

Bob Rinear | March 10, 2020

I don't even want to write today's letter. Why? It's not a happy time. But, let's get to it.

For years, literally, I've been expecting a "black swan" event. However, what I had been planning for, was most likely 1) a war, or 2) the collapse of the monetary system, via the ripple effect of some horribly indebted banks.

Instead, we got the Corona-virus. That blindsided me. See, if they conjured up a war, oil would have soared higher. Certain sectors would have really run higher, and money was to be made. Instead, because the virus has people shut in and transportation down, oil's crashing. No Sectors are being spared. Literally.

Everything is an upside down mess out there and rightfully so. You know about the supply chain issues, and how bad that's going to get.

Each day the confirmed cases continue to rise here in the States. Yet realistically, there's very little testing being done. I am FIRMLY convinced that this virus is very widespread, and many thousands are infected. I think they're slow to roll out the testing, because the more testing, the more positives, the more panic. They don't want that.

On March 5th, the Johns Hopkins "corona map" had a bit of a "glitch" The common thinking is that there's a little over 1010K confirmed globally, with over 3500 dead. Well that morning the Corona map didn't say 90 or 100K. It said 2,647,655 Confirmed cases. Two and a half million. Then shortly after, that number was gone and it was back to 98 thousand. Was that a glitch?? Or was someone trying to make a statement?

So, let's get real about this thing. I have listened to, and watched multiple interviews with Doctors across several continents. The facts tend to be that the virus is spreading like wild, it's VERY contagious, and for the wrong people, it's about 4 times more deadly than the flu.

I have beaten it into your head for the past 4 weeks. Wash your hands, isolate yourself, keep your hands away from your face. But let's expand on all that a bit. Do you know why the hand washing thing is so vital here?

Why does soap work so well on the SARS, the coronavirus and indeed most viruses? Because it is a self-assembled nanoparticle in which the weakest link is the lipid (fatty) bilayer.

The soap dissolves the fat membrane and the virus falls apart like a house of cards and "dies", or rather, we should say it becomes inactive as viruses aren't really alive. Viruses can be active outside the body for hours, even days. Disinfectants, or liquids, wipes, gels and creams containing alcohol (and soap) have a similar effects but are not really quite as good as normal soap. Apart from the alcohol and soap, the "antibacterial agents" in these products don't affect the virus structure much at all.

Soap contains fat-like substances known as amphiphiles, some are structurally very similar to the lipids in the virus membrane. The soap molecules "compete" with the lipids in the virus membrane. The soap molecules also compete with a lot other non-covalent bonds that help the proteins, RNA and the lipids to stick together. The soap is effectively "dissolving" the glue that holds the virus together. Add to that all the water.

The soap also outcompetes the interactions between the virus and the skin surface. Soon the viruses get detached and fall a part like a house of cards due to the combined action of the soap and water. Boom, the virus is gone!

The skin is quite rough and wrinkly which is why you do need a fair amount of rubbing and soaking to ensure the soap reaches very crook and nanny on the skin surface that could be hiding active viruses.

Now, I think I've said that I don't want to fear monger, or present fear porn in my papers, about a hundred times. That said, I have to tell you what I believe, and what I believe is that 1) this is much more widespread than we're told 2) more testing will cause more positives, 3) more positives will create the panic, 4) people will continue to fight over toilet paper, etc,5) Schools will shut down, businesses will shut down, and the economy is going to take a MASSIVE hit.

I know that's not what the Administration is telling you. I know there's a ton of people saying that this is just the flu, and the flu kills 60 – 100K people every year, don't fret this. I've heard both sides of the argument. Obviously this is my opinion only, but my take is that this is going to get ugly.

We are a DEBT based society. We are NOT like the Chinese who are the worlds best savers. What happens if we have quarantines like Italy has proposed for about all of Italy? Their entire country is on lockdown. What happens if we have to do something like they did and China did and shut down everything for 6 – 8 weeks?

Your rent/mortgage is still due. Your credit card payments will be due. Your car payment will still be due. On and on it goes. This in a country where almost half the people can't find 500 bucks for an emergency without selling something? This in a country where half of the citizens live paycheck to paycheck?? Read this Carefully folks:

Bank survey. A near majority of Americans, 49%, are living paycheck to paycheck, according to a new survey by the First National Bank of Omaha. The survey also found that 53% of respondents do not have an emergency fund that covers at least three months of expenses.

Are you getting the drift here? I desperately pray that somehow, some way, we aren't over run with this thing like China, Italy, and Iran are right now. But As much as I'm praying that, I don't believe it. I think we ARE going to be over run by this.

The Very best thing that could happen is if I tell you that all hell is going to break loose over the next 3 months and NOTHING HAPPENS. You can all laugh at me and call me an idiot. GOOD! I want to be that idiot.

But what if I'm not? ARE YOU REALLY PREPARED? So, let's talk about that for a bit. Over the years, I've written many articles to you all about prepping. But most of what we were prepping for, was for the black swan of say a terrorist attack against the electric grid, or an electromagnetic bomb that produces an EMP that wipes out the grid and damned near anything connected to it. Things like that, or maybe the breakdown of the economic system to the point where civility is gone and people riot and pillage to live.

Well this one's a bit different. Because in a worse case scenario from this situation, MOST infrastructure except medical should stay intact. We should still have electricity. We should still have clean water. We should still have natural gas. That right there is a major blessing. The toughest part of prepping is dealing with energy (lights/heat/air conditioning, etc) That shouldn't be an issue.

What we MIGHT NOT have is enough food. Food is big business folks. Tyson Chicken for instance has 115,000 employees. What if several of the factories has to shut down over the virus? See my point? Likewise, meat packing plants, hog farms, dairy farms, canneries, etc.

I tend to think that food truly won't be a major problem, but I sure as heck would hope to see you all buy some Extra stuff as soon as you can. Get a 20lb bag of rice. Buy up half a dozen cans of baked beans. Stock up on canned chicken/tuna/veggies. Stock up your freezer with some extra ground beef, and chicken. Think about it friends, it's food. It won't go bad. You can use it any time. So if I'm crazy and nothing bad happens over all this, then you start to consume it.

I think that you need to take notice of what you use up for a whole week (meats, veggies, and supplies like paper towels and toilet paper) and make sure you have enough to get past at LEAST 3 weeks of not having to go to the store for it. 1) the store might not have it, 2) the stores could be closed.

They just canceled SouthXSouthwest. The 34th annual edition of South by Southwest, the sprawling festival of music, technology and film in Austin, Texas, that has become a highlight on the global cultural calendar, was canceled on Friday over fears about the rapid spread of coronavirus.

Festival organizers and government officials had come under intense pressure in recent days to pull the plug on South by Southwest, with more than 50,000 people signing an online petition and a growing list of tech companies — among them Apple, Facebook, Twitter and TikTok — announcing their withdrawal.

There's going to be people in Austin that will be unemployed because this festival has been canceled. Hundreds of them. That's going to happen across the country folks, bet on it. So, along with some extra food in the house, you might have to plan on your job being shut down for a while.

I think it is imperative that you all get yourself 500 to 1000 dollars in cash and keep it in your house. You just don't know when you'll need some actual cash nor will you know why you need it. But the day you do, and you have none on you, you'll wish you did. Get some cash.

The one infrastructure that I believe will see serious problems is the hospitals. Getting medical attention for a broken leg will be awful hard if your hospital has 500 people with corona virus stacked up in the halls. Like storing up some extra food "just in case" get yourself some fever medication, pain relievers, ant-acids, etc. If you're lucky you can sway your doctor into giving you an extended prescription for any drugs you take. For instance if you go month to month for your Neuropathy medicine, see if he'll write you a 90 day instead.

Again, I'm not a fear promoter. I don't want you to be in fear. But I'm more than convinced this thing was released ON PURPOSE. We can talk about the why's of it all, but that's not important. What's important is that we're seeing panic reactions to this disease. We're seeing fights in stores. We're seeing bare shelves.

Job one is to be safe. You don't have to get this thing. Do the protocols, keep clean, don't touch your face. If I have an itch on my face, I use a sterilized pencil with rubber eraser to rub it.

Okay, enough, we'll move on:

Now, I mentioned last week that for you 401K folks, I think it's time to move out of stocks. Yes that's a big call. Being fully invested for the last ten years was the right move. But, that's an awful long time, it's tired and now we have an "excuse" to knock this thing down.

My move would be to try my best to wait on a bounce. A bounce should come, over the next week or two. But yes, I'd use that bounce to get on the horn with my plan administrator and move my money out of equities and into the closest thing they have to cash, which is the money market. Right now, FORGET about making a return on your money. Concentrate on having a return OF your money.

Hey, if I'm wrong about all this and 3 months from now the market is flirting with the highs again, so be it. You call your guy and say "put me back in." Right now the market is hovering around where it was in October. Back in October, everyone was thrilled with how high their 401K's have gotten to. So yeah, maybe you lose that extra oomph from October to February, but in the big picture, is that a real problem? Not really.

Let's talk gold for a minute. Gold has been performing well, well that is until the globalists came out last week and dumped 3 billion worth of paper gold on the market and took it down. But the writing was and still is on the wall. Gold is going higher.

You all know I love the physical best. Buy some. Hell, buy some tomorrow. I don't care if you buy 1/10th ounces, 1/4 ounces, 1/2's or full rounds, but buy some. I am still more than firmly convinced that Gold has a date with much higher.

The mining stocks, especially the silver miners have really gotten beaten up, which on the surface doesn't make a ton of sense. These are the guys that have the metals on their property and it's not just silver. Every silver miner finds gold, zinc, copper, etc. Yet the globalist bastards lean on the miners every time they start to run. It's sick, but I've watched it play out for 20 years.

We need to take on some downside action. I kick myself, because if you remember, two weeks ago I mentioned it was probably getting close to the time to "try some DIA puts again" and then all hell broke loose and we did nothing but fall day after day. I was literally one day shy of recommending buying those puts, and instead got shut out.

So, I am praying for a bounce. I'd like to see the SPY get back to about 310. If we're lucky and it does that, I'll be buying SPY and DIA puts in volume. Not 2 contracts, but 10+ each.

So that's where I'm ending this for today.

PLEASE FOLKS, do ALL you can to not get this bug. Be silly about washing your hands. Be obsessed with NOT getting any fingers near your eyes, nose, mouth. Keep at least 4 feet from most people, and 6 is better. Try not to touch door handles, gas pumps, etc. Until we REALLY know how many strains of this we're up against, and the real numbers of infections, we really do need to be mindful.

Besides, even if Corona-virus never came near us, just doing the hygiene protocols and taking preventive measures, should really drop the number of people who get the "common" flu. That's a major positive out of this.