

# Most of Toronto's financial writers hide disasters! We've warned about this current major financial disaster and fraud for years!

## The Fake Bull Market: Stocks Are Not Really Up, and They're Headed Even Lower: \$150 for a bottle of Coke???

by: Graham Summers  
 How do you measure wealth generation?  
 1) Average annual gains?  
 2) Gains relative to an underlying index (the S&P 500)?  
 3) Gains relative to inflation?  
 Of these 3, the last is the only real means of gauging wealth creation or destruction. Commentators have been going bananas over the fact that stocks are up 20%+ since their bottom of 666. No one mentions that this rally may actually be induced by the Federal Reserve pumping trillions of dollars into the fi-

ancial system.  
 Similarly, no one mentions that adjusted for inflation, stocks are still WAY down from their peak during the Tech bubble.  
 Source: Crossing Wall Street  
 As you can see, stocks entered a bear market in earnest following the Tech Crash. Yes, in number or nominal terms, the Dow has risen. But you have to remember the **dollar lost roughly a third of its value from 2001 to today**. Measuring stocks or anything in dollars between now and then was like measuring with a ruler that was continually shrinking.

The Government uses a phony measure of inflation: the Consumer Price Index [CPI] which DOESN'T include food or energy prices. Using accurate inflationary data, stocks are down even more in real terms.  
 Inflation is an ever-present reality in the post WWII era. Investors need to be protecting themselves from this beast at all costs. You can do this by:  
 \* Buying gold \* Buying commodities or real assets \* Buying companies that can offset inflationary costs by raising the price of their products

I suggest having some money in all three. It's the only certain way to protect your wealth from inflation. The Feds are cooking up an inflationary storm of epic proportions, pumping TRILLIONS of dollars into the financial system. Stocks may rally like a rocket-ship from here. But in real terms they're still tanking.  
 After all, if the Dow hits 30,000, but you're celebrating by drinking a \$150.00 coke... are you really any richer?



### The 2nd Crash: On the way and unstoppable

Casey Files: Doug Hornig Editor, Big Gold  
 It's been a crushing blow to just about everyone. But it's already being referred to as the crash. More likely, in the future it will be seen as, simply, the first crash.  
 During the late, great housing boom, interest rates were at microscopic levels, while bankers were encouraged to grant home loans on little more than a wink and a nudge. In order to inflate their balance sheets, those bankers resorted to all sorts of gimmicky, adjustable

rate mortgages (ARMs), whose common feature was an interest rate that would eventually reset. That is, it would balloon somewhere down the road. And those most likely to come quickly to grief were the riskiest borrowers, who held loans known as "subprime."  
 "But not to worry," borrowers were told. "Betting on ever-rising home prices is the safest wager in the whole wide world. If you have problems with cash flow when the ARM resets, your house will be worth a lot more, so

you can simply sell it and walk away with a nice chunk of change in your pocket." Uh-huh.  
 The bankers themselves were a little more concerned about the deterioration of their portfolios. They took out insurance in the form of credit default swaps (CDSs). These were a brand-new invention in world financial history, allowing mortgages to be sold and resold until they were leveraged 20 times over. They became the shakiest part of a huge global derivatives market, with a **nominal value in the tens of trillions of dollars**.

For a while, this Ponzi scheme even worked. But then, as they had to, the ARMs began resetting, and there were defaults. Then more of them. Because at the same time, the housing market was cooling off and the economy was stalling out. More and more people were trapped in a situation where they owed more on their home than they could sell it for. Many simply mailed their keys to the bank and moved on.  
 All of this wreaked havoc in the derivatives market. Sellers of these exotic packages could no longer establish what they were worth.

### Worst is yet to come: Commercial real estate owners give keys to banks!

"The Worst Is Yet to Come": If You're Not Petrified, You're Not Paying Attention  
 The green shoots story took a hit between data on April retail sales, weekly jobless claims and foreclosures. The whole concept of the economy finding its footing is "preposterous" to begin with, says Howard Davidowitz, chairman of Davidowitz & Associates.  
 "We're in a complete mess and the consumer is smart enough to know it," says Davidowitz,

whose firm does consulting for the retail industry. **"If the consumer isn't petrified, he or she is a damn fool."**  
 Davidowitz paints a very grim picture: "The worst is yet to come with consumers and banks," he says. "This country is going into a 10-year decline. Living standards will never be the same."  
 This outlook is based on these main points:  
 \* With the unemployment rate rising into double digits - and that's not counting the mil-

lions of "underemployed" Americans - consumers are hitting the brakes, which is having a huge impact, given consumer spending accounts for about 70% of economic activity.  
 \* Rising unemployment and the \$8 trillion negative wealth effect of housing mean more Americans will default on not just mortgages but student loans and auto loans and credit card debt.  
 \* More consumer loan defaults will hit banks, which are also threatened by what

Davidowitz calls a "depression" in commercial real estate, noting the recent bankruptcy of the giant General Growth Properties and distressed sales by Developers Diversified and other REITs.  
 As for all the hullabaloo about the stress tests, he says they were a sham and part of a "con game to get private money to finance these institutions because [Treasury] can't get more money from Congress. It's the 'greater fool' theory."

## U.S. Treasury Secretary Geithner just visited China to beg for money! The Chinese lecture hall laughed out loud when he said: "The United States is solid"

### Be Healthy Or Rot!!

Researched by Victor The Health Guru

#### Health Canada's Gardasil Linked To Deaths Of 32 Young Girls

By MaryEllen Tribby CEO & Publisher - Early to Rise  
**32 Girls Have Died**  
 11,916 adverse events already reported to

the CDC... and counting. Pain and swelling. Life-threatening muscle weakness. Blood clots in the heart and lungs.  
**And the deaths of 32 innocent girls and young women.**  
 You might think I'm talking about a deadly new disease or a global epidemic... I'm not.  
 Sadly, it's more sinister than that. The health threats listed above have all been linked with Gardasil, the so-called "cervical cancer vaccine." And thanks to **Pharma giant Merck**, desperate parents and naive young women believe this vaccine saves lives... they couldn't be more wrong.

That's why HSI's Jenny Thompson has released a new video in which she exposes the deception for what it is...and reveals some truly shocking information no one else is talking about.  
 Please, if you have daughters, granddaughters or friends who might be considering this terrible vaccine, you must watch this video. And please forward it to anyone you think would benefit from the vital information it contains.  
 If you think you know the whole story on Gardasil, I think you'll be shocked by what you're about to see online: <http://clicks.earlytorise.com/t/AQ/H7k/I2k/Pas/AQ/AaB1XQ/fvbe> Start watching the video. Those few minutes might just save a young girl's life.  
 --MaryEllen Tribby  
 CEO & Publisher, Early to Rise

### ANOTHER UPDATE: Cancer risk in mobile phones: It's Official!

By Emma Morton Health and Science Editor  
**MOBILE PHONES DO INCREASE THE RISK OF BRAIN CANCER, SCIENTISTS CLAIM.**  
 The chances of developing a malignant tumour are "significantly increased" for people who use a mobile for ten years.  
 The shock finding is the result of the biggest ever study by the International Agency for Research on Cancer, part of the World Health Organisation.  
 Scientists found a type of brain tumour called glioma is more likely in long-term mobile users.  
 French experts analysed data from 13 countries, including Britain.  
 They cross-referenced various types of tumours with mobile use.  
 Researchers admit the cause is unknown, but it is thought radiation from handsets could be the trigger.  
 Study chief Professor Elisabeth Cardis said: "To underestimate the risk would be a complete disaster."



"This new mandatory STD vaccine shouldn't hurt a bit."



Last night a British expert insisted mobiles are not dangerous. Professor Patricia McKinney of the University of Leeds said: "Reasonable use is unlikely to increase the risk of tumours."