

July 1st, 2014

On this date, U.S. House of Representatives Bill "H.R. 2847" goes into effect. It will usher in the true collapse of the U.S. dollar, and will make millions of Americans poorer, overnight. You now have just several months to prepare...

Dear Fellow American,

Hello. My name is Porter Stansberry.

Fourteen years ago, I founded Stansberry & Associates Investment Research. It has since become the largest firm of its kind in the world. We specialize in financial research, and serve hundreds of thousands of paid subscribers in more than 120 countries.

You may know of our firm because of the work we did over the last several years – helping investors avoid the big disasters associated with Wall Street's collapse.

We warned people to avoid Fannie Mae and Freddie Mac, Lehman Brothers, General Motors and dozens of other companies that have since collapsed.

We even helped our subscribers find opportunities to profit from these moves by shorting stocks and buying put options. To my knowledge, no other research firm in the world can match our record of correctly predicting the catastrophe that occurred in 2008, and the rebound that has occurred since then.

The video presentation we created three years ago, to explain the financial crisis, and our thoughts on what would happen next, has become the most-watched on-line financial video in history, as far as we can tell.

But that's not why I created this follow-up presentation.

I reference our success and experience with Wall Street's latest crisis because we believe there is an even bigger crisis lurking –something that will shake the very foundation of America.

And we believe it will accelerate at an extremely rapid pace, beginning in 2014, because of a devastating new law, about to go in effect.

Very shortly, I'll explain more about the exact time and day this is all set to occur... and what it's all going to mean.

I know that to most people, the situation seems to be getting better in America. Stocks have recovered all their losses. Real estate has rebounded. Unemployment and bankruptcies have dropped. But here's the thing:

The unfortunate reality is that we are actually in a much more dangerous and precarious place today than we were five years ago.

And that is why I've spent a significant amount of time and money in the past few months preparing this presentation.

In short, I want to talk about a specific event that will take place in America's very near future... which could actually bring our country and our way of life to a grinding halt.

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This looming crisis is related to the financial crisis of 2008... but it is infinitely more dangerous, as I'll explain in this letter.

As this problem comes to a head, I expect there will be a near-complete shut-down of the American economy. Life as we have known it for more than 40 years will essentially cease to exist. Our governments on both the Federal and State level will shut down. Banks will not open. Businesses will at least temporarily shutter their doors. I expect we'll see martial law, enforced by the U.S. military.

Believe me, I don't make this prediction lightly and I have no interest in trying to scare you.

I'm simply following my research to its logical conclusion.

I did the same when I tracked Fannie Mae and Freddie Mac's accounting. Also with General Motors, Lehman Brothers and the rest. And when I began giving this warning in 2006 no one took me very seriously... not at first. Back then, most mainstream commentators just ignored me.

And when I presented my case and exposed the facts at economic conferences, they got angry. They couldn't refute my research... but they weren't ready to accept the enormity of its conclusions either.

That's why, before I go any further, I have to warn you...

What I am going to say is controversial. It will offend many people... Democrats, Republicans, and Tea Partiers, alike. In fact, I've already received dozens of pieces of hate mail.

And... the ideas and solutions I'm going to present might seem somewhat radical to you at first... perhaps even "un-American."

My guess is that, as you read this letter... you'll say: "There's no way this could really happen... not here."

But just remember:

No one believed me four years ago when I said the world's largest mortgage bankers - Fannie Mae and Freddie Mac - would soon go bankrupt.

And no one believed me when I said GM would soon be bankrupt as well... or that the same would happen to General Growth Properties (the biggest owner of mall property in America).

But again, that's exactly what happened.

No one believed me in 2011 when I said the crisis would cause "riots in the streets." Then came the protests in Wisconsin, and the Occupy Wall Street movement all over the country.

And that brings us to today...

The same financial problems I've been tracking from bank to bank and from company to company for the last six years have now found their way into the U.S. Treasury. I'll explain

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how this came to be. What it means is critically important to you and every American...

The next phase in this crisis will threaten our very way of life.

The savings of millions will be wiped out. This disaster will change your business and your work. It will dramatically affect your savings accounts, investments, and retirement.

It will change everything about your normal way of life: where you vacation... where you send your kids or grandkids to school... how and where you shop... the way you protect your family and home.

I'll explain how I know these events are about to happen. You can decide for yourself if I'm full of hot air.

As for me, I'm more certain about this looming crisis than I've been about anything else in my life.

I am literally afraid for my family's future, and I have taken drastic steps to prepare for what I know must inevitably happen next.

I know that debts don't just disappear. I know that bailouts have big consequences. And, unlike most of the pundits on TV, I know a lot about finance and accounting.

And this is all coming to a head much, much sooner than most Americans think.

Of course, the most important part of this situation is not what is happening... but rather what you can do about it.

In other words... Will you be prepared when the biggest financial crisis in America in more than 50 years, hits?

Don't worry, I'm not organizing a rally or demonstration. And I've turned down every request to run for political office.

Instead, I want to show you exactly what I'm doing personally, to protect my family, and to protect and perhaps even grow my money, and how you can prepare as well.

You see, I can tell you with near 100% certainty that most Americans will not know what to do when commodity prices – things like milk, bread and gasoline – soar. They won't know what to do when banks close... and their credit cards stop working. Or when they're not allowed to buy gold or foreign currencies. Or when food stamps fail... or their Social Security checks come to a halt.

In short, our way of life in America is about to change – I promise you. In this letter I'll show you exactly what is happening, and why it is inevitable.

Again, you can challenge every single one of my facts and you'll find that I'm right about each allegation I make.

Then, I hope you'll take action for yourself.

Will you act now to protect yourself and your family from the catastrophe that's brewing

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right now in Washington D.C.?

I hope so. And that's why I wrote this letter.

I'm going to walk you through exactly what I am doing personally, and what you can do as well. I can't promise you'll emerge from this crisis completely unharmed – but I guarantee you'll be a lot better off than people who don't follow these simple steps.

But I'm getting ahead of myself just a bit.

Let me back up and show you in the simplest terms possible what is going on, why I am so concerned, what I believe will happen in the next 12 months, and exactly what is going to happen when this devastating new law takes effect, later this year...

The Greatest Danger America Has Ever Faced?

I believe that we as Americans are about to see a major, major collapse in our national monetary system, and our normal way of life.

Basically, for many years now, our government has been borrowing so much money (very often using short-term loans), that very soon, we will no longer be able to afford even the interest on these loans.

Again... I say these things as an expert in accounting and financial research.

You may not think things are THAT BAD in the U.S. economy, or that our government spending is not "that bad," and I don't want to overwhelm you with numbers, but consider just one simple fact...

Every single hour, of every single day, the U.S. government spends about \$200 million that it doesn't have.

Yes, that's every hour of every single day... 24 hours a day, seven days a week, including Sundays, Christmas, Thanksgiving, Easter, and every other holiday.

For a point of reference, consider that in just two months, the government borrows more money than the combined annual profits of the 100 biggest publicly traded companies in America.

That's absolutely incredible, isn't it?

Again, every hour of every single day, we are spending \$200 million we don't have.

Does that sound sustainable to you?

Yet, you'll rarely see this fact reported anywhere else.

Normally, I study these kinds of numbers when I'm looking at a business to invest in or to recommend to my readers. But lately I've spent most of my time looking into our national balance sheet, because as the banking system collapsed in 2008... all of the bad debts were absorbed by the world's governments. And it continues to this day.

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We began the year 2013 with a net public debt that has more than doubled since the year BEFORE Barack Obama took office. These overwhelming public financial obligations are completely unprecedented in the history of our country, outside of the two major global wars we fought in the 20th century.

But even these incredible figures don't tell the real story. Or even half of it.

Various other government agencies and private companies taken over by the government also have obligations of nearly another \$5 trillion. We've already booked complete losses on \$140 billion worth of these obligations. Yet they remain completely off the federal balance sheet.

When you add these other, genuine, federal obligations that exist right now, today, you come up with a total debt figure that's much more than \$20 trillion. Far more than half of these debts were assumed under President Obama.

We don't know what the full burden of these new and existing debts will be in total, over time.

That's because the Federal Reserve's power to manipulate interest rates is unlimited—at least for now that's the case.

We don't know how much of Fannie's and Freddie's bad debts will eventually be covered by the U.S. Treasury. (We do know they have an unlimited line of credit... so it's a safe bet that we haven't seen the last of these charges.) Finally, we have no idea what the eventual costs of the Federal Reserve's ongoing expansion of the monetary base will be over the long term.

There is one thing that's certain, however: these debts will not be free. They will carry a burden.

Today, we have more government debt than any country in the history of the world. We have more debt than every country in the European Union... combined.

With each additional commitment we sink further and further into debt... closing in upon the moment that we can simply no longer afford even the interest payments on our obligations.

And here is the part that really matters... the costs of maintaining our debts are about to skyrocket.

Right now the Federal Reserve is manipulating interest rates down to almost zero. As a result, the interest rate at which our government can borrow money is at a record low level. In fact, the Federal Reserve has lowered its benchmark interest rate ten times since August 2007, from 5.25% to a zone between zero and 0.25%. Obviously, the current rate won't last forever.

But what will happen if the average real interest rate ends up being just 4% annually, and we pay it off over 30 years like a mortgage?

Incredibly, we'll spend \$34.3 trillion to simply repay what we owe right now. If the rate ends up being 6%, we'll spend \$43.1 trillion.

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Now, of course, our politicians believe that through policy and currency manipulation, they can simply avoid paying any of these costs. They can order the Federal Reserve to prevent interest rates from ever rising to a level that would cost the American people anything. They believe they can manage the economy, so the debts of Fannie and Freddie won't go bad. They believe (without any proof whatsoever) that they can stimulate the economy by even more deficit spending, so that it grows faster, allowing tax revenues to produce a surplus. Repaying these debts, they say, will be easy and painless.

But you know better, my friend. You must know better. The wages of sin must be paid. And they will be paid.

Just consider the plans of those who argue otherwise...

Paul Krugman, one of the most widely read and respected "economists" in the country wrote about this incredibly naïve and ridiculous solution in a January 7th, 2013 *New York Times* column. He said:

"There's a legal loophole allowing the Treasury to mint platinum coins in any denomination the secretary chooses. Yes, it was intended to allow commemorative collector's items – but that's not what the letter of the law says. And by minting a \$1 trillion coin, then depositing it at the Fed, the Treasury could acquire enough cash to sidestep the debt ceiling – while doing no economic harm at all."

Very few people, even our most influential economists, seem to remember that the utility of money and credit are based upon their soundness.

Money allows people to exchange goods and services widely, greatly increasing the specialization of labor and facilitating the economic magic of competitive advantage. Money also plays the critical function of facilitating communications between and among many disparate actors. Price changes guide producers and consumers.

But... when the money can't be trusted... this entire system breaks down. The price signals can't be relied upon. And it becomes harder and harder for people to exchange labor and capital.

Likewise, credit enables an economy to grow by facilitating the growth of savings and capital investment through real interest rates. But very few people are willing to delay consumption and trust their savings in an economy that refuses to pay savers *any* return above inflation for their savings.

And that's exactly where we are today.

Although to most Americans everything seems calm... and that we are enjoying an economic recovery, I can promise you this:

We are trapped. There is no way out.

And nobody in Washington – not Republicans, not Democrats, and not even Tea Partiers – want you to realize how precarious our government's finances really are. They can't afford for you to understand this dilemma... or what it means.

Because here's the thing...

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And this is the big secret the government hopes you never understand...

According to even my most conservative calculations (again, using numbers provided by the Congressional Budget Office) a debt default by the U.S. government would be inevitable – were it not for one simple anomaly...the one thing that has saved the United States so far.

I'm talking about our country's unique ability to simply print more money.

You see, the U.S. government has one very important weapon to use in this crisis so far: We are the only debtor in the world who can legally print U.S. dollars. And the U.S. dollar is what's known as "the world's reserve currency."

The dollar forms the basis of the world's financial system. It is what banks around the world hold in reserve against their loans.

Again, that's a secret most politicians don't understand:

As things stand now, the U.S. government can't go broke in any ordinary sense of the word because it can simply print dollars to pay for its bad debts. (It's been doing so since March of 2009.)

That might sound pretty good at first. Since we can always just print more money, what is there to worry about...?

Well, let me show you...

Why Our Biggest Advantage is About to Disappear

You see, as things stand today, America is the only country in the world that doesn't have to pay for its imports in a foreign currency.

Here's what I mean...

Let's say you're a German and you want to buy oil from Saudi Arabia. You can't just pay for your oil in German marks (or the new euro currency), because the oil is priced in dollars.

So you have to buy dollars first, then buy your oil.

And that means the value of the German currency is of great importance to the German government. To maintain the value of its currency, Germans must produce at least as much as they consume from around the world...otherwise the value of its currency will begin to fall, causing prices to rise and its standard of living to decline.

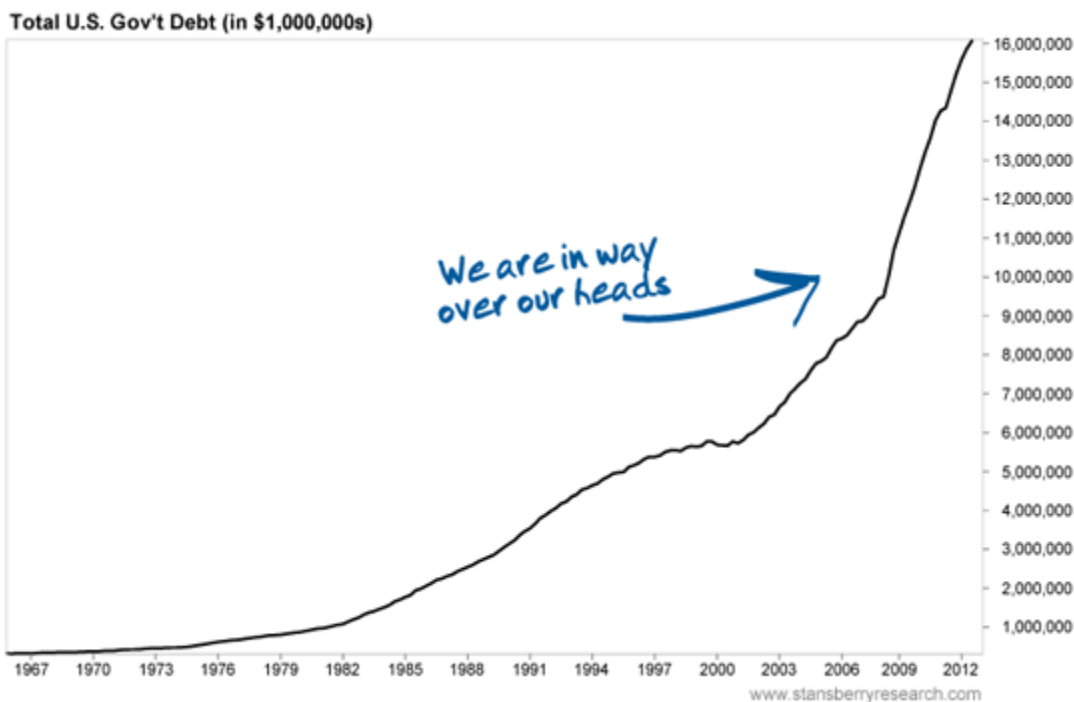
But in America...?

We've been able to consume as much as we want without worrying about acquiring the money to pay for it, because our dollars are accepted everywhere around the world. In short, for decades now, we haven't had to produce anything or export anything to get all the dollars we needed to buy all the oil (and other goods) our country required.

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All we had to do was borrow and print more money.

And boy did we. Take a look at this chart...



Even as late as the 1970s, America was the world's largest creditor. But by the mid-1980s we'd become a debtor to the world. And since the late 1990s we've been the world's LARGEST debtor.

Today, our government owes more money to more people than anyone else in the world.

With all of these bad debts piling up, we've had to begin repaying our debts by printing trillions of new dollars.

With QE3, the latest round of "quantitative easing," the Fed is now promising to print \$85 billion a month. That's over a trillion dollars a year.

And now, finally, the impact of this is being felt in a big way.

As our creditors figure out what's happening, we are beginning to have very, very big problems.

I believe our creditors (which include foreign countries and other investors here and abroad) will either completely stop accepting dollars in repayment... or greatly discount the value of these new dollars. I'm sure you think that sounds crazy, but as I'll show you, it is already happening.

In fact, Zha Xiaogang, a researcher at the Shanghai Institutes for International Studies, recently said:

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The shortcomings of the current international monetary system pose a big threat to China's economy."

That's why China is now actively taking steps to phase out the U.S. dollar because of its frustration with the U.S. government's mismanagement of our currency. And how does our government respond? We have the audacity to label China a "currency manipulator!"

Do you see the irony here?

As a result of what our government is doing today, I'm confident we will soon see an end of the U.S. dollar standard.

In fact, I'm 100% sure of it. It's not a matter of "if," but "when." And I think it's going to happen much, much sooner than most people think. In fact, I believe that a series of new laws, set to go into effect on July 1st, 2014, are going to accelerate this trend... in very dramatic fashion.

Even more importantly, these new regulations set to take place on July 1st will make it nearly impossible for most Americans to legally protect their savings... so it's imperative that you get the facts, learn what you can do, and take action before that date. And I'm going to get to all of that in just a minute.

Of course, I'm not the only one talking about the U.S. dollar losing its reserve currency status. Even some mainstream publications like the *New York Post* are recognizing the inevitability of this event. The *Post* recently reported that, "The US dollar is getting perilously close to losing its status as the world's reserve currency. Should it cross the line, the 2008 financial crisis could look like a summer storm."

And billionaire Ray Dalio of Bridgewater Associates, the largest and best-performing hedge fund in the world, told CNBC that it is "inevitable that the dollar's role as the world's currency will diminish from the dominant world currency to one of a few."

"It will fade probably fairly quickly, so the United States, which accounts for almost two-thirds of the reserves will probably go down to 50 percent of the world's reserves."

Keep in mind, the U.S. dollar has been the world's reserve currency for decades now... so most Americans don't have a clue about what the repercussions are of losing this status.

And maybe you think it could never happen... but the truth is, this is exactly what happens when countries get too far in debt or when they consume too much or produce too little.

In fact, the same thing happened to Great Britain in the 1970s.

First Britain... Now America

Most people don't know this, but Britain's sterling was the reserve currency for most of the world for nearly 200 years... for most of the 18th and 19th centuries.

It continued to play this role until after World War II, when America was forced to prop up Britain's economy with foreign aid –remember the famous Marshall Plan, when we gave billions to help European countries rebuild?

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Unfortunately though, Britain pursued a socialist national agenda. The government took over all of the major industries. Like Barack Obama, Britain's leaders wanted to "spread the wealth around." Pretty soon the country was flat broke.

The final straw for Britain came in 1967, when things got so bad the Labour Party (the socialists) decided to "devalue" the British currency by 14%, overnight. They believed this would make it easier for people to afford their debts.

In reality, what it did was make anyone holding British sterling 14% poorer, overnight, and it made everything in Britain, much, much more expensive in the coming years.

And for the country as a whole, it ushered in one of the worst decades in modern British history.

Most Americans don't know about Britain's "Winter of Discontent" in the late 1970s, when the government put a freeze on wages. There were continuous strikes in nearly every sector... grave diggers, trash collectors... even hospital workers. Things got so bad at one point that many hospitals were reduced to accepting emergency patients. And mothers giving birth had to bring their own linens.

In 1975, inflation in Britain skyrocketed 26.9%... in a single year!

The government also imposed what was known as the "Three Day Week" in 1974. In short, businesses were limited to using electricity for only three specified consecutive days' each week and they were prohibited from working longer hours on those days.

Television companies were required to cease broadcasting at 10:30pm... to save electricity.

Just how bad were things, exactly?

Well, here's a photo of the garbage that piled up because they didn't have enough money to pay trash collectors a fair wage...

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Imagine... Britain was a global superpower for 150 years. But when they started intentionally devaluing their currency, things went straight downhill.

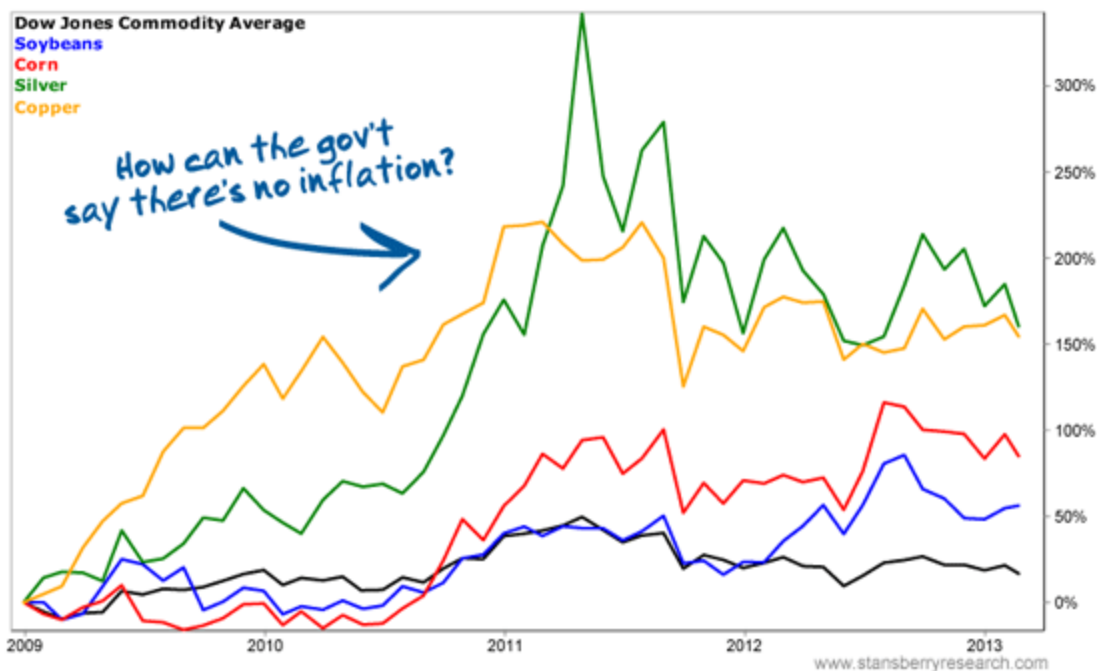
It's now obviously clear that the same thing that happened to Britain's sterling when it was the world's reserve currency, is now happening to the U.S. dollar. In fact, the exchange value of the U.S. dollar has fallen nearly 10% since June 2010. And its rate of decline is accelerating.

As the U.S. dollar continues to lose its position as the world's currency, gas, oil, and other commodities will continue to skyrocket. Almost EVERYTHING we consume will get dramatically more expensive. All the clothing, furniture, and household goods we import from China.

All the food we get from Central and South America... all the electronics, televisions, computers, and cars we get from Asia and Europe. And when you look back over the past few years, the numbers are startling...

The chart below shows how much a few key commodities have skyrocketed in price, just since the beginning of 2009...

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And the point here is simple... As we print more money, the price of the world's most essential commodities have soared. This is NOT a coincidence.

Around the world, as we print, prices soar... citizens protest... governments get overthrown. And it's only going to get worse...

Because here's the important fact you simply must understand about the United States right now:

Our government can NOT stop printing money because there is no possible way for us to actually afford our existing debts. No one wants you to know this. No one.

That's why, despite the obvious inflation going on all around the world, the Fed continues to say there's no inflation at all.

And that's the scary part, to me.

Just like in a Third World country, the government is radically devaluing the dollar and simply lying to everyone about what is really happening.

Whether you realize it or not, there is already a "run" on the dollar. Many of our creditors, like the Chinese, are getting out of the dollar as fast as they can via strategic commodities, like copper, gold, and oil. That's partly why commodity prices are soaring.

Unfortunately, skyrocketing commodity prices are just the beginning.

There are other disastrous consequences to the U.S. dollar losing status as the world's currency...

For example, as demand for U.S. dollars around the globe decreases, interest rates will

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skyrocket. Instead of getting a mortgage at today's incredibly low rates of around 3%, it might cost you 8%... or even 10%... or 15%.

Imagine what that would do to housing prices!

Stock prices will likely plummet by at least 40% in a matter of weeks as a result of this event in the currency markets. We had a small taste of this in 2011.

But believe me, it's going to get much, much worse from here.

As investment banker and best-selling author James Rickards writes in his new book *Currency Wars*:

"If the currency collapses, everything else goes with it... stocks, bonds, commodities, derivatives and other investments are all priced in a nation's currency. If you destroy the currency, you destroy all markets and the nation."

That's the harsh reality we are facing. And it's what no politician will ever tell you.

What's happened over the past few years is that investors are finally wising up to the mess that we are in.

This is why countries like Germany are taking nearly all their gold stored around the world, and bringing it back home. They are worried. And they have every right to be.

In the financial world, they refer to this as "capital flight." And what it means is, when people figure out that their savings in U.S. dollars are in jeopardy, they look for better and safer alternatives. And the really scary thing to me is, the U.S. government is trying to make protecting yourself all but impossible, with a series of new rules, set to go into effect, July 1st, 2014. I'll get to the specifics in just a minute.

This is why gold prices have gone up for 12 straight years - because people want to protect their savings. As far as we are aware, no other asset has ever gone up for 12 straight years, in the history of our nation.

But remember, we are not the first to go through this...

When Germans realized their currency was being destroyed in the 1920s, they got their money into Swiss Francs and gold as quickly as possible.

When Argentineans realized their currency was being destroyed in recent years, they did the same—by moving money as quickly and as quietly as possible into a safer currency and into "hard assets" like land and precious metals.

And it's the same with the U.S. dollar right now. As it continues to lose its position as the world's reserve currency, it will cause a brutal downturn in our economy, which will be about 10-times worse than the mortgage crisis of 2008. Remember, we bailed ourselves out of the last crisis by simply printing trillions and trillions of new dollars.

In a currency crisis, that's not possible. Printing money only makes the situation worse.

Again, I'm not the only one saying this...

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As *Barron's* reported...

"The demand for dollars from the rest of the world has been of inestimable benefit to the U.S. economy. It quite simply allows Americans to consume more than they produce and save less than they invest; in other words, to live beyond our means."

And listen to what Sam Zell, the 60th richest man in America according to *Forbes* Magazine, said on a rare interview with CNBC.

Zell said:

"My single biggest financial concern is the loss of the dollar as the reserve currency. I can't imagine anything more disastrous to our country. I'm hoping against hope that ain't gonna happen, but you're already seeing things in the markets that are suggesting that confidence in the dollar is waning. I think you could see a 25% reduction in the standard of living in this country if the U.S. dollar was no longer the world's reserve currency. That's how valuable it is."

You see, what will also happen as a result of this looming currency crisis, and the end of the U.S. dollar as the world's reserve currency, is a massive inflation in America, the likes of which we have never seen before.

When everyone is trying to get rid of their U.S. dollars and our federal government just continues printing more, this crisis will reach epic proportions.

Remember, we as Americans are not immune to the basic laws of economics and finance.

Over the past 100 years, many other governments have tried to do what our government is doing today... that is, printing money to pay for insurmountable debts. And in the past 100 years, this type of inflation and debt crisis has reared its ugly head in Germany, Russia, Austria, Argentina, Brazil, Chile, Poland, the Ukraine, Japan, and China, just to name a few. Greece is falling apart. Italy, Ireland, Portugal and Spain are all in trouble.

And now the same process is well underway in the United States.

As Bill Gross, founder, managing director and co-CIO of PIMCO wrote recently:

"The future price tag of printing six trillion dollars worth of checks comes in the form of inflation and devaluation of currencies..."

And George Melloan of the *Wall Street Journal* echoed these sentiments when he said:

"Indeed, it is unlikely that Americans themselves will escape the inflationary consequences of current Fed policy.... The Fed is financing a vast and rising federal deficit, following a practice that has been a surefire prescription for domestic inflation from time immemorial."

It's painfully clear that we have a major, major problem on our hands.

Perhaps we could right the ship if we could drastically reduce costs and cut spending.

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But that's the EXACT OPPOSITE of what our politicians are doing today.

But our political leaders are now on a runaway, suicide course. They've come to believe that narrowing the tax base and printing billions and billions of dollars is the formula for prosperity.

It has never worked, EVER, in human history, and it will never work now.

Like I said, these theories have all been tried in many other places around the world – Zimbabwe, Argentina, Germany after World War I... and they never work. No nation in history ever became wealthier by going deeply into debt and then printing the money required to repay the loans.

And despite what nearly all politicians seem to think... and what many pop-culture "economists" appear to believe, I 100% GUARANTEE it will not work here, either.

Unfortunately, the success the Fed has enjoyed (so far) in expanding the monetary base and manipulating the Treasury bond market has greatly emboldened our politicians.

But when you take a closer look, you realize that everything on the Federal and State level is a complete and absolute mess, because our government has been living way beyond its means for so long...

Is Your State as Broke as these Places?

Did you know that according to the Center on Budget and Policy Priorities, a Washington, D.C.-based think-tank, some 31 states are working to close \$55 billion in shortfalls for the 2013 fiscal year?

As the Center recently reported:

"These gaps are all the more daunting because states' options for addressing them are fewer and more difficult than in recent years."

And the Federal Reserve Bank of New York recently found that municipal bond defaults are in fact much greater than rating agencies have reported. Standard & Poor's reported 47 defaults between 1986 and 2011, but according to the New York Fed, there were in fact 2,366 -- FIFTY times more.

Remember, unlike the federal government, states can't typically run a deficit, so they are taking drastic steps to cut back. For instance...

** A town in Ohio turned off 766 of the town's 5,200 streetlights – which will remain turned off for two years. They hope to save \$185,000.

** Philadelphia announced it is closing 37 schools, because the district is "out of time and out of options," according to Superintendent William Hite.

** Budget crises have prompted states to explore early release options for prisoners. California is scrambling to comply with a Supreme Court order to reduce its inmate population by 30,000 people by mid-2013.

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New Jersey Governor Chris Christie, confirmed that this problem is going on all over the country...

He told *60 Minutes*...

"It's not like you can avoid it forever, 'cause it's here now. And we all know it's here. And the federal government doesn't have the money to paper over it anymore, either, for the states. The day of reckoning has arrived. That's it. And it's gonna arrive everywhere. Timing will vary a little bit, depending upon which state you're in, but it's comin'.

"We spent too much on everything. We spent too much. We spent money we didn't have. We borrowed money just crazily. The credit cards maxed out, and it's over. It's over."

That's why Christie and other governors around the country are now introducing bills to slash pension benefits to government employees. As laughable as these steps are, at least they are taking steps in the right direction—making drastic and dramatic changes to save money.

And although it's gone almost completely unreported in the mainstream press, six U.S. communities were actually forced to declare bankruptcy in 2010... and there were a slew of new municipal bankruptcies in 2011 as well, including Jefferson County, Alabama, which at the time was the largest municipal bankruptcy in U.S. history.

Of course, that was topped in 2012, when three California municipalities declared bankruptcy in a matter of weeks, including the new "largest municipal bankruptcy in U.S. history"... Stockton, a city of 290,000 people east of San Francisco.

And keep this in mind: Only about half the states in the country (27 in all) allow municipalities to declare bankruptcy. If it were allowed everywhere, I'm sure we'd see twice as many bankruptcies as we're seeing today.

But for most places where bankruptcy is not allowed... they just keep kicking the can down the road, rather than address the real problems.

In Baltimore, for example, where my firm's offices are headquartered, the city can't legally declare bankruptcy. But that doesn't mean they aren't essentially bankrupt.

An independent audit solicited by the mayor recently shows the city will be \$2 billion short of the money they need over the next decade. In other words, as one of local news station reported: the "City of Baltimore is on a path to financial ruin."

And the truly amazing thing is that the U.S. Federal government is in even worse shape than the local governments!

The only reason we haven't seen the full brunt of this crisis yet on the federal level is because we've just continued to pile on more and more debt.

The states can't print money... but the Federal government can (at least for now). And for the moment, this is all that is preventing a currency collapse of unprecedented proportions.

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**** And this is the important point to remember:** What most people don't realize is that the U.S. government can only continue printing dollars... as long as the U.S. dollar remains the world's reserve currency.

I can't stress this enough: You need to act now in order to protect your assets, and grow your savings in the next few years. In the next few minutes, I'm going to show you exactly how I'm protecting my own money, and what I recommend you do.

But first, let me show you what exactly is going on right now...

Americans Don't Realize What is Already Happening

Like I said, most Americans not only don't believe the U.S. dollar could ever lose its spot as the world's reserve currency, they don't even really understand what that means either.

But I am here to tell you... this is the biggest problem our country now faces, and it is clearly underway. And, as I mentioned at the beginning of this presentation, it's going to rapidly accelerate, beginning on July 1st, 2014. I'll get to exactly what's happening on that day, in just a minute. But for now, just know that you have very little time to prepare.

You see, with the rising level of U.S. debt, many countries around the world are questioning the position of the U.S. dollar as the reserve currency. They want to diversify out of the U.S. dollar, as quickly as possible.

The latest sign of a move away from the dollar as a reserve currency is that China and South Korea recently came to an agreement that allows firms to settle deals in either the Chinese yuan or the South Korea won instead of the U.S. dollar. "The agreement is part of a push among emerging countries to internationalize local currencies after the global financial crisis," reports *Bloomberg*.

Alan Wheatley, a global economics correspondent for *Reuters* recently wrote:

"Fed up with what it sees as Washington's malign neglect of the dollar, China is busily promoting the cross-border use of its own currency, the yuan.

"Displacing the dollar, Beijing says, will reduce volatility in oil and commodity prices and belatedly erode the 'exorbitant privilege' the United States enjoys as the issuer of the reserve currency at the heart of a post-war international financial architecture it now sees as hopelessly outmoded." In fact, in the past couple years, China has signed international currency agreements with Germany, Brazil, Russia, Australia, Japan, Chile, the United Arab Emirates, India and South Africa.

Japan and India also recently signed a currency deal linking their currencies closer together, and lessening their dependency on U.S. dollars.

These agreements are part of a trend that started a few years ago, when a group of the world's most powerful countries, including China, Japan, Russia, and France, got together for a secret meeting – WITHOUT the United States being present or even knowing about the meeting.

Veteran Middle East reporter Robert Fisk reported on this event in Britain's newspaper, *The*

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Independent. Here's what he wrote:

"In the most profound financial change in recent Middle East history, Gulf Arabs are planning – along with China, Russia, Japan and France – to end dollar dealing for oil, moving instead to a basket of currencies including the Japanese Yen, Chinese yuan, the euro, gold and a new, unified currency planned for nations in the Gulf Co-operation Council, including Saudi Arabia, Abu Dhabi, Kuwait and Qatar."

Fisk also interviewed a Chinese banker who said:

"These plans will change the face of international financial transactions. America... must be very worried. You will know how worried by the thunder of denials this news will generate."

And sure enough, after Fisk published the details of this secret meeting, U.S. officials and central bankers from around the globe denied these plans.

But as the old central banking adage goes... how do you know exactly when a currency will be devalued?

The answer is: Right AFTER the head of the central bank goes on television to adamantly deny that any such transaction will occur. (And guess who subsequently released a public statement about how the U.S. will "not devalue its currency"? Yes, you guessed it... former U.S. Treasury Secretary Tim Geithner.)

You see, the last thing a central banker wants to do in the midst of a devaluation is to give people a warning BEFORE he can devalue. So they have to deny, deny, deny. After the announcement is made, it's too late for citizens and investors to get out.

Then, not too long after this secret meeting was held, the International Monetary Fund (IMF) issued a report on a possible replacement for the dollar as the world's reserve currency.

I'm sure you recognize the significance of this event. The IMF, which is headquartered in Washington, D.C., is the intergovernmental organization that oversees the global financial system. They are THE most influential financial organization in the world economy.

The IMF has proposed replacing the U.S. dollar with something called "Special Drawing Rights," or SDRs. SDRs represent potential claims on the currencies of IMF members.

SDRs were created by the IMF in 1969 and can be converted into any currency, based on a weighted basket of international currencies. When the IMF lends money, it typically does so via SDRs.

The IMF also proposed creating SDR-denominated bonds, which could reduce central banks' dependence on U.S. Treasury Bonds.

The Fund also suggested that certain assets, such as oil and gold, which are traded in U.S. dollars, could be priced using SDRs.

This is a HUGE and important step to replace the U.S. dollar as the world's reserve

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currency. I'm telling you... it's coming... and it's coming much sooner than most Americans expect.

Most Americans simply aren't aware of what's being done and said around the world. For example, regarding the world's reserve currency, China issued a report through their state news agency, Xinhua, stating:

"International supervision over the issue of U.S. dollars should be introduced and a new, stable and secured global reserve currency may also be an option to avert a catastrophe caused by any single country."

It's just another sign of this inevitable event—the end of the U.S. dollar as the world's reserve currency.

Any government or investor with any sense is looking to get out of the U.S. dollar as quickly and safely as possible...

China and Russia, for example, took one of their first big steps to replace the U.S. dollar back in 2010...

China Daily reported...

"The two countries were accustomed to using other currencies, especially the dollar, for bilateral trade. Since the financial crisis, however, high-ranking officials on both sides began to explore other possibilities."

To settle their ordinary trading of about \$50 billion per year, they no longer first convert to U.S. dollars.

Since then, China has reached agreements with many other countries, as I mentioned earlier. Remember, they've already signed international currency agreements with Germany, Brazil, Russia, Australia, Japan, Chile, the United Arab Emirates, India and South Africa.

What does this mean?

Well, it used to be that China had to obtain dollars to buy gas supplies from, say, Russia. But not anymore. And Russia no longer needs U.S. dollars to buy stuff from the Chinese.

And this brings us to one of the biggest and most important facts regarding the U.S. dollar.

As the dollar loses its place as the world's reserve currency, foreign countries will no longer need to maintain large holdings of dollars. This means we will no longer be able to print as much money as we want — because there will be fewer and fewer people willing to loan us large amounts of money.

This move between China and other countries around the world would have been unthinkable 10 years ago, but today it is the new reality.

As I am sure you are aware, for years the U.S. dollar has been accepted almost universally around the globe.

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Heck, many times when I've traveled, I never even bothered to convert to the local currency, because I knew everyone would take my dollars.

Well, that's simply not the case anymore...

Many Places No Longer Accept the Dollar

For example, the *Seattle Times* reports that in Mexico, Americans are no longer allowed to exchange more than \$1,500 dollars per month.

In India, the country's tourism minister said U.S. dollars will no longer be accepted at the country's heritage tourist sites, like the Taj Mahal. And the U.S. dollar is no longer good anywhere in Cuba.

China is moving in the same direction. The *New York Times* reports...

"Now, many shops in China no longer accept dollar-based credit cards issued by foreign banks... and foreigners cannot convert American dollars into renminbi beyond a given quota."

Iran, of course, has already moved all of its reserves out of U.S. dollars, and Kuwait de-pegged it's currency from the dollar a few years ago.

And the Chicago Mercantile Exchange (the world's largest futures and commodities exchange board), now accepts gold to settle futures contracts. Until recently, the exchange typically accepted only U.S. treasuries and bonds as payment.

The guys at the Mercantile Exchange obviously see the writing on the wall.

Again, this would have all been completely unthinkable 10 years ago, but today it's a reality. And this trend is going to keep moving incredibly fast.

Just look at the actions taken by smart investors...

Bill Gross, who probably knows as much about currencies and debt as anyone in the world, runs the world's biggest bond fund. He was quoted by *Bloomberg* not too long ago, saying:

"We've told all of our clients that if you only had one idea, one investment, it would be to buy an investment in a non-dollar currency. That should be on top of the list."

Jim Rogers, one of the world's most successful multi-millionaire investors writes:

"The dollar is not just in decline; it's a mess. If something isn't done soon, I believe the dollar could lose its status as the world's reserve currency and medium of exchange, something that would lead to a huge decline in the standard of living for U.S. citizens like nothing we've seen in nearly a century."

I know... you probably still don't believe we can have a complete currency collapse here in the United States. But think about it...

Are we as Americans really immune to the laws of economics and finance?

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I don't think so. And I'm not the only one saying this...

The dollar's days as reserve currency are numbered," reports the *Financial Times*.

And the *Wall Street Journal* recently ran a headline saying: "Dollar's Reign as World's Main Reserve Currency is Near an End."

I'm sure I don't have to tell you that the *Financial Times* and the *Wall Street Journal* are probably the two most respected financial newspapers in the world.

They too see the writing on the wall.

It's obvious to anyone who has studied any economic history.

In every instance, throughout history, where a government has tried to inflate its debts away, it has ended in disaster.

Believe me... it will happen here too.

As Jim Rogers says:

"History teaches us that such imprudent monetary and fiscal behavior has always led to economic disaster."

This is why World Bank president, Robert B. Zoellick, in a speech at the School for Advanced International Studies at Johns Hopkins University, recently said:

"The United States would be mistaken to take for granted the dollar's place as the world's predominant reserve currency. Looking forward, there will increasingly be other options to the dollar."

And this is why the International Monetary Fund (IMF) recently published a paper calling for a new global world currency.

This is why big U.S. companies like McDonald's and Caterpillar have begun introducing what are called "dim-sum bonds." These are securities denominated in the Chinese currency (the renminbi) by non-Chinese borrowers.

In other words, two of the biggest and most successful corporations in America realize they would have an easier time raising money by offering their bonds in a currency other than the U.S. dollar!

Do you see where this is all heading?

It's no mystery why gold and silver prices have soared since the year 2000.

Yes, gold and silver both fell significantly in 2013, but keep in mind that before that, these precious metals went up for 12 STRAIGHT YEARS. Nothing has ever gone up for that many straight years without some type of correction. And even after the recent pull back, gold is still up 356% since the end of the year 2000.

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Again, remember... this is all a result of "capital flight." When people no longer trust a particular currency, they look for better and safer alternatives. Over the past twelve years, gold and silver have been much safer and far more profitable than holding U.S. dollars in the bank.

Think about this...

Gold prices have gone up for 12 straight years. No other asset in the world, as far as I know, has had a run like this in recent history. And why, exactly is gold going up?

The #1 reason is because savvy investors around the globe realize the U.S. dollar is no longer a safe store of value.

The point is, it's not a matter of "if" the U.S. dollar will lose its status as the world's reserve currency... it's a process that is already underway. And if, over the next few years, you ignore these basic facts, these basic laws of finance and economics, it will simply destroy you.

Investors, foreign governments, and large corporations know there are serious, serious problems with the U.S. dollar, so they are fleeing to precious metals, which have historically been very reliable when a country has major currency problems.

The good news (at least for those of us who take the time to prepare), is that no matter what happens, I've found several ways for you to protect your savings – and you could even make three to five times your money over the next few years. Just keep in mind: Big changes are coming on July 1st, 2014, so you must learn the facts, and take action soon.

I'll show you exactly what to do in a moment. But first let me explain why the collapse of the dollar as the world's reserve currency could happen much sooner than most people expect...

Let me show you The REAL State of the U.S. Economy

I know many of my friends, colleagues, and family members are still in serious denial about a major currency crisis in the United States. But this is natural...

In the world of psychology, they call this the "normalcy bias."

You see, the normalcy bias actually refers to our natural reactions when facing a crisis.

The normalcy bias causes smart people to underestimate the possibility of a disaster and its effects.

In short, people believe that since something has never happened before... it never will. We are all guilty of it... it's just human nature.

The normalcy bias also makes people unable to deal with a disaster, once it has occurred. Basically... people have a really hard time preparing for and dealing with something they have never experienced before.

What's scary is the normalcy bias often results in unnecessary deaths in disaster situations.

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For example, think about the Jewish populations of World War II...

As Barton Biggs reports in his book, *"Wealth, War, and Wisdom"*: "By the end of 1935, 100,000 Jews had left Germany, but 450,000 still [remained]. Wealthy Jewish families... kept thinking and hoping that the worst was over..."

"Many of the German Jews, brilliant, cultured, and cosmopolitan as they were, were too complacent. They had been in Germany so long and were so well established, they simply couldn't believe there was going to be a crisis that would endanger them. They were too comfortable. They believed the Nazi's anti-Semitism was an episodic event and that Hitler's bark was worse than his bite. [They] reacted sluggishly to the rise of Hitler for completely understandable but tragically erroneous reasons. Events moved much faster than they could imagine."

This is one of the most tragic examples of the devastating effects of the "normalcy bias" the world has ever seen.

Just think about what was going on at the time. Jews were arrested, beaten, taxed, robbed, and jailed for no reason other than the fact they practiced a particular religion. As a result, they were shipped off to concentration camps. Their houses and businesses were seized.

Yet most Jews STILL didn't leave Nazi Germany, because they simply couldn't believe that things would get as bad as they did. That's the normalcy bias... with devastating results.

We saw the same thing happen during Hurricane Katrina...

Even as it became clear that the levee system was not going to work, tens of thousands of people stayed in their homes, directly in the line of the oncoming waves of water.

People had never seen things get this bad before... so they simply didn't believe it could happen. As a result, nearly 2,000 residents died.

Again... it's the "normalcy bias."

We simply refuse to see the evidence that's right in front of our face, because it is unlike anything we have experienced before.

The normalcy bias kicks in... And we continue to go about our lives as if nothing is unusual or out of the ordinary.

Well, we're seeing the same thing happen in the United States right now during this currency crisis.

We have been the world's most powerful country for nearly 100 years. The U.S. dollar has reigned supreme as the world's reserve currency for more than 50 years.

Most of us in America simply cannot fathom these things changing. But I promise you this, things are changing... and faster than most people realize.

For a moment, just look at a tiny fraction of the evidence around us...

**** 15% OF POPULATION ON FOODSTAMPS**

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Did you know that there are now more than 46 million Americans on food stamps? That's nearly 15% of the entire population. Those numbers are up 65% since 2008 and that translates to roughly 1 in 7 Americans!

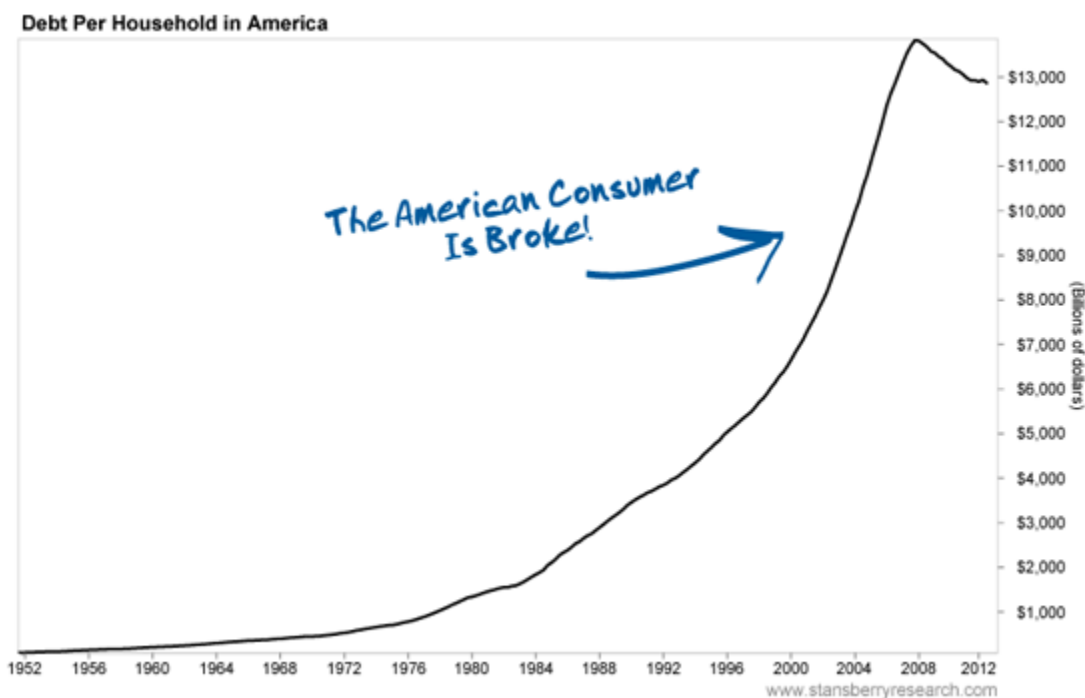
Can a country really be in good shape when 15% of the population can't even afford to buy food?

Or how about this...

**** 43% OF AMERICAN FAMILIES ARE ESSENTIALLY BROKE**

According to a recent article on MSN Money, about 43% of American families spend more than they earn each year.

Look at this chart... it's unbelievable:



Americans hold \$12.8 TRILLION in household debt. And of those households carrying debt, the average credit card balance is a whopping \$15,422.

It's no wonder... The U.S. Census Bureau says the median household income in America is actually 8.9% LOWER today than it was in 1999.

So how in the world can we possibly "spend" our way out of the current crisis?

We certainly can't do it with savings... or increased earnings... the only answer is to print more money, which will hasten the fall of the U.S. dollar as the world's reserve currency. And that brings me to...

THE MYSTERY OF DISAPPEARING JOBS

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There's simply no one better at bending statistics than the U.S. government. Take the unemployment rate, for example. Back in the 1930s, anyone without a job but not retired was considered "unemployed."

Today, however, the government calculates unemployment mainly by counting the number of people receiving unemployment benefits. So when unemployment benefits expire, people are no longer counted... and the unemployment rate actually falls! Ridiculous... I know.

And how about this...

Every month, 14 million Americans get a "disability" check from the government. In some states, like West Virginia, nearly 10% of the entire working age population is on disability.

In some rural counties, like Hale County, Alabama, 25% of the working age population gets a disability check. Of course, because these folks aren't officially in the job market, they don't count in the government's "official" unemployment numbers.

In other words, reality is, the true unemployment rate is much, much higher than what the government is reporting.

In fact, an article in *Forbes* in mid-2013 suggested that the true unemployment rate in America is about 14.3%, meaning 1 in 7 of all potential full-time employees are not able to earn a living wage to support themselves.



If you don't believe me, look at two job postings I read about recently...

In November of 2012, 3,000 people in Chicago stood in line for as long as four hours to apply for one of the 55 city jobs on offer.

And American Airlines recently announced it was hiring 1,500 new flight attendants – jobs

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that pay an average \$23,000 per year. Twenty thousand applicants responded -- so many that American stopped taking resumes after eight days.

The point is, our country is not growing jobs, because the government is making it harder and harder for businesses to thrive. And with current regulations in place, our country will never experience the type of growth necessary to dig our government out of the hole they've put themselves in.

I'm sure you think I'm exaggerating, but just look at what the CEO of one of America's most important companies said recently:

Intel CEO Paul Otellini said in a speech:

"I can tell you definitively that it costs \$1 billion more per factory for me to build, equip, and operate a semiconductor manufacturing facility in the United States."

He said that 90% of the additional costs are not from higher labor rates... but from higher taxes and regulatory charges, which other nations simply don't impose.

Cypress Semiconductor CEO T.J. Rodgers agreed that the problem is not higher U.S. wages, but anti-business laws.

He was quoted in an interview with CNET News saying:

"The killer factor in California for a manufacturer to create, say, a thousand blue-collar jobs is a hostile government that doesn't want you there and demonstrates it in thousands of ways."

Few Americans today realize that the United States has overtaken Japan and now has THE highest corporate tax rate in the developed world.

Why would anyone want to start a business here, when they can do it for less money... and keep more of the money they make... by locating elsewhere?

It's just another good reason to avoid the U.S. dollar...

So is this...

DEBT-RIDDEN U.S. COMPANIES

Did you know that in 1979, there were 61 American companies that earned a top-level AAA credit rating from Moody's?

Today, there are only four: Automatic Data Processing, ExxonMobil, Johnson & Johnson, and Microsoft.

Does this sound like an economic recovery to you... when only four companies in the entire country are stable enough to earn a triple-A credit rating?

Me neither. And think about this... can you really have any AAA- rated companies in a country where the government is not AAA-rated?

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I don't have the answer for that, and so far, these companies have not been downgraded along with the U.S. government.

But remember, most of their assets are in U.S. dollars, so it could soon mean big problems for these companies as well, even though they've been as conservative and responsible as possible with their finances. That's the thing you need to remember.

It doesn't matter if you personally have a good credit rating, or very little debt. When the U.S. dollar goes down as the world's reserve currency, it's going to have disastrous effects for EVERY American and for nearly every asset in America. You simply must take some simple steps to protect yourself as much as possible.

This currency crisis is going to get much, much worse. It's going to make the mortgage crisis of 2008 look like a walk in the park.

Almost every state in the country is on the verge of bankruptcy. The federal government has borrowed an impossible amount of money, which we'll never be able to pay back.

Our economy is an absolute mess. Taxes are sky high already... and now Obama in his 2nd term has raised taxes even higher. I'm sure we'll see tax hike proposals in the years to come too.

Plus nearly all of the world's major financial players are preparing for an alternative to the U.S. dollar as the world's reserve currency.

To me, it is so obvious that we are about to experience a serious currency crisis, I can't believe people can deny this reality with a straight face.

And I think that's part of the problem...

Today it's not uncommon to find editorials in some of the most respected publications, like the *New York Times*, stating that it's impossible for the U.S. to have a debt crisis.

But I promise you, the people making such idiotic claims today are going to be humiliated when this all unfolds. They'll be just like the guys pumping internet stocks in 1999... or the guys saying "real estate could never go down" in 2005.

In hindsight, it will all appear to be so obvious—yet today for most people the idea of the U.S. dollar collapsing is still an unfathomable event.

And if you still have your own doubts that this could really occur, just take another look at the price of gold and silver compared to the U.S. dollar over the past decade.

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And think about this...

The only reason people buy precious metals like gold and silver is because they realize there are major problems with saving money in ordinary currencies. And since 2000, gold is up more than 300%... while silver is up around 250%.

Yes, gold and silver have fallen back significantly in 2013. But this is natural, normal correction after such astonishing moves over the past dozen years.

And I promise you this, both gold and silver are going much, much higher than their highs of recent years, and much, much higher than their current prices today.

And think about this: People have lost so much faith in the U.S. dollar, they are pouring money into radical alternatives like Bitcoin. I wouldn't touch Bitcoin with a 10-foot pole, but because people have lost so much faith in the U.S. dollar, it soared more than 8,000% in 2013. Absolutely insane.

The point is: Anyone with any sense or basic understanding of economics can tell the U.S. dollar is doomed. And as it continues to collapse, it's going to have major repercussions. Yet most Americans are completely clueless about what this all means.

And as I've mentioned several times throughout this presentation, this entire process is going to accelerate dramatically in the next few months, because of a dramatic law change that takes effect July 1st, 2014.

Here's what's happening...

In 2010, the U.S. Congress passed House of Representatives bill H.R. 2847.

Hidden within this bill is a provision known as "FATCA," which stands for the Foreign Account Tax Compliance Act.

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This bill does several important things, as of July 1st, 2014:

1. It forces all worldwide banks to comply with the IRS if they have any transactions in U.S. dollars.
2. Because the U.S. dollar is still the world's reserve currency, it essentially means ALL WORLDWIDE BANKS, except for the smallest community institutions, must comply.
3. To comply, banks can either spend a fortune segmenting, tracking, and potentially "taxing" their U.S. dollar transactions by as much as 30%... or they can simply get rid of all of their U.S. customers.

In other words, the U.S. government is saying to all banks around the world: If you deal in U.S. dollars in any way, you have to give us full, unfettered access to all of these transactions... or you have to get rid of all of your U.S. customers.

The repercussions here are enormous:

For one, it means more and more institutions will move AWAY from the U.S. dollar, accelerating the already rapid worldwide move away from the dollar as reserve currency.

For another, it essentially makes it extremely difficult, if not impossible, for the average American to get some of his money out of U.S. dollars, and into more stable currencies via foreign banks.

Already, we've seen two of the largest banks in the world, JP Morgan Chase and HSBC, basically eliminate international wire transfers. Many small banks have reportedly followed suit.

And we expect many, many more banks to basically outlaw international wire transfers, the run up to this new July 1st law.

This is a clear example of Capital Controls. This is what a broke and desperate government does when they know the value of their currency is about to collapse.

We've seen governments around the globe pull these stunts over and over again... right before a currency devaluation or collapse.

And now it's happenings right here, in the United States of America.

So, what can you do?

Well, I've done a lot of research on this development, and despite the July 1st, 2014 law change, there are still a surprising number of simple things you can do to not only protect what you've currently got, but to also potentially make quite a bit of money as this currency crisis unfolds.

Here's what I recommend...

Please At Least Consider These Simple Steps

In order to protect and possibly even grow your wealth in the next few years, there's a

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series of pretty simple financial moves I believe you should begin making, immediately.

And here's something I want you to keep in mind: Right now, all of these moves are easy and fairly straightforward to implement. But if you wait to do these things, I believe they will almost certainly get very expensive, difficult, and even impossible to do.

If you do these things now, not only will you be better prepared to weather the coming storm, I believe you could also make quite a bit of money over the next few years.

And if I'm wrong about this whole thing... if we don't have a currency crisis at all in the next few years... well... that's the best part... I think you'll still make very good gains.

Even if all we get out of this crisis is mild inflation, you will still be set up to do very, very well.

So here are the specific steps you should take...

STEP #1. GET SOME OF YOUR MONEY BEYOND THE REACH OF THE U.S. GOVERNMENT (it's perfectly legal, and a lot easier than you think).

I know you probably don't believe me when I tell you that the U.S. government is going to implement policies to save itself, which are unimaginable right now.

But remember, desperate governments will do very desperate things. That's why they outlawed the ownership of gold 80 years ago.

That's why they are already talking about "nationalizing" automatic 401(k)s and retirement plans. That's why the government is making it harder and harder to open foreign bank accounts (more on this in a minute), or to move your money overseas without paying outrageous taxes. That is why the International Monetary Fund (IMF) published a report in October 2013, examining all of the options for broke and indebted governments. One of their recommendations is a wealth tax on anyone with "positive net wealth." In other words, anyone with ANY savings.

The IMF says the government could simply put a 10% tax on EVERYTHING of significant value that you own, including bank accounts.

The study concludes: "The appeal is that such a tax, if it is implemented before avoidance is possible and there is a belief that it will never be repeated, does not distort behavior (and may be seen by some as fair). There have been illustrious supporters... [and] The conditions for success are strong."

As I've repeatedly said: Desperate governments do desperate things... and all of these desperate moves are coming very soon, right here in America. In fact, they are already underway.

The good news is, I recently met with a man who is considered one of the top "asset protection" attorneys in America.

In short, I learned that there are four simple investments you can make right now, which you DO NOT have to report to the U.S. government.

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Don't get me wrong...

When and if you ever sell these things, years down the road, you are still required to pay taxes on your gains. But the great thing is, while you are holding these investments, so long as you play by the rules, neither you nor anyone else is required to report them to the government.

And this benefit should be obvious...

The less the government knows about where you have your money, the better. They will simply have a very hard time taking what they don't know you have.

I am personally putting a fairly significant portion of my portfolio into one of these assets. And I plan to hold it for a long time. No matter what happens, I know I'll have a significant amount of money that is beyond the government's grasp.

I'm not going to tell you exactly what I'm doing here in this letter, but I will explain everything in full detail in my new report, called: ***The 4 Investment Assets You Do NOT Have to Report to the U.S. Government.*** And I will gladly give you access to a copy, free of charge.

In addition to explaining how I'm protecting my own money, I'll show you three other places you can put your money, which you legally do not have to report to the U.S. government.

Of course, normally it would cost you thousands of dollars to meet with my asset protection attorney, and to take advantage of his best strategies. But I'll reveal everything you need to know to get started in this report. Plus, I'd like to send you information on...

STEP #2: HOW TO ACQUIRE THE WORLD'S SAFEST ASSETS, WHICH ARE LIKELY TO PERFORM BEST DURING THIS PERIOD.

What I'm talking about here is buying as much gold and silver as you can reasonably afford. I know... gold has had a huge run, jumping more than 300% in the past decade.

And after 12 years of going straight up, gold is finally having a correction. This is completely normal. And it's going to give you a great opportunity to buy gold at prices not seen in years.

Believe me, when the U.S. dollar loses its status as the world's reserve currency, this early run and the current correction are going to be mere afterthoughts.

I will be surprised if gold does not reach \$5,000 an ounce or \$6,000 an ounce in the next few years.

The smartest money managers in the world, people like George Soros, David Einhorn, and John Paulson, have all recently taken huge positions in gold.

Even Bill Gross, the "bond king," who is one of the richest men in the world and over the past 20 years has become one of the world's top bond experts, is now recommending buying gold.

And I think you are crazy to not do the same.

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How should you do it?

There are many, many options. And that's why my research firm has recently published a great report, called ***The Gold Investor's Manual***, which details all of the best ways to own and hold gold bullion.

In this report, we reveal dozens of secrets about the gold industry... specifically the best ways to buy, sell, and store your gold. It explains why some gold coins are better than others. How to buy gold with ZERO dealer markup. How to easily and safely store some of your gold overseas, very cheaply... where to hide it... and so much more.

Not regularly available for sale, this book is valued at \$24. I'd like to give you instant access to a copy, totally free of charge.

And what about silver?

Well, I believe silver will serve a unique role during this currency crisis.

Let me explain...

For most of recorded history, the price of gold has been around 16 times the price of silver. This ratio – the so-called "silver ratio" – has fluctuated from time to time based on silver discoveries and attempts by governments to regulate the silver-to-gold ratio.

But... in a free market, where demand for silver as money exists, I'd expect the natural supply and demand balance to lead to a silver price around 1/16 times the price of gold.

It's not, of course. Today, silver is selling for more than 50-times the price of gold.

What explains the difference between hundreds of years of history and today? Why is silver still so cheap relative to gold?

When silver is "demonetized," as it is now (meaning it's not being used for money, but just for industrial purposes), supplies soar as people sell silver for gold and other currencies.

On the other hand, during periods of monetary crisis, demand for silver as money pushes the silver ratio heavily in silver's favor.

For example, the ratio returned to its historic range of (16to 1) during World War I. It happened again in the early 1970s, when Nixon abandoned the gold standard. It also happened most famously in 1979-1980, when it seemed as if America was really entering a serious money crisis.

I believe the gold to silver ratio will get much closer to 16 to 1 in the next few years. As a result, silver owners will make a heck of a lot of money.

As the dollar fails, silver will once again be in demand as money.

And as this demand materializes, the free market price of silver will likely return to around 1/16 the price of gold. When gold hits \$2,000 an ounce, and assuming the price of gold is 16 times the price of silver, silver should be worth about \$125. My multimillionaire friend

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and currency expert, Chris Weber, believes silver will likely hit \$187 an ounce.

If that happens, you could make gains of over 800% if you invest at today's prices.

Plus, most people don't know this, but silver has soared higher than gold over the past decade... from the middle of 2003 to today. While gold is up more than 250% during this time, silver is up nearly 330% during the same period.

In short, silver is the best hedge against a money crisis. And you want to own as much as possible, as cheaply as possible.

So what are the best ways to buy silver?

Well, my firm has done a ton of research on this precious metal. We have found great ways to hold the metal personally... to have it stored in a secure location in the United States or overseas... and more.

We've put everything we know into a valuable guide called: ***Secrets of the Silver Market.***

I'd like to give you access to this valuable resource, also free of charge. I'll show you how to get it in a second.

But first let me get to the third financial step I recommend you take right now:

STEP #3: LEARN THE 100% SECRET

If you want the opportunity to make a lot of money during the coming crisis, one sure way to do it is to learn the intricacies of an unusual investment strategy that is now making some investors an absolute fortune.

At my research firm, we have been teaching readers this method for several years.

And get this: You don't have to buy a single stock to begin using this strategy... and it has nothing to do with "shorting."

In a nutshell, this is an approach that could enable you to safely extract gains of exactly 100% from the market... without ever owning or touching a stock.

Keep in mind: this strategy can play out in two very different ways.

Though you'll always be able to keep the initial cash you extract from the market, there is a chance you will be required to purchase the underlying stock, at a price less favorable than its current market value.

So please understand, there is risk involved with this strategy, and it probably won't be right for everyone.

But this can be such a sound market strategy, especially in times of financial uncertainty, that once you learn how it works, you might decide to never invest the old-fashioned way again.

That's why I call this the 100% Secret.

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For example, look at how it has worked for a few of the folks I taught this secret to in recent years...

Peter K. of Boise, ID began using this strategy. He says he now makes an average of \$10,000 per month.

And Randy B. of Annapolis, MD told me he's made over \$87,500 with this technique.

Bernard H. of Carmel, IN, now collects an average of \$100 a day.

Another, Harold W. of New Brunswick, NJ, has made over \$20,000.

Tim H. from Sacramento probably put it best when he wrote me and said: "This has saved my portfolio."

That's why financial author Lee Lowell writes: "I've been a professional trader for 17 years... but many people have never heard of a [this investment], let alone used this strategy. This is a great way to get your hands on instant cash."

Pulitzer Prize winning author James Stewart learned this technique recently and said: "[These payouts] are so rich I consulted a colleague to make sure they were real."

This seldom-understood strategy is how we've helped dozens of people make incredible gains, even in a terrible stock market. And in all likelihood, when the stock market gets really bad, as I expect it soon will, this will be incredibly lucrative and a safe strategy.

Everything you need to know is in my new report called: ***The 100% Secret – The Easiest Way to Make Money When Stocks are Risky.***

I'll explain exactly how this investment strategy works so you can decide if it's something that might be right for you. And I'll show you how you could begin to take advantage of it, starting immediately.

Believe me, this is something you want to learn about now. Because as the stock market begins to unravel, this incredible technique will likely get more and more lucrative.

And that brings me to:

STEP #4: MAKE SURE YOU OWN THE ONE ASSET THAT CAN HELP SAVE YOU AND YOUR FAMILY, NO MATTER HOW BAD THINGS GET.

There's no telling exactly how bad things are going to get as this crisis unfolds.

I firmly believe there could be riots, marches in the streets, bank runs, massive arrests, and periods of uncontrollable mayhem... at least for several months as things begin to unravel.

But the good news is, there is one asset you can own (now widely available in America), which should help protect you and your family from this chaos... and could also likely make you a fortune in the years to come.

I'm not talking about guns or bonds or gold or other precious metals... or anything like that.

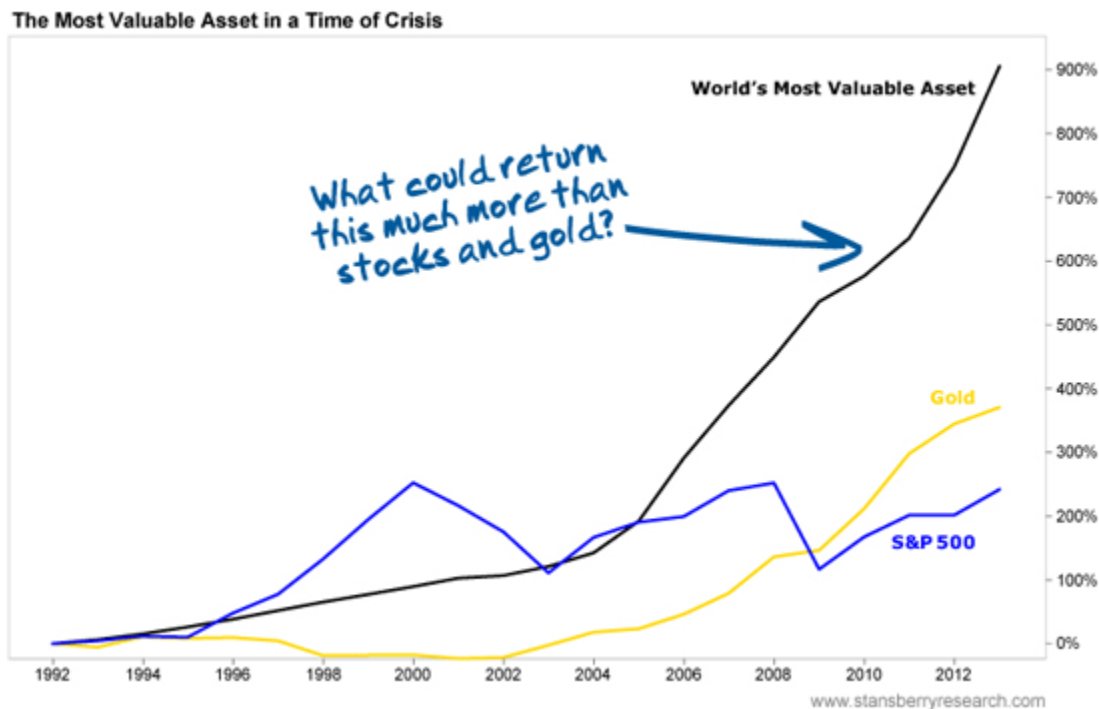
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And of course this has absolutely nothing to do with the stock market.

What I'm talking about is a very powerful asset that wealthy families have used for centuries to protect themselves... and preserve and build their fortunes.

An index tracking this asset has absolutely crushed the stock market. Since 1992, it's returned well over 900% gains.

Best of all, it provided these gains with almost no volatility. Just look at the chart below.



See how that blue line goes straight up, without any hiccups?

Multimillionaire investor Barton Biggs wrote that this type of asset, throughout history, "protected both your wealth and your life."

During World War II, for example, when millions of families lost their entire life savings through inflation or government seizure, this was the one asset that enabled some families to protect, preserve, and grow their money.

What the average American doesn't realize is that many of the richest people in the United States have a significant ownership stake in this asset: The Walton family (of Wal-Mart fame), Bill Gates, Ted Turner, the Hilton family, Charles Schwab, Microsoft billionaire Paul Allen, the Hunt family (of Texas oil fame), the Hearst family, the Ford family, and more.

As I mentioned, you can easily make this investment today, here in America. Probably less than 1% of the population owns it today... but it is readily available, and fairly inexpensive.

I've written up all the details on everything you need to know. My full report is called: ***The World's Most Valuable Asset in a Time of Crisis***.

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There are several ways to make this investment. I'll show you what they are.

Like I said, this has nothing to do with stocks, bonds, precious metals, guns, medicine, or anything like that. Yet it could save your family... and make you very wealthy in the coming years.

As my multi-millionaire friend Doug Casey says, it's the ONE THING you should own in the years to come.

I don't want to say any more about it than that, here in this letter. The truth is, the fewer people who know about this investment secret, the better.

So how can you begin taking these simple steps, right away?

Well, my company, Stansberry & Associates Investment Research, is a financial research firm.

We have a staff of about 100 people, and our main objective is to find safe and profitable investment ideas that you are not likely to hear about anywhere else.

Since we started this business a decade ago, we have helped a lot of people make a lot of money...

Harold T. from Montana wrote recently to say: "My IRA has gone from a low of \$315,000.00 to the present high of \$952,000.00. I can only thank [you] for changing my life so much."

Dan K., from San Diego, also contacted us recently to say: "Since joining, my portfolio has grown by several hundred thousand dollars. I look forward to a long and prosperous relationship."

We even got an interesting note recently from a reader named Ulysses Reuter, who says he has been making a "small killing" – enough to buy a nice-sized boat and a house in Mexico. Here's the photo he sent (below).

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Mr. Reuter added:

"We took delivery of her 3 weeks ago and are cruising the Bahamas. In October we will take her through the Panama Canal over to the Pacific side since I just bought a home in Mexico..."

Then there was the nice note from Mitchell D., from Ithaca, New York. He said: "I was working long hours with overtime to make a living when I joined you. The excellent results have allowed me to retire early."

Believe me, nothing makes me feel better than receiving notes like these.

But I have to tell you, right now, I am really worried that a lot of our subscribers and many, many hard-working Americans are going to get caught totally by surprise when this crisis escalates.

People have watched the stock market rebound to the same levels it fell from in 2008 and 2009. They've watched real estate prices start to creep back up. And they mistakenly think the worst is behind us... when in reality all that's been done is to pile on more debt.

We've basically "papered over" our debt problems with more debt.

Can you imagine if your family was in debt and you decided to solve the problem by simply borrowing more and more money?

We all know that would be a disaster for a family—yet many supposedly smart people think it could actually work for a country.

The sad truth is, it can work only as long as the rest of the world is willing to accumulate more and more U.S. dollars... and only as long as the U.S. dollar remains the world's reserve currency.

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As we've seen, on both counts, those days are very quickly coming to an end.

Even with all that has happened in recent times... the downgrade of the U.S. government by Standard & Poor's... the spike in gold and silver prices... the calls for a new world currency... many Americans STILL aren't taking the steps necessary to prepare themselves. These folks are going to be in for a very rude awakening.

I sincerely hope you are not one of them.

That's why I created this letter, and that's why I'd like to send you the full details on exactly how I believe this is all going to unfold... and exactly how to protect yourself and even prosper during these once-in-a-lifetime events.

Remember... The government is not going to save you:

Think about this: If the government couldn't rescue one small city after a natural disaster in New Orleans, how is it going to save all of us when the entire country is in a crisis?

You can either let things happen to you... or you can take a few simple steps and take charge of your family's fate.

You know, it's funny, when we began writing about the looming collapse of the bond market and the risks to the U.S. dollar, a lot of people called us "right-wing nut jobs" or "gold bugs."

But that was when silver was still trading for less than \$20. And when gold was under \$1,000. That was before food prices soared.

It was before the Fed began to print trillions of new dollars every year and before Standard & Poor's downgraded our country's credit rating. That was before folks realized most of the states are going bankrupt... before they saw that even doubling taxes wouldn't end our annual deficit... and before Barack Obama essentially DOUBLED our net public debt.

We knew all of these things were going to happen... even though it was hard to believe our own conclusions.

And, we know all of these problems are going to get worse. Much, much worse.

The fact is, we can't afford our debts. We can't stop printing money. And as a result, we're going to see a massive dollar crisis.

The only question is...

What will it take for you to recognize the crisis for what it is?

How high will gold have to go? How many banks will have to be seized by the FDIC? How high will oil have to soar? Or food prices? Or foreign currencies? When will you finally realize there's a problem...?

I hope you will act now.

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When the coming currency crisis hits a critical state, it will happen very, very quickly. If our government suddenly finds itself unable to sell bonds at a reasonable price, the U.S. dollar will collapse and become near worthless, overnight.

It's sad, but most people—even smart and successful people—will do nothing. They will continue to assume tomorrow is going to be pretty much the same as today. Mark my words: As this currency crisis snowballs, these people are going to get wiped out.

Please, don't let that happen to you and your family.

You can give my research a look, and receive everything I've mentioned here, at absolutely no risk or obligation.

Simply let me know you'd like to take a trial subscription to my monthly newsletter, ***Stansberry's Investment Advisory***, and I will immediately give you access to:

Research Report #1: ***The 4 Investment Assets You Do NOT Have to Report to the U.S. Government***

Research Report #2: ***The Gold Investor's Manual***

Research Report #3: ***Secrets of the Silver Market***

Research Report #4: ***The 100% Secret – The Easiest Way to Make Money in a Risky Stock Market***

Research Report #5: ***The World's Most Valuable Asset in a Time of Crisis***

Also, on the second Friday of each month, I'll send you my monthly newsletter, *Stansberry's Investment Advisory*. I'll keep you up to date on exactly what's going on regarding this financial crisis, and I'll show you some unusual and incredible ways to make money now and as the currency collapse continues to unfold.

We have found some great ways to make a fortune as the government continues to try to bail out one failing industry after another.

I'll also keep you up to date on what I am doing to protect myself. I'll make sure you stay abreast of changes to the laws and government interventions.

And... every day the markets are open, I'll send you my paid-subscribers-only email called the *Stansberry & Associates Digest*.

In short, I report on all the work my firm is doing... the most interesting investment ideas... what we're researching now... and what we expect to happen in the months to come.

So how much does my work cost... and how can you get started?

Well, a one-year subscription, including everything I mentioned here, normally costs \$149 per year – that's what many others have paid.

But right now, you can try my research, for less than HALF the normal rate. You'll pay just \$49.50 for an entire year. That's a 66% discount.

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Why so cheap?

Well, to be honest, our business really only works if our subscribers stick with us for the long-term. But we realize you've got to try our work first, to see if it's right for you.

And that's why, through this letter, we're making it so cheap, and essentially risk-free to try. What I mean is, you'll have the next four months to take a look at the Research Reports I've just described, plus the next four issues of my newsletter... and the next four months of my daily *Digest* reports.

If you decide for any reason within the first 4 months that my work is not right for you, just let us know and you can receive a full refund... and keep everything you've received so far.

In other words, by taking me up on this offer, you are agreeing only to TRY my work to see if you like it.

Please take the simple steps necessary to protect yourself and your family.

**** At the very least, start a subscription to my work, which gives you immediate access to all of the valuable reports you need to see. Print them out or save them to your computer so you have them forever.**

Then, take four months to check out my research. If you decide it doesn't make sense for you for any reason, just call my customer service group located in my Baltimore office. We've got a toll-free telephone line, and you can request a full refund for the money you paid, in a matter of minutes.

And even if you decide AFTER four months that my work is not for you, no problem. You can still get a prorated refund for any time remaining on your subscription.

The point is: Maybe you want to read my work over the next year... and maybe not... but at the very least, take advantage of this free trial so you can understand what's going on and how to protect yourself.

I hope you'll take the simple next step and read the reports my team and I have spent an incredible amount of time and money preparing. I know in my heart it will be one of the best financial moves you ever make. And I want you to remember one more important point:

All of the steps I am recommending are simple, cheap, and easy... at least for now.

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But as you certainly know from your own experience, "storm insurance" and provisions get much more expensive, and even impossible to buy, as a storm approaches.

Think about what happens every time there's a hurricane or snowstorm. As the storm nears, it becomes impossible to buy batteries, water, or a generator, anywhere within 150 miles of where the storm is likely to hit.

Well, it's the same with safeguarding your money today.

The same thing will happen with the steps I'm recommending you take now.

Few people are thinking about these financial moves today, so they are still simple and easy to execute. But as the coming financial storm nears, and more people clamor to save themselves, these moves will become extremely expensive, and even impossible, to make.

You want to take action now.

Because the thing to remember about a currency collapse is that it happens gradually... gradually... gradually... and then very suddenly.

Americans and foreign investors are clearly losing faith in the U.S. dollar. Over the past few years, it has been a progressive and steady decline. But when the final collapse occurs, there will be no announcement. There will be no warning. It will be devastating and swift.