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TRENDS JOURNAL

HISTORY BEFORE IT HAPPENS®

SPECIAL EDITION

FREEDOM & DEMOCRACY DEAD

POLITICIANS IN CONTROL

NEW WORLD ORDER 2020

TRENDS JOURNAL
HISTORY BEFORE IT HAPPENS®

7 April 2020

COVID-19: SPECIAL REPORT

FEAR, HYPE & SENSATIONALISM

As we noted in our 28 January **Trends Journal**, when the outbreak of the coronavirus hit China, the mainstream media immediately promoted the virus as a deadly pandemic that would devastate the world.

The cover story of the issue was: "CORONAVIRUS: 109 DEAD IN CHINA – 1.4 BILLION STILL ALIVE. BLACK PLAGUE 2020?"

Now, some two and a half months later, the total dead in China is 3,329 out of its population of 1.4 billion, which equals 0.00024 percent.

TRENDPOST: *Since that time, geopolitical current events forming future trends, such as "New World Disorder," one of our 2020 Top Trends detailing the scores of riots, demonstrations, protests, and strikes raging across the globe as millions took to the streets fighting against government corruption, loss of civil rights, violence, income inequality, poverty – are out of the news.*

*The Hong Kong protests that broke out a year ago, which the Chinese government could not contain and which we covered extensively in the **Trends Journal**, have now ended, as have the protests in all other countries.*

Instead, COVID-19 news, filled with fearful, anxiety-ridden headlines, is blasted 24/7 by global mainstream media, followed by government actions that now have put over four billion people in lockdown, shutting down industry and businesses, putting hundreds of millions of people out of work, and launching the "Greatest Depression."

Unlike the 1930's Great Depression, when Americans were told by their President, Franklin D. Roosevelt, "The only thing we have to fear… is fear itself…" in 2020, we are constantly brainwashed by the media and government to only fear "fear itself."

Hyperventilating PR

Last Thursday, the **Trends Journal** was sent the following from a U.S. public relations firm:

"As Americans debate the deadliness of Coronavirus and how we must respond, a new study shows Coronavirus is expected to become the No. 1 leading cause of death in America in April."

The study comes from a group called "Assisted Living Facilities." It based its analysis on White House data released on 31 March, as well as updated information from the Centers for Disease Control and Prevention (CDC).

Included in their press release are these statistics:

Deadliest Events in U.S. History:

1. Civil War: 750,000 deaths *(1861-1865)*
2. HIV/AIDS: 700,000 *(1981 to present)*
3. H1N1/Spanish Flu: 675,000 *(1918)*
4. Heart Disease: 647,457 *(2017)*
5. Cancer: 599,108 *(2017)*
6. World War II: 405,000 *(1941-1945)*
7. COVID-19: 240,000 *(Upper White House estimate from March 31)*

These numbers, like most of the data published in the mainstream media, are presented to make coronavirus appear significantly more lethal than the facts on the ground indicate.

These facts are virtually ignored by the mainstream media, which instead hype in its front-page headlines, "Virus Deaths Soar in New York" (*Wall Street Journal*, 4 April 2020).

Despite some of the highest levels of hospitalization, as of Monday, 2,475 people have died in New York City, a city of 8.6 million (0.029 percent).

And to date, there are some 11,000 deaths from COVID-19 reported in the U.S., while absent in the mainstream coverage is that already in the U.S. this year, the CDC estimates at least 24,000 have people died from the flu, and there have been 39 million flu illnesses and 400,000 hospitalizations.

In fact, according to the National Center for Health Statistics (NCHS):

> "[From] mortality surveillance data available on March 26, 2020, 8.2 percent of the deaths occurring during the week ending 21 March… were due to Pneumonia and Influenza. This percentage is above the epidemic threshold of 7.2 percent for week 12."

As for the 31 March forecast that "240,000 will die from COVID-19" in the U.S., the number is hardly above the 200,000 that the Journal of the American Medical Association said will die this year from air pollution.

And, it should be noted that "up to 240,000 American could die" is based on an estimate by Dr. Anthony Fauci, director of the National Institute of Allergy and Infectious Diseases, who, according to the mainstream media, is the "most trusted voice" on the impact of the virus.

Adding to the confusion and projections based on conflicting metrics and models, at the same press conference wherein the "most trusted voice" said up to 240,000 could die, Dr. Deborah Birx, White House Coronavirus Response Coordinator, said that according to the Institute for Health Metrics and Evaluation, up 82,000 could be killed by COVID-19.

It should also be noted that on 11 March, Dr. Fauci declared the coronavirus is ten times more lethal than seasonal flu, which would, according to his estimates, kill up to eight million Americans.

On 13 March, the CDC predicted that "as many as 200,000 to 1.7 million people could die."

In keeping COVID-19 on a war footing front, this past Saturday, America's Surgeon General warned this week will be "our Pearl Harbor moment."

TRENDPOST: *In the space of just two weeks, the COVID-19 death toll estimates in the U.S. ranged from 1.7 million to 82,000. All of these "pick your model" numbers were considered worst-case scenarios.*

Clearly, 82,000 is a lot of deaths, and we're not implying this isn't significant. And, if it rises to the highest level of the estimate, then it would be a terrible loss for those that died of the virus.

But since the motto of the ***Trends Journal*** *is "Think for Yourself," it's worth noting that, according to the CDC, in the 2017-2018 season, 80,000 Americans died from seasonal flu.*

So, even if Ms. Birx's estimate of 82,000 COVID-19 deaths is reached, it will not be significantly more deadly than the 2017-2018 seasonal flu… and could end up to be less deadly.

Totally unreported by the mainstream media, and of no concern to the politicians and the general public that follows their orders, is the fact that already this season, the CDC estimates there have already been 24,000 to 63,000 flu deaths.

Yet, the country wasn't in lockdown and 25 percent of the economy did not go idle, as it is today.

Forgotten Facts

Another key fact underplayed by mainstream media is that based on CDC data, 73 percent of Americans who needed hospitalization after contracting COVID-19 already were suffering from significant health issues.

For example, an estimated 97 percent of those killed by COVID-19 in Louisiana had pre-existing conditions: 40 percent had diabetes, 25 percent were obese, 23 percent had chronic kidney disease, and 21 percent had cardiac problems.

And, the New Orleans area, which has the worst coronavirus death rate in U.S., ranks 47th out of 50 states in obesity, and Louisiana ranks 49th out of 50 for "unhealthiest" U.S. states.

The China Syndrome

On 28 February, a report was released by the World Health Organization (WHO) stating the rate of death from COVID-19 in the Wuhan region of China, where the virus originated, was 5.8 percent.

Considering the seasonal flu has a mortality rate of 0.1 percent, a death rate percentage of 5.8 for COVID was huge, and it sent shock waves across the globe.

Yet, on 19 March, a study published in the journal *Nature Medicine*, a peer-reviewed medical journal, revealed that after more detailed analysis, the actual rate of death from the coronavirus was not the 5.8 percent originally estimated by WHO, but 1.4 percent! The medical journal *Lancet* came in with an estimate of 1.7 percent.

Both medical journals pointed out that estimates of death rates are almost always much higher in the early stages of an outbreak, due to public health reports reflecting the sickest of those who contract the virus while not having data on those with mild symptoms or who are asymptomatic.

Even the revised, much lower estimated death rates of 1.4 and 1.7 percent do not reflect what is likely even a considerably lower reality, as explained in a study led by Dr. Jeffrey Shaman, Professor of Epidemiology at Columbia University and published in the journal *Science* on 16 March.

Using statistical models, the evidence showed that some 86 percent of all those infected in China were "undocumented": having either no symptoms or mild symptoms assumed were not caused by COVID-19. Even if this estimate is high, well over 50 percent of those contracting COVID-19 are not counted, which would reduce the death rate percentage by at least half.

In the U.S., on 3 April, the CDC reported that 78 percent of the people requiring ICU treatment from COVID-19 had serious pre-existing health issues, most notably heart disease, diabetes, and chronic lung disease.

Healthy People Unite: Breaking New Data on NYC COVID-19 Deaths

Of the 4,758 in New York City who have died of coronavirus since 14 March, a new report released on Monday shows that:

- 61 percent were men, 39 percent were women,
- 63 percent were age 70 or older, 7 percent were aged 49 and younger.

Records also show that 88 percent had at least one other chronic illness:

- The leading underlying disease was hypertension, which showed up in 55 percent of the deaths,
- Diabetes was found in about 37 percent of the cases,
- Other top illnesses found among those who died were hyperlipidemia (abnormally high concentration of fat in the blood), coronary artery disease, renal disease, and dementia.

MASKS OR NO MASKS? THAT IS THE QUESTION.

In addition to wildly differing estimates of deaths from coronavirus and inconsistent orders, bans, and restrictions from political leaders, the issue of whether or not wearing masks in public is effective for preventing the spread remains totally confused.

The two most quoted health organizations, the Centers for Disease Control (CDC) and the World Health Organization (WHO), have not been able to agree on medical evidence showing mandatory wearing of masks would be effective.

The WHO added to what was already a confusing situation by shifting its position last Friday.

After initially stating it had no strong data to support public masks except for those displaying symptoms or at high risk, Dr. Michael Ryan, WHO Executive Director of Health Emergencies Programme, said last Friday, "We can certainly see circumstances on which the use of masks, both home-made and cloth masks, at the community level may help with an overall comprehensive response to this disease."

This contradicts Dr. Ryan's statement on 30 March: "There is no specific evidence to suggest that the wearing of masks by the mass population has any particular benefit – in fact, there's some evidence to suggest the opposite."

WHO has issued concerns that the incorrect use of masks by the public could be counterproductive, actually leading to more infections.

The CDC has been a much stronger advocate for masks. On its website, it states:

> "CDC is additionally advising the use of simple cloth face coverings to slow the spread of the virus and help people who may have the virus and do not know it from transmitting it to others. Cloth face coverings fashioned from household items or made at home from common materials at low cost can be used as an additional, voluntary public health measure."

The urging to use homemade masks is to help keep the more secure, professionally manufactured masks available for the health care workers and first responders who are in short supply.

Last Friday, the French Academy of Medicine shifted its position and stated that everyone leaving home be required to wear a mask as long as lockdown orders are in place. Previously, health officials in France had discouraged masks being worn in public except by health workers.

Specifically, the Director of General Health, Jerome Salomon, had warned against wearing masks in public since it gives citizens a false sense of protection and would likely lead to the decline of less effective measures such as washing hands frequently and maintaining social distance.

Asked on Friday specifically to clarify the mixed messages about public masks, Mr. Salomon did not take a definitive position: "In France, as in Europe, we don't

have the tradition of wearing the mask. There is a tradition in Asia… These masks allow you to protect yourself. If there is access to masks, we encourage the public to wear masks if they desire."

In Germany, last Thursday, the country's top health disease control agency, the Robert Koch Institute, changed course and recommended Germans use homemade masks in public but did not indicate it would be mandatory. One municipality, Jena, has made wearing masks in public a requirement.

Both the Czech and Slovakian governments have made the wearing of homemade masks mandatory in public. In Austria, masks are mandatory when in any supermarket, food store, or pharmacy.

In the U.S., last Thursday, at a daily White House coronavirus briefing, Dr. Birx stated that health officials are reviewing data on the effectiveness of wearing face masks in public.

The U.S. Surgeon General, Vice Admiral Jerome Adams, tweeted on 29 February: "Seriously people – STOP BUYING MASKS! They are NOT effective in preventing general public from catching #Coronavirus."

At President Trump's press conference on Saturday, referring to the CDC guidelines recommending the wearing of homemade masks in public, he made his opinion quite clear: "You do not have to do it. I don't think I'm going to be doing it."

While there is total confusion regarding the effectiveness of wearing protective masks in public, what is certain is the need for properly made respirator masks for doctors and medical personnel. The mad scramble for them has instigated what the French are calling "guerre des masques," translated to the "war of the masks."

Last Friday, Germany accused the Unites States of "modern piracy," pointing to a shipment of 200,000 respirator masks being shipped to Berlin but diverted en route to the U.S. Andreas Geisel, a senior German official, called out the U.S., stating last Friday, "This is not how you deal with transatlantic partners… even in times of global crisis, no wild west methods should be used."

A “SNITCH IN TIME”

Around the world, people filled with fear and anxiety from the barrage of doom and gloom media coverage and worst-case scenarios pumped out by the media, politicians, and their appointed medical spokespersons… are turning on their neighbors.

In Germany, people are ratting out fellow citizens whom they see breaking social distance rules. One police official stated, “We are getting tip-offs from the public about open restaurants or large gatherings of people in parks.”

Last week in Munich, police received over 150 calls from people eager to report any social gatherings.

In the eastern state of Mecklenburg-Vorpommern, locals were reporting the license plates of Berliners driving to their weekend homes. Appalled at this behavior, professor of criminology and sociology at the Hamburg Police Academy, Rafael Behr, stated, “This willingness to report others is poisoning civilized behavior.”

In Rome, the city’s website now has a section where residents can report anyone they see disobeying the national order to stay at home. On social media, however, citizens displayed anger over what they saw as a reminder of their country’s fascist past when they were pressured to turn in political dissidents and Jews.

In Spain, police used videos and photos posted online by neighbors, referring to it as “balcony police,” to help them arrest almost 2,000 people for breaking stay-at-home orders.

In one video gone viral, a neighbor verbally shouts accusations at a jogger as he is videotaping her. Another video shows a family headed toward a supermarket with a child as a number of neighbors scream at them from a window. In Madrid, supermarket workers and even medical staff have been mistaken as rule breakers by neighbors who hurled trash at them.

In New Zealand, police established a website for citizens to report on anyone they witness breaking quarantine restrictions. Some of the initial snitch reports complained of people playing frisbee. The site crashed due to too many people trying to gain access.

In America, the itch to snitch is on the rise.

Los Angeles Mayor, Eric Garcetti, announced, “You know the old expression about snitches…Well, in this case, snitches get rewards.”

His Honor’s office issued a statement that city officials accompanied by police officers had paid visits to over 500 businesses reported to be breaking the city’s stay at home orders. Four businesses have been cited for misdemeanors so far. The mayor heaped praise on his snitching residents, “We want to thank you for turning folks in and making sure we are all safe.”

In Naugatuck, CT, a neighbor said she was “mortified” when she drove by a golf course and saw a group seated at a table eating together. She took a video and posted it on Facebook, which lead to the mayor ordering the golf course to shut down.

In Newark, NJ, with help from residents providing information, police shut down 15 businesses and issued violations to over 150 people for not adhering to the governor’s directives.

In Maine, a resident said that a group of his neighbors, believing he had contracted the virus, came onto his property and chopped down one of his trees, blocking his driveway to prevent him from driving anywhere.

In Chicago, a yoga studio was closed after residents tipped off police. The yoga teacher said he thought the studio was in compliance, since it offered health, which is an “essential” service. He faces a fine up to $10,000.

OBEY YOUR NEW WORLD ORDERS!

Under the premise of “flatten the curve,” leaders across the globe are “flattening” basic freedoms as they use the threat of coronavirus to continue imposing more severe penalties on any citizen who dares to challenge their COVID-19 orders, edicts, commands, and proclamations.

The extreme decrees by leaders are so alarming that Fionnuala Ní Aoláin, UN Special Rapporteur on Counter-Terrorism and Human Rights, stated last Friday, “We could have a parallel epidemic of authoritarian and repressive measures following close if not on the heels of a health epidemic.”

With each passing day, the list of countries in lockdown grows, above 90 as we go to press. The longer people are locked down, the more restrictions are placed on them from the powers that be in charge, inflicting more pain to those below.

For example, in India, a country with 1.3 billion, the world’s second largest population, though only four people had died from the virus, Prime Minister Narendra Modi’s harsh curfew restrictions have created a massive humanitarian crisis. Hundreds of thousands of migrant workers, now unemployed since Modi’s shutdown order on 24 March, have no money or shelter… and there are no soup kitchens or public shelters available.

After Thailand enforced confinement of its citizens last Friday, now more than half the people on the planet, some four billion, are being forced to stay at home.

Supreme Authorities

Of the dozens of political leaders using the coronavirus pandemic as a rationale for imposing authoritarian rule, two of the most extreme cases are in Israel and Hungry.

In Israel, on 15 March, two days before his trial for bribery, fraud, and breach of trust was scheduled to begin, Prime Minister Benjamin Netanyahu proclaimed that to help stop the spread of the coronavirus, Israeli courts would be shut down, incapacitating the nation's parliament.

Also, he ordered the internal security agency to use cellphone data to track the movements of every citizen known or suspected to have coronavirus and identify anyone with whom they crossed paths.

Commenting on Netanyahu's declarations, Elyakim Rubinstein, a former Supreme Court justice, said the confluence of events presented a "clear danger to Israeli democracy."

Mr. Rubinstein said, "These are not good days… both because of the coronavirus and the almost inconceivable constitutional crisis."

Israelis are confined to their homes, businesses are closed, and unemployment has spiked to over 24 percent. And, last Wednesday, the prime minister issued an order that all citizens must wear protective masks in public.

"Made For TV" Hysteria

To further justify his actions of control and to spread fear and terror, it was reported that Mr. Netanyahu shared a video clip during a conference call with members of his cabinet on 30 March, which he claimed was proof that Iranian authorities were piling bodies killed by coronavirus onto trucks and then dumping them into trash piles.

It turns out the clip was from a 2007 made-for-TV mini-series called "Pandemic."

As of last Friday, 40 Israelis, out of a population of 8.6 million, have died from COVID-19… 0.0005 percent. As with the vast majority of virus victims, they were elderly with pre-existing chronic illnesses.

Birds of a Feather

In Hungary, the parliament voted on 30 March to give Prime Minister Viktor Orban complete authority to "rule by decree." The bill has no end date. The decree allows Mr. Orban to suspend parliament, impose harsh fines and jail sentences on citizens not adhering to quarantine restrictions, and punish any journalist the government decides has not reported accurately.

As of last Friday, 26 Hungarians, out of a population of 9.6 million, have died from COVID-19… 0.0003 percent.

Using the virus to gain political power, and, as we noted, to put down revolts, the mandates are based on epidemiological models with wide variables. Around the world, the combination of lockdowns, edicts, bans, curfews, travel restrictions, social distancing requirements, and threats of imprisonment are now being imposed in over 90 countries.

Among them:

- In the United Kingdom, coronavirus legislation was rushed through parliament that gives the government the authority to detain any citizen and force them into isolation, ban all public gatherings, and close ports of entry with no time limit attached. Silkie Carlo, Director of the citizens rights group Big Brother Watch, called these new provisions "draconian."

- In France, no one is allowed out of their homes without filling out a form explaining why they are going outside. Some 10,000 police have been ordered to issue fines to anyone not presenting a valid form.

- Spanish police have arrested nearly 2,000 and imposed fines on over 200,000 for violating the country's "containment laws," often with the help of online videos and photos posted by residents. As of Sunday, 4,313 people had died from coronavirus.

- In Norway, anyone breaking isolation rules can be fined up to $2,000 or spend 15 days in jail.

- In South Africa, three people were killed when police assaulted a crowd with whips and rubber bullets for not adhering to the government's lockdown orders. As of Sunday, nine people, of a population of 59.1 million, have died from coronavirus.

- In Kenya, last week, a 13-year-old boy playing on the balcony of his home was shot and killed by police who were patrolling the neighborhood to enforce the coronavirus curfew. As of Sunday, four people, of a population of 53.5 million, have died from coronavirus.

- In Bolivia, where the interim president, Jeanine Áñez Chávez, has been promising to limit her role to that of a caretaker, has now increased her power and recently suspended the upcoming May election due to the coronavirus. As of Sunday, 11 people have died of the virus, of a population of 11.6 million.

In the United States, the "Land of the Free," governors and mayors are coming up with a wide array bans, restrictions, and penalties.

- America's favorite new politician, Andrew Cuomo, who, before the coronavirus, had an approval rating of 23 percent, ordered the people of New York to obey his strict social distancing rules or else pay a maximum fine of $1,000 for violating his orders.

- In our nation's capital, Mayor Muriel Bowser has issued a stay-at-home order with violators subject to a fine of up to $5,000 or jail time up to 90 days. As of last Friday, there were a total of 11 deaths in the capital area.

- In Maryland, Governor Larry Hogan issued a warning that anyone violating the state's stay-at-home order could be looking at a year in prison and a $5,000 fine. His Honor stated, "We are no longer asking or suggesting that Marylanders stay home; we are directing them to do so." Maryland residents can only leave home for food, medicine, and medical attention.

- Kentucky is raising the bar (and likely the jail bars) for authoritarian control. Angered that a number of residents refused to obey the governor's strict stay-at-home order, Judge Angela Bisig has ordered ankle monitors with global positioning capability for any resident who has been exposed to someone with coronavirus who refuses to follow the stay-at-home protocols.

  One resident, who is living with someone who tested positive but refused to follow the edict, has been forced to wear the device, normally used on people awaiting criminal trial or those who've served jail time and are now on parole.

- In New Jersey, last Tuesday, police in Lakewood Township shut down an engagement party and charged the homeowners with “reckless endangerment” for violating the state of emergency order of Governor Phillip Murphy.

- In Massachusetts, Governor Charlie Baker announced last Friday a new “COVID-19 community tracing collaborative,” which includes a call center of about 1,000 people who will contact those citizens known to have contracted the coronavirus and request information about their movements.

- In Delaware, Governor John Carney issued an emergency coronavirus measure that “authorizes any Delaware law enforcement officer to stop a vehicle driving within the state simply because it is displaying out-of-state tags.” If they do not leave immediately, the out-of-stater will be forced into quarantine for 14 days.

- In Washington, Governor Jay Inslee created a “stay home, stay healthy” order. His majesty the Governor said, “Make no mistake, this order is enforceable by law and can be enforced.” If violated, citizens could be fined up to $5,000 and a year in jail.

  Violating the emergency proclamation is a gross misdemeanor, which carries a sentence up to 364 days in jail and/or a $5,000 fine. It should be noted that just three weeks ago, nearly half of all coronavirus deaths so far in the U.S. can be traced to a single nursing home in Kirkland, WA.

- In Atlanta’s Fulton County, violating public health officials’ rules to shelter indoors is punishable by a fine of up to $1,000 and/or up to a year in jail.

- In the vast expanses of Alaska, the “Last Frontier” state, Governor Mike Dunleavy issued an order that anyone breaking the state’s stay-at-home order could face a year in prison and a fine up to $25,000.

National Fear Facts

A Huffington Post/YouGov poll released last Thursday showed 87 percent are making the effort to stay at home when possible, with most saying they’ll continue to do so this month, regardless of any official limitations.

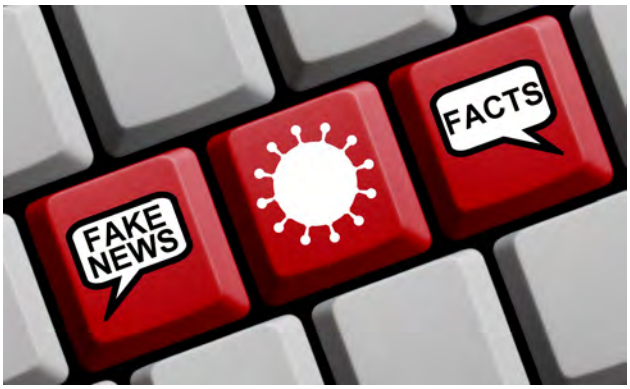
As stated by Benjamin Franklin, for “Those who would give up essential Liberty, to purchase a little temporary Safety, deserve neither Liberty nor Safety,” 79 percent

of citizens in states that issued “shelter in place” dictates say their politicians made the right decision in doing so versus 9 percent who disagree.

TRENDPOST: *Absent in mainstream media is any mention of violations of the U.S. Constitution, the Bill of Rights, and/or other nation’s disregard for their laws-of-the-land prohibiting politicians to issue decrees in violation of them.*

For the subservient masses, when choosing between “Give me Liberty or Give me Death,” as proven by their unmitigated support of politicians they worship, their fear of Death is far greater than their loss of Liberty.

MORE HARD FACTS



As COVID-19 news continues to dominate the attention of the world, leading to the virtual shut down of the entire global economy, it is becoming more and more apparent that the lockdown cures initiated will cause far more pain and suffering than the actual disease.

Chief Economist of the World Food Program, Arif Husain, states, “Countries with high levels of food insecurity are generally more vulnerable and less prepared for an epidemic outbreak and would likely see higher mortality rates. In addition, malnutrition increases vulnerability to disease.”

Devastating effects from the economic shutdown are already showing up in the world’s richest nation: the United States. Food banks across the country are reporting an unprecedented need for food as tens of millions of Americans with no cash reserves are out of work.

For example, in Pennsylvania, a director of 18 food banks stated recently, “I’ve been in this business over 30 years and nothing compares to what we’re seeing

now… Not even when the steel mills closed down did we see increased demand like this."

And in Amherst, MA, the local food bank handed out 849 percent more food in March of this year compared to the previous year. The list goes on and on from coast to coast. A spokesperson for Feeding America, looking at the stats coming in said, "This is a perfect storm impacting food banking as we know it."

With South Florida witnessing a 600 percent increase of people asking for food, on Monday, a drone captured shots of cars backed up for miles waiting to get food from food banks.

Additional Facts to Consider

According to the CDC, about 80 percent of the deaths from coronavirus in the U.S. have been adults over 65 years of age, and over 73 percent had at least one significant underlying health issue before contracting COVID-19.

What is now starting to be realized from reports by doctors and researchers is the pain, suffering, and medical risks caused by forced social isolation.

This is particularly true for older people experiencing loneliness and mental deterioration from being forced into quarantine, separating them from family and friends and afraid to even go out into the fresh air to get exercise.

NYU sociologist Eric Klineberg, who studies the adverse effects of social isolation among older Americans, notes, "We've entered a new period of social pain. There's going to be a level of social suffering related to isolation and the cost of social distancing that very few people are discussing yet."

Marcia Stefanick, Professor of Medicine at Stanford Prevention Research Center, states, "There are profound sex differences in immune systems, and this pandemic is revealing them once again." Ms. Stefanick is referring to the fact that more men contracting the coronavirus are dying than women.

In Italy, about 70 percent of those who died were men. According to data from researchers at the University of Miami Miller School of Medicine, men in every country are three times more likely to die in a hospital from COVID-19. One reason is the higher percentage of men who smoke. In Italy and China, both among the hardest hit by the coronavirus, substantially more men smoke than women.

One of the consequences of the fear and anxiety generated by the U.S. response to the coronavirus is gun sales.

The FBI conducted well over 2,000 background checks for gun sales in March, the most seen since the background check system was created in 1998. Before this current pandemic, the record month for gun sales was in December of 2012 after the Sandy Hook Elementary School attack, leading to President Obama's call for tighter gun control.

TREND FORECAST: *We will continue to remind* ***Trends Journal*** *subscribers, as we did when Corona Hysteria first struck in late January, that when the actual low numbers of global deaths are calculated and discussed, politicians will brag it was their decisions (read: draconian rules) that quashed the spread of the virus, the Presstitutes will praise them, and the people will applaud them.*

TREND FORECAST*: Just as politicians take us to war after war with no exit strategy, they have no exit strategy to end the COVID-19 War.*

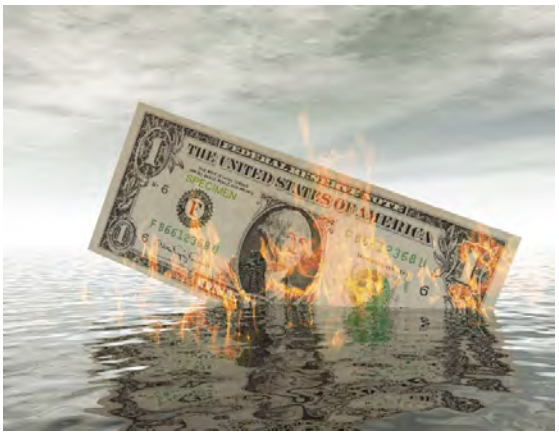
Considering their unblemished history of abject failures – as evidenced by their closing down the vast majority of business they decide to term "non-essential" – their actions will be economically and socially devastating.

Long before the COVID-19 Panic swept the airwaves, more than two-thirds of Americans were living paycheck to paycheck and some 40 percent did not have $400 in reserves in case of an emergency.

As these numbers worsen and greater segments of society fall into poverty, physical and mental health illnesses will escalate.

ECONOMIC UPDATE

U.S. MARKETS



Stock markets ended their worst quarter since the 2008 onset of the Great Recession, with sell-offs so massive that “circuit breakers” were tripped several times to prevent automated selling that could have set off a market crash.

The Dow Jones Industrial Average lost 23 percent during 2020’s first three months, its worst quarter since the panic of 1987. The NASDAQ shed 14 percent, and the S&P gave up 18 percent.

Virtually no sector was spared:

- Energy: -50 percent
- Financials: -32 percent
- Industrials: -28 percent, reaching its lowest point since 2009
- Materials: -27 percent
- Real estate, -20 percent
- Consumer discretionary spending: -19 percent
- Communications: -17 percent
- Utilities: -14 percent
- Consumer staples: -14 percent
- Health care: -13 percent
- Technology: -12 percent

The Stoxx Europe 600 logged its worst quarter since 2002. Japan’s Nikkei index saw its sharpest decline since 2008

U.S. equity markets drooped Friday but rallied Monday, with the Dow up 7.7 percent and the S&P up 7 percent.

Ten-year treasuries were yielding 0.65 percent, edging up slightly from Friday's yield of 0.59.

In yet another roller coaster day, the Dow, after being up some 900 points, closed down 26 points.

When the markets go down now, it's because of coronavirus uncertainties.

When the go up, this is an example of the word on The Street being publicized by the business media:

This is the word on The Street being publicized by the business media:

> "Investors chose to accentuate the positives, as they have been mostly doing since the bear-market low," said Ed Yardeni, president and chief investment strategist at Yardeni Research, in a note to clients. "In our opinion, we are in the midst of a Great Rebalancing away from bonds and into stocks."
>
> "The bear market has most likely discounted a depression-like recession packed into Q2 and Q3," he said. "It certainly hasn't discounted the possibility of an actual apocalyptic depression lasting through at least 2021 and beyond. On the contrary, the market's recent action suggests that investors are betting on an economic recovery starting during Q4 and continuing through 2021."
>
> Carnival, Norwegian Cruise Line and Royal Caribbean all surged more than 23%. United Airlines and MGM Resorts jumped more than 14% each. Raytheon Technologies led the Dow higher with a 9% surge. Darden Restaurants rallied more than 18% after the restaurant company said it has not used any cash from a $750 million revolving credit agreement. — *CNBC*, 7 April 2020

TREND FORECAST: *As we have long written about presenting hard facts and data, an economic slowdown had well begun before politicians shut down businesses across the globe.*

Secondly, when the lockdown hysteria in Italy began and spread to other nations, immediately, we provided socioeconomic and geopolitical trend forecasts that would result from these actions, while the rest of the media ignored the implications.

Forecasts now being made by "experts" of a "U," "V," or "W" economic recovery are based on pure speculation in hopes of pumping up equities while ignoring the reality: Never in the History of the World, Part One, Two, or Three has the world witnessed economies going idle and tens of millions of people and millions of business going broke. This is unprecedented.

Therefore, expectations such as cruise lines, resorts, and restaurant stocks spiking double digits, as they are now, discounts the facts that extra cash will not go into slot machines, eating out, or going on a cruise… but rather to pay delinquent bills.

Further, the social distancing dystopia will keep masses from going into business and locations, such as restaurants, concerts, stadiums, etc.

Moreover, large restaurant chains, such as Darden Restaurants, will be among those hit hardest by the months-long clamp-down of commerce.

TRENDPOST: *We disagree with the Wall Street, mainstream media, and pundits' general consensus that consumers, who account for two-thirds of the world's economic activity, will flow back into stores, restaurants, retail outlets, etc., when lockdowns are lifted.*

The millions who have lost income will need to pay overdue bills, replenish necessities, and attend to postponed needs such as car repairs and dental work.

Those who have fared better financially still are likely to be more thrifty than before, having seen the necessity of keeping a comfortable amount of cash on hand.

Consumers' wariness is sharpened by knowing that no area of the globe has been spared.

In the past, various regions' economies might have been in trouble but other areas still performed well enough to keep the global economy afloat.

That long-standing norm has been shattered.

Insiders Bet Big on Stock Market Recovery

During the first 24 days of March, more than 2,800 corporate executives and directors have spent about $1.19 billion buying shares in their own companies.

That amount is more than they invested from November through February and five times the monthly average of $235 million during that time.

Insiders from 1,201 companies bought shares, while officials of 685 companies were selling.

Also, the number of individuals buying stock was the most since November 2008.

Typically, insiders investing in their own companies signals optimism about the future, and it reassures others who might put money into those stocks.

Among the CEOs buying big:

- Charles Scharf of Wells Fargo, the shares of which have fallen 43 percent this year. He paid about $5 million for 173,000 shares.

- Lee Tillman of Marathon Oil, which is down 71 percent since December, bought about 131,000 shares for almost $500,000.

- Chris Rondeau of Planet Fitness, which has lost 30 percent of its stock market value in the downturn, paid $4 million for 65,000 shares and became the fifth company insider to buy heavily.

Also, for the first time since August 2011, buyers are outnumbering sellers.

Insider buying has been particularly strong in the materials and energy sectors, with executives at Continental Resources, ExxonMobil, and Sunoco also among the investors.

According to research by Nejat Seyhun, a finance professor at the University of Michigan, stocks that insiders snapped up immediately after the 1987 stock market crash “bounced back.”

“Corporate America is looking to the other side of this [market crash] and saying that the recovery in the second half of this year could be historic,” said Ryan Detrick, a market strategist at LPL Financial.

(For an insider's look at where he thinks the markets are heading, please see "THE BOUNCING PHASES OF THE MARKET" by Gregory Mannarino.)

Gold Glows

Gold jumped $40 to close out last week at $1,660. Gold closed today at $1,650.

Bitcoin continued to rebound, ending Monday at 7,300, a gain of about 500 from Friday's showing.

TREND FORECAST: *The more cheap money that is printed by central banks, the higher gold and bitcoin prices will rise.*

We maintain our forecast for gold to spike above $2,000 per ounce when it stabilizes in the $1,740 range. Our downside risk remains at $1,450 per ounce, with $1,380 as the bottom.

The Oil Game

Oil surged last week after a statement by Russia's sovereign wealth fund that the nation and Saudi Arabia were "very close" to an agreement to end their price war and Vladimir Putin reportedly supports production cuts of 10 million barrels a day. Presumably, that would reduce production and begin to soak up the global flood of unsold oil.

A meeting between the two parties, however, scheduled for 6 April, was canceled, sending prices lower.

Brent crude dipped $1.06 to $33.05; West Texas Intermediate fell $2.30 to $26.30.

TREND FORECAST: *Despite the oil bounce back, prices still remain near 18-year lows as worldwide oil demand has dropped by as much as 30 percent. We forecast that regardless of future production cut backs, prices will remain low.*

Furthermore, oil-rich nations, regardless of income levels, whose major revenue source is oil, will be more desperate to bring in revenue rather than cut production.

For example, because Russia's economy is expected to contract by nearly 3 percent, while poor countries such as Nigeria, with average annual income of $6,372 per person, oil accounts for 86 percent of its export earnings.

First of Many U.S. Shale Oil Producers Goes Bankrupt

Whiting Petroleum, a Denver-based independent oil company that was an early and prominent player in the U.S. shale oil boom, has filed for bankruptcy.

It has $2.4 billion in debt coming due through 2026.

It was due to repay a $262 million balance on a convertible note on 1 April and had been seeking ways to restructure the debt.

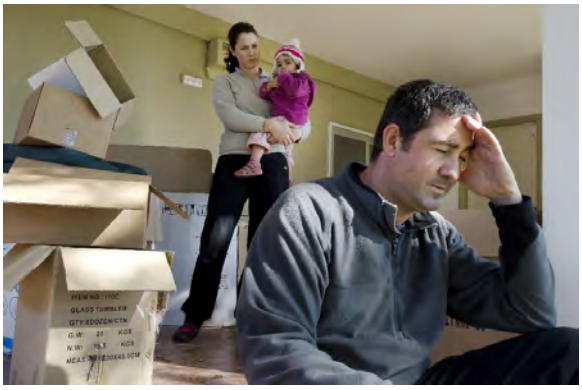
The note was convertible to company stock at a price of $156 a share, good terms when the note was written five years ago. But a global oil glut, the long decline in oil prices, the economic shutdown from the virus pandemic, and the new price war between Russia and Saudi Arabia have combined to whittle the company's share price to $0.67 on 31 March.

Occidental Petroleum, the largest U.S. oil producer, spent $56 billion to acquire Anadarko Petroleum last August; recently, Occidental cut capital expenses, executive salaries, and slashed its stock dividend by 90 percent.

Chesapeake Energy, a shale pioneer, has hired advisors to help it find a way out of a forest of debt, as have shale players California Resources and Gulfport Energy, among others.

Whiting's troubles "are symbolic of the bigger picture of what's going on in energy," said Keven Baer, cofounder of CKC Capital. "The big takeaway is how far-reaching the damage can be… for companies that have a lot of leverage… Whiting is the poster child for how this is playing out.

POLITICAL PANIC THROWS MILLIONS OUT OF WORK



About 9.9 million American workers lost their jobs during the last two weeks of March, the fastest, broadest collapse of the U.S. jobs market in history.

The week ending 27 March recorded 6.6 million new claims for jobless benefits, far outstripping Morgan Stanley's estimate of 4.45 million, Moody Analytics' guess of 4.5 million, and Goldman Sachs' of 5.5 million.

State unemployment offices have been overwhelmed by the demand. Michigan's office website crashed; one woman reported having to phone California's office hundreds of times before being able to speak with anyone.

"States have not received the funding they needed to modernize their systems" since the Great Recession, said Martha Gimbel, Manager of Economic Research at Schmidt Futures. "People are experiencing the impacts of that right now as they're desperately trying to file."

Half of U.S. businesses are considering new or additional layoffs, according to a 30 March survey by outplacement firm Challenger, Gray, and Christmas.

The Federal Reserve Bank of St. Louis estimates the virus-inspired economic shutdown could cost 47 million jobs before it abates.

About half of all Americans report some kind of income loss to themselves or a family member, according to the Associated Press-NORC Center for Public Affairs Research.

Those without college degrees and the working poor – hotel housekeepers, fast-food shift workers, construction laborers, and others – have been hardest hit, data shows.

Across the Atlantic, roughly one million Britons are without work because of the virus-related economic shutdown, with another million Europeans estimated to be jobless. That number is likely to be low, however; Spain alone has put 300,000 new people on the dole.

TREND FORECAST: *We estimate Depression-era jobless rates of at least 25 percent, or more, depending on how long the economic lockdown persists.*

Contrary to media language that the coronavirus threw people out of work, politicians' hysteria did. While politicians call it and the Presstitutes sell it as the

COVID-19 War, just as they both take us wars with no exit strategies, there is no exit strategy for the COVID-19 War.

TRENDPOST: *Only now are politicians beginning to talk about a strategy to exit the economic shutdown and restart the economy. (Germany is mulling a plan to reopen schools and the economy after 19 April… with strict limits on crowd sizes, people still wearing masks, and rapid tracing of infection chains.)*

Ideas in the U.S. have included a "rolling reopening," allowing parts of the country to go back to work once the virus is ebbing in those areas; and a "virus passport" that would be given to people who have had the virus and are no longer capable of spreading it. They could be permitted to go back to their jobs among other workers who also test "clean."

A House committee is being established to access the national response to the virus pandemic.

An independent commission, free of politicians, needs to analyze the decision to crash the economy and make recommendations that can be used in the next pandemic to protect people's health without destroying their careers, families, businesses, and future.

Trump Calls for $2 Trillion Infrastructure Program

In a 31 March tweet, Donald Trump called for a $2-trillion initiative to rebuild U.S. infrastructure, claiming the money to fund the plan could be borrowed at near-zero interest.

The money could be channeled through government loans to private companies or public-private partnerships, as Trump and others have proposed in the past.

Companies coming out of the economic collapse, however, are likely to be leery of taking on debt.

That would leave the federal government to fund it directly.

Some commentators have championed the idea, especially if individual states can direct the funds to projects they choose as priorities.

But the idea of adding $2 trillion more in debt on top of the rescue package, and another round of federal stimulus pending, could be a hard sell in Congress.

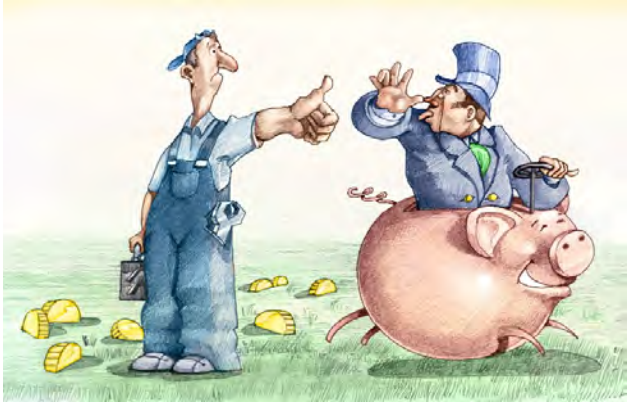
Senate leader Mitch McConnell already has voiced caution about adding trillions more to the federal credit card.

TRENDPOST: *Trillions borrowed to build infrastructure still has to be repaid, regardless of how low interest rates are.*

The U.S. could cut that infrastructure expense if we "Occupy Peace": we can bring our military troops home from overseas and put them to work rebuilding our roads and bridges. Most countries will be too preoccupied or too broke to launch aggressive military adventures in the near future.

Meanwhile, our troops could be strengthening our national security by strengthening our infrastructure and learning constructive skills instead of perfecting the art and science of killing people.

SOCIALISM FOR RICHEST, CAPITALISM FOR WORKING CLASS



Citigroup, ranked as the U.S.'s fifth largest bank by assets, has been selected by the U.S. treasury to channel billions of dollars in rescue funds from the government to small businesses and is "working around the clock," according to CEO Michael Corbat, to make sure everything goes smoothly.

Citigroup knows how to get money out of the U.S. treasury – and also how to give it back in fines and penalties, as evidenced when the company was caught in a series of frauds dating back to 2008.

During the Great Recession, Citigroup was awarded the biggest bailout in the history of banking, even after its then-top executives cashed out stock options worth more than $200 million. It was one of the banks deemed "too big to fail."

In the months after the 2008 market crash, the bank gobbled up $2.5 trillion in undisclosed Federal Reserve loans, $45 billion in cash from the U.S. treasury, government guarantees of more than $300 billion against its assets, loan guarantees of $5.75 billion, and $26 billion in additional guarantees from the Federal Deposit Insurance Corporation.

Citigroup has expressed its gratitude, as well as demonstrated its skills in money management, by scamming investors and the government. Among the infractions reported by Wall Street on Parade:

- In November 2019, Citigroup settled with England's bank regulators for $57 million in fines for falsely inflating its reported capital and liquidity levels.

- In May 2019, Citigroup agreed to pay the U.S. Department of Justice $97 million in fines in a money-laundering case.

- In September 2018, the bank paid the U.S. Securities and Exchange Commission $13 million in fines for improperly operating an internal stock exchange where it traded its own shares.

- In June 2018, Citigroup came to a $100 million settlement with states over allegations that it rigged interest rates.

- In June 2018, Citigroup agreed to pay $335 million to credit card customers for violating the Truth in Lending Act.

- In May 2016, the Commodity Futures Trading Commission negotiated a $425 million fine from Citigroup over allegations the bank had rigged interest rates from 2007 into 2012.

- In May 2015, Citigroup's Citicorp unit pled guilty to a felony charge of rigging foreign currency markets and paid $925 million to the U.S. justice department and $342 million to the Federal Reserve. Under the same case, it paid another $1 billion to U.S. and U.K. regulators.

PUBLISHER'S NOTE*: It's socialism for the rich and go-it-alone capitalism for the rest of us.*

Venture-Backed Firms to Get Bailout Funds

Start-ups and young companies backed by wealthy venture capital firms will have access to federal rescue funds, thanks to a tweak to the rules governing the funds' disbursement.

The tweak was made to the so-called "affiliation rule": companies with fewer than 500 employees were barred from collecting any of the money if any of their investors have a portfolio of companies that together have 500 or more workers.

Venture capital firms hold investments in companies vulnerable to damage from the shutdown. In recent weeks, investors have pressured their start-ups to conserve cash, which has led fledgling businesses such as Bird, an electric scooter company, and real estate brokerage Compass, to lay off workers.

Nancy Pelosi, Democrats' leader in the House, and Kevin McCarthy, her Republican counterpart, pressured treasury secretary Steven Mnuchin to change the rule to fit venture-backed companies into it.

"This will get fixed," vowed Kevin McCarthy, the California representative who leads House Republicans.

Pelosi and McCarthy both represent California, home to Silicon Valley and many of the nation's wealthiest venture firms.

The move also has been vocally supported by California Senator Kamala Harris, whose suspended presidential campaign received more contributions from individuals in the venture capital business than any other candidate this election cycle.

Job Security for Lobbyists

As Congress begins to dole out cash and loans to victims of the economic collapse, and as it begins to shape another bundle of social and economic rescue measures, lobbyists are working overtime.

Companies need help applying for assistance and industries, and interest groups want the next federal rescue package to reflect their interests.

“I’ve never seen the demand for information like right now,” said Ed Newberry, managing partner of the regulatory and policy practice at law firm Squire Patton Boggs, “and I’ve been practicing for 30 years.”

Lobbyists began developing both their marketing plans and their expertise in navigating the rescue package, known as the “Coronavirus Aid, Relief, and Economic Security” Act (CARES), weeks before it was signed into law.

Two former congressional staffers landed gigs with California-based Corona Pathology, a firm offering lab services, to help it through the regulatory maze. A former Senate aide is now a lobbyist for two aviation-related firms hoping to collect CARES money. The labor union representing national park police hired a lobbying firm to persuade the White House to keep the parks open during the pandemic.

At the beginning of the Great Recession, the lobbying trade grew 22 percent to become a $3.5-billion industry, according to the Center for Responsive Politics. The industry will become even more lucrative now.

Companies “are very anxious to understand what [the CARES Act] means, how it works,” said Alex Vogel, whose Washington-based Vogel Group just signed two new clients in Texas.

TRENDPOST: *It should be noted that in last week’s job report of some 701,000 people put out of work, making it the worst decline since 2009, the government created 12,000 new jobs.*

Moreover, while politicians are locking down states, unlike the working people who they have put out of work, good times or bad, they get their paycheck, healthcare, and other perks and benefits from We the People in the name of taxes.

And, while the working class are not paid when they don’t work, politicians and the broad range of “public servants” who are not working still get paid.

FED OPENS DOORS TO FOREIGN BANKS

The U.S. Federal Reserve is opening a “temporary lending facility” that will allow foreign banks to convert their U.S. treasury securities into dollars.

The new service complements other Fed programs that lend dollars to 14 other central banks to ensure that other economies don’t run out of greenbacks.

The strong dollar has been a sanctuary of global choice during the current financial crisis, with companies and governments bidding up the price of dollars and often hoarding the ones they get.

The new program reaches beyond the help the Fed extended during the Great Recession or 2012’s eurozone currency crisis.

It also is making dollars available to central banks in a broader range of emerging countries. These countries are falling into arrears, and some approaching default, as payments on their dollar-denominated loans come due at a time when dollars are scarce, especially for developing nations.

TRENDPOST: *The Fed’s latest expansion of its global reach emphasizes its emerging role as central bank to the world. Again, the U.S. dollar remains strong against other currencies, despite the national debt above $23 trillion and building because of the deeper financial desperation of most nations.*

ECONOMIC HITS AND MISSES

On the real estate front, buying a house typically involves a good deal of personal contact, from viewing the home to making appraisals and inspections to sitting around a table signing documents at a closing.

Now, with most of the country in lockdown and stay-at-home orders blanketing the nation, much of that activity has halted.

Real estate agents are rushing to close deals that were pending. Instead of closing the sale in an attorney's or real estate office, some closings reportedly have happened in parking lots with documents passing between open car windows and people not using each other's pens.

As an alternative, notarizing closing documents online is becoming commonplace. Notarize, a company offering the service, expects to see the $10 billion in transactions it processed last year explode to $100 billion this year.

"We're just trying to get the properties we have under contract across the finish line," said Leslie Turner, a real estate agent in Charleston, SC.

Pending home sales rose 2.4 percent from January to February, yet Turner now said, "everything's just stopped." For example, Manhattan's condo market spiked early this year but now it has virtually shut down, observers say.

Many prospective buyers are postponing in-person tours until fears of COVID-19 infection abate. As many as three-quarters of North America's home inspectors have stopped working, unwilling to venture into strangers' homes, according to the International Association of Certified Home Inspectors.

For the duration of the pandemic panic, the real estate business has a different focus, said California agent Kelli Griggs – "rescuing deals versus trying to procure them."

TREND FORECAST: *It is reported that homeowners are struggling to halt payments that were due 1 April, waiting on the phone for hours to reach mortgage departments.*

Now, with the high times for spring season for real estate kicking off, mortgage applications to buy a home plummeted 24 percent.

We forecast a home/rental/condominium/commercial real estate collapse of Panic of '08 levels. The retreat from congested, high-price urban centers to small cites in more rural areas will maintain price levels in those areas.

Ad Industry Implodes

Advertising sales are being dragged down with the rest of the economy.

Magna Global, a consultant to major ad agencies, has slashed its 2020 forecast for U.S. ad sales this year from a 6.6 percent increase to a 2.8 percent decline.

It expects TV ad sales to lose 13 percent this year; in December it had forecast only a 0.4 percent drop. Magna also thinks online ad sales will grow 3.9 percent in 2020, no longer the 11 percent it had forecast earlier.

Radio stations can expect ad sales to be off by 14 percent and print ads to plummet 25 percent, Magna said.

Retailers spent $16.9 billion on ads in 2019, with vehicle makers laying out $12.3 billion, according to Kantar, a market analysis firm. Travel and tourism paid for $7.7 billion for ads and restaurants invested $6.2 billion.

TREND FORECAST: *While TV viewership is spiking, add revenue is plunging. When hard times hit, ads are one of the first expenses to be cut.*

Also, with the coronavirus creating a new atmosphere of social distancing and fear, many advertisements will seem non-essential and inappropriate. In addition, the tone, style, and message of advertisement to attract buyers must be radically altered to appeal to a new emotionally mindset.

Commodity Futures Plunge, Signaling Bleak Summer for Industry

The price of lumber in futures contracts has come down 41 percent since 20 February, from a high above $465 per thousand board feet to $268 on 27 March.

The price plunge signals an end to what had been the beginning of a housing boom, with construction under way on more houses than any time since 2006.

Now, the price drop indicates that builders will lose the spring building season, typically the year's busiest for housing starts.

"There is zero chance that potential home buyers are waking up tomorrow and saying, 'Let's go buy a new house'," said Stinson Dean, a Kansas lumber trader.

In late March, as lumber orders dwindled, Dean's bank withdrew its previous approval of an expansion loan for his business.

The Canadian Imperial Bank of Commerce estimated that North American lumber production was being scaled back by 15 to 25 percent. That forecast was followed by lumber giant Weyerhauser announcing it was cutting back production on a range of products by the same proportion.

On 26 March, Catchmark Timber Trust, which harvests and sells trees, told investors that a 50-percent reduction in log sales would cut its revenue by $300,000 a week.

The trust noted one bright spot: sales of wood pulp, which is used to make toilet paper, among other things, have perked up.

Nothing is perky in the copper market, which has seen its worst start to a year in more than three decades.

Prices for copper contracts for April delivery have come down 20 percent this year; as of 30 March, spot prices were $4,763 per metric ton, off 21 percent.

When copper prices linger between $4,600 and $4,800, as much as a quarter of the world's copper mines lose money and owners are likely to shut them down, according to Citigroup analysts.

Much of the world's copper ore is mined in South Africa and Asia, areas badly affected by the virus and politicians' reactions to it.

Peru, the world's second-largest copper ore producer, has declared a state of emergency, curtailing mining. The action forced minerals giant Freeport McMoran to stop producing copper.

The company's share value has dropped 49 percent this year. Copper makers BHP Group and Rio Tinto have seen share prices shrink 26 and 17 percent, respectively.

TRENDPOST: *Since cooper is used in heavy industry to high tech, as go copper prices, so goes the global economy. While prices have risen a bit, they are still at four-year lows.*

For those watching, for example, equity, gold, and oil prices, we suggest also monitoring cooper, since "Dr. Copper" accurately diagnoses the economic climate.

Bye, Bye Junk Bonds

Investors have been fleeing junk bonds en masse faster than at any time in history.

The massive flight has been driven by the specter of companies and entire industries facing weeks, and perhaps months, without revenue as the global economic shutdown continues.

Airlines, gaming companies, oil producers, and retailers are just a few of the businesses seeing their bonds plunge in value.

About 43 percent of bonds tracked in a key global index of $2.1 trillion in junk bonds are now considered "distressed," meaning the bonds yields' are 10 points or more above those of U.S. treasuries. Three weeks ago, the number was below 450.

In Asia, dollar-denominated junk bonds are trading at an average of 15 points above U.S. treasuries' yields.

Corporations had come to depend on years of artificially cheap money enabled by central banks' artificially low interest rates. Thousands of businesses borrowed heavily to fund expansions, acquisitions, and other financial adventures, including buying their own stocks to inflate perceptions of the companies' value.

Because central banks' economic rescue plans have largely offered no help to the junk bond market, many analysts expect the sell-off to continue.

"When everyone has the same thought at the same time," said Carlos Mendez, managing partner at Crayhill Capital Management, "you start this wave and it's very hard to break once it starts."

Disney Furloughs U.S. Workers Across All Divisions

The Walt Disney Co. is laying off "all unessential" workers in all U.S. divisions, starting 19 April.

The number of employees affected wasn't given.

All furloughed employees will retain their Disney health insurance benefits, the company said.

Disney's theme parks have been closed for weeks due to orders regarding social distancing, and the company said it will keep them closed indefinitely. With movie theaters also shuttered, Disney also has put off releasing the "Mulan" and "Black Widow" animated films.

Disney's stock was trading above $140 in mid-February, but it now has lost a third of its value and was priced slightly below $100 on 6 April.

Walgreen's Slump May Presage Weak Retail Recovery

After strong sales as the coronavirus invaded the U.S. and UK, Walgreen's Boots Alliance Inc. saw the curve reverse and sales plunge during the last week of March.

The Illinois-based company reported $35.8 billion in sales in the quarter ending February 29, up from $34.5 billion in the same quarter a year previous.

Sales fell off late in March as more and more states implemented stay-at-home orders. Beauty products, seasonal, and discretionary items were hit hardest; sales rose slightly for medicines and staple items.

Walgreen's is restructuring but redirected funds from that effort to pay bonuses to store employees and increase home delivery services. In the UK, where the

company operates the Boots drug store chain, the company has shut down most of its 600 optical centers.

PUBLISHER'S NOTE: *As one of a relatively few stores still open, Walgreen's weak sales of optional items hints at a weak retail recovery when lockdowns are lifted. Massive unemployment and lingering fear of contagion could keep shoppers away even when politicians allow them to return.*

Hedge Fund Bans Withdrawals

EJF Capital, a $7-billion hedge fund based in Virginia, has banned clients from taking any money out of its $2.5-billion Debt Opportunities Fund.

The reason, according to founder Emanuel Friedman, was to prevent the fund from having to sell assets when prices are in a tailspin and markets are "nonfunctioning."

The fund had received sell orders from clients for 31 March, which totaled about 6 percent of the fund's assets.

EJF Capital had dropped about 15 percent in value from 1 March through 27 March.

Hedge funds are different from mutual funds in that clients can only withdraw funds during predetermined time periods and often must request withdrawals in advance to ensure that the funds have cash on hand to fill the orders.

PUBLISHER'S NOTE: *That such extreme action is taken indicates the depth and severity of financial losses hedge funds and private equity are experiencing.*

While hedge fund agreements do make it clear in their contract that withdrawal restrictions apply, for investors who are facing financial crisis and require the money to cover bad debts and needed expenses, those requirements are now being questioned.

Restaurant Chain May Permanently Shut Half its Stores

Craftworks Holdings, a company that owns restaurant chains Rock Bottom, Logan's Roadhouse, Old Chicago Pizza, and Ragtime Tavern, among others, has told a bankruptcy court it plans to permanently close as many as half of its 300 sites because of economic damage caused by the current economic crisis.

In March, it shut all its restaurants and laid off 18,000 employees. The company has permanently closed 37 restaurants in recent weeks.

Craftworks, which filed for Chapter 11 bankruptcy in March, is seeking $4 million in “life support” financing to operate over the next six weeks after the Fortress Investment Group withdrew its $138-million offer to buy the company.

Virus Infects Airbnb

Airbnb, the site that enables homeowners to rent rooms or cottages to travelers, has lowered its estimate of the company’s value by 16 percent to $26 billion.

The reduced estimate follows a drop in bookings by as much as 90 percent in some areas during the current virus scare. Travelers are heeding stay-at-home orders, and Airbnb site owners are loathe to invite strangers into their properties or to have to deep-clean rooms after guests leave.

Airbnb considered itself to be worth $31 billion after closing a $1-billion funding deal in September 2017. The company may have been worth more than $40 billion at the end of 2019, the *Financial Times* reported, based on the value of private stock transactions.

Executives at Airbnb have spoken with potential investors about another influx of cash and recently talked with bankers about expanding its $1-billion credit line.

The company also has temporarily canceled all advertising, which saves about $800 million.

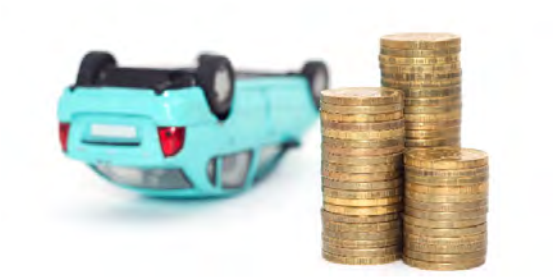
By next January, Airbnb expects its business to return to 2019 levels, when it collected $4.8 billion in revenue, a 35-percent gain from the year before, according to company officials.

The company reported losing $322 million, however, during the first nine months of 2019, according to the *Wall Street Journal*. Airbnb executives attribute the loss to investments in safety and system upgrades.

Airbnb isn’t the only lodging business to see its bookings, and subsequent market valuation, fall. Hilton Worldwide Holdings’ share price is down 55 percent, Expedia 44 percent, and Booking.com 37 percent since the pandemic began.

TRENDPOST: *Studies have shown that renting an Airbnb can be 20 to 50 percent cheaper than staying in a hotel. That means an increase in Airbnb bookings could be an early signal that the travel market is beginning to rebound.*

AUTOMOBILE BLUES



At least one million of Europe's auto industry workers have been laid off or are working reduced hours, and the industry has lost production of about 1.2 million vehicles since the economic crisis began, according to ACEA, a European auto industry trade group.

More than half of affected workers are in Germany, where an estimated 570,000 are on a "short-time work" arrangement, with the government paying two-thirds of their usual wages. Volkswagen has put 80,000 of its workers into the program, and Daimler has applied to enroll 20,000 employees.

In Italy, FiatChrysler is deferring 20 percent of pay for workers still on the job.

About 90,000 industry employees in France and 65,000 in the UK also are affected.

Herbert Diess, Volkswagen's CEO, said his company could emerge from the crisis "with merely a black eye" if the crisis "is dealt with as quickly as it has been in China."

Many analysts see that view as too optimistic. The U.S. and European vehicle markets face a contraction of up to 30 percent – worse than that of the Great Recession, according to an analysis by McKinsey & Co.

Auto Makers Scramble for Loans

Volkswagen is bleeding about $2 billion in fixed costs as its global factories have stopped making vehicles, and car sales have dried up. The company is pressuring the European Central Bank to buy commercial paper – in effect, to make short-term loans to corporations.

As of 27 March, VW's stock price had lost about a third of its value this year.

Renault in France is mulling applying for government loans while its CEO dismisses the idea of nationalizing the company. FiatChrysler has lined up €3.5 billion in credit to help it survive. Daimler is casting about for €10 billion in fast money.

Moody's has forecast a 14-percent fall in new auto sales this year, having predicted a drop of less than 3 percent before the virus pandemic.

In contrast, new vehicle sales fell 8 percent during the first two years of the Great Recession.

Moody's also is reviewing the financial position and creditworthiness of 14 major European vehicle parts suppliers.

Some good news: Volkswagen has restarted 31 of its 33 plants in China and is seeing new car sales pick up. The company has forecast March sales of about one million vehicles.

Auto Sales Tank

The world's personal vehicle makers reported drastic declines in sales during 2020's first three months.

General Motors reported a decline of 7.1 percent compared to the last quarter of 2019. Ford saw its number of units sold shrink 12.5 percent. FiatChrysler lost 10.4 percent in volume. Honda lost 19 percent in sales; Hyundai's shrank by 11 percent. Nissan admitted to a wrenching drop of more than 29 percent.

General Motors stock price is down 47 percent this year, FiatChrysler's 54 percent.

The sharpest declines were in March, when Toyota sold 37 percent fewer vehicles than in the previous March; Hyundai's sales were down 43 percent.

"U.S. vehicle sales for March are coming in every bit as bad as feared," said Michelle Krebs, executive analyst at Autotrader.

If March's U.S. sales volume is annualized, the industry will sell just 10 to 12 million vehicles this year, Krebs noted. Her best estimate: vehicle makers will sell at least 14 million units in the U.S. this year but less than 16 million.

To spur sales, auto makers have brought back promotions that helped them through the Great Recession, including delayed payments, no-interest loans, and late-payment forgiveness if a buyer loses a job.

This month, FiatChrysler has begun offering buyers no-interest, seven-year loans and no payments due for three months after purchase.

Still, analysts expect April in the U.S. to be notably worse than March: it's the first full month of a near-nationwide lockdown, unemployment is at record levels, many dealer showrooms are locked and dark, and consumers are fearing their economic future.

"April is likely to see further historic declines, driven largely by a lack of consumer confidence and substantial increases in unemployment," said Charles Chesbrough, a senior economist at Cox Automotive. "And that trend will likely continue into early summer, at best. The second quarter will be the real measure of Covid-19's impact on… the auto industry."

Some analysts see U.S. auto sales falling to 13.5 million passenger vehicles this year, compared to 2016's peak sales year of 17.6 million. The last time sales dipped to that level was in 2010 as the industry hit the bottom of the Great Recession.

TREND FORECAST: *We maintain our forecast that new, used, and vintage auto prices will sharply decline as the "Greatest Depression" worsens.*

EUROPEAN ECONOMIES: DOUBLE DIGITS DOWN

The economies of Austria, France, Germany, Italy, Spain, Switzerland, and the UK will contract by more than 10 percent if Europe's economic shutdown lasts two months or longer, according to a new study by the ifo Institute.

- Austria's losses over two months of the shutdown are figured at €34 to €57 billion and a loss of 8 to 14 points from GDP. Add an additional month of virus-caused economic paralysis and the damage rises to €47 to €83 billion and 12 to 21 points are erased from GDP.

- In France, two lost months of usual productivity would steal €176 to €298 billion and 7 to 12 points from GDP; a third month would swell the losses to €247 to €436 billion and a 10- to 18-point contraction in the economy this year.

- Italy's losses over a two-month halt could cost the country as much as €234 billion and cut 8 to 13 percent off its GDP. A third month of paralysis could erase €324 billion in productivity and cause the economy to shrink by 11 to 19 percent.

- Two months of lost economic activity in Spain will rob the country of between €101 and €171 billion in value, cutting GDP by 8 to 14 percent. A third month of malaise would grow the losses to between €141 and €250 billion, equivalent to shaving 11 to 20 points off GDP.

- The Swiss economy will lose €49 to €81 billion over two months, translating to an 8- to 13-point GDP loss; an additional month costs €69 to €119 billion and 11 to 19 GDP points.

- Two months' partial shutdown will lose the U.K. up to £328 billion, shrinking the economy by 7.7 to 13 percent; extending the closure to a third month brings losses to as much as £480 billion, costing 10.7 to 19 percent in economic activity.

- For Germany, Europe's biggest economy, two months of crippled productivity totals €255 to €495 lost, or a 7- to 11-point economic contraction. An additional month shut down brings the losses to €354 to €729 billion, whacking 10 to 20 percent from GDP. The study's best-case scenario sees a 40-percent economic contraction for two months, recovering to a 20-percent contraction in the third, and returning to full productivity in the fourth – and that's the best possible outcome, the study emphasizes.

TRENDPOST: *Remember, the European economy, which grew 0.1 percent in the last quarter of 2019, was already in contraction before politicians began shutting down nation's economies in March of this year.*

Consider what that scenario means for Europe as a whole. A 40-percent economic contraction, even for two months, means millions of lost paychecks, hundreds of billions of euros of new government debt, and more desperate and risky schemes by central banks to put legs back under national economies.

The financial turmoil won't count the human anguish that will result: more crime, suicides, family abuse, divorces, anxiety, and depression. The human toll alone will have additional ripples throughout national economies through greater demands on social services and lost productivity.

England's Meal Delivery Services Lose Business

Contrary to initial expectations, the business boost that British meal delivery services such as GrubHub and Deliveroo expected from the national lockdown has failed to materialize.

Analysts cite consumers' fears of contact with strangers coming to their doors. Also, major restaurant chains such as McDonald's, Nando's, and Wagamama have closed stores, leaving delivery services with nothing to deliver.

In addition, people who have been laid off are less able to afford restaurant meals. The restaurants claimed fears for workers' health forced the closures; but many eateries found that sales were too sparse to justify staying open.

During the third week of March, deliveries fell by as much as two-thirds, according to one analyst.

Deliveroo has been awaiting an influx of hundreds of millions of investment dollars from Amazon, but that transaction is on hold. “Deliveroo cannot afford this uncertainty,” said one unnamed person with inside knowledge of regulators’ review of the deal. “The company needs money fast.”

Deliveroo and competitors Uber Eats and Just Eat have launched advertising campaigns to draw business.

EMERGING MARKETS

Credit Crisis Looms

The economic damage wrought by politicians’ responses to the virus pandemic is feeding a debt crisis in emerging nations.

Ecuador, dependent on oil exports, has asked creditors to restructure its debts. Zambia, among Africa’s biggest copper producers, has delayed payments on its eurobonds and Chinese loans, sinking bond values. Argentina has postponed negotiations about restructuring its $83 billion in debt until the virus-related crisis has passed.

Less-developed countries piled up $3.2 trillion in total debt last year, about 114 percent of their collective annual economic productivity, according to the Institute of International Finance.

By the end of 2021, those countries are scheduled to repay $2.7 trillion in other debt.

Few expect those commitments to be met.

The countries were counting on sales of raw materials to industrialized countries for cash flow to meet their bills. But with factories shut down across the globe and the world drowning in excess oil, these countries' revenues have dwindled to a trickle.

Also, the dollar has strengthened and is being bid up by companies and countries wanting to protect the value of their assets. That makes it more expensive for poor countries to pay their dollar-denominated debts.

Much of that debt was raised through bond sales floating on the cheap money offered by central banks. Now, thanks to the current economic pandemic, those bonds have lost 15 percent of their value during 2020's first quarter, about twice what they lost at the beginning of the Great Recession.

Investors bailed out of about $31 billion of the countries' bonds in March, the biggest exodus since October 2008.

The nation's problems will get much worse, many analysts think, because these economic blows are falling before the COVID-19 illness has taken hold in the countries.

"Everything that was weak before the crisis is now getting destroyed," said the manager of an emerging markets hedge fund. "The dominoes are starting to fall."

On 27 March, Goldman Sachs warned the South American economy is "about to hit the wall" and suffer its worst recession in more than 70 years.

The UN has called for $1 trillion in debt forgiveness for the countries, $1 trillion in new loans from the International Monetary Fund, and $500 billion in support for the countries' health care systems.

Meanwhile, developing nations' central banks are beginning to adopt the familiar measures of lowering interest rates and buying government bonds at premium prices to drive down interest rates.

TREND FORECAST: *Emerging markets were submerging before the coronavirus economic clampdowns.*

As conditions continue to deteriorate, crime, violence, protests, riots, and demonstrations will dramatically escalate… despite government repressive measures. As a result, refugees will flee to escape war-torn, poverty-stricken nations as civil unrest escalates into civil war.

TRENDS-EYE VIEW

THE BOUNCING PHASES OF THE MARKET

By Gregory Mannarino

It's "Swing time" on Wall Street.

The *CNBC* headline on 20 March: "Dow tumbles 900 points to end Wall Street's worst week since 2008."

Six days later, it was Happy Days Are Here Again: "Dow wraps up strongest three days since 1931."

The next day, 27 March, after the Dow fell 4 percent, *CNBC* boasted, "Even after Friday's drop, the Dow ended 12.8% higher, its best week since 1938."

Sounds great. Bravo! But the short market bounce rivaled that of a quick spike following the infamous 1929 Stock Market Crash and the onset of the Great Depression.

By months end, the Dow industrials and S&P 500 officially recorded their worst first quarters ever.

And yesterday, it was high times, with both the Dow and S&P soaring 7 percent.

The Law of the Land

Physical laws apply to everything, even the stock market. An object in motion will stay in motion until acted upon by another force, which will then, in turn, affect that said motion.

On 25 February, the stock market began to fall precipitously and went virtually straight down until 2 March.

Beginning on that day, the stock market put on three days of gains, and, on 5 March, the selloff resumed. The new selloff continued again until 24 March, when the market again "bounced," only to begin falling again on 1 April.

In this case, these are the "Bouncing Phases" of a Market Crash.

The price action of any asset never moves in a purely linear fashion, and a falling market will always experience a predictable bounce. Often these are technical bounces where a falling market reaches a support level.

The speed of the current drop in the market is unprecedented – never in history has the U.S. stock market fallen so quickly.

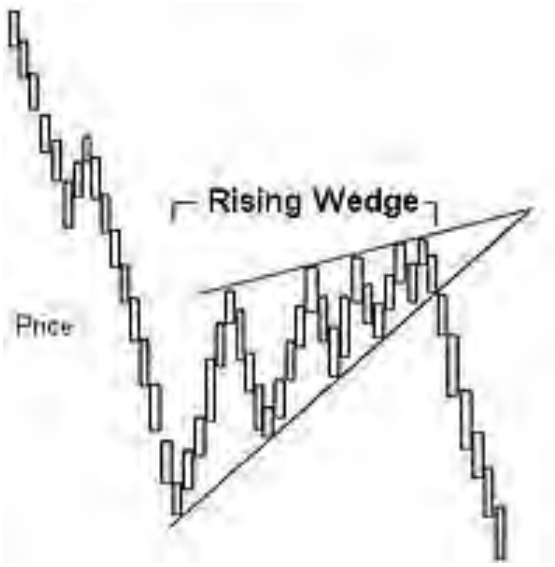
Rapid market drops will always be followed by a bouncing phase(s). By understanding the "anatomy" of a market fall, you can capitalize on it.

Going back to physical laws, in a falling market, simply being able to recognize that a bounce phase will occur because another force acting upon it will have only a temporary effect, you can anticipate the next fall.

If you understand this anatomy, or the "Bouncing Phases of the Market," as a trader, you can capitalize on it.

For example, say you are trading a market index and were able to recognize a Bounce Phase, having an understanding of how they work would allow you to get on the right side of the market by taking a short position against the index and thereby capitalize on it.

Often a Bouncing Phase can be easily visualized when looking at a technical chart. Following is an example of a very particular pattern seen in a falling market Bounce Phase, called a “Rising Wedge.”



The Rising Wedge is a bearish pattern that begins wide at the bottom and contracts as prices move higher and the trading range narrows.

Also, you will find that the harder/faster a market falls, the bigger the bounce will be. Moreover, the deeper the next fall phase will go.

Being able to understand the simple anatomy of the market, and recognizing that Bouncing Phases occur regularly, can allow you to capitalize on these situations.

Today’s market is in a near free-fall situation. Absent of an enormous force acting against the current drop, a true bottom remains elusive. Despite every action, stimulus, rate cut, asset purchases, etc., thus far being thrown at the market, it continues to fall.

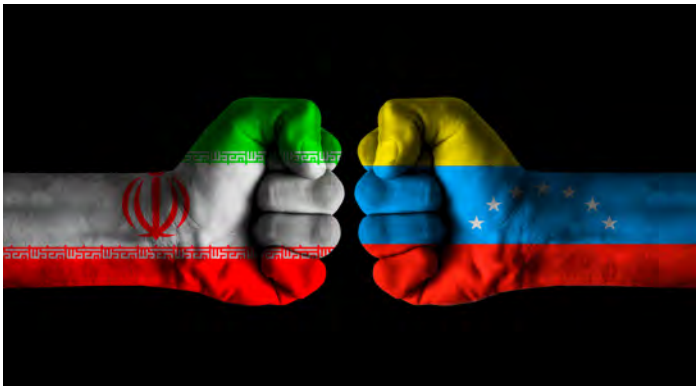
It is my current belief that with this much downward momentum, it will take a lot to stop this market from dropping much lower.

Sure, you can expect these Bouncing Phases to occur. Now that you can recognize them, you can capitalize on them, but, also, realize that in the current environment, the stock market can fall considerably lower.

And it's looking to me like that's where it will go.

GEOPOLITICAL

IRAN & VENEZUELA: “MEDICAL TERROR” & QUESTIONABLE DEAL



Iran, whose medical system has been devastated by harsh economic sanctions imposed on the country following President Trump’s pulling out of the Joint Comprehensive Plan of Action nuclear deal some two years ago… has asked the U.S. on 1 April to lift those sanctions on humanitarian grounds, as they try to cope with COVID-19.

In response, on Saturday, Secretary of State Mike Pompeo tweeted that Iran’s “concerted effort to lift U.S. sanctions isn’t about fighting the pandemic. It’s about cash for the regime leaders.” Pompeo accused the Iranian government of “trying to avoid responsibility for their grossly incompetent and deadly governance.”

Javad Zarif, Iran’s Foreign Minister, stated, “We had always said the sanctions are unjust but coronavirus revealed this injustice to the world.” He later cited the U.S. sanctions crippling his country’s economy as “medical terror.”

Iranian Rear Admiral Ali Shamkhani tweeted: “The sanction on health items is an illegal and inhumane act and a symbol of Trump’s open hostility to the Iranian people.”

The humanitarian struggle in Iran is gaining wider support with Russia, China, the European Union, the UN Secretary General, human rights groups, and dozens of members of Congress all calling for the U.S. to suspend sanctions during the coronavirus pandemic. Senator Chris Murphy stated, “U.S. sanctions are stopping medical equipment from being sent to Iran.”

Since the coronavirus was first reported in January to be spreading outside China, the U.S. has *increased* its "maximum pressure" sanctions on Iran. Over the past two months, the Trump administration has specifically targeted Iran's oil exports, metals, manufacturing, and textile industries.

More Threats, Still No Proof

Last Wednesday, President Trump tweeted: "Upon information and belief, Iran or its proxies are planning a sneak attack on U.S. troops and/or assets in Iraq. If this happens, Iran will pay a very heavy price, indeed!"

Later that day, Mr. Trump added: "We just have information that they were planning something, and it's very good information… It was led by Iran, not necessarily Iran, but by groups supported by Iran, but that to me is Iran. And we're just saying, don't do it. Don't do it. It will be a very bad thing for them if they did it."

President Trump provided no proof to support his accusations.

Instead, they were sold to the media and public as being supported by an unnamed U.S. official who suggested American intelligence in the Middle East had uncovered evidence of a possible Iranian-led attack in Iraq, saying only, "We've been seeing something brewing and developing pretty seriously."

TRENDPOST: *Politicians making accusations without providing evidence has become the American Way.*

Continually, we have listed allegations made by the Trump administration, from blaming Iran for a missile attack on Saudi Arabia's oil fields to torpedoing of oil tankers in the Persian Gulf, to claiming that its General Qasem Soleimani, whom Trump ordered assassinated last January, was "an imminent threat"… without providing one shred of evidence.

U.S. to Venezuela: Deal, No Deal

As reported in last week's **Trends Journal**, the United Stated put a bounty on the head of Venezuelan President Nicolás Maduro and some of his senior officials, charging them with narco-terrorism. The charges were made by U.S. Attorney General William Barr, including a $15 million reward for information leading to President Maduro's arrest.

The U.S. has been trying to oust Mr. Maduro and install the opposition leader Juan Guaidó, a Washington favorite since January 2019, despite Mr. Maduro winning last year's election, which was certified by a number of international observers.

Now, just a week later, the U.S. has offered a completely new deal: sanctions will be lifted in exchange for President Maduro to "step aside" and have a transitional council govern until a new election could take place.

Neither Mr. Maduro nor Mr. Guaidó would sit on the interim council.

If Maduro agreed, both the U.S. and the EU would remove its sanctions on Venezuela, including those targeting its oil exports.

Maduro's government rejected the deal, saying it was a just way to bring the "old coup plan to fruition" while urging the EU to "respect the sovereignty of the Venezuelan people."

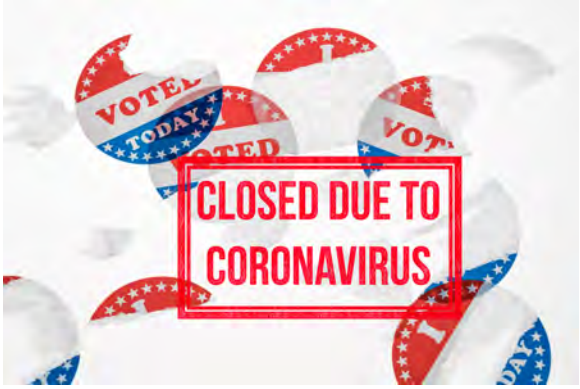
TRENDPOST: *Also reported in detail in the* ***Trends Journal****, U.S. economic sanctions decimated the Venezuelan economy, as they have in Iran, causing a massive humanitarian crisis.*

Inflation in Venezuela reached 800 percent last year, and nearly five million people have fled the country. According to a report by two Columbia University economists, "The sanctions are depriving Venezuelans of lifesaving medicines, medical equipment, food, and other essential imports… This is illegal under U.S. and international law, and treaties that the U.S. has signed."

Unlike the "COVID-19 Blockbuster 2020: Made for TV Action Movie" that has captured Americans in lockdown, the suffering of millions of Venezuelans living in poverty and 45 percent of its people out of work as a result of Washington's actions is virtually blacked out.

PRESIDENTIAL REALITY SHOW

PRESIDENTIAL REALITY SHOW: WHO CARES?



The Democratic Party has announced the re-scheduling of its presidential convention in Milwaukee. Originally planned for July, it will now take place in August due to concerns about the coronavirus.

While Senator Bernie Sanders is still in the race, former Vice President Joe Biden has a virtually insurmountable lead based on the current delegate count and analysis of states still to vote (if indeed any more voting is allowed).

More than a dozen states have announced delays of their scheduled primaries to either May or June.

Both candidates are in the high-risk age group for catching the virus: Mr. Biden is 77, Senator Sanders is 78. Both have suspended their in-person campaigns.

President Trump, 73 years old and avid consumer of fast food, has also suspended political rallies.

TREND FORECAST: *We maintain one of our 2020 Top Trends, "Trump by Default." By November, the worst of the coronavirus will have subsided and, minus a wild card/black swan event, the main campaign topic will be "It's the economy, stupid."*

Indeed, as the impact of the "Greatest Depression" sweeps across America, jobs and money will be the major campaign topic. On that issue, considering Trump's business aggressiveness and Biden's middle-of-the-road record, we forecast a hungry, desperate public will buy the Trump economic recovery plan.