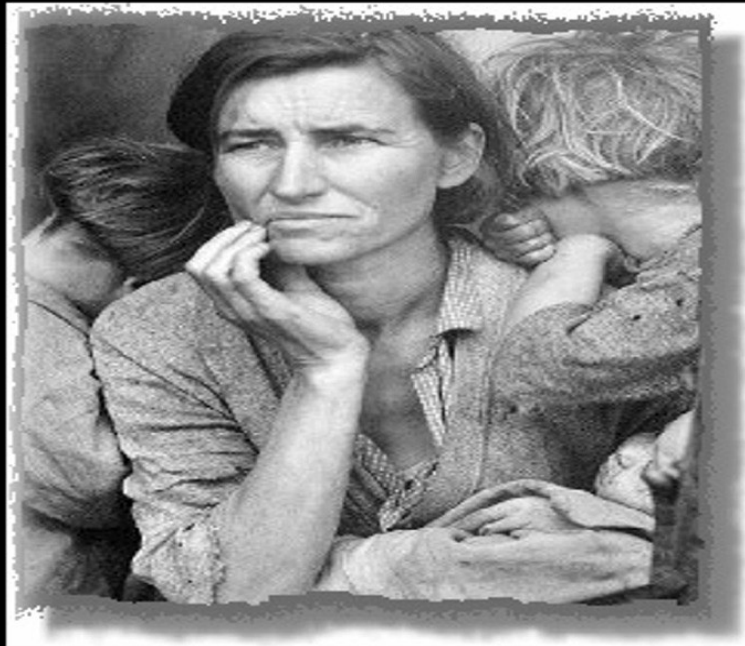


The Greatest Depression-Era Trade You'll Ever Make



Nick Guarino

You can turn thousand into millions.

Quite a claim.

And I am not one for bombastic blow offs. But I am about to give you our greatest trade ever. And its rationale.

The marketplace constantly changes. And a phenomenon known as negative interest rates is presenting grave perils for most people. But for us it is presenting the greatest, no-risk trading opportunity ever.

Now I want you to understand it's a difficult trade and you've got to get it right. The timing of when to cash in well before expiration is critical.

But having said all that, this trade is one that people have made millions in before. The first time we entered this trade was the 1982 crazy times of double-digit interest rates. And I again recommended it at the very start of the 2007/8 financial panic before interest rates started to plunge. Now is the third time, because an event that few people see coming and even fewer understand is about to happen.

Double-Digit Negative Interest Rates will soon be the scourge of the planet

I want EVERYONE in this trade full stop. You can get in for as little as \$1000. And get this, starting with that little money you could make millions. Read on...

I beg you to have an open mind. Of course your broker won't see this trade. In fact they will laugh at it. They always do on my greatest trades! I think by now we all know *The Street* never sees coming disasters. Even now they don't (they don't want to) understand negative interest rate bonds. Even though many of the world's central banks are issuing them en masse.

The Bank of Japan, in January 2016, surprised markets by adopting negative rates. The European Central Bank in 2014 was the first major central bank to push the rate on deposits parked with it overnight to below zero. Central banks in Sweden, Denmark and Switzerland also have implemented negative rates.

As of October 2017, close to \$10 trillion worth of government bonds around the world held yields below zero, according to Bloomberg.

Legendary investor Warren Buffet 85 years young, who is nearing retirement, speaking of negative interest rates just admitted he hopes he lives long enough to understand the phenomenon. Here is what he said about negative interest rates as reported By CNBC from Omaha, Nebraska:

The Oracle of Omaha sounded alarm bells over negative interest rates, calling it an experiment with unknown consequences that distorts valuations. "We are doing something the world hasn't seen," Buffett said. Low interest rates in the U.S. have been blamed for both the housing bubble of last decade and the more recent increase in junk bond investments. Berkshire's insurance



companies, which have billions invested in euros, would "be better off with a big mattress in Europe that we just stick all this stuff in," he said. "We do not know how this movie plays out." Billionaire investor Warren Buffett may be known as the Oracle of Omaha, but even he never foresaw negative interest rates—nor does he quite know what they will end up meaning to the global economy and markets. "You can read Adam Smith, you can read [John Maynard] Keynes, you can read anybody and you can't find a word to my knowledge on prolonged zero interest rates—that is a phenomenon nobody dreamed would ever happen,"

Uncharted territory it may be, but negative rates over much of the world haven't dented the 85-year-old Buffett's long-term optimism. "That doesn't mean I think it's the end of the world when it ends, but I don't think anybody knows exactly what the full implications" of negative rates will be, he said. "I hope to live long enough to find out," Buffett said.

Nick Note: Wrong, I have been predicting, planning for and warning about sub zero interest rates for over ten years. I know exactly what do and how to make a killing in the process.

It's not just Warren Buffet that is confused by, and fearful of, negative interest rates. There are a whole host of "Gurus" that are scratching their butts trying to figure it out.

Like it or not, understand it or not, negative interest rates are here to stay. And you better damn well understand them and know what to do. Negative interest rates have the power to make you rich or make you poor. And you better get there ahead of time. By the time the masses figure it out they will be wiped out.

Billionaire investor Carl Icahn is "extremely cautious" on the U.S. market, he told CNBC: *"I do believe in general that there will be a day of reckoning unless we get fiscal stimulus," he said, pointing to the Federal Reserve's maintaining low interest rates, and potentially creating "tremendous bubbles."*



Janet Yellen, Chairwomen of the US Federal Reserve warned that negative interest rates are coming, here is what she said:

"Negative interest rates in the U.S. are not "off the table." Critics of negative and near-zero rates complain that they hurt savers.



Bond guru Bill Gross PIMCO founder, who left for Janus Capital Group Inc. in September 2014 and runs Janus' Global Unconstrained Bond Fund sees negative interest rates as a threat to the very fabric of capitalism itself.

Let me quote Bill: *"Investors have few options in a world of low or negative interest rates."*

He went on to say *"The sun, which sustains and nourishes life, will one day devour the earth."*

The sun, in this image, is the *"global, credit based economic system" which, according to Gross, "appears to be in the process of devolving from a production oriented model to one which recycles finance for the benefit of financiers."* He cites astounding growth in credit, from \$1 trillion in the U.S. in 1970 to \$58 trillion today. To Gross' thinking, negative interest rates in Japan and Europe are what happens when this debt star enters its death throes. Investors are left with almost nowhere to turn, as bank deposits, equities, Treasuries and Bunds have returns that are *"inadequate relative to historical as well as mathematically*



defined durational risk." Authorities are even cracking down on cash, *"the one remaining escape hatch for ordinary citizens."*

Jimmy Rogers, Fund Manager of George Soros fame, joined the chorus of economists warning about negative interest rates. He said: *"We're all going to pay a horrible price for the incompetence of these central bankers."* He warned: *"We got a bunch of academics and bureaucrats who don't have a clue what they're doing."*



Rogers said central bankers are doing everything they can to prop up financial markets, but it's all for naught. He predicts their unconventional monetary strategies (negative rates) will lead to a stock market rally in the near future, but deep trouble later this year and into 2018. *"This is going to be a disaster in the end," he said. "You should be very worried and you should be prepared." Central bankers around the world have been increasingly using negative interest rates to prop up inflation and support their economies, but Rogers said the moves aren't working. He said they are simply trying to rescue stock markets and help brokers keep their Lamborghinis. "The mistake they're making is, they've got to let the markets sort themselves out," he said. "It's been over seven years since we've had a decent correction in the American stock market. That's not normal ... Markets are supposed to correct. We're supposed to have economic slowdowns. That's the way the world has always worked. But these guys think they're smarter than the market. They're not."*

First, let me give you a little history, then my trade rational and then at the end of this special report, I will direct you to the calculator that will compute what you can make in various scenarios.

Here and now, I am going to present decades of research, many of it secret. And what we actually did in this trade. And I believe as much, I will prove to you that this trade could make you millionaires with as little as \$1000. Let me take you down the road to fabulous risk-free riches.

The good news: You could turn \$5000 into over \$10,000,000. And never risk losing one penny of your hard-earned money

Conditions for this kind of trade only occur every 100 years or so. That is why your broker, banker and brother will never understand this trade. Until it's too late. It is not in their realm of experiences.

It will be over. By the time they figure out negative interest rates the trade opportunity will have long passed them by. This is not the kind of trade you can wait and see if it will work. This is one trade that will pass you by if you procrastinate.

You want to hear the really good part about this trade? You can't lose any money. If I am wrong you will still make a double-digit return on your money. Worst case you make a 40% return if you hold your positions.

**The bad news: You will make a guaranteed by the U.S. government
40% return on your investment**

And if it works out like I know it will and history has proven, this trade will make a king's ransom. What you must understand is all that is necessary for this trade to work is for interest rates to drop. I have recommended this trade before and it really works.

The last major drop in rates came from the 1981 double-digit interest rates. Let me prove to you how in a dropping interest rate environment this trade really, really makes tons of risk-free cash.

The last really big drop in rates occurred from 1981 to now. (In a minute I will show you how rates are not done dropping). In 1981, the yield on the 30-year Treasury was 15.21% I told my clients we are entering the bond rally of a lifetime. And had them buy a special treasury instrument en masse.

We have seen the greatest drop of rates in the last 30 years. But it's far, far from over.

During the Great Depression there was only a 'when issued' market in bonds. The secondary market was not developed yet. Mostly banks bought Treasury bonds and they held them to maturity.

Only the Federal Reserve redeemed them early. And they were rarely held by the public. During the Depression the 'when issued' market on U.S. bonds went down to 2.5%

What most people don't know and I discovered in the Federal Reserve Bank of New York archives was the fact that there was a limited secondary market run by the Federal Reserve. Banks that wanted to cash in the 30 year bonds early sold them at negative 20% yield. Banks were desperate to get liquid because of the massive deflation. For example, you could buy a mansion that was selling for \$35,000 in 1929 for \$5,000 in 1934.

During the inflation of the early 1980's, interest rates, along with prices, soared.

In fact, interest rates on loans went to 22% and on US bonds went to 17%. People believed gold would soar to the moon, the dollar would wipe out and there would be hyperinflation. Well it did not occur. Gold peaked at \$800 an ounce and silver peaked at \$50. As inflation unwound, gold dropped to \$260 an ounce and silver wiped out at \$5 an ounce.

At that time we shorted the shit out of gold and silver and made a killing for our clients. But I had many people that wanted a risk-free way to cash in on the death of inflation. And that is where I discovered this secret trade.

You have heard a lot lately about negative interest rates. In the history of finance it rarely happens BUT IT DOES happen. Negative interest rates happen in a deflation. That is where prices and interest rates go down.

In an inflation prices go up and up and up and interest rates follow.

In a deflation like we are in now, prices go down and interest rates follow. . For example the prices of oil and industrial metals have plunged from their record breaking highs.

Most people will be wiped out. But there is a secret trade that makes you bundles of cold hard cash in a deflation.

If you make the "Crazy" trade (guaranteed by the U.S. government) I am about to recommend to you, in 5 years you could take \$5000 and turn it \$12,000,000. YES, YOU READ THAT RIGHT!! A five thousand dollar investment turns into twelve million dollars.

And turn 1 million dollars into a billion. And that my friend, makes you a king in my book. And the really good news is you can't lose!

At the worst, you will double your money.

The 20% fed funds rates of the early 1980's has plunged because we are in a deflation. Fed funds are now 1.25% - and around the world many central banks have negative rates.

Most people don't understand negative interest rates. Because the last time this happened was 90 years ago the vast majority of central bankers, economists and traders are clueless in Cleveland and that have no idea what is going on.

Suppose you knew that interest rates were going to go negative before anyone else. And suppose you knew that interest rates would go double-digit negative. You could easily become a multi-millionaire.

Well, let me make your day. We know exactly what to do. And we have the trades you must put on right away to cash in.

**WARNING, WARNING IF YOU MAKE THIS TRADE YOU WILL
NEED A TOP-NOTCH TAX ACCOUNTANT**

Let me give you an example.

If you put \$1,000 in this trade and rates go negative -22%, when you cash in you could make an incredible \$1,726,482. Yes, you read that right.

If you invest \$10,000 in this very special trade and rates go negative -22% like during the last depression you could make an incredible \$17,264,815.

Now if you invest \$100,000 in this no-chance-of-losing-your-money trade, when you cash in, I believe in the next few years you could put in your pocket \$172,648,150

Warning, warning you could well have a huge tax problem...

How to Cash In

Make sure you buy Zero Coupon Bonds or STRIPS that are U.S. Government Treasury STRIPS. **NOT COPROPRATE OR MUNICIPAL BOND STRIPS**

Most brokerage firms and many banks offer U.S. Treasury STRIPS. You can buy STRIPS with a face value of \$1000 for under \$500. So there is no excuse not to buy at least one of these puppy dogs.

Your broker and banker can give you the current price.

Below, I've listed the only maturities I recommend... And you should be able to buy these Zero Coupon Bonds very close to the bid price. We post end of the day price indications every day on the *Wall Street Underground* website.

You can find them located at the "[Nick's Bond Calc](#)" button.

When you click on "[Nick's Bond Calc](#)", it will give you a "[Treasury Strip Quotes](#)" option below the calculator

You can press on it to get a listing of **U.S. Treasury Bond and Note STRIPS** with information including current: Maturity, Coupon and Approx. Asked Yield.

Right now, I am recommending that you purchase the 30-year Treasury Bond STRIPS with the maturities listed in the table below:

<u>Maturity Date</u>	<u>Coupon</u>	<u>Approx. Asked Yield</u>
2048 Nov 15	3.375	1.796
2049 Feb 15	3.000	1.800
2049 May 15	2.875	1.801
2049 Aug 15	2.250	1.805
2049 Nov 15	2.375	1.802

Once you purchase that Bond (determined by maturity date) you will follow that date bond for the duration of the trade. We will post the price indication every day of all the Bond STRIPS.

I think you should buy a lot of them. If you are going to wait and see before you buy you WILL miss out. Bonds will go double-digit negative in a panic that I believe will soon come... Again. Remember 2007/8?

Well, in my opinion it will happen again, on steroids. You will have no time to make this trade when the PANIC comes.

Right now, you can buy the longest maturity ZERO bonds at around 43 cents on the dollar. So that means at maturity the very least you will do is double your money. We will be out of this trade well before maturity if events unfold like I know they will.

Holding to maturity is not where the big money will be made.

Bonds are priced everyday and trade in the most liquid market in the world. So, along with bond quote service I just mentioned, I have also installed on the *Wall Street Underground* website, a [zero coupon bond yield calculator](#).

To figure the value of your bond, you only need to enter three variables: the **time to maturity (t)**, which you plug in the calculator by the number of years left to maturity. The **face value (f)** is not what you paid but the **face value** of the STRIPS you bought. That number will always stay the same. And to get CURRENT market value you will plug in the current **yield (r)** from the quote page.

So, let's run the numbers...

Take a trip with me into Zero Coupon Bond Fantasy land. You are scared so you want to only invest around \$4,300 dollars. By the way, you can make this trade for as little as \$500, that would be \$1000 face value.

You are going to call your BROKER or maybe your banker and tell him you want to buy STRIPS of the May 15th, 2047 maturity date... Warning, warning, they will laugh at you and try to talk you out of it. It has happened every time I recommended this trade. In 1981/1982 I actually had people tell me their brokers refused to sell them their million-dollar trade STRIPS. (Treasury Direct does not deal in STRIPS). He will laugh at you and try to sell you one of his dog-shit funds!

You are going to go to our Treasury STRIPS quotes and look up the May 15th, 2047 maturity date (my preferred issue at this time) and you will see the current yield is around 2.84%. Write that down. You will also see that the ASK price is around 43.344. So, you should be able to buy the STRIPS from your BROKER for around 43 pennies on the dollar plus a minimal commission. Meaning your \$4,300 investment will get you a Zero coupon bond or a STRIPS face value (f) of \$10,000 currently yielding around 2.84%.

Now, let's suppose your preacher, wife husband, lawyer and especially your broker are right and I am full of shit! Not likely, but it could happen. And we get

super-duper (I am sacred) hyperinflation and interest rates go up, up and away. And the yield on your STRIPS (you are looking it up every day and driving yourself crazy) goes to plus 18%.

You plug that yield in our calculator and you see that your \$10,000 FACE VALUE STRIPS are only worth, at the current rate, \$69.75. You are losing your ass in the secondary market. Well the good news is your STRIPS will still be worth, at maturity, \$10,000.

Now let's suppose in the LONG range (the next 5 years) your preacher, wife/husband, lawyer and especially your broker are wrong like usual, and you go to our Treasury STRIPS quote section, and you look up *YOUR* STRIPS, which is the STRIPS of the May 15th, 2047 maturity date.

And let's say it's 5 years in the future (but I believe this trade could work out in the next year or so...) So, that means when you calculate your CURRENT VALUE of your STRIPS using my super-duper Nick's Zero Coupon Bond Calculator, you'll get some startling results

Using Nick's Sub Zero Coupon Bond Calculator

My [Sub Zero Bond Calculator](#) was another labor of love... And I've set it up to be super-easy for anyone to use.

It looks like this:

The image shows a screenshot of a calculator interface with a green background. It has three input fields on the left and one output field on the right. The input fields are labeled 'Face Value (F)', 'Rate/Yield (r)', and 'Time to Maturity (t)'. The values entered are 0.00, 0.0000%, and 0 respectively. Below these is an equals sign followed by the result '\$0.00'. At the bottom, there is a formula bar with the expression $(1 + 0.00000)^0$.

Face Value (F)	0.00
Rate/Yield (r)	0.0000%
Time to Maturity (t)	0
=	\$0.00

$(1 + 0.00000)^0$

All you have to do is plug in the **Face Value (F)** of the STRIPS into the first field of the calculator.

In this example, I'm going to use a sum of \$10,000 for the value of bond. But you can change it to whatever the face value of your holdings may be.

If it is bid at -22% **THAT MEANS THERE ARE BUYERS... PURE AND SIMPLE.**

So, you plug in the **Rate/Yield (r)** into Nick's super-duper calculator, *don't forget to put in the minus sign*. (The calculator will, however, automatically add commas, decimals and percentage signs for you.)

Next, you plug in the **Time to Maturity (t)**. Since it's 25 years in the future - remember, we've already jumped ahead five years in this scenario using a 30-year U.S. Treasury STRIPS... That means you plug in 25, in the **Time to Maturity** field. (Personally, I don't think we will have to wait near that long).

The image shows a calculator interface with a green background. It has three input fields: 'Face Value (F)' with '10,000.00', 'Rate/Yield (r)' with '-22.000%', and 'Time to Maturity (t)' with '25'. Below these is an equals sign followed by the result '\$4,984,653.02'. Below the green area is a grey area showing the calculation: '\$10,000.00' followed by an equals sign, then '(1 + -0.22000)' followed by '25'.

When you press enter you can instantly see that you can sell your Zero coupon bond at the market for \$4,984,653.02.

Call it five million dollars for five thousand invested! Remember, you get about a 50% discount off the face value of STRIPS when you buy them – **and you get the full \$10,000 back** when the bond matures.

And now, if you buy 30-year Treasury Bond STRIPS with a yield of -22%, the numbers go parabolic, as our calculator shows:

Face Value (F)	10,000.00
Rate/Yield (r)	-22.000%
Time to Maturity (t)	30
	= \$17,264,814.61

\$10,000.00
=
(1 + -0.22000) 30

When it does, that's when you call your broker (there will be a new one) your old one is tending bar somewhere and no longer laughing at you. And you tell him my most two most favorite words in the English language **TAKE PROFITS!!** And your broker will be scratching his head, trying to figure out how you made so much money on a \$5,000 original investment.

Hope you enjoyed **my trip into Zero coupon bond Fantasy land!**

So please, whatever you do, get in on this investment immediately!

We haven't seen the potential for long-term negative interest rates like this in nearly a century...

The moment to strike with your U.S. Treasury STRIPS is now!

It will be too late to fully capitalize on this once-in-a-century single investment opportunity when interest rates finally do *turn negative* in the coming months, as I predict.