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HISTORY BEFORE IT HAPPENS®

CORONAVIRUS:

106 DEAD IN CHINA
1.4 BILLION STILL ALIVE

THE NEW "BLACK PLAGUE"?

TRENDS JOURNAL
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28 January 2020

GEOPOLITICAL ROUNDUP

IRAQ: PROTESTS AND THREATS

Now in its fourth month, the countrywide demonstrations in which several hundred have been killed and thousands wounded continued this weekend, as hundreds of thousands of Iraqi citizens took to the streets.

Lacking jobs and basic living standards, and calling for new elections and an end government corruption, the demonstrators were beaten and killed by Iraqi security forces.

The government's aggressive tactics to end the street protests came shortly after a popular cleric, Muqtada al-Sadr, announced to his millions of followers that he was no longer supporting the demonstrators because of violent actions taken by many of them.

After the U.S.-led invasion of Iraq in 2003, as the leader of the Sadrist Movement, a militia group that opposed America's occupation, al-Sadr became a heroic figure to millions of poor Shiites living in Iraq.

Sadr's supporters had been providing medical care and shelter, and, in some cases, physically shielding the protesters from police attacks.

The following day, however, the influential cleric, who vehemently opposes the U.S. occupation, said he supported demonstrations against the U.S. embassies in Baghdad and other cities, referring to American troops as "those who have offended the symbol of the nation."

With 70 percent of Iraqis identifying themselves as Shia Muslims, many protestors are also opposed to the continuing Iranian influence over the Iraqi state government.

Despite the withdrawal of Sadr's supporters from anti-government demonstrations, thousands convened in the center of Baghdad on Saturday, setting up new tents and vowing not to leave.

TREND FORECAST: *The protests and demonstrations will continue to accelerate throughout Iraq and attacks against U.S. troops and personnel will intensify. Over the weekend, rockets were fired at the U.S. Embassy in Baghdad. While no one was hurt and there was no significant damage, future attacks on the embassy will be seen by Washington as a "Benghazi moment," inciting escalating retaliation by U.S. forces.*

Also, as Brent Crude has now fallen below $60 per barrel, economic conditions will continue to deteriorate, thus increasing protestors' demand for more government services and jobs.

PUBLISHER'S NOTE: *This summer will mark the 100-year anniversary of the Great Iraqi Revolution of 1920, which saw Sunni and Shiite factions join forces to fight British forces occupying the county to control and exploit its rich oil reserves.*

British forces brutally crushed the rebellion with mass bombings and heavy use of poison gas. At the time, Winston Churchill, then the British minister of war, proclaimed, "I am strongly in favor of using poisoned gas against uncivilized tribes [to] spread a lively terror."

The military leader of the Iraqi rebellion was the great grandson of Muqtada al-Sadr, the popular cleric now leading the anti-American occupation in Iraq.

IRAN: U.S. ON THE WARPATH

While tensions between the United States and Iran have eased somewhat following President Trump's assassination on 3 January of Iranian general/ number two political leader Qasem Soleimani, Washington has warned more killing of Iranian officials remain a U.S. policy option.

Speaking at the annual Davos meeting in Switzerland last week, U.S. Special Representative to Iraq, Brian Hook, singled out Esmail Ghanni, who replaced Soleimani, as a target.

"If Ghanni follows the same path of killing Americans, then he will meet the same fate… This isn't a new threat. The president [Trump] has always said that he will always respond decisively to protect American interests. I think the Iranian regime understands now that they cannot attack America and get away with it," said Hook.

Responding to Hook's threat, the Iranian foreign ministry said, "These words are an official announcement and a clear unveiling of America's targeted and governmental terrorism."

PUBLISHER'S NOTE: *Who are the "Americans" Hook is referring to that cannot not be attacked? Average American citizens?*

Or the American military and their mercenaries killing, bombing, and illegally occupying Yemen, Libya, Syria, Iraq, and other sovereign nations who pose no threat to "Americans"?

And who are the "American interests" Mr. Hook is referring to that must be protected? ExxonMobil, Halliburton, United Technologies, Lockheed Martin, Raytheon, and other war profiteers?

Ghanni, as well as other Iranian officials, are vowing to take revenge for the U.S. killing of Soleimani.

*And, as reported in last week's **Trends Journal**, the Pentagon has sent an additional 4,000 troops and military hardware to the Middle East region surrounding Iran.*

TREND FORECAST: *The U.S./Israel/Saudi alliance will continue to target Iran. We forecast an acceleration of overt and covert economic and political warfare will be launched by the alliance in efforts to bring down the Iranian government and have them submit to alliance demands.*

And now, with oil prices dropping to under $60 per barrel and Iran's exports having fallen to 500,000 barrels of oil per day (from 2.8 million before Trump withdrew from the nuclear deal and put "maximum pressure" sanctions on the nation), Iran's economy will continue its sharp decline while domestic pressure against the ruling government will intensify.

Here Comes Europe

While the European Union has made overtures it would continue working with Iran to both keep the nuclear agreement, which the U.S. backed out of, and work to maintain peace in the region, it is now capitulating to U.S. pressure.

Among the countries sending naval forces to the Strait of Hormuz, which borders Iran and is the only sea passage to move oil from the Persian Gulf to the world's oceans, are France, Germany, Belgium, Spain, Portugal, Holland, and Greece.

INDIA: MASS PROTESTS CONTINUE

On Sunday, millions of Indian citizens continued the two months-long protests against the passage of the Citizenship Amendment Act, spearheaded by Prime Minister Narendra Modi's ruling Hindu nationalist party, which grants citizenship to religious minorities – *except Muslims* – from neighboring countries.

Some seven million people in the state of Kerala formed a human chain that stretched 385 miles. Demonstrators read from the constitution's preamble, which defines the country as a "secular democratic republic" and swore oaths to uphold it as part of the protest.

Last Wednesday, India's Supreme Court, while ordering the Mahdi government to answer the more than 100 legal challenges to the validity of the Citizenship Amendment Act, would not issue a legal stay of the controversial law.

In 2019, over two million people living in India were dropped from the citizenship list, as the government continues to move the country towards a Hindu state. Protestors are concerned the new law will end citizenship rights for millions more.

The ongoing demonstrations have seen millions of citizens of many nationalities and religious affiliations take to the streets in all regions of the country despite harsh reprisals by the government. To date, from police actions, nearly 30 citizens have been killed and hundreds injured, and thousands have been arrested.

The lieutenant governor of the National Capital Territory of Delhi declared that police have the right to detain people without charge.

And, last week, the political leader of the West Bengal region called on his chief minister to use live ammunition against protestors and boasted that police "shot these people [protesters] like dogs."

TREND FORECAST: *As economic conditions continue to worsen, standards of living further decline and unemployment rises, demonstration and strikes will escalate across India beyond those taking to the streets in opposition to the Citizenship Amendment Act.*

In response, India's military/police forces will violently clamp down on protesters.

FRANCE

Last week, as President Emmanuel Macron presented his controversial pension plan to his council of ministers, thousands of union members from the rail and transport sectors ended their six-week strike, citing the financial stress of staying off the job.

Many of the public transportation workers who had been protesting, but returned to work out of financial stress, made it clear they would continue to oppose any cuts to their pension plans.

Other unions have threatened to continue to strike and have joined hundreds of thousands of French citizens who have taken to the streets to oppose Macron's pension plan.

Last Tuesday, France's CGT trade union shut down the country's largest power plant, which cut off electricity to thousands of homes and businesses. They warned they would shut down other utilities, including nuclear power plants, if the pension plan becomes law.

PUBLISHER’S NOTE: *In a poll taken last week, 61 percent of French citizens oppose Macron’s plan, and over 80 percent reported they are worse off since Macron took office. The president’s party has a majority in the French National Assembly, so passage of the plan is considered likely despite the intense street protests, which are now almost two months-long.*

LEBANON: NEW GOVERNMENT, SAME OLD STORY?

The ongoing protests against lack of jobs, a decaying economy, and government corruption that began on 17 October last year, and forced its Prime Minister Saad Hariri to resign, continues.

Despite the announcement by Hassan Diab, the new Prime Minister, of his appointing 20 new ministers whom he vowed to work with to solve protesters’ complaints, it did little to quell the long-simmering anger as thousands continue to occupy streets across the country.

Protesters criticized the people Diab selected as cronies from the same political parties that are responsible for creating the crisis, and they demand a government run by independent officials.

On Sunday, thousands demonstrated outside government headquarters in Beirut and attempted to break through a protective barricade. They were pushed back by the government’s Internal Security Forces, who then used water cannons and tear gas to force them to leave the area entirely.

In response to the bank liquidity crisis reported in last week’s **Trends Journal**, as thousands of Lebanese citizens were restricted to withdrawing only small amounts of their own money, the Central Bank of Lebanon promised last week to provide more currency.

The banks reportedly are transmitting over $300 million in banknotes every month in an effort to help the crisis. But the new Finance Minister stated the country had to get foreign aid in order to rectify the crisis where people had to “beg for dollars” at banks.

Last Wednesday, the Association of Banks in Lebanon said it hopes the new government “will have a positive impact on the general conditions in the country, paving the way for the return of stability.”

TREND FORECAST: *Plummeting confidence in the country’s banking sector will continue to fuel inflation. Poverty will deepen and living standards will deeply decline as faith in the economy falters and businesses close down. The worse economic conditions get, the more violent the protests will become and the harder the governments will clamp down on them.*

VENEZUELA: GUAIDÓ FADING

Juan Guaidó, who with U.S. backing and that of some 50 nations, claims to be the legitimate president of Venezuela, received a cool reception at the recent meeting of government and financial leaders in Davos.

Despite his recent meeting and endorsement by U.S. Secretary of State Mike Pompeo last week, as reported in the **Trends Journal**, Guaidó failed to get meetings with major leaders, including President Trump.

Guaidó told small audiences he was able to address that he and his supporters were still in a position to oust the current president, Nicolás Maduro, and lobbied European leaders to help weaken Venezuela's gold trade, which he claims helps Maduro maintain power with the military.

At the conference last week, President Trump didn't even mention Venezuela. Mr. Guaidó was only able to get meetings with the leaders of Austria, Greece, and the Netherlands. His main emphasis was on the millions of Venezuelans who had been forced to flee their country due to the lack of food and medical care under the Maduro regime.

TREND FORECAST: *Despite the tepid support for Guaidó at Davos and his waning support in Venezuela, the United States will continue to support him and/or other leaders/factions in its effort to overthrow the Maduro government.*

Beyond the crippling economic sanctions Washington has imposed on the nation, the U.S. and its allies will increase pressures militarily to attain regime change.

ECONOMIC UPDATE

MONETARY METHADONE: REPO RESCUE TOPS $6 TRILLION

The Federal Reserve Bank of New York has pumped $6.6 trillion into major financial trading houses in the last five months through the repo market (repurchase agreement) market, according to data posted on the bank's website.

The first week of the current repo rescue was last 17 through 24 September, when the repo interest rate unexpectedly jumped to 10 percent. During those seven days, the New York Fed put $373.9 billion into Wall Street trading firms, lending the money at between 1 and 2 percent to keep the markets oiled and working.

During the first week of 2008's Great Recession – a week during which Lehman Brothers filed bankruptcy and the Bank of America swallowed Merrill Lynch – the New York Fed put $285 billion into the repo market to keep institutions afloat. That's about $339.2 billion in today's dollars.

In other words, the New York Fed has had to put about $34.7 billion more into the repo market now than it did at the crash that set off the Great Recession.

Wall Street's bulls dismiss concerns that the Fed's cheap money is fueling risky speculation, calling the worriers "quantitative easing conspiracists."

Repo Money Madness

The Fed pumped in $90.8 billion in short-term loans to trading houses through the repurchase agreement or "repo" market on 21 January. Overnight loans available to banks and trading houses totaled $58.6 billion; $32.2 billion was opened for 14-day loans.

On 15 January, the Fed reported that $229.5 billion in these short-term loans were outstanding compared to $210.6 billion on 9 January.

This market prop came after a 15 January injection of $52.6 billion to tide the markets over through the mid-month weekend.

TRENDPOST: *As we have long noted, the Fed's cheap money is fueling a speculation bubble that will lead to another market plunge. Indeed, following last August's market slump, the subsequent Dow's 3,000-point rise since last September had nothing to do with inherent market value but by the flood of cheap money the Fed has made available for the trading houses to gamble.*

Mirroring our equity market trend forecast, on 20 January, Scott Minerd, chairman of Guggenheim Investments and an advisor to the New York Fed, *published a statement in which he likened central banks' market manipulation to a Ponzi scheme and stated, "Ultimately, investors will awaken to the rising tide of defaults and downgrades."*

JUNK DEBT DUE SETS RECORD

Almost $1.2 trillion in speculative-rated corporate bonds – also known as "junk debt" – will come due over the next five years. This sets a record for the amount of risky loans to mature over such a short period, up 14 percent since last year.

Looking at growing signs of an economic slowdown ahead, Moody's warns that the risk is rising for a growing number of these loans to go sour.

Making things worse, more companies are losing their formerly high bond ratings.

Moody's now rates 36 percent of junk debt as B3 or lower, up a third from a year ago. A B3 rating is less risky junk debt than B- but still high-risk. B-rated loans now make up more than half the bonds maturing before 2025.

B-rated debt is still better than bonds rated Caa or lower, which now make up $61 billion of overall junk debt, up from $45 billion a year ago. Direct loans make up 63 percent of the debt coming due by 2025, the highest volume ever recorded.

About $240 billion of the debt is lodged in economic sectors that share a negative forecast: vehicles, chemicals, coal, forest products, manufacturing, railroads, steel, and telecoms. In 2019, petroleum-related companies had the worst default record and still hold about 8 percent of the maturing junk debt

“This greater percentage of lower-rated loans points to higher defaults in the next [economic] downturn,” Moody’s reports, and “a higher near-term risk for loans.”

Low interest rates have enabled lesser-rated companies to issue debt and then continue borrowing, in some cases to meet interest payments on previous loans.

TREND FORECAST: *The debt bubble keeps building as central banks across the globe continue to flood the markets with cheap money. As economies slow and interest rates go lower, already deep-in-debt companies will sink deeper in debt as they borrow more to stay afloat.*

Therefore, when the “Greatest Depression” begins to set in mid-2021, already troubled businesses will go out of business and bring down institutions and those that invested in them. Junk bonds will be worthless junk.

TRUMP: IN LA-LA LAND

Addressing the World Economic Forum at Davos last Monday, President Donald Trump told the gathering that the U.S. is “in the midst of an economic boom, the likes of which the world has never seen.”

He branded the economy “the great American comeback” and “a stunning turnaround” powered by “a whole new approach centered entirely on the well-being of the American workers.”

“The American dream is back, bigger, better, and stronger than ever,” he said. “No one is benefiting more than America’s middle class.”

TRENDPOST: *As we used to say in The Bronx, "Bullshit has its own sound." Trump is wrong. "No one is benefiting more than" the 1 percent, not the middle class.*

And, the Congressional Research Service report finds that the 2017 Tax Cuts and Jobs Act (TCJA) had little measurable effect on the overall U.S. economy in 2018. Indeed, as we have long noted and the CRS confirms, much of it went to $1 trillion in stock buybacks.

Further, the CRS concluded that after adjusting for inflation, wages grew more slowly than overall economic output and at a pace relatively consistent with wage growth prior to passage of the TCJA.

According to the Tax Policy Center, the richest fifth of Americans will receive nearly two-thirds of total benefits in 2018 and the richest 1 percent alone will receive 83 percent of the total benefits in 2027.

As for the overall U.S. economy, GDP is expected to grow only 2 percent this year, down from the tepid 2.3 percent in 2019.

Not a Penny to Spare

According to Bankrate's Financial Security Index, only four in ten Americans can cover an unexpected emergency $1,000 expense with money from their savings.

While 41 percent of people said they would pay for the emergency out of savings, 34 percent said they would borrow. Another 14 percent said they would have to reduce spending on other things. One person in ten said they wouldn't know how to pay the bill.

Among survey respondents, 30 percent said they or a family member had to foot an emergency expense in the previous 12 months; 36 percent said the expense was at least $5,000. The average emergency cost was $3,518.

Many people would not have a choice other than going into debt. A Bankrate survey in July 2019 found that 28 percent of Americans have no emergency savings; about 25 percent had fewer than three months' expenses saved. Only 18 percent said they had savings to cover six months' worth of expenses, the lowest number in nine years.

Rising living costs, lagging wage growth, and a consumption-oriented economy were blamed for the lack of savings.

And, as noted by a Federal Reserve, almost 40 percent of American adults wouldn't be able to cover a $400 emergency with cash, savings, or a credit-card charge that they could quickly pay off.

NEW YORK CITY: BUY/HOLD/SELL?

The weakness in Manhattan real estate prices and store vacancies that we have been reporting on in the **Trends Journal** over the past year have spread across the East River to Brooklyn.

The dollar volume of real estate sales in Brooklyn last year dropped 30 percent from 2019, to $5.1 billion.

The plunge was driven largely by a shrinking market for apartment buildings, the sales of which fell by 56 percent last year, logging only $1.1 billion in sales.

TREND FORECAST: *New York City, as with many major cities across the country and around the world, will need several years to rebound, and possibly longer as the economy stumbles into the "Greatest Depression."*

We continue to note, however, that interest rates will continue to decline in the America and across the globe, thus temporarily propping up both commercial and residential market sectors.

IMF FORECAST CASTS SHADOW OVER DAVOS

The International Monetary Fund (IMF) told the World Economic Forum at Davos that it has revised downward its 2020 and 2021 growth forecast for the world's economy, cutting this year's outlook from 3.4 to 3.3 percent and next year's from 3.6 to 3.4 percent.

The glum forecast was mirrored by corporate executives attending the conference. More than 50 percent of the 1,600 surveyed said they expected slowing growth this year, compared to 29 percent last year and just 5 percent in 2018.

Many executives reported their companies are under greater market and economic pressures than at any time since 2009.

An IMF statement at the conference credited the 71 synchronized interest rate cuts by 49 central banks last year with avoiding a global recession.

TREND FORECAST: *As we have long noted, central banks will continue to lower interest rates, even those with negative rates, as the global economy slows. And, with the growing realization of the limitations of monetary policy, nations will go deeper into debt by employing fiscal policies, such as infrastructure building, to create jobs and boost economic growth.*

It should be noted that in America, in the past three downturns, the Federal Reserve cut its benchmark rate by some 5 percentage points. Today, with the overnight rate between 1.5 percent to 1.75 percent and little room to go lower, the U.S., racking up trillion dollar a year deficits, will also employ fiscal policy measures, thus building a bigger debt bubble.

Overall, considering global economies are slowing and the measures governments and central banks will employ to boost growth, currencies will grow weaker and gold prices will move higher.

Therefore, we maintain high prospects for gold $2,000 per ounce in 2020.

EUROPE: POLICIES UNDER PRESSURE

The weakness of Europe's economy in January has surprised analysts, but it comes as no surprise to **Trends Journal** subscribers.

IHS Markit's Purchasing Managers Index (PMI) for the region was stuck at 50.9 as the year began, unchanged from December. Observers had expected it to begin January at 51.2.

The German economy's strength early this month was diluted by France's poor output, due in part to widespread strikes and a resulting drop in the service sector's performance.

The Eurozone's manufacturing index rose from 46.3 in December to 47.8 in early January, a five-month high, but still below the 50 mark, which would indicate growth. Meanwhile, the service sector's index dropped from 52.8 in December to 52.2 this month.

Germany's PMI climbed to 51.1 in January, a signal that the country's manufacturing sector is beginning to recover from a two-year slump.

Growth in the Eurozone's economy outside of France and Germany, however, fell to its slowest in six and a half years, especially in Italy and Spain.

Bankers Go Negative on Negative Interest Rates

Across Europe, a growing number of bank executives are raising alarms about the negative interest rates adopted by the European Central Bank and by central banks in Denmark and Switzerland, among other countries.

A negative interest rate means that banks charge depositors a fee to store their money, instead of the usual practice of the central bank paying interest to the depositor.

Negative rates discourage savings and encourage risky speculation, the bankers argue, and are vaporizing banks' profit margins. These risky loans and investments can quickly go bad if the region's or world's economy takes a turn for the worse.

According to David Solomon, Goldman Sachs' CEO, "In an environment where, for a long… period… interest rates have been zero and money has basically been free, it pushes people out along the risk curve."

National banks instituted negative rates to make it costly for commercial banks to hold money and, therefore, to make more loans to stimulate economic growth.

Five years ago, the Swiss National Bank instituted negative rates to keep the Swiss franc weak against other currencies and required banks to keep some of their money in the central bank and pay a fee to do so. Some of the banks are passing the fee to their depositors, leading many affluent customers to pull their money out.

Thomas Jordan, president of the Swiss National Bank, counters that negative rates are "essential" to the Swiss economy and that the bank might lower its current -0.75 percent rate even further.

Jamie Dimon, head of JPMorgan Chase, views the negative rates with "trepidation," adding that "it's very hard for central banks to forever make up for bad policy elsewhere."

TRENDPOST: *The ECB announced it will begin a review of its €200 billion bond holdings to see if the portfolio should be adjusted to protect against the risks of climate change and other external factors.*

The bank's governing council will "examine how other considerations such as … employment and environmental sustainability can be relevant in pursuing the ECB's mandate."

The bank's mission is to keep prices stable and inflation low. The council plans to review the policy tools it uses to achieve those goals.

At its most recent meeting, the bank left its loose monetary policies and negative interest rates unchanged. However, as we continue to forecast, as economic conditions deteriorate, the ECB will increase Quantitative Easing, lower rates further into negative territory and invent other money pumping schemes to boost GDP growth.

Again, the more money pumped into the system and the lower interest rates fall, the higher gold prices will rise.

CHINA: BANKSTER BLUES

More banks need bailouts. China's lax banking regulations have led to decades of bad loans, corruption, and mismanagement. Now, according to UBS Research, more than 24 of the nation's banks need $339 billion in rescue funding to have 12.5 percent of their at-risk portfolio balanced by cash – the global standard for safe practice.

Although the official rate of bad loans is reported at 2 percent across the sector, analysts say that the actual rate is much higher. At least six Chinese banks haven't disclosed financial statements for years.

Rumors appearing on social media hinted that some small banks could collapse. When crowds lined up at one such bank to pull their money out, more than 100 police officers were sent to control them.

China's weakening economy is exposing a greater number of bad loans, and new regulations are forcing banks to acknowledge them and to tighten lending practices.

China has the resources to keep flailing banks afloat; the afflicted institutions are said to make up only about 4 percent of the country's total banking assets. The troubles haven't reached China's four biggest banks, which are the world's largest banks by assets.

TREND FORECAST: *The Chinese economy will slow this year, in part, as a result of the recent outbreak of the coronavirus that hit hard at the start of the Chinese New Year… a time to travel, spend, and celebrate.*

Beyond the virus, we forecast more bank bailouts and increased government spending to boost economic growth. This will put further downward pressure on its currency, which will in turn increase inflation, thus adding yet higher inflation risks should its central bank lower interest rates in their attempt to spur growth.

TRENDS-EYE VIEW

GLOBAL CORRUPTION INDEX: HOW LOW CAN YOU GO?

America, the land of the free and the home of the brave that wages wars to bring freedom and democracy to nations across the globe and overthrowing "corrupt" leaders, has slipped in the International Corruption Ranking index.

In Transparency International's annual Corruption Perceptions Index, the U.S. dropped two points to 27th place among the world's nations. The U.S. is rated one rung above Bhutan and two rungs below Uruguay.

The ratings are determined using 13 criteria and international surveys of business executives, assessing government, corporate, and personal-level bribery, law-breaking, and similar forms of corruption.

The U.S. scored 69 points, its lowest in eight years.

The least corrupt nations are Denmark, Finland, and New Zealand. Somalia, Syria, and South Sudan suffer from the greatest corruption.

The ratings were released as John Stumpf, former Wells Fargo chairman and CEO, was fined $17.5 million and banned from banking for life by the U.S. Office of the Comptroller of the Currency. He led the bank through an incentive scheme that gave employees bonuses to open fake customer accounts.

At the same time, Jamie Dimon, chairman and CEO of JPMorgan Chase, got a raise. His annual salary is now $31.5 million to reward his 2019 leadership. During this time, the U.S. Justice Department has been conducting its fourth criminal investigation in the last seven years into the bank's practices.

In 2013, the bank – under Dimon's leadership – gambled and lost $6.2 billion of depositors' money in the London derivatives casino. A year later, the bank confessed to two felonies for abetting convicted swindler Bernie Madoff launder billions of dollars through the bank without notifying regulators as required. In 2015, JPMorgan Chase admitted to a felony charge of rigging foreign exchange markets.

In 2019, Chase became the first U.S. bank ever to have a trading desk charged as a criminal enterprise. Its precious metals desk and three traders were indicted for wire fraud and bank fraud.

During the years of Dimon's leadership, his bank is estimated to have paid more than $6 billion in fines and penalties.

TRENDPOST: *The word “justice” in America = “Just us.” Despite the numerous criminal violations of the White Shoe Boy Gangster Banksters, none of the gangster banker crime bosses go to jail.*

However, for the plantation workers of Slavelandia, who commit even minor violations, are persecuted, fined and sentence with maximum penalties to the letter of the law.

While citizens across the globe are out in the streets demonstrating against corruption and cronyism that favor the rich at the cost of society, in America, it’s business as usual.

CRYPTO BUG BITING BANKS = GOING CASHLESS

One in every ten of the world’s central banks is planning to issue a national cryptocurrency before 2023, according to a 2019 survey by the Bank for International Settlements.

The number almost doubled for banks planning to launch digital currencies by 2026.

In theory, national cryptocurrencies could be used to buy anything from fast-food burgers to houses. The digital money would speed interbank transfers and could allow individuals to do business directly with a nation’s central bank.

The banks’ attention has been inexorably drawn to cryptomoney by the increasing number of private currencies and their popularity for on-line transactions.

TREND FORECAST: *As noted, the* ***Trends Journal*** *is the only magazine in the world that tells you what's going on, what's next, and where it's heading. As for banks using cryptocurrencies, it is all part of the "going cashless" trend we had forecast four years ago:*

NO MORE CASH

Soon, you won't be able to see or touch cash in the coming global cashless society.

The pace at which currency across the globe was challenged or devalued accelerated in 2016. The stage is now set for even greater momentum: In 2017, there'll be a global sprint toward digital currency.

Sweden – where barely 2 percent of all payments are in cash, according to the central bank, Riksbank – is leading the way. And government-orchestrated demonetization efforts in India, Britain, France, Austria, Belgium, and other countries also fuel the cashless movement.

Ranging from eliminating some currency, to negative interest rates on cash deposits, to assigning fees to cash payments and more, the war on cash grows in reach and intensity.

Technology Fuels the Trend

Another factor feeding the cashless trend is the growing investment in the technology needed to support a cashless world.

Forget those vaults where cash once was kept. Digital dough will be stored and transacted electronically. From Bitcoin to Citicoin to SETLcoin, the world is moving to digital currency.

And driving this digital-currency rush is blockchaining. It's technology that legitimizes and services a cashless world. A "block" is a record of a transaction between two people that's permanently stored in a database. A "chain" is a series of blocks stored in the order they occurred.

Indeed, the biggest of the too-big-to-fail banks are teaming up to harness blockchain technology to manage and settle financial transactions. And the World Economic Forum predicts blockchaining is speeding toward a central role in the global financial system.

Already, about $20 billion in value worldwide is traded inside chains.

With the technology growing more sophisticated and, thus, adaptable, 2017 will see the biggest advance yet toward a cashless world. Also fueling the trend: The absence of any substantial fundamental opposition. That's the case even though Big Brother will be able to watch even more how you spend your money, conduct your daily life and engage the world around you.

It’s clear: Your privacy will be lost.

Without hard cash, every digital purchase logged is subject to taxes, fees and penalties. Owe back taxes? Overdrawn on your account? Had a lien filed against you? Forgot a mortgage payment? In a cashless society, government or big banks can more easily take your money without resistance or due process. And in doing so, those entities will have an entirely new cache of information about you.

Despite those obvious and formidable risks, there is no substantial anti-digital-currency movement.

In developed nations, the only measurable obstacles to digital currency’s fast track are segments of poor people and very small, cash-only businesses. They rely more heavily on cash because they don’t have credit cards and maybe not even bank accounts. They’ll find the transition harder, but unavoidable.

Already, companies and technologies are emerging to target these groups.

TREND FORECAST: *While the complete transition to a cashless world will take a decade or more to complete, digital transactions will become more dominant in 2017. Technologies and companies that accelerate and facilitate digital currencies will grow in demand.*

And privacy concerns will grow as well.

In this new cashless society, financial and even governmental institutions – not you – have custody of your cash. Every purchase you make, and where and when, draw a profile over time of your preferences, habits, needs and interests.

The cashless movement, which empowers corporate giants and accelerates government control over your money and privacy, continues unabated.
Bet your bottom dollar – or your digital dollar – on this: The transition to a cashless society in the U.S. and across the Western world, as well as much of the world, is cemented.

HI-TECH SCIENCE

PFAS CONTAMINATION MORE WIDESPREAD

by Ben Daviss

PFAS – perfluoroalkyl substances, a family of more than 5,000 hardy chemicals used to make products ranging from firefighting foam to waterproof mascara – have widely pervaded the U.S. water supply, according to a new study by the private, nonprofit Environmental Working Group (EWG).

Several of the chemicals have been linked to liver damage, kidney and testicular cancer, hormone disruption, and low birthweight, among other threats to health.

PFAS contamination has been recognized for some time, but the new study finds the poisons far more widespread than was thought. In 34 places where the study found PFAS in water, authorities had not reported the contamination.

According to the U.S. Centers for Disease Control and Prevention, the chemicals can last for decades, and more than 95 percent of the U.S. population has PFAS lodged in their bodies.

In 2018, the EWG used unpublished data from the U.S. Environmental Protection Agency to estimate that about 110 million Americans – roughly a third of the population – had PFAS on board. The new study disputes that figure and lends credence to the CDC's higher number.

The new study sampled tap water at 44 sites in 31 states and Washington, D.C. Only samples from Meridian, MI, which draws its water from 700-foot-deep wells, showed no PFAS.

In sites where PFAS were found, the average count was between six and seven varieties of the chemicals.

The five most contaminated areas found by the study:

- Brunswick County, NC (the state's southeast coast)
- Iowa's Quad Cities region, spanning from Davenport to Moline, IL.
- Miami, FL.
- Bergen County, NJ, bordering New York City across the Hudson River
- Wilmington, NC, just east of Brunswick County

Brunswick County and the Quad Cities area both scored above the EPA's safe limit for two PFAS chemicals of 70 parts per trillion.

Other high-scoring areas include Philadelphia, New Orleans, and Louisville, KY.

Memphis, Little Rock, Sacramento, and Colorado Springs were among the lowest-testing areas.

PFAS have now been detected in rainwater, meaning the chemicals are being spread even where they didn't leak into the ground from industrial processes.

Manufacturers phased out earlier versions of PFAS due to their rampant toxicity, although those chemicals are still in the ground and water. Later generations of PFAS have shown different, but no less harmful, effects.

Currently, there is no overall federal regulation of PFAS. Last year, Congress proposed laws that would force the government to clean up PFAS at military bases, which are sites that have high concentrations, and would force the FAA to allow airports to use PFAS-free firefighting foam. Other proposals are being developed.

Meanwhile, more than 20 states have imposed their own rules. Washington has banned PFAS from some products and New York has forbidden state agencies to buy food containers with PFAS in them.

In 2018, the Trump administration delayed public release of a new study showing the health effects of PFAS, fearing a “public relations nightmare.” The study, and two chains of cover-up emails, eventually were released under a Freedom of Information Act request by the Union of Concerned Scientists.

TRENDPOST: *Growing awareness of PFAS will force regulators and manufacturers to curtail their use. That process will evolve over several years; contamination will remain for decades unless massive clean-up costs are budgeted.*

PFAS are usually found in greaseproof, waterproof coatings, so anything from couches and carpets to raincoats and fast-food wrappers are likely to contain them. Makeup containing ingredients with “fluoro” in their names also likely contain PFAS.

For the foreseeable future, it will remain up to consumers to check labels and make thoughtful, informed choices about their purchases.

TRENDPOST: *Demand for “clean” water will accelerate across the globe driving demand for both bottled water (despite questionable quality) and water filters.*

IT’S ALIVE! (SORT OF)

by Ben Daviss

Scientists at the University of Colorado at Boulder have created a form of concrete that can reproduce and can heal itself if damaged.

Beginning with a particularly robust strain of bacteria, researchers mixed the bugs with sand and a hydrogel holding water and nutrients to feed the microbes.

As the bugs flourished and multiplied, they excreted calcium carbonate – another name for limestone.

When the material dried, it proved to be as strong as mortar made from cement.

The researchers then split the resulting block and added more sand and nutrient-laden hydrogel to the two halves. The halves then grew into two full-size blocks. The team split those blocks, split the offspring, and wound up with eight blocks.

The bio blocks also can "heal" themselves if they crack, filling in the gaps.

The developers see the new material as a replacement for fossil-based road pavement and conventional concrete, all of which demand large amounts of energy to produce through processes that belch as much as 6 percent of the world's carbon dioxide emissions.

TRENDPOST: *The emerging field of "engineered living materials" is yielding a new class of matter that brings the qualities of life – motion, reproduction, and self-healing, among others – to what has been inanimate objects. New companies and industries will grow out of this basic research now under way.*

"SENOLYTIC" DRUG REVERSES KEY CAUSE OF AGING

by Ben Daviss

As the human body ages, it accumulates a growing number of "senescent" cells that lose their ability to work properly or even go dormant. As more of these cells build up, the symptoms of ageing become more pronounced – everything from dementia to crepe-like skin.

"Senolytic" drugs that could clear away senescent cells have been in the lab for some time. But now scientists at the Mayo Clinic have shown for the first time that a senolytic drug actually can sweep senescent cells out of the human body without creating collateral damage.

Nine people with diabetic kidney disease were given three daily doses of dasatinab, one of the Mayo Clinic's senolytics, combined with quercitin, a plant pigment known to reduce inflammation and scavenge free radicals from the body.

Although the drug doses cleared out of the body within 48 hours, senescent cells continued to flush from kidney tissue for at least 11 days.

TRENDPOST: *Senolytic drugs will draw an increasing focus of research attention and dollars as demand grows for therapies that manage and forestall the processes of aging. By 2030, senolytics will be a routine part of physicians' anti-aging therapy portfolio.*

BIG CHAIN "HEALTH HUBS" ON THE RISE

by Ben Daviss

The retail giant Walmart is planning to open its second Health "super center" in Georgia this year.

Walmart's first Health center opened its doors last September in Dallas, GA. The 10,000-square-foot storefront offers primary care, lab work, X-rays and EKGs, optical and hearing services, mental health counseling, dental services, nutrition counseling, fitness guidance, and health insurance education and enrollment.

Many of the services are offered in contractual partnerships with area medical care providers that maintain staff and equipment in the center.

The chain has tested small “care clinics” inside a few of their department stores in Georgia, Texas, and South Carolina. This is its first Health center with separate walls and a separate entrance, although it remains attached to a conventional Walmart superstore.

TRENDPOST: *Walmart isn’t the only chain launching these health supermarkets.*

CVS plans to open 50 “HealthHubs” this year, eventually opening 500 a year around the U.S.

Walgreen’s and Humana have combined to open full-service clinics for seniors; Walgreen’s is also collaborating with UnitedHealth Group’s MedExpress doc-in-a-box chain to open centers with physicians and X-ray services with a door leading into an attached Walgreen’s store.

Commercial real estate owners, seeing more and more storefronts lie vacant, are welcoming these new tenants.

The centers are a response to customers who flock to Amazon to purchase personal and health-related products. By offering a wide array of person-to-person services, the stores hope to lure shoppers back to their brands and to bricks and mortar.