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TRENDS JOURNAL

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TRENDS JOURNAL
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16 June 2020

ECONOMIC TRENDS UPDATE

U.S. MARKETS

U.S. equity markets continue to rise. The Dow rose 477 points on Friday, and after plunging over 700 yesterday, rebounded to close up 157 points. Today, the Dow closed up 526 points.

As we noted last week, The Dow's six-day winning streak, which brought the S&P 500 back above where it began the year, and the NASDAQ hit a record high on what The Street calls optimistic news of businesses reopening, absent in their hype is the reality that the three-month shutdowns, lawlessly imposed on the people, have devastated the economy and millions of people's lives.

Also absent the Wall Street hype is the harsh reality that considering the broad array of newly invented, restrictive bureaucratic regulations imposed on business, i.e., capacity, mask wearing, social distancing, hygiene, plastic shields, etc., growth and profits will sink deeply in the coming months and years.

Ignored by The Street, for example, is the report by the Independent Restaurant Coalition that as many as 85 percent of independent restaurants will be out of business by the end of the year due to the shutdowns and costly, dictated reopening rules and regulations that not only lack scientific evidence, as detailed in the **Trends Journal,** but also make no sense and are contradictory.

As evidenced by yesterday's market swing of more than 1,000 points before closing, instead of focusing on the economic facts, the markets have been flying higher as the Federal Reserve, in full view, keeps pumping in trillions of dollars to artificially inflate an overvalued stock market.

Capitalism is dead in the U.S.S.A: The United Soviet States of Amerika

By the deeds of the government and the Federal Reserve, capitalism is dead. It is socialism for the rich. What artificially pumped up U.S.S.A. markets yesterday was another massive dose of central Banksters monetary methadone to keep the money junkies gambling on Wall Street.

To stop the tanking stocks, the Fed announced it would greatly expand its purchases of corporate bonds from U.S.S.A. companies. Indeed, this money-pumping scheme was welcomed by The Street and politicians, and propagandized by Presstitutes as the "new normal."

TREND FORECAST: *When will the markets crash? As we've noted, it's pure guesswork. Who could imagine what new schemes undreamed of – from bailing out banks, quantitative easing, zero interest rates, negative bond yields, buying corporate junk bonds, etc., the Fed will invent to keep the overvalued equity market riding high. It is pure guesswork.*

It is essential to keep the markets high as an illusion to divert the real facts of the economic disaster politicians have created by locking down the economy.

Although some 84 percent of stocks are owned by 10 percent and there is no connection between Wall Street and Main Street, when the stock markets collapse, it will be event that signals to the uninformed and out of touch everyday people that the worst is yet to come.

TREND FORECAST: *What will temporarily boost equities and the economy is a COVID vaccination and/or other drug, such as dexamethasone, which an Oxford university trial found to significantly reduced the risk of dying from coronavirus.*

They estimate the drug, which is plentiful and inexpensive, cut the death rate in the U.K. of the most seriously ill patients on ventilators by one-third and by one-fifth in patients receiving oxygen.

Oil Flowing Higher, Gold on Hold, Silver to Shine

Today, the International Energy Agency (IEA) forecast oil demand would increase 500,000 barrels per day higher than its previous report as a result of higher than expected consumption during the lockdowns.

Brent crude closed today at $40.67. West Texas Intermediate closed at $37.93 on "improving demand."

On the gold front, the precious safe-haven metal closed at $1,728.

Again, as we have noted for several months, we maintain our forecast that when gold prices solidify above $1,740 an ounce for some three weeks, prices will spike to above $2,000 per ounce.

As for silver, when gold breaks out, we forecast silver will follow.

On the bitcoin front, at $9,500, it has remained stable in its $8,000 to $9,000 range, as speculators seek alternatives to fiat currencies during a period of unprecedented cheap money injections by central banks.

TRENDPOST: *U.S. stock markets are proving day by day that they are havens for gamblers and speculators as stock speculators are bidding up bankrupt companies.*

Case in point: high-profile companies that recently filed bankruptcy are seeing their stock prices skyrocket.

Hertz and J.C. Penney went bust last month. Since then, Hertz's share price has shot up about 800 percent and Penney's has gained almost 500 percent, even though it is not yet clear that either will survive bankruptcy.

On 15 June, Hertz filed a request with the Securities and Exchange Commission to issue $500 million in new stock that, it stated, is more than likely to become worthless.

Stockholders will only recover their investment, Hertz said, if current debtholders are paid in full, the travel market sharply rebounds, and there is stunning progress in stemming the COVID virus's spread.

The oil industry mirrors the trend.

Whiting Petroleum, a leading shale oil producer, went bankrupt in April when oil prices collapsed. Its stock value has risen more than tenfold since then, spiking 150 percent on 8 June alone. Chesapeake Energy, another bankrupt shale company, saw its share price shoot up 180 percent the same day.

West Texas Intermediate prices climbed 1.7 percent to almost $40 a barrel on 10 June, double its price from mid-April, at the same time, the U.S. Energy Administration reported U.S. oil inventories are at an all-time high. In a rational market, an oversupply would drive prices down. But U.S. stock markets are no longer rational.

Obviously, oil prices are not rising based on changes in supply or demand; they have been rising, as Goldman Sachs noted, "entirely on expectations" as gamblers hop aboard rising asset prices in general, hoping for a short-term profit as the U.S. economy begins to reopen.

Gamblers are betting the U.S. government will step in and rescue companies it sees as cornerstones of their industries, as we have seen with the tens of trillions of dollars they and the Federal Reserve have pumped into the markets.

PONZI 2.0: FED BUYING CORPORATE BONDS

Extending its efforts to artificially inflate the American economic recovery, yesterday, the U.S. Federal Reserve announced it will buy individual corporate bonds on the secondary market.

The Fed added this operation to its Secondary Market Corporate Credit Facility, which is empowered to buy up to $750 billion in bonds.

The program will buy bonds with maturities of five years or less from corporations with credit ratings on 22 March, when the program was authorized, no lower than BBB- or Baa3, depending on the rating agency.

By buying debt of individual corporations, the Fed will "create a corporate bond portfolio that is based on a broad, diversified market index of U.S. corporate bonds," the Fed said in a news release.

When the Fed said in March it might buy corporate bonds, the commercial debt market was seizing up: many corporate bonds were commanding interest rates almost five percentage points above treasury securities.

The greater the spread between treasury and commercial bonds' interest rates, the greater the risk investors perceive.

At the end of May, the spread for the highest-rated bonds was about 2.5 points, near record lows since the end of World War II. The spread on riskier bonds is close to 3, about where it was before the pandemic struck.

The Fed has not yet opened its Primary Market Corporate Credit Facility, in which the Fed will be the sole bond buyer and deal directly with corporations. The program also will buy syndicated loans.

Among other of the Fed's $2.3 trillion in efforts to resuscitate the economy:

- the $600-billion Main Street Lending Program, targeting companies with fewer than 10,000 employees and under $2.5 billion in revenues with loans ranging from $1 million to $25 million;

- a $500-billion loan pool directing money to state and local governments;

- financing for lenders handing out Paycheck Protection Program loans authorized by Congress;

- expanding three existing programs to send $850 billion to households and small businesses.

TRENDPOST: *Beyond those engaged in trading and investing, the general public is oblivious to Fed anti-capitalist actions. Thus, Fed efforts so far have drawn little criticism. Among the complaints are that large companies, especially those located in the U.S. northeast and which are customers of Wall Street banks, have been granted larger loans, and a larger number of them, than companies located farther from financial hubs.*

TRENDPOST: *For on how the markets are being rigged, see Trends Journal contributor Gregory Mannarino's article in this issue, "U.S. STOCK MARKET: A CRIME IN PROGRESS."*

FED BAILOUT MANAGER BAILS ITSELF OUT FIRST

The U.S. Federal Reserve's Secondary Market Corporate Credit Facility (SMCCF) is one of the central bank's 11 programs to help revive the U.S. economy. But, despite Fed chair Jerome Powell's reassurances that the programs are intended to rescue small businesses, the SMCCF is one of the ten initiatives that bails out Wall Street, not Main Street, reports *Wall Street on Parade*.

Launched on 12 May, the SMCCF is a $350-billion effort to buy junk and non-junk corporate bonds being traded.

By 18 May, the fund had mostly bought shares in exchange-traded bond funds, and most of those are funds owned and operated by BlackRock, the investment firm the Fed hired under a no-bid contract to run the SMCCF.

In other words, BlackRock's first use of taxpayer funds was to buy its own funds, raising their value and making them more attractive to investors.

BlackRock also is collecting millions in service and management fees from the Fed, which is funded by taxpayers.

BILLION-DOLLAR GAMBLERS GRAB BAILOUT BUCKS

Carson Group, the $12-billion investment management firm that once touted itself as the new "Amazon of financial services," secured a forgivable Paycheck Protection Program (PPP) loan from the U.S. government. So did the $6.3-billion Cornerstone Advisors Asset Management and Creative Financial Designs, which handles $1.4 billion in assets.

Dozens of investment management companies rolling in cash after a ten-year bull market have applied for and received federal bailout funds.

"It's absolutely ridiculous and one of the most disheartening things I've seen in my career," said Patrick Rush, CEO of Triad Financial Advisors, with $700 million under management.

Most investment management companies, even the wealthiest, operate with relatively small staffs, qualifying them as "small businesses" eligible for PPP loans.

Companies also could qualify for federal aid if the economic crisis caused them reasonably to expect a loss of revenue. Investment managers typically charge clients a percentage of their funds being managed. As investment markets crashed and clients withdrew funds, investment companies could make a case that their revenue would shrink.

Now that U.S. stock markets have restored much of their losses, investment managers have not seen the scale of loss they forecast when they applied for their loans.

The $2-billion Chicago Capital LLC pocketed $185,000 in funding in April but had second thoughts when the Los Angeles Lakers were publicly shamed for grabbing a $4.6-billion federal loan.

The Chicago firm gave back the money a week after receiving it.

Other organizations from Harvard University to Shake Shack also gave back their money after being publicly called out.

But others have no qualms about keeping the money.

"The purpose of this was to protect employees and jobs," said Jamie Hopkins, a Carson Group managing director. "We made the right call. We would've let people go otherwise."

The company has canceled 80 events so far this year and said it used the federal aid to keep employees in that division on the payroll. Hopkins added that none of the money was paid to workers in its investment management group.

Ritholz Wealth Management, which oversees $1.3 billion in assets, also will return its PPP loan.

"The economy is reopening; my clients seem OK for the most part," said CEO Josh Brown, adding that he will repay the loan. "Firms that have not had a revenue hit shouldn't apply for forgiveness unless they have no morality now."

END UNEMPLOYMENT BENEFIT, SAYS LABOR SECRETARY

While the U.S. government and the Federal Reserve pump trillions into corporate welfare programs and stock markets, U.S. Labor Secretary Eugene Scalia (who's papa Anthony was Associate Justice of the Supreme Court Judge) wants to end the $600-a-week federal "COVID" unemployment benefit enacted by Congress that helps keep households solvent as millions of workers lost their jobs… after it ends in July.

The federal payments will not be needed because the U.S. economy will be "in a very different place in July … where the opportunity for people to return to work will be far greater," declared the Daddy's Boy.

"The recovery in the job market has actually happened more quickly than Congress expected in late March," he added.

Employers hired 2.5 million workers in May, the labor department reported. However, 1.5 million people filed new unemployment claims during the week ending 5 June.

When added to state unemployment benefits, the $600 weekly federal payment allows many jobless people to collect more money off the job than on, studies have shown.

Republicans in Congress contend the federal payment gives unemployed people an incentive to remain out of work as long as possible, slowing any economic recovery.

Democrats counter that the subsidies enable households to pay bills and continue spending, helping to sustain the economy until shutdown orders are relaxed.

Earlier this month, the Congressional Budget Office (CBO) estimated that continuing the federal payment through January 2021 would give five out of every six workers a higher income than they earned while working and that the federal windfall would slow the number of workers returning to jobs.

The government's $600 weekly stipend would boost spending in the short term but not in the long term, the CBO noted.

TREND FORECAST: *Expecting the U.S. economy to be "in a very different place" in August than it was in April is to believe the economy will come roaring back once politicians give it permission to.*

As we have noted by the facts, that is fantasy. Yes, there will be a rebound, but with the U.S. service sector economy limited by dictatorial, costly regulations imposed by politicians to fully operate, sustained economic growth will not prevail.

People have been using their federal windfalls not only to survive unemployment but also to pay down bills and hoard cash against an uncertain future.

And, as evidenced, with retail sales increasing a record 17.7 percent in May, there will be quick bursts of spending as stores reopen. But we forecast those spurts will not be enough to restore the economy to anything like its pre-pandemic pace within two or three months as Scalia declared.

TREND FORECAST: *There will be no V-shaped recovery. There will be no U-shaped recovery. The recovery will be slow and bumpy as different sectors of the economy and different geographic areas grope their way back toward growth.*

Again, as we had forecast, the "Greatest Depression" has begun. And now, our forecasts are being repeated by the Federal Reserve, World Bank and Organization for Economic Cooperation and Development (OECD) and others as reported in this and previous ***Trends Journals****.*

FED FORECASTS SLOW RECOVERY, LOW RATES, HIGH UNEMPLOYMENT

U.S. Federal Reserve officials predicted that unemployment will hover around 9 or 10 percent during the last three months of the year.

The forecast came after the central bank's policy meeting last week, at which the bank's governors left key interest rates unchanged.

"We are strongly committed to using our tools to do whatever we can and for as long as it takes to provide some relief and stability" for the U.S. economy, said Fed chair Jerome Powell.

Of the Fed's 17 governors, all said they expect interest rates to remain near zero through next year and 15 said interest rates won't budge through 2022.

"We're not even thinking about thinking about raising rates," Powell said.

The group also predicted that the U.S. economy will contract by at least 4 percent and as much as 10 percent this year, compared with the Fed's official prediction of 6.5 percent.

Acknowledging the economy added 2.5 million jobs in May, Powell added that "we have to be honest that it's a long road" back to pre-pandemic employment levels. "It could be some years" before the 20 million American workers still jobless find work, he cautioned.

The Fed is working to create conditions in which displaced workers “have either the best chance to go back to their old jobs or get a new job,” Powell said. “That’s… the most important part of this exercise.”

The Fed has bought more than $2 trillion treasury and mortgage securities since February to assure businesses and credit markets they will have money to operate.

Stock markets did not gyrate after the meeting or Powell’s comments, indicating the markets had already assumed the Fed would not tinker with interest rates.

“PATH AHEAD EXTRAORDINARILY UNCERTAIN,” FED SAYS

The U.S. path to economic recovery is “extraordinarily uncertain,” the U.S. Federal Reserve told Congress in its semiannual report released on 15 June.

“Some small businesses and highly leveraged firms might have to shut down permanently or declare bankruptcy, which could have longer-lasting repercussions on productive capacity,” the report said. “In addition, there is uncertainty about future labor demand and productivity as firms shift their production processes to increase worker safety, realign their supply chains, or move services online.”

From February through mid-May, about 35 percent of workers earning in the lowest quarter of U.S. income levels lost their jobs, the report noted.

Low-wage earners tend to be African-American or Hispanic, the report noted, meaning that the economic shutdown's damage has disproportionately impacted ethnic minorities.

Only 5 to 15 percent of higher-income earners became jobless, the report said.

Employment had fallen nearly 35 percent from February to mid-May for workers who were previously earning wages in the bottom fourth of wage earners. Higher-wage earners, by contrast, had seen employment fall by 5 percent to 15 percent.

Because lower-wage earners are disproportionately African-American and Hispanic, unemployment has risen more sharply for those groups.

Between 30 and 40 percent of businesses closed down between mid-February and the end of May, according to the report; spending at small restaurants fell 80 percent in April and was still 50 percent below pre-shutdown levels in early June.

"Taken together, these data suggest considerable risk of failure for a large number of small businesses," the Fed warned.

Also, about 300,000 workers were permanently fired in May, although the economy added or restored about 2.5 million jobs that month.

"As lower-paid workers are disproportionately employed by small businesses – which typically have fewer financial resources than larger firms – they may be at heightened risk of seeing their former employers shut down and hence experiencing the scarring effects of permanent separations," the report said.

Although the U.S. labor department reported 13.3 percent unemployment in May, a recurring error in classifying data means the rate was probably about 16.4 percent in May and 19.4 percent in April.

The depth of the crash and slow speed of the recovery also is likely to hobble wage growth in the future, the report noted.

"The pace of recovery will ultimately depend on the evolution of the Covid-19 outbreak in the United States and abroad and the measures undertaken to contain it," the report concluded.

“The strains on household and business balance sheets from the economic and financial shocks since March will likely create” financial uncertainties that will be “persistent,” according to the Fed.

MORE BANKRUPTCIES LIKELY AS ECONOMY REOPENS

At least 722 U.S. companies declared bankruptcy in May, a 48-percent increase from a year earlier.

Federal aid, including the Economic Injury Disaster Loan and Paycheck Protection Programs, have helped some companies endure a little longer but do not offer a lasting rescue.

“As this relief runs its course, mounting financial challenges may result in more households and companies seeking the shelter of bankruptcy,” said Amy Quackenboss, executive director of the American Bankruptcy Institute.

Retailers and oil and gas companies are the most likely victims. Demand for petroleum cratered as supplies continued to rise even though the world’s economy shuttered in March; brick-and-mortar stores have been closed for almost three months while fixed costs for rent, utilities, taxes, and other expenses pile up and deplete owners’ financial reserves.

The auto industry may be a surprising beneficiary of the pandemic. Car traffic in China has returned to 90 percent of normal levels while public transport is seeing only half of its previous ridership.

"People feel safer in their cars," one analyst said.

MORE LANDLORDS SUE TENANTS

In addition to retail chains Gap and PetSmart, now the National Basketball League is being sued by its landlord for unpaid rent.

A company named 535-545 Fee LLC is suing NBA Media Ventures for not paying its $625,000 monthly rent in April and May, when the basketball league's retail outlet on New York City's Fifth Avenue was closed under the state's shutdown order.

Like many tenants who have not paid rent, the NBA claims the shutdown was a force beyond its control and, therefore, it is not liable for its missed payments.

Retailers unable to negotiate lower rents can file bankruptcy, as did Barneys New York last year, leaving courts to decide how much back rent a landlord is entitled to collect.

Victoria's Secret Stores and Bath & Body Works are both taking legal action to invalidate leases covering stores for which they are unable to afford rents. Other retailers have sued their insurance companies for failing to pay claims that would cover unpaid rents.

SAN FRANCISCO RENTS DROP DRAMATICALLY

As Facebook, Google, and other Bay area tech companies have decided to permanently allow employees to work at home, apartment rents in the area have suddenly plunged.

In June, a typical one-bedroom apartment in the San Francisco area was renting for 9.2 percent less than in June 2019, bringing the average rent to its 2017 level of $3,360.

In Google's home town of Mountain View, CA, rents dropped nearly 16 percent; Menlo Park, where Facebook is based, saw rents fall 14.1 percent. Rents in the town of Cupertino, Apple's headquarters, were down 14.3 percent. In Palo Alto, the heart of Silicon Valley, rents shrank 10.8 percent.

In comparison, rents fell an average of 3.6 percent in Los Angeles in June and 0.2 across the U.S. overall.

"Turns out a lot of the online hype about Silicon Valley's move to remote [work] is … borne out by data," tweeted Anthemos Georgiades. CEO of Zumper, a San Francisco rental service.

TREND FORECAST: *This is old news for* ***Trends Journal*** *subscribers. We had forecast a sharp decline in commercial real estate at the onset of the government lockdown and reports of companies increasing the amount of employees that can work at home.*

STARBUCKS LOSES $3.2 BILLION, SHIFTS STRATEGY

The world's largest chain of coffee cafés lost as much as $3.2 billion in revenue during its most recent fiscal quarter, the company reported.

Starbucks also expects combined sales in its two biggest markets to drop between 10 and 20 percent during its current fiscal year, with sales essentially flat in China and remaining negative in the U.S. compared to last year.

U.S. sales plunged 43 percent in May as some stores reopened with limited hours and services. By June, 91 percent of U.S. stores were open again.

Chinese sales were off 21 percent in May overall, compared to 32 percent in April and declined by only 14 percent in the last week of May. About 90 percent of Chinese cafés are open, with more than 70 percent offering full inside seating. Also, in April and May, Starbucks opened 57 new Chinese stores.

In the U.S., Starbucks plans 300 new outlets in its current fiscal year, down from its earlier target of 600. As many as 400 company-owned outlets will close, move, or be renovated over the next 18 months and be joined by 40 to 50 quick-pick-up stores, mostly in urban centers. Suburban stores will be fitted with walk-up windows and many will sport a second drive-up lane.

The shift will not cost jobs, CEO Kevin Johnson said.

The economic lockdown has prodded the chain to review its strategy as more customers opt for take-out and walk-up or drive-through service. Although most states now allow restaurants' dining rooms to be open, Starbucks' will remain closed for now, Johnson confirmed, but the company will reopen dining areas in some counties in the months ahead.

AMC THEATER CHAIN LOSES $2.2 BILLION

AMC Entertainment Holdings, the world's largest movie theater chain with more than 1,000 theaters around the world, lost a net $2.2 billion in its most recently ended quarter as the global economic shutdown darkened the company's 11,000 movie screens.

In the first two months, AMC's revenue of this year was 10 percent above that of a year earlier. "Then ka-boom," said AMC CEO Adam Aron.

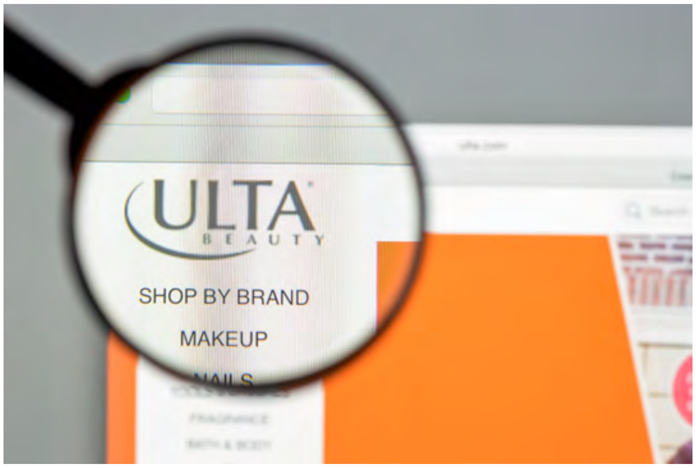
AMC had no revenue during the last two weeks of March, which ended its quarter. During the lockdown, it furloughed more than 90 percent of its employees, negotiated lower rents from its landlords, and took on $500 million in new debt to keep paying its bills.

The company plans to have all of its theaters open again by August, although that ambition could be thwarted by politicians' decisions to extend lockdowns. The theater chain's revenues also could remain weak if regulators enforce social distancing, which could mean leaving a majority of theater seats empty during shows.

California, one of AMC's two biggest U.S. markets, is allowing theaters to reopen this week; New York, the other major market, has relegated theaters to its fourth phase of reopening. The state began the first phase the week of 8 June.

TREND FORECAST: *With extreme social distancing, mask wearing, temperature checking and other restrictions being imposed by politicians, we forecast a wave of bankruptcies in the movie/concert/hospitality/restaurant/retail sectors.*

ULTA BEAUTY BEGINS "CLEAN SHEET" RETHINK



Ulta Beauty Inc., whose more than 1,200 stores dot malls and shopping centers around the U.S., has announced a "clean sheet" review to decide whether to keep stores open, remodel them, move some, or shift more operations online.

The review had been planned but the economic shutdown made it a priority, said Scott Settersten, Ulta's CFO.

The company may close stores, renegotiate existing leases to win better terms, or take advantage of landlords' distress to move stores to better locations, he added.

Ulta still plans to open 30 to 40 new stores this year, about half of what it had planned when the year began.

The company took a $19.5-million "impairment charge" in the first quarter due to poor performance at about 20 stores.

DISNEYLAND ANNOUNCES REOPENING

The Disneyland resort in Anaheim, CA, will begin to reopen on 9 July, the same date as Walt Disney World in Orlando will begin welcoming visitors again, the Disney Co. announced on 10 June.

The Downtown Disney shopping area will open first, followed on 17 July by the Disneyland and California Adventure theme parks.

Walt Disney World will open two parks on 11 July and two on 15 July.

The resorts and theme parks locked their doors in mid-March, sending more than 100,000 workers home and costing the company billions of dollars. Disney's properties in Europe, China, and elsewhere also closed.

The company announced a $1.4-billion loss to its first-quarter revenue.

As the venues reopen, guests will need to reserve tickets to ensure crowds are small enough to ensure social distancing. Also, parades and shows, which attract close-packed crowds, have not been scheduled to resume.

Disney parks that have reopened in China require visitors to be masked and submit to temperature checks before entering.

RESTAURANTS NAVIGATE THICKETS OF REGULATIONS TO REOPEN

As they reopen dining rooms, restaurants face costs, rules, and changes that may make being open as expensive as staying closed.

Eateries are putting up Plexiglass partitions between tables. Many are budgeting hundreds of dollars a week to buy masks for staff and customers and extra cleaning supplies; others are having to add staff to carry out thorough disinfections after hours.

For chains operating across jurisdictional boundaries, managing the details becomes a monument to confusion.

Among 36 states allowing eating indoors, 19 mandate no more than 50-percent occupancy. Delaware's limit is 30 percent; other states mandate 25 percent tops. Six states allow indoor dining only in certain counties.

Different jurisdictions dictate different hours eateries can be open; one requires that employees' temperatures be checked when they arrive at work and be posted where customers can see the results.

McDonald's reopening guidelines for franchise owners runs to 56 pages, Arby's to 96. Arby's also advises franchisees that federal, state, and local mandates "may change and be conflicting."

"I don't see us being able to recoup what we lost this year," complained James Miller, CEO of Vision Investment Group, which owns 42 Subway shops in three states. "There simply wasn't a blanket set of restrictions that applied to all."

“We would like to see consistent standards so franchisees don’t have to comply with a bunch of” random, inconsistent, and contradictory standards, said Misty Chally, executive director of the Coalition of Franchisee Associations.

State restaurant associations in Colorado and elsewhere are pressing state governors, legislatures, and health departments to both regularize and ease restrictions.

MALL OWNERS SQUABBLE OVER HALTED MERGER

Simon Property Group, the U.S.’s largest mall owner with more than 200 retail properties, has walked away from its planned $3.6-billion purchase, announced in February, of Taubman Centers, which owns 26 shopping centers in the U.S. and Asia.

Simon has seen hundreds of its tenant stores stop paying rent and has filed suit against Gap Inc. for $66 million in back payments.

Taubman calls Simon’s decision to call off the deal “without merit” and that it “intends to hold Simon to its obligations” under the merger plan and to “vigorously contest” Simon’s withdrawal from the agreement.

Simon said the agreement gives it the right to terminate the deal if Taubman has been “disproportionately affected” by the shutdown. Simon now claims a large number of Taubman’s malls depend on tourists and high-end shoppers, which have largely disappeared from many of Taubman’s market areas.

Mall tenants have used the economic shutdown as leverage to negotiate lower rents. Some analysts theorize that Simon is using the shutdown to negotiate a lower price for Taubman's properties.

TREND FORECAST: *All the above facts and data in this* ***Trends Journal*** *clearly conclude that the economic future is the "Greatest Depression." How quick the economy descends will be determined by how long the opening restrictions prevail and to what degree they will lessen… or worsen.*

FURTHER FITNESS FIRINGS

24-Hour Fitness, the fourth-largest U.S. gym chain with more than 400 workout centers, emailed an undisclosed number of fitness instructors, personal trainers, and salespersons on 8 June, asking them to join a 10 June phone conference to learn of "important company updates."

On the call, workers learned they all were being laid off immediately.

The workers were paid for one hour of time for taking part in the call.

Afterward, the terminated workers were emailed again, giving information about final paychecks, eligibility to be rehired, and other details.

Gold's Gym, with about 180 locations in more than 15 countries, filed for Chapter 11 bankruptcy in early May.

EUROPE

APRIL'S ECONOMY PAINTS GRIM PORTRAIT OF GLOBAL COLLAPSE.
Great Britain's economy was more than 25 percent smaller in May than it was in February.

The nation's GPD contracted 5.8 percent in March and 20.4 percent in April, totaling a 26.2-percent shrinkage over two months of the shutdowns now easing there.

The U.K.'s Office for National Statistics estimated on Friday that the April shutdown cost the economy £30 billion (about $37.8 billion) and took output back to where it was in 2002.

"Eighteen years of growth was wiped out in a single month," one observer said.

The shutdown closed hotels, restaurants, bars, and related services in March and April, causing that pocket of the economy to tailspin by 40.1 percent during the three months preceding May.

Economic output in construction fell 18.2 percent and in manufacturing by 10.5 percent during the same period. In April, the U.K. produced 197 new cars, compared to 70,000 in April 2019.

Clothing, energy, auto sales, and education also declined sharply.

"April's fall in GDP is the biggest the U.K. has ever seen," said Jonathan Athow, Deputy National Statistician at the Office of Economic Statistics, "and almost ten times larger than the steepest pre-COVID fall."

Exports from Germany, Europe's manufacturing center, were down a third from a year earlier. Bosnia and Croatia produced no steel and France, a center of fashion, saw clothing sales crater to 67.4 percent less year-on-year.

Uganda, which exported 500,000 tons of sugar in 2019, shipped none in April. South Africa's volume of gold and platinum mined in April fell by half against the volumes a year earlier.

India registered no new car sales. IHS Markit's Purchasing Managers Index for India's service sector registered 5.4 in April, the lowest score ever recorded in any of its surveys.

A score below 50 on the 100-point scale indicates economic contraction.

"To see the numbers come down to single digits was inconceivable," says IHS's Chris Williamson, an economist who has helped compile the surveys for 25 years. "We never thought that could happen. You're into totally uncharted territory."

TREND FORECAST: *April's disastrous economic numbers tell two stories.*

First, as lockdowns are lifted, there is likely to be a spurt of spending to relieve pent-up demand: children need shoes for school or church, broken appliances need to be replaced, people desperate for fun or personal indulgence will queue up at restaurants and whatever entertainment venues open.

Second, trillions of dollars in purchasing power has been wiped out of the world's economy. Employment, spending, and capital investment react to each other and will need to collaborate to rebuild what has been lost.

And, as evidenced by the unparalleled list of redundant, costly, and contradictory made-up new rules and regulations imposed on businesses and citizens, April's abysmal data is just the beginning of a road to economic decline that will be long and deep.

RETAIL GIANT INDITEX SHIFTS TO ONLINE. Inditex SA, the fast-fashion giant based in Spain that operates some 7,400 stores worldwide under the Zara, Uterque, Massimo Dutti, and other labels, will close about 1,200 outlets by 2022 and shift strongly toward online sales as it widows underperforming stores.

Asia and Europe will see most of the closures. The plan is expected to impact only about 100 stores in the Americas, which account for 5 to 6 percent of sales.

At the same time, Inditex will invest €1 billion to build its online presence, the company said.

First-quarter sales dropped 44 percent year-on-year and 51 percent in May, but were recovering in early June, when sales were off only 34 percent from a year previous.

The family-owned chain has weathered the global shutdown in better condition than many others, analysts say. The economic shutdown, however, has spurred the company to accelerate its transformation in a consumer economy that will be less well-heeled in the future and will not spend enough in many regions to support elaborate showrooms.

The company expects online sales to account for 25 percent of its revenue by 2025, compared to 14 percent in 2019.

TREND FORECAST: *As we had forecast, the more businesses close shop, the lower rents will fall and the further the commercial real estate sector will decline.*

JOB CUT BLUES. Centrica, owner of British Gas and other utilities and energy service companies, is set to fire another 5,000 workers as the economic shutdown compounds the company's earlier woes, including 12,500 previous layoffs and shrinking profits.

Half the new job cuts will be among white-collar workers, the company said.

The additional cuts are part of the company's plan to cut £2 billion in costs by 2022. The new round of terminations could help the company achieve that goal a year early, said Chris O'Shea, who became CEO in March.

Centrica's revenue has been pinched by lower-cost competitors offering cheaper energy prices and services as well as commercial and industrial customers being shuttered by the lockdown.

Under O'Shea, the company will have fewer business units and fewer layers of management. O'Shea also has put special focus on the company's 80 different labor contracts, after which one union leader vowed to "fight for every single job."

Analysts are skeptical the company's BBB credit rating will improve any time soon.

The new strategy does not "materially change the outlook for the company from a credit-rating or equity-holder perspective," said Ahmed Farman, a Jeffries analyst who also expressed concern about the company's "stretched balance sheet."

FILTER MAKER MAKING LESS. Johnson-Matthey, the world's largest supplier of catalytic converters for cars, is dispensing with 2,500 workers – about one-sixth of its labor force – as it tries to lop off $80 million in annual costs by March 2023.

It will "consolidate" its older plants in Europe, the British-based company said.

Auto sales are down by half so far this year in the U.K. and a third in the U.S. Global auto sales will drop 22 percent this year compared to 2019, according to research firm IHS Markit, drastically shrinking the company's market over at least the next several months.

Also, prices for the precious and rare earth metals the company uses in its converters have climbed steadily in recent years, squeezing the company's operating margins in a receding economy.

The company's pre-tax profits declined 38 percent during this year's first quarter and its share price has tumbled 30 percent so far in 2020. It reported a $60-million reduction in profits during the shutdown.

Auto sales are recovering in Europe, the U.S., and especially China, the company said. However, the weak economy "will adversely impact demand across a number of our businesses… for quite some time," said CEO Robert McLeod.

The reduction in global car production will likely be "deeper and longer" than during the Great Recession, according to Adam Collins, an analyst at the Liberum investment bank.

HEATHROW LOSING AIR. London's Heathrow Airport, Europe's busiest terminal, has cut a third of its 1,500 management jobs and could lop a third of its 7,000 frontline workers.

May saw 97 percent fewer travelers pass through the airport than a year earlier, a record low number, and the U.K.'s government has mandated a 14-day quarantine for visitors arriving from most foreign countries, a move that has discouraged foreign travelers.

The airport cited both factors in explaining its layoffs.

British Airways, easyJet, and RyanAir are suing the government over the two-week isolation rule, calling it "unjustified," "disproportionate," and "ridiculous," especially since the U.K.'s rate of COVID infection is higher than that in many of the countries from which visitors would be arriving.

Heathrow has asked the government to establish an "air bridge" program that would let travelers pass through the airport on their way to other stops in Europe without having to quarantine.

Greece, Portugal, Spain, and Turkey are among European countries establishing "air corridors" to allow travelers to move more freely across the continent and to help airlines and airports generate revenue.

CHINA

DEFLATION STRIKES CHINA'S INDUSTRIES. China's factories slashed prices for their goods in May by an average of 3.7 percent compared to prices a year earlier, a steeper drop than analysts had expected following April's 3.1-percent cut.

The discounts marked the fastest deflation in the country's industrial prices in more than four years and were sparked by feeble demand among the factories' U.S. and European customers.

At the same time, China's rate of inflation slowed to 2.4 percent in May from 3.3 percent in April, as prices for food rose at a slower pace.

TRENDPOST: *Industrial and retail deflation accurately reflect how fast and how low economies are falling.*

*While inflation is also down, as forecast in last week's **Trends Journal**, "Dragflation" – costs of goods services and wages decline as costs to purchase them goes up. This is a result of central banks artificially propping up economies and equity markets with cheap money.*

Thus, the more cheap money they print, the lower the currencies will fall, and the more it will cost to purchase products and services.

MORE ON THE ECONOMIC FRONT LINES

OECD WARNS OF SECOND LOCKDOWN'S DANGERS. Mirroring what we have long forecast, the Organization for Economic Cooperation and Development (OECD) warned of a second worldwide economic shutdown if the COVID virus resurges would do severe damage to a global economy already reeling.

The world's GDP will contract by 6 percent this year if no new lockdowns are imposed, the OECD predicted in a 10 June report.

The 6-percent forecast is double the contraction predicted in April by the International Monetary Fund.

If the virus recurs later this year and shutdowns are re-imposed, the world's economy will then shrink by 7.8 percent, the report said.

The world's economy will grow by 5.2 percent in 2021, the OECD calculated, or by only 2.8 percent if there is a second COVID wave.

For the U.S. GDP, the OECD expects a 7.3-percent shrinkage this year, bouncing back 4.1 percent in 2021. If the virus returns, the loss will be 8.5 percent this year, followed by only a 1.9-percent rebound next year.

The U.S. Congressional Budget Office forecast in early June that the U.S. economy would lose 5.6 percent this year.

The scale of damage to the world's economy that a second lockdown would create must be avoided, meaning that families, workers, and businesses will have to "live with" the virus until a vaccine is found, said Laurence Boone, the OECD's chief economist.

SAUDI ARABIA TO REGAIN DOMINANCE OVER WORLD OIL MARKET. Saudi Arabia's share of the global oil market will grow from 11.6 percent today to 15 percent by 2025, its highest share in almost 40 years, according to an analysis by JPMorgan Chase.

OPEC, in which Saudi Arabia is the principal partner, will sell 40 percent of the world's oil by 2025, up from about 33 percent now and passing its 39-percent peak share set in 2016, the analysis concluded.

The oil market's global collapse is slashing budgets for exploration for new reserves, ongoing development of existing fields, and driving hundreds of small producers out of business.

As demand returns, Saudi Arabia and many of its OPEC partners will be able to simply pump more cheap oil and fill gaps in supply.

The bank's analysis holds little hope for U.S. shale production to rival OPEC's output. The report sees American shale producers pumping 11 million barrels a day in 2030, compared to 10.9 million now.

Worldwide spending on oil and gas exploration and development will total about $383 billion this year, a 15-year low and 29 percent lower than in 2019, according to Rystad Energy, an analysis firm.

The loss of new investment sets the stage for tighter supplies in the future, a situation Saudi Arabia and its OPEC partners can leverage to grab a larger market share.

Today's meager investments in exploration and production could "reduce the previously-expected level of supply in 2025 by almost nine million barrels a day, creating a clear risk of tighter markets if demand starts to move back towards its pre-crisis trajectory," the International Energy Agency (IEA) said in a May report.

AIRLINES WILL LOSE $84 BILLION THIS YEAR. Airline passengers will number 55 percent fewer this year than last, leading the world's airlines to lose $84 billion in 2020, according to the International Air Transport Association.

Carriers will run a collective deficit of $16 billion next year and the global economic shutdown will cost the industry about 32 million jobs, the association predicted.

The numbers would have been worse if governments had not bailed out airlines, including the U.S.'s $25 billion in grants and loans.

By 2021, about 80 percent of city-to-city routes will be restored, the association predicted.

TRENDS-EYE VIEW

U.S. STOCK MARKET: A CRIME IN PROGRESS

By Gregory Mannarino

Make no mistake about it.

In world history, there is no bigger rigged game than the U.S. markets. The recent price action of the U.S. stock market goes way beyond wild speculation… it is a crime.

It is a crime because the Federal Reserve is being allowed to hyper-pump the entire system with monetary methadone, and, in my opinion, it is just the beginning. This crime in progress is extending deep into the political arena, with White House Economic Advisor Larry Kudlow and Treasury Secretary Steve Mnuchin not allowing "We The People" to know which corporations received public bailouts to the tune of *half a trillion* dollars.

I will give you a hint as to why you are not allowed to know which companies received bailouts: year-end bonuses. If the public were made aware of which companies got public bailout funds, they would be furious to hear the CEOs of these companies were getting millions, perhaps even tens of millions, in year-end bonuses.

The crime of the markets extends into crude oil as well, whose price action also has no bearing on reality and is being artificially propped up. Most people have some idea that the high price of crude provides a boost to the energy sector, but most have no idea that high crude prices also boost the entire financial sector.

And not only do investment banks have tremendous investments in crude oil, they also provide the funding for big oil.

Epic sums of monetary methadone are being pumped into the markets by the Federal Reserve via their own trading desk. Yes – the New York Fed has a trading desk! The Federal Reserve also is funneling cash directly to investment banks and hedge funds to buy the market.

Additionally, the Fed is involved in making sure Kudlow and Mnuchin do not allow public knowledge of who got bailed out, as not only does the Fed run the entire monetary charade, they also call all the shots.

Where do you think these bailout funds came from? Directly from the Federal Reserve.

The current mechanism is assuring one thing: the stock market goes higher. If we tie this all together, the picture gets even clearer.

The year-end bonuses of the corporate elite are based on year-end stock share price. We know the market is being artificially pumped higher, has no bearing on reality, no real price discovery, nor any resemblance of a true price mechanism behind it. We also know there will be no public disclosure of who got bailed out. So, the door is wide open, again, for the corporate elite to reap many millions in year-end bonuses via public bailouts and sky-high stock share prices.

Today's markets are the political and corporate crime of the century.

My only question is: how long will the American people tolerate this rampant corruption?

COVID-19 SPECIAL REPORT

FACTS OVER FEAR AND MEDIA HYPE

As we have been reporting since the Presstitutes began selling COVID Fear and Hysteria in late January, the facts of who and why people are dying of COVID essentially have been suppressed.

The "experts" featured in the mainstream media are promoted as the ones selling their line of propaganda, and all opposing it are banned.

For example, on 3 March, *CNN* referred to Dr. Anthony Fauci, Director of the National Institute of Allergy and Infectious Diseases, as the "expert of all experts."

Cleary, according to *CNN*, a.k.a. the *Cartoon News Network*, there is no one on the planet who knows more than Dr. Fauci, and we must believe what he believes.

In fact, what Americans and others around the world are being sold – and the vast majorities of citizens are buying – are new laws and regulations that rob liberties and freedoms while lacking empirical epidemiological evidence.

In previous **Trends Journals,** we have reported the inaccuracies. The following are facts that dispute what the Presstitutes are selling, which politicians parrot to enforce their authoritarian orders.

Read the deadly *CNBC* headline from 11 March: "Up to 150 million Americans are expected to contract the coronavirus, congressional doctor says."

At the time, Dr. Brian Monahan, the attending physician for Congress and the U.S. Supreme Court, said he expected up to 150 million Americans would be infected with COVID-19.

Assuming he was correct, with the virus's estimated 1 percent mortality rate, that would mean some 1.5 million American would die.

To date, with a reported 118,000 having died from the virus in the U.S., the "expert" doctor is off by only 1,382,000 people.

Yet, this imbecilic forecast made by a government flack, which helped spread COVID Fear and Hysteria, is totally ignored by the mainstream media Presstitutes.

Swiss Policy Research, an independent, nonpartisan/nonprofit research group, published its 2 June update, "Facts About Covid-19."

From this report, here are further examples of how the solid facts are being ignored and Fear is being sold.

- According to the latest immunological and serological studies, the overall lethality of Covid-19 (IFR) is about 0.1% and thus in the range of a strong seasonal influenza (flu).

- Up to 80 percent of all test-positive persons remain symptom-free. Even among 70-79 year olds, about 60 percent remain symptom-free. Over 95 percent of all persons develop at most moderate symptoms.

TRENDPOST: *Indeed, we have continually quoted the* Associated Press*, which, when reporting on the virus, has stated, "For most people, the coronavirus causes mild or modest symptoms, such as fever and cough, that clear up in two to three weeks. For some, especially older adults and people with existing health problems, it can cause more severe life-threatening illness, including pneumonia and death."*

Yet, absent from mainstream news and politicians who continually keep selling Fear and Hysteria is:

- The average age of the deceased in most countries (including Italy) is over 80 years and only about 4 percent of the deceased had no serious preconditions. The age and risk profile of deaths thus essentially corresponds to normal mortality.

- In many countries, up to two thirds of all deaths occurred in nursing homes. In many countries, deaths in elder care homes account for 30 to 60 percent of all additional deaths. In Canada and some U.S. states, elder care homes account for up to 80 percent of all "Covid-19 related" deaths.

TRENDPOST: *There are findings from the Foundation for Research on Equal Opportunity, as reported in* Forbes*, that "in the 43 states that currently report such figures, an astounding 42 percent of all of COVID-19 deaths have taken place in nursing homes and assisted living facilities… or 0.62 percent of the entire U.S. population."*

Therefore, even assuming the Swiss Policy Research number is too high and the Foundation's is more accurate, of the 114,700 who reportedly died from the virus in the U.S., only 66,526 out of a population of 330 million, or 0.02 percent, who died of the virus were not living in nursing homes.

And the high data rate from the virus is also attributed to obesity.

According to a CDC study of patients hospitalized due to COVID-19, 48.3 percent were classified as obese.

A Chinese study reported obesity was almost five times more prevalent in patients with COVID-19 who died (88 percent) compared to those who survived (19 percent).

Researchers in France found that nearly half of the patients admitted to an intensive care unit with COVID-19 had a Body Mass Index (BMI) that put them in the "obese" range.

In the U.K, 75 percent of the 6,720 patients had a BMI in the overweight or obese range.

TRENDPOST: *Instead of quarantining and taking better care of those in elder care facilities and issuing health warnings to those who are clinically obese or suffer from Type 2 diabetes, governments shut down the global economy, put hundreds of millions out of work, destroyed businesses and livelihoods, and in set in motion a series of mental and physical health problems that will cause far more suffering and death than the virus.*

Furthermore, as per the example in the U.S., with just 0.62 percent of the entire population most at risk of dying from the virus in elder care homes, 99.38 percent were forced into the unprecedented lockdown of an entire society... that still, in many ways, persists.

Also from the Swiss Policy Research study, up to 30 percent of all additional deaths may not have been caused by COVID-19, but, instead, from the effects of the lockdown Fear and Panic. For example, the treatment of heart attacks and strokes decreased by up to 60 percent because many patients were afraid to go to hospitals.

Another finding from the study confirms what we have been reporting: it is often not clear whether victims died from the virus or from underlying diseases, since they were counted as "presumed cases" and not tested at all.

Also reported in the Swiss Policy Research:

- Contrary to original assumptions, various studies have shown there is no evidence of the virus spreading through aerosols (i.e. tiny particles floating in the air) or through smear infections (e.g. on door handles or smartphones).

The main modes of transmission are direct contact and droplets produced when coughing or sneezing.

- There is no scientific evidence for the effectiveness of face masks in *healthy* or *asymptomatic* individuals. On the contrary, experts warn such masks interfere with normal breathing and may become “germ carriers.” Leading doctors have called them “media hype” and “ridiculous.”

- Several medical experts described vaccines against coronaviruses as unnecessary or even dangerous. Indeed, the vaccine against the so-called Swine flu of 2009, for example, led to some experiencing severe neurological damage and lawsuits in the millions.

AUTHORITIES DICTATE COVID SEX RULES

While pointing out the facts that governments instituting strict lockdown policies have robbed people of their Constitutional and Bill of Rights, now, they have made moves to control bedroom behavior.

Beyond the laundry list of new regulations and phased-in opening restrictions of stores and restaurants, which not only are limiting the amount of customers allowed in at a time and are costly and destructive to business, the NYC Health Department has now intruded into the personal business of sex.

Putting hard-earned tax dollars to work for the betterment of the plantation workers of Slavelandia, the health “officials” have issued an updated “Safer Sex and COVID-19” guide.

Straight out of Mad Magazine Playbook, among their brilliant conclusions, the NYC health hierarchy has officially sanctioned that it is healthy to engage in video dates, sexting, erotic “Zoom parties,” and sexy chat rooms.

Despite stating in the beginning of the Guide, “We know that other coronaviruses do not easily spread through sex… this means sex is not likely a common way that COVID-19 spreads,” the NYC Health Department warns we need to “consider using harm reduction strategies to reduce the risk to yourself, your partners, and our community.”

The Masked Man… and Woman

Among the highlighted precautions, they have decided no kissing is allowed: “During COVID-19, wearing a face covering that covers your nose and mouth is a good way to add a layer of protection during sex.”

The grossness and intrusion of the bureaucratic mindset is detail in the explicitness of their instructions:

- “Make it a little kinky. Be creative with sexual positions that allow sexual contact while preventing close face to face contact.”
- “Masturbate together… use physical distance and face coverings to reduce the risk.”
- “Condoms and dental dams can reduce contact with [bodily fluids] during sex.”
- “Washing up before and after sex is more important than ever. Wash hands with soap and water for at least 20 seconds. Wash sex toys with soap and warm water. Disinfect keyboards and touch screens that you share with others.
- “Do not touch your eyes, nose, or mouth with unwashed hands. Bring an alcohol-based hand sanitizer.

And to ensure we stay fearful and anxious about physical contact until a vaccine wipes out COVID-19, the NYC Health Department Guide warns that even if your sex partner has been tested for the virus, there are no guarantees:

- “Having antibodies against the virus that causes COVID-19 or a prior positive diagnostic test do not mean definite immunity. Use test results with caution in helping you make decisions about sex. Be cautious in using these tests to make decisions about who you have sex with and what kind of sex you have since antibody test results are not definite proof of immunity.”

Fearful Warnings Continue Despite No Evidence

If you need some Ivy League credentials to convince you to be anxious about sex and COVID, check out the article **“**Sexual Health in the SARS-CoV-2 Era,**”** published in the 8 May *Annals of Internal Medicine*.

There, too, they recommend wearing masks during sex and to avoid kissing. The article states, “Because many SARS-CoV-2–infected people are asymptomatic, HCPs (Health Care Practitioners) are left with little to offer beyond guidance to not engage in any in-person sexual activity.”

Yet, at the same time, the authors of the study acknowledge: “Messaging around sex being dangerous may have insidious psychological effects at a time when people are especially susceptible to mental health difficulties.”

The Mayo Clinic also agrees with wearing masks as a key element of safe sex, but offers no evidence. On 11 June, they published a report by Dr. William F. Marshall III, who advises the safest strategy is to avoid sex altogether:

“Beyond sex, there are other ways to create or maintain intimacy with a partner at a distance. Go on virtual dates together, share music you enjoy, write letters to one another or dress up for each other.”

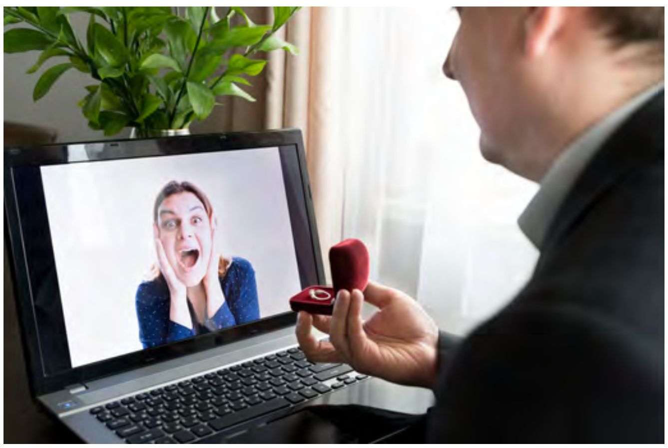
It should be noted that after all of the “no kissing” warnings and face mask/dental dam cajoling, the Mayo Clinic article make it clear that further testing needs to be done to confirm whether the coronavirus can even be transmitted through sexual activity.

TRENDPOST: *As we have detailed since the media began hyping COVID Hysteria in January, politicians have seized on it to dictate virtually every aspect – as disgustingly evidenced by their sex rules – of one’s professional and personal life.*

Indeed, to illustrate the crudeness and mental derangement of the sexual rules and regulations that are being made up and broadcast to the public, the esteemed Annals of Internal Medicine *also states, "However, the relevance regarding sexual transmission remains unknown."*

Yet, they enter the bedroom to continue to sell Fear and Hysteria... and a majority of the public keeps obeying the imbecilic, data-deficient dictates of their dictators.

SEX DRIVE STALLING



The diminishing sexual appetite resulting from the young and the free sheltered-in-place was already declining in the U.S. before the nation was locked down.

A study published last Friday by researchers at San Diego State University, published in the *Journal of the American Medical Association* (JAMA), found that between 2016 and 2018, the percentage of 18-24 year-old Americans surveyed who were sexually inactive jumped from around 19 percent to 31 percent. About one out of every three men in this category said they had no sex at all during the last 12 months.

This is said to be part of a trend that young people in the U.S. need a longer time period to mature into adulthood.

According to Jean Twenge, a psychology professor at San Diego State University, "This includes the postponement of not just sexual activity but also other activities related to mating and reproduction, including dating, living with a partner, pregnancy, and birth."

Professor Twenge added, “However, these reproductive trends have not occurred in isolation; instead, they are part of a broader cultural trend toward delayed development. For example, adolescents in the 2010s were also less likely to drive, drink alcohol, go out without their parents, and work at paid jobs compared with adolescents in previous decades.”

Lack of security in the job market is a key factor. “It is more difficult to go out and engage in sexual activities when you're not financially independent of the parents.” The study specifically referenced less sexual activity among men unable to get full-time employment and those who were students.

In addition to the financial stress on young people, Professor Twenge singled out the easy and pervasive access to online entertainment. “Between the 24-hour availability of entertainment and the temptation to use smartphones and social media, sexual activity may not be as attractive as it once was… Put simply, there are now many more choices of things to do in the late evening than there once were and fewer opportunities to initiate sexual activity if both partners are engrossed in social media, electronic gaming, or binge watching.”

While the study showed the declining sex trend to be most prevalent among 18-34 single adults, it also showed married couples, both younger and older, having less sex than couples 20 years ago, with a greater number reporting they are less likely to have sex even once a week.

TRENDPOST: *America has gone from the sexual revolution of the 1960s to going sexless.*

Perhaps there other reasons for the decline in sexual activity other than those stated by Professor Twenge.

Could it be from the countless preservatives and artificial ingredients added to foods? Or the physical shape people are in from devouring massive quantities of junk food? Or from the huge amounts of prescription drugs and contaminants that have diminished the nation’s sex drive?

“BUBBLE” HEAD LEADERS IN CHARGE

With countries continuing to reopen their societies after the unprecedented global shutdown, we keep seeing more and more evidence of non-scientific, irrational restrictions decreed by political leaders.

Many of these “Dictators 2.0” now are agreeing to end the months-long “stay in your house and shut down your business” rules they have imposed… but with a long list of extreme restrictions.

Among their new terms that have become popular is expanding your “bubble,” i.e., the tight circle of family and friends who have been living together during the lockdowns.

Some recent examples of the moronic dictates they keep making up, which the media Presstitutes sell and the masses buy:

- Last Wednesday, U.K. Prime Minister Boris Johnson disclosed a new “support bubble plan” that allows British residents to socialize with others under restricted conditions.

  Under the new “bubble” system, single parents and children under 18 living with them are now permitted to visit one other household without adhering to social distancing. Grandparents can hug their grandchildren again.

  Dictator Johnson stated, “We are making this change to support those who are particularly lonely as a result of lockdown measures.” He made sure to clarify, “It is emphatically not designed for people who don’t qualify to start meeting inside other people’s homes because that remains against the law.”

- On 8 June, the First Minister of Northern Ireland, Arlene Foster, said she “regrets” not allowing residents to visit family indoors yet. She added that her administration is looking at a “social bubble” strategy being tried in New Zealand, which permits small gatherings of friends and family while still maintaining a general shutdown. It should be noted that when the First Minister made her statements, it marked the second consecutive day of no new deaths from COVID in the entire country.

- In Belgium, a “corona bubble” rule went into effect last month where citizens could choose no more than two sets of four people to be in their social “bubble.” The restriction means that people with more than four children and/or grandchildren have to eliminate seeing some of them. Last week, the government relented and now allows up to ten in a “bubble.”

  Prime Minister Sophie Wilmes stated in May, “The physical separation from those whom we love has in some cases become unbearable,” but she clarified that visitors should not hug or offer the customary three-kiss greeting. The government still recommends that “bubbles” meet in gardens or on terraces where possible, not indoors.

- In Denmark, travel restrictions were somewhat decreased as romantic partners were permitted to enter the country, but only if they could offer proof they had been co-habiting with a Danish citizen for the last six months. Responding to protests, Denmark’s Justice Minister, Nick Haekkerup, announced amendment of the rule to: “If you say you are in a relationship and put it in writing, that is enough.”

- In the province of Ontario, Canada, which includes the city of Toronto, residents are now allowed “social bubbles” of up to ten people. While people are restricted to being part of only one “bubble,” within each “bubble,” participants are allowed to hug and touch.

- On 8 June, folks living in Alameda County, CA, which includes the city of Oakland, were given permission to meet in “social bubbles,” small outdoor gatherings among different households.

As described by Alameda County Health Officer Dr. Erica Pan, the "social bubble" can be up to 12 people, but to limit physical contact, everyone is restricted to one bubble at a time. Dr. Pan explained, "We're now allowing you a few contacts outside your home to allow you to have that social connection, and be around each other outdoors. Again, adults with face coverings and social distancing. But we want people to have that next layer of social interaction."

- An article published by the *New York Times* on 9 June noted, "Public health experts are beginning to embrace options… like forming a 'bubble' with another household or moving social activities outdoors." The article concluded these "bubbles" don't eliminate risk but "minimize it as people try to return to daily life."

TRENDPOST: *As we have continually noted from the onset of the COVID Hysteria since late January, dictatorial politicians not only have destroyed the global economy, destroyed businesses, and pushed tens of millions into poverty and despair, they also have intruded deeply into virtually every aspect of citizens' lives.*

Not only have they abrogated Constitutions and Bill of Rights, they have imposed dictates of social ("forced") distancing, mask wearing, capacity limitation, rights to assemble… who can visit whom when and where, without one scintilla of scientific evidence to back it up.

And the Presstitutes keep selling what their corporate pimps and government whoremasters pay them to sell… and again, the public buys it.

As we have noted since the lockdowns and "States of Emergency" were issued, just as obedient public marched to Mussolini, Heil Hitler, and saluted Stalin, they obediently and patriotically march to orders from their leaders to fight the COVID War that the leaders have self-declared.

“MAKES NO SENSE” RULES: THE NEW ABNORMAL

As much of the world is unlocked from the three-month plus lockdown, as we had forecast, the vast, often contradictory, non-science based, made-up rules and regulations that are not laws, but edicts, are further destroying the already severely damaged global economy… and driving businesses and individuals deeper in poverty and desperation.

- In Brussels, Belgium, some areas of the city require the wearing of masks but other areas do not. It often depends on the street address. According to *Bloomberg News*, on the street Rue Gray, masks are required in front of numbers 1-17 only. And, if one is within 15 meters of a school, wearing a mask is ordered on Monday to Friday from 8 to 9 AM; Wednesdays from 11:30 AM to 12:30 PM; and Mondays, Tuesdays, Thursdays, and Fridays from 3:30 to 4:30 PM.

- In Scotland, authorities issued guidelines that include bringing your own utensils to a barbecue and if you have to walk through a house to get to the outdoor barbecue area, not to touch anything or use the bathroom.

- In New Jersey, Governor “King Philly Boy” Murphy freed the citizens of Slavelandia from their homes last Tuesday, declaring, “We are no longer requiring you to stay at home.”

  Philly Boy permitted taxpaying serfs to have indoor activities of up to 50 people or 25 percent of a building’s usable space.

  Absent a shred of scientific fact, Governor Murphy announced he would allow up to 100 people to meet outdoors (up from 25). And if everybody were good boys and girls, the limit would be raised to 250 by 22 June, then to 500 on 3 July.

On 15 June, Murphy allowed bars and restaurants to reopen but with a number of restrictions, including outdoor-only seating, strict social distancing rules, and mandatory wearing of face masks when not seated at a table.

- The *Wall Street Journal* reports that Roberto Bruno, co-owner of a pizzeria/ice cream parlor, got so fed up, he pasted over 100 pages of printed post-lockdown rules across the walls of his restaurant. He said in frustration, “My partner and I live on a diet of bread and decrees.”

  Citing just one example of the insanity of the rules, Mr. Bruno questioned why his customers are required to wear masks while standing up but can take them off when sitting down.

  Apparently, even the mayor didn’t understand his town’s rules. When some vendors selling gelato were called out by a government official for serving it in a cone instead of a paper cup, the mayor said, “I don’t know why… At this point, nothing makes sense to me anymore.”

TRENDPOST: *Indeed, nothing makes sense.*

As with the “mask off” when sitting down and “mask on” when standing up, as evidenced, the same stupidity rule exists in many nations and many states in America.

The imbeciles-in-charge self-declare they have the supreme knowledge that proves when sitting and eating the virus will not go beyond the length of a knife and fork, but when standing, the virus can let loose and wildly spread, thus a mask must be worn when standing.

Adding to their stupidity, while eating and sitting outside (or inside) tables must be six feet apart because, in their mindless brains, the winds stop blowing and air stops traveling at exactly six feet… in any direction!

Not five feet eleven inches… ***it stops at exactly six feet.***

This applies as well to the senseless social distancing rules that force people outdoors to stand six feet apart, mask or no mask.

Yet, these absurd dictates are enforced and the vast majority obediently obey, criticizing violators and ratting out offenders as happened in New York this past weekend.

Andrew "Daddy's Boy" Cuomo, the Master of the little people of New York State, threatened to shut down areas of Manhattan and the Hamptons where people ignored his self-declared Executive Order social distancing regulations.

Alleging he received 25,000 complaints of businesses in violation of his rules, Cuomo stated, "Manhattan and the Hamptons are the leading areas in the state with violations," and he declared – as did Governor Little Philly Murphy of New Jersey where people were also having fun – that he would revoke liquor licenses from bars where the violators were drinking.

Note: East Hampton Supervisor Peter Van Scoyoc said the town received only two calls of potential violations, and, in both cases, the people were in compliance.

TREND FORECAST: *There will be no economic recovery. The unprecedented list of orders and restrictions imposed upon businesses, especially in the hospitality/restaurant/travel/entertainment sectors, will destroy millions of businesses and tens of millions of lives.*

BIG APPLE ROTTING

On 8 June, "Phase 1" was launched to start reopening New York City.

The subway cars were soaked down with cleaning fluids and, as with other nations such as the U.K., riders must wear masks.

They let construction workers back on the job, but in the new ABnormal, first they had to line up to have their temperatures taken.

Throughout the City, many stores, from Saks Fifth Avenue to mom and pops, had their windows boarded-up, heavily guarded… or closed down.

As part of the mainstream media, which strongly had been advocating the extended lockdowns, the *New York Times* issued this headline on 9 June: "Masked and Relieved, New Yorkers Reclaim City."

"Reclaim?" The throngs of tourists in this once-active city have vanished.

For the locals, they are now allowed to go to a dentist, take a pet to the vet, and even gather in groups of ten… if they obey the social distancing regulations.

Mayor Bill de Blasio said residents of the Big Apple should feel positive now that "Phase 1" of the reopening process has been declared.

On 8 June, as some 400,000 workers were allowed to get back to work, His Honor declared, "This is a triumph for all New Yorkers that we've gotten to this point." (According to the State Comptroller's office, before the pandemic, the city averaged 4.5 million people working each day.)

The mayor's joyful appraisal was one-upped by Governor Cuomo, the chief architect of the four phase reopening guidelines, who declared, "You want to talk about a turnaround – this one, my friends, is going to go in the history books."

TRENDPOST: *Turnaround? Maybe COVID-19 is affecting the governor's brain. On 21 April, he reported in a press briefing that New York's unemployment website, in his words, "collapsed" due to a massive surge in claims after he shut down businesses and put a record number of New York residents out of work.*

And one of the reasons for the high death rate in NYC, as we reported in the ***Trends Journal****, was because Governor Cuomo ordered nursing homes to take in ill people and those with the virus, claiming hospitals needed the space, leading to a sharp rise in nursing home COVID-19 deaths.*

In addition to throwing sick hospital patients out to make more room, which he did under the premise that they would swamp the system, Cuomo created emergency an hospital facility at the Javits Center and pushed President Trump to send in a Navy hospital ship.

Neither was needed. Over 90 percent of the hospital ship was empty, and the Javits Center, set up to handle the overflow, was barely used.

Yes, the governor was right when he stated, "This one, my friends, is going to go in the history books"… but not for the reasons he thinks.

TRENDPOST: *As noted in previous* ***Trends Journals****, absent from media coverage and silent from their favorite experts and the politicians, is the discussion as to why, if this virus is dangerous to those not practicing social distance and strict hygiene requirements, the homeless aren't dying by the hundreds of thousands?*

In New York City, for example, it is estimated there are 80,000 homeless people and 180 shelter locations. At the end of May, 86 homeless people were believed to have died from those shelters; other homeless virus death statistics have not been made available.

Again, the numbers are insignificant considering the poor health conditions homeless are suffering from.

And in California, locked down for three months but now allowed to open up bit by bit, with a population of 40 million, the total COVID deaths are just 5,119 or 0.012 percent.

Yet, there are over 151,000 homeless in the state. If the virus were as deadly as the media liars and political power grabbers contend, COVID deaths would be in the high double digits in that segment alone.

GET READY TO GET VACCINATED

Dr. Anthony Fauci, Director of the National Institute of Allergy and Infectious Diseases and the media-anointed leading COVID “expert,” told the Biotechnology Innovation Organization, the largest trade association advocating for biotech companies and research, that the virus was his “worst nightmare.”

He claimed the virus “has devastated the whole world” and “took over the planet.”

No, it is not the from virus – it is from people like Dr. Fauci and politicians who “devastated the whole world” by locking down the global economy and putting billions out of work… and who “took over the planet” with their dictatorial rules and regulations.

As we have noted, compared to the 1957-58 Asian flu, which killed one million people of a global population of three billion or 0.033 percent, COVID has killed some 440,000 out of a world population of 7.8 billion or 0.0051 percent.

If COVID-19 were as deadly as the Asian flu, with today’s world population, 2,600,000 would have died from the virus.

The main point of the Fauci pitch was that he was “almost certain” a successful vaccine would be found.

And making a pitch for the drug companies, Fauci said the U.S. government should not try to impose price controls on the drug companies, thus letting them charge what want and make all the money they can: “If you try to enforce things on a company that has multiple different opportunities to do different things, they will walk away.”

Following Fauci's speech, with the game plan laid and the power grab to the drug dealers made, four days later, it was reported that Italy, Germany, the Netherlands, France, and possibly Spain will buy 400 million doses of the vaccine from the drug company AstraZeneca.

"This will ensure that hundreds of millions of people in Europe will have access to this vaccine," said Pascal Soriot, AstraZeneca's CEO.

TRENDPOST: *The trade organization hosting Dr. Fauci spent close to $10 million lobbying on behalf of biotech companies, including changing the IRS code to offer an exemption for investments in high-tech research of vaccines against seasonal flu.*

GEOPOLITICAL ROUNDUP

HONG KONG: PROTESTS ENDING

Last Tuesday, thousands of demonstrators risked violating social distancing orders and unauthorized assembly rules to protest the expansion of charges against people involved in the months-long protests, which rocked the city in 2019.

Some who had been charged with illegally entering the city legislature last year are now being charged with "rioting," a far more serious crime often leading to extended jail time.

Last Tuesday also marked the one-year anniversary when over a million demonstrators took to the streets of Hong Kong demanding withdrawal of a controversial extradition bill.

The Beijing-drafted bill would have allowed Hong Kong authorities to extradite citizens accused of crimes to be shipped to the mainland.

Under pressure, the Hong Kong executive Carrie Lam withdrew the bill on 4 September. But street demonstrations continued along with continuous physical confrontations with police.

Immediately after COVID-19 broke out in China, protests were prohibited, and it put an end to the months-long protest that virtually shut down Hong Kong.

But, as reported in the **Trends Journal,** beginning on 24 May, thousands returned to the streets, peacefully for the most part, in reaction to Beijing initiating tough security laws to increase its control over Hong Kong activities.

The protests that broke out on Friday continued over the weekend, as thousands filled city streets despite police hauling out water cannons along with tear gas and pepper spray.

According to police, as of last Saturday, over 40 people had been arrested for violations ranging from misconduct in a public place to possession of offensive weapons and violating the ban on gatherings of more than eight people.

While thousands showed up this time, the number pales in comparison to the original protest a year ago, as many citizens note the new high risk of arrest for unlawful assembly.

TREND FORECAST: *With the U.S. and Europe in economic turmoil, COVID Hysteria throughout the planet, and Black Lives Matter protests sweeping across America… what's going on in Hong Kong and the harsh crackdowns by its government are not big mainstream news.*

Considering the military might of its police force, and it being backed by Beijing, we forecast the future of massive, ongoing Hong Kong protests have ended.

LEBANON: PROTESTS CONTINUE

New waves of anti-government demonstrations broke out across the country again last week. The protests were a reaction to the continuing plunge of the Lebanese currency, which dropped to a new low. Most Lebanese citizens have lost virtually all means of supporting themselves and their families, and they have put the blame on the greed and incompetence of their political leaders.

Pressure from the ongoing protests, which began last fall, led to the resignation of Prime Minister Saad Hariri in October. The new government hasn't fared much better, as citizens are still outraged they can't withdraw most of their own money from the banks.

ISRAEL CRITICIZED FOR ANNEXATION PROPOSAL

Prime Minister Benjamin Netanyahu, supported by the Trump administration, has promised to annex parts of the West Bank next month. In response, Palestinians say since this would breach the ongoing peace accords established in the 1990s, they would no longer be bound by its conditions. This includes coordination between Israel and the Palestinians on important issues ranging from tax collection to medical treatment.

Palestinian Prime Minister Mohammad Shtayyeh stated on 9 June, “This is an issue in which we cannot be silent on… Annexation is an existential threat for our future.”

Israel’s proposed land grab has come under criticism. Last Thursday, Germany’s foreign minister cited the move as a violation of international law. In May, a spokesperson for the European Union said the EU would “use all our diplomatic capacities” to prevent Israel from taking the land.

But the fact remains that no European leader has proposed any direct action against Israel even if it clearly disregards international law.

U.S. MILITARY PRESENCE ON THE RISE

Last week, two of the Navy’s battleships, the USS Ronald Reagan and USS Nimitz, were ordered to the Pacific to protect against another COVID-19 outbreak in the area.

The order came at a time of increasing political and economic tension between the U.S. and China.

On 9 June, Taiwan reported a number of Chinese military jets crossed its air space, and Japan confirmed the presence of a Chinese aircraft carrier along with its fleet of smaller boats through an area of southern Japanese islands.

The presence of the U.S. aircraft carriers in the Pacific came after a coronavirus outbreak occurred on the USS Roosevelt, which had to dock in Guam earlier in the year. According to Rear Admiral George M. Wikoff, who commands the fleet led by the USS Reagan, the Navy deployed the ships in order to create a "bubble of health."

The admiral clarified the deployment was not just about virus control: "The bottom line is that the mission endures and doesn't take a break for the virus… We continue to promote regional security with our partners and maintain a very high state of readiness."

Some two dozen Republican House members are pressuring the White House not to cut the number of U.S. troops in Germany. They sent a letter last week that read in part, "We believe that such steps would significantly damage U.S. national security as well as strengthen the position of Russia to our detriment."

They were reacting to the White House proposal to make a 50 percent cut in those troops, which would amount to at lease 9,500 by September. The house members concluded U.S. military presence in Germany since World War II has been instrumental in keeping the peace in Europe, and they specifically referenced that "threats posed by Russia have not lessened."

Pentagon officials have proposed it could effectively manage events in Iraq with only about half the current number of troops. There are about 5,200 U.S. troops there now. America's allies in Iraq have already cut their troop numbers in half as a result of the coronavirus pandemic.

As previously noted in the **Trends Journal,** the U.S. came perilously close to an all-out war with Iran after assassinating popular Iranian general and political leader Qassim Soleimani at the Baghdad airport in January. This led to Iraq's parliament voting on 5 January to expel all American troops from the country. This, of course, never happened.

The U.S. has made it clear it wants to see less Iranian influence over Iraqi military forces as well as the quashing of any ISIS resurgence. Iraq has voiced concern over the U.S. waging battles with Iran on Iraqi soil, but, at the same time, they want U.S. help in controlling ISIS.

ISIS has been waging small-scale attacks in primarily rural areas of Iraq since the beginning of the year.

TREND FORECAST: *As The Presidential Reality Show® draws closer to Election Day, we forecast President Trump will be pushing for more troop withdrawals from Afghanistan, Iraq, and military bases around the world.*

Ending foreign entanglements was a key selling point in his 2016 race for the White House, and he will use it again. But this time, President Trump will use it as a cost-cutting measure for a nation that is sinking into depression and over-burdened with debt.