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TRENDS JOURNAL

HISTORY BEFORE IT HAPPENS®

INFLATION

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PUBLISHER
GERALD CELENTE

CONTRIBUTING WRITERS
GREGORY MANNARINO
BRADLEY J. STEINER
GARY NULL
RICHARD GALE
BEN DAVISS
JOE DORAN

COVER ART
ANTHONY FREDA

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Inside

INFLATION

Welcome to this week's Trends Journal, "INFLATION."

For now, as a result of all the cheap money pumped into the financial and economic systems, there will be an economic bounce.

And as demand for products and services increase, so, too, will inflation.

The Fed and the Banksters say the inflation will be only temporary. But, as we extensively detail in this issue, we disagree... and the implications will be severely damaging.

On another note, in many nations, the COVID War is winding down. As the facts we present clearly note, like all the wars of the last few decades, they were based on lies and fought with incompetence from the leaders who started them.

Be prepared for more to come. In the meanwhile, take advantage of the positive trends and opportunities shaping the future that we present to you in this Trends Journal.

Best wishes,

Gerald Celente, Publisher

COMMENTS

AMAZON GORGING ON MGM
[This] will surely result in less truth, more censorship, more propaganda and more insane social engineering.

The antitrust section of the leviathan federal government are the real useless eaters.

Paul Sacco

PLASTIC OPPOSITION TO FOSSIL FUELS
So, without oil, how exactly do they plan to create this new world? No plastics? Perhaps soy which will remove more of the food supply?

Do they really believe we will have all-electric giant excavators to move the earth to get the silver that solar requires? It's going to get very cold before long as the climate change lie has been sold so thoroughly by the Elite to the credulous sheep.

Buck Fiden

PUTIN MONETARY MESSAGE
Could the sale by Russia of $187 Billion of sovereign funds held in dollars be a part of the assault on the world's reserve currency?

Timely action by Putin before meeting with Joe Biden?

harlow53

MANIPULATION WIDESPREAD
I would agree but I think the metals markets are manipulated to some degree as well. I had some gold during the G.W. Bush administration and overnight the

market dropped because we had sold or purchased some gold from Japan. I'm not sure any commodity is safe anymore. I hate to be so cynical but we are transitioning from a free republic to a technocratic tyranny.

Bret McGowan

APPLE SELLS OUT CHINESE USERS
Wow! There is nothing like being sold out to a communist government. Those people are totally screwed. be very careful of who you do business with.

Kenneth Gerry Anderson

AI SPOCKS vs HUMAN DOCS
As people begin to believe more and more in AI and depend on its solutions to problems, the more they will find out that a purely logical pathway will prove to be more destructive through time. Just my opinion of course.

RICHARD ALLEN

EVERY REASON FOR VAX CAUTION
This is an experimental drug. Please fight to protect our beautiful children and grandchildren.

Keirh Johnson

I am waiting for full FDA approval and to see the effects on those who have taken this experimental vax. Let's see what happens six months to a year from now. I value my health too much, especially after the vioxx & thalidomide disasters.

David Jorgensen

VAX NOT MANDATORY...IN RUSSIA
The Russian people have grown up with tyranny and now they have more freedoms so they can spot it from a mile away. Their leaders know this too and will not force this on them. We who have grown up with massive freedoms cannot even see the bull with wings that flies over us and shits on our heads!

a1achiropractic

"DEM FOREVER" VOTING ACT
Not only do the Dumbocrats want a Jan 6 Commission, they also want to shove thru the HR-1 Voting Act to control future elections!!!

I live in a blue state with a Governor and 1st Gentleman who refuse to acknowledge a large portion of the state is Repulsicans and white!!!

The mantra is don't look at election fraud or ballot harvesting because the 2020 Election was stolen by the Dumbocrats and moving elections out of the states to the Federal Level will ensure complete transparency and honesty. The question to ask is"Have We Had Honest Elections During The Past 40 Year Election Cycles?" We all know the answer to that question is "NO".

harlow53

TRENDS ON THE U.S. ECONOMIC FRONT

U.S. MARKETS OVERVIEW

U.S. equities markets closed last week on the rise after May's jobs report showed respectable gains in employment but was modest enough to give investors some confidence that the U.S. Federal Reserve will not change its easy-money policies in the near future.

Tech stocks lifted the S&P 500 index 0.9 percent on Friday, boosting it 0.6 percent for the week.

Apple rose 1.9 percent for the day, Microsoft 2.1 percent.

Smaller companies' stocks also did well; the Russell 2000 edged up 0.3 percent on the day.

The economy added 559,000 jobs in May, far stronger than April's revised number of 278,000 but short of the 674,000 to as much as one million new jobs that analysts had predicted in various media.

TREND FORECAST: *While not up to expectations, these weaker-than-expected employment numbers are signals on the Street that the Federal Reserve will not raise interest rates for at least another year. As we continue to note, when interest rates go up, the booming real estate and equity markets will dive. Indeed, it is the unprecedented injections of cheap money that have kept them both from crashing when politicians launched the 2020 COVID War.*

Also on Friday, the yield on 10-year Treasury bonds slid from Thursday's 1.62 percent to 1.55 percent, a factor that lifted rate-sensitive tech stocks.

Lower interest rates push investors toward riskier investments in search of higher returns. Stocks that are expensive relative to their earnings, which defines many tech stocks, are often beneficiaries.

The modest jobs report, coupled with inflation climbing by more than 3 percent annually, according to the Labor Department, is leaving the Street uncertain about the Fed's longer-term policy direction.

The Fed has set "full employment" as one benchmark for raising interest rates; but, as we have forecast, in the U.S. and much of Europe, workers are slow in taking jobs already available, meaning employers might have to raise wages to lure enough employees back onto payrolls.

TREND FORECAST: *Higher wages = higher inflation. As another benchmark signal to revisit soft-money policies, the Fed continues to sell the line that inflation must remain above 2 percent for an "extended period" and that the inflation spike is temporary.*

As we greatly detailed in the ***Trends Journal*** *over the last few weeks, while some prices may drop, they will remain very high. And while there will be some declining prices, others will continue to rise. Thus, we maintain our forecast that* *despite the Fed line that they will not raise rates until 2023, we say they will raise them sooner... possibly by the end of this year.*

And, again, when rates rise to the 1.5 percent range, equities and economies will dive.

Indeed, go back to two years ago when equities were under pressure and the Fed began pumping trillions into the repo markets to artificially pump them up. What juiced stocks and the economy back up?

Trump Says Fed Should Cut Rates to "Zero, or Less," Attacks Jerome Powell Again

That was the 11 September 2019 Wall Street Journal headline.

And, again, in March 2020, when the COVID War was launched and the stock market suffered its worst day since the Panic of '08, then-President Trump told the Fed and its Chairman, Jerome Powell, to slash rates to 0 percent or lower to match much weaker economies in Europe and Asia.

Trump had tweeted:

> *"Our pathetic, slow moving Federal Reserve, headed by Jay Powell, who raised rates too fast and lowered too late, should get our Fed Rate down to the levels of our competitor nations. They now have as much as a two point advantage, with even bigger currency help. Also, stimulate!"*

In addition, the disconnect between lagging employment and spiking inflation has Wall Street worried the Fed will raise rates. Absent booming economic growth numbers, equities will keep trading in the narrow range.

The Interest Rate/Money Pumping

"We're going to have discussions about our… policy overall, including our asset purchases and interest rates," Loretta Mester, president of the Federal Reserve Bank of Cleveland, told *CNBC* in response to the job numbers.

"I would like to see more on the labor market to really see that we're back on track," she said.

However, "we're still quite a ways off" from curtailing the Fed's $120-billion monthly bond-buying program, John Williams, president of New York's Fed bank, told *Yahoo Finance* on 27 May.

TREND FORECAST: *The Fed has been buying $80 billion a month in Treasury bonds and $40 billion monthly in mortgage-backed securities since June 2020 to keep credit markets artificially pumped up and has held interest rates near zero percent since March 2020.*

Again, despite the hard data, the central bank said it will continue buying bonds and leave interest rates untouched until the economy restores "full employment," inflation rises above 2 percent, and it shows signs of remaining above 2 percent for an extended time.

The inflation rate in April was 4.2 percent, year over year, according to 12 May data from the U.S. Labor Department.

Fed officials insist that today's surging inflation is a hiccup as the global economy rights itself and will ease in the coming months. We maintain our forecast, however, for rising inflation to spread across the economy and last longer than the Fed anticipates.

Markets Muted

After closing out last week near record highs, yesterday, the Dow Jones Industrial Average closed down 126 points and the S&P 500 slipped 0.1 percent while the tech-heavy Nasdaq etched out a 0.5 percent gain.

On the market front today, despite the U.S. Labor Department's report that there were 9.3 million job openings in April, a new record high, equities were mixed with the Dow down 30 points, the S&P up 0.02 percent, and the NASDAQ climbing 0.31 percent.

Why the muted response? The markets are waiting for Thursday when the Labor Department releases its latest monthly inflation numbers.

As the latest large number of job openings show, despite high unemployment numbers, companies are having trouble hiring people. With the high demand for workers and the lower supply, wages will increase.

The higher wages rise, so, too, will inflation rise. As we keep noting, the higher inflation rises, so, too, will interest rates... and when interests rise, equities and the economy will decline.

The word on the Street is that the Consumer Price Index will spike 4.7 percent from a year earlier. As we have noted, the CPI increased 4.2 in April on an annual basis, its fastest rise since 2008.

Oil: Pick up today's *Wall Street Journal.* Read the headline in the front page of the Business & Finance section:

Traders Bet on Return of $100 Oil

Brent Crude, up some 40 percent this year, closed 1 percent higher today and West Texas Intermediate rose 1.24 percent... this, despite greater supply than demand. Indeed, China's crude imports were down 14.6 percent in May on a yearly basis.

Why are prices rising? Inflation fears persist.

As we have forecast, should oil trade in the $100 range, it will push inflation higher and drag down economies and equities.

Gold/Silver: As the U.S. dollar rose a bit today, gold fell $3 to close at $1,893 per ounce, and silver moved up 0.33 percent to close at $27.71 per ounce. As with the equities market, precious metals are also on pause, as traders wait for the Labor Department's inflation read this Thursday.

Should the inflation numbers spike, expectations that the Fed will raise interest rates and exit its money pumping scheme will push the value of the dollar higher. The stronger the value of the dollar, so, too, will bond yield rise, which will allure safe-haven traders.

Should inflation rise sharply, that will be very positive for gold. With a continuation of monetary methadone money-pumping schemes, such as those encouraged by U.S. Treasury Secretary Janet Yellen who said last week that "We've been fighting inflation that's too low" and that Joe Biden's $4 trillion spending proposal would be "a good thing," more cheap money may be coming soon.

Bitcoin: The brutal cryptocurrency dive continues. This week, the "downer" was alleged concerns related to the U.S. government's recovering of most of the Bitcoin ransom paid to hackers who targeted Colonial Pipeline.

As we have been detailing over the past two months – from governments such as China calling for crackdowns on crypto mining to central Banksters warning that cryptocurrencies were great for money laundering schemes –the harder governments crack down on crypto's, the lower the prices will fall. (See our 25 May "CRYPTOCURRENCY: SPECIAL REPORT.")

We maintain our forecast that should Bitcoin, which is now down some 50 percent from its recent high and up 9 percent this year, fall to around $25,000 per coin, it will continue to rapidly decelerate.

Also responsible for pushing crypto's lower, financial institutions that have applied to launch exchange-traded cryptocurrency funds can expect to wait even longer for approval from the U.S. Securities and Exchange Commission (SEC) after Gary Gensler, the agency's chief, told Congress in late May that "there are many challenges and gaps for investor protection" in crypto markets.

Gensler's comments came in testimony related to the creation of rules governing potential federal oversight of cryptocurrencies, their transactions, and exchanges. (See the section, "U.S. to Take Tougher Stance on Cryptos" in our 25 May Special Report on cryptocurrencies.)

Gensler is reluctant to approve the applications until crypto exchanges can be brought into the SEC's regulatory structure, the *Financial Times* reported.

Currently, no legal mechanisms exist to do that.

Fidelity, First Trust Skybridge, VanEck, Wilshire Phoenix, and WisdomTree are among financial houses that have filed requests to run crypto exchanges.

Crypto fans had cheered Gensler's appointment to the SEC because he has taught classes on blockchain, Bitcoin's underlying technology, at the Massachusetts Institute of Technology.

Their enthusiasm, however, cooled when he called for "greater investor protection" in Bitcoin markets and after the SEC's investment management office issued a warning to investors about risks associated with digital currencies.

Senators Sherrod Brown and Elizabeth Warren have urged the SEC to be cautious in approving any of the pending applications.

EL SALVADOR MOVES TO MAKE BITCOIN LEGAL TENDER

Nayib Bukele, El Salvador’s president, will submit a bill this week to the country’s legislature that would make Bitcoin legal tender in the country, Bukele announced in a speech last week at Bitcoin 2021, a convention in Miami of Bitcoin traders and enthusiasts.

The country has partnered with Strike, a digital wallet company, to expand El Salvador’s financial infrastructure to accommodate blockchain technology, Bukele said.

Strike introduced its payment app in March in El Salvador, where it quickly became the country’s most downloaded app.

About 70 percent of El Salvadorians lack bank accounts or credit cards, *CNBC* reported, adding that 20 percent of the country’s GDP is made up of money sent home by citizens working in other countries.

Those foreign remittances can take days to arrive, often requiring a trip to a place to collect them, and handlers can take a 10-percent fee.

In contrast, Bitcoins can be transferred instantly without cost.

Bukele’s government has assembled a team of Bitcoin experts to help it design a new financial system for the country with Bitcoin at the foundation, *CNBC* said.

Blockstream, a Canadian company providing products and services for the storage and transfer of digital currencies, will contribute technology and satellite connections to the project, CEO Adam Back said in a statement quoted by *CNBC.*

"We're pleased to help El Salvador towards adoption of the Bitcoin Standard," Back said.

Bukele's New Ideas political party controls the legislature, so the bill is almost certain to pass.

TREND FORECAST: *El Salvador is a small country, and its adoption of a Bitcoin standard will not resonate globally. As we have long forecast, as nations, of which China is taking the lead, speed their efforts to create digital currencies, they will take stringent measures to ban Bitcoin and other competing private cryptocurrencies. (See our 28 July 2020 article, "IT'S OFFICIAL: FROM DIRTY CASH TO DIGITAL TRASH.")*

SPACs: HERE TODAY, GONE TOMORROW?

Almost 260 special-purpose acquisition companies (SPACs) have amassed $87 billion they must invest by a deadline that is becoming harder to meet, according to data firm SPAC Research.

A SPAC or "blank-check company" is a special category of company that goes public, typically at $10 a share, even though it has no assets. When it has stockpiled enough capital, the SPAC buys and merges with a promising company that is not ready to go public.

After the merger, the SPAC disappears, and its shareholders then own shares in the company the SPAC bought.

Because SPACs' takeover targets are private companies that have not filed papers to make a stock offering, they can make unsupported, blue-sky financial projections about their future, which companies planning to go public are banned from doing.

Under the rules of the U.S. Securities and Exchange Commission, a SPAC must invest the capital it has amassed within two years of its creation. If it fails to do so, the SPAC must return its investors' money.

SPACs flooded the U.S. stock market last year and this year, raising a record $105 billion in 2021 alone, SPAC Research has reported.

The problem: the number of companies worth buying has dwindled, largely snapped up by earlier SPACs, while SPACs themselves remain plentiful – apparently too plentiful.

SPACs have lost their mojo, as we have reported (see our 25 May article, "GAMBLERS DUMP SPACs"), with several companies that came public through SPACs failing to live up to their promise. Share prices for Joby Aviation, a flying-taxi venture; electric-vehicle battery company Microvast; and 23andMe, the genetic testing business, have fallen 30 percent or more since January.

Just two of 23 SPACs that announced deals last month are now trading above their initial offering price, according to SPAC Research.

With fewer investors showing interest, SPACs now have a harder time buying those relatively few remaining companies worth acquiring.

The dearth of prospects has led SPACs increasingly to bid against each other for worthy takeover targets, a contest some observers have called a "SPAC-off," according to the *Wall Street Journal*.

The 260 companies cited by SPAC Research face deadlines in early 2023.

“There is an awful lot of capital sitting there that has to find a home,” John Chachas, co-managing principal at Methuselah Advisors, said to the *WSJ*.

“You’re going to see a fair number of less-than-desirable deals done just because they have to get done,” he said.

Also, SPACs’ spectacular, relatively sudden success has caused regulators to make public statements about looking into SPACs' financial records. That has made many potential investors skittish.

Companies eyeing mergers with a SPAC should build themselves up over the next year, then wait for SPACs to approach them when the blank-check companies are desperate and more willing to entertain terms favorable to the companies, Chachas advised.

TRENDPOST: *A strengthening economy could buoy the market for SPACs. A few deals that deliver near-term returns for their investors could reinflate the market with another case of SPAC fever.*

TREND FORECAST: *In our 4 May article, “IPOs SET RECORD PACE,” we noted that SPACs were among the factors artificially inflating market values. We renew our forecast for a major market correction, with SPACs and their related companies being hit among the hardest. Indeed, the SPAC mania is reminiscent of the dot.com days when billions were invested in hi-tech companies that created nothing and made no financial or common sense.*

SOLID JOB GAINS NOT SO SOLID

U.S. employers hired 559,000 workers in May, almost double April’s revised number of 278,000, the U.S. Labor Department reported.

The gains fell short of economists' median estimate that the economy would deliver 674,000 jobs last month, according to *Business Insider*.

In a 1 June speech to the New York Economic Club, Fed governor Lael Brainard predicted that worker shortages would largely disappear this fall when the federal unemployment benefit lapses and the national vaccination has had more months to progress.

The unemployment rate notched down from 6.1 percent in April to 5.8 in May, the Labor Department said, the first time since March 2020 the number has dipped below 6 percent.

Leisure and hospitality added the most jobs at 292,000, as people returned to restaurants, airports, and hotels. Education and health care also showed strong gains. The construction industry shed 20,000 workers, due in part to a shortage of materials and a continuing scarcity of public-sector building projects.

At May's pace, the economy will need 14 months to produce enough jobs to return payrolls to February 2020 levels and longer to resume the pre-crisis upward trend in jobs, wrote *Wall Street Journal* analyst Neil Irwin on 5 June.

"If you average the last three months of job creation, employers are adding 541,000 positions a month," Irwin said, "a higher number than was attained for even a single month in the recovery that began in 2009."

"But it does not imply a return to full health in the immediate future," he added.

"It's a middle-of-the-road report," Matthew Luzzetti, Deutsche Bank's chief U.S. economist, told the *WSJ.*

"It's disappointing relative to where we were a few months ago, where we were anticipating you could see a million-plus" new jobs a month, he said.

"We have to ratchet down our expectations about what job gains are likely to be," he added.

“We can’t reboot the world’s largest economy like flipping a light switch,” President Biden said in televised public comments, but “we’re on the right track.”

The Labor market’s recovery has lagged in jobs in manufacturing and consumer spending.

A record number of jobs remain open, the *WSJ* noted, and the number of people in the labor force remained steady, indicating that signing bonuses, higher wages, and other perks failed to lure as many workers as employers had hoped.

About half of U.S. small businesses have unfilled jobs open, according to a recent survey by the National Federation of Independent Businesses.

The labor force participation rate sagged in May to 61.6 percent, compared to 63.3 percent in February 2020, signaling that about 160,000 more workers are no longer looking for jobs.

About 9.3 million U.S. workers are still jobless, roughly 7.6 million more than before March 2020.

TREND FORECAST: *As we have forecast, hiring will continue to moderately increase, especially when schools reopen and child care expenses lessen. And, as we have noted, although half the states have ended the Federal $300 weekly jobless benefit, when they officially end in September and more people have been vaccinated, hiring will increase.*

And so, too, will inflation rise higher. Already, average hourly compensation edged up 15 cents to $30.33 in May after gaining 21 cents in April, with wages for leisure and hospitality workers gaining 4 percent over the past 12 months. The average hourly pay in those industries was $18.09 last month.

VACATIONERS TAKING TO THE SKIES

Almost two million travelers passed through U.S. airport security gates on 28 May, the start of the Memorial Day weekend, the U.S. Transportation Security Administration reported, the largest one-day total since March 2020.

In all, 7.1 million people flew U.S. routes that weekend, more than five times the number a year earlier but well below the 9.7 million who went skyward during 2019's same holiday weekend.

The number seems to justify Texas-based American Airlines' decision to increase capacity during this month to just 7 percent below 2019 levels and 5 percent in July.

Most of the airline's routes are domestic, with a smattering in Central and South America. Delta Airlines, which flies to Africa, China, and Europe as well as the Americas, is keeping its capacity about 30 percent below its 2019 levels this month and will raise it to 20 percent in July, the airline has said.

"Schedules reflect differences in geographical exposures and strengths in addition to varying levels of aggressiveness or conservatism by managements," Raymond James analyst Savanthi Syth said in comments quoted by the *Financial Times*.

"American has definitely been more aggressive on recovery expectations relative to Delta or United," she said, adding that American also has benefited from its greater focus on domestic routes.

United has long had fewer summer flights scheduled than the other two major U.S. airlines and the greatest number of international flights, Cirium analyst Jon Jager told the *FT*.

TREND FORECAST: *Again, as we continue to note, with many countries still banning foreign visitors, and those which are opening up demanding that travelers have a vaccine passport, international travel will not solidly rebound. Indeed, United is not now flying passengers from small cities to its hubs to connect to international flights, Jager told the FT.*

UNUSUAL RECOVERY BRINGS INFLATION, LACKLUSTER JOB GROWTH

"We've never had anything like it," Allen Sinai, chief economist and strategist at Decision Economics, told the *Wall Street Journal*. "A collapse and then a boom-like pick-up… is without historical parallel."

Several factors back Sinai's claim, the *WSJ* noted in a 3 June analysis:

- This year through May, 830,000 new businesses were formed that intend to employ more than one person, 21 percent more than the same period in 2006, the previous record.
- Household debt burden as a percentage of income is at its smallest since 1980;
- Household savings reached an annualized rate of $2.8 trillion in April;
- Since February 2020, just before the economy crashed, home prices have risen 14 percent and the Dow is up 18 percent.

Recoveries in 1991 and 1992, 2001, and after the Great Recession created fewer jobs; unemployment dogged the economy for years.

Lingering unemployment is typical after a recession, with jobless workers waiting for cautious employers to test the economy by rehiring slowly.

This time, jobs are begging for workers, and the May jobs report showed the greatest hiring gains in hospitality, a sector often the last to recover after an economic downturn.

For every 100 people vaccinated, 12 get new jobs, according to a study from the University of Minnesota.

And, of course, the unprecedented trillions pumped into the financial and economic systems by the Feds and Washington also limited the 2020 crash's impact.

Congress sent three separate cash payments to almost every adult, paid businesses to keep workers on the payroll, and added a federal weekly unemployment payment that equaled the average state stipend.

At the same time, the U.S. Federal Reserve flooded markets with cheap money, dropped interest rates near zero, and bought nearly $3 trillion worth of government and corporate bonds.

Money to Burn?

The household savings rate of $2.8 trillion in April was more than twice as much as before the 2020 collapse and far outpacing the $784 billion in June 2009 – about $909 billion in current dollars – during the Great Recession, according to the *WSJ*.

However, as we have detailed, the snap-back recovery has created problems as quickly as opportunities.

The sudden demand for everything from copper to kitchen appliances has surprised suppliers, creating shortages at a time when many businesses have not re-staffed. As a result, supply chains face bottlenecks, a shortage of goods, shortage of transport, and shortage of workers among them.

TRENDPOST: *The consequence of high demand and material shortages has been sudden inflation, most recently sprinting the CPI index up 0.9 percent in April, the most dramatic one-month gain since 1982.*

Also, instead of flocking to jobs, as we have detailed, many workers hang back out of fear of the COVID virus or because, for some, their combined weekly federal and state unemployment benefits pay more than working a 40-hour week at $15 an hour.

From April 2020 through March this year, the number of applicants per available job dropped from five to 1.2, the WSJ found, far fewer than during either of the last two recessions.

We have pointed to a lack of child care keeping women out of the workforce; the number of workers in child care centers remains 30 percent less than it was before 2020's crisis.

Also, more than half of white-collar job-seekers want to work from home while only 10 percent of relevant jobs offer that option, economist Rubeela Farooqi at High Frequency Economics pointed out in a comment quoted by The New York Times.

About 44 percent of workers able to do so want to continue to work remotely from now on, a recent ZipRecruiter survey found.

TREND FORECAST: *As we have been forecasting, the more people that work from home, the further commercial real estate will fall.*

On the upside, with some 830,000 new businesses formed, 21 percent more than the same period in 2006, the previous record, this illustrates OnTrendpreneur® opportunities for new products, services, and styles that were inspired by the New ABnormal, resulting from the COVID War.

We maintain our forecast that with strong household balance sheets, minus a wild card, the economic "Biden Bounce" will extend throughout most of this year.

TRENDPOST: *The federal $300 weekly unemployment benefit passed by Congress last year during the financial collapse will end as scheduled on 30 September and not be extended, as President Biden confirmed in televised comments on 28 May.*

As we have detailed, with weekly state unemployment benefits averaging $318, according to the Labor Department, adding the federal $300 brings the average weekly benefit to $618, more than a person would earn working 40 hours a week at $15 an hour.

At least 25 states, most of them controlled by Republican governors, already have decided to end the federal benefit early, a move within their authority and "that's OK," Biden press secretary Jen Psaki said in a recent press briefing.

FED PROGRAM WILL SELL BONDS, FUNDS BOUGHT DURING CRISIS

The U.S. Federal Reserve soon will begin to sell the almost $14 billion in corporate bonds and exchange-traded funds it bought to prop up the economy during the economic crisis, the central bank has announced.

The sales will be made by the Fed's Secondary Market Corporate Credit Facility (SMCCF), an emergency vehicle that bought about $5.1 billion in bonds issued by Visa, Walmart, Whirlpool, and other major U.S. businesses.

The facility also bought $8.56 billion in shares of exchange-traded funds that hold corporate debt.

The sales will be completed by the end of this year, the Fed said, and proceeds will revert to the U.S. Treasury, which funded the facility.

These holdings are separate from the $7.3 trillion the Fed holds in Treasury and mortgage-backed securities, which the Fed is still taking on at $120 billion a month to keep interest rates low until the economic recovery gains a more stable footing.

In April, Fed chair Jerome Powell said it is not time yet to even "start thinking about thinking about" ending that aspect of the Fed's support programs.

When the Fed established the SMCCF, it also set up a Primary Market Corporate Credit Facility (PMCCF). The announcement of the SMCCF bolstered investors' confidence in corporations' ability to borrow so much that the PMCCF never had to make a purchase, the *Wall Street Journal* noted.

At its peak, the SMCCF owned $14.2 billion in assets, a sliver of the $750 billion the two facilities were authorized to spend.

The SMCCF stopped buying assets at the end of last year when then-Treasury Secretary Steven Mnuchin did not renew several Federal emergency lending programs.

"The SMCCF proved vital in restoring market functioning last year, supporting the availability of credit for large employers and bolstering employment" during the shutdown, the Fed said in its announcement of the sale, as quoted by the *WSJ*.

Now "shock and awe are no longer needed," Nicholas Elfner, co-chief of research at Breckenridge Capital Advisors, told the *Financial Times*.

TRENDPOST: *We note this article not only to report on the Fed's latest maneuvers but also to illustrate that capitalism is dead and the entire system is to assist the Bigs and enrich the rich.*

Buying shares of exchange-traded funds that hold corporate debt, and buying junk bonds and mortgage-backed securities? When we analyze the hundreds of billions in emergency aid that went to airlines and other businesses at the outbreak of the COVID war, it is evident that America is the Land of the Essentials... essentially, the richest of the richest.

SERVICE SECTOR: STRONGER RECOVERY AHEAD

Activity in the U.S. services economy in May was stronger than at any time on record, according to the Institute for Supply Management (ISM).

The ISM's services activity index rose from 62.7 in April to 64.0 last month, its highest level ever, the ISM said.

Any rating above 50 indicates expansion; the higher the number, the faster the growth.

All 18 service industries surveyed reported growth.

Demand for services rose sharply in May in tandem with the number of U.S. adults fully vaccinated against the COVID virus, a number spiking from 39 percent at the end of April to 51 percent as of 1 June, according to the CDC.

Also, the CDC, state, and local governments have eased or eliminated mask mandates and bans on gatherings, bringing more people to restaurants, airports, nail salons, and other service venues.

Many survey respondents, however, reported rising backlogs of clients, difficulty in finding workers, and delays in receiving supplies, the ISM noted.

TREND FORECAST: *The difficulty in finding workers extends beyond the United States. As a DutchNews.nl headline noted this week:*

Cafes, Restaurants and Events Face Staff Shortages as Lockdown Eases

They note that many people found work in other sectors that have more security and pay higher wages. The small firm's organization. MKB-Nederland, told the paper there are currently 250,000 job vacancies in the Netherlands compared to 50,000 openings a year ago.

We note this to continue to illustrate the new ABnormal reality that was created by the launching of the COVID War by politicians... so-called "lawmakers" who suck off the public tit and do not work for a living or run businesses.

TRENDPOST: *Although businesses are grateful for a recovering economy, as we continue to detail, many have trouble securing supplies and finding workers, forcing price increases throughout the supply chain. This has now been confirmed by the U.S. Federal Reserve's latest Beige Book, a collection of business anecdotes and comments published eight times a year.*

Manufacturers and home builders reported a shortage of materials and skilled workers. Car dealers are short of inventory because of shipping bottlenecks and the worldwide scarcity of computer chips.

Delivery companies are unable to find enough truck drivers; retailers often are unable to fully stock their shelves.

"Contacts anticipate facing cost increases and are charging higher prices in coming months," the Beige Book said.

The cost increases will result, in part, from the need to offer higher pay or signing bonuses to attract qualified workers, some companies said.

Thus, the higher the cost increase, the higher inflation... which, by the data, will not be temporary.

COSTCO CFO CONFIRMS TRENDS JOURNAL FORECAST: INFLATION 2021

As we have noted, the U.S. Federal Reserve has called current pressures inflating prices for everything from milk to manganese "transitory."

Now Costco CFO Richard Galanti has put a tentative timeline to that in a late May earnings call reported by *Yahoo Finance.* These pressures "will continue for the most part of this calendar year," Galanti said.

Repeating what we have been reporting and **Trends Journal** readers are fully aware of, the global shortage of computer chips is pushing up prices on a range of industrial and consumer goods, a void that will take months to fill. Shipping and delivery costs also have risen. (See our 11 May article, "SUPPLY CHAIN DROUGHT" and our 25 May article, "SHIPPING DELAYS HELPING TO INFLATE PRICES.")

"Inflationary factors abound," he said.

"These include higher labor costs, higher freight costs, higher transportation demand, along with the container shortage and port delays, increased demand in various product categories, various shortages of everything from chips to oils and chemical supplies by facilities hit by the Gulf freeze and storms and, in some cases, higher commodity prices," he added.

TRENDPOST: *As the inflation rate increases, retailers and manufacturers will – and are – raising prices, a trend we highlighted in our 4 May article "PRICES FOR CONSUMER GOODS SET TO RISE.")*

The core Personal Consumption Expenditure Price Index increased faster than expected, up 3.1 percent in April, according to the U.S. Commerce Department, as we reported in our "U.S. Market Overview" on 1 June.

The Fed has set 2 percent as a comfortable inflation rate for the U.S. economy; but in April, the Labor Department clocked the rate at 4.2 percent, year on year.

However, as we have detailed, the equity markets are still playing down the risk of rising inflation since the higher inflation rises, so, too, will interest rates. When the cheap money stops flowing, equities and economies will steeply decline.

USED CAR PRICES SKYROCKET

The average price of used cars and trucks in the U.S. leaped 10 percent from March to April and is up 21 percent over the past 12 months, according to the *Financial Times*. This has become a central engine of the country's accelerating pace of inflation.

"Prices are unquestionably higher than they've ever been and have unquestionably moved more quickly than I believe they ever have," Carvana founder Ernie Garcia told the *FT*.

Consumers are flush with cash but supplies of new vehicles have run short, due in large measure to the global shortage of computer chips.

Also, the number of repossessed cars has shrunk, robbing dealers of another usually reliable source of good-quality cars and trucks.

As a result, would-be new-car shoppers have been driven into the used-car market, pushing up prices for desirable vehicles.

In addition, car rental corporations sold off their vehicles last year when the travel economy crashed; now those companies are competing for available cars to rebuild their fleets.

U.S. Treasury and Federal Reserve officials continue to insist that such price surges are temporary while the economy rights itself.

The pressures pushing used-car prices up "may persist over the summer," U.S. Federal Reserve governor Lael Brainard said in comments quoted by the *FT*. However, Brainard said, "I expect them to fade and likely reverse somewhat in subsequent quarters."

"Several leading indicators of what's happening at [used car] auctions" indicate "the price appreciation streak is likely going to end," Jonathan Smoke at consulting firm Cox Automotive told the *FT*.

Still, carmakers "have to build the new cars and get the chips in them and get them out," Maryland car dealer Carey Cherner told the *FT*.

"I don't see a steep drop-off [in prices] until there's way more supply than demand," he said.

TREND FORECAST: *To us, the Feds keep pumping the "temporary" inflation lines, knowing that if they said rates will rise, markets and the economy will dive.*

As we have detailed, the levels of monetary methadone injected into equities and the economy are unprecedented in modern history, and the U.S. debt-to-GDP ratio is at World War II highs. Thus, any cheap money pullbacks will drive the artificially propped up markets sharply down... as well as the general economy.

Yes, prices in many sectors will decline, yet, as we have detailed, commodities such as oil, which relies on both industrial and consumer consumption, will continue to rise... pushing up inflation.

HOMEOWNERS TRAPPED IN PLACE BY HIGH PRICES

Many U.S. homeowners could sell their houses at a hefty profit but are unwilling to do so if it means entering the frenzied housing market, engaging in bidding wars, and paying top dollar for a new home, the *Wall Street Journal* reported.

As a result, people are living in their current homes longer than usual, shrinking the number of available homes for sale as Baby Boomers retire in place and younger families decide they are unable at present to afford a larger or better home.

The number of homes on the market on 1 May was 20 percent fewer than a year earlier and the number of existing homes for sale fell to record lows earlier this year.

"Even with low rates and the appreciation of their home, they can't find something better than what they live in right now," Thaddeus Wong of Chicago brokerage "@properties" told the *WSJ*.

The shortage has forced the median price of a U.S. home to a record $341,600 last month, shrinking, even more, the pool of buyers who can qualify to buy a house.

Economists think the shortage will continue, driving prices even higher as builders face shortages of materials and buildable lots, the *WSJ* reported.

The shortage of affordable homes remains most acute at lower prices.

TREND FORECAST: *As we predicted in our 25 May article, "HOME SALES FALL AS INVENTORY DRIES UP, PRICES CLIMB," the housing market will stay hot as long as interest rates stay low.*

When there is a strong indication the Fed will raise baseline interest rates soon, buyers will storm the market with applications to try to beat the rise. That final surge will signal the end of the housing boom.

HOMEOWNERS CASH IN ALMOST $50 BILLION IN HOME EQUITY

U.S. homeowners took $49.6 billion in equity from their homes during the first quarter of this year, according to data from the Federal Home Loan Mortgage Corporation reported by the *Wall Street Journal*.

The total cashed out was the most since 2007, but short of the $84 billion owners extracted from their homes in 2006, the *WSJ* said.

Owners cashed in on rising property prices and low interest rates for a range of uses, including home improvements or adding space, the *WSJ* noted; some have refinanced their mortgage balances at lower rates, adding cash to the new loan.

In most cases, homeowners can take 80 percent of their equity as an additional loan.

For example, if you bought a home for $300,000, used $30,000 as a down payment, and have paid off $120,000 of the remaining principal, you would have $150,000 in equity and could take 80 percent of that amount, or $120,000, in cash for home improvements, children's college tuition, or other uses.

TREND FORECAST: *As the WSJ notes, if you do not use your equity cash for home improvements, you might not be able to take the interest you pay on it as a* *federal tax deduction, although you might be able to if you use the cash to start a business.*

Always check with your accountant or tax advisor before taking equity from your home.

When equity markets crash, however, and the "Greatest Depression" crashes the economy, unemployment will spike, and it will be difficult for the deeply indebted to pay down their loans. And, once again, as homes go into foreclosure, the private equity groups and large corporations will buy up real estate and turn them into rentals. (See our 1 June article, "INVITATION HOMES TO BUY $1 BILLION WORTH OF HOUSES THIS YEAR.")

START-UP TURNS SMALL INVESTORS INTO LANDLORDS

Fundrise, a new fund that has just secured $300 million in credit from Goldman Sachs, is putting investors with as little as $500 to spend into the real estate business.

The overheated, overpriced housing market is shutting out more and more buyers who want to live in single-family homes with yards, especially now that more white-collar employees can work from home and live farther from urban centers.

Also, many Millennials are delaying home purchases for now.

To help those groups succeed in their plans, companies such as Invitation Homes and America are snapping up homes that come up for sale, typically in suburbs, then leasing them at premium prices.

That real estate play has been limited to asset management firms with tens of millions of dollars pocketed from wealthy clients.

Now with apps and social media luring younger investors of more modest means into stocks, Fundrise is hoping to bring many of those same people to residential real estate, especially those repelled by stocks' volatility and who might be looking to protect their nest eggs from the ravages of inflation.

The fund claims more than 150,000 small investors and has raised about $200 million since opening in January, CEO Ben Miller told the *Wall Street Journal*, and it has made deals on about 2,500 homes in fast-growing markets such as Charlotte, Tampa, and San Antonio.

Fundrise is an "interval" fund, meaning that small investors can enter without using a broker but can only withdraw their money at certain times.

Also, unlike many of its competitors, Fundrise invests only in newly-built homes, grabbing them as they are completed or making deals with contractors before the homes are built.

Fundrise's website claims a portfolio valued at more than $5 billion, with investors already having earned dividends above $100 million.

TRENDPOST: *Cash-rich private equity funds are elbowing families aside in the race to buy today's scarce homes. Funds offer cash and quick closings, often convincing sellers to accept a lower offer in return for getting cash for their property as fast as possible.*

TREND FORECAST: *Private equity firms are creating a new generation of renters out of would-be homeowners. The firms charge premium rents, making it harder for working-class or middle-class families with children to save the 20 percent or more often required as down payments.*

ASSET MANAGER BECOMES DROPBOX'S LARGEST SHAREHOLDER

New York equity firm Elliot Management Corp., with $40 billion under management, has bought a significant number of shares of cloud-based Dropbox and told Dropbox that Eliot is now its second-largest shareholder after Dropbox CEO Drew Houston, insiders told the *Wall Street Journal*.

If true, that would mean Elliot now owns more than 10 percent of the shares of Dropbox, or at least $800 million worth.

Elliot and Dropbox have been in discussions for about the past year, the *WSJ* reported.

Dropbox issued its first round of stock in 2018, valuing its shares at between $16 and $18 each. It traded below that mark until the financial crisis when it rode the stock market's wave higher.

As the weak performance led observers to speculate about Dropbox as a takeover target, whispers became louder after Salesforce bought Slack Technologies last year for $277 billion.

Elliot is known to be an activist investor, taking board seats in companies in which it invests and directing corporate strategy and decisions.

Elliot's Evergreen Coast Capital subsidiary sometimes bids on companies that Elliot has targeted, the *WSJ* noted.

***TRENDPOST:** This is another example of a trend we have been documenting for years – the Bigs get bigger (see our 5 May 2020 article, "BIGS GET BIGGER,* *FEDS SCREW MOMS… AND POPS," and our 25 May 2020 article, "BIGS GET BIGGER, MOM & POPS GO BUST.")*

Money and power create their own gravity, attracting more of both to themselves and leaving scraps for the rest of us to struggle over.

MORE MANHATTAN OFFICE SPACE GOES VACANT

In May, for the 12th consecutive month, the amount of Manhattan office space available to lease has edged up and now stands at 17 percent of the island's total office square footage, *Bloomberg* reported.

At the same time, new leases signed increased by 8 percent and rents bumped up to $73.26 per square foot, a 0.4-percent increase.

About 18 percent of Manhattan's office workers are back at their desks, according to Kastle Systems, which records key-card swipes.

Those workers are a vanguard; Facebook, Goldman Sachs, and JPMorgan Chase are among major employers that have mandated workers to return to central offices this summer.

The amount of Manhattan's leased space being offered for sublease is about 23 percent, Bloomberg noted, the least since July 2020 but still 75 percent more than in March 2020.

TREND FORECAST: *We had forecast this trend in 2020, soon after the media and politicians launched the COVID War. The crisis accelerated the work-from-home trend, in which 44 percent of eligible workers now want to make corporate policy, according to a recent ZipRecruiter survey. A significant* *number of those workers have already moved more than commuting distance away from their offices, making it even harder to lure them back to their company quarters.*

We continue to forecast a broad decline for office property occupancy and values, especially those in suburban locations that lack the shopping and entertainment venues that make downtowns attractive.

TRENDS ON THE GLOBAL ECONOMIC FRONT

BUSINESS TRAVEL REBOUND?

An executive at American Airlines told the *Wall Street Journal* earlier this month that 47 of the airline's 50 largest business accounts said they plan to start flying again after over a year of lockdowns and flight advisories.

The report said some investment bankers have been traveling to see clients, and sales representatives have been trying to get a jump on competitors. American Airlines and United have both reported an increase in business demand.

Still, some companies like Microsoft experienced what life could be like without having to spend money on travel. "I think there's going to be a higher bar for travel in the future," Eric Bailey, the global director of travel at Microsoft, told the paper.

Leisure travelers have been credited for filling planes in recent months, as plane tickets bounced back to pre-outbreak levels. Business travel is considered very lucrative for airlines and made up about half of airline revenues.

Bloomberg reported that Delta Air Lines believes corporations will resume work travel no later than Labor Day, and, by July 2021, they will hit levels from before the COVID-19 outbreak. An SAP Concur survey found that 96 percent of business travelers expressed a willingness to travel within the year.

"No one is going to be waiting for the government to say now is the right time to travel," Ed Bastian, the CEO of Delta, said. "Businesses are going to be making those decisions and pushing their people out on the road, and I think there's going to be a renaissance of business travel in our country."

TREND FORECAST: *We have been forecasting for nearly a year that business class, the airlines' most profitable sector, would decline even after unrestricted air travel resumed. And now, with increasing demands for vaccine passports, the number of potential flyers will decline.*

Moreover, to build their bottom line, businesses will slash travel budgets. With more people working remotely and the rapid COVID War acceleration of the new Zoom world, long-distance meetings will be effectively conducted.

FOOD PRICES HIT 10-YEAR HIGH, RAISING CONCERN FOR POORER NATIONS

Food prices around the globe increased by 40 percent in May, which raises concern for poor countries and their access to staple goods.

The *Financial Times*, citing the Food and Agriculture Organization of the United

Nations' (UNFAO) monthly food price index, reported that prices saw their largest increase since 2011.

On 9 February, the **Trends Journal** published an article, "FOOD PRICES RISE TO SEVEN-YEAR HIGH," which pointed out that the UNFAO warned food shortages and higher prices risk an expansion of global hunger while the world is still dealing with the COVID pandemic.

Countries in West Africa saw a 40-percent increase over a five-year average. The UNFAO pointed to a 200-percent increase in food prices for Syria and Sudan and a 400-percent increase in Lebanon.

The *FT* reported the increase in food prices is due to China's demand for grain and soybeans. Also blamed is the drought in Brazil.

"China has continued to buy, but with Brazil's drought proving to be more severe than expected, everyone has to pray that the weather in the U.S. is going to be good," Abdolreza Abbassian, a senior economist at the UNFAO, told the paper.

Arlan Suderman of StoneX Group says inflation is also part of the equation, according to *Agweb.com.* Suderman said,

> "It definitely is a factor… we saw after the Beige Book report [the Federal Reserve] came out this past week talking about inflation pressures, how money came into the commodity sector in the overnight trade following that report's release, and it's a hedge against inflation. However, whenever that causes the dollar to rise sharply, because interest rates start to go up, then they start to pull back because the fear factor takes a hold, we're not going to compete. Longer term, though, the trend is inflation tends to be positive for the commodity sector, particularly those with a story."

The increase is the 12th-straight month of the price of food increasing. *Al Jazeera* reported the world's hunger problem reached its worst in years due to the pandemic.

TREND FORECAST: *We note this article and the quotes as they confirm what we have been forecasting for over a year: Poor nations will get poorer, and protests against the lack of basic living standards, government corruption, crime, and violence will accelerate. Civil wars will erupt, and, if conditions are not addressed, the unrest will spread into regional wars.*

*In addition, as we have been forecasting, and as the cover of this week's **Trends Journal** illustrates, inflation will become part of the post-COVID War new ABnormal*.

INFLATION MOVING FASTEST IN 13 YEARS

Inflation is on the rise... and it's global.

Consumer prices in the world's richest countries have risen 3.3 percent since April 2020, the fastest rate of increase since 2008, the 36-member Organization for Economic Cooperation and Development (OECD) has reported.

In April, energy prices were up 16.3 percent year-on-year, compared with 7.4 percent in March, the OECD said.

In March, inflation rose from 3.1 percent to 3.8 among the Group of 20 wealthy nations, its fastest pace in more than a year, the OECD said.

Much of the inflation is due to what is known as "base effects," the OECD noted: prices for many goods and commodities fell during the shutdown; now the economic recovery has lifted prices, making a portion of the inflation rate simply a return of prices toward their pre-crash levels, the OECD explained.

The base effects will persist for some months, then gradually fade as the economy normalizes, the OECD predicted.

Surveys of purchasing managers released last week and reported by the *Wall Street Journal* found that business activity in May increased at its fastest rate in 11 years.

However, companies had to wait a record time to receive orders, paid prices that had swelled the fastest since 2010, and were raising their prices by the greatest proportion on record, the surveys found.

TREND FORECAST: *As the cover of this issue of the Trends Journal illustrates, it is all about inflation. Again, the equation is simple. The higher inflation rises, the greater the pressure on central banks to raise interest rates. The higher interest rates rise, the more expensive it is to borrow money. And when the cheap money flow stops, we forecast equity markets and economies that have been artificially propped up by the unprecedented injections of monetary methadone will crash... and the "Greatest Depression" will sweep the globe.*

RUSSIA DUMPS ITS DOLLARS

Russia's $186-billion sovereign wealth fund will reduce its dollar holdings from $40 billion to zero this month, finance minister Anton Siluanov announced last week at the International Economic Forum in St. Petersburg.

The fund also will cut its stash of British pounds from 10 percent of the fund's portfolio to 5 percent, and 40 percent of the fund will now be held in euros with 30 percent in the Chinese yuan.

For the first time, the fund will now buy gold, Siluanov said, putting 20 percent of its assets into the metal.

Russia's central bank also will reduce its dollar holdings, he added, but he did not specify by how much.

“The de-dollarization process is… taking place not only in our country, but also in many countries around the world, which have begun to experience concerns about the reliability of the main reserve currency,” Kremlin spokesman Dmitry Peskov said in 27 May comments quoted by the *Financial Times*.

The change will “lower political risks” to the fund and is unlikely to move markets, Peskov added.

The comments followed April remarks by deputy foreign minister Alexander Pankin that recent U.S. economic and foreign policy decisions “call into question the reliability and convenience of using the American currency as the priority currency of deals.”

Countries are now “forced to take measures against the risk of economic losses and disrupted transactions,” Pankin said.

“Therefore, there is increasing interest in developing alternative mechanisms,” he said. “Using other currencies in trade is becoming more and more important.”

The recent comments were mild compared to the June 2020 statement by Sergey Naryshkin, chief of Russia’s foreign intelligence service.

“It seems bewildering that the U.S. continues to be the holder of the main reserve currency while behaving so aggressively and unpredictably,” he said of the Trump administration’s behavior in office.

“The monopoly position of the dollar in international economic relations has become anachronistic,” he added. “Gradually, the dollar is becoming toxic.”

Russia's move is seen as retaliation against U.S. sanctions imposed on the country for its interference in U.S. elections and for permitting criminal cyberattacks on U.S. corporations and critical infrastructure, the *Wall Street Journal* said.

"This decision is related to threats of sanctions that we have received from the American leadership," Andrei Belousov, first deputy prime minister, confirmed in comments at the conference quoted by the *WSJ*.

The sanctions also forbid U.S. financial institutions to buy ruble-denominated government bonds at auction.

TREND FORECAST: *As we have been reporting, Russia and China are strengthening ties on both the military and economic fronts. Thus, Russia's pulling away from the dollar is part of a greater trend.*
It signals another step toward replacing the buck as the world's reserve currency.

We have noted that the business of America over the past century has been War. History is repeating itself. In the ten years following World War I, the British pound sterling was dethroned as the global reserve currency because of the financial damage the war inflicted on the nation.

The same is true for the United States, which just passed another record-breaking defense budget. Thus, we maintain our forecast that when China overtakes the U.S. as the world's #1 economy in the next several years, it will begin the trend of overtaking the dollar as the world's reserve currency.

TRENDPOST: *Russia's new attempt to undermine the dollar continues its campaign to weaken the U.S. geopolitically by ousting the dollar from its central place in the global economy.*

Tensions between the U.S. and Russia have worsened now that President Biden is holding Russia accountable for the attacks on U.S. election integrity and cyber-assaults on American corporations and infrastructure.

Russia has now weaponized the dollar, opening another front in an escalating cold war between the two nations.

G7 NATIONS REACH TAX AGREEMENT ON MULTINATIONALS

Finance ministers of the G7 group of nations have reached an agreement that they should levy a minimum tax of at least 15 percent on multinational corporations that evade taxes by playing countries' tax loopholes against each other.

The group plans to finalize details of the agreement in a July meeting of the G20 nations, the announcement of the agreement said.

The plan is intended to block such corporations from shifting profits to divisions based in low-tax countries.

The result is "a historic agreement to reform the global tax system," Rishi Sunak, Britain's Chancellor of the Exchequer, said in comments quoted by *Al Jazeera*.

The deal will help to end "the race to the bottom in corporate taxation and ensure fairness for the middle class and working people in the U.S. and around the world," U.S.A. treasury secretary Janet Yellin said in a statement accompanying the agreement.

Ministers from Canada, France, Germany, Italy, and Japan also were involved in the discussions.

Similar talks have been underway for years within the 36-nation Organization for Economic Cooperation and Development.

The idea of capturing elusive gained new momentum due to countries' need for more revenue after paying the costs of treating COVID patients and subsidizing national economic recoveries, *Al Jazeera* said.

Even Facebook cheered the plan.

"Facebook has long called for reform of the global tax rules and we welcome the important progress," Facebook spokesman Nick Clegg tweeted.

The deal is "an important first step" toward giving corporations certainty about cross-border tax rules and "strengthening public confidence in the global tax system," Clegg said.

Oxfam, the anti-poverty coalition of 20 independent charities, was among the agreement's critics.

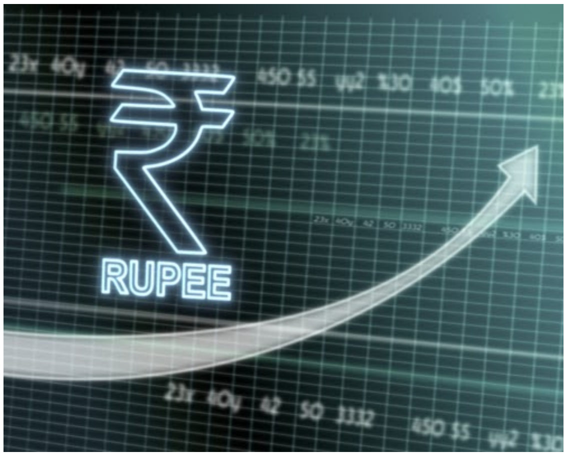
"It's absurd for the G7 to claim it is 'overhauling a broken global tax system' by setting up a global minimum tax rate similar to the soft rates charged by tax havens like Ireland, Switzerland, and Singapore," Oxfam said in a statement.

"They are setting the bar so low that companies can just step over it," Oxfam complained. "This is not a fair deal."

TRENDPOST: *Oxfam is right: a 15-percent rate may be better than zero, which is what many expat companies pay now, but it's chump change compared to the demands that governments face to pay down debt, rebuild crumbling public infrastructure, and train workers for the future high-tech economy.*

When the G20 meets next month, the deal itself will be lucky to survive, not to mention the 15-percent rate. Ireland, which has succeeded in attracting tech employers with its current 12.5-percent rate, is among countries that will fight any change.

INDIA'S FINANCIAL MARKETS SURGE



Gambling that India's disastrous second COVID surge has passed, investors have poured cash into the country's stock market, lifting the Nifty 50 Index of India's 50 biggest public companies 9 percent from its low six weeks ago.

The rupee has gained 4 percent against the dollar during the same time.

Investors apparently see little to hobble India's economic recovery among its top corporations.

The country is still logging more than 100,000 new COVID infections each day, according to the *Financial Times*, but that number is well below May's typical rate of more than 400,000 a day.

Also, infection rates are falling in the capital, New Delhi, and Mumbai, the country's business and financial center.

Profits for the economy's top echelon of companies were at an eight-year high as 2020 ended, Edelweiss Financial Services reported.

Although the country's economy sharply contracted over the past 12 months and "the pie may have shrunk… the allocation of profitability has shifted very sharply to top-end businesses," Aditya Narain, Edelweiss's research director, said to the *FT*.

Foreign investment has recently begun to return, analyst Vikash Jain at brokerage CLSR told the *FT*.

First-quarter earnings have not yet been reported, he noted, which will reflect economic damage done by the virus's most recent outbreak.

Any resulting downturn in markets should be brief, he added, although the latest virus surge could leave consumers with "a bit of a reality check," making them slow to resume spending.

There will be a "one- or two-month impact, then earnings growth is going to bounce back sharply," Hemang Jani, a strategist at Motilal Oswal Financial Services, said in an *FT* interview.

WORKSPACE DINGED BY FALLING RENTS, PROPERTY VALUES

Workspace, a London-based company renting out flexible office and light industrial spaces, saw its first-quarter rents fall 13 percent during Britain's 2021 health and financial crisis, the company reported.

The loss follows a year in which Workspace lost 10 percent of its tenants and 10 percent from its property values, which slipped to £2.3 billion.

"Last year was not pretty," CEO Graham Clemett said in a comment quoted by the *Financial Times*.

"We were able to grab a bit of demand, but in a very thin market, that meant prices were lower," he said.

This year might not look a lot better as the company focuses on attracting tenants rather than raising rents, Panmure Gordon analyst Miranda Cockburn told the *FT*.

However, demand is rising and occupancy has risen from 20 percent of pre-crisis levels in March to 33 percent by the end of May, the company announced.

If Britain's latest lockdown ends with this month as planned, the company still might need two years to recover from what Clemett called "a very severe disruption," although Workspace has not sold or abandoned any of its properties and "nothing has been irreparably damaged," he said.

TREND FORECAST: *In most developed nations, regardless of where they are, the commercial real estate sector will continue to weaken... and stay weak for years to come as more people work from home a few days a week... a trend that did not exist at significant levels before the COVID WAR was launched in 2020. And, as technology advances and virtual reality becomes more of a reality, the work-at-home trend that was just born will continue to grow.*

HSBC GOING ASIAN

As part of HSBC's promise to "move the heart of the business to Asia," the London-based bank has split the management of its Asian division.

Hong Kong native David Liao, who manages HSBC's Asia-Pacific banking operations and previously ran the bank's efforts in China, will now devote himself to building business on the mainland.

HSBC's operations in the rest of Asia will be overseen by 30-year bank executive Surendra Rosha, now head of operations in India.

The two replace Peter Wong, who has been the bank's chief of Asian operations. Wong is expected to remain as non-executive chair of the bank's Asian division, the *Financial Times* reported.

To emphasize its new dedication to China, the bank also is relocating four senior executives from London to Hong Kong, as we reported in the "HSBC

Accelerates Its Turn Toward Asia" section of our 2 March "TOP TRENDS 2021: THE RISE OF CHINA" article.)

In February 2020, HSBC announced the sale of its French and U.S. retail branches as part of a plan to cut 35,000 jobs and redirect $100 billion in capital to invest in Asia, with most in China. (See our 25 February 2020 article, "HSBC CUTS JOBS, STOCK PRICE DIPS.")

Although based in the U.K., HSBC makes most of its profits in Hong Kong, which left the bank in a delicate position during the city-state's recent pro-democracy protests.

Under an edict from Beijing, HSBC froze bank accounts belonging to protest leaders and has refused to criticize either the Chinese government for its crackdown in Hong Kong or the new law muzzling protest there.

TRENDPOST: *As we reported in our 18 May article, "BLACKROCK LAUNCHES WEALTH MANAGEMENT SERVICE IN CHINA," HSBC is not the only western money manager turning its focus from Europe and the U.S. to Asia. JPMorgan Chase, Citi, the French company Amundi, and others are lining up to skim some of the wealth from what will become the world's largest economy by 2030.*

While politicians and activists protest China's human rights violations in Hong Kong, Tibet, and among its Uyghur Muslim minority, profiteers will single-mindedly continue pursuing profit.

TREND FORECAST: *As China's economy grows, the West will become increasingly dependent on it for manufactured goods as well as profits from selling services there, such as wealth management.*

As this dependence grows, and as China's economic might strengthens, the nation will grow increasingly bold in asserting its authoritarian rule both internally and in foreign affairs, such as its claims to the South China Sea and demands that Taiwan surrender to the mainland.

PRIVATE EQUITY FIRMS BUYING CHINESE

The private equity firms Blackstone Group, Carlyle Group, and Hellman & Friedman have agreed to pay $34 billion to take control of the family-owned Medline company, one of the largest U.S. manufacturers of medical supplies.

The deal, which Medline announced on 5 June, is the largest buyout involving a cadre of private equity firms since 2007, when a consortium of private equity companies paid $44 billion to buy energy firm TXU, according to the *Financial Times*.

The Blackstone group won the nod over two other teams of private equity firms, one including Bain Capital and another led by Brookfield Asset Management.

Buyouts involving alliances of private equity firms were not uncommon until the Great Recession but stopped when the crash puckered credit markets. Group deals have become more common in recent years.

Also over the weekend, China firm Primavera Capital Group bought Reckitt Benckiser's baby formula operations in China in a $2.2-billion agreement that included $1.3 billion in cash.

Reckitt, a British consumer goods maker, will use the cash to reduce debt. It will own 8 percent of the Chinese unit.

Primavera will take over Reckitt's factories in Guangzhou and the Dutch city of Nijmegen.

TRENDPOST: *A week rarely goes by without at least one private equity buying a controlling interest in a significant company. This week, Elliot Management took* *a giant piece of Dropbox as well as Blackstone and partners taking over Medline. (See our new article, "[ASSET MANAGER BECOMES DROPBOX'S LARGEST SHAREHOLDER."]())*

As the Bigs gain wealth and power, there are fewer forces to stop them from buying politicians to write rules that will keep their taxes low and their ability to amass wealth unchecked.

CHINA'S CENTRAL BANK RAISES CURRENCY REQUIREMENTS

China's central bank has raised the proportion of foreign currency commercial banks must hold from 5 percent to 7 percent in an attempt to slow the rising value of the renminbi, China's currency, which edged up last week to its highest value against the dollar in three years.

The renminbi has gained 11 percent on the buck in the last 12 months.

The tactic, which the bank has not used since the Great Recession, will "strengthen foreign exchange liquidity management," the bank said in its statement announcing the rule.

The stricture also is designed to tamp down soaring commodity prices and reduce the amount of borrowed money circulating in China's economy, analysts said, according to the *Financial Times*.

The bank's new requirement will pull about $20 billion worth of liquidity out of China's economy, the bank Standard Chartered estimated.

TREND FORECAST: *Despite Beijing's attempts to drive down the value of its currency, which, of course, the central government will do if it rises too high, it may run into difficulties.*

As the world economies rebound from the COVID War lockdowns, demand for Chinese-made products will increase, thus driving up their annual GDP, which we forecast will grow about 8 percent. Thus, the stronger their GDP grows, so, too, will its yuan rise in strength.

TRENDS IN THE MARKETS

EXPECT MARKET & ECONOMIC DISTORTIONS TO WORSEN

By Gregory Mannarino, TradersChoice.net

Since I began writing for the **Trends Journal** in March 2020, there has been a common theme: The Stock Market Will Continue to Go Higher.

To say the least, my calls have been correct. Moreover, I have also explained that crude oil, which is the LIFEBLOOD of the military-industrial complex, would also continue to be propped up. Last week, crude hit a multi-year high, and I believe it will go much higher.

In just the last five weeks, we have seen gold gain 6 percent and silver 8 percent; trends that in a real market should continue.

Cryptocurrencies have suffered losses as of late. The crypto space has fallen under pressure recently after several lunatic tweets from none other than Mr.

“$420” Elon Musk, as well as regulation in China. Currently, the crypto space is consolidating, and I forecast they will again move higher.

Inflation today is surging, rising at the fastest pace on record! Meanwhile, several members of Congress are calling on the Federal Reserve to issue a digital dollar. They are selling the digital-dollar narrative to the American People saying, “We Need A Digital Dollar To Compete With China” – whatever that even means.

Yet, NO MEMBER of Congress is asking the Fed why they continue to issue debt through one door and then buy debt through a second door… *a massively inflationary mechanism.*

Moving on. Housing and real estate prices are also rising at their fastest pace on record as the Fed continues to buy $40 billion worth of mortgage-backed securities EVERY SINGLE MONTH, thereby creating artificial demand.

Today, the stock market stands on the precipice of new record highs, even though every piece of economic news continues to be negative. Just last week, the highly-anticipated jobs number missed the mark by 20 percent, catching economists by surprise, as an exceptionally good number was anticipated. This latest piece of bad economic news on the jobs front, along with rising inflation, exploding debt, and skyrocketing deficits, was enough to spark a rally in the stock market.

If the negative economic news keeps coming, and it will, you can expect the stock market to continue to go higher.

The market believes, rightly so, that if the bad economic news keeps coming, the Federal Reserve will continue to keep the easy money flowing… and the market is right.

There is no end in sight to this. The mechanism of suppressed rates is robbing savers blind, to the tune of trillions of dollars in realized wealth. This mechanism, by design, creates an environment of risk, pushing the stock market higher. It is also responsible for the inflationary pressures we are now seeing.

The Blame Game

As I forecast, the mainstream media and politicians are pointing to rising energy prices and supply chain disruptions as the cause of inflation, which is a deliberate distraction mechanism.

It is the action of the Federal Reserve which is responsible for rising inflation and a rising stock market. Period.

The narrative of a booming economy must be maintained by the mainstream media and demented politicians despite round after round of continually terrible economic news.

All of this will continue until it does not, and our job is simple: Stay on the right side of it. How to do this? As I have suggested for years, and I continue to suggest: by investing in gold, silver, and cryptos.

TRENDS IN SURVIVALISM

THE FACTS

by Bradley J. Steiner, American Combato

While we try to be courteous and patient – too often with individuals whose apparent capacity to appreciate it appears to be significantly diminished – we've just about decided to simply delete any inquiry that qualifies as "insipid" and just leave those who cannot or will not think to be victims of their own inanity.

We are tired of helping some people to feel more intelligent than they are by taking their utterly inane questions seriously and replying with reasonable answers. (We must, with a smile and a chuckle, remind ourselves: *ILLEGITIMI NON CARBORUNDUM*. Ask your Latin teacher for a translation!)

The idea has been put into the heads of those foolish enough to believe it that the blows of unarmed combat (like the chin jab smash, the open hand-axe chop, and others) "have never been shown to be effective, and in fact were never used." Anyone saying this is, to be polite, embarrassingly *wrong*. One military close combat teacher of our acquaintance put it this way: *"They're f—king incompetent a—holes!"* Ahem. Frankly, we don't think that highly of them.

These blows have been demonstrated time and time again to not only be effective but to be much, much, much more effective than the clenched fist punching that some misguided individuals seem to believe outperforms everything else. My students have utilized these very techniques with complete success. Some of these students were females… and their having attempted to *punch* did not affect their male assailants at all.

The truth is that the *only* venue in which clenched fist punching has been "proven to be effective" is in SPORT. Why? Because the combat blows are not permitted in sport, and the athletes who are young, tough, and in active competitive form *must* use clenched fist punches. And for young, tough, in-hard-training athletes, the fist *is* somewhat formidable.

Clenched-fist punching is formidable when done by trained, experienced, in-shape boxers, but "normal" punching is nowhere near as formidable as the favored blows of unarmed combat, in real combat. *And those blows have been proven… in several wars, in law enforcement, and private citizen encounters, for over 100 years!* Fairbairn proved this when he taught the Shanghai Municipal Police and private citizens of that City in the early years of the 20th century. Just observe how often punches – even by young, tough, experienced *boxers* – are so rarely decisive!

I have no intention or desire to debate this. Many years of training, research, teaching, and feedback have proven it to be true. I only mention this now for the benefit of any who are first coming to the study of self-defense and who may be subjected to the absurd rhetoric of those who simply report what they *want others* to believe (because they are touting it) and direct listeners, who lack knowledge, experience, and the basis for proper judgment from realizing that which the listeners *need* to be guided by to learn quality self-defense.

P.S. I would never do it, and I do <u>*not*</u> recommend or suggest that anyone else do it, but a very easy way to establish the effectiveness of, for example, the chin jab smash and the edge-of-the-hand blow would be to ask one of the detractors or doubters of their efficiency. This, only if you have their consent (in writing) to apply a chin jab or a handaxe chop to them; the chin jab to be delivered full force under the jaw and the chop to be delivered across their throat or carotid artery.

You would only need *one* of these blows delivered to make your point forever! But, again, it is best simply to write off these individuals and ignore them; DO NOT use any physical actions against them. To any rational person, *they are simply buffoonish malcontents and attention-seekers trying to bait those who make sense!*

My actual suggestion (assuming you accept the imposition of even responding to any of these individuals at all) is to suggest that they ask a medical doctor – preferably one who specializes in emergency care – what the effect of a chin jab, handaxe chop, eye gouge, or tiger's claw thrust would be. Then walk away and ignore these people.

One really must marvel at the foolishness of anyone who doubts that a chin jab, a handaxe blow, an eye attack, etc. "has never been proven to work." *What jackasses such individuals prove themselves to be!*

Many years ago, a physician in Canada, Gordon Perrigard, who was also a black belt judo/ju-jutsu expert, developed a system that he called *Arwrology*. He wrote a rather quaint book of the same name in which he described – both as a medical doctor and as a black belt expert – how some of his students used the open hand chop (we call it the "handaxe blow") with incredible, instant success.

We never knew Dr. Perrigard, but his examples are amongst many documented instances where the combat blows worked beautifully. The chin jab has been utilized to good effect many times – and on several occasions by my students. Just ask a physician what this blow can do to a person against whom it is applied! I remember *more than half a dozen* instances over the years when medical doctors who were *my students* were shocked when, in lesson one, I showed them the chin jab.

Summing up their reactions: “My God, do you realize what that blow would do to someone? You could break their neck [chin jab] or you could kill them [handaxe chop]!”

Yes... I do realize it. And if you’re serious about self-defense, you’d better realize it, too!

In Memoriam:
It is with deep sadness that we announce the passing of our beloved friend, Bradley J. Steiner. May his soul rest in peace.
In his legacy, we are fighting the “Brad Steiner fight” – the good fight. The fight for each person to be the person they want to be and to protect themselves when their lives are being viciously threatened by enemies of Freedom, Peace, and Justice.

TRENDS IN TECHNOCRACY

By Joe Doran

ARE HUMANS ALREADY BEING GENETICALLY LEGISLATED?

One day soon, humans may not be able to violate laws. Because the laws will be written in their genes.

There are no definitions yet in dictionaries or references on the internet for the terms "genetically legislated" and "genetic legislation" as coined and meant in this article. The following conveys the gist:

> ***"Genetically Legislated":*** *any law with provisions or aspects requiring implementation via modifying human genetic code, to achieve desired conformance and outcome.*

The idea of mandating alterations to the natural human genome might still seem unthinkable to some. But the coercive actions of governments and authoritative bodies around the globe to induce populations to take the COVID vaccines, has edged the world closer to that future.

What sorts of things might be accomplished via genetic legislation? Practically anything conceived by technocratic elites as an human "ill" that can be remedied via a modification. The possibilities are as endless as the perceived infractions of our natural human attributes.

Genetic alterations might soon do any of the following and more:

- Reduce the "carbon footprint" humans, perhaps by reducing potential growth, weight and consumption needs
- "Correct" those with genetic markers related to "socially undesirable" behaviors or thinking
- Control fertility and desire to procreate
- Prohibit or require certain genetic attributes or limits in the interests of equity, etc.

Loosening Embryonic Research Standards and Gene Editing Patent Moves

In the wake of the warpspeed rollout of mRNA and DNA COVID technologies, companies are clearly looking to profit off "improving" the human genome.

Due to the nature of genetics and gene expression, permanent modifications of genetics, called "Heritable Genome Editing", is currently only possible at the embryonic stage, before cell replication and maturation. So the likely battleground of gene alteration - and genetic legislation - will be with embryonic human cells. And on that front, there have been several concerning recent developments.

In late May, the International Society for Stem Cell Research (ISSCR), which previously endorsed a "14-day rule" limiting the time when human embryonic stem cell lines could be derived or experimented on, relaxed that standard. The ISSCR, which represents stem cell researchers, now says studies and use cases calling for growing fertilized human embryos beyond a 14-day limit should be considered on a “case-by-case” basis.

There’s also news that scientists at Oregon Health & Science University, and Columbia University in New York have each recently applied for patents on methods of editing human embryos. The scientists heading the efforts, Shoukhrat Mitalipov at OHSI and Dietrich Egli at Columbia, are both widely known in their field, and have been published in established scientific journals.

For now, heritable genome editing is banned in 70 countries. But that isn’t stopping research or plans to capitalize on discoveries and applications of the controversial technologies.

The current efforts are targeted at addressing genetic conditions which lead to serious human maladies. The proposed OHSI patent involves use of CRISPER-Cas9 gene editing technology to correct “a mutant allele of a gene of interest in a primate cell. … The primate cell can be a one-cell embryo and/or a human cell.”

That application, initially filed with the World Intellectual Property Organization (WIPO), later entered the U.S. patent system, and was published there on 6 May, 2021.

Toward A Brave New Governance

Several recent works have detailed the history, motivations and implications of human genome editing. One is *The Mutant Project: Inside the Global Race to Genetically Modify Humans*, by Eben Kirksey (published by St. Martin's Press, 2020). Another is *CRISPR People: The Science and Ethics of Editing Humans*, by Henry T. Greely.

Those works provide insight into some of the recent history of bleeding edge human genome experimentation, much of it occurring in China. Both books detail the work of Dr. He Jiankui, a scientist based in Shenzhen who used CRISPR technology to create the first genetically modified babies in 2018. A

Chinese court later sentenced Dr. He to three years in prison for illegal medical practice.

But boundaries have been crossed and are being crossed in other ways. The aggressive push of vaccines that induce gene-level alterations, the use of embryonic stem cell lines, gain-of-function experiments with viruses, related chimeric research (combining attributes of two or more different organisms) and GMO foods are all pathways down the same road.

Governments and organizations, including the World Health Organization (WHO), continue to face a quickening of technological ability creating pressures to open the door to genome editing. An advisory committee set up in 2018 to examine the issues involved, is reportedly close to publishing a report.

Many believe that while the WHO won't give anything like a full endorsement of human genome editing, they might propose some regulatory system to approve specific projects.

Given the enormous temptations, not only of power and wealth, but the siren song of utopia, the temptation to design "better" humans seems destined to be pursued. Genetic maladies will likely be the sphere where it continues to make its advances, and gains in acceptance.

If and when it meets success in treating those conditions, the scope and uses may broaden. Climate change, overpopulation, or perhaps an unleashed bioweapon that might be countered with a genetic modification, might all serve as reasons to genetically legislate wider human genome changes.

The end point, who benefits, and who loses along the way, might appear to be open to speculation. But it's already written in human nature.

(info at geneticsandsociety.org contributed to this report).

CYBER POLYGON TELEGRAPHING ANOTHER DISASTER?

"Cyber Polygon 2021" is set to take place this July, complete with doomsday cybersecurity scenarios for experts to test themselves against.

Funded by Klaus Schwab via his World Economic Forum (WEF), the stated purpose of the annual event is to train companies around the world to better handle cybersecurity threats. It will involve teams of security experts responding to several staged scenarios of cyberattacks.

Many question whether the WEF has other motives in minutely planning and gathering detailed data about such staged events. Some of the scenarios carried out by the organization have borne remarkable similarities to subsequent real disasters.

Most notably, "Event 201", an elaborate simulation of a worldwide viral pandemic, including governmental responses and lockdown measures, and even language used to communicate about the situation, ended up tracking in many ways with the subsequent COVID pandemic.

Our previous article, "EVENT 201: THE COVID-19 BLUEPRINT," detailed the troubling parallels, as well the obscene extent to which technocratic mega billionaire elites profited off pandemic policies that were put into effect.

Elites Are Gaining From Disasters

A pdf outline of Cyber Polygon 2021 contains two disaster simulations. The larger scale second scenario is described as follows:

> The Blue Team protects the ecosystem of a large group of companies. One of the workstation users at the parent company reports suspicious

> files in a directory. The investigation identifies the vector of compromise, specifically, the update installed on a business-critical application being developed by a subsidiary.
>
> The Blue Team will be granted access to the parent company's Threat Hunting platform, which aggregates EDR and NTA events. The participants will be tasked to find as many artifacts of the incident as possible by applying the Threat Hunting approach. Further, the team discovers that the infrastructure has been compromised through a modified update installed on a business-critical application...

Disaster planning sounds like a laudable endeavor. The problem is when the "solutions" shift enormous wealth and power to a tiny group of already world elites, leaving the rest of humanity more impoverished and less free. That happened with COVID-19, which was gameplanned with "Event 201".

How can elites benefit from disaster simulations? The events, which are planned in detail, and employ sophisticated computer modeling and expert knowledge, also glean huge amounts of data from the events. Actions of experts, industries and even governments are all collected.

That data obviously has value in planning. But is it possibly being used not merely to plan, but to profit?

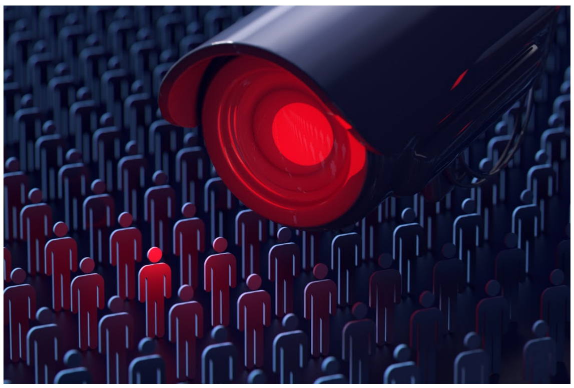
The COVID saga couldn't be clearer on that score. So it seems quite pertinent to consider and question who might stand to benefit by raising the profile of a cybersecurity disaster, with attendant planning and regulatory action.

How far might that regulatory imposition extend? The Biden administration is pointing to a rash of recent cyber exploits of businesses and government entities to push for action on a similar scale to 9-11.

If that sounds scary, it should. The pandemic radically changed the way many people connected and continued, at least in some form and fashion, to work. Personal computers and devices on home routers and networks were utilized more than ever to connect with company networks, etc. Those vectors may soon be roped, via a hyped cyber "terror response" mantra, even more tightly into a U.S. government surveillance matrix.

And if there is a large-scale cyber security crisis that cripples the nation or world in the next few years, there's little doubt that the technocratic elite will be well prepared to make the most of it.

THIS WEEK IN SURVEILLANCE



FOLLOW-UP: LOCAL GOVERNMENTS AND ENTITIES THAT BOUGHT SURVEILLANCE EQUIPMENT FROM BANNED CHINESE FIRMS. There is detailed info available about localities that bought equipment from two Chinese firms blacklisted by the Federal government.

The two Chinese firms in question, Hikvision and Dahua, have been directly linked to serious human rights abuses of Uighurs and other dissident populations and persons in China.

Our recent article "LOCAL GOVERNMENTS SURVEILLING U.S. CITIZENS WITH BLACKLISTED CHINESE TECH," summarized a collaboration between Techcrunch and Govspend that identified over 300 local governments and entities in the U.S. who bought equipment. Numerous American companies acted as resellers.

IPVM, a leading physical security industry website, has links to spreadsheets with relevant info for anyone who wants to see if their local governments, school systems made purchases.

As previously reported, the activity skirted the federal blacklist, since entities were only barred from using federal funds in making purchases. As an example of how widespread the purchases were, following is a list of entities in NY which bought equipment:

Schenectady County
Putnam County
Village of Menands
Dansville School District
Village of Depew
Onondaga County
Town of Greenburgh
Rensselaer County
Monroe 1 BOCES
Franklin County

Eastern Suffolk BOCES
Saratoga County
Dutchess BOCES
Orange County
Huntington Public Schools
Town of Peru
City of Rochester
Niagara County
Valley Central School District
Town of Blooming Grove

LaGuardia Community College
Plattsburgh City School District
Lyndonville Central School District
Ticonderoga Central School District
Frankfort - Schuyler Central School District
Scarsdale Public Schools
Putnam Valley Central School District
The New York Transit Authority
Cherry Valley-Springfield Central School District
South Colonie Central School District
Half Hollow Hills Central School District
John Jay College of Criminal Justice, CUNY
Cheektowaga-Maryvale Union Free School District, New York
The Poughkeepsie Public Library System
Rockville Centre Union Free School District
Hewlett-Woodmere Public Schools

A number of major companies acted as resellers, including Amazon, CDWG, B&H Foto and Electronics Corp, Newegg Business, Inc. and eDigitalDeals, Inc..

Many of these same companies advertise heavily to promote themselves as "woke" supporters of BLM, "equity" and transgender related issues.

In addition, many specialized and regional company resellers sold equipment, including Surveillance Pro, Surveillance Video, Sonitrol Services Of Ny, Security Solutions, Applied Telecommunications, Sky Cop, Spying Eye Surveillance, Electrical Design Group, Essentia Systems Inc, Altex Electronics, Atech Security, Alarmco Security Systems, ADI Global, App Techs Corporation, Advance Secure Tech, Halifax Security D/b/a North American Video, Jiffy Photo Center, Rescue Safety Products, New Era Information Tech, SHI International Corp, Crescent Electric Supply Company, M C Dean, Inc, Securecom, and others.

A number of human rights activists have expressed dismay over the activity. Senator Mark Warner of Virginia, who chairs the Senate Intelligence Committee, was one of those who recently voiced concerns:

> "No company from the People's Republic of China is truly 'independent.' So, when these American entities buy this equipment, they should know that not only are they supporting companies facilitating repression in China, but that the data gathered via this surveillance gear can be shared with the Chinese Communist Party. For some time, I have been disturbed that American entities, including companies and universities have facilitated CCP's surveillance and censorship activities in Xinjiang and beyond."

CHINA USING TIKTOK TO GATHER INTEL ON AMERICANS. Politicians. Scientists. Human rights advocates. Health professionals. They, or possibly their children, are subject right now to having their biometric data, including fingerprints and facial recognition data, gathered up for Chinese intelligence.

All while they're dancing and twerking in TikTok videos.

The Chinese company known for a wildly popular media app used to dance and music videos, and other social content, quietly updated their policies regarding collecting user biometric data.

The move was first reported by Techcrunch. Among other things, the new policy states:

> “We may collect biometric identifiers and biometric information as defined under US laws, such as faceprints and voiceprints, from your User Content. Where required by law, we will seek any required permissions from you prior to any such collection.”

The biometric collection could potentially affect 66 million American users of the media app. And right now, 47 out of 50 states have virtually no restrictions on the collection of such data.

Though the Biden administration has recently restricted U.S. investments in 59 Chinese companies linked to government military and surveillance, TikTok wasn’t on the list.

Former President Donald Trump was ridiculed by many for seeking to ban TikTok. At the time, Trump pointed to info that the company had ties to the Chinese government and could well be leveraged as an intelligence asset.

BLOCKCHAIN BATTLES

BLOOMBERG REPORT SEES REBOUND FOR MAJOR CRYPTOS. Amid reports that China is serious about cracking down on Bitcoin by going after computer mining operations in its jurisdiction, there were other more positive notes for cryptos.

Ethereum stabilized and is climbing again. It is on a pace that may soon see it surpass Bitcoin as the number one decentralized blockchain asset in total market cap. Before the spiral and bust of cryptos in May, the **Trends Journal** reported on the resilience and wide adoption of Ethereum as a "smart contracts" dApps platform (see our 20 April article "Will Blockchain Save The Day?").

A recent Bloomberg analysis underscored the utility of Ethereum, and said it was likely Bitcoin and Tether would also see relatively strong rebounds by the end of 2021.

The Bloomberg Intelligence report noted Bitcoin appeared to be in a current "cage" of between 30 and 40 thousand dollars. But it forecast that the prospect of BTC dropping to 20 thousand was less likely than it reaching and surpassing previous highs in the near to medium term.

There are several financial and blockchain-based factors that favor a crypto rebound. One is the eventual winding down of Bitcoin mining as it nears its upper limit in coins that will ever be minted. By 2025, mining supply will drop below 1 percent, while U.S. debt is predicted to continue an upward spiral.

More money will be pumped into cryptos, and the diminishing supply should result in price gains, if normal market rules apply. Of course governments and central banks will have their say. But sea changes of technology are hard to stop.

To take the case of Ethereum, thousands of dApps are creating usages and efficiencies - ie., real value - in financial exchange, prediction, asset allocations and markets.

According to the report, while Ethereum does have competitors, "the No. 2 crypto has won the adoption race as the go-to for digitalization of money and finance."

Ethereum's recent 10-day average trading volume, as tallied by Coinmarketcap, has grown to about 80% of Bitcoin's from the beginning of 2021.

Tether, meanwhile, seems to finally be shaking regulatory problems. As a stable coin tied one for one to the U.S. dollar (hence its name, “tether”), it’s built for efficiency in transactions, and USDT has claimed 57 percent of all Bitcoin transactions so far in 2021.

To sum up, the Bloomberg analysis makes a case that the major crypto players aren’t going anywhere.

TRENDS IN THE COVID WAR

DRUG LORDS' VAX BOOM BOOMING

The old proverb, "It's an ill wind that blows nobody any good" is especially true regarding COVID-19 because the virus that continues to play havoc with the world also continues to be very, very good for Big Pharma.

The "Operation Warped Speed" vaccines funded by governments and sold back to them by the drug dealers to allegedly protect against the coronavirus are already among the best-selling pharmaceuticals of all time.

And, as the trendline shows, with deals in place to keep supplying the vaccines with booster shots galore through 2023, the financial tide will keep coming in. Indeed, in our 11 May article, "DRUG COMPANIES CASHING IN ON COVID," we detailed how Big Pharma sees the need for the COVID vax as an ongoing "revenue stream," and, thus, is in no hurry at all to see it end.

Did You Know...?

The big-money vaccine deals are not highly publicized. In sales through next year, Pfizer and Moderna expect to rack up $70 billion and more than $27 billion, respectively. (We reported on the amount of profits amassed by Moderna in our 2 March article, "MODERNA EXPECTS TO REAP $18.4 BILLION FROM VACCINE SALES.")

For example, as reported by the *Wall Street Journal* last Thursday, Pfizer and BioNTech will be supplying the EU with up to 18 billion doses of vaccine through 2023, and Canada will receive up to 125 million doses. Australia, Switzerland, and Israel have deals to get Moderna's vaccine through next year, and Switzerland has options for 2023. The U.S. will receive 300 million doses each from Pfizer and Moderna by 31 July, with options to purchase more.

These countries are making sure they have sufficient supplies to vaccinate their populations against emerging variants of the virus. Lower-income, developing countries would also like to be well-supplied with vaccines, but they don't have the same resources.

Rich vs. Poor

The gap between rich and poor is evident: some two dozen rich nations plus the EU have together purchased, thus far, some six billion doses, whereas the rest of the world combined has purchased roughly half that number.

Covax, a global health initiative set up to supply vaccines to lower- and middle-income countries, will be receiving 34 million doses from Moderna by the last quarter of this year, with an option to buy 466 million next year.

That won't close the gap, however, and poorer countries will depend on richer ones to share their supplies. Poorer nations may also be expected to make deals with China and Russia, who are eager to supply vaccines from their own producers.

TRENDPOST: *How much money are the big drug dealers making, and how much is it costing taxpayers? Buried in the Wall Street Journal article is the fact that "neither the countries nor the companies disclosed the terms of the recent deals." And, as we have reported, Pfizer gave President Biden a $1 million "thank you" to help celebrate his inauguration this past January.*

*What fuels the clamor for vaccines, of course, is the world's great fear of this virus and acceptance of vaccination as the remedy, with any notions to the contrary, such as skepticism about risk statistics or questions about the safety of the vaccines, downplayed or suppressed. As Dr. Paul Craig Roberts detailed in his article in the 25 May **Trends Journal**, "AMERICA'S PUBLIC HEALTH SYSTEM IS UTTERLY CORRUPT."*

NEW YORK STATE: LIE ABOUT BEING VAXXED? IT'S A CRIME

A bill proposed by two Democrats has been passed by the New York State Senate that would make it a crime to falsify COVID-19 vaccination records.

One of the sponsors, State Senator Anna M. Kaplan, said in a 3 June press release (the day the bill passed the State Senate by a vote of 47 to 16), that the bill is an effort to stop "anti-vaxxers" from creating or helping others create fraudulent vaccination documents, whether the document is a written instrument or computer material.

New Yorkers can show proof of vaccination via a card or a smartphone app, but both are vulnerable to fraud.

The bill next goes before the State Assembly. The press release doesn't indicate what the penalties for such actions may be under the new legislation.

TREND FORECAST: *The **Trends Journal** has been forecasting and reporting on the imposition of vaccine passport programs since the start of the COVID WAR. (See our 25 May article, "EU PUSHING VAX PASSPORT" and our 9 February article, "VACCINE PASSPORTS WILL END UP TRACKING EVERYTHING.")*

On-trend, on Sunday, Spain declared that international tourists who have been fully COVID-vaxxed can come to their country. And France is set to open for international travelers who have their vax passport and proof of a negative COVID test before boarding.

Thus, we forecast that tourism – which represents some 10 to 15 percent of many European nation's GDP – won't bounce back to pre-COVID War levels, as substantial percentages of potential travelers will refuse to get the COVID shot.

FREE BEER JOINS LIST OF VAX INCENTIVES

"Y'know, I've been pretty reluctant to get vaccinated, but now that I can get free beer for it, count me in!"

That's the hoped-for reaction to what's being called the "Let's Grab a Beer" initiative, the biggest promotion ever staged by brewing giant Anheuser-Busch, which has teamed up with the White House to give away free beer (or another selection from its range of beverages) to Americans over 21 who are fully vaccinated by 4 July, as reported 2 June by *FOX Business*.

Free beer now joins the list of bribes being proffered to "incentivize" those who have thus far not lined up for their shots like other Americans eager to do their patriotic duty.

Dollars to Donuts

The list of "vaccine incentives" ranges from chances at lotteries (which pay college scholarships as well as millions in cash prizes) to gift cards, free groceries, and even free donuts for a year from Krispy Kreme.

Our 25 May article, "LOTTERIES, JUNK FOOD & A COVID VAX" catalogs a number of them, and tells how such incentives are not a strictly American phenomenon but are being employed around the world. We will continue to add to that list, as we expect it will expand.

Additionally, we reported on an incentive that, on its smaller scale, might rival the free beer promotion. In our 30 March article, "GET-A-JAB INCENTIVES," we report on the "Pot for Shots" promotion by a Michigan marijuana dispensary, which is giving away free joints to say, "Thank you for helping to end the pandemic and getting us back to normal."

TREND FORECAST: *As the data shows, across America and around much of the world, the vax rates are beginning to drop, and the vax goals set by governments are not being reached. Thus, the allure of the "Get Vaxxed" incentives will also dull, as summer sets in throughout many nations and the fear of catching the virus diminishes.*

We forecast, however, that the "Vax Push" will reignite this autumn. As winter sets in, the media, politicians, and their "health experts" will spread the new variant of COVID Fear. In addition, to increase the jab rates, governments will keep restricting the liberties of those unwilling to get the COVID Jab.

DESPITE FLAWED TEST RESULTS, LOCKDOWNS PERSIST

The test results for at least two of the handful of COVID-19 cases that were used to justify an extension of restrictions in

Melbourne, Australia, have been found to be false positives, casting doubt on the local authorities' assessment of rates and means of contagion.

It's hardly the first incident of flawed test results, as reported in our 12 January article, "FLAWED COVID TEST RESPONSIBLE FOR 'MASS HYSTERIA'" and our 8 December 2020 article, "PRIMARY COVID-19 TEST: 'ERRORS AND FLAWS'."

The New Daily reported on 3 June that what had been considered evidence of the virus spreading from just fleeting contact between strangers has been discredited.

Health authorities in the state of Victoria, of which Melbourne is the capital and largest city, have shown great zeal to enact highly restrictive measures whenever another positive case is found. (See our 22 September 2020 article, "VICTORIA, AUSTRALIA: FEW VIRUS CASES BUT TOUGH RE-LOCKDOWN.") They have seized on these cases as an indication that a new variant was 50 percent more virulent than what had been dealt with previously.

Acting Premier James Merlino said the lockdown extension was necessary because "If we let this thing run its course, it will explode."

But, in this instance, a panel of experts determined that neither person was infected at all, prompting opposition leader Michael O'Brien, who had characterized the government's language about the pandemic as "apocalyptic," to declare, "If the basis for the lockdown extension is false, it should end," and called on the government to be "upfront" with Victorians.

Thus far, however, the lockdown extension is staying in place. What also remains unchanged is the Victoria government's plan to construct, with funding from the federal government, a $200 million, 500-bed facility in Melbourne where returning travelers would be quarantined.

TRENDPOST: *Two hundred million dollars of taxpayer money to build a quarantine hotel? For what and why? Since the COVID War began 17 months* *ago, of the 25 million people in Australia, just 910 have died of the virus, or just 0.00364 percent of the population.*

And, no one has died of the virus over the past six months!

Lock down? According to the Australian Department of Health's 6 June 2021 report, "The median age of deaths is 86 years."

Yet, these facts are ignored by the media and politicians who blow out B.S. lines, such as the acting premier Merlino who, acting like the jerk he is, babbled, "If we let this thing run its course, it will explode."

Never mentioned by Presstitutes and politicians are the suggestions that rather than imposing draconian lockdown rules, governments should take measures to protect those most vulnerable to the virus.

U.S. COVID DEATHS AT YEARLY LOW AVERAGE

As we had forecast over a month ago, the COVID War in many nations would come to an end... *for now.*

The seven-day average for COVID-related deaths in the U.S. was 432 last week, representing the lowest number in more than a year, according to an analysis of data from Johns Hopkins University appearing in a recent *Wall St. Journal* article.

The article claims this figure is a sign of the effectiveness of the U.S. vaccination program, with more than half of the adult population now fully vaccinated and the "good news" that some 75 percent of Americans over 65 years of age have been vaccinated.

The **Trends Journal** has, for some time, questioned the wisdom of requiring vaccinations for the young, who are statistically at the lowest risk from the virus, and yet many are some of the biggest victims of the economic and societal fallout from the pandemic. (See our 1 December 2020 article, "YOUNG VS. OLD: FIGHTING THE COVID WAR.")

The *WSJ* article also mentions another approach for those who are unvaccinated and become infected. Drug treatments called monoclonal antibodies have proven effective in limiting the severity of infections and reducing, by some 70 percent, hospitalizations and death rates among those who present mild to moderate symptoms.

TREND FORECAST: *The WSJ article acknowledges a little-reported aspect... one we have continued to highlight when the COVID War began in January 2020.*

Back then, the big news that shook the nation was the headline:

First Covid-19 Outbreak in a U.S. Nursing Home Raises Concerns

Yes, a nursing home in Kirkland, Washington.

Buried in last Saturday's WSJ article (Saturday is the least-read news day of the week) is the fact that four out of five COVID deaths in America have been people over 65 years of age.

WUHAN LAB: ANYTHING BUT UNIQUE

Before the COVID War was launched on the Chinese Lunar New Year in January 2020, the "average person" had little to no awareness of anything about Wuhan, China... let alone the Wuhan Institute of

Virology or the term “biosafety level 4” (BSL-4) or its meaning.

That’s all changed now. Most are not only aware of these things but are, in increasing numbers, giving credence to the idea that COVID-19 originated in that same Wuhan lab.

The **Trends Journal** has been covering the increasingly well-deserved skepticism over the official denials, from Chinese authorities and the WHO to the mainstream press to Dr. Anthony Fauci, that the Wuhan lab had involvement in COVID-19 being released (accidentally or deliberately) on the world. (See our 1 June article, “NO EVIDENCE FOR NATURAL ORIGIN OF COVID VIRUS, SAYS FORMER STATE DEPT OFFICIAL” and our 23 March article, which reported on a prophecy of the pandemic, “EVENT 201: THE COVID-19 BLUEPRINT.”)

It’s Not Unusual

This past weekend’s edition of the *Financial Times* noted it can now be learned that the Wuhan lab and the potential for the emergence of another COVID-19-like situation are anything but unique. The *FT* said there are no fewer than 58 other such facilities around the world either currently operating, under construction, or planned, with the same BSL-4 designation. Some 75 percent of them are in or near urban centers.

Twenty-three countries have or will have such maximum security laboratories and “no more than six of them,” according to the article, are engaged in the same type of “gain-of-function” experiments on bat-related pathogens as was the Wuhan facility before the start of the worldwide pandemic.

The BSL-4 designation doesn’t necessarily indicate a high level of preparedness. The article informs us that, according to the Global Health Security Index, less than a quarter of the countries with operating BSL-4 labs have “high” levels of “biosecurity preparedness.”

At least the U.S. and the U.K. are rated “high.” But even in the U.S., in 2019 alone, there were over 200 incidents involving accidental release of toxins and other dangerous materials and 13 instances of such substances being “lost.”

More Trouble in China

China has another “Institute of Virology” in Beijing, and, in 2004, there was an incident at the lab in which nine workers were sickened and one died after being exposed to the SARS virus. In 2008, a leak at a vaccine plant in northwest China infected more than 6,000 people with brucellosis.

TRENDPOST: *Was COVID-19 created in a laboratory? When the COVID War began, and up until recently, anyone who made such a claim was considered a “conspiracy theorist” and banned from the mainstream and social media for having the gall to suggest such a possibility.*

(Note: See our new article, “NEW REPORT: GENOME OF COVID-19 SUSPECT” for more on the theory that the COVID-19 virus was man-made.)

This past Sunday, the Wall Street Journal reported that the U.S. government’s Lawrence Livermore National Laboratory in California concluded it was plausible that COVID-19 leaked from China’s Wuhan Institute of Virology, and it should be further investigated. They said someone who read the document, which is dated 27 May 27 2020, suggested the study made a strong case the virus seeped out of the Wuhan Lab.

TREND FORECAST: *True or false, as more information comes out that COVID-19 was created in a Chinese laboratory, already strong anti-Chinese sentiments will increase, and Asians of all nationalities will be targeted victims by ignorant people.*

TRENDPOST: *While many might think of China as being among the worst of the countries operating such facilities, it, along with about a third of the countries, is rated “medium,” while South Africa, for example, is among the 41 percent rated “low.”*

If one wanted to bet on which country would most likely have something go awry at a biology lab running high-risk experiments, the odds would probably still favor China, where increasingly more of such facilities are being built. Guangdong province alone plans to open one BSL-4 and 25 to 30 BSL-3 labs in the next five years.

NEW REPORT: GENOME OF COVID-19 SUSPECT

Two prominent U.S. scientists are pointing to anomalies in the COVID-19 virus they believe point to a man-made origin. Their findings were reported Sunday in the *Wall Street Journal* and were quickly picked up by other outlets.

The scientists, Richard Muller of UC Berkeley and Dr. Steven Quay, a physician and founder of Atossa Therapeutics, said, “COVID-19 has a genetic footprint that has never been observed in a natural coronavirus.”

The details of the explosive claims, which bolster observations by other researchers, involve certain gene-level sequencing patterns. According to Muller and Quay, the “CGG-CGG” pattern in the COVID-19 virus is not found in nature but is common in lab situations with scientists who have performed “gain-of-function” experiments.

The scientists wrote:

> “The CGG-CGG combination has never been found naturally. That means the common method of viruses picking up new skills, called recombination, cannot operate here. A virus simply cannot pick up a sequence from another virus if that sequence isn't present in any other virus.”

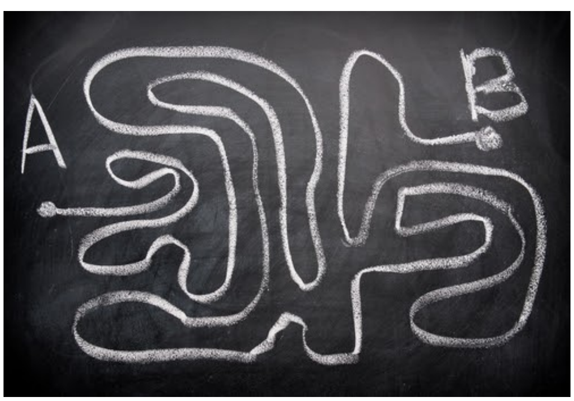
That science-based bombshell dovetailed with another weekend report citing former FDA head Scott Gottlieb. Gottlieb revealed that Dr. Anthony Fauci briefed world leaders in the spring of 2020 that the strain of COVID-19 “looked unusual” and may have originated in a Wuhan, China bio lab.

For much of Fauci’s COVID reign, MSM outlets and social media platforms made the Wuhan lab possibility verboten at his word and shielded him from criticisms about his conflicting dictates regarding lockdowns, masks, social distancing, and other COVID policies.

Our 18 May **Trends Journal** article, “BATSH*T CRAZY: WUHAN WALLS CLOSING IN AROUND FAUCI” forecast the media wall protecting the U.S. COVID czar was about to crumble.

The **Trends Journal** was the first to forecast a worldwide over-reaction to the COVID-19 that would be more devastating than the virus itself. (See our 28 January 2020 issue titled, “CORONAVIRUS: 106 DEAD IN CHINA, 1.4 BILLION STILL ALIVE: THE NEW BLACK PLAGUE?”)

FAUCI EMAILS: “IT’S POLITICS”



When the facts aren’t favorable, focus on the politics. It’s a time-worn tactic, on display in an *Associated Press* account of damning email communications of COVID czar Dr. Anthony Fauci.

In a 5 June 2021 *AP* article titled, “GOP sees opening to revive attacks on Fauci in email trove,” the wire service cast the bombshell revelations in emails of Fauci obtained via FOIA requests as political “overdrive.”

Do Americans who have seen their freedoms stripped, their jobs labeled unessential, and their small businesses destroyed have a legitimate reason for concern over the behind-the-scenes contradictions and lying that Fauci's emails reveal?

If they do, the *AP* story didn't focus on it. Instead, it targeted Republicans and "conservative news channels" positing the controversy as little more than political opportunism:

> "On conservative news channels, Fauci—who now serves as President Joe Biden's pandemic adviser—has been pilloried as a liar who misled the American people about the origins of COVID-19 to protect the Chinese government.
>
> The moves by Republicans represent a new effort to find a reliable foil in the first few months of the Biden administration."

The *AP* didn't attempt an even-handed analysis of whether Fauci lied or was deceptive about:

- Connections between U.S. agencies and the Chinese Wuhan Institute of Virology;
- Efforts to determine whether that lab might have been the source of COVID 19;
- Connections of government agencies with controversial "chimeric" experimentation with viruses in the U.S. and abroad;
- The utility of "store" bought masks;
- The possible efficacy of cheap prophylactic COVID treatments such as hydroxychloroquine.

But the report did bring up Donald Trump to dismiss the current re-examination of the Wuhan lab origin possibility as a "conspiracy." Overall, it portrayed Republicans as mostly jockeying for political advantage:

> "'Given what we know now, I don't know how anyone can have confidence that he should remain in a position of public trust and authority,' said Republican Sen. Josh Hawley of Missouri, a potential presidential hopeful who is calling for Fauci's resignation and a full congressional inquiry…
>
> While Elise Stefanik, R-N.Y., now the No. 3 Republican in the House, blasted out a fundraising email with the subject line 'FIRE FAUCI.'"

Cherry-Picking Facts for Fauci

To the extent the story mentioned the emails themselves, it did so only to mount a defense of the embattled NIAID director. For example, it cited Kristian Andersen Anderson, a scientist who expressed concerns early on that the COVID-19 virus appeared to be engineered but then later reversed his position.

On the other hand, the *AP* failed to delineate Dr. Peter Daszak, tapped by Fauci to head a *Lancet* investigation of the Wuhan lab leak possibility. Daszik had direct ties to the lab's funding, which constituted a significant conflict of interest. He can be seen lauding controversial gain-of-function research in a 2019 interview still available on YouTube.

Following his investigation, Daszak thanked Fauci in an email for publicly "standing up" for the natural origin claims for COVID. The *AP* only alludes to that email to bolster Fauci, without mentioning Daszak's conflicts of interest. That kind of sleight-of-hand reportage allowed the wire service to conclude:

> "The doctor's newly released emails, which span the early days of the pandemic and were obtained by BuzzFeed News and The Washington Post, show no evidence of any kind of coverup about the origin of the virus."

The *AP* story concludes by highlighting Fauci's contributions to mRNA vaccine development, effectively couching him as a persecuted savior:

> "'A note to Fauci critics,' tweeted Andy Slavitt, Biden's outgoing senior COVID-19 adviser. 'For years, he has been working tirelessly on the development of the mRNA vaccine in anticipation of a potential major viral outbreak. And on Jan 11, 2020, his team downloaded the gene sequence & on the 13th began work on the vaccine.'"

The wire service account is a fairly typical example of techniques used to spin, discount, and ignore politically inconvenient events and facts. But, by this point, Americans have seen numerous examples of hypocrisy and deception not only from Anthony Fauci but also from countless other public figures concerning COVID policies. They've seen elites get richer off the pandemic and flout their own restrictions, while the rest got poorer in unprecedented draconian lockdowns. And they've witnessed social and old-line media relentlessly suppress and distort information.

This time, the containment strategy may not work. COVID truths are breaking from the "official narrative" lab.

TRENDS IN GEOPOLITICS

TENSIONS HIGH: ISRAELI POLICE ATTACK RUNNERS

Israeli police in Sheikh Jarrah on Friday were accused of injuring 23 runners who took part in a run to offer solidarity with families facing eviction in the city.

Al Jazeera reported that the two-mile race drew hundreds who wore white T-shirts with “7,850” written on them, representing the number of people who face eviction. A reporter for the paper said the run was peaceful, but Israeli forces deployed stun grenades and attacked runners.

One participant took to Twitter to post a video and tweet from the finish line in the Silwan neighborhood. The tweet read:

> “Out of nowhere, Israeli forces raided the finish line, where we had gathered and been singing songs, drinking water, and resting our legs. They [Israeli forces] were violent, attacked everyone indiscriminately, beating, throwing grenades, & firing rubber bullets at some.”

He posted a video purportedly from the event that showed what appeared to be Israeli forces lobbing stun grenades into the crowd, while some in the crowd responded by tossing water bottles.

Protest? Get Arrested.

On Sunday, according to the *Wall Street Journal*, “Israeli police burst into the home of a prominent family in the contested Sheikh Jarrah neighborhood,” arresting a 23-year-old woman “who led protests against attempts by Jewish settlers to evict dozens of Palestinian families from their home in the area.”

The *WSJ* went on to report:

> “Earlier this year, heavy-handed police actions in Sheikh Jarrah and other parts of east Jerusalem fueled weeks of unrest that helped spark an 11-day war between Israel and Hamas militants in the Gaza strip.”

TREND FORECAST: *We note the language being used by the WSJ to illustrate how the Israel “right or wrong” tide is changing.*

The newspaper called the Israeli police action "heavy-handed." At one time, that characterization would not be tolerated by American supporters of Israel and not used by mainstream media. And, as we noted in detail following Israel's bombing of Gaza last month, there was broad criticism from nations and individuals over the mass destruction of homes and buildings, including AP and Al Jazeera press offices... and the killing of some 300 Palestinians, of which nearly 70 were children.

Israel said they bombed the press building, which also contained apartments, because Hamas was running operations at the location. While promising to provide proof to support that accusation, which U.S. Secretary of State Anthony Blinken repeated, none has yet to be provided.

As reported on the website of Israel's Channel 12, military chief of staff Lieutenant-General Aviv Kohavi was quoted as saying the building "was destroyed justly" and he did not have a "gram of regret."

He went on to say Hamas militants used various floors of the Jalaa Tower for "significant electronic warfare" to disrupt Israeli air force GPS communications and that "AP journalists drank coffee each morning in a cafeteria in the building's entrance with Hamas electronics experts, whether they knew it or not."

The AP said the claim was "patently false" and "there was not even a cafeteria in the building."

And, when Israel's defense minister Benny Gantz was asked to provide proof to support that Hamas was using the building and that was why Israel bombed it (giving the occupants only one hour to gather their belongings and evacuate), Gantz said Israel has shared its intelligence with the U.S. government, but he had no intention of making the information public.

While the global media has ignored the chief of staff's comments and false accusation, and Gantz has refused to provide evidence to support his accusation, we note this and other recent Israeli actions to further illustrate the decline of unconditional pro-Israel support.

Also, while there have been, and will be more anti-Israel protests, particularly in western nations should the Gaza War heat up again, while Israel and its supporters will deride demonstrators as anti-semitic, that accusation will begin to ring hollow considering the Jewish state being labeled an apartheid nation by organizations such as Human Rights Watch. (See HRW article here.)

CHINA POWER SHORTAGES: LESS COAL, MORE CLEAN ENERGY?

With China's economy strong and our forecast that it will grow some 8 percent this year, its factories are having a hard time keeping on top of pent-up demand.

The *Financial Times* reported on Thursday that Beijing ordered factories in industrial areas to use less power... and, in some cases, even close for a few days to prevent power shortages.

Klaus Zenkel, the chairman of the EU Chamber of Commerce in South China, told the paper that factories in Guangzhou and Dongguan are trying to catch up with demand due to backorders.

He called the request by the government for intermittent closures "quite unreasonable."

"It's an infrastructure issue that needs to be handled immediately," he said.

The *Wall Street Journal* reported that some of these factories are even turning down orders.

The *FT* reported there has been a challenging mix of demand and lack of rainfall in some of these areas dealing with power issues.

Factories in Guangdong province rely on hydropower to a certain extent. There has been an effort by these plants to meet Beijing's carbon emission targets, and these operators have bristled at using more coal for power.

TREND FORECAST: *Precisely as we had forecast, when the COVID War winds down, Climate Change would be back making the headlines. The FT also reported that JPMorgan and Fidelity will demand that five of Asia's most-polluting power generating companies cut their greenhouse gas emissions* *as part of a new climate change program and that utilities in mainland China, Hong Kong, Japan, and Malaysia that operate large coal-fired operations have been targeted.*

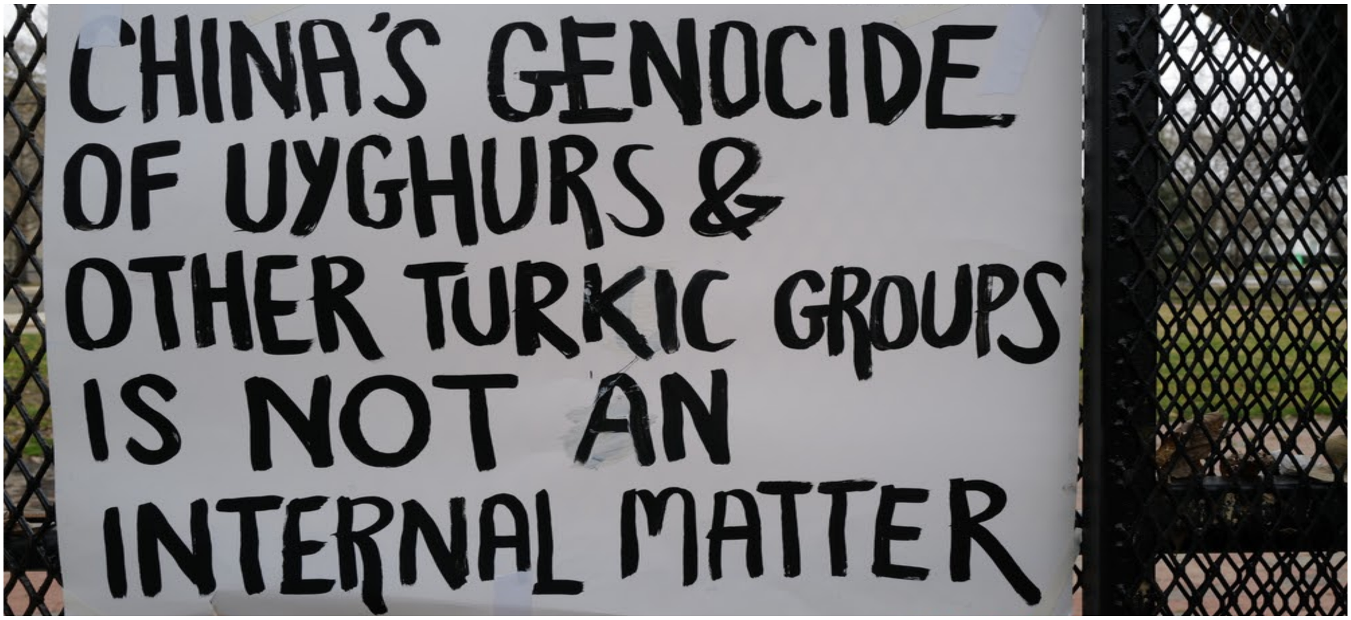
Despite the push for clean energy, the bottom line is coal is cheaper. Most developing nations will continue to burn it until there is a more efficient alternative energy.

TREND FORECAST: TOP TREND 2021: THE RISE OF CHINA: *As we have forecast, the 20th century was the American century – the 21st century will be the Chinese century. The business of China is business; the business of America is war.*

While America spent countless trillions waging and losing endless wars and enriching its military-industrial complex, China has spent its trillions advancing the nation's businesses and building its 21st-century infrastructure. And while America and Europe have outsourced their manufacturing to China and developing nations to increase profit margins, China's dual circulation/self-sustaining economic model is directed toward keeping jobs and trade and profits within the nation, thus relying less on global trade.

While Western nations lock, unlock, and re-lock down their economies, China, where the virus first broke out, has been completely reopened since shortly after the virus left its homeland last year.

TRENDS-EYE VIEW



BIDEN BARS U.S. INVESTING IN 59 CHINESE FIRMS

Go back over the past four years when Donald Trump was President. Day after day, week after week, year after year, the mainstream media "news" was that market gyrations had nothing to do with economic fundamentals, interest rates, or manipulation. Instead, it was Trump's "Trade War" with China that swayed equities.

Now, with Joe Biden running the show, while the game is the same, there is no media backlash from his continuation of Trump's China policies... even when they are more restrictive.

Indeed, the **Trends Journal** has reported extensively on the Biden administration's effort to hold an edge over China for the next decade and how they announced a special task force to make sure it happens. (See our 16 February article, "CHINA TASK FORCE: U.S. APPROACH TO BEIJING.")

The *Financial Times* reported on Friday that President Biden's team announced the ban on Americans from investing in 59 Chinese companies in the defense and surveillance technology sectors.

Biden's ban is an amendment to Trump's order that had listed 48 Chinese firms U.S. investors were prohibited to invest in.

In a news briefing, Wang Wenbin, a spokesman for China's Foreign Ministry, said Washington's actions are an abuse of state power that "unscrupulously suppressed and restricted Chinese companies."

Payback's a Bitch

Wang said the U.S. was in violation of the rule of law and that "China will take necessary measures to firmly safeguard Chinese enterprises' legitimate rights and interests and support them in defending their rights and interests according to law."

Among the blacklisted companies are Huawei, Semiconductor Manufacturing International Corporation, Hikvision, Aero Engine Corporation of China, Aerosun, and Fujian Torch Electron Technology. Washington said some of the companies have close ties to the Chinese military, and the administration said the U.S. investments could be used by China to undermine national security, the paper reported.

"With no justification for previous lists, the U.S. government keeps finding creative ways to continue targeting Hikvision simply because we happen to be headquartered in China," said a spokesman for the company, according to *Bloomberg.*

Fight for Market Power

U.S. officials said Americans will be able to divest shares in these companies over the next year, but once the timeframe ends, they will not be allowed to sell their shares.

A senior official told the *FT:*

> "The new executive order signals the administration's intent to sustain and build on prohibitions on Chinese defense companies in order to ensure that U.S. persons are not financing the military-industrial complex of the People's Republic of China…
>
> The prohibitions are intentionally targeted and scoped to maximize the impact on the targets while minimizing harm to global markets."

In issuing the executive order last Thursday, which is expected to take effect on 2 August, President Biden said,

> "I find that the use of Chinese surveillance technology outside the PRC [People's Republic of China] and the development or use of Chinese surveillance technology to facilitate repression or serious human rights abuse constitute unusual and extraordinary threats."

TREND FORECAST: *As we have forecast, despite the U.S. spending more on defense each year, which is more than the next ten highest-spending countries combined – and not having won a war since World War II – it would not defeat China in a military conflict.*

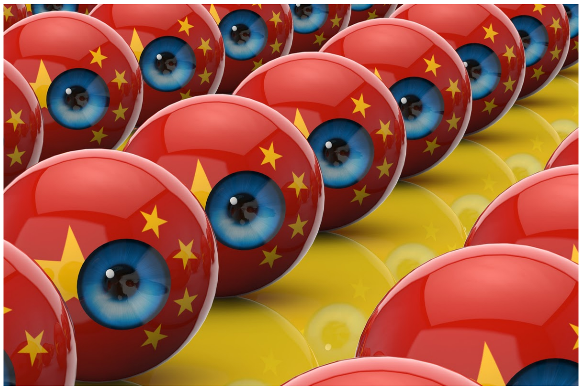
Indeed, after launching and fighting the 21st-century Afghan, Iraq, Libyan, Syrian, and Yemen wars and conflicts, the bottom line is defeat: trillions spent and millions killed.

Understanding its limited military capabilities, Reuters reported that Kurt Campbell, the Indo-Pacific policy coordinator under Biden, said in May that the period of engagement with Beijing is over and will now be one of economic competition.

As we have forecast, in this and previous issues of the ***Trends Journal****, with China overtaking America as the world's #1 economy in the next several years –*

and the business of China being business – the greater China's economic strength, the stronger the U.S. will clamp down with trade war measures.

SURVEILLANCE VIA "SMART LAMP" A BIG HIT IN CHINA



While Communist China is a country whose residents have become accustomed to living under high levels of surveillance by their government, as our 14 April 2020 **Trends Journal** cover illustrated, when the world followed the Chinese by locking down and putting on masks to fight the COVID War, it's: "THE CHINESE WAY – YOU WILL OBEY!"

Thus, the pervasiveness of the surveillance has conditioned Chinese parents to voluntarily embrace using similar methods to monitor their children as they study, which we forecast will become the way of the world.

Beyond the "Baby Monitor"

A new invention selling briskly in China is called the "smart homework lamp," according to a 1 June article in the *Wall Street Journal*. It's a desk lamp equipped with, among other features, two cameras, one pointed at the child and the other offering an overhead view, so parents can remotely observe their children. And parents can even hire human proctors to do the monitoring.

"Chinese parents have always felt immense societal pressure over their children's education," the article observes. The article notes that in Asia, such surveillance is seen in a positive light, enabling greater parental oversight.

The device is garnering rave reviews on Chinese social media, where it's touted as a blessing for busy parents. The reviews are so enthusiastic, it has become questionable to distinguish genuine users from paid promoters.

Although the smart lamp's initial success has inspired competitors, the original is a product of ByteDance Inc., the creators of the TikTok video app. Over 10,000 of their basic $120 model were sold in the first month after the product's debut in October. An upgraded, $170 model now monitors the child's posture, sending parents an alert when slouching is detected. That version is also selling briskly.

PUBLISHER'S NOTE: *In addition to the surveillance features, the lamps feature a small screen that uses artificial intelligence to help kids do math problems and acquire language skills.*

This is an example of technological innovations in the service of advancing the global trend toward online learning, a.k.a. "Distance Learning," a trend I have been writing about for 25 years, naming the trend "Interactive-U." (In my 1996 book "Trends 2000," I predicted how Interactive-U would grow and revolutionize education).

Interactive-U has been the topic of numerous ***Trends Journal*** *articles over the years, such as this one from March 2015, "VIRTUAL-REALITY LEARNING IS THE*

NEXT BIG WAVE," and this one from December 2017, "INTERACTIVE-U: THE INDIA MODEL."

TREND FORECAST: *As fewer and fewer students will be attending college and the homeschooling trend grows, as more parents work from home or are out of work and at home, the "Interactive-U" online learning megatrend will sharply accelerate.*

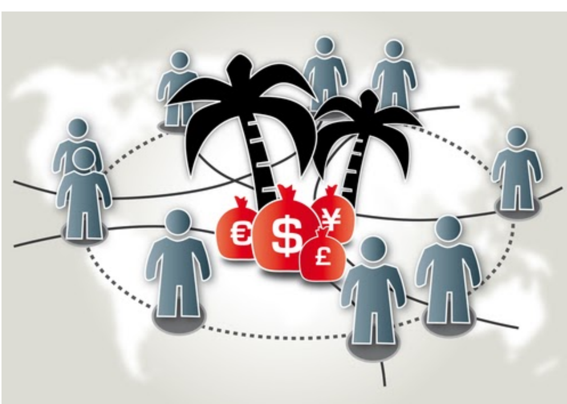
The current education model was invented by the Germans at the onset of the Industrial Revolution to teach workers in mass production facilities how to read, write, do math… and follow orders.

With interactive education, students will be able to access the best and most accomplished experts in selected fields of study rather than the one-size-fits-all, outdated educational programming that is now the norm.

Trends are born, they grow, mature, reach old age, and die. The Industrial Age education model is dying, and the Interactive-U model is still in its infancy.

Thus, the Ontrendpreneur® opportunities that seize on its growth will provide great rewards.

TAX DODGING ON A GRAND SCALE



In a 1 June article that originally appeared in *The New York Times*, *DNYUZ.com* describes the tangled web of tax laws that vary from country to country, which enable multinational media licensing companies to avoid or greatly minimize the taxes they pay on the proceeds of their intellectual properties.

The example cited is that of the manipulations and machinations employed by ViacomCBS, a media giant that owns the rights to TV and film franchises like *Spongebob* and *Transformers.* The article claims that, by moving licensing rights from country to country, ViacomCBS has cost the U.S. Treasury some $4 billion in tax revenues that would have been collected on those two properties had the company not taken advantage of such tax loopholes.

ViacomCBS is far from the only multinational company that does this, and such strategies are not illegal. Such exploitation of different countries' tax laws and tax rates is a common practice, and countries even compete for such companies' business by lowering their tax rates.

It's similar to the phenomena for corporations in Joe Biden's hometown in Delaware and ships using Panamanian registry. The Netherlands is a country that often stands out as offering the most attractive tax rates. Ironically, the Dutch Ministry of Foreign Affairs was one of the sources of funding for the study that focused on ViacomCBS's tax maneuvers, and which also reported that a number of U.S. companies had formed Dutch subsidiaries for tax purposes.

In its defense, the media titan disputes the way its tax dealings have been characterized, saying the study is "deeply flawed and misleading" and it "demonstrates a fundamental misunderstanding of U.S. tax law." ViacomCBS said,

> "ViacomCBS fulfills its tax obligations in all 180-plus countries and the territories we operate, and all of our revenues—including those identified in this report—are fully taxed in relevant jurisdictions around the world, including the United States, as required by applicable law."

Biden to Change Tax Code

President Biden has proposed a plan that would impede such practices by employing a 15-percent minimum tax on overseas profits for U.S. companies and has asked other countries to agree to standardize that as a global tax rate. Biden also seeks to raise the U.S. corporate tax rate from 21 to 28 percent.

TREND FORECAST: *While this article was barely "news for a day," the entire system across the globe favors the richest at the expense of We the People of Slavelandia. As we have detailed, during the COVID WAR, while the little people with their "non-essential" businesses were forced to close down and other small businesses had to abide by strict draconian rules, for the Bigs, it was business as usual, with barely any restrictions.*

Thus, with the billionaires of the world scooping up $8 trillion while hundreds of millions of lives and livelihoods were destroyed, the "Rich Getting Richer" trend will continue to escalate.

CHINA BEHIND LARGEST NEWS AGGREGATOR APP IN U.S.

It might be on your iPhone or Android device. You might be relying on it for the latest news. If so, thank the Chinese government.

It's called "News Break," and it's the #1 news aggregator app in America. But, like TikTok, the popular media app for creating viral video clips, which has YouTube scrambling to feature similar short videos, the "free" News Break app comes at a price.

That price might be the communist Chinese government exerting influence over what news is promoted and most viewed on the platform and also having access to detailed data of Americans and their news consumption.

According to recent reports in *The Epoch Times* and *Techcrunch*, New Break is the brainchild of Jeff Zheng and Ren Xuyang, both seasoned Chinese media pros, with help from teams in Beijing and Shanghai on the mainland to Seattle and Mountain View in the U.S.

Before founding News Break, Zheng helmed Yahoo Labs in Beijing, directing algorithm and other improvements for the search and media company. In 2011, he left Yahoo and formed a Beijing-based news app service called Yidian Zixun. Company co-founder Xuyang, meanwhile, was formerly an executive at Baidu.

For all intents and purposes, New Break is just the American extension of Yidian. The company's website used to note:

> "In April 2015, Yidian Zixun established Particle Media, an affiliate company in Silicon Valley, to launch its global strategic deployment, and the English version of Yidian Zixun, News Break, was recommended by the U.S. App store twice in a row and has become a popular news aggregation application in the United States."

Local News by Americans via China?

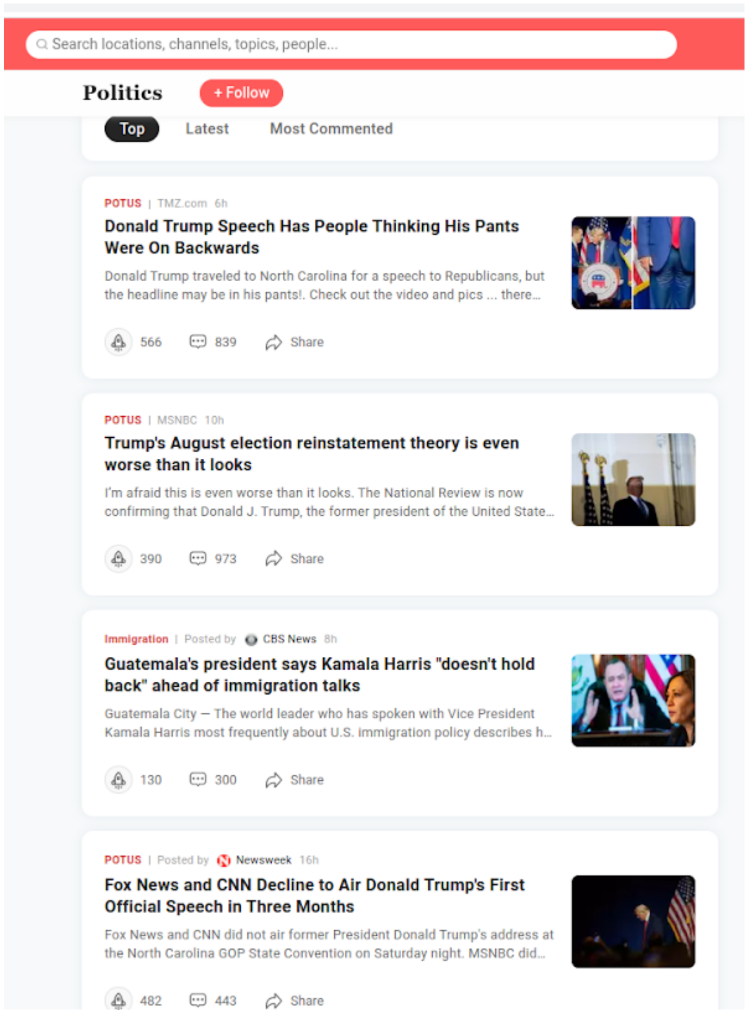
New Break is noted for its focus on local and regional news, which makes it attractive in a time when smaller newspapers have folded or been swallowed up by a few giant media corporations.

Who are those contributors? Local American writers, who sign up to News Break as writers. The slick platform allows writers to promote their stories via social media, encouraging others to get the app and subscribe to their feeds. Writers earn money from advertising and incentives based on views.

An ecosystem of more than 10,000 contributors currently provides content. The app has 23 million users a month, and it is present on an estimated 50 million Apple and Android devices, mostly in the U.S.

There's obviously a niche to be filled regarding local news coverage. The problem is, a Chinese company with ties to a Communist regime infamous for controlling information and crushing dissent is filling it.

The News Break site also touts its ties to major American news organizations including *CNN, The New York Times,* and others. Their top feed features stories typical of the bias of those sources. A snapshot of that national feed on 6 June 2021:



Recently, the company has taken steps to buy up American talent, partially to shield itself from accusations of being a tool of Chinese authorities. The biggest acquisition has been Harry Shum as Board Chairman. Shum, former head of Microsoft AI and that company's Research Asia lab, has experience and ties to business in that part of the world.

THE LARGEST DOJ CRIMINAL INVESTIGATION IN HISTORY

It's officially the largest criminal dragnet in U.S. history. Know what it is?

It doesn't involve drug cartels that precipitated 90,000 deaths in 2020, according to the CDC. It's not an investigation of Antifa and BLM rioters that caused dozens of deaths, hundreds of serious injuries, billions in property damage, and illegal violent political intimidation during the Presidential election season.

It's the pursuit of January 6 election fraud protestors. So far, more than 465 Americans have been arrested. A new "fact sheet" released by the DOJ this past Friday portrays the political targeting as a search for the "most violent" attendees.

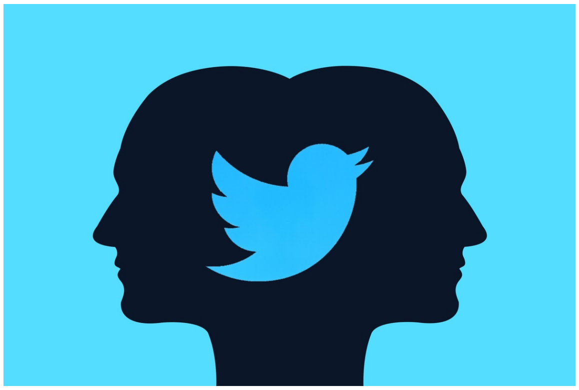
According to news reports, however, almost every protester charged thus far has pleaded "not guilty." Most have said they didn't believe they were violating the law by entering the Capitol and were merely joining hundreds of others unresisted by police.

The government response to the January 6 protest, which involved Trump supporters, has been vastly different from the treatment of leftist protesters during the election season of 2020. Antifa and BLM rioters assaulted police in much larger numbers, at the White House and elsewhere in Washington, DC, and across the country.

The **Trends Journal** has extensively covered how the Biden administration has used the January protests to illegally target political opponents via spying and intelligence activities, and mass arrests. (See our 2 March article, "POLITICAL PRISONERS IN THE U.S.A.," and our 9 March article, "POLITICAL SUPPRESSION GONE WRONG.")

The DOJ's latest moves are a sign that the abuses are likely to be a permanent feature of Trump's presidency.

TWITTER TAKES A STAND AGAINST BEING CENSORED



Access to a "free and open internet" is a human right. So says Twitter, after the company was kicked out of Nigeria.

The social platform made news for having the tables dramatically turned on them after they censored a tweet of Nigerian President Muhammadu Buhari. The Nigerian government responded by banning Twitter from the use by its citizens.

"The Federal Government has suspended, indefinitely, the operations of the microblogging and social networking service, Twitter, in Nigeria," the Nigerian Ministry of Information and Culture tweeted Friday night.

The government also said they would begin licensing social media platforms and other internet-related information services.

Twitter issued a breathtaking statement in response, considering their infamous censorship and bans of hundreds of prominent persons and dissident viewpoints. A tweet from the company's official feed reacted:

> "We are deeply concerned by the blocking of Twitter in Nigeria. Access to the free and #OpenInternet is an essential human right in modern society….
>
> We will work to restore access for all those in Nigeria who rely on Twitter to communicate and connect with the world. #KeepitOn"

Ban-Happy Big Tech Bristles at Their Own Ban

Twitter's statement might well be used against the company at some future legal proceeding. They have heavily censored and banned users and viewpoints. In doing so, they not only deprived those persons from the "human rights" they claimed for themselves in their tweet but their censorship deprived American citizens of their right to receive communications from elected officials, including former President Donald Trump, as well as much other information.

Many topics surrounding election fraud, COVID policies, vaccines, the possible origins of the COVID virus, anti-Antifa sentiments, and more have been heavily censored.

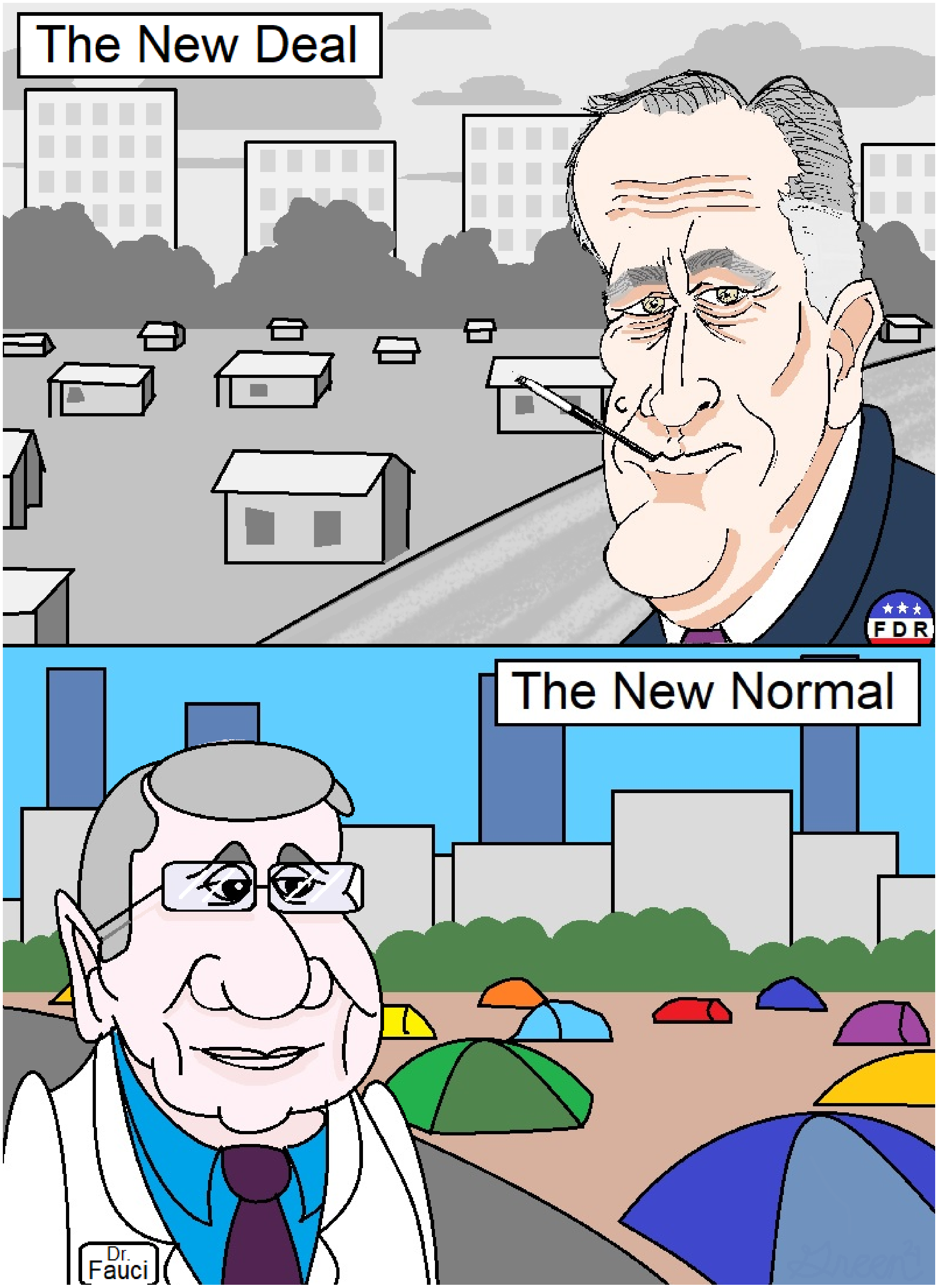
Some states, including Florida and Texas, have recently responded with legislation to limit de facto monopoly platforms and services from throttling users and viewpoints. And countries like Poland, Russia, and now Nigeria are taking action against Big Tech political manipulation.

Twitter's hypocritical response to the taste of being banned didn't go unnoticed by many observers and commenters. Political commentator Lauren Chen spoke for many in a tweet directed at the company:

> "So why are you depriving President Trump, Laura Loomer, Mike Lindell, Milo Yiannopoulos, Alex Jones, and countless others of this 'essential human right'?"

THE ART OF TRENDS

"Coping with depression 2" *by Stephen Green*



TRENDS IN HI-TECH SCIENCE

By Ben Daviss

PILOT PROJECTS EXTRACT RARE EARTH MINERALS FROM COAL WASTE

Hidden in the piles of slag, ash, and debris left behind when coal is mined and burned are rare earth minerals necessary for building electronic necessities from chips for smartphones to motors for electric cars.

Now the U.S. energy department is investing $19 million to test new processes through which cobalt, dysprosium, neodymium, and other crucial minerals can be reclaimed from coal waste, reprocessed, and put to economic use.

The department is building or planning research labs in Kentucky, North Dakota, Utah, West Virginia, and Wyoming to assay coal waste region by region to determine the rare earth riches in each and to hone new processes to extract them.

Processes that show promise will be funded for further testing, commercial development, and workforce training.

About 60 percent of the world's rare earths output is controlled by China, which refines about 90 percent of the resulting ore.

But finding rare earths in the coal ash pits beside coal-burning electric generation plants, coal slag scraped from boilers, and mine tailings poisoning lands around the world would do more than make rare earths a more competitive market.

In the U.S., for example, the federal energy department estimates there are 5,200 coal mines remaining to be cleaned up and 700 coal ash pits scattered across 43 states.

U.S. factories use about 13,000 tons of rare earths each year; by one estimate, 6,000 tons were bound up in the mine waste left behind each year during coal's heyday.

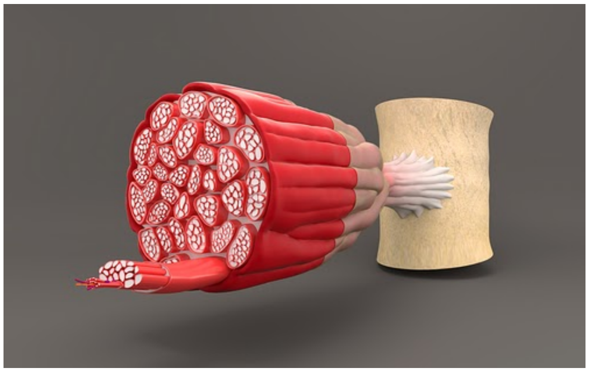
Reprocessing coal waste to collect vital minerals not only would add financial incentives and rewards to cleaning up hazardous waste, but also would bring jobs to communities plagued by poverty and unemployment in the played-out coal regions of Kentucky, Pennsylvania, West Virginia, and parts of the American West.

Scientists already are good at pulling small amounts of pure minerals from coal waste, but the processes are energy-intensive, expensive, messy, and create noxious emissions, including acidic waste.

The new tests aim to make the process cheap and clean enough to be commercially feasible.

***TRENDPOST:** Researchers estimate needing three years to develop the new technologies and another three to bring them to commercial scale.*

CHEMICAL BLEND CREATES NEW MUSCLE TISSUE



At the University of California at Los Angeles, researchers have combined forskolin, a compound extracted from the root of the Indian Coleus plant, and RepSox, a drug-like molecule made in the human body, in a blend that can spark the growth of new muscle tissue.

The cocktail ignites the massive, rapid growth of muscle stem cells. The results are dramatic within ten days, the scientists reported.

The technique tapped cells in skin, called dermal myogenic cells, that can become muscle cells. Doping the cells with the chemical mix set them to producing muscle stem cells that could be transplanted.

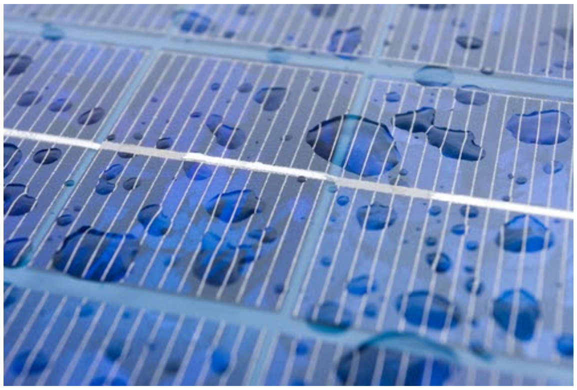
Mice with muscle injuries, and also elderly mice experiencing muscle-wasting due to age, were infused with the stem cells. After a month, the stem cells had integrated into the weakened tissues and significantly improved the muscles' ability to work normally.

In another test, the chemical pair was encased in biodegradable nanoparticle "bags" injected directly into damaged areas. The bags broke down and released the chemicals, which spurred the affected muscles to begin making new tissue.

Next, the developers will conduct longer tests on mice and begin experiments with human muscle cells.

TRENDPOST: *The discovery could result in a therapy for muscular dystrophy and, more broadly, address the muscle loss typical of old age, creating yet another tool to delay and defy one aspect of the decline associated with aging.*

SOLAR PANELS' OTHER USE



In India, solar panels aren't just making energy. They're also parasols that are saving water.

Throughout much of India, summer temperatures linger in the high 80s or into the 90s. The heat evaporates water from the 80,000 kilometers – about 48,000 miles – of irrigation canals in the province of Gujarat, where crops feeding millions of people depend on the canals to survive.

Increasingly in Gujarat, irrigation canals are being shielded by solar panels installed overhead, high enough for people to work beneath them and low enough to deflect sun rays that would steal the canal's water.

Other benefits: many small villages in India aren't connected to the country's soot-belching, coal-fired electric grid. The solar panels bring clean electricity to rural areas, charging cell phones and replacing the campfires or dangerous kerosene lanterns that have previously been the only sources of light after dark.

Also, the canals' flowing water helps cool the panels, which can boost their efficiency by as much as 2.5 percent, according to AHA Solar Photovoltaics, based in Ahmedabad.

If 30 percent of Gujarat's canals could be roofed with solar panels, the project would deliver 18,000 megawatts of power, the same amount as covering 90,000 acres of land with panels instead, the Gujarat Electricity Company has calculated.

So far, eight Indian states are installing solar panels over their irrigation canals.

TRENDPOST: *Southern California is cross-hatched with 4,000 miles of canals channeling water from mountain rains and snowmelt to farm fields and urban centers. Covering those canals with solar panels could prevent 65 billion gallons of water a year from disappearing into the atmosphere, a University of California study found, enough to irrigate 50,000 acres of cropland or provide enough water for two million households for a year.*

In a world increasingly plagued by drought, covering small waterways with solar panels would not only boost water supplies but also spare disappearing arable land to produce crops instead of electricity.