

# TRENDS JOURNAL

HISTORY BEFORE IT HAPPENS®

## TEACHING FEAR FROM THE COLD WAR TO THE COVID WAR





15 September 2020

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**TRENDS ON THE ECONOMIC FRONT**

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# TRENDS ON THE ECONOMIC FRONT

## U.S. MARKETS FRONT



On the market front, the Dow, after being up 237 points, closed basically flat today, while the S&P 500 closed up 0.5 percent and the NASDAQ gained 1.2 percent on the news that big dealmakers are making more deals and hopes of a corona virus vaccine hitting the market soon.

Today's headline story from *CNBC* sums up why equities keep climbing: "Wall Street expects trillions more in stimulus from the Fed, Congress: CNBC Fed Survey."

Confident the money pumping schemes will continue by the Bankster cartel called the Federal Reserve, the gambler gang is betting the Fed won't raise interest rates until 2023.

We disagree with the majority of those surveyed by *CNBC* and the Bank of America who believe the recession is over and the nation is in an early cycle phase. The "Greatest Depression" has just begun. To keep the markets rising and in attempt to keep the economy from crashing, the Fed will lower interest rates into negative territory.

And, with the Fed abandoning its 2 percent inflation target range, its cheap money policies will also push inflation higher, which will, in turn, push the dollar down and the price for gold and silver up.

Indeed, as currencies decline around the world, the demand for gold will accelerate. As reported in today's *Wall Street Journal*, in Turkey, where its lira fell more than 20 percent this year against the dollar, the gold rush is on.



The average daily volume at the Grand Bazaar in Istanbul, a major gold-trading hub, has spiked from 450 pounds to almost 4,500 pounds. The *WSJ* also reported that from January to August, Turkey's imports of gold increased 153 percent from a year earlier.

This same scenario – which is being played out in scores of nations across the globe as central banks and governments artificially inflate economies with digital money backed by nothing and printed on nothing – will keep pushing precious metals higher in the foreseeable future.

Again, as for the U.S. dollar, the more cheap money the Federal Reserve and Washington pump into equity markets and the economy, inflation will rise and the dollar will fall, thus increasing gold demand.

***TREND FORECAST:*** *During the week of 30 August, the NASDAQ hit a record high – its 43rd this year – and then plummeted six percent as Apple's share price set a record for its one-day price drop.*

*Shares of Amazon, Apple, and Facebook rose at least 85 percent since the markets' 23 March bottom. On 31 August, Alphabet, Amazon, Apple, Facebook, and Microsoft made up 26 percent of the S&P's value, compared with a year earlier, when the index's five biggest stocks comprised only 14 percent.*

*As evidenced by the speedy stock market bounce back, the word on The Street is that the markets can only go up, driven by the Fed's cheap money.*

*But faltering tech stocks are signaling a possible market peak, if not an enlarging leak in the bubble.*

*The bubble fear was evidenced on 3 September when shares of those five stocks plus Netflix crashed, erasing \$500 billion in value from the market.*

*On 31 August, Tesla passed Visa to become seventh largest publicly traded company and, within a few days, had lost 16 percent of its market value.*

*Despite President Trump wanting to do all he can to keep Wall Street riding high before Election Day in November, we forecast increasing stock market volatility, corrections, and a bear market probability.*

## **On the Oil Front**

Brent Crude oil sunk below \$40 a barrel last week but rebounded a bit today, closing at \$40.70

With the summer driving season and many economies not rebounding, today, the International Energy Agency (IEA) lowered 2020 oil demand by 200,000 barrels per day (bpd) because they “expect the recovery in oil demand to decelerate markedly in the second half of 2020, with most of the easy gains already achieved.”



**TRENDPOST:** The oil demand reality on Main Street is measured by hard facts and dollars spent compared to Wall Street's markets rising to new highs based on overvalued stocks expected to keep making new highs.

As Gregory Mannarino writes in his article this week, "[EXTINCTION OF THE MIDDLE CLASS](#)," the Fed's suppression of rates has created monster bubbles in the markets that are due to burst at some point soon.

## JOBS RALLY MAY BE FLAGGING



Despite surveys indicating the recession in America is over, new claims for unemployment benefits remained at 884,000 for the week ending 4 September, the same number as the previous week.

The number was worse than analysts' estimates of 850,000.

New claims peaked at seven million in March, then began to ease. The pace of re-employment has slowed, and new claims for benefits consistently remain well above the 695,000 weekly peak seen during the Great Recession.

The number of continuing claims for the week was 13.4 million, an increase of 93,000 from the week before.

In late August, about 29.6 million people were receiving various forms of state or federal aid related to being un- or under-employed.

The rate at which new jobs are being advertised has slowed sharply since July and stands about 20 percent below the rate a year ago, according to Indeed.com, a job-search website.

The number of American workers without jobs peaked at about 15 percent in April, dropped to 10.2 percent in July, and 8.4 percent in August.

***TREND FORECAST:*** *The weak job number will grow weaker as fears persist that a second coronavirus wave will hit in autumn and winter months. Governments' continuing and/or increasing lockdown rules will severely damage already weakened business sectors and COVID worried consumer masses will go out less and spend less.*

## THE DOLLAR SLIDE



The euro's value topped \$1.20 on 1 September, its highest value since May 2018, and the British pound reached \$1.345, its highest value against the dollar this year, as the dollar lost as much as 0.4 percent against six major currencies.

Today, the dollar moved up and euro fetched just under \$1.18. The stronger dollar pushed gold prices down to close at \$1,954.

China's renminbi also climbed the dollar to 6.81 per greenback, the renminbi's highest value in more than a year.

As we keep emphasizing, while the dollar is having a bounce back, it will keep losing its allure now that the Federal Reserve has indicated it will keep interest rates near zero for the foreseeable future, thus eroding the dollar's yield advantage.

And with our forecast for the Fed to move into negative interest rate territory, the dollar will fall lower.

What will push the greenback higher? A wild card event such as war or unforeseen catastrophes that hit Europe or China.

## RETAILERS PLAN AN OCTOBER CHRISTMAS



Black Friday, the day after Thanksgiving that marks the beginning of Christmas shopping when millions stampede big stores to get big savings on specials, will kick off earlier this year.

Calvin Klein, Guess, Kohl's, Macy's, and Target are among the retailers planning to stuff their financial Christmas stockings by launching the holiday buying season earlier "than ever," according to Target CEO Brian Cornell.

With unemployment high and pay checks dwindling, this year retailers will launch Black Friday early, playing Christmas carols in their stores before Halloween.

The 248-store Urban Outfitters fashion chain is prepping for an "extended holiday shopping period, with sales beginning earlier, reaching a plateau sooner, but missing the peaks characteristic of prior years as consumers seek to avoid crowds," said co-founder Richard Hayne.

**TREND FORECAST:** *The longer selling season will, at best, marginally help struggling retailers recoup sales volumes lost during the shutdown and to e-commerce. With fear*



*spreading of a second COVID Wave, masked consumers will not be in the mood to rush into malls or big stores.*

## **ADULTS LIVING WITH PARENTS IN RECORD NUMBERS**



Broke, busted, out of work, and out of luck, as of July, 52 percent of adults ages 18 to 29 years were living in a parent's home, a Pew Research survey has found.

The proportion is up from 47 percent in February and is the largest proportion of young adults bunking with mom and/or dad in recorded American history, including the Great Depression, when the number swelled from 43 percent to 48.

The number has risen from a low of 29 percent in 1960 to 38 in 2000 and 44 in 2010.

About 71 percent of people between 18 and 24, including college students, were living with parents in July; among adults ages 25 through 29, the share was 28 percent.

As of July, 55 percent of young men and 50 percent of young women were living with a parent, compared to 50 and 43 percent, respectively, before the shutdown began.

One in ten young adults has been forced to move because of the economic shutdown, triple the rate of Americans generally, the poll found.

A quarter of 16-to-24-year-olds lost their jobs during the crisis, about double the rate of other age groups, according to a June Pew poll.

***TREND FORECAST:*** *The “move back to home” trend will put downward pressure on apartment rental markets, particularly in large cities where the exodus to escape the virus and rising crime has already begun.*

*The generation that has moved back home has also been hard hit since many of them work in leisure, hospitality, entertainment, tourism, and restaurant sectors that have been devastated by the lockdowns.*

Until these sectors rebound, the demographic will continue live with their parents.

## AIRLINES' FUTURE BLEAK



Only about a third as many passengers are booking airline seats compared to a year ago as airlines enter the Thanksgiving and December holiday period, traditionally one of their busiest seasons.

Passenger volume will not reach 50 percent of capacity until a vaccine has been widely distributed, said Scott Kirby, United Airlines CEO. In October, the airline will fly only 46 percent of the schedule it maintained a year ago, he added.

It also will restore service on 50 routes, reduce service on days usually less busy, and market more aggressively to people seeking weekend pleasure trips.

To lure customers, United abolished fees for changes to tickets, a move immediately copied by American, Delta, Alaska Air, and Hawaiian Airlines.

U.S. carriers have let go of about 100,000 workers, or about 20 percent of employees, since the shutdown began, and collectively are still losing about \$6 billion a month, according to trade group Airlines for America.

Carriers also have retired old planes and postponed purchases of new ones.

A 40-percent drop in fuel prices over the past 12 months has brought little relief.

Industry executives have predicted that air travel will not return to pre-pandemic levels until at least 2024.

***TREND FORECAST:*** *The implications of how hard the airline industry has been hit and all those businesses and professions that have been affected by the lockdowns spreads across continents: tourism, band tours, business travel, trade shows, conventions, attending weddings, events, parties, visiting family and friends... dead and gone.*

*Revenue losses will not be recovered, and businesses will go out of business. And with strict quarantine rules imposed on people traveling from different nations and states still in place and increasing – such as they have in New York, Connecticut, and New Jersey, where the governors just added four more restricted states – the airline industry will continue to suffer.*

***TREND FORECAST:*** *Regarding overseas travel, as we have reported, tourism, accounting for between 10 to 13 percent of some European nations' GDP, has been devastated by the travel restrictions of people from other nations, lockdown rules, and other COVID Regulations.*

*According to Giorgio Palmucci, President of the Italian National Tourist Board, “The projected 2020 loss from overseas visitors to Italy is €24.6 billion and even domestic traveler spending is down €43.6 billion.”*

*And as reported by CNN: “The Italian Confederation of Business has reported that 70% of hotels in cities like Rome and Florence and 20% in coastal areas never even reopened after the lockdown. The Italian National Institute of Statistics projects that 60% of businesses in the industry fear imminent collapse.”*

*Therefore, for politicians and economists to predict a V-shaped recovery or economic rebound lacks the fundamental facts and realities on the streets: across the globe, people are losing their businesses and livelihoods and are broke and busted. They will not miraculously rebound into prosperity and newfound riches.*



## BOSTON'S RESTAURANTS ON THE BRINK



As we have reported, Yelp estimates some 60 percent of restaurants that were forced by politicians to lock down will go out of business.

Of Boston's 16,000 restaurants that were open on 1 March, about 3,600, or 23 percent, have not reopened since the state's shutdown was eased, according to the *Boston Globe*.

There are many more permanent closures to come, many of the city's restaurateurs say.

"There are a lot of really good restaurants that are not going to make it," said Chris Coombs, the owner of four eateries in the Boston metro area who they quoted, "The wave [of closures] hasn't even started yet. October through March is going to be so bad."

Coombs is permanently closing his Boston Chops restaurant, where the combined monthly cost of rent and utilities exceeds \$40,000. When it reopened after the shutdown, Coombs was serving an average of 130 meals a week; pre-pandemic, his slowest weeks would total about 1,300.

Jose Duarte received a loan through the federal Paycheck Protection Program, but "it was not enough," he said.

When he reopened Taranta, the restaurant he started in 2000, the state's social distancing mandate only let him have four tables, about 30 percent of capacity.

"On a Saturday night, we could fill all the tables and we would do 50 or 55" customers, he added. "We used to do 130 to 150."

Taranta has now gone out of business.

Stories like Duarte's, multiplied by thousands of similar ones across the city, will add to the jobless rolls.

In July, Massachusetts' unemployment rate was 16.1 percent, the highest in the nation.

"Ten percent of jobs in Massachusetts sit inside the four walls of a restaurant," said Robert Luz, President of the Massachusetts Restaurant Association. "That does not include everybody that provides us with goods and services."

Luz's group, along with the Independent Restaurant Coalition and Mass Restaurants United, are pressing for passage of the \$120-billion "Restaurants Act," now before Congress. In Massachusetts, a Distressed Restaurant Fund is part of an economic development bill now in the legislature.

Luz hopes no more than a third of Massachusetts' restaurants will fail before the state recovers from the shutdown.

But "if we don't figure out rapid testing or a highly effective vaccine," chef Chris Coombs said, "every restaurant is at risk of failure."

***TREND FORECAST:*** As noted in our "[ADULTS LIVING WITH PARENTS IN RECORD NUMBERS](#)" article in this ***Trends Journal***, many of those forced to move back home once worked in the hospitality, restaurant, entertainment, or tourism sectors that have been economically crippled by the lockdown tsunami launched by politicians.

*Beyond the loss of revenue and jobs will be the billions in lost taxes that will increase city, state, and nations' budget deficits, which, in turn, will mean more layoffs in the public sector. To make up for the losses, politicians will hit up the working class by raising taxes to pay for the misery and destruction they created.*

*As we continue to forecast, new anti-tax, anti-vax political movements will rise across the country and around the world to counter establishment parties.*

## MALL OWNERS BUY JCPENNEY OUT OF BANKRUPTCY



Simon Property Group and Brookfield Property Group, two of the U.S.'s largest mall landlords, have agreed to a \$1.75-billion purchase of the JCPenney retail chain, which filed Chapter 11 bankruptcy on 16 May.

Authentic Brands, which owns 50 fashion labels including Barneys New York, Nautica, and Nine West, is in discussions to join the deal. The company previously joined Brookfield and Simon to buy Forever 21, a fast-fashion chain that went bust last September.

Authentic Brands is expected to contract with the revived Penney to populate the stores with its fashion brands.

The deal would allow mall owners to keep open a key anchor department store for many of their shopping centers. Simon has 63 Penney stores among its 100-plus malls; Brookfield hosts more than 100 Penney sites in its centers.

Penney owns 32 of the 63 stores it has in Simon malls, with an average value of \$16 million each.

"They're buying the land alone owned by JCPenney at 50 cents on the dollar and getting the retailer's operations thrown in basically for free," said analyst Floris van Dijkum at Compass Point Research and Trading who was quoted by the *Wall Street Journal*.

***TREND FORECAST:*** *With the "Greatest Depression" having begun and the "Pall on the Malls" a long-lasting trend, we disagree with the concept that filling the stores with Authentic brands that have cachet and celebrity names attached, such as Shaquille*



*O'Neil and Neil Lane, could replace Penney's older customer base with a new generation of shoppers.*

*Their target market does not have the money and with no partying rules in place and getting stricter, dressing up to go out is now out of the question.*

## APARTMENT STOCKS SLIDE



In March, when the lockdowns began, we continually have warned **Trends Journal** subscribers of the sharp commercial and apartment rental decline that would follow shelter-in-place rules, which shut down cities and states across the nation and around the world.

Shares of the FTSE Nareit Equity Apartments Index, which follows stocks of publicly-traded apartment owners, have lost 20 percent of their value so far this year.

Landlords are doubly squeezed: vacancy rates are up in key markets such as San Francisco and New York City, where vacancies have hit a record this year, and major landlords such as Equity Residential and AvalonBay Communities have to offer free

months' rent and lower prices – by an average of 15 percent in New York last month, compared to August 2019 – to lure tenants, according to the *Wall Street Journal*.

San Francisco's rental rates were down 9 percent in August, compared to a year previous, and 6 percent in the suburbs as people able to work from home fled to cheaper housing markets.

Lower rents, higher vacancies, and the Trump-mandated ban on evictions leaves many landlords, especially smaller ones, without cash needed to pay mortgages and property taxes.

***TREND FORECAST:*** *With governments imposing eviction restrictions on landlords who have been unable to collect rent from many tenants since October, plus the loss of rentals from people moving to suburban and exurban areas, the economic decline will push apartment owners, big and small, into insolvency.*

*And as they did when they bought up foreclosed homes by the thousands, hedge funds and private equity groups will gobble up foreclosed apartment buildings and add them to their multi-billion dollar portfolios.*

## **RECORD NUMBER OF APARTMENTS VACANT IN MANHATTAN**



Again, no surprise to **Trends Journal** subscribers: about 15,000 apartments were standing empty in the heart of New York City in August, compared to 5,600 a year previous, according to a report by Miller Samuel Real Estate Appraisers.

The number is the largest ever seen since the data began being collected in 2006.

In response, more landlords than ever before are offering incentives, averaging 1.9 months of free rent.

Rental prices also have dropped about 4 percent in August, leaving the average monthly rent for a two-bedroom Manhattan apartment at \$4,756, still too high to entice renters to remain, analysts say. Rates for one-bedroom apartments have come down an average of 5 percent to \$3,445 and studio rates have fallen 9 percent to \$2,574.

Most of the vacancies are in the middle and upper categories of the market; cheaper flats are rented by lower-income earners who cannot work at home or afford to move.

The rental market is seen as a bellwether of New York City's broader real estate market, as renters move more quickly than owners in response to economic shifts.

"The rental market is weak and getting weaker," Jonathan Miller, CEO of Miller Samuel told the *CNBC*. "First-time [home] buyers in outlying areas are largely coming from the Manhattan rental market."

## HUNDREDS OF EMPTY STOREFRONTS ON NEW YORK'S BROADWAY





In late August, 335 storefronts stood empty along New York City's Great White Way, compared to 188 at the same time in 2017, according to Manhattan borough president Gale Brewer.

About a third of the vacancies were along the avenue's 44-block stretch that includes the Garment District.

Foot traffic through the area fell 93 percent last spring, compared to a year previous, when the shutdown was imposed and was still down 66 percent in early September, according to data gathered by the Garment District Alliance's pedestrian-counting cameras.

Empty storefronts were on the rise throughout the city before the pandemic arrived. Vacancies rose from 4 percent in 2007 to 5.8 percent in 2017, said a report last spring from the city comptroller's office.

***TREND FORECAST:*** *From big to small, the lockdown and exodus from New York City spreads far and wide.*

*One Vanderbilt, a \$3-billion, 1.5-million-square-foot Manhattan office tower four years in the making, opened this week, at a time when the economic shutdown has driven demand for office space to its lowest rate since the Great Recession a decade ago.*

*Although charging premium rents, developer SL Green Realty says it has leased 70 percent of the space to TD Bank, investment manager The Carlyle Group, and prominent law firms.*

*While the company predicts that 72 percent of the space will be leased by year-end, and expects more space to be taken after the 1,401-foot-tall tower's observation deck opens to the public next year, our forecast differs.*

*There will be few tourists to go to the observation deck, workers will be afraid to go back to work, new restaurants will be weary to open, and rental costs will decline as supply continues to greatly outstrip demand.*

*Indeed, TD Bank has not set a date to bring home-workers back to its offices, and one law firm has delayed its move to 1 Vanderbilt from next March until June.*

*SL Green has been reportedly selling some properties and refinancing others. The company's share price is down about 45 percent since January.*

## NEW YORK OFFICES: PEOPLE EMPTY



By August, no more than an estimated 8 to 10 percent of New York's office workers had returned to their urban towers, 20 percent fewer than analysts had projected in May. Just 25 percent of companies leasing Big Apple office space planned to bring their workers back to town this year, according to a recent survey noted in the *New York Times*.

Only 54 percent of companies surveyed said they planned to recall their staffs to their offices before July 2021.

Leases signed during the first eight months of the year covered 13.7 million square feet, about half of the number of the same period in 2019, putting the office market on track for its worst performance in 20 years.

By the end of 2019, a record 43 million square feet had been leased during the year.

Share prices of publicly traded apartment owners have fallen by 40 percent or more this year.

Many tenants are signing short-term contracts covering a year or two, something landlords would not have considered before the shutdown. The shorter term gives lessees the option to jump to cheaper digs if the market remains weak.

Thousands of small businesses that had depended on New York's daily tide of commuters remain closed, many permanently. The city derives 10 percent of its budget from property taxes that landlords may be unable to pay if tenants lack and rents remain at present lows.

However, it is reported that Facebook recently leased all 730,000 square feet in an old post office building next to Penn Station; this summer Amazon bought the former Fifth Avenue home of the Lord & Taylor department store.

***TREND FORECAST:*** *From Wall Street to Main Street, from Prostitutes to politicians, the great hope of economic revival will be born only when a vaccine is injected into the COVID Panicked society.*

*Until that time, the commercial, office, and rental markets in New York City, Chicago, San Francisco, and other large cities that have been hard hit with population exodus will not begin to revive for a few years.*

## WORRIES MOUNT OVER REAL ESTATE LOANS



The number of so-called “criticized” commercial real estate loans, those judged to be heading for trouble, rose 144 percent in the second quarter to \$26 billion in value among the ten U.S. banks holding the largest volume of those loans, according to a *Financial Times* report.

A criticized loan is a debt rated CCC or lower by a credit agency, bringing the loan close to junk status.

The rate is more than double the 62-percent increase in criticized loans of all kinds among those banks, the report said.

The banks holding the biggest portfolios of criticized real estate loans include Bank of America, JPMorgan Chase, and Wells Fargo. Loans flashing warning signals make up 9, 13, and 25 percent, respectively, of the banks' Tier One equity capital, the *Times* noted, which is a major measure of a bank's financial strength.

Criticized loans have increased 42 percent across the U.S. banking sector in the second quarter, according to data compiled by Morgan Stanley.

***TREND FORECAST:*** *With malls, offices, and apartments emptying at the onset of the "Greatest Depression," the number of criticized loans will rise and more of them will default as this year progresses.*

## GLOBAL ECONOMIC TRENDS



**CHOPPY RECOVERY AHEAD, CANADA'S CENTRAL BANKS WARNS.** Canada's economy will show a surge of strength in this quarter, but the ensuing recovery will be slow and unsteady, the nation's central bank has warned.

Household spending was stronger than expected over the summer, presaging a more robust third quarter than analysts had forecast as consumers vent pent-up demand.



Canada's economy crashed at an annualized rate of 38.7 percent during the second quarter as the government locked down businesses to thwart the COVID virus.

As the year progressed, the Bank of Canada cut its overnight interest rate to 0.25 percent, the lowest rate the bank considers to be practical. It also launched a massive bond-buying program to shore up the country's markets.

The bank said the asset purchase program will continue until the recovery is "well under way," leading analysts to assume that interest rates will remain at rock bottom for the foreseeable future.

**TOO-STRONG EURO ENDANGERS RECOVERY.** As of 1 September, the euro had risen as much as 14 percent against the dollar this year, at one point topping \$1.20.

Investors' bets that the euro will continue to gain strength against the dollar are at record-high levels.

But a pricey euro makes European exports more expensive abroad and threatens to hobble the region's economic recovery.

For that reason, the euro's rise has worried officials at the European Central Bank (ECB), who have begun talking about the dangers of a too-strong currency.

"The appreciation of our currency has an impact on inflation," warned ECB president Christine Lagarde, adding the bank's governing council had discussed the widening currency gap at length.

On the day she spoke, the euro gained another penny on the dollar, rising to \$1.19.

The bank has few tools to rein back the euro's momentum, which is due more to the U.S. Federal Reserve having flooded the world with cheap dollars at record-low U.S. interest rates.

The Fed policy has shaved about 3.7 percent from the dollar's value this year, economists say.

Also, the Fed has said it is willing to see inflation temporarily surpass its 2-percent target rate.

Trying to deter investors from driving up the euro, Christine Lagarde, ECB president, emphasized that the bank is ready to loosen policy to keep the recovery going, but the bank will not change its tactics any time soon.

Deliberately devaluing the euro would violate an informal agreement among the world's developed economies to not manipulate currency values, which would advantage one country or central bank at the expense of the rest.

Some investors expect the ECB to cut interest rates by another 0.01 percent to -0.06; others expect it to leave interest rates alone but expand its €1.35-trillion bond-buying initiative as a way to counter deflation, which would make imported goods cheaper.

“The ECB has a huge challenge in containing the euro’s strength against the dollar under the new Fed approach,” said Krishna Guha, global strategist at Evercore ISI.

The surging euro also is nearing record levels on a “trade-weighted basis,” meaning it is gaining strength not only against the dollar, but also against the currencies of China and others among the Eurozone’s trading partners.

That makes Europe’s exports more expensive abroad, crimping sales, shrinking profits, and hampering the region’s ability to rebound from the pandemic-inspired economic shutdown.

For every 10 percent the euro rises against the dollar, Eurozone exporters lose about 3 percent in profits, says Lars Kreckel, global strategist at Legal & General Investment Management. Similarly, every time the dollar gains 10 percent in value, S&P-listed companies lose roughly 2 percent in profits.

Reflecting the euro’s strength, the Euro Stoxx broad market index has lost about 11 percent of its value this year, while the U.S.’s S&P index has gained about 6 percent.

Corporations showing \$250 million or more in earnings typically deal in 40 different currencies and 200 different cross-currency trades, explained Wolfgang Koester, a strategist at Kyriba, which makes financial software. The euro’s strength raises issues that are “much more complicated” than just its relationship with the dollar, he pointed out.

***TREND FORECAST:*** *As the “Greatest Depression” worsens, we forecast the ECB will expand its €1.6-trillion rescue plan, which will in turn dilute the euro’s value but also sink the region’s nations deeper into debt, a move that France, Germany, and Scandinavian countries are likely to oppose.*

**CHINA’S EXPORTS RISE 9.5 PERCENT IN AUGUST.** Chinese businesses exported 9.5 percent more in August than in August 2019, measured in dollar volume, beating analysts’ forecasts of a 7.5-percent rise and posting the best figure so far this year.

The figure reflects strong sales of electronics and medical equipment, areas key to managing the global pandemic and the resulting shutdown.

August’s was the third consecutive monthly gain, after a 7.2-percent rise in July and 0.5 percent in June. The steady progress signals China’s apparent recovery from the economic shutdown and is buoying analysts’ hopes for a strengthening global economic revival.

China's share of world trade has reached a record 17.2 percent, according to Oxford Economics. In 2019, its share was 13.9 percent.

China's trade surplus with the U.S. was \$34.2 billion, the highest since November 2018.

**CHINESE AUTO SALES: PEDAL TO THE METAL.** China's consumers bought 1.2 million passenger vehicles in August, 8.9 percent more than in August 2019 and the most since May 2018.

The strong sales followed 7.7-percent year-on-year gain in July after China's retail car market crashed in 2020's second quarter, losing 3.4 percent compared to the same period last year.

China's passenger vehicle sales in 2020 will reach 92 to 94 percent of 2019's total, the China Passenger Car Association (CPCA) has predicted.

Since China closed its borders to contain the virus, more people are expected to travel domestically and the recovering economy will boost confidence in the future, luring more people to buy cars, the CPCA said.

Dealers' major discounts and government rebates and subsidies on some models also will help jack up sales.

The country's vehicle manufacturers had sped out of the lockdown, producing more cars than Chinese consumers were buying, forcing companies and dealers offer bargains to clear inventories.

The makers now have cut production by 0.2 percent in August, year on year, to tighten supply, allowing prices to rise as demand continues strong.

***TREND FORECAST: The 20th century was the American century. Throughout the century, the business of America has been war.***

***The 21st century will be the Chinese century. The business of China is business.***

***For nearly a decade, Gerald Celente has forecast societies that would thrive in the age of globalization and economic contractions would be "self-sustaining." The Chinese government's "dual circulation" policy, articulated by its leader Xi Jinping, is that it must retool in a world of declining economic demand and rely less on exports and more on robust domestic demand, thus becoming more self-sustaining. While most of the world is still locked down, China quickly opened up for business.***

***Unlike the United States, where the Bigs keep getting bigger and the one percent has gotten over a trillion dollars richer since the March lockdown while majority of people got poorer, in China, small and medium size businesses (SMEs) represent more than 90 percent of the enterprises in the country and contribute over 60 percent to the GDP.***

**TRENDPOST:** *Who owns the Federal Reserve? This is from Institutional Investor:*

*“Under the Federal Reserve Act of 1913, each of the 12 regional reserve banks of the Federal Reserve System is owned by its member banks, who originally ponied up the capital to keep them running.*

*The number of capital shares they subscribe to is based upon a percentage of each member bank’s capital and surplus.*

*But the New York Fed – by far the most important of the regional banks – as a matter of policy has previously not disclosed the capital share holdings of its 70-plus member banks. A New York Fed spokeswoman in September declined to comment on the record about the matter.*

*Now, thanks to a Freedom of Information Act request filed late last year by Institutional Investor, we know the truth.*

*‘It’ asked the New York Fed for the capital stock holdings of its members as of year-end 2018, as well as for each year going back to 2007. The bank responded with copies of what it calls its Capital Stock Master Report, a compendium of shareholdings of member banks, for each of those years.*

*The big reveal for year-end 2018: Citibank, the No. 1 institution on the roster, held 87.9 million New York Federal Reserve Bank shares – or 42.8 percent of the total.*

*The No. 2 holder stockholder was JPMorgan Chase Bank, with 60.6 million shares, equal to 29.5 percent of the total. In other words, the two banks together control nearly three-quarters of the regional bank’s capital shares.”*

*Thus, in America, as clearly evidenced by the Federal Reserve pumping in some \$29 trillion to bail out the “Too Big To Fail” banks when the Panic of ’08 hit or inject tens of trillions into the repo markets to keep the Wall Street money junkies gambling... while in China, the banks not only pump money into the big, connected firms but into the SMEs as well.*

**SOUTH AFRICA’S ECONOMY SHRINKS BY HALF.** South Africa’s economy shrank by an annualized rate of 51 percent in this year’s second quarter, its worst performance in at least a century and the worst among any major economy this year.

Manufacturing shed 74.9 percent of its productivity, compared to a year earlier; mining, 73.1 percent; transport, storage, and communications 67.9; and trade, catering, and lodging 67.6 percent.



The 15.1-percent gain in agricultural output during in April through June did little to offset the larger damage.

Twenty-seven percent of the country's workers lost income in April and 47 percent of households ran out of money to buy food, according to a national survey.

The country locked down in late March, banning sales of alcohol, tobacco, and anything the government did not consider essential. The shutdown slowed the spread of COVID, but virus cases rose when the economy was reopened in July.

Currently, South Africa has the seventh largest COVID caseload in the world.

In July, South Africa received a \$4.3-billion emergency loan from the International Monetary Fund.

***TREND FORECAST:*** As reported in the ***Trends Journal***, riots and demonstrations were raging across South Africa in 2019, with people taking to the streets to protest government corruption, violence, crime, and lack of basic living standards.

As with other nations which were reeling in unrest, as detailed in one of our Top Trends, "[2020 NEW WORLD DISORDER](#)," the protests were quelled from India to Chile and from Algeria to South Africa, when rulers used the COVID War as the excuse to prohibit mass gatherings.

The South African economy, as with other emerging markets, will continue to decline as the "Greatest Depression" worsens. Despite the lockdown orders, once again, riots will erupt, and the battle between ruling governments and the people will escalate.

## GOING DOWN, GOING BUST, GOING OUT



**AMTRAK PLEADS FOR \$5.9 BILLION.** The nation's premiere rail carrier needs the funds now to prevent service cuts, layoffs, and to "stave off bankruptcy," CEO William Flynn told Congress on 9 September.

Amtrak has announced it will lay off 10 percent of its 20,000 workers by the end of this month and is cutting its daily cross-country service to three times weekly.

Ridership fell 95 percent during the worst of the shutdown, and Amtrak has projected a 50-percent fall in revenue next year.

Congress subsidizes Amtrak with \$1.9 billion annually and recently granted the carrier \$1 billion in emergency funding.

**STARWOOD LOSES SEVEN MALLS.** The \$60-billion Starwood Capital Group has surrendered seven malls to its lenders, which it bought seven years ago for \$1.6 billion.

Last spring, the company defaulted on bonds it has issued in Israel. The default caused a ratings firm to downgrade the debt, triggering a contract clause requiring Starwood to pay off the bonds sooner. The clause also allowed the lenders to seize the bonded assets.

The company acknowledged that the retail sector faces unprecedented difficulties with "tenant performance, anchor stability, and capital markets." Starwood said the lost malls, and retail storefronts generally, are a small portion of its portfolio.

**CENTURY 21 GOES BUST.** The discount retailer will close its 13 stores and liquidate its assets as part of its Chapter 11 bankruptcy.

The New York City-area chain offered discounts on name-brand fashion merchandise.

The discounter blamed its demise on its insurance company's refusal to pay the company's \$175-million claim for reimbursement of business losses.

**AMERICAN EAGLE OUTFITTERS POSTS LOSS.** The clothier, with more than 1,000 stores in Canada, China, Hong Kong, Mexico, and the U.S. and licensees in 25 countries, reported losing \$13.75 million in its fiscal second quarter.

The company attributed the loss to plummeting sales due to stores closed during the economic shutdown.

American Eagle brand's online sales rose 21 percent during the period; digital sales of its Aerie brand more than doubled.

**G-III APPAREL GROUP SALES FALL MORE THAN HALF.** The owner of Calvin Klein, DKNY, and Donna Karan, among other fashion brands, saw sales fall 54 percent during the quarter ending 31 July.

The company reported a loss of \$14.9 million.

G-III's overall sales in the second half of its fiscal year will be 28 to 33 percent below those of the same period last year, the company said.

**NAVISTAR INTERNATIONAL SALES PLUMMET.** The truck maker reported \$1.68 billion in sales for the third quarter of its operating year, down 44.9 percent compared to the same period the previous year.

The result: a \$37-million loss, compared to a \$156 million in profit and \$1.56 a share a year previous.

The company said the quarter began in the midst of the economic shutdown and “our results certainly reflect this.”

## ERADICATION OF THE MIDDLE CLASS



Today, we are amid a destructive transpiring of events that will accelerate into the eradication of America's middle class.

For over a decade, the U.S. middle class has been robbed of TRILLIONS of dollars in wealth accumulation via the mechanism of suppressed rates by the Federal Reserve's efforts to prop up the stock market. Because of the Fed's relentless efforts to suppress rates, the stock market, as well as the real estate market, has vastly inflated. For most, these gains exist solely on paper. In other words, the gains are not “realized” by selling these assets.

Paper gains are just that: On paper, they do not exist; they are not on the elemental chart. They are fairy dust!

The probability that these fairy dust/paper gains, which are now in a **massive bubble** and belong to members of the middle class with stock portfolios and real estate investments, will disappear in the long run is 100 percent.

*So, what's really going on?*

I have been sounding the alarm for many years that the middle class is under direct assault via the mechanism of suppressed rates, and trillions of dollars in potential *realized* wealth has been – and continues to be – legally stolen from them. “Realized” because these gains would have materialized in their interest-earning accounts via compound interest.

Compound interest is the addition of interest to the principal deposit. In other words, interest on interest over time. This loss has cost the middle class very dearly... to the tune of many trillions of dollars.

But it gets worse...

The mechanism of suppressed rates has created an environment in which the current interest paid on an existing interest-bearing account is *less than the current rate of inflation*. The result is a net **loss** of net realized wealth in real terms of purchasing power... the equivalent of GRAND THEFT ON AN EPIC SCALE.

Indeed, the suppression of rates has created monster bubbles in both the stock market and in the value of real estate, again, on paper. But the fact is these bubbles will burst at some point. When they do, it will further devastate the middle class as they watch, with little to no recourse, their paper investment profits instantly evaporate.

What will happen then is the accumulated paper wealth will be simply transferred from their reality to that of the investment SUPER banks, the Wall Street hedge funds, and to traders, like myself, who are aware of how to capitalize on the price action of falling assets.

BE FOREWARNED!

*By Gregory Mannarino, **TradersChoice.net***

## THE MIGHTY WALKING STICK





There can be no doubt that the handgun is the ultimate weapon of self-defense. The ability to go legally armed with a handgun, however, is severely restricted in many cities. Thus, it is necessary for citizens who reside in urban areas where they cannot carry handguns look to other options for self-defense.

Unarmed close combat skills are necessary for everyone, everywhere. It is the foundation – the “bottom line” – in personal protection, and every able-bodied citizen, male and female, should put in the necessary time and effort to acquire a seriously dangerous level of skill with unarmed personal defense.

It would be a mistake, however, and a very serious one, to assume that unarmed self-defense is enough. It isn't. For persons who are attacked by larger, stronger, or, in many instances, younger, more agile, faster, and more mindless assailants (sometimes more than one assailant), some kind of personal weapon is needed.

One of the finest self-defense weapons – handy, legal, formidable, intimidating, and destructive, as well as reliable and easy to use – is the simple hardwood walking stick.

Within four to six hours of practicing basic yet effective techniques utilizing a walking stick, the person of average or even below-average strength and condition can offer formidable resistance to almost any opponent; including in many instances any opponent who is himself armed with a bludgeoning implement or a knife. Defense against a gun is possible for a highly skilled expert, providing he perceives the assailant's being armed either before or just as that assailant initiates action to access his firearm.

The walking stick in skilled hands can be employed to excellent effect in many cases against a pair or even a group of attackers who do not possess weapons.

This article cannot train you in the many techniques possible with a walking stick. What it can provide is a description of some basic methods. These will, if you practice them, put a considerable level of mastery in your hands and confidence in your mind.

While the conventional crook-ended cane can be used in self- defense, my recommendation is that a straight walking stick, rather than a cane, be selected for protective use. My experience has demonstrated that the straight walking stick is a superior weapon.

Personally, I always have liked the English blackthorne walking stick. It tends to be thicker and, in my experience, more substantial than the Irish blackthornes. Still, you can never go wrong with a walking stick made of hickory, oak, cocobolo, ash, or African ironwood – all are excellent choices.

And, for legal reasons, it is wisest to purchase a walking stick, not some “self-defense stick” or implement sold as a martial arts weapon. Besides... the quality you are likely to obtain in a good walking stick is probably going to be superior to a store bought “martial arts” weapon as well as less expensive.

Carrying a walking stick in a manner that is not intimidating per se (certainly never brandishing the thing!), yet clearly displays you not requiring the stick as an aid to walking, carries a serious

warning to street garbage. Given the choice of going after a man or woman who has a stout walking stick in hand vs. a man or woman who has nothing in their hand... the empty-handed "victim" obviously will be selected.

Okay... now what are some simple ways the stick may be employed in an emergency? With the recommendation you pursue the art of stick-work more seriously, if you aspire to full confidence and ability, following are some tips on how to use a walking stick in emergency defense of yourself or someone else.

- Using the stick as a brace to lean on, stabilize yourself and lash out with a side kick to your assailant's knee. When the kick connects, secure a two-hand grip on the end of the stick and smash the opponent in the head using all of the force you can muster.
- Holding the stick just below the pommel, with the end resting on the ground, suddenly drive the pommel in a straight, hard thrust into the opponent's bladder, lower abdomen, solar plexus, or sternum. Now grab the attacker's hair or collar with your other hand and smash him in the face repeatedly with the pommel.
- Secure a two-hand grip (hands widely spaced just below each end of the stick) and snap the center of the stick upward, smashing the attacker in the throat or face with the center of the stick. If desired, you can then take a two-hand grip close to one end of the stick and smash him with it like a baseball bat across his head or face.
- Holding the stick nonchalantly in a two-hand grip (hands spaced so that about four to six inches protrudes from each hand) thrust one end of the stick violently into the attacker's face, throat, or abdominal area; then step forward and with all of your bodyweight behind the action, slam the center of the stick powerfully into him. This will send him reeling. You can followup by smashing him again across the knees or shins with a baseball bat type swing, if necessary.
- Holding the stick as described above and thrusting an end into the attacker as explained in that description, step to one side of the assailant after jabbing him; secure a two hand grip at one end of the stick and swing a powerful smashing blow across his knee/shin area (trying to literally cut his legs out from under him). As he crumples from this blow, continue smashing him across the head with the stick, using the two hand "baseball bat" type grip.

The stick is versatile and adaptable to an unlimited number of predicaments once time and effort in training have acquainted you with all of the ways it can be employed. I hope I've got you interested! *by Bradley J. Steiner*

## EUROPE: “SECOND WAVE” ANXIETY



After easing draconian COVID lockdown measures that were imposed in many countries across Europe this past winter and spring, with virus cases on the rise again, a number of countries are re-locking down.

As noted by the European Centre for Disease Prevention and Control, the virus cases are overwhelmingly mild and hospitalizations and deaths linked to COVID-19 are at low levels. As noted by the *Wall Street Journal* on 10 September, “One bright spot: Rates of hospitalization and death in Europe for COVID-19 remain low, suggesting most new cases are mild.”

**TRENDPOST:** *As we have long noted, the media and politicians, on a daily basis, continue to report the amount of new cases each day from nations across the globe. What they frequently omit, or have buried deep in an article when they report it, is that most new cases are mild, and COVID-19 death rates are at low levels.*

*The primary reason for reporting of increased virus cases is the proliferation of testing: the five largest countries in Europe are conducting more than 1,000 tests every day, more than twice the testing done last April when the COVID-19 death rate was at its highest peak.*

*As of this past weekend, about 41,600 have died from COVID-19 in the U.K., a country of some 66.65 million people (0.06 percent).*

**TRENDPOST:** *In the U.K, as with most nations, some 50 percent of the virus fatalities were from elderly people in nursing homes with pre-existing chronic conditions, as detailed in the Journals of Gerontology:*

*“The majority of patients hospitalized with COVID-19 are older and have underlying medical conditions with increased age being associated with clinical severity, including case fatality.*

*The most frequent comorbidities reported in Chinese COVID-19 patient cohorts were hypertension (21.1%), diabetes (9.7%), cardiovascular disease (8.4%), and respiratory system disease (1.5%), whereas in a large US cohort common comorbidities were hypertension (56.6%), obesity (41.7%), and diabetes (33.8%).”*

*Despite these facts, and that, as proven with data from the CDC, only 6 percent of those who have died from the virus did not have pre-existing chronic illnesses. Yet, the lockdown measures are inflicted on those least vulnerable to the virus, such young people who are now forbidden to party/socialize in college and who are being blamed for spreading the virus by going to bars and hanging out with groups of friends.*

### **U.K. Makes Up (Yet Another) New Rule**

Regardless of relatively low hospitalization and death rates, on 9 September, U.K. Prime Minister Boris Johnson announced it now will be illegal for more than six people to gather anywhere, indoors or outside.

“In England from Monday, we are introducing the rule of six.”

“You must not meet socially in groups of more than six. And, if you do, you will be breaking the law,” Prime Minister Johnson said.

COVID-secure venues, such as places of worship, gyms, restaurants, and hospitality venues can still hold more than six in total, but within those venues, there must not be individual groups larger than six, and groups must not mix socially or form larger groups.

“Education and work settings are unaffected. COVID-secure weddings and funerals can go ahead up to a limit of 30 people and organized sport will still be able to proceed.”

Despite Mr. Johnson admitting rules “have become quite complicated and confusing,” the country’s Health Secretary, Matt Hancock, declared the edict would remain for “the foreseeable future.” Police can fine anyone £100 for breaking the rules, and the fine doubles up to £3,200 if they continue breaking them.

### **Real European Data**

In Spain, a rise in coronavirus cases over the past few weeks is generating headlines, such as this one from the 8 September *Voice of America*: “Despite Strict Lockdown, Spain Sees Sharp COVID-19 Spike.”

As the headline notes, the government of Prime Minister Pedro Sánchez imposed one of the harshest lockdowns in all of Europe, yet Spain, according to the European Centre for Disease Control, has, by far, the highest rate of infection in Europe. It should be



noted that despite the high rates of infection across Europe, the death rate has slowed considerably since April.

This doesn't stop one of the county's top health experts, Ildefonso Hernández, a Heath Professor at Alicante's Miguel Hernandez University, from calling for continued shutdown tactics: "We had a very strict lockdown then relaxed this too quickly in a country with a high propensity to socialize and for family networks to stay very close."

In regard to Spain, as the *BBC* reported on 20 August, "Most of the transmission is now between young people, and around three-quarters of positives are in patients who show no symptoms. Only around 3% of current cases require hospital treatment, less than 0.5% need intensive care."

***TRENDPOST:*** *It is factually evident that while Spain is recognized as having imposed among the strictest lockdown rules in Europe, it has not stopped the virus from spreading.*

*Yet, many cities allow only ten people to gather inside or outdoors; limit capacity in bars, restaurants, weddings and funerals; and closed down nightclubs and gyms.*

***TRENDPOST:*** *To date, some 30,000 have died from COVID-19 out of the Spanish population of 47,000,000 or 0.06 percent.*

*This compares to New York State, with a population of 19.5 million and a COVID-19 fatality of some 33,100, which also forced its citizens to lockdown and "shelter-in-place." The media, however, has promoted New York Governor Andrew Cuomo for successfully battling the virus, and he now is being promoted as a favorite candidate to run in the 2024 Presidential race.*

## IRISH: ON TIME, USE CLOCK TO EAT



To date, just under 2,000 people have died in Ireland from COVID-19 in a country of about five million or 0.03 percent.

As in the U.K., France, and Spain, the Irish have seen a rise in coronavirus cases. How dramatic a spike? Last Tuesday, there were 30 new cases.

But that tiny number was high enough for the government to declare that Dublin is set to re-lock down for three weeks, with restrictions on movement, limits on the number of people allowed in different households, and closures of non-essential business.

As of June, pubs were allowed to open that serve food, but customers must order “a substantial meal” defined as costing at least €9 (\$10.60) if they want to buy an alcoholic drink.

Under Ireland’s New ABnormal, there’s a time limit that requires patrons to finish meals within one hour and 45 minutes.

*The New York Times* ran a story last week with a photo an older gentleman sitting alone at McGinn’s Hop House in Galway, with a pint of Guinness, some type of food item, and an alarm clock... to make sure he didn’t stay past the time limit.

Fergus McGinn, the owner of the pub who took the picture, told the *Times* he wanted the photo to bring attention to all those out there who are struggling with loneliness. He said pubs play a major role in some peoples’ lives and might be their only connection to the outside world.

“Taking that away from people, that social outlet for that generation, it could be detrimental and savage on their mental health,” he told the paper.

***TRENDPOST:*** *Dr. Martin Feeley, Clinical Director of the Dublin Midlands Hospital Group, said the restrictions being imposed by the government are “draconian” and the virus is “much less severe” than the average seasonal flu.*

*Dr. Feeley told the Irish Times that Ireland should develop herd immunity and more low-risk people be exposed to the virus. He said, “This should have been allowed to happen during the summer months before the annual flu season, to reduce the workload on the health service during winter months.”*

*Pointing out that young people are being hit hard by the lockdowns, Feeley told the Times, “The financial cost can be seen in any walk or drive through cities, towns and villages. Mortgage repayments and other financial setbacks are virtually all suffered by the young worker or business person and not by the over-65, who are guaranteed their pension, as indeed are the salaries of the individuals who decide to inflict these draconian measures.”*

**TRENDPOST:** Across Europe and the world, there are no consistent COVID lockdown rules and regulation protocols being imposed on the public by politicians that are based on hard scientific data.

*In essence, they are making them up.*

*As the New York Times wrote on 21 August, “With countries employing a variety of strategies – and with rules often changing suddenly and guidance varying from nation to nation – it remains to be seen which tactics will prove both enforceable and effective.”*

*From time limits when eating in pubs to how family members can meet, to capacity limitations in restaurants, entertainment venues, weddings, funerals, etc.... and varied social distances depending on where you are in the world, politicians and their bureaucrats, without providing a scintilla of scientific evidence to support their rules, keep making up new ones.*

## COVID CASES DROP, SCHOOLS STILL PANIC



As Labor Day weekend ended, states across America reported a total of less than 25,000 new cases of the coronavirus, marking the smallest total in three months, while deaths from COVID-19 dropped to the lowest level since 20 July, according to the *Wall Street Journal* analysis of Johns Hopkins University research.

Yet, COVID Fear and Hysteria persists. The spike in outbreaks at some colleges has led administrators to close down classes again, returning to online learning.

On the public school level, some schools across the U.S. have begun to welcome back students amid coronavirus pandemonium, and many kids are facing the stark reality of what an in-person class looks like in the age of the virus.

With a picture speaking a thousand words, the *Wall Street Journal* ran three photos on its front page this week that showed the first day of public school classes across the U.S.

One picture showed masked five-year-old twins embracing in Augusta, GA, while another showed a girl in kindergarten in Rossmore, CA. The girl is strolling along in a

pink princess dress next to her father. You wouldn't look twice except for the clear face shield she's wearing.

The third image showed what appeared to be a school administrator covered with a shield and a mask taking the temperature of a kindergartener outside a school in Brattleboro, VT.

The reopening of schools in the U.S. has been a hot-button issue in Washington. President Trump has insisted Democrats and teachers' unions are dragging their feet to reopen schools in order to slow the economic recovery from the COVID outbreak.

These unions have said Trump cares little about the health of its members as long as it means a victory for him over Joe Biden in November.

But some schools in the U.S. have opened their doors, including Riverside Elementary School in Elmira, NY.

The *Star-Gazette* reported that all students and parents wore some kind of facial covering on the first day of classes. Before any student could enter the building, they had to have their temperature checked by a staff member.

"We have hand sanitizer and sinks in every room. We have protocol for students to use soap and water every time they transition or every time they leave the classroom and come back, just to make sure we're extra careful with things," said Heather Donovan, the school's principal.

The report mentioned the school district is going to try out a hybrid model, where children attend in-person classes twice a week and partake in remote learning the other three days. There will be no classes on Wednesdays in order for custodians to thoroughly clean the building.

***TRENDPOST:*** *Despite the panic and closing down of colleges, high schools, and elementary schools, no substantial data is being offered to justify the actions.*

*The Center for Infectious Disease Research and Policy (CIDRAP) reported on 18 August: "Though schools that have opened in Georgia, Alabama, Mississippi, and Indiana, have had significant outbreaks, no data are being collected about how reopening has led to outbreaks, quarantine protocols, and number of cases."*

*Nine states are reportedly collecting data but not making it public. According to an NBC News poll, 15 states said they would "collect data and make it public and seven were still deciding, and the rest did not provide a comment."*

***TRENDPOST:*** *Under the New ABnormal, working parents must stay home as millions of children are being forced to learn online from home. The economic stress on parents in the world of the New ABnormal will prove costly.*

*Furthermore, the added mental stress being imposed on children, who are, by the data, not victims of the virus, will instill them with fear while sapping their creativity.*

## **SOUTH KOREA SCHOOLS GO ONLINE**



South Korea's education ministry reported last Wednesday that the nation was allocating more than \$110 million for the transition to long-term remote learning. The money primarily will go to transforming classrooms and standard textbooks into formats more conducive to the digital age.

Choi Won-hwi, a leader in the government division that supervises educational instruction, told the *Wall Street Journal*, "We prepared for remote learning because of the COVID-19 crisis, but now it will be a permanent part of the educational process."

Despite the modern-age approach to the inevitability of increased remote learning, the government has followed the anti-data, fearful approach of so many other countries when it comes to the recent rise in coronavirus infections.

Late last month, about 200 students and school staff members tested positive for the virus, and it was determined that all students in Seoul would have to take their courses online.

It remains unclear how effective – or ineffective – children are in transmitting the disease, as they make up just two percent of infections. And, infections don't equal deaths!

As of last weekend, South Korea had 358 deaths from COVID-19 in a country of 51.64 million or 0.0007 percent of the population.



While South Korea shut down schools, neighboring China, where the virus first broke out, sent 195 million students back to the school room.

Last Tuesday, China's leader Xi Jinping pointed out that by opening the schools, China had "fully demonstrated the clear superiority of Communist Party leadership and our socialist system."

## **Interactive U**

As for the future of remote learning, South Korea is important to watch, as the country has invested heavily in digital infrastructure, giving it some of the fastest connectivity in the world. Almost 95 percent of South Korean citizens use smartphones.

The country's advanced educational technology has been the result of a focused government-run, nation-wide technology called Edunet, which was launched in 1996. The software makes watching teachers' lectures and submitting assignments more efficient.

But feedback reveals some students are missing the personal interaction with students and teachers in the classroom. As reported in the *WSJ*, a 16-year-old public high school student said, "It's harder to understand the material and prepare for tests."

***TREND FORECAST:*** *As we had forecast at the beginning of the COVID-19 outbreak when schools across the globe were shut down in March, it signaled the onset of a 21st century online learning system, "Interactive U," which Gerald Celente had forecast in his book, "Trends 2000."*

*The new education system that will replace the current one, which was invented by the Prussians at the onset of the Industrial Revolution, will offer great investment rewards for OnTrendpreneurs® who wish to seize on this megatrend. Beyond closely monitoring the South Korean online model, for those interested, in profiting and learning from these new educational advancement, Indian companies are leading the field of online learning.*

## COVID LOCKDOWNS INCREASE DRUG ABUSE



From the outset of the U.S. shutdowns in March, the **Trends Journal** had forecast that the lockdown “cure” for dealing with the coronavirus, imposed by politicians and their bureaucratic health “experts,” would cause more suffering than the virus itself.

States across the U.S. are reporting a troubling increase in drug fatalities amid the widespread coronavirus lockdowns, which have dramatically decreased human interactions. And, the overall uncertainty about the virus itself and its economic impact have been additional sources of stress, according to data analyzed by the *Wall Street Journal*.

The United States National Library of Medicine published a report in April warning that “reduced access to family, friends, and other social support systems causes loneliness increasing mental issues like anxiety and depression.”

Among the suffering caused by the economic shutdowns and social isolation is an increase in opioid abuse and other drug addictions. A CDC survey showed 13 percent of respondents said earlier this summer they started or increased substance use since the outbreak.

The *Wall Street Journal* pointed to Los Angeles County, which reported a 48 percent increase in drug overdoses when compared to 2019.

The Advocacy Resource Center reported, “As the COVID-19 global pandemic continues, so does the nation’s opioid epidemic. The American Medical Association is greatly concerned by an increasing number of reports from national, state, and local media suggesting increases in opioid-related mortality.”

David Sternberg, a manager at the drug user support group Helping Individual Prostitutes Survive (HIPS), which is frequented by sex workers and IV drug users, said, “It’s a pretty stark reality here. We’ve lost a lot of patients.”

The *WSJ* said it requested information from 50 of the country's largest counties and received information from 30 of them. It reported an upward trend in 21 of the counties which submitted data on overdose deaths. The increase appears to be spread throughout the country, and health officials indicated fentanyl methamphetamines are adding heavily to the increase.

In its coverage, they noted the largest county among them, Los Angeles, saw almost a 50 percent rise in overdose deaths in just the first month and half of the coronavirus shutdown compared to 2019.

Gary Tsai, interim Director of Substance Abuse Prevention and Control for the county's public health department, said those struggling with drug abuse "are indoors, they're stressed, maybe they lost a job or a family member."

The Overdose Detection Mapping Application Program, which tracks overdoses nationwide, reported an 18 percent increase in suspected overdoses following the stay-at-home edicts by governors that began in March.

"When COVID hit, nobody was allowed to touch anybody, nobody was allowed to see anybody. The worst thing for someone chaotically using drugs is to be isolated," said Shannon Hicks, head of Exchange Union, a West Virginia harm-reduction group.

The Association of American Medical Colleges (AAMC) states why drug abuse is increasing: more than 20 million people in the U.S. have a substance use disorder. Now, COVID-19 has left many locked down, laid off, and flooded with uncertainty. So far, experts see signs of relapses and rising overdoses, among other worries.

***TREND FORECAST:*** *Before the coronavirus lockdowns hit in March, the U.S. was already experiencing an opioid overdose problem. Last year, according to the CDC, drug overdose deaths in the United States rose 4.6 percent to 70,980, including some 50,000 involving opioids.*

*The acceleration of drug abuse will continue across the globe as the "Greatest Depression" worsens. As Gerald Celente has long said, "When people lose everything and have nothing left to lose, they lose it." They will be losing it on many fronts: emotionally, spiritually, and physically.*

*The acceleration of increased drug use and overdoses, which will impact society across the economic and social spectrum, will fuel the "New Age 2.0" movement, as millions seek a higher level of purpose of life.*

## NURSING HOMES BLUES



Despite the clear evidence, since Italy reported it in April, the average age of people who were dying from COVID-19 was 80.

The CDC states on its website those who are at risk of dying from the virus:

“Among adults, the risk for severe illness from COVID-19 increases with age, with older adults at highest risk. Severe illness means that the person with COVID-19 may require hospitalization, intensive care, or a ventilator to help them breathe, or they may even die.”

And yet, while governors continue to impose harsh restrictions on their citizens, they are failing to provide adequate support to the elderly in nursing facilities who are among the most vulnerable. According to data from the American Health Care Association (AHCA), nursing homes experienced an almost 80 percent rise in cases over the summer.

Particularly alarming are facts revealed by elder care advocates such as Mark Parkinson, President of the National Center for Assisted Living. Mr. Parkinson said, “With the recent major spikes of COVID cases in many states across the country, we

were very concerned this trend would lead to an increase in cases in nursing homes and unfortunately it has. This is especially troubling since many nursing homes and other long-term care facilities are still unable to acquire the personal protective equipment."

The failures of political leaders to provide adequate support to nursing homes will have long-lasting effects. A new survey from U.S. nursing homes from the AHCA revealed over half of all facilities are operating at a loss.

Citing lack of financial support from government funding, over 70 percent of nursing homes reported they could not stay open for another year without additional funds to hire more staff and purchase essential protective equipment. Forty percent said without immediate help, they likely would be forced to close within six months.

***TRENDPOST:*** *Despite the hard facts and scientific data that, across the globe, the highest percentage of those who died from the virus were from elder care homes... schools are closed down, young people are not allowed to socialize or party, and a list of capacity regulations persist that have sucked the joy out of life and the profits of businesses.*

*Politicians and the vast majority of the public ignore these facts and those from the CDC, which we reported last week, stating 94 percent of those who died from the virus had underlying health conditions.*

***TREND FORECAST:*** *As polls show, vast majorities are both compliant and in agreement with government imposed lockdown rules. With the exception of a few countries, the U.K., Ireland, Germany, Canada, France, etc., there are no major ongoing demonstrations against the draconian regulations that have dramatically altered everyday life. And in countries such as Australia, the police crackdowns on protesters have been harsh... even before they took to the streets.*



## ANTI-MASK/ANTI-VACCINE/ANTI-LOCKDOWN PROTESTS SPREADING



From Berlin to Dublin, Paris to London, Melbourne to Montreal, citizens are taking to the streets to voice anger over the continuing breach of freedoms imposed by COVID restrictions.

As the **Trends Journal** has been reporting since March, when politicians launched the COVID War, as with other wars, they have no exit strategy and ignore the socioeconomic, geopolitical, physical and psychological damage caused by their orders of destruction.

Now, several months later, political leaders are re-locking down nations and/or imposing new COVID Restrictions... and tens of thousands across four continents are taking to the streets.

Here is a summary of the growing protests over the past two weeks:

**DUBLIN:** Last Saturday, some two thousand anti-mask demonstrators took to the streets of Dublin. The march was put together by the group "Yellow Vest Ireland," which refers to itself as a "people's movement" and is not affiliated with any particular political party. Most of those marching did not wear masks nor adhere to social distancing rules.

Some carried signs reading, "**Take Off Your Masks**" and "**What Do We Want? Freedom.**" Others had signs reading, "**It's Only a Cold,**" referring to a recent claim by Dr. Martin Feeley, Clinical Director of the Dublin Midlands Hospital Group, that the coronavirus is "much less severe" than the annual seasonal flu, according to a report in the 12 September *Irish Times*. The article also quoted Dr. Feeley as calling the virus restrictions "draconian" and "unjustified."

**MELBOURNE:** Organizers of a rally last weekend in Australia's third largest city promoted the event as a "legal walk allowing citizens to come together, get healthy and talk about getting our freedom back." They were confronted by a circle of mounted police and about 100 additional police in armored vehicles and dressed in full riot gear.

Police arrested 74 and issued over \$280,000 in fines.

Before the rally, Victoria State Police made unannounced entries into the homes of almost 100 citizens they listed as "dissidents" to warn them not to participate in the scheduled demonstration. Over the weekend, dozens of protesters were arrested.

After the first rally, Daniel Andrews, Premier of Victoria, called those attending "selfish."

Many of the protesters referred to the Premier as "Dictator Dan."

Also making news was a comment by Luke Cornelius from Victoria Police's North West Metro region. Assistant Commissioner Cornelius, on having to warn Melburnians about attending the next planned protest (for those who don't bow down, suck up, and do what they're told by the government and believe they have the freedom to resist), said,

"To be honest, I feel a bit like a dog returning to eat his own vomit. It goes without saying, yes, it's incredibly frustrating. And if people were less selfish and a bit more grown up, we wouldn't have to keep doing this."

**TRENDPOST:** *Since March, 816 people in Australia have died from the virus out of a population of 25.5 million or 0.0032 percent. As we have been reporting, the vast majority, as with most nations, have been from nursing homes.*

*Why are governments failing to take preventative measures to slow eldercare home virus death rates and instead impose draconian lockdowns on their nations, states, and cities?*

*To prove the reality of their failure and who is dying from the virus, this was reported yesterday in the NZ Herald:*

*"A new Federal Government report has revealed a snapshot of Covid-19 outbreaks and revealed Victoria's devastating new statistic.*

*The national snapshot of Covid-19 outbreaks in Australian residential aged care facilities shows that out of a total 1,967 resident cases there have been 580 deaths.*

*And the vast majority of these have been at facilities in Victoria, with St Basil's Home for the Aged suffering the highest single facility Covid-19 death cluster of any aged care home in Australia.*

*Six of the seven deaths reported on Sunday morning were connected to aged care.”*

*Indeed, this harsh, sad reality should encourage Assistant Commissioner Luke Cornelius to “eat his own vomit” for ignorantly blaming people to be “less selfish and a bit more grown up” when he is too ignorant to see who is dying, why, and where.*

**MONTREAL:** On Saturday, several thousand Canadian citizens filled a 60-block area of the nation’s second largest city to protest the mask wearing mandate. The march started outside the office of Premier François Legault and included, according to reporting by the *Canadian Broadcast Corporation (CBC)*, demonstrators “of all ages, and from a wide-variety of mindsets.”

Geneviève Guilbault, Quebec’s deputy premier, said, “I understand it’s an anti-mask demonstration, but the rules are for everyone, so we ask people to obey them.”

The day of the demonstration happened to coincide with a new order allowing police to fine people for not wearing masks.

Organizers invited a number of speakers, many of whom blamed the government for excessive reaction to the virus.

Of those protesters willing to be interviewed, the *CBC* quoted a man who said he is confident that if fined for not wearing a mask, a court will overturn it. One woman stated, “All humanity is in danger if we blindly obey these excessive orders.”

The government has voiced concern over what it considers a dangerous spike in cases. The *CBC* stated, “After a period of several weeks where daily new cases in the province were around or below 100, the number of new cases began to rise in late August. On Saturday, 244 new cases were reported, the most since June 4.”

It should be noted that those 244 new cases are in a province with a population of just under 8.5 million people. As of the weekend, about 5,800 have died in the province or 0.07 percent.

**BERLIN, LONDON, PARIS:** Citizens fed up with mandatory mask-wearing, social distance impositions, and those against a rush to market vaccination gathered on 28 and 29 August in Berlin, London, and Paris.

In Berlin, almost 40,000 protestors were confronted by police who eventually arrested 300 people, according to *Reuters*. Berlin police issued a statement over Twitter saying, “Unfortunately, we have no other option.” The statement referenced demonstrators who had not adhered to the safety conditions required for the large gathering.

A rally nearby of some 30,000 people was allowed to continue due to demonstrators abiding by the social distance requirements.

About 3,000 police arrived on the scene after reading social media posts across many European countries which called on people to join the protest in Berlin. German Chancellor Angela Merkel publicly called on citizens to maintain vigilance against the virus stating, "This is a serious matter, as serious as it's ever been, and you need to carry on taking it seriously." She added life will not return to normal until "we have the vaccine or treatment for coronavirus."

The day before, Chancellor Merkel imposed a fine of 50 euros (\$59) for failing to wear a mask where required and banned major public events for the rest of the year.

9,500 in Germany have died from COVID-19 in a country of 83 million or 0.01 percent.

On 29 August, thousands showed up in London's Trafalgar Square to voice anger over COVID-19 restrictions and mass vaccinations.

The demonstrators represented a wide range, which included those tired of having freedoms taken away, anti-vaxxers, and some who think the whole coronavirus phenomenon is a hoax.

One woman carried a sign calling for what the **Trends Journal** has been advocating for years (and more frequently in the past months). Her sign read, "**Let Food Be Thy Medicine**" and "**Health Doesn't Come From the Tip of a Needle.**"

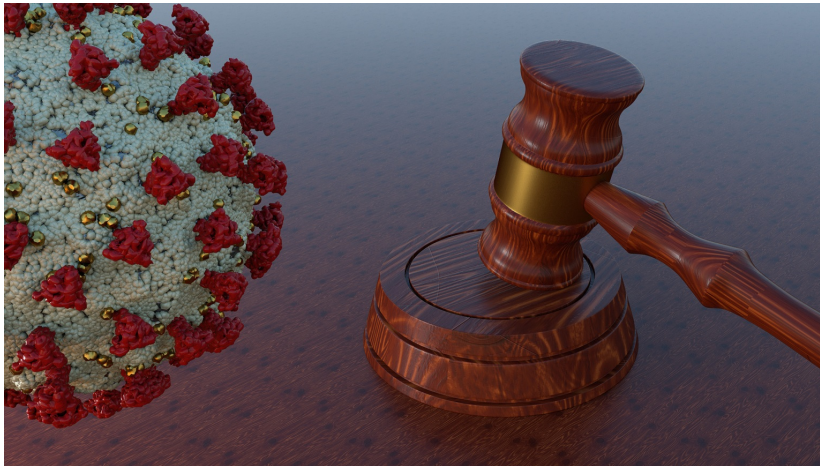
In Paris, a smaller rally of about 300 took place on the same day. A number of signs read "**Masks are Muzzles.**"

French officials announced masks were mandatory in all public places across Paris. Many other municipalities and local officials have added mandates that masks must be worn in any crowded outdoor area and shared workplaces.

About 31,000 in France have died from COVID-19 in a country of 67 million or 0.05 percent.

***TREND FORECAST:*** *We maintain our forecast that over the coming months and years, new freedom/populist/nationalist political parties will be formed in nations across the world to counter ruling establishments which impose dictatorial rules and regulations in violation of Constitutions and the Bill of Rights.*

## FEDERAL JUDGE RULES PENNSYLVANIA WOLF'S COVID RESTRICTIONS UNCONSTITUTIONAL



A federal judge appointed by President Trump ruled Monday that the coronavirus restrictions put into place by Governor Tom Wolf, the Pennsylvania Democrat, were unconstitutional, arbitrary, and overreaching.

A lawyer for the plaintiffs in the suit, which included four Pennsylvania counties, said the ruling means statewide restrictions can no longer be enforced.

U.S. District Judge William Stickman IV wrote in his opinion that the stay-at-home orders and the shutdown of “non-life-sustaining” businesses may have been put into place with the public health in mind but said, “Even in an emergency, the authority of government is not unfettered,” 6 ABC News reported.

Stickman said the restrictions violated the First Amendment and equal protection clauses under the 14th Amendment.

“The Constitution cannot accept the concept of a ‘new normal’ where the basic liberties of the people can be subordinated to open-ended emergency mitigation measures.”

Lyndsay Kensinger, a spokeswoman from Wolf’s office, said the state will appeal the decision and called the ruling disappointing.

“The actions taken by the administration were mirrored by governors across the country and saved, and continue to save lives in the absence of federal action,” she said in a statement, according to *The Hill*. “This decision is especially worrying as Pennsylvania and the rest of the country are likely to face a challenging time with the possible resurgence of COVID-19 and the flu in the fall and winter.”

*The Hill* reported the state has lifted most of its coronavirus restrictions, with a few exceptions like indoor dining and outdoor gatherings. *The Post*, citing a recent Monmouth University poll, reported that 62 percent in the state said they approve Wolf’s handling of the pandemic.



**TREND FORECAST:** *Again, as we have noted, President Trump will blame Governor Wolf as he will with other Democrat governors who put their states under lockdown as the reason for destroying the nation's economy.*

*Indeed, playing what may well prove to be a swing state trump card, President Trump was at a roundtable on Monday night where he said he hopes other judges follow Judge Stickman's lead.*

*"We hope that's going to happen in North Carolina. We hope it's going to happen in Michigan, too, because it's just totally shut down," Trump said at the "Latinos for Trump" meeting, according to the Washington Post.*

## **EAT AT HOME: DON'T RISK YOUR LIFE!**



No fun allowed. Stay home, don't go out and eat.

For those who swallow large portions of fast junk food, don't worry, there's a more deadly killer out there. According to a report issued last Thursday by the CDC, the most dangerous social activity in the age of COVID is... *eating out at a restaurant!*

The mainstream media, eager as always to foment fear and anxiety, blared headlines on 11 September that read: "People With COVID-19 Twice as Likely to Have Eaten Out at a Restaurant."

And yet, when one reads the articles carefully, there is no conclusive proof that in fact people are more at risk eating out. For example, the *Fox News* article states in smaller print, "Dining out at a restaurant or drinking at a bar may heighten the risk of becoming infected with COVID-19 compared to other social activities."

Notice the phrase “may heighten the risk.”

When reading the CDC report, it becomes clear the data making the case is weak. According to the CDC’s own language:

- “Reports of exposures in restaurants have been linked to air circulation. Direction, ventilation and intensity of airflow might affect virus transmission.”  
(Note not “will” but “might.”)
- “Symptomatic adults with negative SARS-CoV-2 test results might have been infected with other respiratory viruses and had similar exposures to persons with cases of such illnesses.”
- “Persons who did not respond, or refused to participate, could be systematically different from those who were interviewed for this investigation. Efforts to age- and sex-match participating case-patients and control-participants were not maintained because of participants not meeting the eligibility criteria, refusing to participate, or not responding.”
- “Reported behaviors might represent factors, including concurrently participating in activities where possible exposures could have taken place, that were not included in the analysis or measured in the survey.”

In a report on *NPR*’s website, after the large, bold, scary headline that a person is twice as likely to get the virus eating at a restaurant, not until the tenth paragraph does the reporter write, “Though the study has limitations – including its size and the fact that participants weren’t asked to distinguish between indoor or outdoor dining – it echoes concerns over safety in bars and restaurants during the pandemic. Many states have imposed restrictions on reopened restaurants.”

And yet, the “experts” at the CDC, while admitting the findings were based on a small sample of unproven data, tweeted that rather than eat out at restaurants, people should “Choose pick-up/delivery if possible.”

***TRENDPOST:*** While the CDC helped the mainstream media ramp up fear and gave power-hungry politicians more reasons to impose draconian rules, based on a report that lacks solid scientific data, absent in the reporting is a hidden fact we have been reporting in the ***Trends Journal***: Staying locked up at home can make you sicker.

*“Executive Order” King Governor Andrew Cuomo said in May it was “shocking” that most new coronavirus hospitalizations were people who had been staying home:*

*“If you notice... 66 percent of the people were at home, which is shocking to us. This is a surprise: Overwhelmingly, the people were at home... We thought maybe they were taking public transportation, and we’ve taken special precautions on public transportation, but actually no, because these people were literally at home.”*

*Previous to that, on 24 April, UNC Research, a group of scientists at the University of North Carolina, published [a report](#) titled, “Household Deemed Most Common Place for COVID-19 Transmission.”*

*They wrote, “As seven states now require masks and face coverings for visiting essential businesses or using public transportation, it seems like those spaces are where we are most at risk for COVID-19 infection. But, in truth, the riskiest place could be our homes.”*

*Also, as we noted in our 28 July **Trends Journal**, studies prove lockdown measures were deadly, yet they keep being imposed around the world:*

*“South Korean epidemiologists have found that people were more likely to contract the new coronavirus from members of their own households than from contacts outside the home.*

*A study published in the U.S. Centers for Disease Control and Prevention (CDC) on July 16 looked in detail at 5,706 ‘index patients’ who had tested positive for the coronavirus and more than 59,000 people who came into contact with them.*

*The findings showed that less than 2% of patients’ non-household contacts had caught the virus, while nearly 12% of patients’ household contacts had contracted the disease.”*

*And according to the New England Journal of Medicine, “The risk of transmission among household members can be as high as 40%, whereas the risk of transmission from less intense and less sustained encounters is below 5%.”*

**TRENDPOST:** *The restaurant industry, already suffering from the devastating lockdown and capacity limitations imposed on them by politicians – and the fear people have of catching the virus by going out to eat – will take a harder hit should this CDC report continue to gain mainstream traction.*

*As reported, Yelp estimates 60 percent of restaurants that had shut down will not reopen. Again, these facts are barely reported, as are the dire implications imposed on economies and the lives of hundreds of millions of people around the world that are out of work, broke, and busted.*

## NEW YORK CITY RESTAURANTS SUE THE STATE



Governor Andrew Cuomo announced last Wednesday that since he shut down indoor dining in New York City restaurants on 17 March, he would finally allow them to serve customers inside... but with the limited capacity of 25 percent starting on 30 September.

This came just six days after a group of over 350 NYC restaurants, claiming “irreparable harm” from the lockdowns, joined together and filed a \$2 billion class-action suit against both city and state officials.

Considering the list of restrictive rules and regulations imposed on restaurants, the financial pain restaurants are suffering will persist. Some of the rules include:

- A temperature check on everyone entering the restaurant
- Contact information for tracing
- No bar services
- Restaurants must close by midnight
- Restaurants must publicly post their indoor dining capacity and phone numbers to report violations
- Face coverings must be worn when not seated and other safety protocols required

The City of New York “will provide a team of 400 Enforcement Personnel to ensure compliance.” And in the Stasi State of America, “Patrons who observe violations can report issues by calling 833-208-4160 or by texting 'VIOLATION' to 855-904-5036.”

The governor also said if there isn’t a rise in infection rates by 1 November, he “might” allow NYC restaurants to increase to 50 percent capacity.

## Bad Times Now

Even restaurants outside of New York City are struggling to survive the governor's enforced restrictions of 50 percent capacity, mandatory masks for all wait staff and any customer not seated, and required five-foot barriers between tables if social distancing is not possible.

According to a 14 August *CNBC* report, "One in three New York restaurants won't open after the pandemic."

The restaurant business has been one of the most important to the New York State economy and culture. According to the National Restaurant Association, in 2018, there were over 50,000 eating and drinking establishments in the state. More than 856,000 people were employed, and revenues topped \$50 billion.

According to the 11 September *Wall Street Journal*, NYC restaurants alone lost almost 200,000 jobs between February and April this year. As of July, only about 70,000 of those jobs returned.

Particularly hard hit are the full service, sit-down restaurants that have been closed since mid-March, which mostly are locally owned. Unemployment at these restaurants was almost twice that of fast-food venues primarily owned by large corporations and which offer limited services and poorer quality food.

***TREND FORECAST:*** *With people flooding out of New York City, office occupancy rates at 10 percent, hotel occupancy rates at 37 percent, transit ridership down 75 percent, no neon lights shining bright on the locked down theater district and "Restaurant Row" empty... the world's most exciting tourist destination without excitement or tourists... the draconian City and State COVID Restrictions will continue to destroy restaurant, hospitality, retail, entertainment, trade show, sports and other business sectors large and small.*

*As NYC goes deeper in debt, public services will decline. When eviction restrictions are lifted, the homeless population will rise, and, so, too, will crime rates, which we forecast in our 21 April article, "[CRIME ON THE RISE DURING THE GREAT LOCKDOWN](#)."*



## NO MASK: NO RIDE, \$50 FINE



Last week, New York Governor Andrew Cuomo told the Metropolitan Transportation Authority (MTA) to begin fining straphangers \$50 if they refuse to wear masks while riding on buses and trains.

While the *Wall Street Journal* reported the vast majority of riders are complying with the mask orders, the MTA says there are bus routes in the city where some compliance numbers were as low as 60 percent.

“This will be enforced by the MTA police and the NYPD as well,” said Sarah Feinberg, interim president of the New York City Transit Authority. “This will be enforced just like all of our rules and regulations by law enforcement.”

The consensus among state health officials is that mask-wearing combined with social distancing are effective ways to prevent the spread of the coronavirus. Some Americans have bristled at the idea of government officials enforcing these guidelines, which have not been voted on in a legislature and instead have been doled out arbitrarily.

Shams Tarek, MTA Deputy Communications Director, said in a statement, “Transit workers are heroes for keeping New York moving and safe during this crisis and we are doing everything possible to protect them, to honor them, and to help them and their families during this difficult time.”

***TREND FORECAST:*** As Gerald Celente has forecast, a major theme of *The Presidential Reality Show*® in America will be the contest between the Masked and UnMasked candidates, Biden and Trump respectively.

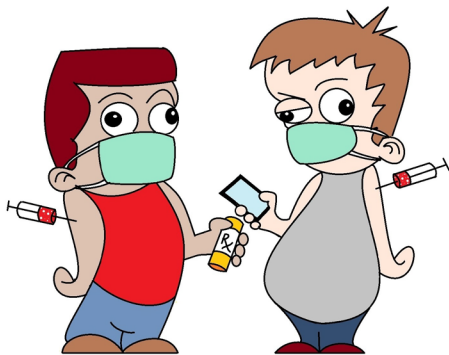
*For Trump to defeat Biden, he has to win the swing states, of which a large majority in the exurban and the rural voters in swing states, we conclude, are anti-maskers.*

*And, as Gerald Celente has forecast, President Trump will bash Biden for wanting to keep the nation locked down if scientists advise him to.*

*At Sunday's mostly mask-less Trump rally in Nevada, the President told the cheering crowd, "We are not shutting the country again. A shutdown would destroy the lives and dreams of millions Americans."*

## **TRENDS in the TOONS by Stephen Green**

### **BACK TO SCHOOL**



## **ISRAEL ATTACKS CONTINUE**



Last Thursday, Israel launched missile strikes against the northern Syrian city of Aleppo. This is the most recent of what has been an increasing amount of Israeli attacks against positions in Syria.

Syrian state media claimed many of the missiles were intercepted as they headed toward its T-4 airbase. No casualties or damages were reported.

The website AntiWar.com reported the missiles were launched within Syrian airspace that was in close proximity to an airbase controlled by the United States. Media sources in Israel said the T-4 Syrian base is primarily used to transport weapons to Hezbollah, the Shia Islamic political party.

On 4 August, the Israeli army conducted air raids against areas in southern Syria. Prime Minister Benjamin Netanyahu said the attack was in response to attempts to place explosives in the Golan Heights, the territory Israel has occupied since the 1967 war against Syria, Jordan, and Egypt.

It has been reported that Israel, in violation of international law, has launched hundreds of attacks into Syrian territory. In April, Israeli Defense Minister Naftali Bennett issued a statement saying Israel “will not stop” with the attacks and continued to present the strikes as aimed at “blocking Iran’s entrenchment in Syria.”

***TREND FORECAST:*** *Middle East turmoil will escalate in the near future. With Brent Crude oil selling in the \$40 a barrel range, oil-rich Middle Eastern countries will grow much poorer and civil unrest will increase... spreading beyond national borders.*

*This holds true for Israel as well where the unemployment rate is around 20 percent. Over the past three months, thousands of protesters have been rallying outside the Prime Minister's residence, calling for his resignation over corruption charges that have been leveled against him and for his handling of the virus.*

*On Sunday, Prime Minister Netanyahu declared a nationwide stay-at-home emergency that will take effect on Friday, the start of the Jewish High Holiday season, and last for at least three weeks.*

*With indoor gatherings limited to ten and Israelis forced to stay within 500 meters (approx. one-third of a mile) of their homes, the Prime Minister said, “This is not the kind of holiday we are used to. And we certainly won't be able to celebrate with our extended families.”*

*With the nation already in recession, it is estimated by the Israeli finance minister that this second lockdown will cost the economy another \$2 billion.*

*As Gerald Celente says, “When all else fails, they take us to war.” Thus, we forecast the deeper the Israeli economy sinks, the louder the Middle East War Drums will beat.*

## COLUMBIA: BREAK THE COVID LAW, COPS KILL YOU



Top Colombian officials called for a thorough investigation in the wake of a cabdriver's death by the police last week that was caught, in part, on video, which included the man pleading for his life.

Javier Ordóñez, who was arrested in violation of a COVID-19 rule for consuming alcohol and not following social distancing guidelines, died after two police officers pinned him down and repeatedly fired stun guns into him. At one point, Ordóñez could be heard pleading with the police, "Please, no more."

A vigil held for Mr. Ordóñez last Wednesday started peacefully, but it reportedly went out of control when police intervened. Dozens of the protestors threw rocks as police confronted them with tear gas and in some instances fired bullets. Dozens of buses and a number of police stations were set on fire.

By the end of the confrontation, at least eight protestors were killed and over 200 were injured, over 60 of which were the result of bullet wounds. Nearly 200 police officers were also reported injured.

Graphic pictures emerged from the scene, including one that depicted a riot police officer in flames after being hit by some kind of a petrol bomb in the city of Medellín.

The *Guardian* reported it was not clear how the other protestors died. Claudia López, Bogotá's mayor, took to Twitter on Friday to say that police were told not to open fire on protestors and they "disobeyed direct instructions."

The paper spoke with a political risk analyst from the city who said there seems to be confusion about who is in control of the police department, which does not "bode well for restoring public safety or trust in the police."

Mafe Carrascal, an activist, told the *Guardian* that the protests are a result of the “systemic abuse of power” across the board within the government. He said, “People are sick of the fact that if the Covid-19 doesn’t kill them, the government will.”

***TREND FORECAST:*** As reported extensively in the ***Trends Journal***, last year, Columbia, along with other Latin American countries including Peru, Ecuador, Bolivia, and Chile, saw major protests as tens of millions demonstrated against government corruption, crime, violence, and lack of basic living standards. The *Guardian* labeled the months-long demonstrations as a “howl of rage.”

*This “rage,” as with the rages in Lebanon, France, South Africa, India, Algeria, Hong Kong, etc., were instantly tamped down in 2020 as governments ordered strong lockdowns to fight the COVID War.*

*As economies sink deeper into the “Greatest Depression,” protests, riots, demonstrations, and civil wars will erupt throughout the world, escalating the refugee crisis, which, in turn, will strengthen populist movements in nations where war-weary and desperate people seek to enter.*

## TRUMP VS. GENERALS



In his new book, “Rage,” Bob Woodward said President Trump blasted U.S. generals for being overly concerned with allies, telling Peter Navarro, White House trade adviser, “My fucking generals are a bunch of pussies” who “care more about their alliances than they do about trade deals.”

Woodward’s book, published on 15 September, includes other “insights” into the president’s military views and relationships with top military officials. Some of them include:



- President Trump referred to the U.S. military as “suckers” for spending too much money protecting South Korea and told Mr. Woodward his view of South Korea was, “We’re defending you; we’re allowing you to exist.”
- When James “Mad Dog” Mattis, the retired four-star general appointed by President Trump as Secretary of Defense, resigned over the president’s plan to withdraw all U.S. troops from Syria in 2018, Mr. Mattis said, “When I was basically directed to do something that I thought went beyond stupid to felony stupid, strategically jeopardizing our place in the world and everything else, that’s when I quit.”
- President Trump constantly complained about congressional investigations into his campaign and relationships with Russia and even spoke about his frustrations with Vladimir Putin. Woodward quotes the president: “Putin said to me in a meeting, he said, it’s a shame, because I know it’s very hard for you to make a deal with us. I said, you’re right.”
- President Trump’s Director of National Intelligence, Dan Coats, who resigned in July 2019, said he frequently clashed with the president over his soft approach to Putin and Russia and was often asked to help slow down congressional investigations.

The book also includes coverage on race relations. Woodward reportedly pressed President Trump about the topic and said they both were products of white privilege and how they had to work on seeing the black experience in the U.S.

To this, Trump responded, “No. You really drank the Kool-Aid, didn’t you? Just listen to you. Wow. I don’t feel that at all.”

## **BIDEN: DON’T BRING THE TROOPS HOME**



As reported on AntiWar.com, presidential candidate Joe Biden gave an interview to the military newspaper *Stars and Stripes* on 10 September in which he pledged not to reduce military spending if he were elected.

Mr. Biden made it clear that it might be necessary to increase the military budget. He said, "I've met with a number of my advisors and some have suggested in certain areas the budget is going to be increased."

Mr. Biden criticized President Trump for his failure to confront Russia and, according to the article, said the U.S. military is being strained in their relationship with NATO, stating, "They're worried as hell about our failure to confront Russia diplomatically or other ways."

Regarding the Middle East, Mr. Biden said, "These 'forever wars' have to end. I support drawing down the troops. But here's the problem, we still have to worry about terrorism and the Islamic State." He promised to keep a force in the region.

According to *Stars and Stripes*, "Biden said conditions in Syria, Afghanistan and Iraq are so complicated that he cannot promise full withdrawal of troops in the near future."

Also reported on AntiWar.com, Biden's past decisions about the region have been criticized, none more so than his backing of President George W. Bush's decision to invade Iraq. "I do not believe this is a rush to war," said Biden, who was the chair of the Senate committee on foreign relations at the time. "I believe it is a march to peace and security. I believe that failure to overwhelmingly support this resolution is likely to enhance the prospects that war will occur."

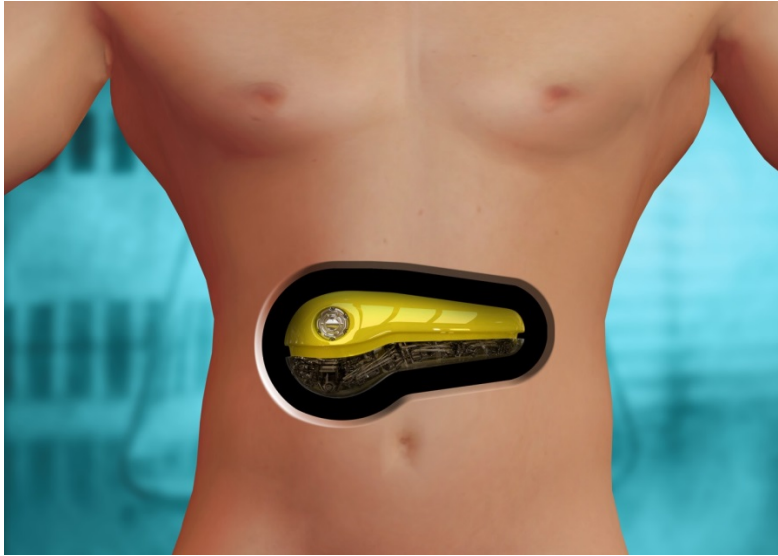
It should be noted that on 23 July, both Democrats as well as Republicans overwhelmingly passed a record military budget of \$738 billion.

***TREND FORECAST:*** *President Trump will accuse his challenger, Joe Biden, of being pro-war. While it will not win him votes from staunch Democrats, it will weaken Biden's position among pro-peace advocates.*

*Moreover, as we wrote in the **Trends Journal** last week, to show he is living up to his campaign promise of wrapping up wars that have lasted for years, President Trump has ordered up to 5,200 U.S. troops out of Iraq.*

*And, as we forecast last year, there will be some kind of a peace deal with Afghanistan and North Korea before Election Day.*

## ARTIFICIAL PANCREAS MANAGES TYPE 1 DIABETES



Children born with type 1 diabetes can't produce insulin from their pancreases to process sugar. Fewer than one in five of these children can manage their condition effectively. They're subject to a lifetime of insulin injections, detailed dietary management, and a range of future health risks.

But now clinical trials at four U.S. pediatric diabetes centers are showing that an artificial pancreas manages blood sugar levels effectively and safely in children as young as six years of age.

The artificial pancreas includes a glucose monitor worn on the arm or belly and an insulin reservoir also worn outside the body. The reservoir includes an automatic pump that reads the glucose monitor and, as needed, delivers insulin into the body through a tiny needle implanted beneath the skin.

In trials with children ages 6 through 13, the device kept blood sugar levels in the normal range for 2.6 hours more per day than when children or parents managed insulin through injections and checking glucose levels by pricking fingers and drawing blood.

The tests also showed a 26-percent improvement in overnight control of blood sugar, a time when unmonitored blood sugar crashes can cause comas or death.

The U.S. Food and Drug Administration has cleared the device for use with children ages six and older.

***TRENDPOST:*** In the U.S. alone, about 200,000 young people and 1.4 million adults live with type 1 diabetes. Research is under way to culture healthy pancreases from

*individuals' own stem cells. Until that work bears fruit, this relatively simple device could make life relatively normal for those afflicted.*

## **GREEN TIME, NOT SCREEN TIME, BOOSTS CHILDREN'S MENTAL HEALTH**



Children's and teens' mental health varies according to the amount of time they spend outdoors versus in front of screens, according to new research from the University of Adelaide.

The researchers reviewed 186 studies and found the more time young people spend in nature, the better their psychological health, while the more time spent staring at screens, the more likely they are to become depressed or suffer a range of other mental or emotional disturbances.

Time outside may be able to counteract the psychic drawbacks of overdoing screen time, the scientists said, and argued that nature may be an under-used public health resource to bolster young people's healthy psychological development and well-being.

***TRENDPOST:*** *Electromagnetic fields generated by computers, smartphones, air conditioners, and other electronic devices are known to fill the air with positive ions, which studies have shown cause or heighten anxiety, stress, and depression. Negative ions, generated by water bodies, winds, and plants, clear positive ions out of the air, which is why nature can have a cheering and relaxing effect on many people.*

*Mental and emotional disturbances among young people are increasing worldwide. Ensuring that children and teens spend at least a little time outdoors every day could help them avoid a host of mental and emotional difficulties as they grow.*

## **SAUDI ARABIA AIMS TO BECOME A NEW ENERGY POWERHOUSE**



As the Oil Age slowly fades into history, Saudi Arabia is betting its new energy future on becoming a leading producer of “green” hydrogen.

The Saudi government already is a leading producer of hydrogen for use in fertilizers and chemicals. But now it has signed an agreement with ACWA Power, a Saudi public-private partnership, and Air Products, a U.S.-based multinational company, to build the world’s largest hydrogen production plan run by four gigawatts of wind and solar power.

The plant itself is estimated to cost about \$5 billion; the green energy plant to power it will add about \$4 billion to the cost and calls for building a solar installation twice the size of the world’s biggest current solar farm.

It may be worth the challenge. “Green” hydrogen, not harvested from processes burning hydrocarbons, is seen as a “forever” fuel, with air and water providing raw material for a fuel that produces only water instead of smog as “exhaust.” Also, ammonia is a byproduct of hydrogen production and can itself be used as a fuel for ships and large industrial boilers.

But producing hydrogen cleanly remains energy-intensive, technologically challenging, and, therefore, uneconomic. As a result, few ventures have been willing to invest heavily in the technology.



***TRENDPOST:*** *By taking on the project, Saudi Arabia signals a commitment to conducting the research and development that will advance green hydrogen technology toward practicality and place the nation at the forefront of a new energy technology.*