *has said that Kyiv will not win, and it would have been in the country's best interest to negotiate early with Putin, when the Russian leader did not yet know for sure that the West would not join the fight. U.S. President Joe Biden ruined that possibility when he announced weeks before the invasion that U.S. forces would not save Ukraine. (See "ZELENSKY REJECTS PEACE PROPOSAL, SAYS UKRAINE WILL BEAT RUSSIA" and "UKRAINE CONFLICT HEATS UP: PUTIN RECOGNIZES DONETSK, LUHANSK AS INDEPENDENT FROM UKRAINE.")*

The harsh reality is that anyone who talks about concessions is immediately written off as a Putin sympathizer and, because of that, our suicidal politicians will continue to carry out their proxy war with Russia for as long as it take to… nobody seems to know.

BS BIDEN BLAMES PUTIN FOR ECONOMIC PAIN



President Joe Biden has made it clear that Americans should know that the economic hardships that they face can be blamed on Russian President Vladimir Putin and not the useless COVID-19 lockdowns, trillions in stimulus funding, and massive sanctions leveled against Moscow... all which have spiked inflation and driven down the economy.

Biden said Wednesday that Americans have been willing to sacrifice after the Russian invasion and “chose to stand with the people of Ukraine.”

"So for all those Republicans in Congress criticizing me today for high gas prices in America, are you now saying we were wrong to support Ukraine? Are you saying we were wrong to stand up to Putin? Are you saying that we would rather have lower gas prices in America and Putin’s iron fist in Europe? I don’t believe that," he said.

Biden has long blamed the Russian president for causing the economic hardships in the country and said “Putin’s price hike” is taking its toll on Americans. Biden used a recent speech in Los Angeles to call energy price increases “Putin’s tax.”

Old News New News

Last Wednesday Fed Head Jay Powell appeared before the Senate Banking Committee and noted how inflation was popping even before the 24 February Russian invasion of Ukraine.

A “bit” late, for nearly two years Powell was saying inflation was “temporary, then “transitory, while we warned of skyrocketing inflation as a result of the zero interest rate policy and the trillions of cheap money dollars pumped into the economy to artificially prop it up during the height of the COVID War.

TRENDPOST: *Readers of the* ***Trends Journal*** *know that we have rejected claims that inflation was "temporary" or "transitory" for months. (See "INFLATION RISING. NOT 'TEMPORARY' OR 'TRANSITORY.") As long ago as 4 August 2020, we warned in our "Global Economic Trends" section that supply-chain disruptions would lead to inflation and that those disruptions would make inflation a long-term problem ("Consumer Prices Rise in July," 18 Aug 2021).*

Powell was asked by Sen. Bill Hagerty, R-Tenn., about inflationary pressures. Hagerty said inflation was at 1.4 percent in January 2021 and by December 2021, it jumped to 7 percent. Powell acknowledged that inflation was high before the war.

"I'm glad to hear you say that," Hagerty responded. "The Biden administration seems to be intent on deflecting blame and as recently as just this past Sunday spread the misinformation that Putin's invasion of Ukraine is the 'biggest single driver of inflation.' I'm glad you agree with me that that is not the truth."

Putin also chimed in on Biden's claim during a notable virtual meeting with fellow BRICS leaders last week. Putin laid blame on the irresponsible actions by G7 countries, and pointed out that the jump in prices "did not happen yesterday."

Putin called those blaming him on the West's economic woes as ignorant to the facts. Putin, who did not mention the U.S. by name, said Western leaders were using Russia as a "life buoy" to avoid taking responsibility for their economic hardships.

Biden Calls for the Suspension of the Federal Gas Tax

President Joe Biden last week appealed to members of Congress to suspend the federal gas tax for about three months, which is about 18 cents a gallon that goes to the federal Highway Trust Fund.

Jay Zagorsky, senior lecturer in markets, public policy and law at Boston University, told *MoneyWise* that the typical American could plan to save just slightly less than $6 a month.

“In a time when inflation is over 8 percent, an extra $6 will not make much difference,” he said.

WSWS.org reported that the president also called on states to suspend their gas taxes because the country needs to come together during this “time of war, global peril, Ukraine.”

“These are not normal times… Let’s remember how we got here: Putin invaded Ukraine. Putin invaded Ukraine with 100,000 forces,” he said, according to the outlet.

WSWS.org took issue with Biden saying the country is experiencing a war, pointing out as we have, noted... America is at war with Russia:

> *“Who declared this war? Who brought the United States into it? This statement blows apart the fiction that the U.S. and NATO are not at war with Russia. And the assertion contradicts the claim that the U.S. concern in Ukraine is to ‘defend democracy and freedom.’ When were the American people ever consulted about this war? The very decision to intervene was taken on democratically and behind closed doors, as the result of a protracted imperialist build up against Russia.”*

Biden has suggested that the criticism that he faces is just the politics of the moment.

“But the simple truth is gas prices are up almost $2 a gallon because of Vladimir Putin’s ruthless attack on Ukraine, and we wouldn’t let him get away with it,” Biden said. “And we’re doing everything we can to reduce this pain at the pump now."

TREND FORECAST: *The “simple truth” is that simpletons are running the government. Go back to March when Washington announced a ban on Russian oil imports, joining Canada and the United Kingdom. Oil prices in the U.S. hit their highest levels since 2008. Prices reached $130 per barrel last Sunday, which we pointed out. (See “WAR IN UKRAINE ECONOMIC OVERVIEW.”)*

And on 11 March Biden declared, “Democrats didn’t cause this problem. Vladimir Putin did,” Biden said of the Russian president. “Putin’s gas tax has pushed prices higher.”

Yet, there was little or no denunciation for this moronic statement from the Presstitute media that gas prices were rising before the Ukraine War, and Biden, by his own admission, had made a bad situation worse.

In fact, in response to Biden's claim, Mr. Putin said, "Supplies of Russian oil, say, to [the] American market do not exceed 3 percent. This is a negligible amount. We have absolutely nothing to do with it. They just hide behind these decisions in order to deceive once again their own population."

TREND FORECAST: *While President Biden bragged that the sanctions mean "Russian oil will no longer be acceptable at U.S. ports and the American people will deal another powerful blow to Putin's war machine," a few weeks ago, he did not mention that it is also dealing a powerful blow to the American people.*

The national average price of gasoline surpassed $5 a gallon for the first time ever in June, and some economists have warned these prices could hit $6 sometime during the summer months.

Again, as we continue to note, the general public is only getting a one-sided view of the sanctions and mandates imposed against Russia, which we forecast will do nothing to alter Moscow's military posture, but will cause great hardship for the people of the world.

And, as to how will Russia fight against the sanctions being imposed upon it and the scores of businesses and financial institutions leaving the nation? Russia has bolstered itself over a long period of time—even prior to the Ukraine War—in preparation for the assault by creating as much of a self-sufficient economy as possible, in line with our Top 2022 Trend of self-sufficiency.

Adding Ignorance to Stupidity

Also, while President Biden said back in mid-March that "As a result of these unprecedented sanctions, the ruble almost is immediately reduced to rubble," the ruble is trading at a seven year high.

TREND FORECAST: *Again, with not a mention of peace or the reality that Ukraine will not defeat Russia, Biden had ramped up the killing machine by stating that "We're going to make sure Ukraine has the weapons to defend themselves against an invading Russian force," he said, vowing to defend "every inch of NATO territory."*

Yes, after being unable to win a single war it has started since the end of World War II, Biden's war mongering is cheered by Congress and applauded by the mainstream media.

And as they have a long history of doing, the mass of Americans swallow Presidential and "official" bullshit, just as they have marched off to every war the U.S. has launched since the end of WWII... including getting jabbed to fight the COVID War.

U.S. ATTORNEY GENERAL VISITS UKRAINE TO CONVICT RUSSIA OF WAR CRIMES

War crimes sell, if it's the other guy committing them.

Vietnam War, Yugoslav War, Iraq Wars, Afghan War, Libya War, Yemen War, etc... in the evil eyes of Washington, they were not crimes against humanity that killed several million and cost scores of trillions. No, every U.S. President repeatedly praised their death squads asking that "God Bless our Troops"... for bringing "freedom and democracy" to foreign nations that were of no threat to the American people.

In pure hypocrisy, the U.S. has been fixated on uncovering war crimes committed by Russian forces in Ukraine and even sent U.S. Attorney General Merrick Garland to Kyiv to "reaffirm" Washington's commitment to help the government "identify, apprehend, and prosecute" individuals involved in these crimes.

“There's no hiding place for war criminals,” Garland said. “The U.S. Justice Department will pursue every avenue of accountability for those who commit war crimes and other atrocities in Ukraine.”

Garland was clearly referring to allegations leveled against Russian forces since the onset of the 24 February invasion.

Kyiv has said that it has identified thousands of war crimes committed by Russian forces, most notably the killings in Bucha. About 400 were found dead in the city on 1 April. Reuters described the scene: “Bucha's still-unburied dead wore no uniforms. They were civilians with bikes, their stiff hands still gripping bags of shopping. Some had clearly been dead for many days, if not weeks.”

(See “BIDEN SAYS BUCHA MASSACRE PROVES HE’S RIGHT THAT PUTIN IS A WAR CRIMINAL.”)

The U.S. State Department announced in May that it launched a “Conflict Observatory” program intended to document evidence of war crimes committed by Russian troops during the Ukraine War to use in possible future prosecutions.

The program's intended purpose is to “capture, analyze, and make widely available evidence of Russian-perpetrated war crimes and other atrocities in Ukraine.” The website's goal is to share this “documentation to help refute Russia’s disinformation efforts and shine a light on abuses.”

Xavier Bettel, the Luxembourg prime minister, also said his country will also back these investigations and aim to hold guilty parties accountable.

TRENDPOST: *The Ukraine War has been fought on two fronts: the actual war, and the propaganda war. Russia and the U.S. are two propaganda heavyweights and we have documented at least one instance where Washington essentially admitted to embellishing a story to further its goal of vilifying Russia. (See “RUSSIA USE OF CHEMICAL WEAPONS IN UKRAINE WAS A U.S. LIE.”)*

NBC News published a report in April that challenged Washington's claim that Russia was planning a chemical attack against Ukrainian forces. One unnamed official went as far as to say that the claim was an effort by the U.S. to get into Russian President Vladimir Putin's head.

The report cited three U.S. officials who said there is no evidence that Russia is planning a chemical attack against Ukraine.

Allegations of war crimes would bolster the U.S.'s effort to portray Russian President Vladimir Putin as a madman bent on world domination at all costs. Russia has essentially denied all wrongdoings and blamed Ukrainian forces and their Western allies for perpetuating the misinformation on a large scale. But, of course, the corporate/government media in the U.S. ignores Russia's claims because "they can't be trusted."

***TRENDPOST:** It is also worth noting that Garland might do well to look into allegations of war crimes against former U.S. presidents. We reported last month that a video emerged showing President George W. Bush explaining to who he thought was Ukrainian President Volodymyr Zelensky that he only needs to be focused on killing Russians.*

The video conference meeting turned out to be a prank, but offered viewers a glimpse at the depravity in the minds of our elected officials.

But, of course, the mainstream media pretended that the interview never happened. It is also notable that weeks prior to the prank, Bush slipped during a speech and called the Iraq invasion "unjustified."

President Joe Biden has made a career out of calling Putin a "war criminal," even before the invasion. (See "POT CALLS KETTLE BLACK: BIDEN CALLS PUTIN A WAR CRIMINAL.")

ITALY'S FIVE STAR MOVEMENT SPLITS DUE TO INFIGHTING OVER APPROACH TO UKRAINE

Italy's Five Star Movement put a new strain on Prime Minister Mario Draghi's coalition government after announcing it will split due to differing views about the best approach to the Ukraine invasion.

Luigi Di Maio, the country's foreign minister, was the most notable defector. He has been a vocal critic of Russia's invasion and proponent of military support for Kyiv.

France 24 reported that since taking on the role of foreign minister, he has more or less embraced Draghi's pro-European, and "pro-Atlanticist views" to global policy.

Di Maio noted that the breakup means that the Five Star Party, which came to power in 2018, will no longer be the country's largest, and he said he plans on starting his own political movement. Reports out of Italy say he poached 60 other former members of the Five Star Party to join.

Politico reported that he said the decision was "a painful choice that he never thought he would make." He was critical of the party's "ambiguity" on support for war in Ukraine.

The Five Star Movement, perhaps to its own demise, was comprised of politicians of all stripes and is divided on Ukraine. Giuseppe Conte, the head of the movement and former prime minister, agreed with supporting Ukraine at the start of the war, but has changed his tune.

He now calls for dialogue between the countries to reach a peaceful settlement, Politico reported.

France 24 reported that a rift began to emerge between Di Maio and Conte in March when the Five Star Movement voiced opposition to Rome's decision to up its defense

spending from 1.4 percent of GDP to the 2 percent NATO target by 2024 instead of 2028.

Some political analysts in Italy do not see Di Maio's departure as particularly brave since the Five Star Movement, which was considered a populist, anti-establishment political party, is seen as a fading star trying to remain relevant due, in large part, to dismal polling.

"Today ends the story of the Five Star Movement," Matteo Renzi, the former prime minister, tweeted.

Maurizio Cotta, a professor of politics at the University of Siena, told France 24, that the Five Star Movement is in crisis.

"It doesn't know where to go and it's facing the loss of a lot of its MPs in next year's elections," he said. "Everybody in Five Star is scared."

TRENDPOST: T*he* ***Trends Journal*** *has long forecast that the populist movement in Italy is dead and "the Banksters are in charge." Indeed, as Gerald Celente has noted—as clearly evidenced by their being the first Western nation to fight the COVID War and enforce some of the most stringent lockdown mandates on earth—the Italian people are obedient and submissive. From small town bureaucracies to the top of their federal leaders, the Italians do what their politicians tell them, and march off to government orders.*

Despite both the Five Star Movement and the Northern League, movements that had campaigned on breaking away from the European Union, doing away with the euro, and restoring the lira... both parties voted for Draghi to become prime minister. Thus, the populist movements showed their first cracks in early 2021. (See "ITALY: POPULIST MOVEMENT DEAD PART II.")

Draghi symbolized the destruction of the anti-euro, anti-eurozone, anti-immigration populist movements when their leaders voted Draghi into office.

The populist movement hit its nadir in 2018 but the League party and the Five Star Movement have taken a middle-of-the-road government path ever since.

Cotta told France 24 that Di Maio is essentially "in the club" despite selling sandwiches at the Napoli football stadium before entering politics.

"Imagine being Di Maio, if you know his past," Cotta told the outlet. "Now he's minister of foreign affairs. Everything is prepared for him by the foreign ministry—but still, he has opportunities to go around the world, to meet important people. In the end, he's found a role for himself."

For his own political viability, he "picked up the idea" that Rome must keep its ties to Europe because "that is where Italy has always gone."

HEIL GERMANY AS IT RAMPS UP WAR MACHINE TO BE EU'S TOP FORCE

Forget WWI and WWII. That's "ancient" history. Once again the Germans, in their fight against Russia—along with other murderous NATO nations countries including the United States with their unblemished deadly war atrocity track records—are building up their war machine.

German Chancellor Olaf Scholz addressed the Bundestag on Wednesday and vowed to turn the country's military into the largest in Europe to strengthen NATO's eastern flank, which is code for Russia.

The **Trends Journal** has pointed out that Scholz used the Russian invasion of Ukraine as his impetus to strengthen his own military. Berlin has already earmarked $107 billion for military projects and will now spend 2 percent of its GDP on its military.

The defense ministry said in May that the money in the special fund will purchase 60 Boeing Chinook CH-47F helicopters, and up to 35 Lockheed Martin F-35 fighters.

“The German Bundeswehr will be strengthened,” Scholz said, referring to its military. “It will be in a position to fulfill its defense mission better than ever, and it will be able to make its contribution in NATO so that we can defend ourselves any time against attacks from outside.”

Scholz has recently visited Ukraine and saw some of the damage inflicted by Russian troops. He said some of the images reminded him of the aftermath of WWII.

“And just like the war-ravaged Europe then, today Ukraine needs a Marshall Plan for its reconstruction,” he said, referring to the program used to rebuild Western Europe after WWII.

Scholz said once again that he expects the war to drag on. But when it eventually ends, there will be a need for “many more billions of euro and dollar for reconstruction purposes—for years to come," DW.com reported. He said Ukraine will not be rebuilt overnight and the rebuilding effort will “be a task for generations.”

In the meantime, he told parliament that Europe is required to help Ukraine defend its country.

TRENDPOST: *The* ***Trends Journal*** *has reported extensively on the Ukraine War and Germany’s evolution from a timid supporter to a full-throated backer. (See “PLACE YOUR BETS: CHANCELLOR SCHOLZ SAYS RUSSIA WILL LOSE UKRAINE WAR,” “EU HEADS PROMISE TO KEEP UKRAINE WAR GOING” and “GERMANY JOINS THE FIGHT AGAINST RUSSIA: ‘OPERATION BARBAROSSA 2.0?”)*

TRENDPOST: *Gerald Celente has long said that countries are led by madmen and madwomen who don't even consider the ramifications of an all-out war with Russia.*

Scholz joined other Western leaders on Sunday for a G7 meeting in Bavaria and video emerged that showed Canadian Prime Minister Justin Trudeau, Scholz, President Joe

Biden, and French President Emmanuel Macron laughing at the clown British Prime Ministers jokes, as he was mocking Putin's famous bare-chested horse riding photo.

“Jackets on? Jackets off? Shall we take our clothes off?” Johnson said.

"Let's wait for the picture," Trudeau responded.

"We have to show that we're tougher than Putin," Johnson, a little boy who couldn’t fight his way out of a paper bag, snarked.

"We're going to get the bare-chested horseback riding display," Trudeau said, while others at the table laughed.

The mockery during such a serious meeting shows some kind of psychological disconnect from the realities of the war in Ukraine and the mentally ill people running and ruining our lives. Thousands are dying, there is a food crisis, and the world is inching toward a nuclear war, and the best these boys and girls can do is mock the only man who can bring this conflict to an end.

The blind hatred that the West has for Putin and the ongoing “Hate Russia” Cold War mentality that persists is the reason why Ukraine is on fire and nobody was willing to put out the flames of war before they were ignited.

Top German Air Force Chief Threatens the Use of Nuclear Weapons

Keeping its unbroken world war mentality heated up, a top German military head said last week that the country needs to maintain “the political will to implement nuclear deterrence if necessary” in the face of Russian aggression in the region and said the German military is de facto at war with Russia.

Ingo Gerhartz, the head of the German Air Force, said in a YouTube interview that Berlin was the first to move fighter jets into Romania after the Russian invasion of Ukraine and Patriot missile defense systems have been installed in Slovakia, WSWS.org reported.

The Brookings Institute said Berlin does not have any nuclear weapons but is home to 20 or fewer U.S. B-61 nuclear gravity bombs at Büchel air base. Its Tornado fighter bombers can also deliever them.

“[Russian President Vladimir] Putin, Don't mess with us! By 2030, Europeans will have 600 modern fighter jets in the Baltic Sea region. Then there are the Americans’ planes,” Gerhartz, the head of the German Air Force, said.

The **Trends Journal** pointed out in the early stages of the war that Germany was criticized for not providing Ukraine with enough weaponry and appearing to take a more neutral tone after the Russian invasion. But in this and previous **Trends Journal**s, we have reported that there has been a tremendous shift from the country’s leadership in recent weeks.

WSWS.org pointed out in an article last week that Germany's nuclear rhetoric should not be taken lightly by the Russians and it seems that the country’s “fascist mentality is once again spreading in the ruling class.” The report pointed out how in 1941 Germany’s war against the Soviet Union resulted in the deaths of about 30 million people in the Soviet Union.

TREND FORECAST: *The WSWS.org noted that Gerhartz said in the recent interview on the official YouTube page of the German Armed Forces that he was impressed with the “success” of the Ukrainian Air Force against the Russians.*

He said in the interview that Ukrainians “repeatedly succeeded in occasionally shooting down Russian planes and helicopters.”

Yet, despite Russia now controlling some 20 percent of Ukraine, his incorrect analysis is supported by mainstream media as facts the public should swallow.

The longer the war drags on, the closer the world inches to war and a nuclear disaster. Putin announced Saturday that Russia will send its Iskander-M tactical missile systems to Belarus that are capable of firing "ballistic or cruise missiles, in their conventional and nuclear versions."

FEATURED ARTICLES BY GUEST WRITERS

BIDEN GOES TO THE MIDDLE EAST

By Philip Giraldi

The White House has confirmed that President Joe Biden will travel to the Middle East in mid-July. He intends to visit Israel, the Palestinian Authority and Saudi Arabia. The trip will be used to address outstanding bilateral and multilateral issues, including convincing the Saudis to pump more oil to bring down fuel prices. Among the key topics to be discussed will be the alleged Iran threat, a possible security alliance between Israel and Gulf states backed by Washington, the status of the U.S. Consulate General in Jerusalem, and the future of the Palestinian Authority.

Biden has agreed to a controversial meeting with Saudi Crown Prince Mohammad bin Salman, in which he will ask the Kingdom to agree to “normalize” relations with Israel in addition to increasing its oil exports.

There has also been considerable pressure on Biden to seek a commitment from the Prince to take steps to improve human rights in his country, but the subject is not likely to come up as it is Biden who is seeking concessions from the Saudis.

The Prince, for his part, ordered the October 2018 killing of U.S. resident and Washington Post journalist Jamal Khashoggi in Istanbul. Khashoggi had been highly critical of the Saudi monarchy, particularly regarding its human rights record. Some in Congress and the media have described the private meeting as inappropriate given that fact.

Indeed, pumping more oil aside, the trip is largely about doing many things to help Israel, which is expected to produce favorable reporting in the U.S. media preceding the November midterm election. Biden even described the trip as being "for Israel" and that loud sucking noise you hear is his repeated pledges of loyalty to the Jewish state. He has described himself as a "Zionist" and has enthused "My commitment to Israel is known and engraved in rock."

Lest there be any confusion in spite of all that, the White House statement regarding the trip also made very clear that the president will "reinforce the United States' iron-clad commitment to Israel's security and prosperity." That means that Israel will not be pressured over its appalling human rights record, worse even than Saudi Arabia's, to include the recent assassination of Palestinian-American journalist Shireen Abu Akleh.

On the contrary, Biden is bearing gifts to reward the Israelis for being such great friends, including a proposal that increases U.S. financial and logistical support for the Jewish state's air and missile defense systems, which are already largely funded by Washington.

Other aspects reflecting the Israeli dominance of U.S.-Mideast foreign policy include Biden's convincing the Saudis and also representatives of the Gulf States to step up their efforts to actively counter what is being described as "threats from Iran."

It is being suggested that this might include a security arrangement, not quite an alliance, but a commitment by many of Iran's neighbors to act jointly if the Islamic

Republic threatens anyone in the region. The arrangement would have to include Saudi Arabia, the Gulf States and Israel, backed up by the U.S. military presence in Kuwait, Bahrain and Qatar. Israel is also demanding a Plan B response proposal if Iran and Washington fail to restart the stalled Joint Comprehensive Plan of Action (JCPOA) nuclear monitoring program.

Washington, under pressure from Israel, now appears to be reluctant to make the concessions that would reestablish the original plan and the Israeli government is seeking a commitment by the president to use force, if necessary, when Iran crosses an agreed upon "red line" by enriching uranium until it produces enough fissile material to put together a nuclear weapon.

Of course, there is a trick to the demand as Israel claims that Iran already has enough enriched uranium to create one or more bombs. Israel nourishes regional imperatives that might tempt it to steer the discussions in a direction that would be very favorable to itself at the expense of other U.S. interests in the region.

Israel's leaders regularly boast about their ability to manipulate the American government. They might stage or manage an incident that takes place during the Biden visit to shift perceptions of the status quo in the Middle East. As Israel has demonstrated that at its most extreme it has little regard for American lives or property, one should not be surprised if something odd were to happen.

Many credible observers credit the Israeli intelligence services with a whole series of attacks on American targets, possibly even including arranging the assassination of John F. Kennedy and instigating 9/11. And then there are also the Lavon Affair in 1954 which involved the bombing of U.S. government buildings in Egypt, and the attack on the USS Liberty in 1967 which killed 34 American sailors. To be sure, Israel can be ruthless and its security services are very effective at assassinations and false flag attacks.

Israel wants very much to have two developments to emerge from the Biden visit. First is to effectively eliminate Iran as a potential threat by degrading its military and preventing any moves to go nuclear and second is to delegitimize the Palestinians as negotiating partners for some kind of two-state solution, which Biden claims to

support even though Israelis routinely and generically refer to the Arabs as “terrorists.” To prevent blowback coming from any direct moves to confront the Iranians and Palestinians, Israel would also prefer to have the United States take the lead and do the heavy lifting.

To accomplish that, it is first necessary to change Washington’s assessment of the threats in the Middle East, and that just might be doable by arranging something spectacular while the president in the region, like a bombing, or an act of sabotage or even creating what appears to be a terrorist attack. If done properly, whatever occurs would have false flag Iranian and/or Palestinian fingerprints all over it.

To be sure, America’s Secret Service will do a thorough job to protect the president and his entourage, but the Israelis would be operating on their own turf or in their own backyard and would be able to run rings around them. They would also have intimate knowledge of exactly what is being done to protect the American party.

I am not at all suggesting that the Israelis would resort to lethal violence against a group of traveling top level American officials, but I am merely examining what might happen if Prime Minister Naftali Bennett’s government were to get a bit adventurous in an attempt to change the playing field.

Bear in mind that Bennett’s government is in trouble. It lost a confidence vote and has called for new elections to be held on October 25th, which could mean a return to power of the truly ghastly Benjamin Netanyahu.

What would be better than to stage an international crisis of some kind to rally the Israeli people behind the current government? That would be in addition to creating a mechanism for dealing effectively with the Iranians and Palestinians, which would be very popular among Israeli voters, if an election were to occur.

So, Joe Biden is heading into a crap shoot in the Middle East. Israel will be squeezing him hard and might even do something stupid, while the Saudis have little incentive to give the American president what he wants. The Palestinians meanwhile will wind up abandoned by everyone, once again.

But one thing that is for sure is that when Joe returns the spin on how it was a fabulously successful trip will fill the newspapers and airwaves. And then everyone will sit back and hold their breaths to see if that ploy has worked. Come November we will know.

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CENTRAL BANKS ARE RIGGING THE DEBT MARKET LIKE NEVER BEFORE

By Gregory Mannarino, TradersChoice.net

Since my last article published here in the **Trends Journal**, we witnessed an unprecedented selloff in the debt market which led to an uncontrolled spike of the 10-year yield, and this spiking of the 10-year yield led to a steep drop in stock prices. These events, with one triggering the other, caused both the European Central Bank/(ECB) and the Federal Reserve to now engage in yet more debt market manipulation. **A move to an "emergency policy stance."**

Immediately following the rapid and uncontrolled selloff in the debt market both here in the U.S. and in Europe, the ECB instituted an emergency monetary policy to prevent "fragmentation" of the debt market. This action by the ECB sparked the Federal

Reserve to also act. The Federal Reserve is calling their action “unconventional means” to prevent disruption in the debt market.

As a result of this unprecedented action by both central banks, bond yields across Europe and the U.S. have dropped, and more specifically the benchmark 10-year yield has normalized. This “normalization” of the 10-year yield has caused some cash to make its way back into risk assets/stocks, and world equity markets are seeing some inflows. The only question is how long will this last?

The fact of the matter is this, the current actions being now taken by the ECB and the Federal Reserve are MASSIVELY inflationary, and they know it. With central banks now again buying debt, they must again create EPIC sums of cash out of thin air to buy it. What is happening here is yet again another round of quantitative easing—ON STEROIDS.

Both the ECB and the Federal Reserve are rigging the debt market, keeping rates suppressed, all in an effort—which seems to be working so far—to inflate stock/equity prices. **But it's bigger than that…**

In my opinion what these central banks have done/are doing is just put a bandaid on a monumental problem, simply pushing off an eventual total meltdown in the debt market.

Today global debt continues to surge higher, and it cannot ever stop, it is the way in which the system is designed to work... it’s a debt-based system. Moreover, despite this, there is not enough debt to allow the system to function—without continually and exponentially expanding the debt, the system immediately becomes illiquid. Once the system becomes illiquid, ALL TRANSACTIONS STOP.

What central banks are desperate to try and avoid, for now, is an illiquid system. Every manner and method available to them will be utilized to keep the system able to find reasons to borrow more cash/create more cash and add it to the system. Wars, expansion of war, various disease processes, another crisis, ANYTHING to keep the machine liquid.

So be ready for anything…

By Joe Doran

ELITES: THIS LAND IS OUR LAND

How much land should one person, one corporation, one foreign power, or one domestic government be able to own?

Those are questions that Americans trying to escape horribly run cities, only to find themselves priced out of options in suburbs and rural areas, should be asking.

This past week Bill Gates made news (again) for attempting to snap up farmland, this time in North Dakota. Gates currently owns more than 268 thousand acres of farmland in at least 18 states.

But the billionaire megalomaniac isn't even close to being the largest owner of farmland in the U.S., though he is the biggest private owner.

The largest corporate owner of farmland is John Malone, who owns some 2.2 million acres of forests, farmland and ranches. Malone, former CEO of TCI, sold the company to AT&T in 1999 for $50 billion.

Amazon's Jeff Bezos actually owns more land than Gates, with a reported 420-plus thousand acres in his portfolio.

Ted Turner is currently third on a 2021 list of rich American landowners. He holds some 300 thousand acres. Stan Kroenke, a real estate mogul and husband to Walmart heiress Ann Walton Kroenke, owns 1.4 million acres, good for 5th on the list. Peter Buck, a founding partner of the Subway franchise, was 7th on the list, with about 1.24 million acres held.

There are also plenty of names that aren't as publicly familiar, that own vast chunks of acreage: the Emmerson Family, with lands equal to a third of the size of Vermont, the Reed Family, owners of Green Diamond Resource Company, with logging lands in Oregon, California and elsewhere, and the Irving Family, with large holdings in Maine.

A pre-pandemic *Washington Post* article noted at the time that America's wealthiest 100 families owned 40.2 million acres. They doubled their land holdings in just 10 years, from 2007, to 2017.

Of course, the largest owner of land in the U.S. is the government. Federal, state and local governments own about 37 percent of available land.

Every year, the percentage rises, as new set asides and "preserves" are created, in the interest of environmental and strategic concerns.

And the latest wealthy U.S. landowner? That would be a foreign country by the name of China ("CHINA SWALLOWING UP U.S. FARMLAND").

China joined the WTO in 2001. It was supposed to be a win-win in a globalized economic scheme devised by elites. But China has played by its own rules, as the **Trends Journal** detailed in articles such as "CHINA CHALLENGING U.S. HI-TECH DOMINANCE" (13 Jul 2021), "CHINA BUSINESS ESPIONAGE NETS $500 BILLION A

YEAR" (19 Jun 2021) and "CHINA 'TALENT PROGRAM' GIFTED AT STEALING AMERICAN IP" (26 Oct 2021).

Not coincidentally, foreign interests led by China have doubled their holdings of American land since 2000. At this juncture, foreign investors own more than 30 million acres of U.S. farmland, according to NPR, and it has at least some people worried.

Playland For Climate Change and "Super Crop" Profits

Bill Gates made the news cycle after North Dakotans made noise about Gates potentially violating state laws with a major farmland buy there.

The State Attorney General responded with a 21 June letter to the trust representing Gates in the purchase. The letter informed the trust that all corporations or limited liability companies are "prohibited from
owning or leasing farmland or ranchland in the state of North Dakota," as well as "engaging in farming or ranching."

The story demonstrated that Americans are becoming more aware of the elite land grab.

Why does Gates want all those acres? He obviously sees high tech agriculture, fueled by new technologies like gene editing and synthetic biology, as a hugely profitable bet. (See "WHEN ALL ELSE FAILS, GENE EDITORS BLAME WAR," "SYNBIO AND BIO PHARMA: YES, THERE'S HUGE UPSIDE" and "GENETIC MODIFICATIONS BEING PREPPED TO "SOLVE" EVERYTHING.")

A Gates friendly article at landincome.com assured readers that the world's 4th richest man and America's largest private owner of farmland had only the best of intentions.

Gates has shown sustained interest in agricultural innovations, and has been advancing ag related projects in Africa and elsewhere since 2008. In 2021, The Bill & Melinda Gates Foundation introduced Gates Ag One, a non-profit initiative to assist farmers in underdeveloped nations acquire Agri-Tech, upgrade agricultural equipment,

learn how to increase production, and more effectively adjust to environmental changes.

Of course, Gate's philanthropic initiatives often manage to not only burnish his image, but fatten his wallet in one way or another, as the **Trends Journal** pointed out in "BILL GATES, PHILANTHRO-PREDATOR" (21 Sep 2021).

The landincome.com article noted that plant-based protein production is projected to be worth $23.4 billion by 2027.

Biofuels also stand to benefit even more from government subsidies then they currently do, as "climate change" dominates energy policy and distorts economics. And Gates has had a huge hand in manipulating those distortions (see "ENERGY INFLATION AND GREEN ENERGY TYCOONS," 17 May 2022).

Other tech investors like Jeff Bezos are grabbing up land just like Gates, as they promote public policies designed to make their acquisitions that much more profitable.

So How Much Land Do Average Americans Own?

Meanwhile, most Americans make do with a paltry portion of land. Eric O'Keefe, editor of Land Report, which compiles ownership statistics, put it this way:

> *"Eighty percent of us live on 3 percent of the United States. Large swaths of privately owned land are beyond comprehension because they are simply beyond the horizon."*

"Beyond the horizon," meaning that most Americans don't derive their livings from real estate, and therefore tend not to be concerned with who owns all of that land.

Edward Wolff, an NYU economist, has calculated that the wealthiest 1 percent of households own 40 percent of the nation's non-home real estate, and the wealthiest 10 percent own over 80 percent of non-home available land.

The ravages of the COVID War only accelerated the divide between elite haves and locked down have-nots in America. But one thing those lockdowns achieved was making many Americans realize how little space they owned, in the grand scheme of things.

Those who can, have been rushing out of the cities as fast as they can since 2020, buying places with a bit more land in rural outlying locales. If potential lockdowns at the whim of elites is the new normal, the common herd has at least decided they want their pens to be a little larger.

Land, the Scarcest Resource

Gold is a shiny, malleable, dividable and rare metal. Bitcoin is a digit with a hard cap in total number, kept track of in a distributed ledger, with ownership of tokens under a nifty cryptographic lock and key.

Both have found value with people. But elites know that land is the most valuable resource that exists on earth. Land is where food grows, where humans and animals habitate, where resources are mined and grown, where rainwater falls, where plants make oxygen, and where life happens.

Land is scarce. Until humans move to other planets, which isn't happening any time soon, despite the dreams of Musk and Bezos, planet earth is all there is. And arable, productive land is even scarcer.

A new wave of uber rich seem to have caught on to the relationship between land and emerging technologies. The Industrial Revolution was famously noted for shifting wealth and power away from a landed aristocracy. But landed elites never really stopped profiting from land ownership, of course. They just took a backseat to the nouveau riche.

Especially since 2000, tech and mega finance billionaire fortunes have been finding their way into land investments at a distinctly accelerated pace, creating a kind of convergence of land and industrial wealth that is squeezing average humanity like never before.

Whether its huge equity firms buying everything from luxury parcels to mobile homes (see "SOARING HOUSING COST REACHES MOBILE HOME PARKS," 21 Jun 2022), billionaires riling sleepy rural backwaters with gaudy purchases, or foreign nations looking to make American farmland an indentured servant of their own growing, affluent middle classes (see China), Americans are waking up to the swindle.

Any Advocacy For Average People Worth the Name?

The advocacy group Farm Action Network (farmaction.us) is putting forward at least some positions that would blunt the wholesale destruction of family farms and local connections that many consider vital to maintaining healthier oversight and healthier food.

Several proposals are aimed at constraining the power of "Big Ag" corporations, including:

- A "Prohibiting Anti-Competitive Mergers Act"
- A "Food and Agribusiness Merger Moratorium"

They list breaking up corporate AG as a major goal:

> *"A food system controlled by corporate behemoths poses a food security and a national security threat. By breaking up agrifood corporations and investing in local and regional food systems, we can enhance market transparency and competition. It's time to empower people, not corporations, and create a resilient food and agriculture system that will feed us even if calamity strikes. If we build local, we can eat local!"*

Unfortunately, the group seems even more concerned with a woke social equity and "climate change" agenda, which is virtually indistinguishable from the globalist playbook.

For example, the Farm Action Network advocates using government regulations, disincentives and subsidies to promote less meat production and more use of grains to feed humans, not livestock.

The group's pronounced anti meat production goal is a road to eating bugs that dovetails nicely with mega elites at the World Economic Forum and The Bill and Melinda Gates Foundation.

Other legislation proposes reparations for Blacks in the form of a "Justice for Blacks Farm Act," which proposes 160 acres be given to blacks at "no cost."

Other programs offer special advantages for women, and for farmers who take climate action.

Focusing on woke politics is an effective way of keeping different factions fighting over scraps, while elites jet around the world, eat organic grass fed steak on keto diets, and continue to buy up the world and control the focus of debate.

Farm Action Network advocates virtually no action, and doesn't even mention the mega billionaires behind the 21st century land grab.

Also, at least judging from the topics currently prominent on its website, the group seems little concerned with the troubling gene editing and gene modifying trends being formulated and decided right now by technocratic elites.

Other groups like Land Report, which is oft-quoted in stories concerning mega billionaire investments in farmland, don't advocate for limits on land ownership for the rich. The outlet mostly just reports on the latest acquisitions.

The outlet did feature an extensive 2021 story on Bill Gates that revealed just how far back the tech titan began to "diversify":

> *"Actually, when it comes to the extensive farmland portfolio of Bill and Melinda Gates, the question should be, 'Ever hear of Michael Larson?' For the last 25 years, the Claremont McKenna College alum has managed the Gateses'*

personal portfolio as well as the considerable holdings of the Bill & Melinda Gates Foundation. (Although our researchers identified dozens of different entities that own the Gates' assets, Larson himself operates primarily through an entity called Cascade Investment LLC.)

In 1994, the Gateses hired the former Putnam Investments bond-fund manager to diversify the couple's portfolio away from the Microsoft co-founder's 45 percent stake in the technology giant while maintaining comparable or better returns. According to a 2014 profile of Larson in the Wall Street Journal, these investments include a substantial stake in AutoNation, hospitality interests such as the Charles Hotel in Cambridge and the Four Seasons in San Francisco, and "at least 100,000 acres of farmland in California, Illinois, Iowa, Louisiana, and other states … ."

Clueless Progressives, Deluded Conservatives

Remarkably, no political faction is proposing any real land reform that would expand property held by the bottom 50 percent, or even bottom 90 percent of Americans, who are sitting on 3 percent of American land.

A California based *Longview News-Journal* article noted that California is doing next to nothing to solve its status as the lowest home ownership state in the nation.

The article pointed out that liberal bastions are literally the worst places for the "unlanded" to try to get their piece of the American dream:

"Just 56% of California's families live in homes they own, very slightly higher than New York's lowest-in-the-nation 55% rate and nearly 10 percentage points behind the 65% national rate, according to the Public Policy Institute of California.

"'Homeownership has long been a central feature of the American dream,' PPIC's research team writes. 'It is the leading source of wealth for most families, and over the long run provides families with more stable and lower housing costs

compared to renting. Yet—primarily because of the state's high housing prices—homeownership is out of the reach of many Californians.'"

Despite wealth stratification in California being abysmal, politicians like Governor Newsome propagandize via buzzwords like "equity," egalitarianism and inclusion, the paper observed.

It pointed out that politicians are often quick to peddle a new program offering relative peanut incentives, while doing nothing to change the fundamental, enormous divides:

> *"It's typical of politicians' approaches to social and economic disparity—create a new program with a catchy title that has little impact, if any, and sidesteps core issues.*
>
> *"California's low rate of homeownership results from high levels of poverty and sky-high home prices. Throwing a few dollars at it doesn't solve the problem and could even make it worse by enticing some families to buy homes they really cannot afford."*

Instead of addressing the elephant in the room, which is the vast difference in the land holdings of the elite few versus the paltry 3 percent held by the other 90 percent of Americans, even "progressive" advocacy has marginalized itself with modest movements like tiny homes and clustered housing.

A good example of recent trends is a dwell.com article that extolls the loosening of local zoning laws to allow the building of extra housing units on existing small single home lots.

In other words, the big idea is to provide, in places like Oregon, Maine, North Carolina and Colorado, new flexibility for small landowners to crowd more of themselves onto their meager plots, while billionaires, corporate investment groups, and foreign powers feast on the rest.

It's clear that land ownership is taking a huge step backward in America, and that's not the kind of progress from past eras that anyone should find comforting.

THIS WEEK IN SURVEILLANCE

COVID ZEALOTS TAKE A U-TURN ON BIG TECH TRACKING

Recent events at the Supreme Court may give a boost to legislation introduced in May to break up major components of some of the largest U.S. tech companies.

The "Competition and Transparency in Digital Advertising Act" would specifically force companies like Google, Meta and Amazon to sell-off either their advertising businesses, or their "user facing" platforms that provide services to the public, like Google's YouTube, for example.

The bill was sponsored by a bipartisan group of legislators, including Senators Mike Lee (R-UT), Amy Klobuchar (D-MN), Ted Cruz (R-TX), and Richard Blumenthal (D-CT).

Mike Lee, who helped craft the bill, said its objective was to provide greater competition, reduce conflicts of interests in the safeguarding of rights of consumers:

> *"Companies like Google and Facebook have been able to exploit their unprecedented troves of detailed user data to obtain vice grip-like control over digital advertising, amassing power on every side of the market and using it to block competition and take advantage of their customers. The conflicts of interest are so glaring that one Google employee described Google's ad business as being like 'if Goldman or Citibank owned the NYSE.'*
>
> *"This lack of competition in digital advertising means that monopoly rents are being imposed upon every website that is ad-supported and every company—small, medium, or large—that relies on internet advertising to grow its*

business. It is essentially a tax on thousands of American businesses, and thus a tax on millions of American consumers.

The bill may get a significant boost from Democrats who were fine with Big Tech tracking data being used to enforce COVID 19 lockdown measures, violating privacy rights of Americans.

Many partisans on the left were happy with "track thy neighbor" government and big tech initiatives during COVID, to enforce lockdowns, and pressure and even compel people to take a controversial medical treatment.

Now they're suddenly worried that women might be "hunted down" for seeking abortions, following the Supreme Court's striking down of Roe v. Wade.

"The FTC should investigate Apple and Google's role in transforming online advertising into an intense system of surveillance that incentivizes and facilitates the unrestrained collection and constant sale of Americans' personal data," a letter to the agency signed by Democratic Senators Elizabeth Warren, Cory Booker, and several others exhorted this past week. "It is beyond time to bring an end to the privacy harms forced on consumers by these companies."

Track and Sell Model To Meet Its Demise?

The Electronic Frontier Foundation outlined the problems for end users that have resulted from the way the largest social media, search engine and selling platforms are designed.

Google Search and YouTube, Meta and Amazon provide user-facing platforms. But advertisers are also their clients.

Design decisions that compromise user privacy in favor of providing that data to advertisers, in order to sell off of, represents a fundamental conflict of interest.

The EFF noted for example, that Google has continued to allow sharing of private information between its Chrome web browser and Android operating system, even as

other browsers and operating systems have adopted more pro-privacy policies, in response to consumer concerns.

“When advertiser interests conflict with user rights, Google tends to side with its advertising clients,” the EFF explained. “Splitting user-facing platforms apart from ad tech tools would cut right through this tension. Chrome and Android developers would face competitive pressure from rivals who design tools that cater to users alone.”

Geolocation tracking, another tool often used by tech companies to gather lucrative data for advertisers to leverage in selling products and services to users, is now coming under new scrutiny.

Companies including Google and Apple deploy technology that maintains track of customers' geographic movements. Data is supposedly disassociated and anonymized before it is sold to buyers, sometimes known as "data brokers," according to a *Post Millennial* article on the practice.

But lawmakers are now concerned at how it’s actually pretty simple to correlate aggregated data to specific individuals.

That’s because data brokers often have their own datasets that connect Tech data advertising IDs to their own databases with user names, email addresses, phone numbers, etc.

"But even without buying this additional data, it is often possible to easily identify a particular consumer in a dataset of 'anonymous' location records by looking to see where they sleep at night," the lawmakers’ letter to the FTC argued.

The *Post Millennial* observed the irony of big tech tracking concerns being prioritized now that liberals might be the ones pursued for violating laws. “Democratic lawmakers did not address Apple and Google's history of tracking COVID-19 positive users' movement without their permission,” the outlet noted.

The full text of the Competition and Transparency in Digital Advertising Act can be read here.

The **Trends Journal** has covered the unethical and even illegal practices and technology tech corps have used to abuse the rights of citizens in numerous articles. Some touchstones include:

- "IT'S TIME FOR AN END-USER RIGHTS AGREEMENT" (10 May 2022)
- "CANCELED IN THE METAVERSE" (16 Nov 2021)
- "AMAZON CAUGHT ILLEGALLY UNDERCUTTING COMPETITION" (19 Oct 2021)
- "PULL THE PLUG ON TECH POWER OR THE PLUG WILL BE PULLED ON YOU" (24 Aug 2021)
- "HOW BIG TECH MAINTAINS ITS MONOPOLY" (17 Aug 2021)
- "DHS PARTNERING WITH SOCIAL NETWORKS ON CITIZEN SNOOPING" (13 Apr 2021)
- "AMAZON USING DIGITAL BOOK DOMINANCE TO CENSOR" (16 Mar 2021)
- "FACEBOOK TO PAY MILLIONS OF USERS OVER BIOMETRIC DATA BREACH" (26 Jan 2021)
- "BILL OF NO RIGHTS: YOUR APP IS WATCHING" (28 Apr 2020)

BEAT THE ELITE: TRENDS IN PREPAREDNESS

BASIC MEDICAL SUPPLIES ARE A MUST

There's gold, and then there are items worth their weight in gold in an emergency or situation of need.

Basic medical supplies certainly fit that description. In times of shortages and uncertainties, it's prudent to make sure the following basic items are on hand.

- **Unopened First Aid Kit:** Basic First Aid kits can still be found pretty inexpensively. But at least one fresh kit that has quality items and a beefed up trauma item checklist, is worth the investment. Kits should also be in all vehicles. Basic first aid kits should have a variety of bandages, antibiotic ointment, a thermometer, and other common sense items.
- **A Power Generator / Battery:** Gas, solar, whatever. A power back-up that can run medical equipment in an emergency, can be a life-saver. Make sure the generator and / or power pack system is powerful enough to run the needed medical device or equipment.
- .**A List of Emergency Instructions:** This tip came courtesy of Nationwide, and makes a lot of sense: "Tape a list of emergency phone numbers (doctors, Poison Control), medication instructions and allergy remedies inside the [medicine] cabinet door." Also having the list in electronic form and easily retrievable is a good idea.
- **Reserves of Prescription Meds:** If necessary, talk to the prescribing physician about having at least some reserve of vital prescription meds, in case of emergency. If there's one thing COVID underscored, it's that an emergency scenario isn't some far-fetched probability.
    - People with certain allergic conditions are sometimes prescribed an "epipen" emergency allergy injection device; it's important to have these on hand
- **Basic Non-Prescription Meds:** any basic checklist will include the following items:
    - Pain Relievers and Fever Reducers including Ibuprofen, Acetaminophen and Aspirin.
    - Allergy medicines including the "pink emergency" Diphenhydramine (original brand name Benadryl); plus any other allergy meds / antihistamines that are personally effective
    - Cough and Cold Medicines: remedies that have effective decongestants, breathing relief, and fever reduction can make getting through a bout of flu easier. Find one that works, and stock up.
    - VapoRub: this is a personal favorite, effective at relieving stuffy noses
- **Thermometers:** slick powered thermometers are easier than ever to use, but a basic non-powered thermometer should also be on the list.

- **Antibiotic Ointment:** First Aid kits will usually have some, but an extra supply is highly recommended.
- **Heat and Ice Packs**
- **Heating Pads**
- **Vitamins:** while technically not medicine, many believe it can't hurt to take (and have on hand) a basic, vetted multivitamin.
- **A Good Manual on Medicines and Emergency Medical Procedures**
    - The movie *The Edge* has a scene where Anthony Hopkins, confronted with a medical emergency of a companion, takes a book on what to do, and sits and begins calmly reading. It seems counter-intuitive, given the dramatic situation. But he realizes it's the only way forward, since he doesn't possess the knowledge. That scene brings home the necessity of having a good medical guide on hand—and perusing it before an emergency happens!
- **Basic Emergency Medical Training**
    - Localities often conduct CPR and other basic medical emergency training classes. It's a good idea to sign-up and take advantage.
- **Electronic Docs Folder With ready Access:** If you're like this author, you probably come across articles and info you like to save. Create a "Medical Articles" folder on google drive or whatever cloud storage you may use, and save articles there (pd format recommended) for retrieval when desired or needed. You could also go to the extra effort of storing files on a thumb drive or local folder on your smartphone for access when the internet might be down.

There are other items some preparedness advocates recommend, which are more controversial. Some say finding ways to stock antibiotics is crucial, for example. But the above list is a good start toward being prepared with basic medical items.

BITGO MAKES IT EASIER FOR INSTITUTIONS TO INVEST IN NFTS

Palo Alto's BitGo has become the first U.S. approved NFT digital asset custody solution provider, offering services to allow its more than 700 institutional clients to acquire and hold NFT assets.

According to a company press release, the company's custody solution can be paired with hot wallets for the NFT industry, providing marketplaces, retail platforms, and NFT portfolio holders with the
guardrails needed to participate in the NFT ecosystem.

Rather than using ad hoc solutions, BitGo clients will be able to use BitGo's platform to interact with NFT marketplaces and acquire desired assets.

The solution opens the door to institutional investing via major NFT decentralized marketplaces including OpenSea, Looks Rare, ArtBlocks, Gem, Rarible, and others.

“The NFT space has seen massive growth in the past year along with an increasing set of use cases and applications. More builders are solving real world problems and more investors are participating. What’s been missing is the institutional infrastructure to protect these digital assets and their owners,” said Mike Belshe, CEO of BitGo.”

The 700 institutional customers of BitGo are able to safely receive, keep, and transmit NFTs thanks to the company's multi-signature security, 24/7/365 withdrawal access, and support. Along with Crypto Punks, it supports the ERC-721 and ERC-1155 protocols.

“Since 2013, BitGo has been dedicated to serving institutional investors and enterprises looking to safely hold digital assets. We were instrumental in building out the guardrails that helped the industry get to this point and now it’s time we do the same for NFTs.”

How much is the NFT sector expected to grow in the next few years?

NYC-based Jeffries Investment Bank predicted this past January that the NFT market cap could grow from 35 billion in 2022 to over 80 billion by 2025.

A report by the bank noted that metaverse technologies and the digital “building blocks” of NFTs would work synergistically in an emerging web3 landscape, offering companies ways to digitally market, create value and extend their brands, among other things.

Meanwhile, Trends In Cryptos has pointed out that NFTs represent far more even than those uses. NFTs are a new technological paradigm of owning, fractionalizing ownership, and automating business and financial processes, transfers and payments related to ownership, while dispensing with middle players. It promises to create efficiencies and possibilities that will be a major component of the web3 revolution.

For more on that, see:

- "A TOKENIZED PLANET" (15 Mar 2022)
- "NFTS: MUCH MORE THAN DIGITAL ART" (15 Feb 2022)
- "ONE OF A KIND: THE WORLD OF NFTs" (10 Aug 2021)

MEETKAI: AI POWERED METAVERSE THAT "OUTDOES REALITY"

Unlike some other metaverse projects, which create fantasy virtual landscapes, MeetKai has a different vision.

The project is mapping the actual world, to offer it as an augmented doppelganger, complete with heavily AI powered features.

Among other things, users will be able to create games or brand-connected real estate populated with entities that aren't NPCs (Non-Player Characters).

Instead, AI will allow those entities to have utility and intelligence of their own, in order to interact as part of the immersive experiences people design and inhabit.

While MeetKai hasn't launched yet for end users, it's a project worth tracking, due to the names already involved with its development.

Huawei, Nvidia, Vidio, Futurewei, Liputan6 and KlikDokter are all currently on the list.

Huawei might raise eyebrows for those who recall controversies surrounding the giant Chinese government connected tech company during the Trump presidency, and even during Biden's time in the White House.

The **Trends Journal** has highlighted Huawei's intrusive surveillance tech and other checkered activities in articles such as:

- "MYANMAR PROTESTERS FEAR AI FUELED CRACKDOWN." (23 Mar 2021)
- "BIDEN BARS U.S. INVESTING IN 59 CHINESE FIRMS" (8 Jun 2021)
- "BIDEN LETS CHINA SPY TECH EXEC OFF THE HOOK" (28 Sep 2021)
- "BELGRADE BLANKETED WITH HUAWEI BIOMETRIC CAMERAS" (13 Jul 2021)

Those controversies noted, MeetKai has attracted interest from major tech media, as well.

A LifeWire story quoted MeetKai CEO James Kaplan in a May 2022 article suggesting that the VR platform might offer "dating" experiences offering more security verification possibilities than many current internet alternatives.

"I believe that Web3 will offer some interesting ways to get around the 'just create a new account' problem by implementing new verification practices and requiring users to have a real stake in their profile. [The end result could be] that if they lose it, they get punished proportionally," Kaplan added.

Of course, Kaplan is assuming a lot, considering many people use current gaming and fantasy play technology very much wanting anonymity as part of the experience.

But there's no question that via apps like Flirtual, metaverse dating is already a reality.

The **Trends Journal** also previously covered AI girlfriend chatbot technology like Replika, which allows users to spin up customized virtual companions, and meet them in the metaverse; see "YOUR AI LOVER DOESN'T CARE ABOUT YOU (AND THAT'S WHY IT'S SO SEDUCTIVE)."

Kaplan, who studied Computer Science at Harvey Mudd College in Claremont, CA, believes that MeetKai can leverage real world virtualization together with AI, a personal passion of his, to open up metaverse experiences people would otherwise not be able to have.

Speaking to medium.com, Kaplan explained his company's vision:

"We're building a metaverse product because a lot of real-life experiences people have now are cost prohibitive or simply impractical due to a whole suite of reasons for people. Apps, which did democratize a number of them, are fundamentally limited in what they can do given their constraints of form and function. An XR metaverse on the other hand allows us to deliver not just replacements for many real-world experiences, but also fundamental improvements to them too. But our goal is not to develop something that is purely the virtual — our metaverse is rooted in reality. There is already a real world that is very interesting out there, it is just not being exposed to enough people."

Asked what experiences the metaverse might be able to "do better" than is currently possible in the everyday world, Kaplan ticked off several interesting scenarios.

He said the metaverse would bring distant people together to share and relate in a space, in a way that will make zoom calls seem quaint.

Shopping experiences would be customized so that people no longer had to browse the same "fixed space." The environment of the metaverse could be customized to present a space and items and options that will be very specifically tailored and unique to individual preferences and tastes.

The metaverse would also offer options for trying out items and experiences, without risks or costs. For example, before going on a cruise or jetting to a Caribbean island, potential travelers could preview their vacation via a metaverse trial.

BLOCKCHAIN BATTLES

WILL U.S. WIN THE FUTURE OF MONEY?

The title of the white paper says it all: “"Winning the Future of Money: A Proposal for a US Central Bank Digital Currency."

Representative Jim Himes (D-CT) released the policy paper on 22 June, in an effort to spur the federal government’s consideration of a digital dollar.

The title begs a question, though: who wins?

The U.S.? Who’s that? The American people? Or just its government? And what about the rest of the world? Do they lose?

At this point, a growing list of countries seem pretty tired with one country being able to wield currency dominance as a weapon.

Banks and Government Empowered

The white paper issued by Himes, who currently sits on the House Financial Services Committee, makes clear that his version of a CBDC would leave plenty of power with the U.S. government and banks, not citizens.

The legacy financial system is mediated by banks and a system where users have “accounts” which are ultimately beyond their control.

Cryptos, with tokens and non-custodial wallets (ie., private keys that only a user themselves can preserve, giving complete control over token assets), fundamentally changed that paradigm.

Cryptos also created “trustless” transactions, where users don’t have to know or trust each other to transact.

That anonymity is a huge worry for the government, which has a fiscal interest in keeping track of every penny citizens have and spend.

Of course, physical dollars enable citizens to retain at least some measure of privacy in transactions.

Republicans in Congress are increasingly waking up to dangers of a CBDC to morph into a “surveillance and control” coin. Some voiced those concerns at a June hearing, according to theblockcrypto.com.

An article by the outlet noted:

> “Republicans don’t believe the Fed can handle the demands of retail banking and are suspicious of its interest in surveilling or blocking transactions based on changes in the political winds.”

The Committee’s leading GOP member, Patrick McHenry (R-NC) emphasized at the recent hearing that “No one has made a compelling case on why we should expand the Fed’s mandate into retail banking or how a Fed-issued CBDC won’t politicize the Fed.”

The proposal by Himes rejects crypto innovations, and is very concerned with knowing and tracking user identities. The CBDC proposal would turn all money into a digital credit system, run by government and banks:

> *“A CBDC wallet and custody regulatory structure should include strong user identification processes that require intermediaries to certify the identity of wallet holders. This structure is also known as an “account-based” structure and differs from a “token-based” structure, which involves verifying the authenticity of the digital asset rather than the wallet holder.*

> *"An account-based structure mirrors existing digital banking structures in the U.S., such as Fedwire and commercial payment systems. Both require participating intermediaries, like financial institutions and third-party payment service providers, to implement strong user identity procedures and to validate participants before finalizing transactions."*

None of the relative privacy that physical dollars provide citizens, would be retained in the CBDC proposed by Hines. And efficiencies created by cryptocurrencies aren't a part of the equation, because those innovations vest power with individuals, not central authorities.

The short story is that "Winning the Future of Money" isn't about winning much of anything for citizens of the U.S., or the world. It might be about trying to win vs. the Chinese digital yuan, or scoring a win for the U.S. government and the legacy banking system.

But as the U.S. and world economy continue to spiral on the chaos created by bankster financial elites and their profiteering government cronies, a lot of people have had quite enough of that kind of "winning."

The full white paper can be read here.

The **Trends Journal** has covered the implications of CBDCs in numerous articles, including:

- "CBDC OUT TO PRESERVE STATUS QUO FOR HAVE AND HAVE NOT COUNTRIES, SAYS NEW STUDY" (24 May 2022)
- "A U.S. CBDC WON'T SAVE THE DOLLAR" (5 Apr 2022)
- "CBDC ON THE SLATE FOR COUNTRIES AROUND THE GLOBE" (15 Mar 2022)
- "DIGGING INTO THE FED'S LONG AWAITED REPORT ON A U.S. CBDC" (25 Jan 2022)
- "A PERVERSION OF CRYPTOCURRENCY" (12 Oct 2021)

BUILDING UP THE MILITARY AS THE PEOPLE GO BROKE

As the global economies sink into recession, as world hunger escalates, as inflation spikes and people pay much more to buy a lot less, as world poverty levels increase and the middle class shrinks...countries around the world have increased their military budgets and built up their defenses since the Ukraine War began in February.

Prime Minister Sanchez pledged to increase Spain's military budget to 2 percent of GDP by 2030, up from 1 percent. Spain recently bought 20 Eurofighter jets for 2 billion euros.

Three days after Russia invaded Ukraine Chancellor Scholz committed $107 billion to raise Germany's defense spending above 2 percent of GDP.
Japan will be doubling its defense budget within the next 5 years from 1 to 2 percent of its GDP, amid rising tensions between Taiwan and China.

Italy has pledged to increase its defense spending to 2 percent from 1.6 percent by 2028.

Sweden will boost their defense budget by $318 million this year.
Finland added $2.2 billion or a 70 percent increase to their defense spending.

Macron has pledged to increase military spending by 9 billion euros to 50 billion by 2025.

Australia's defense spending will rise 7.4 percent to $36 billion.

Poland will increase its defense spending to 2.2 percent this year and then 3 percent next year and it will stay at 3 percent until 2030, one of the highest levels in NATO. Plans to more than double the number of troops.

Belgium spent an extra billion euros into its budget in response to Russia's invasion. This will increase their military spending to 1.54 percent of GDP.

Switzerland is set to increase its budget from $5.8 billion to $7.3 billion by 2030 due to concerns of Russian aggression.

Denmark has reached an agreement to gradually raise its defense budget to 2 percent or 2.42 billion euros by 2033.

Latvia will increase their defense budget to 2.5 percent by 2025 to deter Russia. Estonia will ramp up defense spending to 2.5 percent from 2.2 percent over the next 4 years. Lithuania's president wants the country to increase its spending to 3 percent of GDP.

Canada has vowed to increase their budget to 1.5 percent, however, this is not in writing.

The U.S. will increase its spending by 4.1 percent, or by $30.7 billion, to $773 billion in 2023.

TREND FORECAST: *As Gerald Celente says, "When all else fails, they take you to war."*

As economies go down, governments, run by the mentally ill, spend more of the people's money on the military, fueling the worsening financial crisis while stoking the flames of war.

Go back to the cover of the ***Trends Journal*** *on 22 February, two days before the Russian invasion of Ukraine. It read: FROM COVID WAR, TO UKRAINE WAR, TO WORLD WAR: TALK OF PEACE IS FORBIDDEN.*

With the sharp escalation of military budgets the trend-line for war is clear. Unless we unite for peace, WWIII will be our reality. And as Albert Einstein said, "I know not with what weapons World War III will be fought, but World War IV will be fought with sticks and stones."

Please do what you can to attend/support our 23 July Occupy Peace, Peace and Freedom Rally in Kingston, NY at 2 PM on the Four Corners of Freedom: www.OccupyPeace.com

U.S. CONGRESS: MORE MONEY FOR THE MILITARY INDUSTRIAL/INTELLIGENCE COMPLEX

The House Armed Services Committee approved a $839 billion defense budget for 2023 on Thursday, which includes an amendment that sought $37 billion more than President Joe Biden initially requested.

The vote passed easily, 57-1. The next stop is a full House vote.

Robert Weissman, the president of Public Citizen, told CommonDreams.org that the committee “put the demands of the military industrial-complex over the needs of the American people yet again."

“Granting $37 billion to a war machine that can't even pass an audit while saying that we ‘can’t afford’ what American families and communities need is quintessential hypocrisy. Congress can still correct this misstep—re-routing that funding into investments like economic stability, climate justice, and affordable health care for all Americans instead,” he said.

Reps. Jared Golden, D-Maine, and Elaine Luria, D-Va., introduced an amendment calling on the additional $37 billion. USNI News reported that the additional funding would include eight F/A-18E/F Super Hornets, for $660 million, and $1.2 billion for another Arleigh Burke-class destroyer.

“We need only look to world events in Ukraine, read reports regarding China’s plans and actions in the South China Sea, or simply read the latest headline about Iranian nuclear ambitions and North Korean missile tests, as well as ongoing terrorist threats, in order to see why this funding is necessary,” Golden said.

Luria said “In our current threat environment that we see with Russia’s unprovoked aggression towards Ukraine as well as China’s increased aggression toward Taiwan…it’s time to grow our military, not shrink our military,” Luria said. “I think this $37 billion is a start.”

The Senate's increases require congressional approval and its bill represents a 10 percent boost from 2022, which does not include supplemental aid for Ukraine.

TRENDS FORECAST: *Congress has never been more divided and disagreements seem to border on hatred from every major domestic issue… but among the only bills that get bipartisan support are for….more military spending!*

Indeed, as we have reported, Democrats in both houses, even those who claim to be for peace, voted to send $40 billion to Ukraine last month to keep bloodying the killing fields.

Military spending will only continue to surge with new threats from China and Russia, and it will continue to cost millions of lives until there is a legitimate pro-peace leader.

Yet, there are minimal protests among Americans to end the foreign entanglements sapping economic resources of their declining, deep in $30 trillion nation of debt to further enriching the military/industrial/intelligence complex.

We reported last week that those critical of the budget have pointed out that the U.S. faces no threat of invasion while Americans are being smothered by record-high inflation and rising interest rates.

"If this 'inflation' adjustment is devoted to more F-35s, more tanks, more aircraft, and more ships—more of everything, not just higher costs for the goods DoD already needs or plans to procure—then readers should know that the 'inflation' argument is a mere convenient excuse," Andrew Lautz, the director of Federal Policy for National Taxpayers Union, wrote in Responsible Statecraft last week after the Senate vote. "And when inflation abates, lawmakers will no doubt find another excuse for the next big defense budget increase."

TRENDPOST: *Congress's price tag is slightly lower than the behemoth funding approved by the Senate Armed Services Committee earlier this month that came in at $857.6 billion. (See "AMERICANS GET POORER, MILITARY-INDUSTRIAL COMPLEX GETS RICHER" and "WARMONGERS INC: WHILE 61 PERCENT OF AMERICANS LIVE PAYCHECK-TO-PAYCHECK, CONGRESS SENDS $13.6 BILLION FOR UKRAINE WAR.")*

Biden's initial National Defense Authorization Act had an $813 billion price tag. Yet, even at that number, it is stealing hundreds of billions from the people in a decaying nation and giving it to the military machine.

And as we noted, before former General Lloyd Austin was appointed by the Biden Administration to head the U.S. Department of Defense, he sat on the board of directors of Raytheon, the second largest military contractor in the United States.

ECUADOR'S PRESIDENT LIFTS STATE OF EMERGENCY AS PROTESTS ROIL COUNTRY

Guillermo Lasso, the president of Ecuador, announced Saturday that his government will end the state of emergency that was put in place across the country in response to violent protests over costs of essential goods, including fuel.

The protests have been predominantly attended by the country's Indigenous population and have been ongoing in the capital city of Quito since 13 June. Some of the protesters have been blocking roads into the capital for days.

The protesters said they will continue to organize until their 10 demands are met. They have called for a freeze on national gas prices, more investment in education and healthcare, and more employment opportunities, Al Jazeera reported. Demonstrators told the outlet that they can no longer keep up with surging inflation because they never fully recovered from COVID-19 lockdowns.

"We came here to claim our rights, because the government has done bad. Within one year, everything has increased," one protester said.

There have been flashes of violence and at least four people have died, the Ecuador Alliance for Human Rights said, according to the report. At least 166 people have been injured.

This is not the first time the country's government had to deal with violent protests. (See "ECUADOR: HIDE AND SEEK" (15 Oct 2019), and "LATIN AMERICA FACES SLOW, PAINFUL ECONOMIC RECOVERY," (19 Jan 2021).

Lasso has faced pressure from the Union for Hope coalition in parliament to be removed from office. They have called for early elections. Lasso, a conservative businessman from the right, won the presidency in April 2021 and was tasked with trying to figure out how to best respond to an economy headed toward recession due to COVID lockdowns.

Lasso has shown no signs of absconding the office and told reporters that he is committed to defending the capital and the country from these protests. He also announced that his government would increase its monthly stipend for the country's poorest.

TeleSUR reported that under Article 130 of the country's constitution, the National Assembly can vote to dismiss a president due to a severe political crisis and internal commotion. Those in favor of the dismissal need to obtain 92 of the total 137 votes.

Lasso's decision to lift the state of emergency came after a meeting with leaders from the Indigenous protesters on Saturday. Virgilio Saquicela, the National Assembly president, announced that there will be a commission formed to open up dialogue to end the strike, according to The Associated Press.

"The national government ratifies the willingness to guarantee the creation of spaces for peace, in which Ecuadorians can gradually resume their activities," he said.

TRENDPOST: *In 2021, the "NEW WORLD DISORDER 2.0" was a TOP TREND for the year because billions of people sank deeper into economic despair. Gerald Celente has long said: "When people lose everything, they lose it."*

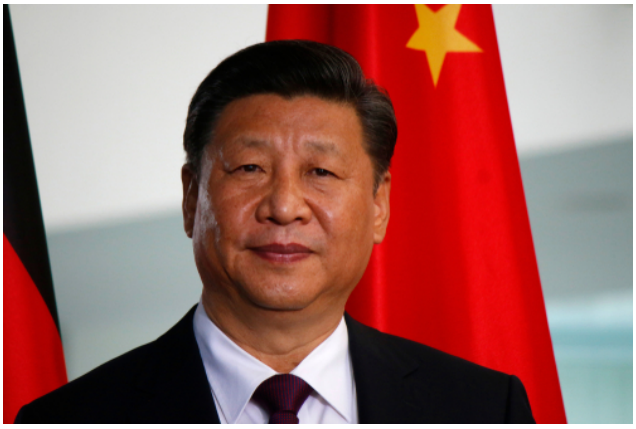
We have reported extensively on the migration from countries like Equador to the U.S. due to the economic suffering. (See "DHS: ARRESTS OF MIGRANTS ILLEGALLY ENTERING THE U.S. HIT RECORD HIGH.")

Since the beginning of the 2022 fiscal year, border officials have recorded at least 1.5 million arrests. Central America is dealing with lost revenue due to COVID-19 restrictions, hikes in the energy and commodity markets, and surging inflation.

We forecast the protests will escalate into civil wars and civil wars will spread to regional wars, as citizens by the millions flee their nations for neighboring safe havens.

And, the stronger the refugee crisis rages, the greater the advancement of anti-immigration populist movement in the countries they seek refuge.

CHINA'S XI SAYS COUNTRIES SHOULD REJECT THE 'COLD WAR' MENTALITY



Chinese President Xi Jinping on Thursday said in a virtual meeting with fellow BRICS members that the "Cold War" mentality should be rejected by the international community in what was clearly a shot at the U.S.

Xi addressed leaders from the group, which was founded in 2009 and includes Brazil, Russia, India, China, and South Africa. The Ukraine War and sanctions was one of the key points during his discussion. While the West turned its back on Russia, these countries grew closer and saw that the West is no longer needed for economic stability.

Xi criticized what he sees as a pervasive Cold War mentality and the abuse of sanctions. He called on countries to "reject the small circles built around hegemonism by forming one big family belonging to a community with a shared future for humanity."

"The Ukraine crisis has, again, sounded the alarm for humanity. Countries will surely end up in security hardships if they place blind faith in their positions of strength, expand military alliances, and seek their own safety at the expense of others," he said.

When it comes to Ukraine, China has recognized Russia's security concern over an expanding NATO and called for an end to the conflict. But Beijing has been happy to

reap the benefits of cheaper energy sales from Russia and upped its trade by nearly 29 percent from a year ago.

The **Trends Journal** has reported on the rivalry between the U.S. and China and how President Joe Biden has made competing with China one of his top foreign policy initiatives. This is not the first time that China blamed Washington for maintaining a “Cold-War Mentality” when it comes to foreign policy.

Shortly after the U.S. announced its AUKUS security pact with Australia and the United Kingdom in September 2021, Zhao Lijian, the Chinese foreign ministry spokesman, said the deal could damage “regional peace” and intensify an arms race.

The U.S. and U.K. say China is far from a benevolent nation and has big military plans of its own. Ben Wallace, the U.K. defense secretary, said China is about to embark on one of “the biggest military spends in history.”

Russian President Vladimir Putin also addressed the virtual meeting and, like Xi, blamed the “actions of certain states” for the deteriorating economic conditions for many countries.

“This crisis situation that has shaped the global economy [is] caused by the thoughtless and selfish actions of certain states who, using financial mechanisms, essentially shift the blame for their own mistakes in the macroeconomic policy to the entire world,” he said.

Business Insider reported that meeting was evidence that Putin maintains close allies despite the invasion and isolation by the West. The video conference was pre-recorded and not one leader mentioned the Ukraine war.

Putin told the conference that trade from Russia to BRICS countries increased by 38 percent since the outbreak of the war and it has been “redirecting” its energy flows.

"Western partners neglect the basic principles of market economy, free trade, and inviolability of private property," Putin said.

Putin also mentioned that the group of countries will begin to make its own currency away from the U.S. dollar.

"The matter of creating the international reserve currency based on the basket of currencies of our countries is under review," Putin said. "We are ready to openly work with all fair partners."

TRENDPOST: *Thus far, Russia has managed the sanctions leveled by Western countries far better than the countries which first imposed them.*

Robert Habeck, Germany's economy minister, told reporters on Thursday that Russia's decision to cut energy supplies to Berlin can lead to "a Lehman effect in the energy system."

Habeck told a news conference that he raised the country's gas risk level to the "alarm" phase, which Bloomberg said is the second-highest alert.

"Gas is now a scarce commodity in Germany," he said. The next phase is gas rationing.

TRENDS FORECAST: *The longer the Ukraine War drags on, the more pressure Western leaders will face from their own citizens over soaring energy costs.*

European countries are rushing to get their storage facilities to about 90 percent by November. They are at about 55 percent capacity now.

Christine Lagarde, the European Central Bank president, announced Monday that the risks to financial stability in Europe have "perceptibly increased" since January.

"While the correction in asset prices has so far been orderly, the risk of a further and possibly abrupt fall in asset prices remains severe," she said.

As the reality sets in that there will not be enough natural gas this coming winter, following more Russian supply cuts, European natural gas prices rose again yesterday.

Since June 10, the gas price at the Dutch TTF hub, the benchmark for Europe, has surged by 55 percent. After spiking 9.1 percent last week, yesterday, Dutch gas futures moved up another 0.7 percent.

Therefore, as we note, the more NATO and the U.S. impose sanctions on Russia and the more they do to keep the Ukraine War going, the higher gas and oil prices will rise and so too will Dragflation: Dragging down GDPs into negative territory as inflation keeps rising.

SRI LANKA DISASTER PERSISTS. THE 'NEW WORLD DISORDER' TOP TREND FORECAST

The socioeconomic and political crisis wracking Sri Lanka has worsened after the country defaulted on its loans for the first time in May and sent representatives to Russia and Qatar in hopes to secure cheap fuel, according to a report.

"Two ministers are going to Russia and I will go to Qatar tomorrow to see if we can arrange concessionary terms," Kanchana Wijesekera, Sri Lanka's energy minister, told reporters according to Al Jazeera.

He said the country was essentially out of petrol due to supply chain issues and "banking" issues, the report said.

The **Trends Journal** has reported extensively on Sri Lanka's financial troubles that has sparked massive protests. (See "SRI LANKA ROCKED BY PROTESTS, FURTHER CEMENTING 'NEW WORLD DISORDER' FORECAST" and "NEW WORLD DISORDER: SRI LANKANS TAKE TO THE STREETS.")

Food inflation in the island country located in Southern Asia in the Indian Ocean, skyrocketed 57.4 percent and its currency collapsed by 80 percent. As Gerald Celente

has often noted, “When people lose everything and have nothing left to lose, they lose it.”

The Associated Press reported that some are even skipping meals due to food shortages.

The report said about nine out of 10 families on the island are skipping meals and 3 million of the 21.92 million are receiving emergency aid from the UN World Food Program.

The country’s economic crisis has been brought on by skyrocketing prices for cooking gas and a lack of fuel.

Colombo is also running out of foreign currency.

The Wall Street Journal reported last week that the Sri Lankan government defaulted for the first time ever in May.

Reps from the International Monetary Fund visited the country last week to discuss financial assistance because the country can no longer afford imports, the report said. The country is also looking for financial help from India and China.

Facing their worst financial crisis in history, Prime Minister Ranil Wickremesinghe said, “We are now facing a far more serious situation beyond the mere shortages of fuel, gas, electricity, and food.”

Economists say the crisis is due to years of corruption and poor leadership. The country has also been impacted by COVID-19 lockdowns and a terror attack that hurt its important tourism industry, according to Voice of America.

The U.S. announced $158.75m in new financing in the past two weeks to help Sri Lankans, *The Guardian* reported. The country has been surviving on $4 billion in credit lines from India.

TOP TREND FOR 2021: "YOUTH REVOLUTION"

As we had forecast in December 2020, the uprisings and revolutions that were sweeping the world before the COVID War will accelerate dramatically, as billions of people sink deeper into economic despair.

In response, governments will again attempt to use the COVID War as a "legal" justification to prohibit protests. Thus, we maintain our forecast that "protests will escalate into civil wars, and civil wars will spread to regional wars."

TRENDPOST: *The* ***Trends Journal*** *has been highlighting its "New World Disorder" trend for more than two years.*

We point out that politicians across the globe are fighting for survival against angry mobs who want to overthrow them. The COVID-19 War and the Ukraine War have been a devastating one-two combination for many economies.

Russians are some of the most frequent visitors to the island and that business has all but dried up.

Consumer prices are up 39.1 percent from a year ago and food inflation hit 57.4 percent.

U.S. ELECTIONS: A BILLIONAIRES' CIRCUS

In America, which was once called "The Land of Opportunity," the only way to land in the top of the political field is for those paved with the most money.

JB Pritzker, an heir to the Hyatt hotel chain with an estimated personal net worth of $3.6 billion, is fighting for his political career in Illinois as two other billionaires enter the fray with their candidates for governor.

Pritzker, a Democrat, is watching a Republican primary that includes two candidates with the financial backing that allows them to spend a near limitless amount to be elected.

Darren Bailey, who is backed by former President Donald Trump, has benefited from $9 million in donations from Richard Uihlein, a major Republican donor, according to Bloomberg. Richard Irvin, a black Republican candidate, benefited from $50 million

from Ken Griffin, the hedge fund billionaire. A recent poll found that Bailey is leading Irvin by 15 percent.

The Financial Times reported that Pritzker has already spent $125 million of his own fortune to fund his campaign. Bloomberg pointed out that Pritzker helped improve the state's fiscal outlook but he faces pressure from voters due to rising crime and the departures of major companies from the city, like Boeing, Caterpillar, and Griffin's Citadel.

The *FT*, citing OpenSecrets, reported that the race could be the most expensive gubernatorial race ever.

The paper wrote that the race may also be a "litmus test" on how individual donors can "wield influence" by cutting enormous checks for their preferred candidate. These billionaires once had to funnel their money through political action committees, but a 2010 Supreme Court ruling ended that requirement.

The **Trends Journal** has reported on how the BIGS in the U.S. control the electoral system. (See "U.S. ELECTIONS: DUH-MOCK-RACY. BIG MONEY RULES.")

The report said Pritzker is no stranger to spending millions on his campaign. He spent $171 million on his 2018 election victory, the report said.

Griffin, who is worth $26.3 billion, and Pritzker have been adversaries and the hedge fund billionaire said he is "all in" to defeat the governor, Politico reported.

TREND FORECAST: *As we reported on 20 April 2021, the "WALL ST. GANG SPENT $3B ON 2020 ELECTION CAMPAIGNS." In this case, Republicans got 47 percent of the dough and Democrats, which play the "liberal" line, pulled in 53 percent of the money.*

Plain and simple, without big money behind a candidate running for office, the chances of beating one of the two party mobsters is slim and none. (See "POLS EMBRACE CRYPTO CAMPAIGN FUNDING" and "HOW BIG TECH MAINTAINS ITS MONOPOLY.")

HOW LOW CAN YOU GO? U.S. CONSUMER SENTIMENT AT RECORD LOW

The University of Michigan announced that consumer sentiment fell to 50 in June—its lowest reading ever as American customers worry about inflation and rising energy costs.

The Wall Street Journal reported that the readings date back to 1952. There has been a downward trend in recent months. May's reading came in at 58.4, the report said.

"The final June reading confirmed the early-June decline in consumer sentiment ... Consumers across income, age, education, geographic region, political affiliation, stockholding, and homeownership status all posted large declines," Joanne Hsu, director of the Surveys of Consumers, said in a statement obtained by Yahoo! Finance.

She said about 80 percent of those polled said they anticipate bad times for business conditions, which is also the highest since 2009.

About 47 percent of consumers pointed to inflation as their "paramount concern" in the year ahead and for "eroding their living standards."

Although inflation has not reached double digits, as it did in the mid- and late 1970s when it peaked at 14.6 percent, its relatively swift arrival, compared to building over years as it did in the 1970s, has eroded public confidence in U.S. leaders and institutions, even among those who are not suffering economically.

The Yahoo! report pointed to other troubling signs for the American consumer. The preliminary S&P Global Composite Purchasing Managers' Index for June was 51.2, the weakest level since January, "and S&P's manufacturing output index slid into contractionary territory and a two-year low."

The *WSJ* reported that new-home sales jumped 10.7 percent, but said economists believe that trend will begin to slow with higher mortgage rates hitting the market. The average 30-year fixed-rate mortgage rose to 5.81 percent last week, which the paper pointed out was the highest since 2008.

"For buyers of a median-priced home, the one-two punch of record-high prices and rising interest rates has pushed the monthly mortgage payment to about 64 percent more than last year, tacking on over $800 to the cost of financing," George Ratiu, senior economist for Realtor.com, told MoneyWise.

American drivers facing record high gas prices have been buying less gas at stations.

The *WSJ,* citing OPIS, an energy-data provider, reported last week that gas stations across the U.S. said sales were down about 8.2 percent compared to 2021.

TRENDPOST: *It's the economy, stupid.*

As we have greatly detailed, the rich have gotten richer as the middle class keeps shrinking. Good economic statistics mean little when a loaf of bread costs $6 or your grocery store is chronically out of cat food.

Russia's war deals a major setback to Biden's hopes of halting inflation that will pick voters' pockets between now and November.

The Fed's action to curb inflation will be too little too late.

Jerome Powell, the Fed Head, faced a grilling in front of the Senate Banking Committee on Wednesday, and Sen. Elizabeth Warren, D-Mass., warned him not to be too bold with interest rate hikes.

"You know what's worse than high inflation and low unemployment? It's high inflation and a recession with millions of people out of work. And I hope you'll reconsider that before you drive this economy off a cliff," she said.

The economy has already fallen off the cliff.

U.S. CUSTOMERS RACING DOWN ON QUALITY

Retailers across the U.S. have noticed a palpable shift in consumer spending habits during the recent months of record inflation and said shoppers who once would not bat an eye to fork over more for a named-brand product, are now opting for store-brand merchandise.

Matthew Farrell, the chief executive of Church & Dwight, an American manufacturing company based out of New Jersey, said in an interview with *The Financial Times* that he noticed in the last quarter that shoppers started to leave the premium brands on the shelf in their search for more affordable items.

He called cat litter his “canary in a coal mine” moment. Customers once splurged for Arm & Hammer Platinum Clump & Seal cat litter, but now look to the cheaper items.

“We would expect that to worsen,” he said.

The U.S.’s overall inflation rate sits at just above 8 percent, the highest in more than 40 years. The Consumer Price Index jumped 8.6 percent from May 2021 to May 2022.

Food prices for home consumption jumped nearly 12 percent, including a 32 percent increase for staples like eggs and a 16.6 percent jump in poultry. Gas is also hovering at about $5 a gallon.

Mark Zandi, chief economist with Moody's Analytics, told CNN that the average home in the U.S. is laying out about $460 more each month to purchase the same food.

About 85 percent of those surveyed by *Forbes* Adviser said they've made changes to their shopping habits to absorb increased prices.

Of those who responded to the survey, about 27 percent said their budgets are "at the limit," while about 26 percent admitted that they are spending too much. Less than 10 percent told the magazine that they had "a lot" of space left in their budget.

Kroger, the supermarket giant, said in a call with analysts last week that customers are beginning to "aggressively" buy its brands. The report pointed out that discount retailers and the makers of store brands could benefit from this seismic shift to more affordable items.

"Rising inflation has consumers rethinking their shopping and eating habits," Rodney McMullen, Kroger's CEO, said in the call. "We are seeing different shopping behaviors based on how individual customers are experiencing the current inflationary environment."

We have reported that major retailers in the U.S. are also being impacted by inflationary pressure. (See "MAJOR RETAILERS TAKE A DRUBBING.") Walmart and Target have both cut their profit outlooks in 2022 due to rising costs for food and fuel.

TRENDS FORECAST: *Americans will continue to seek out more affordable items where they can. The Food Industry Association said 41 percent of shoppers surveyed this spring said they bought more store brands than before the pandemic.*

"When asked about 14 product attributes, shoppers identified an average of four reasons for choosing private brand products. Clearly shoppers' interest in private brand products extends beyond just price," Doug Baker, the association's vice president, said in a statement obtained by GroceryDrive.com.

Companies will accommodate this new shift in consumer sentiment and bring to market new products that will hurt national brands. Companies like Whole Foods and Kroger already have a strong footing in this area, but more stores have ambitious plans to sell their products directly to customers.

Save Mart, a popular West Coast grocer, said it will roll out "hundreds of private items this year.

Overall, America continues on its economic, physical, spiritual and emotional decline. As we have forecast, the 20th century was the American century but the 21st will be China's... since the business of America is War and the business of China is business.

NEWS CONSUMERS TURN AWAY FROM NEAR-CONSTANT COVID PROPAGANDA

A recent Reuters survey found that more people are avoiding news in general due to the constant drumbeat of "depressing" coverage of topics like the coronavirus outbreak.

Nic Newman, the author of the study from the Reuters Institute for the Study of Journalism, noted that issues that journalists believe to be the most pressing of the day "such as political crises, international conflicts, and global pandemics, seem to be precisely the ones that are turning some people away."

The study found that 43 percent of those surveyed said they are frustrated by the repetitiveness of coverage regarding round Covid-19 and divisiveness of politics.

The number is nearly twice as many compared to 2016. The survey found that the BBC saw the most noticeable decline and saw a 20 percent drop in interest.

Economists studied English-language news articles written from January 2020 to 2021 and found that 87 percent of stories published by major media outlets in the U.S. were "negative in tone versus 50 percent for non-U.S. major sources and 64 percent for scientific journals."

The 2021 study, co-authored by Bruce Sacerdote, Ranjan Sehgal, and Molly Cook, also pointed out that the Centers for Disease Control and Prevention actually recommended that Americans don't spend too much time watching the news to preserve their mental health.

News outlets in the U.S. tend to stick with what works. We've seen that recently with the Gabby Petito murder. The **Trends Journal** also reported that mainstream outlets saw the coronavirus as a potential ratings bonanza.

CNN, at the beginning of the outbreak, essentially set up its business model to promote COVID-19 fear. (See "CNN+ CRASHES AT LAUNCH: PUBLIC WON'T SWALLOW CARTOON NEWS CRAP," "CNN CLOWN SHOW EXPOSES MEDIA'S POLITICAL TIES" and "CNN, HOW LOW CAN YOU GO?")

CNN's disgraced former head Jeff Zucker urged editors and producers at the network not to shift focus from coronavirus news updates despite weeks of wall-to-wall coverage of the pandemic.

"You need to stay on the news," Zucker said, according to a person who listened. "People are coming to CNN for the news right now."

TRENDPOST: *News viewers often forget that the outlets that they watch are owned by media companies that make the bulk sum of their money in movies and entertainment. CNN's new chief, Chris Licht, made his bones in what these clowns call "journalism" as the executive producer of idiotic Stephen Colbert late night live cartoon show.*

However, regardless of the county, the vast majority tune into mainstream "news," and obediently swallow the crap that they are fed.

As we say, "Stay on the mainstream and stay out of touch."

FOOD CRISIS WORSENS: PREPARE FOR NEW WORLD DISORDER

The United Nations warned that food prices and long standing economic issues in poor countries throughout Africa could lead to tens of millions of starvation deaths.

Antonio Guterres, the UN secretary-general, said there is a "real risk that multiple famines will be declared in 2022." He said 2023 could be even worse. The UN warned that 20 million people could go hungry in Ethiopia alone in 2022.

Many countries in sub-Saharan Africa rely on Ukraine for their wheat imports, which have been disrupted due to the war. There has also been a sharp spike in fuel and fertilizer prices that have compounded the problem, the *Financial Times* reported.

Russia has been blamed for blocking millions of tons of grain, a charge that Russian President Vladimir Putin brushed off as having nothing to do with the crisis.

The *FT* reported that many of these countries are facing lingering economic issues stemming from the coronavirus outbreak.

The **Trends Journal** has warned for the better part of two years that the COVID-19 War launched by politicians and subsequent draconian lockdown orders will kill more people than the virus as it would accelerate the number of the world's poorest who face starvation. (See "COVID WAR AND CIVIL WARS: KILLING MORE THAN THE VIRUS.")

Months before the first missile was launched in Ukraine, the World Food Programme (WFP), the anti-hunger agency of the UN, estimated that 45 million people were on the "edge of famine."

David Beasley, the head of the UN organization, said, "We've got conflict, climate change, and COVID-19 driving up the numbers of the acutely hungry, and the latest data show there are now more than 45 million people marching towards the brink of starvation."

Countries like Ethiopia have seen food prices jump by 42.9 percent due to conflict and drought. The prices for vegetable oil and cereals are up in the country by over 89 percent and 37 percent year-on-year, the UN said. The war in Tigray has left over 20 percent of children under the age of five and pregnant women malnourished, the WFP said.

The UN's Food and Agriculture Organization now estimates that more than 40 million people in the Sahel and west Africa face food insecurity, which the *FT* pointed out is 10.8 million more than three years ago.

Dymtro Kuleba, the Ukrainian foreign minister, said Russia needs to lift its blockade in order for the country to begin exporting grain again.

TREND FORECAST: *While the UN said the number of people living in famine conditions is up 500 percent since 2016, and about 270 million people worldwide are facing extreme food insecurity, and this could lead to social unrest, it is old news for* ***Trends Journal*** *subscribers. Indeed, it "will" and not "could" lead to social unrest. (See "NEW WORLD DISORDER TOP TREND: NATIONS SINKING DEEPER, PEOPLE SCREAMING LOUDER.")*

In fact, this was one of our Top Trends for 2020. Back in 2019, across the continents, people were taking to the streets in protest of basic living standards, government corruption, crime and violence.

The demonstrations were stopped by governments when the COVID War broke out in February/March of 2020 and people were locked down and forbidden to protest.

Now, with both the COVID War which has destroyed the lives and livelihoods of billions and the Ukraine War which has driven up various commodity prices, the levels

of protest and demonstrations will dramatically escalate... and so too will the refugee crisis, as more people flee their economically ravaged crime ridden nations.

This in turn will escalate new anti-immigrant and populist movements in nations refugees are fleeing into.

TREND FORECAST SELF-SUFFICIENCY TREND: *Fred Munene, an agronomist and farmer in Kenya, said Africa should invest in its farm economy to be food secure so it no longer need to rely on Europe food imports, Voice of America reported.*

"The short term is getting the food that is already produced," Munene said. "In the long term, look for other suppliers or industries in Africa that will supply fertilizers and other farm inputs because that's the biggest challenge."

The trend toward self-sufficiency will see companies and countries cultivating homegrown capabilities across a range of critical industries, energy independence and agricultural production.

Bloomberg also reported that African countries are seeking alternatives to wheat in the meantime like cassava, fonio, and teff.

The report pointed to how food processors in Nigeria are producing more cassava starch and flour.

"I'm excited that our people are switching to locally sourced, high-quality, nutritious alternatives and that processors are also being compelled to look inward and see what can we find in our own backyard," Ndidi Nwuneli, co-founder of Sahel Consulting Agriculture and Nutrition, said in an interview said.

BROADWAY ENDS MASK RULE, ACTORS FREAK OUT

Broadway's industry trade association announced last week that it will put an end to its mask mandate for audiences that have been in effect since September.

The Broadway League said it will reevaluate conditions in mid-July. Theaters are currently opened at 100 percent capacity and all 41 official theaters will continue to mandate COVID-19 vaccinations, *The New York Times* reported.

The **Trends Journal** has long pointed out that Broadway was a top industry impacted by the coronavirus outbreak and subsequent lockdowns. (See "READY FOR A BROADWAY SHOW?" (11 May 2021), "BROADWAY GOING DARK, COMMERICAL REAL ESTATE ON THE EDGE" (16 Dec 2021), and "NEW YORK, NEW YORK… IT (WAS) A WONDERFUL TOWN," 30 Jun 2020).

Broadway producers, like restaurant owners, rely on near capacity crowds in order to turn a profit. Theaters pulled in $1.8 billion in ticket sales in 2019 and now see about half the revenue, the paper reported. The government lockdowns forced them to close on 12 March 2020.

Broadway, like many industries, is trying to regain its footing. Businesses are learning that just because doors are open doesn't mean people will walk in.

The paper spoke to a few actors who said they were "unnerved" by the trade association's move to end its mask mandate.

"We're doing theater in the round," Sam Rockwell, an actor in "American Buffalo," told the paper. "The other day I had a guy coughing four feet in front of me."

TREND FORECAST: *"The other day I had a guy coughing four feet in front of me" is a perfect example of the COVID War fear and hysteria that still persists. Once-upon-a-time, before 2020, when some "coughed four feet" away, no one would pay any attention. Now each cough or sneeze is attached to COVID. Therefore, with this mentality ingrained into the hearts and minds of the masses, the socioeconomic damage inflicted upon businesses will be lasting and incalculable.*

Staying Stupid

Ignoring the hard science, facts and media reports of groups of people attending events who were totally vaxxed and totally tested getting the virus, Rockwell said actors "have the privilege" of taking off their masks because they test regularly.

"We have the privilege to take the mask off and spit saliva on this stage. I don't know if it occurs to the audience that they're protecting the actors on stage. If someone is mad because they have to wear a mask, they have to know that we are testing everyday," he said.

Actors' Equity Association, the labor union representing American actors and stage managers, told its members that the Broadway League's decision to drop the mandate was "made unilaterally, without input" from the union, Deadline reported.

The Broadway League told Deadline that the announcement was "consistent with our fully negotiated safety protocols."

Dr. Mark Cunningham-Hill, the Actors' Equity Association's chief public health consultant, said in the letter that the union is working "hard to enhance ventilation in all your workplaces."

He wrote that ventilation "is critical in reducing the risks from airborne diseases such as COVID by filtering out, diluting and even killing viruses circulating in the air. Investments in ventilation will not only help keep everyone safer during this pandemic but also help protect against influenza and other airborne diseases now and in the future."

TRENDPOST: *As Gerald Celente said when the COVID War was launched and rules on social distancing, crowd-size limitations, curfews, mask-wearing, etc., were being imposed on citizens without scientific data to support them: "They're making this crap up."*

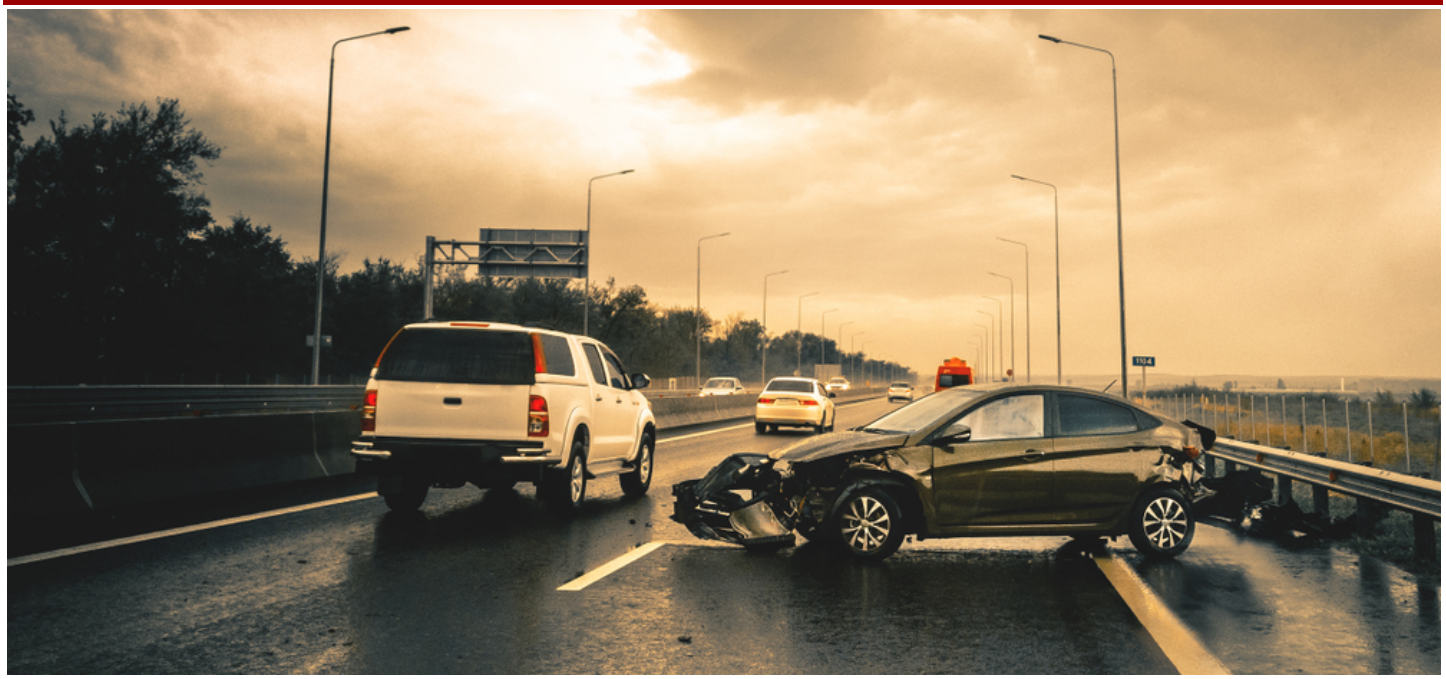
Dr. Monica Gandhi, professor of medicine at University of California, San Francisco, told Healthline last week that she supported masks early on and wrote seven or so papers on the issue. But she said she has since re-evaluated the data.

The report said current data on mask effectiveness showed mandates did not make a difference.

"We didn't see that major of a difference with transmissions," she said. "The strongest predictor of how places did was vaccination rates."

From Wall Street to Times Square, from Broadway to the Meatpacking District… East Side, West Side, all around the town, the "light fantastic on the sidewalks of New York" are burned out.

There's no dancing in the street.



By Ben Daviss

Top Trend: Going Off the Driverless Cliff

NOT ROAD-READY: SELF-DRIVING CARS IN 392 CRASHES

From 1 July, 2021, through May 15 of this year, cars with so-called "advanced driver-assistance technologies"—essentially self-driving cars— were involved in 392 crashes, more than one a day, according to the National Highway Traffic Safety Administration (NHTSA).

Five people died in the accidents; six were seriously injured.

Tesla's "Autopilot" state-of-the-art self-driving system was involved in 273 of the crack-ups, about 70 percent. The system was at work in all five of the lethal accidents.

Honda's cars were in 90 of the incidents, Subarus in 10. BMW, Ford, General Motors' cars, Hyundai, Porsche, Toyota, and Volkswagen each logged five or less.

Many of the incidents were minor fender-benders or bumper taps in parking lots or city traffic, the NHTSA said.

In more than 40 cases, the self-driving cars were stopped and hit by another vehicle. In 11, the self-driving car was driving straight ahead and smacked into a vehicle that suddenly changed lanes.

Cars equipped with "advanced driver-assistance" can steer, brake, and set speeds by themselves, but drivers have to be alert and ready to take over if something unexpected happens.

The NHTSA's study required reports on any accident in which automated driving features were in use within 30 seconds of impact.

However, the study was not able to differentiate between incidents in which drivers were paying attention or were lulled by the technology into thinking the cars would take care of themselves.

Last year, the NHTSA ordered automakers to report data on crashes involving self-driving and driver-assisting cars.

"Until last year, NHTSA's response to autonomous vehicles and driver assistance was passive," Matthew Wansley, a Cardozo School of Law professor who studies autonomous driving technologies, told *The New York Times*.

"This is the first time the federal government has directly collected crash data on these technologies," he said.

The study was prompted by some well-publicized Tesla crashes in which a total of 14 people died.

About 830,000 Teslas on U.S. roads are equipped with Autopilot or something similar, more than any other brand.

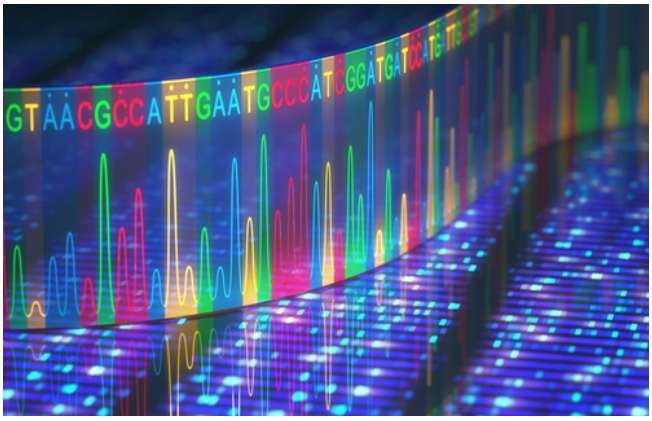
Last November, Tesla recalled 12,000 vehicles involved in a beta test of a software update when it was discovered the update might accidentally activate the cars' emergency braking systems.

TREND FORECAST: *Fully autonomous vehicles won't be common for decades to come.*

Individually automated functions—braking, parking, and so on—are being added to conventional cars already. More of these bits and pieces will be added steadily, but integrating them will be a separate challenge.

Creating cars able to respond instantaneously to the carelessness and freak behavior of other drivers will be the final, very high hurdle to overcome.

"THE $100 GENOME" A BREAKTHROUGH FOR PERSONALIZED MEDICINE



The idea of personalized medicine—custom-tailoring a person's medical treatment to suit their unique genetic profile—has made a leap forward with the debut of the $100 genome.

Sequencing the three billion characters that make up a person's genes has cost thousands of dollars in the past. Not long ago, the cost was slashed to $500.

Now, several companies say they can accomplish the feat for a flat hundred bucks.

With your genome in hand, a doctor can spot genetic predispositions to particular conditions so you can take precautions to reduce the risk. Physicians could determine

which cancer treatment is likely to be most effective for you while producing the fewest side effects.

For years, genomic sequencing has been done using machines from a company called Illumina.

Now Illumina's patent is about to expire, allowing other companies to adapt the technology in a competitive market.

At a conference earlier this month, the start-up Ultima Genomics reported that it can offer genomic sequencing for $100.

The company has tweaked Illumina's process with "clever engineering [that] avoids a lot of complex plumbing," molecular biologist Mark Akeson at the University of California at Santa Clara, told Science.

With researchers from MIT and Harvard University, Ultima's scientists tested their technology to sequence 224 human genomes that had already been read. The result: Ultima's technique was as accurate as the previous work, company executives said.

Other tests showed the company's technology can identify which genes an individual cell is expressing and reveal the impact of epigenetics— external forces that change gene expression on cells.

"The less expensive [sequencing] gets, the more accessible this kind of research is to more labs and more people," Florence Chardon, a graduate student working with the Nobel-winning CRISPR gene editor, said to Science.

The $100 price tag is achieved by running several genomes at once, which could invite errors; in fact, some independent investigators say they found flaws in some of the Ultima technology's readings.

However, Singular Genomics is offering a tabletop sequencer that doesn't rely on high throughput to cut costs.

MGI, a Chinese firm, plans to sell its sequencing machines in the U.S. this summer, making cheap genome readings more widely available. Element Bioscience also is promising bargain-price genome readings.

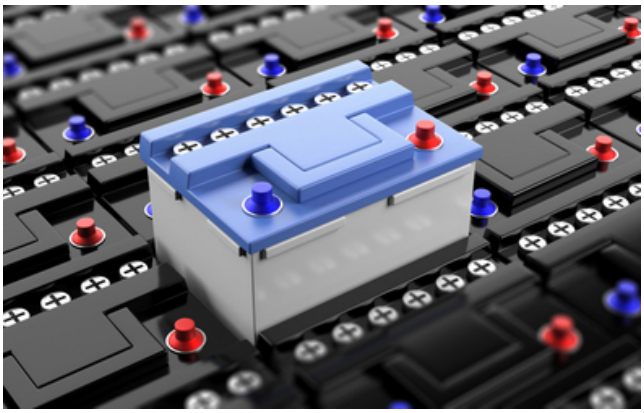
TRENDPOST: *The $100 genome could make a person's unique genetic profile a part of almost everyone's medical file, a step forward in making personalized medicine an everyday reality that will make effective treatments faster and easier.*

Ultimately, that will lead to a healthier population and make health care cheaper.

However, genetic profiles would need to be stored with the utmost security, especially in an age when artificial intelligence is breaking down databases' security firewalls.

In addition, ethical issues that we haven't needed to imagine before now will rise up and need to be addressed.

A BATTERY THAT RUNS ON WATER



When designers at Alsym Energy decided to take a fresh look at batteries, they set four standards for whatever they would create: it had to be cheap, recyclable, use materials that were abundant, and avoid getting stuck in supply-chain snarls.

They developed a battery based on water.

Alsym's new power cell uses no cobalt, lithium, or nickel. The cathode is primarily manganese oxide; manganese is the fifth most common metal on Earth. The anode is made of another common metal that the company has yet to disclose.

The electrolyte—the medium through which electrons flow between a battery's positive and negative terminals to create an electric current—is primarily water, with a few additives and no organic solvents such as acetone or formaldehyde.

Environmental stewardship is good, but it's performance that matters—and Alsym claims to deliver it.

When the company tested its new battery architecture, "we started seeing lithium-like performance," according to Kripa Varanasi, an MIT professor of mechanical engineering who has been working with Alsym since 2017.

Lithium batteries are the standard by which other battery designs' power density and lifespan are judged.

Also, the company claims that a battery pack of its cells made for an electric vehicle, when manufactured at commercial scale, could cost half as much as today's lithium-based batteries.

In addition to MIT engineers, the technology's promise has drawn $32 million from venture investors and a former chair of Harvard's business school to head its board of business advisors.

An unnamed "leading India-based automaker" has committed to partner with Alsym to make batteries for its EVs if Alsym's battery technology meets certain performance benchmarks.

The company also is planning a prototype manufacturing facility in Massachusetts.

TRENDPOST: *Assuming this new battery technology proves itself, batteries for storage and electric vehicles could be sourced and built almost anywhere.*

As a result, the technology would skirt China's control over key minerals now needed to build lithium batteries.

The batteries also would avoid the fire dangers of lithium, bypass the complexities of recycling toxic materials, and make EVs as cheap as conventional gas buggies.

If the technology performs as advertised, the batteries could be appearing in EVs around the world by 2030.