

MONEY & MARKETS

THE SOLARI REPORT

February 11, 2016

INTRODUCTION

Welcome to The Solari Report.

Today is Feb 11, 2016.

I am Catherine Austin Fitts and I am delighted that you could join me this evening.

EVENTS

Launch 3.0

Coast to Coast Tuesday

Lunch – April 30 – NYC with Richard Dolan

THEME

Markets Nose Dive

Fed is reducing the methadone and the world is not sure if it can make it without the methadone, let alone face the fiscal

issues.

Suggestion: Fiscal cliff article; annual wrap up

Uncertainty is causing panic.

From Stratfor

“Fear of the unknown explains why markets are on a hair trigger. Uncertainty has contributed to the drop in asset prices, but it has also caused overreactions to every piece of news that emerges. The world is transitioning, moving into a new part of the business cycle. At the same time, it is in the process of discovering whether the actions taken after the 2008 crisis truly averted a 1930s-style depression, or merely postponed it.”

Practical question for all of us: Correction or Turn?

PMS – small market compared to

Dollar

Equities

Bonds – negative interest rates

Commodities – where is a bottom?

All big ifs – wide variability

Yellen Testimony – posted on website

US economy – OK – China, a concern

China Slow Down – potential devaluation

<http://www.newsweek.com/china-cope-stampede-currency-425619>

Indicate – want to stay the course if possible

CAF Note:

Oil & Commodities Drop/not adjusting production because of debt service.

Reasonable adjustment in equity based market economy.

BIG problem in debt based managed economy

Build up of lies and economic warfare translating into low confidence in leadership and institutions

Yellen asked about negative interest rates

On Wed App \$7 trillion sovereign bonds trading at negative rates

WSJ: Subzero Rates Deepen Fears of Slowdown

For battered banks in Europe and beyond, negative rates come at the worst possible time

Negative interest rates are crimping bank profits, amplifying fears of a wide economic slowdown and leaving central banks with few, if any, ways to ride to the rescue.

The situation—in which central banks charge lenders to hold deposits, instead of paying interest—has sent investors running and given [rise to an alarming conundrum](#): Hobbled

banks may not be able to tolerate rates this low. Limping economies may not be able to tolerate them any higher.

For battered banks in Europe and beyond, negative rates come at the worst possible time. Regulations implemented after the financial crisis are making banks simpler and more resilient, but revenue streams have been cut off, and stock, bond and commodity trading is less profitable. Large fines at many banks for past misdeeds have held back capital building.

Now, subzero rates are threatening their most traditional source of income: the difference between what a bank earns from lending and the amount it pays for deposits. Instituting a negative deposit rate drags down other interest rates in the wider economy, making borrowing cheaper.

YELLEN mentioned during testimony

Federal Reserve Chairwoman Janet Yellen on Thursday said the U.S. central bank is studying the feasibility of pushing short-term interest rates into negative territory should it need to give the economy an added boost.

Central banks in Europe and Japan have introduced negative short-term rates, meaning they are charging banks that leave money on deposit with them. It is meant to encourage them to lend the money out rather than park it for safe-keeping.

Ms. Yellen told the Senate Banking Committee she didn't think the Fed would need to do this, but it should be prepared to do so if the economy sinks and such a step is needed.

Rambus – Gold Bear may be over.

[HUI & GLD Combo Chart...](#)

Posted on [February 11, 2016, 11:17 am](#) by [Rambus](#)

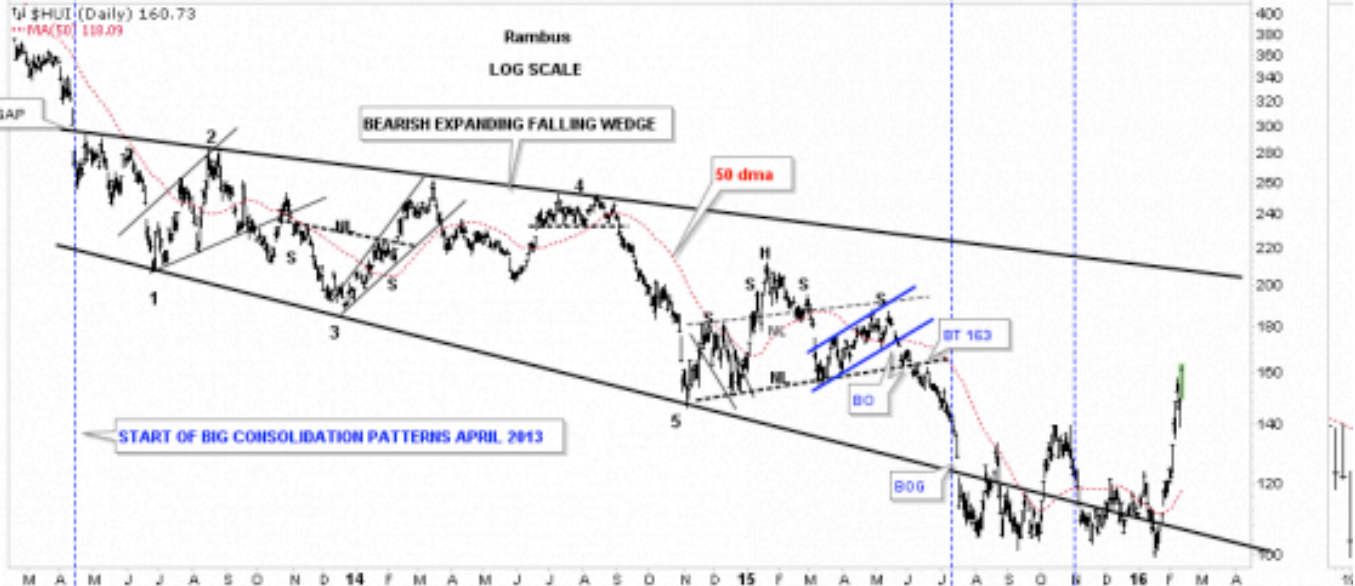
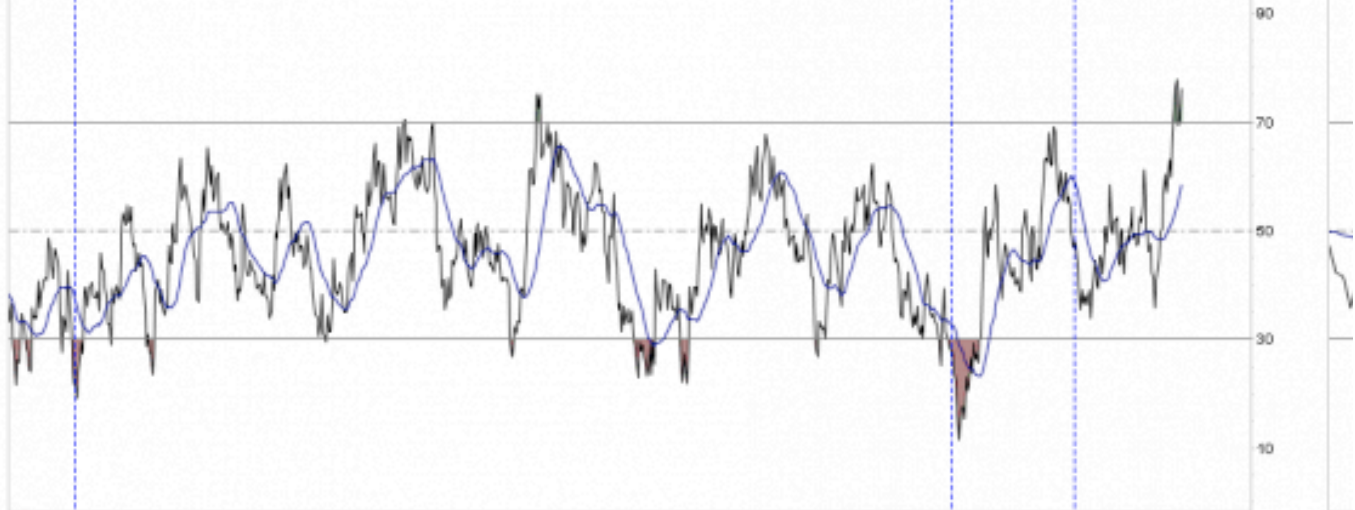
\$HUI Gold Bugs Index - NYSE Arca INDX

@ StockCharts.com

Open: **149.92** Ask: P/E: Options: **no**
 High: **162.88** Ask Size: EPS: Annual Dividend: **N/A**
 Low: **149.92** Bid: Last Size: Yield: **N/A**
 Prev Close: **148.78** Bid Size: VWAP: SCTR:

Thursday 11-Feb-2016 11:10 am
▲ +8.04%
 Chg: **+11.96**
 Last: **160.73**
 Volume: **0**

▲ RSI(14) 76.10
 → MA(20) 59.38



Precious Metals are the exception: Commodities continue to fall!

[Wednesday Report...](#)

Posted on [February 10, 2016, 11:00 pm](#) by [Rambus](#)

Tonight I would like to update some charts we've been following for a very long time in regards to the deflationary spiral that really took hold in July of 2014. With the US dollar still in correction mode one would think that commodities would be going through the roof like the PM complex but that's not the case. It appears that everything but the PM complex is starting to gather momentum to the downside.

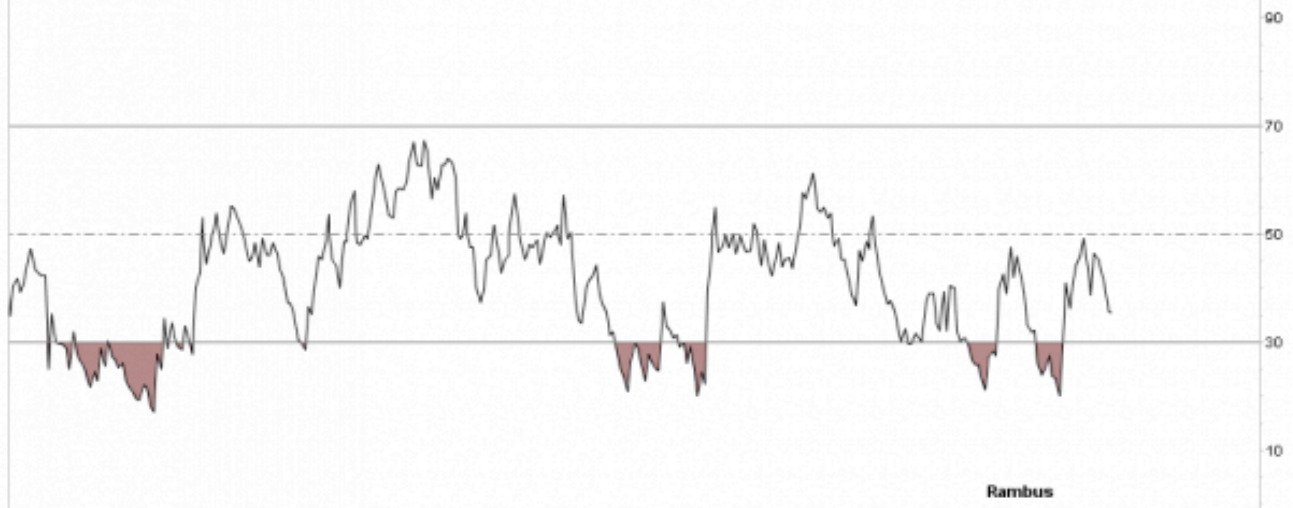
Lets start with a few commodities index we've been tracking which for the most part are completing their breakouts and backtesting process. I doubt you'll see this take on the CRB index anywhere else but Rambus Chartology. We've been tracking this one year bearish falling wedge once it became visible after the fourth reversal point was made. Note the breakout and backtest of the bottom rail that has formed a H&S consolidation pattern as the backtest.

\$CRB Reuters/Jefferies CRB Index (EOD) INDXX

Open 157.36 High 158.43 Low 155.04 Close 155.40 Chg -0.18 (-0.11%)

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10-Feb-2016
RSI(14) 35.51



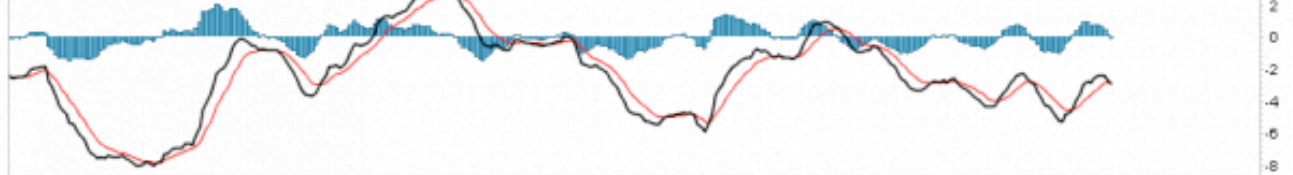
Rambus

CRB (Daily) 156.40

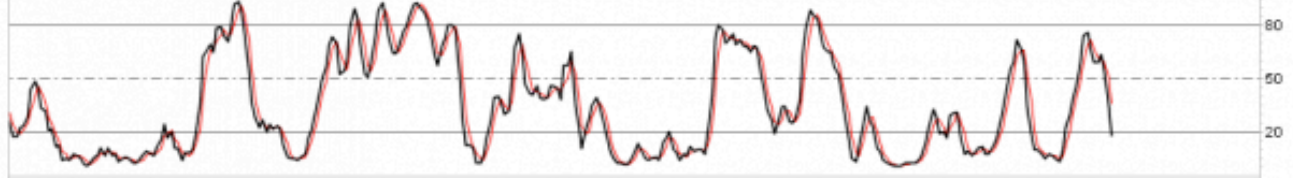


Volume undef

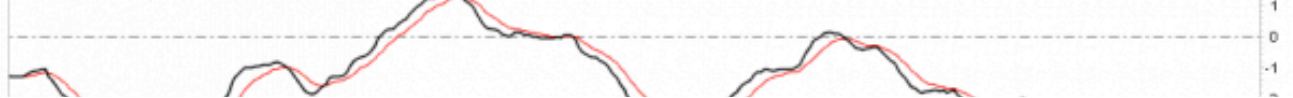
MACD(12,26,9) -2.921, -2.847, -0.075



Slow STO %K(14) %D(3) 17.42, 35.47



PMO(35,20,10) -2.49, -2.53



The long term daily chart for the CRB index puts the bearish falling wedge in perspective.

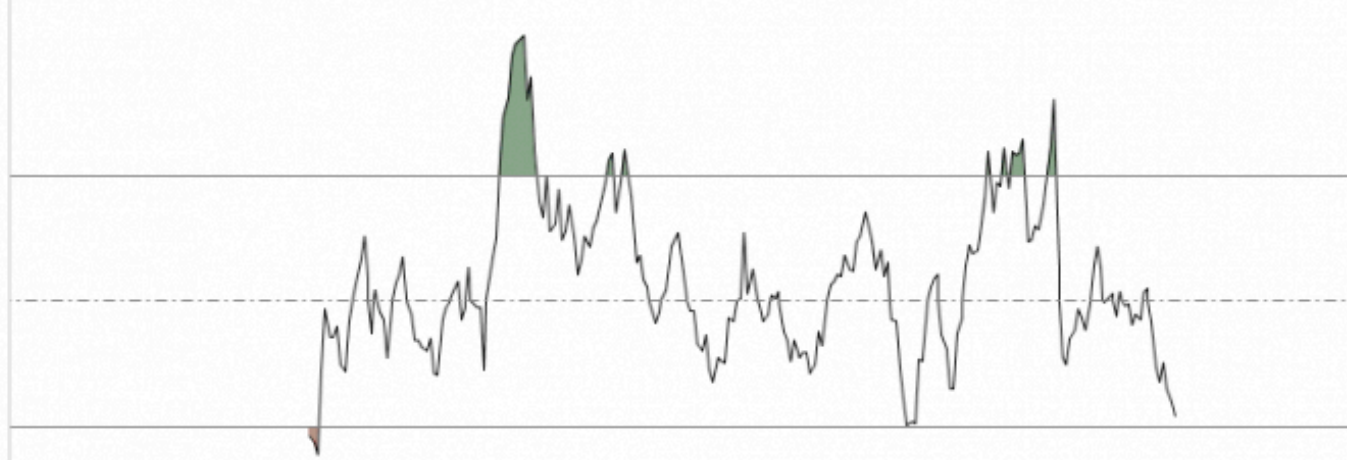
\$CRB Reuters/Jefferies CRB Index (EOD) IND.X

© 51

10-Feb-2016

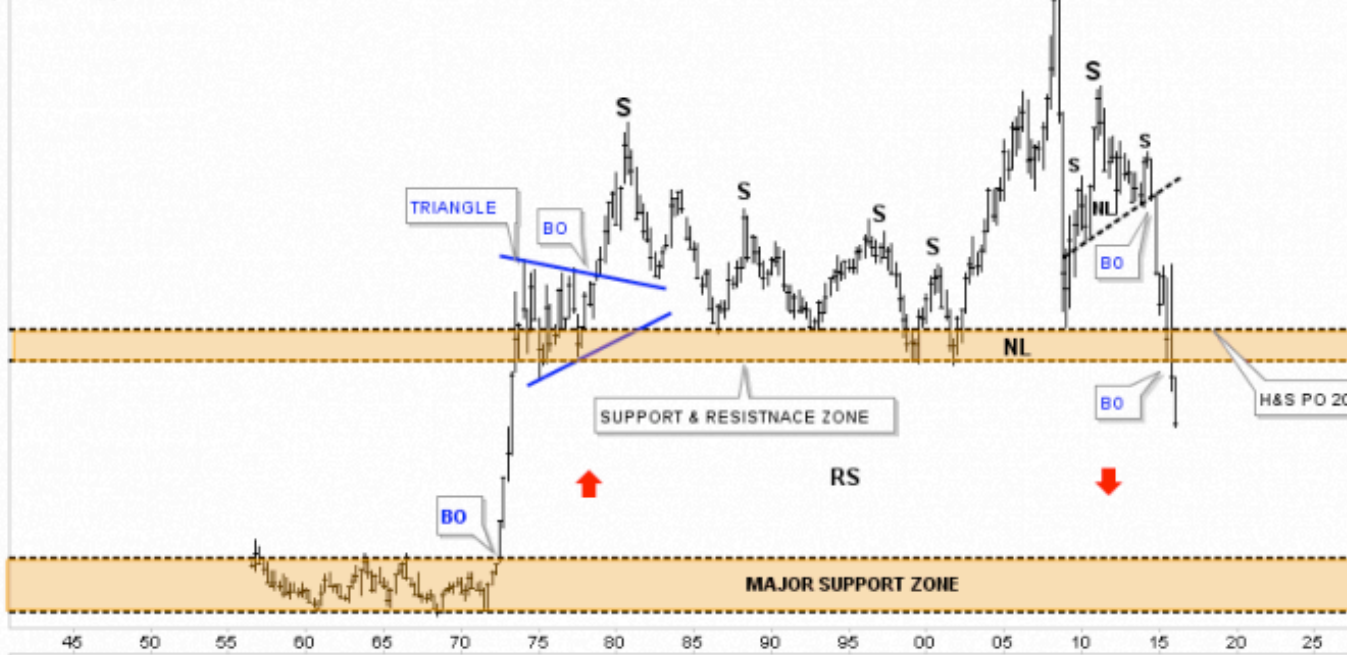
Open 176.14 High 176.14 Low 154.85 Close 156.40 Chg -19.

▲ RSI(14) 31.73



UNBALANCED H&S TOP
R

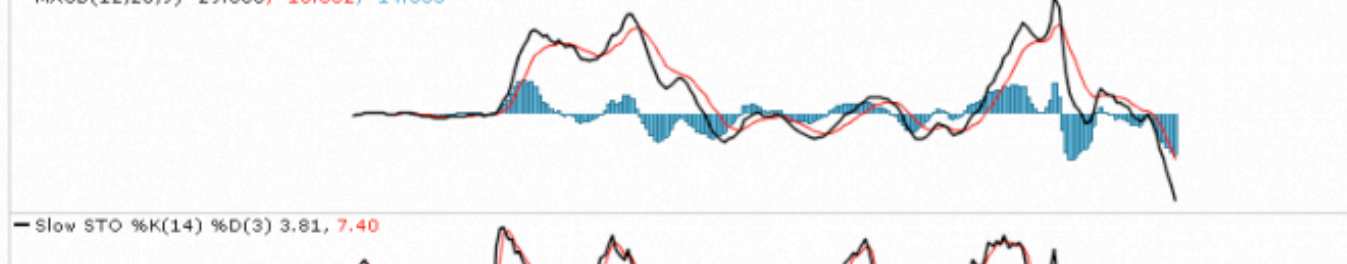
↓ \$CRB (Quarterly) 156.40



▮ Volume undef

— MACD(12,26,9) -29.365, -15.062, -14.303

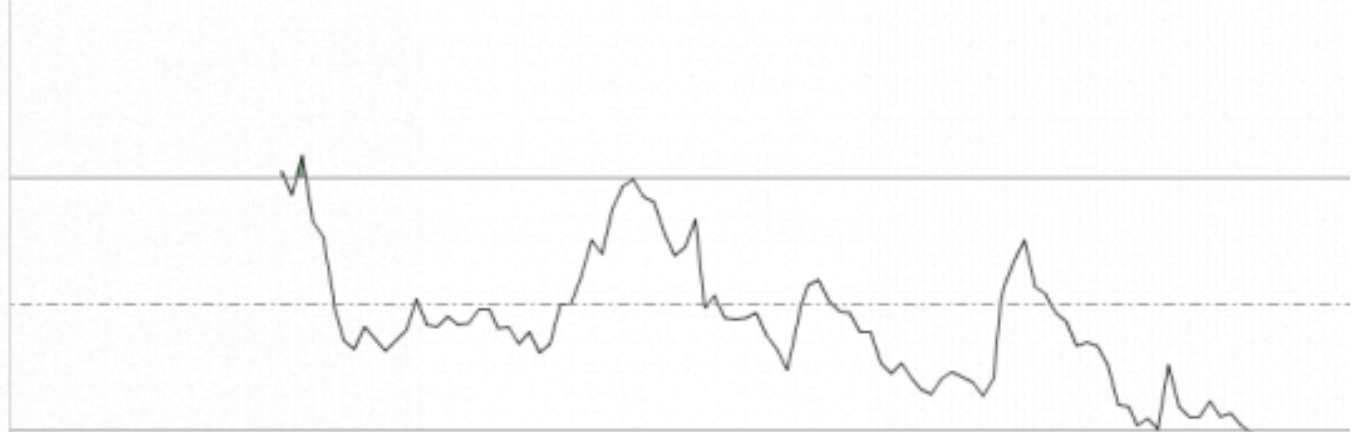
— Slow STO %K(14) %D(3) 3.81, 7.40



\$GNX quarterly: Now trading below the 2008 crash low.

The monthly candlestick chart for the DBA shows it's now trading below its 2008 crash low possibly forming another black candle.

RSI(14) 29.80



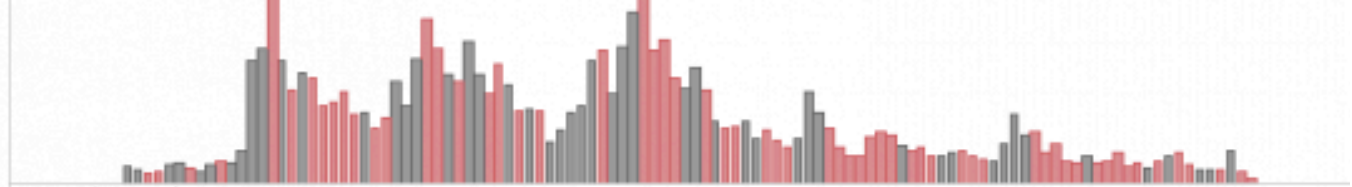
Rambus
LOG SCALE

DBA (Monthly) 19.72
EMA(12) 21.37

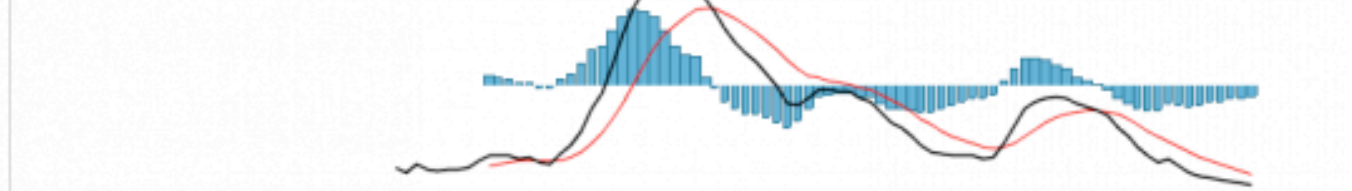


A J O 07 A J O 08 A J O 09 A J O 10 A J O 11 A J O 12 A J O 13 A J O 14 A J O 15 A J O 16 A J O

Volume 1,652,419



MACD(12,26,9) -1.663, -1.469, -0.194

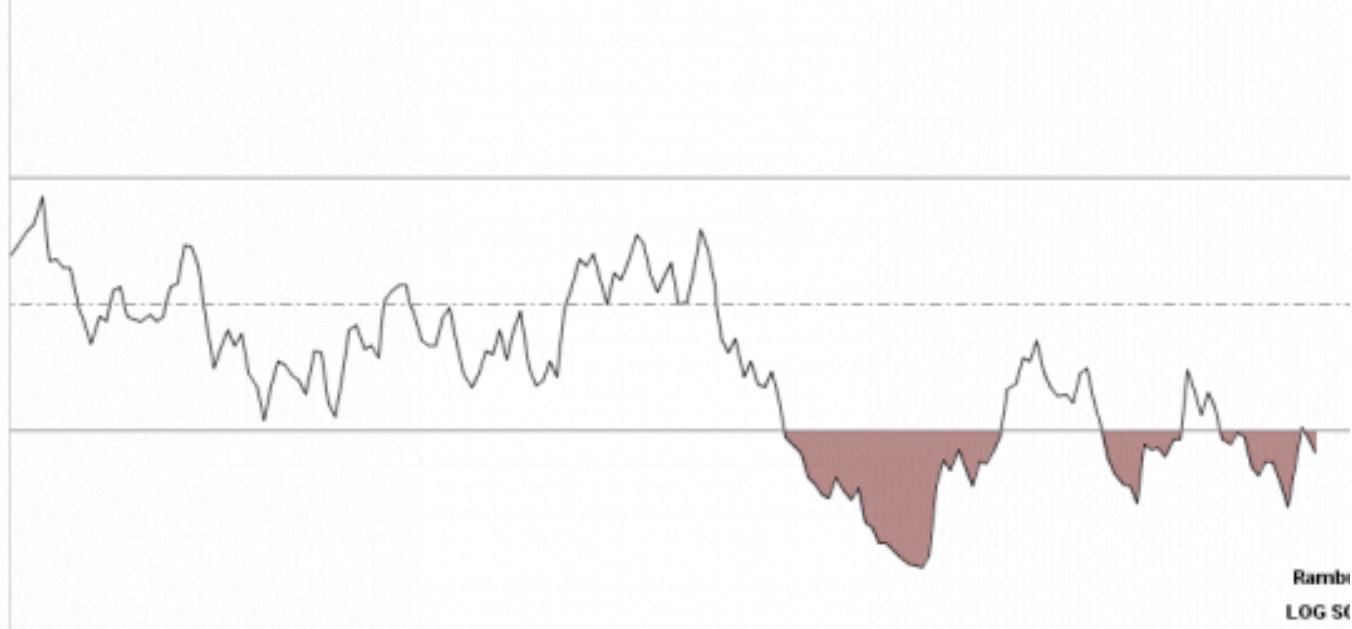


Slow STO %K(14) %D(3) 5.72, 7.63

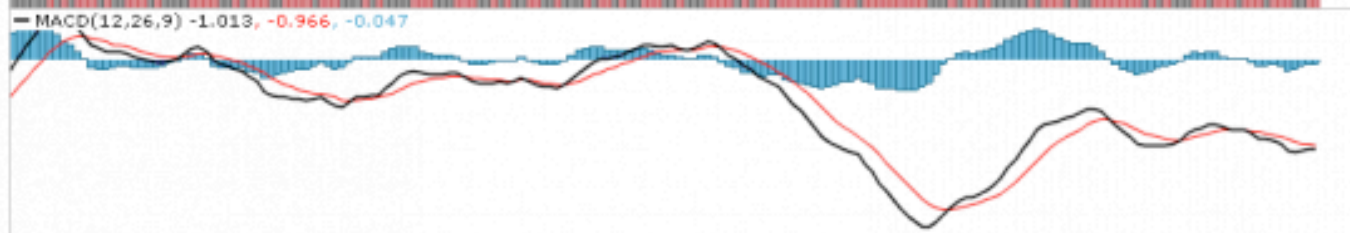
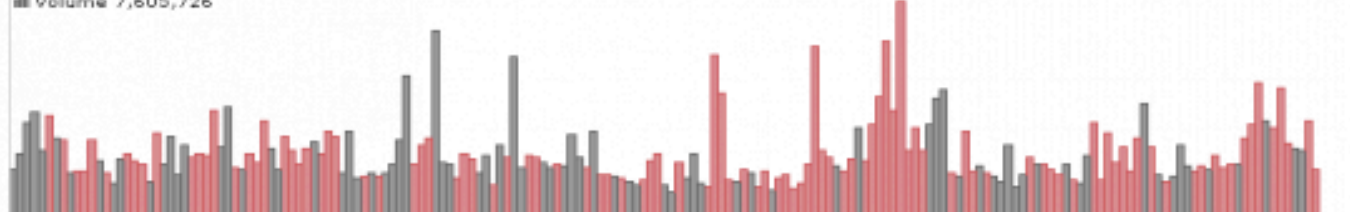


The DBC which is an actively traded commodities index shows it to have broken down from the bearish falling wedge with a backtest in place. Note the two smaller blue consolidation patterns that make up the bigger black falling wedge.

RSI(14) 26.44



S O N D 13 F M A M J J A S O N D 14 F M A M J J A S O N D 15 F M A M J J A S O N D 16 F M



Slow STO %K(14) %D(3) 21.89, 20.44

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Lets now look at a few of the important commodities starting with copper. The daily chart shows it has been trapped in a downtrend channel for close to a year now.

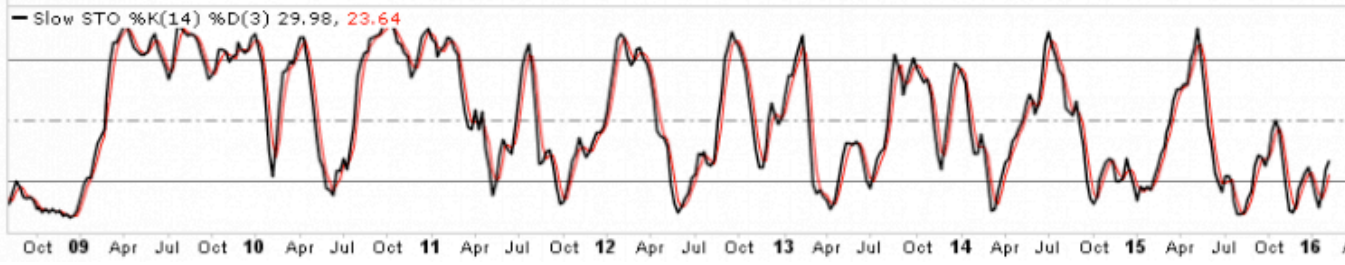
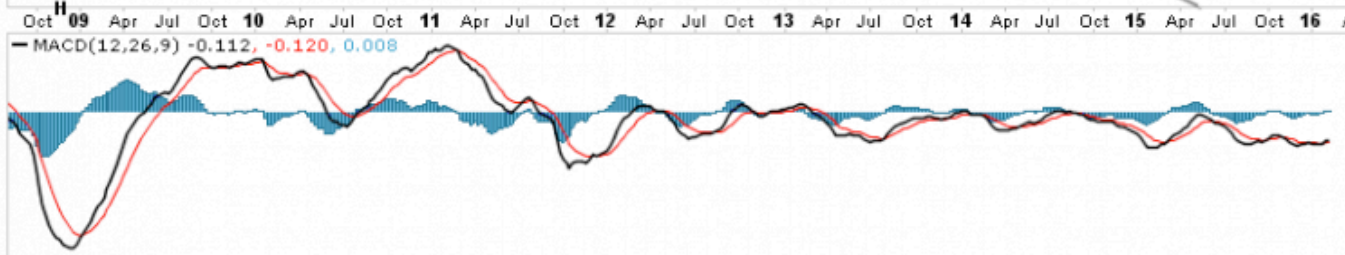
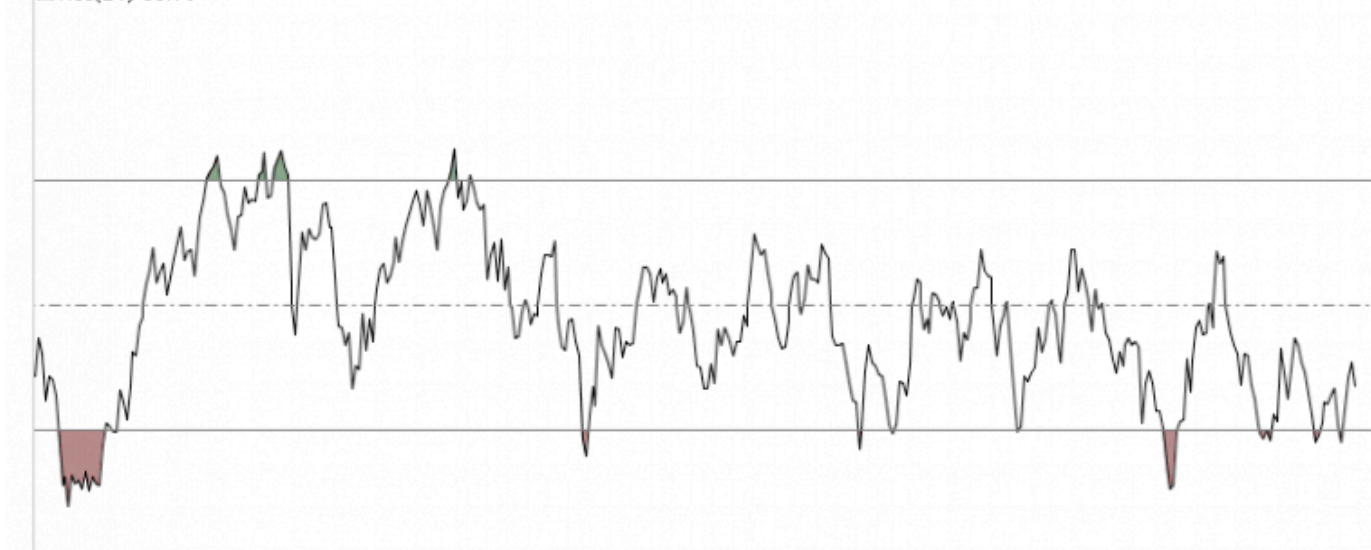
Note the reverse symmetry taking place on the weekly chart for copper which is showing a blue bullish rising wedge on the left hand side of the chart that was made during its bull market. Now look on the right hand side of the chart and you can see we have a similar pattern which is the one year blue falling flag. The reverse symmetry says copper should find a low at the 2008 crash low around the 1.25 area at a minimum.

\$COPPER Copper - Spot Price (EOD) CME

10-Feb-2016

Open 2.09 High 2.11 Low 2.00 Close 2.02 Volume 181.0K Chg -

▲ RSI(14) 36.79



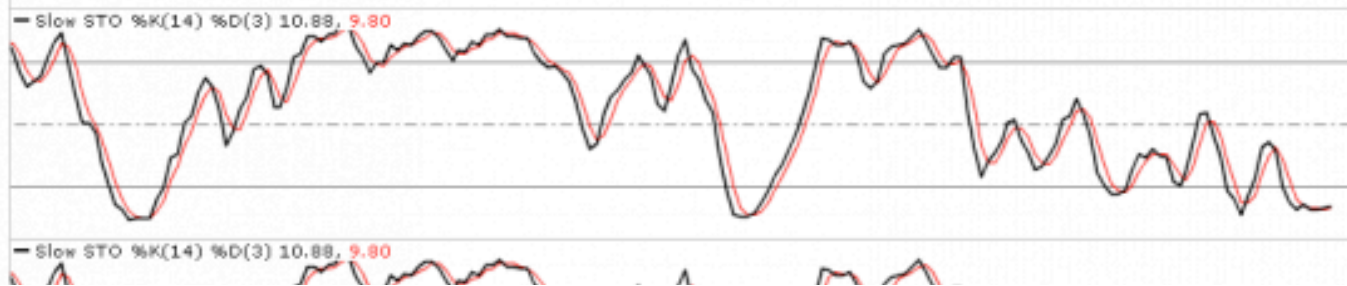
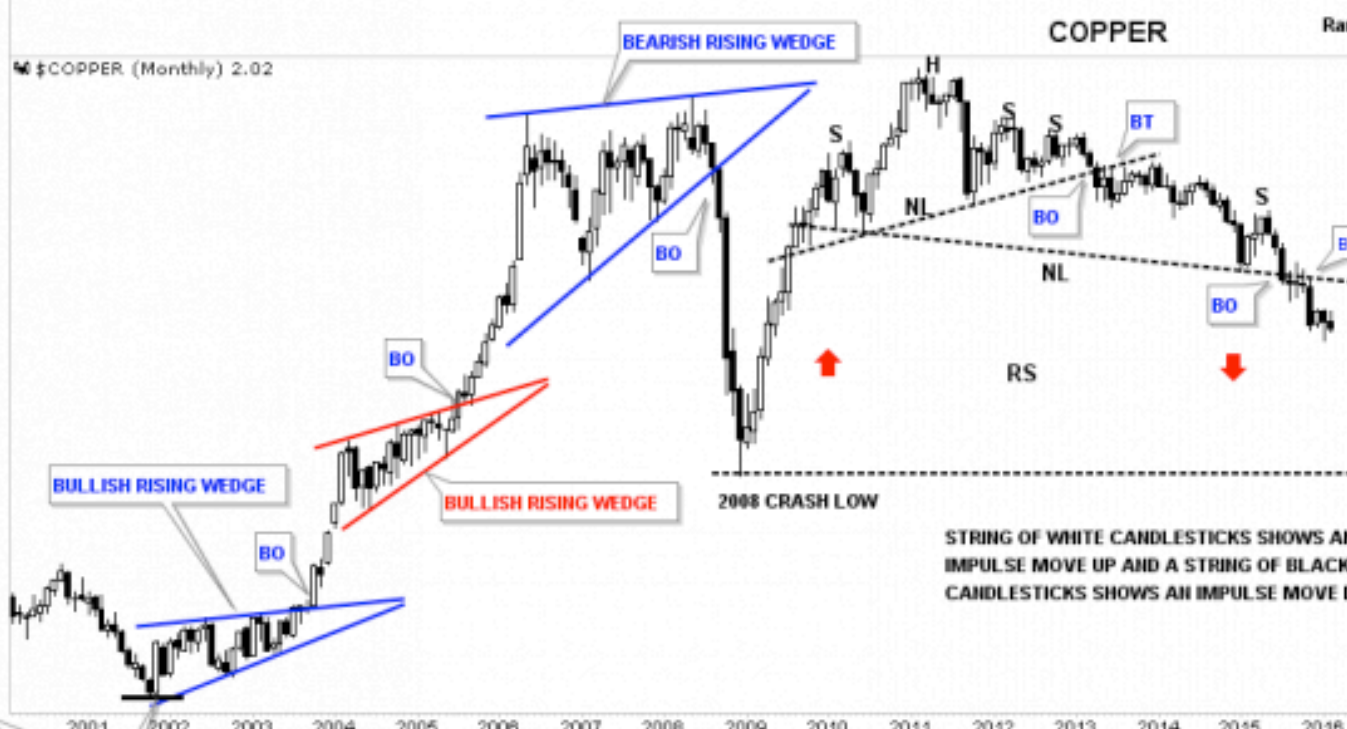
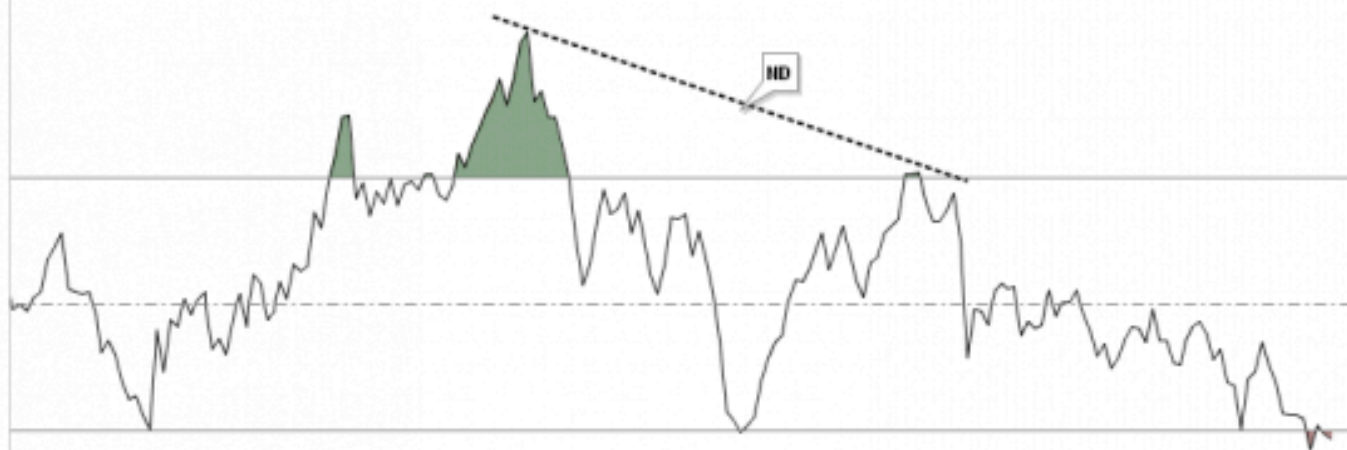
The monthly candlestick chart shows just how strong its bull market was when it formed two bullish rising wedges. Note the string of white candlesticks that formed, all in a row, during the impulse move between each bullish rising wedge. I suspect we'll see a string of black candlesticks all in a row before copper bottoms out.

\$COPPER Copper - Spot Price (EOD) CME

10-Feb-2016

Open 2.06 High 2.14 Low 2.00 Close 2.02 Volume 478.2K Chg -0

RSI(14) 28.70



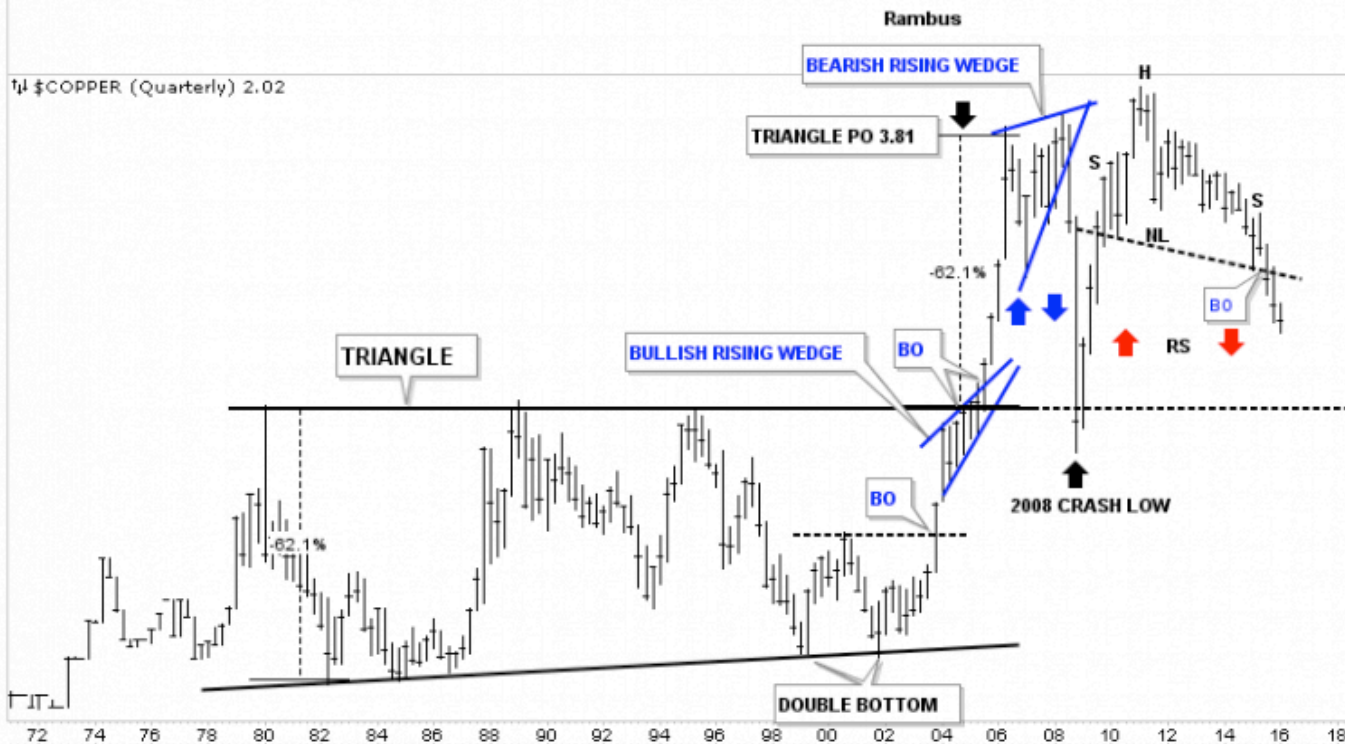
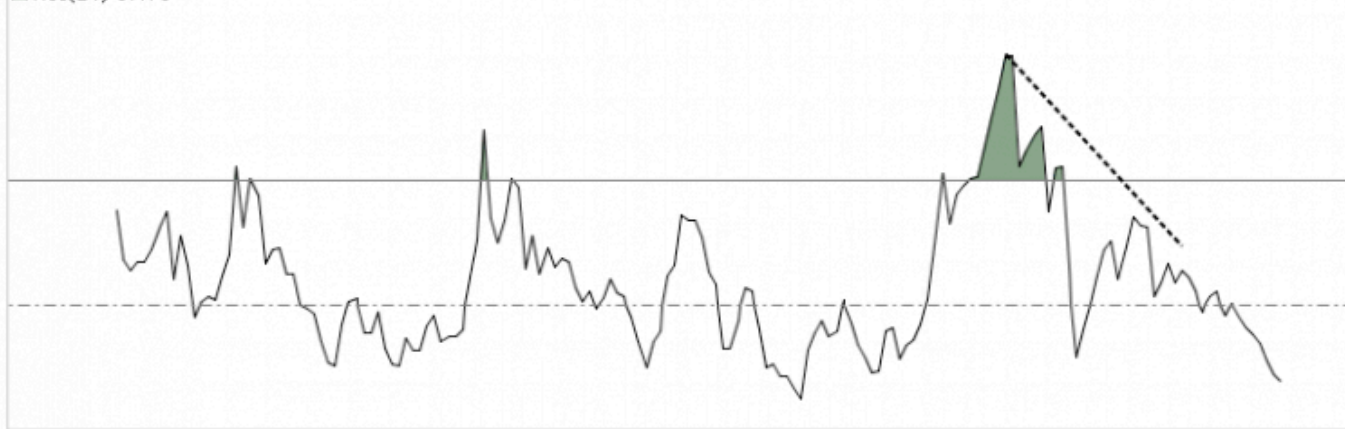
The 45 year quarterly chart for copper shows its massive base which built out during the last part of the 1970's and early 2000's before it broke above the top rail. The base of the massive triangle measured 62% which gave a price objective up to the 3.81 area. Note the blue bullish rising wedge that formed right on the top rail of the black triangle. That blue bullish rising wedge gave copper the energy it needed to reach its price objective at 3.81.

\$COPPER Copper - Spot Price (EOD) CME

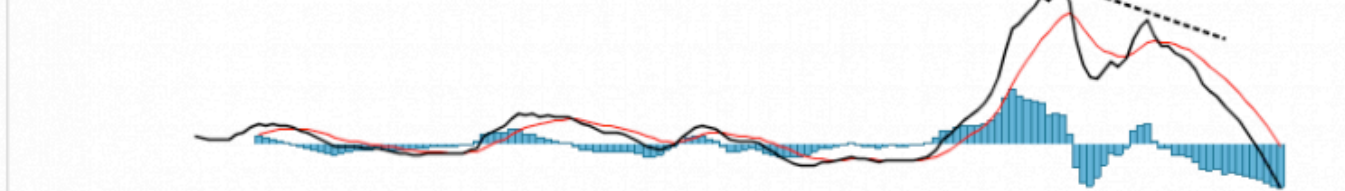
10-Feb-2016

Open 2.13 High 2.14 Low 1.94 Close 2.02 Volume 1.6M Chg -0

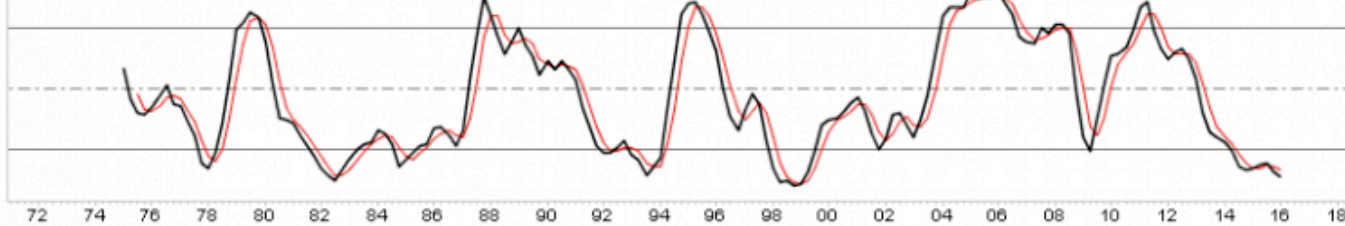
▲ RSI(14) 37.76



MACD(12,26,9) -0.194, -0.006, -0.187



Slow STO %K(14) %D(3) 6.35, 9.68



Next lets look at the GASO chart which has been in the news recently. I heard of a place in MO. where gasoline was selling for .99 cents. Who could have ever imagined that price just a few short years ago. Below is a daily chart for GASO which shows you why gasoline is getting cheaper. The last time we looked at this daily chart it was just breaking below the bottom rail of the 10 point bearish falling flag. Since then it has backtested the bottom rail from below.

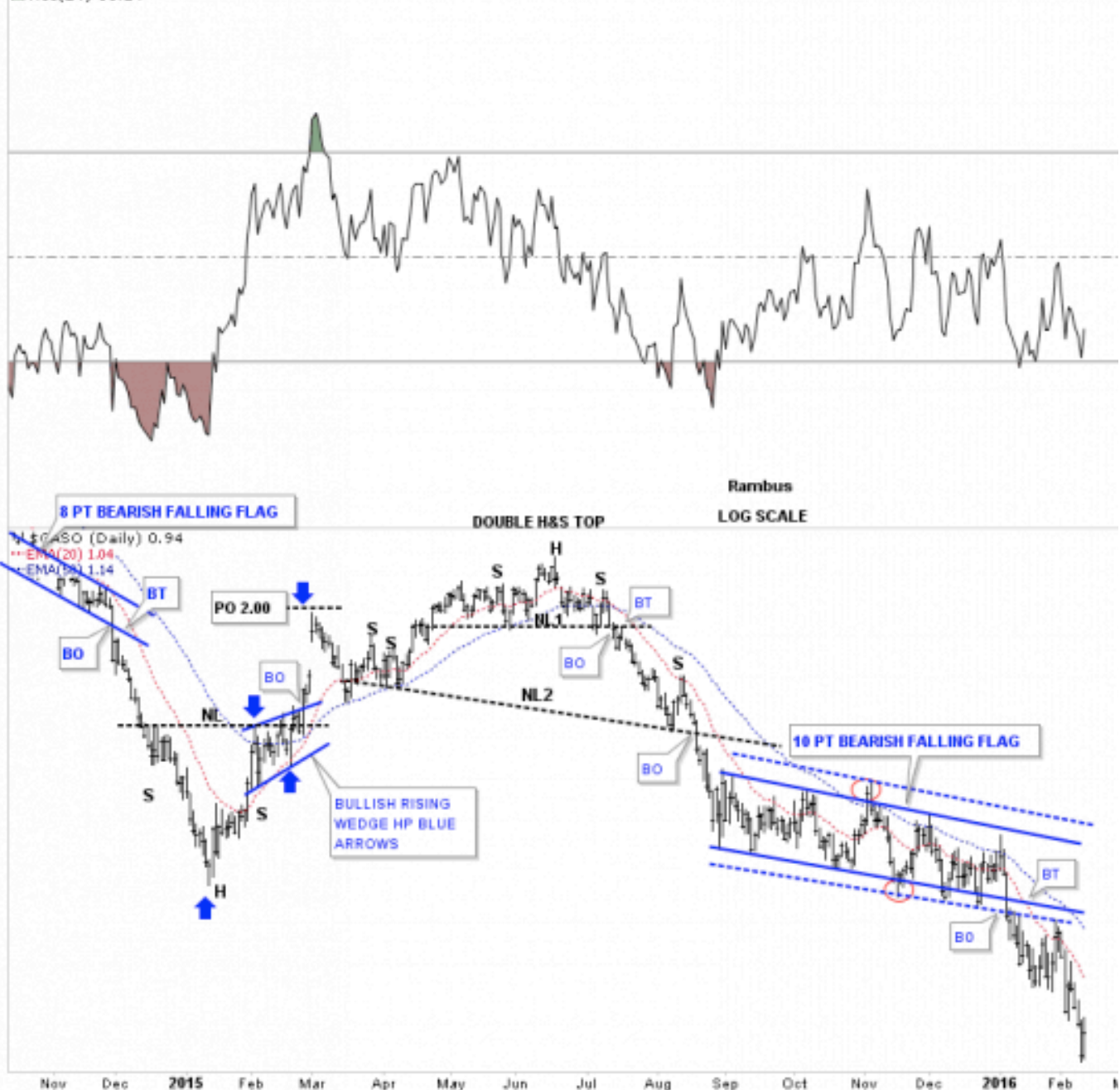
\$GASO Gasoline Unleaded - Spot Price (EOD) CME

© Stoc

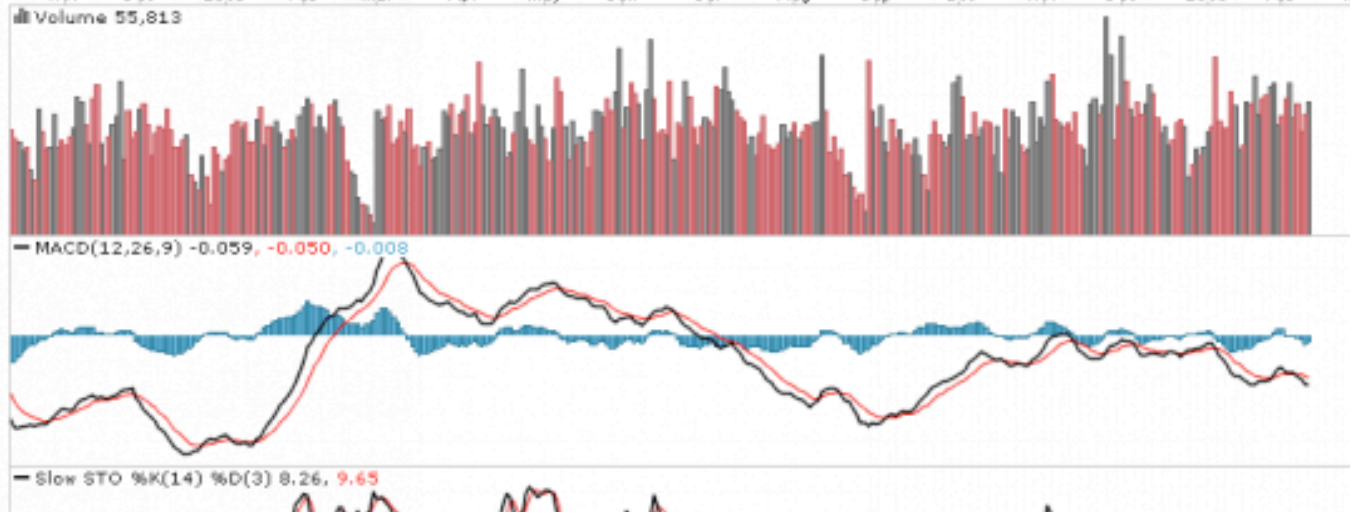
10-Feb-2016

Open 0.91 High 0.97 Low 0.90 Close 0.94 Volume 55.8K Chg +0.0

RSI(14) 36.24

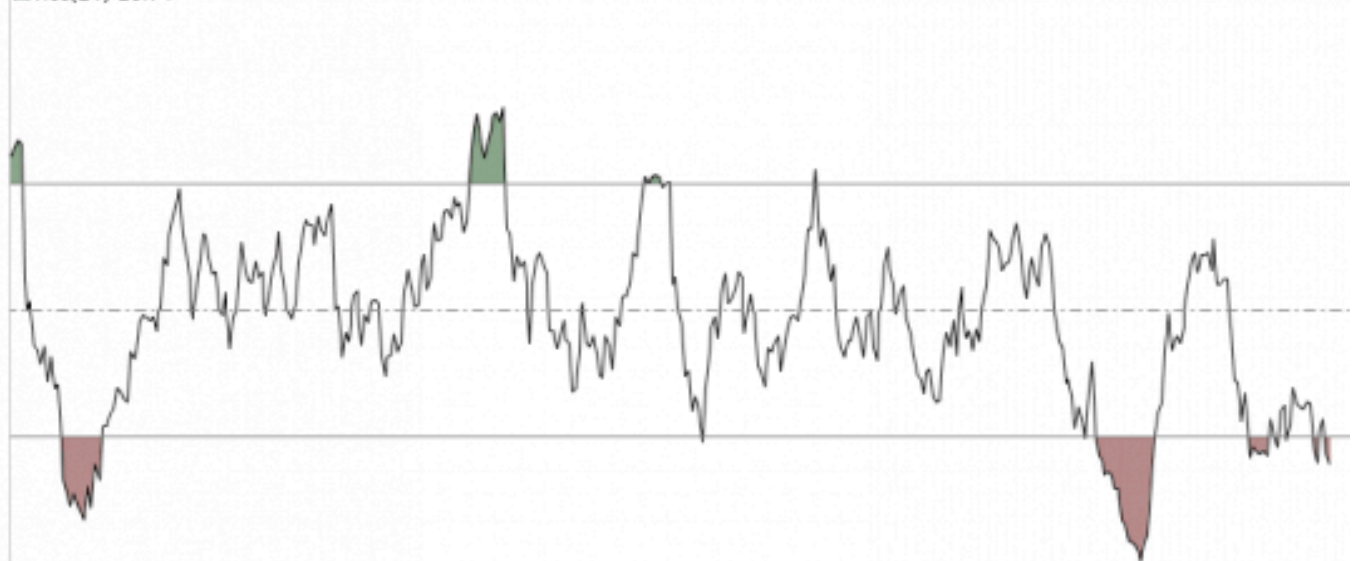


Rambus
LOG SCALE

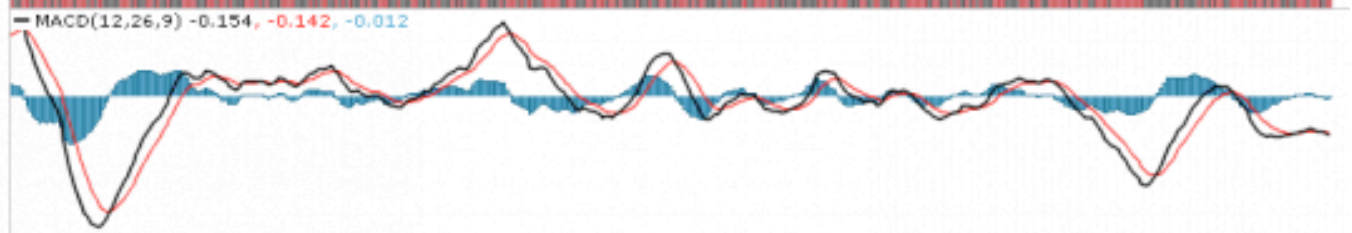
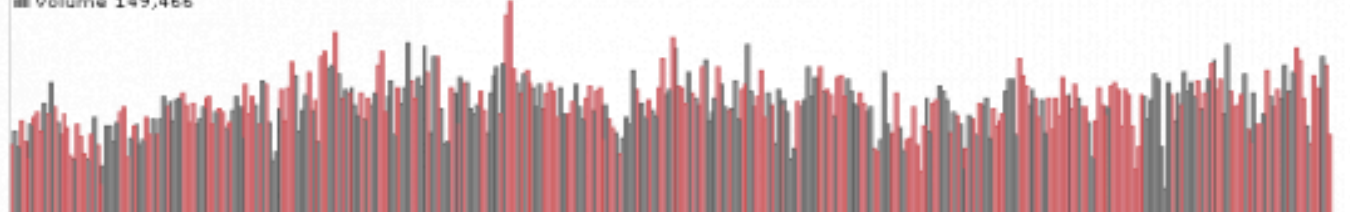


The weekly chart shows GASO built out a massive 5 point rectangle reversal pattern that reversed the bull market. The 2008 crash low comes in around the .79 cents area.

▲ RSI(14) 25.74



Jul Oct 09 Apr Jul Oct 10 Apr Jul Oct 11 Apr Jul Oct 12 Apr Jul Oct 13 Apr Jul Oct 14 Apr Jul Oct 15 Apr Jul Oct 16



— Slow STO %K(14) %D(3) 12.88, 14.74

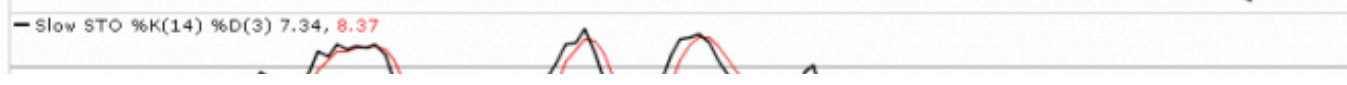
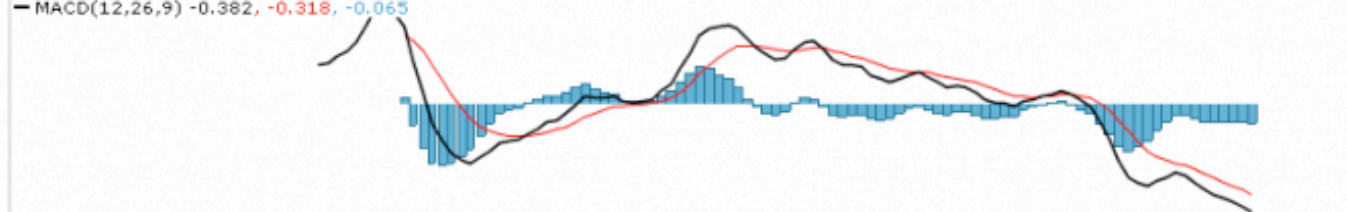
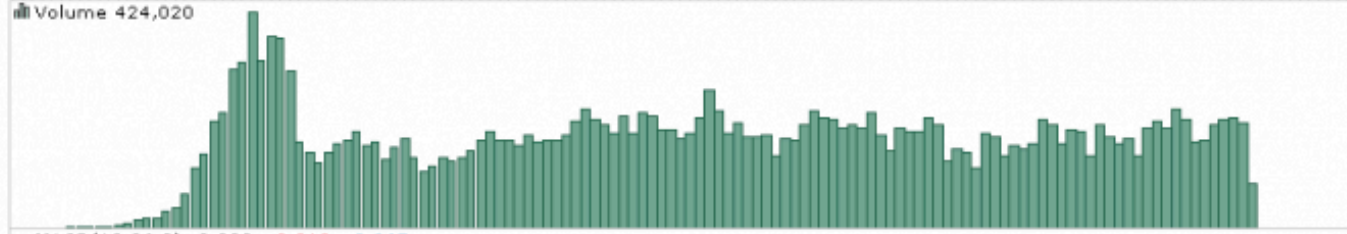
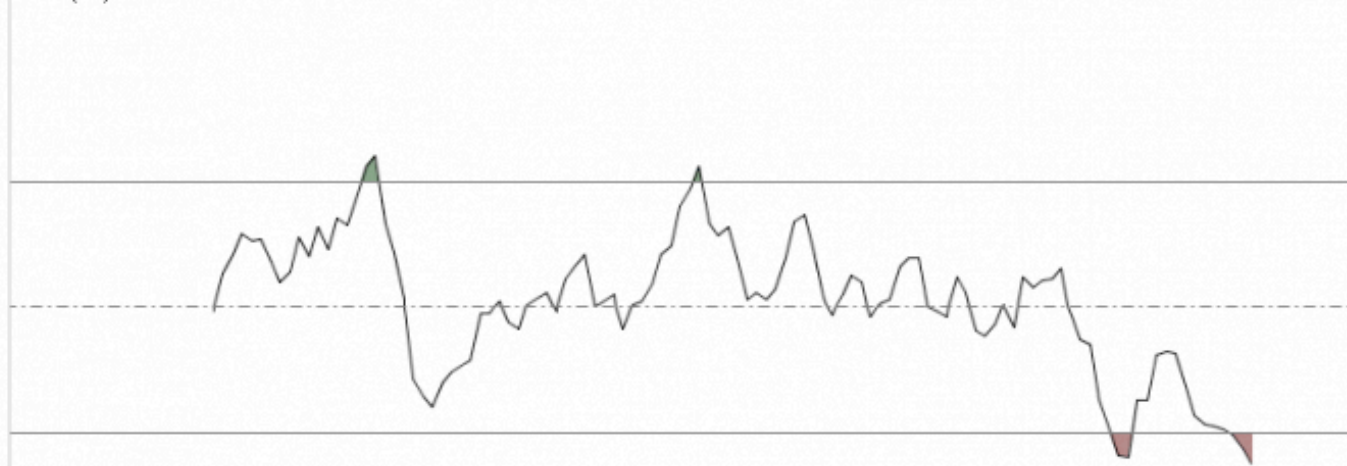
We've been following this monthly candlestick chart ever since it broke down below the bottom rail of the rectangle reversal pattern. Actually I posted this chart on Friday night when we first opened up our doors at Rambus Chartology back in 2012.

\$GASO Gasoline Unleaded - Spot Price (EOD) CME

10-Feb-2016

Open 1.12 High 1.13 Low 0.90 Close 0.94 Volume 424.0K Chg -0.18

RSI(14) 25.07



Below is the very short term daily chart for \$WTIC which we've been following for the last couple of days which shows the small H&S consolidation pattern breaking down yesterday. Today we got the backtest.

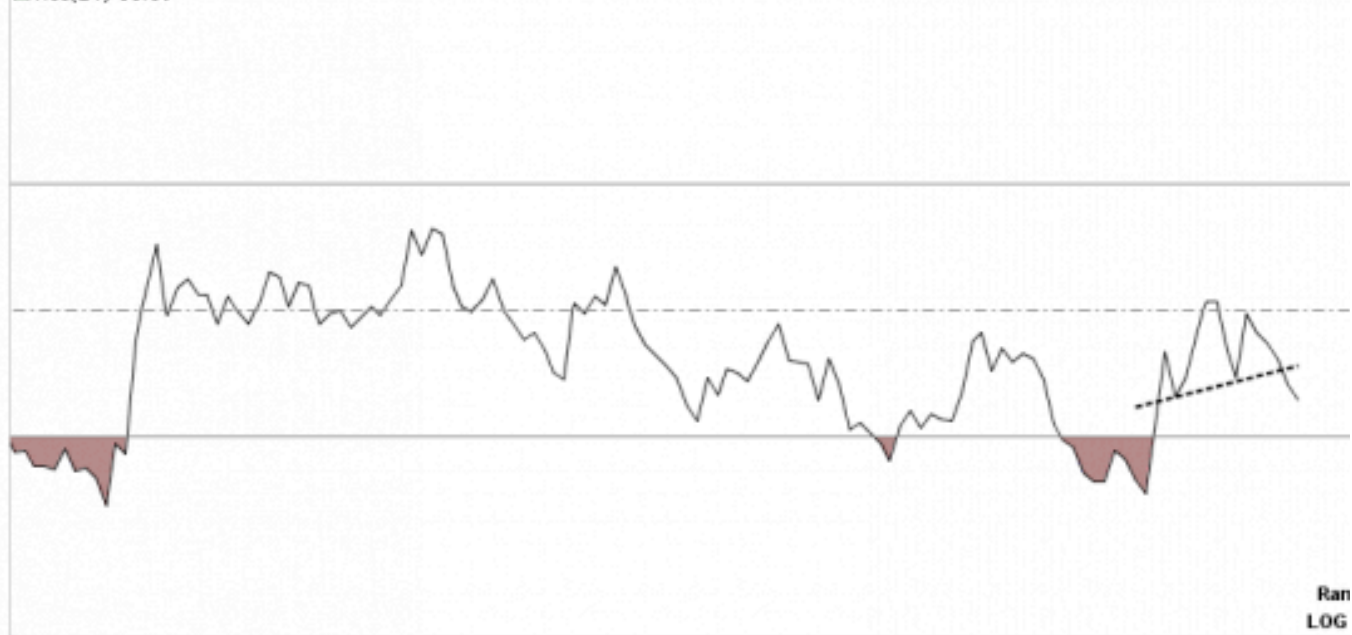
\$WTIC Light Crude Oil - Spot Price (EOD) CME

10-Feb-2016

Open 28.36 High 29.22 Low 27.24 Close 27.33 Volume 695.5K Chg -1.

© Sto

RSI(14) 35.89



Ran LOG

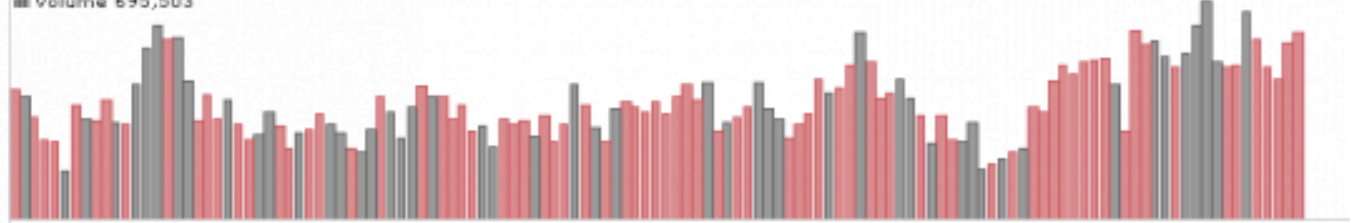
\$WTIC (Daily) 27.33

EMA(20) 31.17

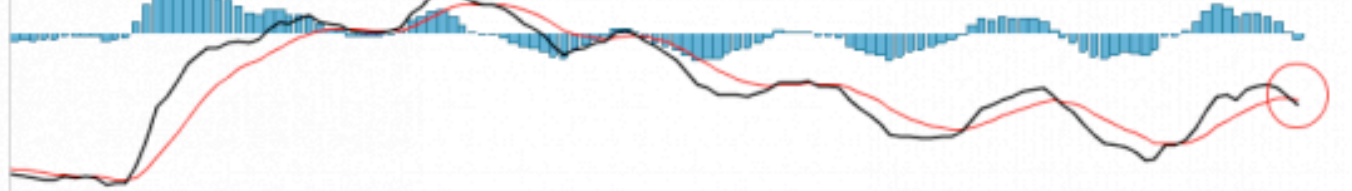
EMA(50) 34.21



17 24 Sep 8 14 21 28 Oct 5 12 19 26 Nov 9 16 23 Dec 7 14 21 28 2016 11 19 25 Feb 8 16



MACD(12,26,9) -1.406, -1.285, -0.121



Slow STO %K(14) %D(3) 15.02, 30.65

The daily chart shows the combo H&S / bearish falling wedge consolidation patterns that has been building out for most of 2015. They're one of the same. Early this year oil finally broke down and looks like it may have just finished off the backtesting process by building out a small H&S consolidation pattern as the backtest.

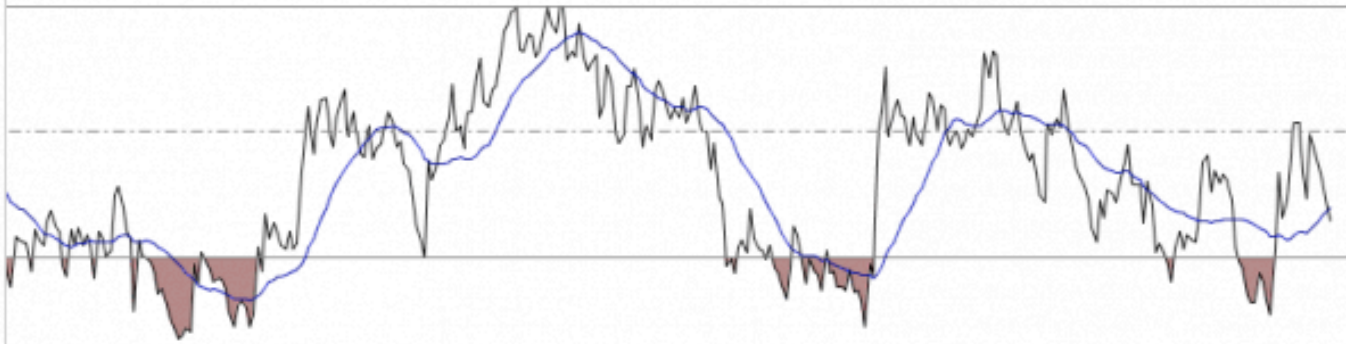
SWTIC Light Crude Oil - Spot Price (EOD) CME

© Sto

10-Feb-2016

Open 28.36 High 29.22 Low 27.24 Close 27.33 Volume 695.5K Chg -1.

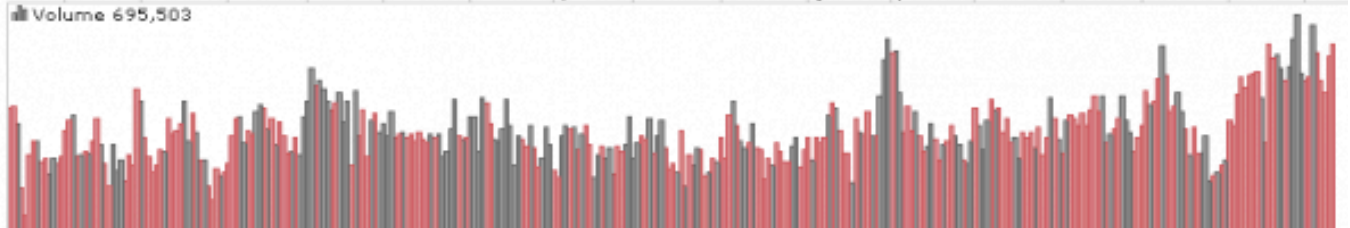
▲ RSI(14) 35.89
— MA(20) 38.02



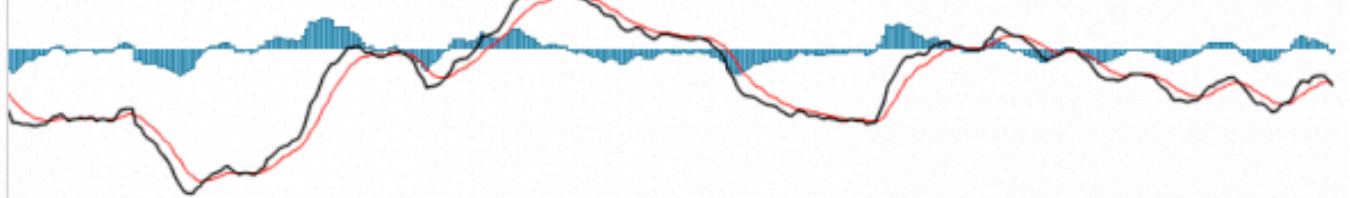
Rambus
LOG SCALE



Nov Dec 2015 Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec 2016 Feb



MACD(12,26,9) -1.406, -1.285, -0.121

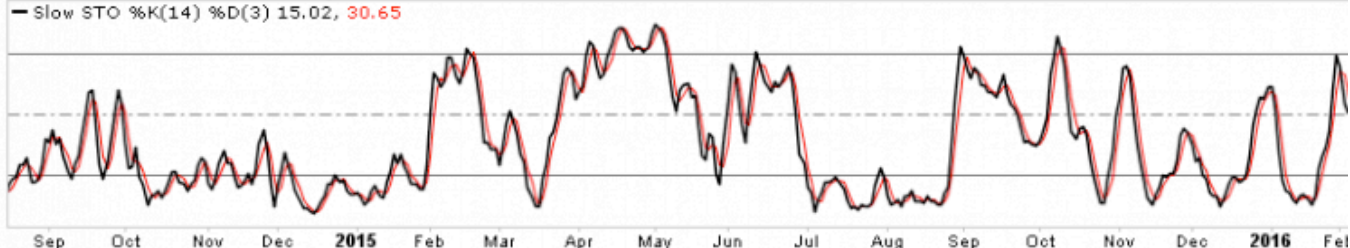
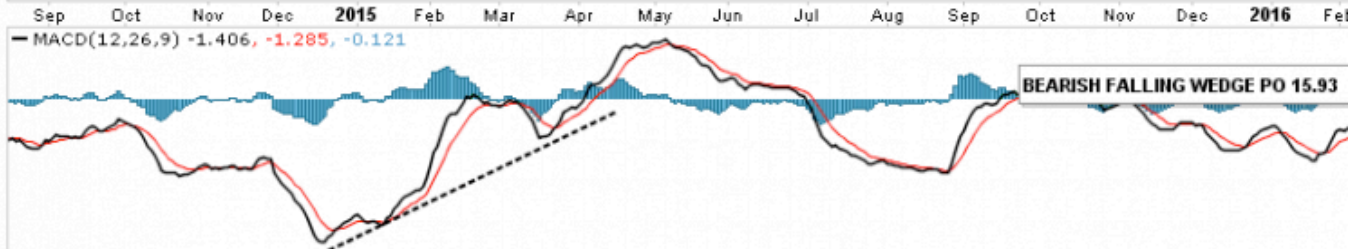
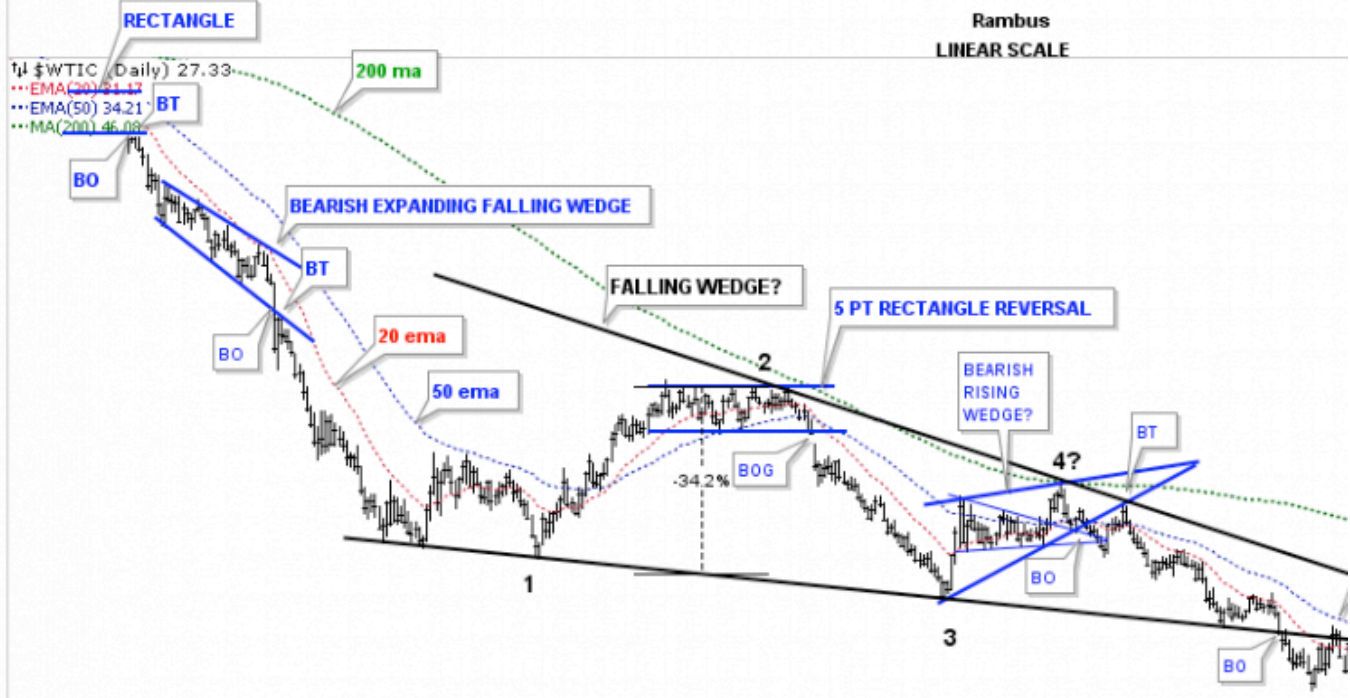
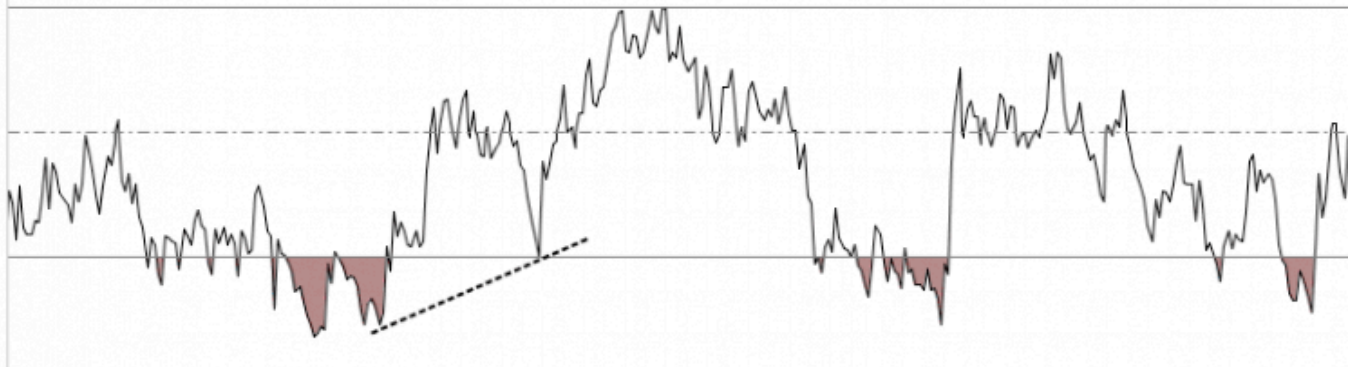


Slov STO %K(14) %D(3) 15.02, 30.65

The log scale chart shows the H&S consolidation pattern has a price objective down to the 22.45 area.

The linear scale chart for oil has a lower price objective which is all the way down to the 15.93 area. Before you discount this price objective, the linear scale chart gave me the correct price objective when oil broke down from its parabolic run to 147 which we'll look at in a minute.

▲ RSI(14) 35.89



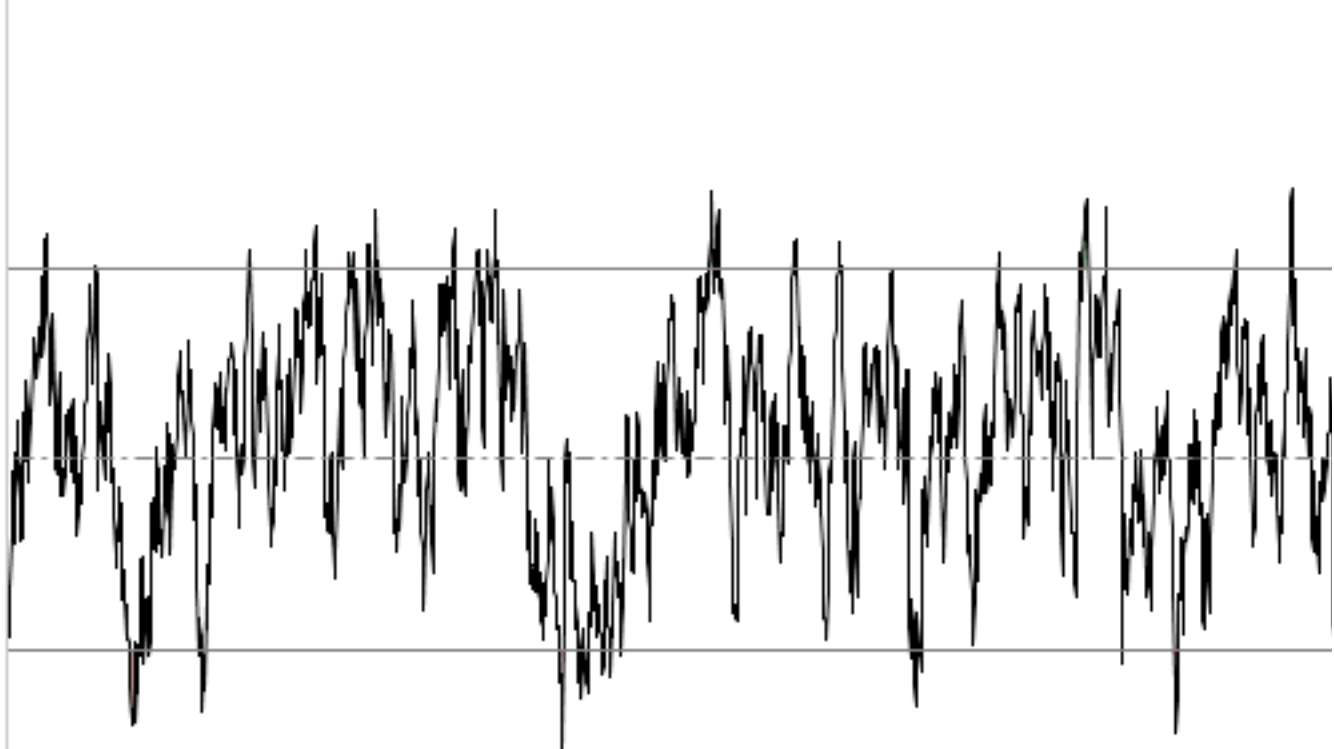
This next chart is the long term daily chart for \$WTIC which shows its parabolic run to 147 and then its parabolic decline to the 35 area. It's hard to see on this chart now but oil made a small H&S top at 147 and then made the bigger H&S top where you can see the neckline. Note the price action on the bottom right hand side of the chart which shows the 2008 crash low where the breakout from the blue bearish falling wedge takes out the bottom rail and the 2008 low with a nice clean backtest. All the work now looks like it may be finished.

\$WTIC Light Crude Oil - Spot Price (EOD) CME

10-Feb-2016

Open 28.36 High 2

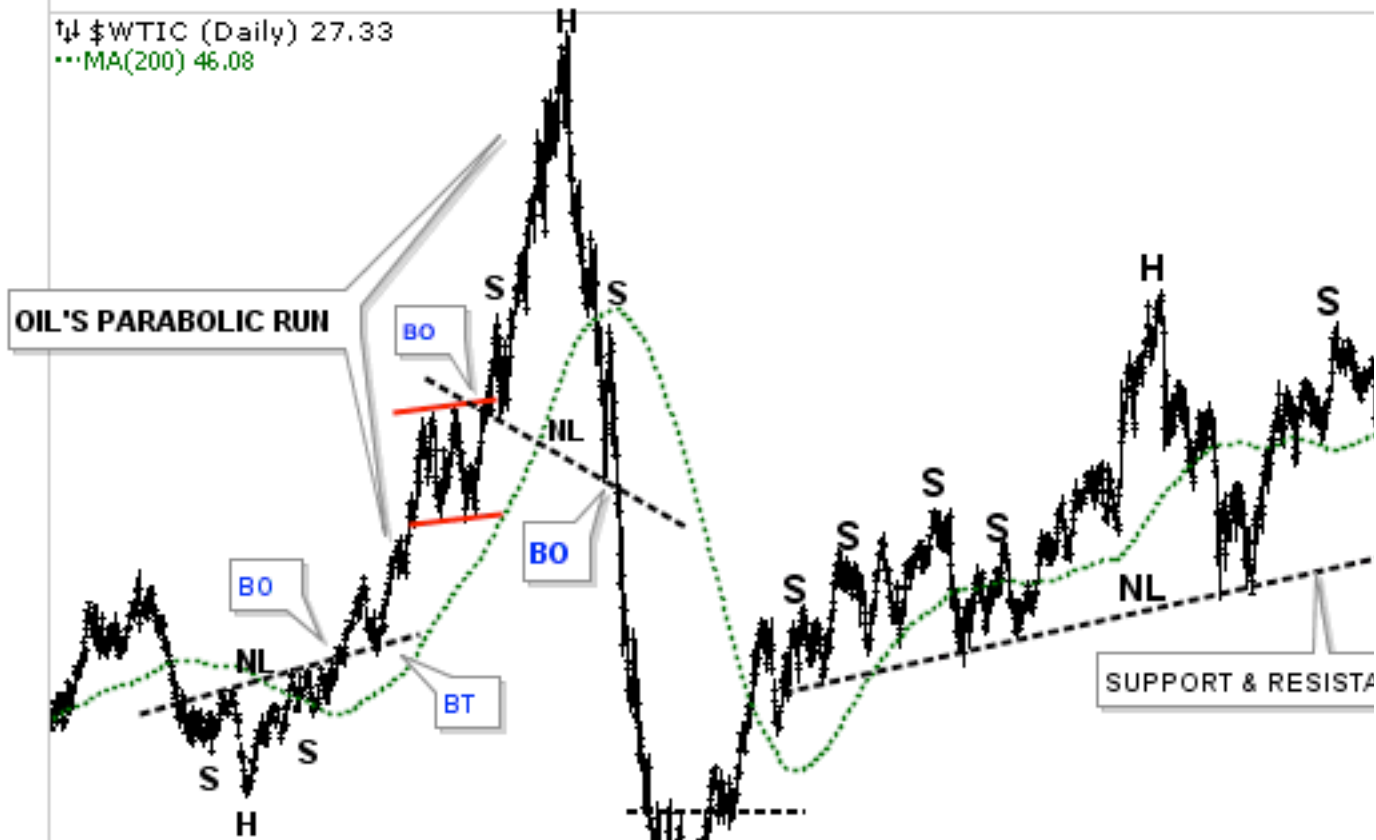
▲ RSI(14) 35.89



Rambus
LINEAR SCALE

↑ \$WTIC (Daily) 27.33

● MA(200) 46.08



There are several more oil charts I would like to show you but I'm running out of time so instead lets look at a couple of stock market indexes to see how they've been coming along since the last time we looked at them. The weekly chart for the \$COMPQ shows it's finally breaking below its long term neckline this week.

\$COMPQ Nasdaq Composite INDEX
10-Feb-2016
RSI(14) 32.79

Open 4288.02 High 4369.82 Low 4212.81 Close 4283.59 Volume 7.5B Chg -79.55 (-1.82%)

© StockCharts.com



The long term monthly chart for the COMPQ shows you just how important that H&S top is that we just looked at on the weekly chart above. It has formed at the same height as the 2000 top. I don't believe it will be a double top but at this point no one knows what the outcome will be. The only thing we really know is that a H&S top has formed at the end of a six year bull market.

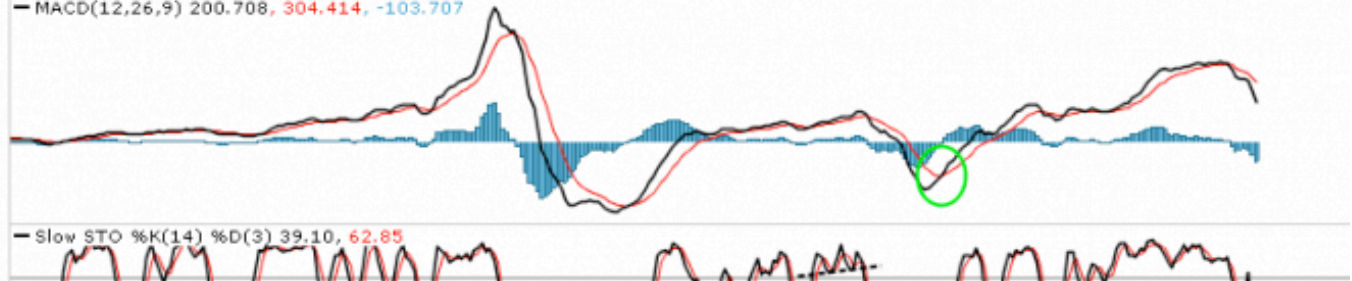
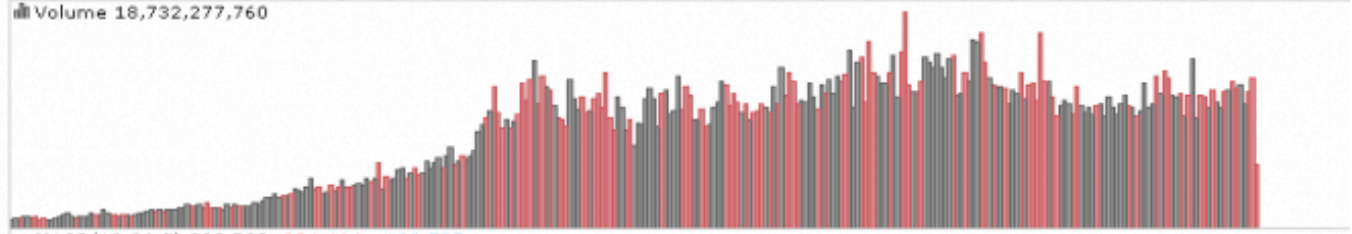
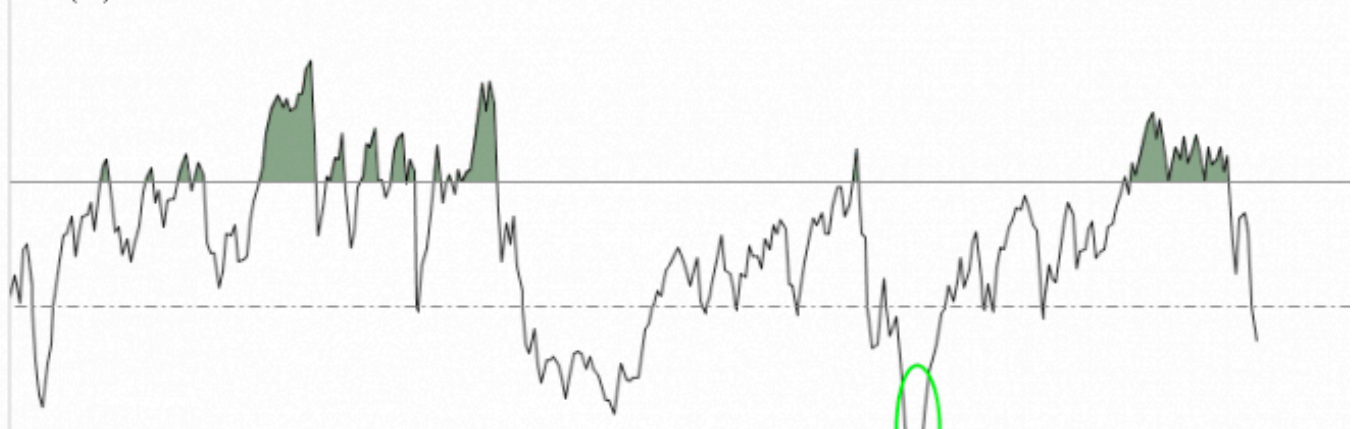
\$COMPQ Nasdaq Composite IND.X

10-Feb-2016

Open 4587.59 High 4636.93 Low 4212.81 Close 4283.59 Volume 18.7B Chg -330

© Sto

RSI(14) 44.48



The long term weekly chart shows the INDU's bull market. As you can see it has broken below the bottom rail of its six year uptrend channel. I originally thought the red falling flag was going to be a red bullish falling flag but when the price action broke below the bottom rail I had to reverse my thought process to a potential bear market.

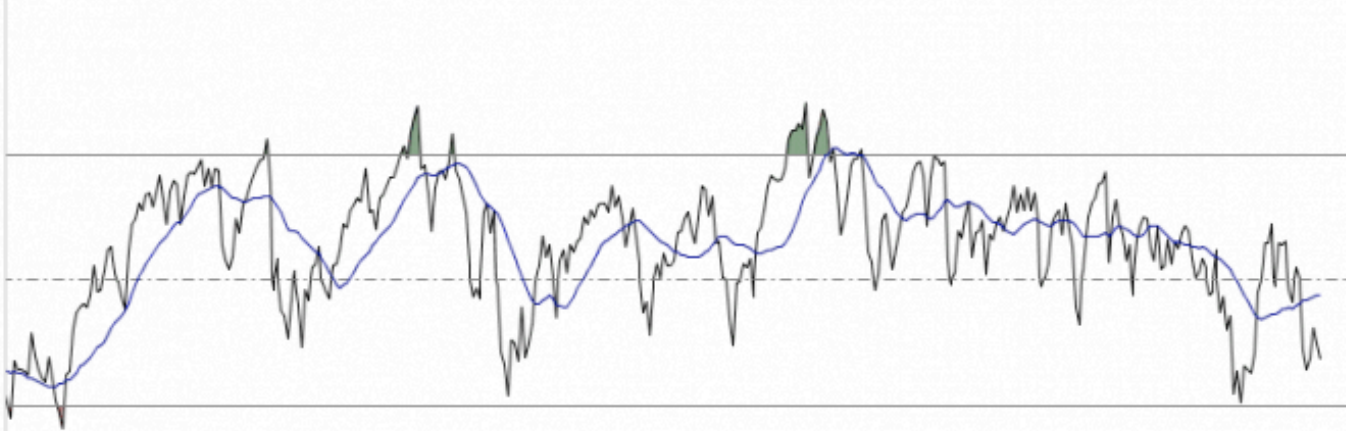
\$INDU Dow Jones Industrial Average INDEX

© Stock

10-Feb-2016

Open 16147.51 High 16201.89 Low 15803.55 Close 15914.74 Volume 1.8B Chg -290.2

▲ RSI(14) 37.39
— MA(20) 47.68



W \$INDU (Weekly) 15914.74
--- MA(200) 15819.15
--- EMA(75) 17063.80

Rambus

2009 BULL MARKET UPTREND CHANNEL

BEAR FLAG

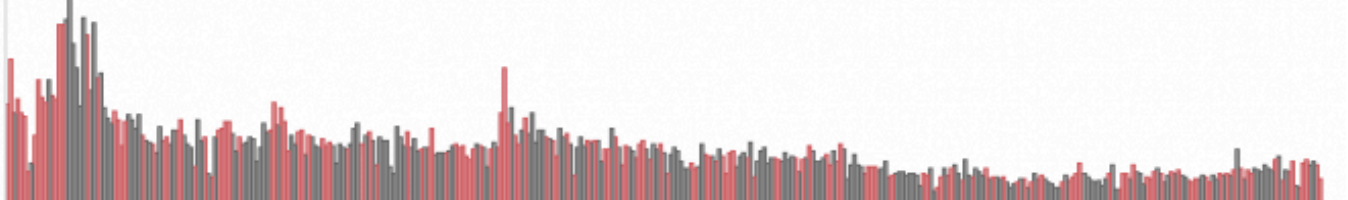
BO

200 week ma

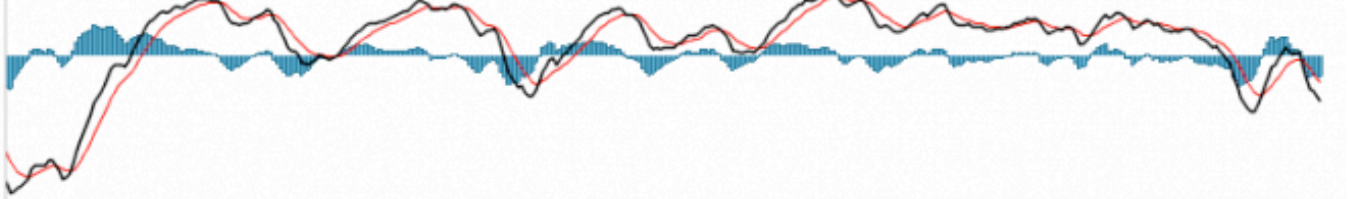


09 Apr Jul Oct 10 Apr Jul Oct 11 Apr Jul Oct 12 Apr Jul Oct 13 Apr Jul Oct 14 Apr Jul Oct 15 Apr Jul Oct 16 A

Volume 1,583,727,872



— MACD(12,26,9) -322.533, -184.640, -137.893



— Slow STO %K(14) %D(3) 29.63, 28.54



The monthly chart for the \$NYA shows the 2007 and 2015 fractals we've been following for awhile now. Just compare each number in the 2007 top to the corresponding numbers in the 2015 top. Note the thin black dashed line just below point #5 on each top to help give you a feel for where we are at right now. If this fractal keeps playing out you can see what happened back in 2007 after point 5 was broken to the downside. Will history repeat?

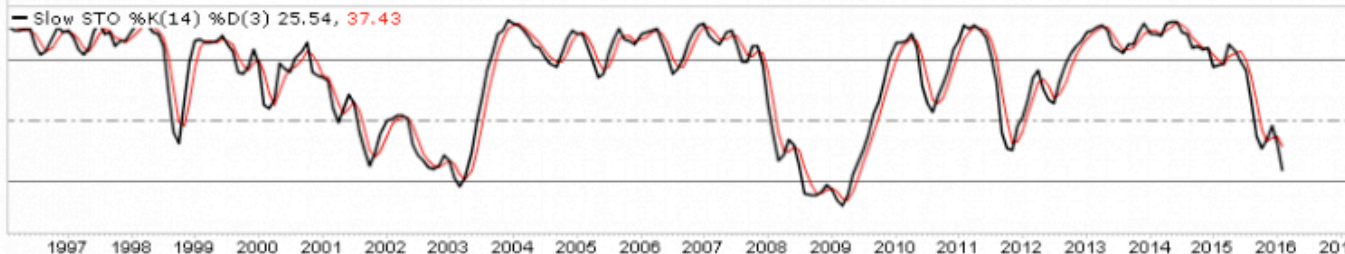
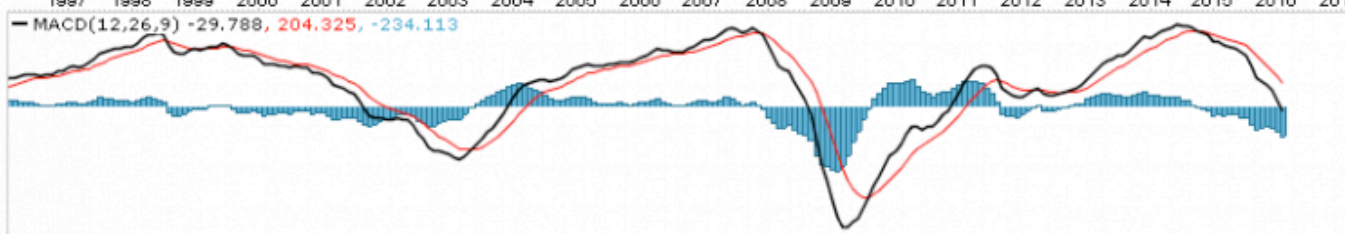
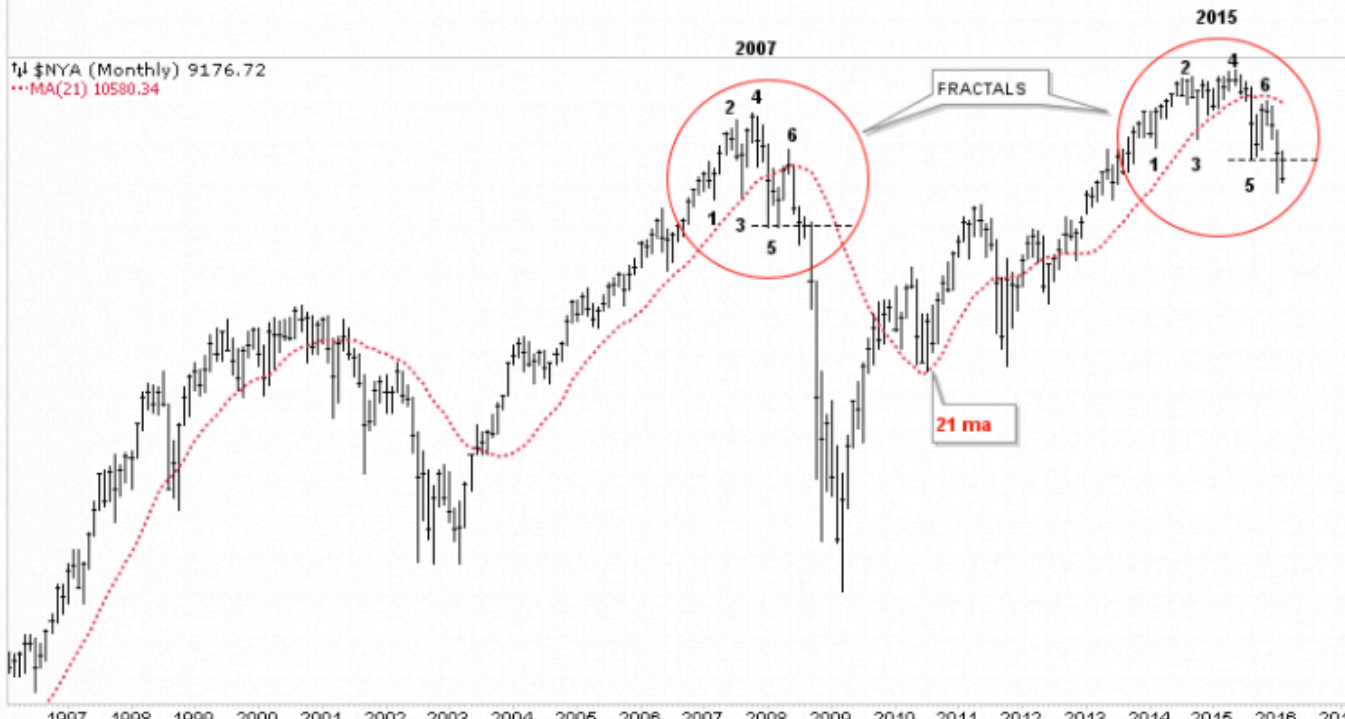
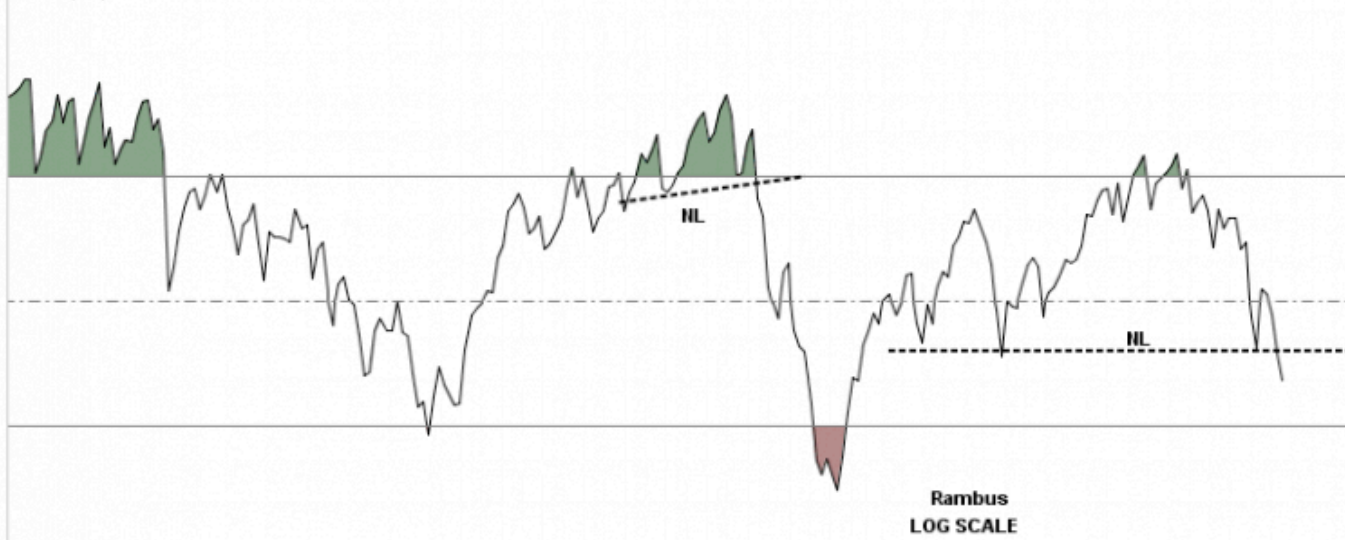
\$NYA NYSE Composite Index INDX

10-Feb-2016

Open 9578.92 High 9651.20 Low 9109.05 Close 9176.72 Volume 38.9B Chg -455.9

© Stoc

▲ RSI(14) 37.10



MONEY & MARKETS

S&P500 -10.51% (1829 – not through the 1812 line)

GLD 17.35%

SLV 13.34%

OIL -28.09%

^GDAXI --14.88% (Euro)

FXI -19.41%

EFA -12.50%

EEM -10.47%

AGG 2.12%

TLT 11.11%

\$CRB -11.27%

S&P Correction levels

High = July 12, 2105 = 2126

Corrections:

10% = 1913

15 = 1807

20 = 1700

25 = 1594

Below 25% = indication that the trend has change to a bear

market.

NEOCONS OUT? – Kissinger in Moscow/Kerry Working on Resolutions in Ukraine and Syria – says to me that the leadership understands the need to reduce tensions.

China Devaluation

Last week Syngenta....this week

Chinese Investor Group to Buy Chicago Stock Exchange... fascinating comment on Planet Equity”

Here is what is important to understand.

China's RATE of growth is slowing. However, in nominal dollars their GDP is growing more than ever. So the added GDP each year at a growth rate of 3-5% is greater than the nominal amount added 5 years ago at 7-9%. It is the magic of compound growth.

That is an attractor far more powerful than anything other than US space weapons. So China and India, etc are becoming far more important as trade partners to all of our allies than we are.

Hence, the effort to tie people in with TPP etc.

Ryan ; TPP May not have votes in house

Speaker Ryan Casts Doubt on House Support for Pacific Trade Deal



House Speaker Paul Ryan said there wasn't enough support at this point to pass a sweeping Pacific trade deal in the chamber, casting doubt over its fate in Congress.

PRESSURE ON EUROPEAN UNION FROM MIGRATION COMING TO A HEAD

How will Cameron handle referendum? Reason invited Greenhill in 2 weeks

PEABODY ENERGY TRADING AT 2.31

America's Supreme Court temporarily halted the implementation of the Clean Power Plan, the backbone of Barack Obama's policy to cut *emissions* from power plants. The plan gives states leeway over achieving this, but some contend it is too burdensome.

LAME DUCK BUDGET

The White House sent its *budget* to Congress. The document was deemed dead on arrival, as Republican leaders are this year forgoing the traditional charade of even pretending to listen to the administration's budget director at public hearings. See [article](#).

WSJ on Obama care:

Continued bad news for the stock market – (Refer to coming clean over the fiscal cliff)

After most health insurers racked up financial losses on Affordable Care Act plans in 2014, many companies' results for last year worsened, creating heavy pressure to improve performance this year.

An analysis of filings by not-for-profit Blue Cross and Blue Shield insurers—among the biggest players in the law's exchanges for buying individual insurance—shows the challenge facing the industry as it seeks a turnaround in the individual business. They paid out more for health care in the first three quarters of 2015 than they took in from premiums on their individual plans.

On Wednesday, [Humana Inc.](#) became the [latest of the big publicly traded companies to flag problems](#), saying its losses on individual plans deepened last year. Humana included in its 2015 results \$176 million in losses it expects to incur on such plans in 2016.

Superbowl Ads

Boeing and Northrup Gruman – put Boeing up on website

New Hampshire Primary

Sam Smith: The Trump-Clinton Problem

Sam Smith - While we have never had so many dishonest, corrupt and/or incompetent candidates running for president

in the same election, it is worth bearing in mind that politics more often reflects, rather than creates, our culture. Donald Trump is what modern capitalism has taught us to respect, Hillary Clinton is a model of amoral power that the media wants us to admire, and Ted Cruz a reflection of the mass corruption of Christianity by evangelical hustlers like his father.

For a culture to survive it needs leaders who articulate, advocate and proliferate the values, beliefs and standards that are meant to define it. For the past few decades, America's leaders have either turned silent – in churches, on campuses, in print and on the air – or joined with those who prefer money to decency, power to cooperation and bullying to concern.

Trump and Clinton are evidence, rather than causes, of something that's been going on a long time: a growing indifference by the powerful to the things that kept us and our communities human.

We can not expect the media to judge something like this campaign through the eyes of citizens struggling to hold on to what we thought we shared. The media has become part of the soulless, morally vacuous elite and so it quizzes candidates about torture as though it was just one more budget issue.

And, after nearly a quarter century of covering Clinton cons, corruption and lies, I've pretty much come to realize that conventional liberals will never give up on a pair deeply responsible for America's reversal of major achievements of the New Deal and Great Society.

We now face the strong prospect of a contest between two of the best con artists in modern America: Hillary Clinton and Donald Trump. What they share is that they have no cause other than another victory for themselves. An ideology for one.

Why would one America vote for either one? That is the question we need to ask and answer?

ASK CATHERINE

THANKS for many great links!

=====

Try not to laugh.

Hope your laryngitis is all better?...stay off domestic flights. However with all the Zika, Ebola, bird flu...you were lucky you just caught laryngitis! Enjoyed the interview and Money Markets.

-

Hello Catherine:

I am listening to your excellent interview with Jason Brwden-Smith. I used to teach creative dramatics and exercises for strengthening the imagination. Your broadcast made me think I need to resurrect those lesson

plans and see what I can do with them.

As for your laryngitis, I had the same bug but after the first 2 days I was able to go about my business. I took and continue to take Ascorbic Acid (vitamin C) crystals. The dosage is one teaspoon of crystals to 3/4 gallon of water. Drink the water throughout the day.

-

- It cleared my problem and I hope it will help you too. If no one has told you today that you are sensational ...take it from me You Are.

Dear Catherine:

In your interview with The Saker he mentioned that the U.S. and Russia operate based upon two entirely different systems, and he said that in the end only one of these two systems can survive. Can you elaborate more on what you believe he meant when he said this?

Dear Catherine:

It was interesting reading the Jerusalem Post article that you posted several weeks ago, mentioning that the people of Israel have chosen Vladimir Putin as their Person of the Year for 2015. Can you explain why, in your opinion, the people of Israel have made him their #1 choice?

From Saker:

weird.

according to some sources, Putin and Russia are not popular in Israel:

<http://www.pewglobal.org/files/2015/08/Pew-Research-Center-Russia-Image-Report-FINAL-August-5-2015.pdf>

Probably the reason is how Putin bombs to Daesh crazies next door.

Hi Catherine, I love that you added Rambus to your reports , I've been a long time chartist and I understand that the commodity prices are falling significantly. My question is does this mean we are in deflation? I don't see prices of what I purchase going down. Will prices finally follow the commodity? Or as always been the case, the Fed will keep inflating the debt away. I.E. QE 4,5,6 and negative rates?

The reason I ask is if we are in deflation, I would assume that I should sell my real estate and deleverage, cash is king.

Catherine, I wanted to add a P.S. to the last email and thank you for your wonderful service. I have been a long time subscriber to Solari and love what you do. The array of topics and guests is awesome. This stuff blows my mind, it's better than fiction.

I am a financial advisor and use technical analysis to dictate the moves I make for client portfolios, adding Rambus

chartology to my indicators has helped me further take the noise out of my decision process of managing client portfolios and side stepping this correction in the market.

Please keep up the great work.]

The Internet is not 'satellites controlled by Pentagon'. Very small amount of total traffic is satellites.

Fiber optic cables laid all over the world undersea are the backbone of the Internet.

CAF: Note increase in satellites; DRONES COMING

Catherine,

Loved your quote:

"When you use debt, debt bubbles, and use monetary easing, you create perverse incentive systems. As a result, people become much less productive. We now have an economy where people get slapped for being productive."

You might consider expanding on this idea.

I particularly liked the part re: "perverse incentive systems." This concept helps me see the world more clearly.

Let's Go to the Movies

For *Let's Go to the Movies*, we'll take a look at Nick Hanauer's TED Speech:

- [Nick Hanauer: Beware Fellow Plutocrats — the Pitchforks are Coming](#)

The wealth potential — if we reinvigorate trust and markets, including the free flow of local and entrepreneurial capital — is significant. We don't have to let a deflationary spiral take hold.

INTERVIEW

We need a mighty army of entrepreneurs –

In the interview, we stress the acceleration in change as a result of technological disruption – does not come out in the financial news – but it is an important contributor.

“Your complaint is your call to action.”

~ Jason Bawden-Smith

By Catherine Austin Fitts

Creative destruction is upon us – the shift between Global 2.0 (an industrial economy) and Global 3.0 (a networked economy) is accelerating.

So what happens when productivity rises dramatically? If the application of online and new technologies creates \$1 of income by destroying/saving \$20 or more of existing income/expense, how is that supposed to work?

Here are several examples in the recent article [*Why Every Aspect of Your Business is About to Change*](#):

- Skype brought in approximately \$2 billion in 2013. McKinsey calculated that in that year Skype transferred \$37 billion away from old-guard telecom firms.
- San Francisco's taxi regulator reported that the number of fares per licensed cab fell 65% from March 2012 to July 2014 as Uber, Lyft, and others entered the market.
- When Airbnb entered Austin, Texas, hotel revenue fell by 8% to 10% according to Boston University researchers.

What is the process by which we invent new enterprises using the capacity that is now available? While we are at it, how do we reinvent a more peaceful economy, operating in a positive relationship with each other and our environment?

It's called entrepreneurship – and it's time for a lot more of it. This is despite the fact that the US and most of the G-7 political and economic leadership are doing a great deal to centralize control...which handicaps entrepreneurs and potential investors.

This week, Jason Bawden-Smith publishes his business biography, [*Making Waves*](#). It describes how he founded four companies focused on solving environmental problems. Jason's achievements include introducing technology into Australia which reduced lead poisoning in children and lessened the impact of excessive exploration and mining activities.

To celebrate the launch of *Making Waves*, Jason will join me on the *Solari Report* this week to discuss entrepreneurship in changing times.

CLOSING

February 18 – Precious Metals Market Report with Franklin Sanders

February 25 – Weapons of Mass Migration: Forced Displacement, Coercion, and Foreign Policy with Professor Kelly M. Greenhill

March 03 – A Solari Report with Jon Rappoport

Until February 18

Please remember, don't worry about whether or not there is a conspiracy. If you are not in a conspiracy, then you need to start one.

Good night and good luck.

+++++

APPENDIX

[Money & Markets – Week of 02.07.16](#)

*Money & Markets, [Top Picks](#) on February 7, 2016 at 11:02 am ·
[No Comments](#) [[Edit](#)]*

[The Stocks Wall Street Analysts Love Most are Getting Crushed this Year](#)

Business Insider | 09 February 2016
Outperformed...

[Japan Bond Yield Slides Below Zero and Stocks Fall](#)

NY Times | 09 February 2016
Unprofitable for banks to...

[Fed May Lack Legal Authority for Negative Rates: 2010 Memo](#)

Bloomberg | 08 February 2016
Rate on overnight reverse...

[Oil Prices Are Being Driven Down by Debt](#)

Yahoo Finance | 08 February 2016
Supply-demand balance chart...

[Half Dozen LME Members Resign, Including Rio Tinto](#)

Reuters | 05 February 2016
Owned by Hong Kong Exchanges and...

[**The Probability of Negative U.S. Rates Is on the Rise**](#)

Bloomberg | 08 February 2016

Spur growth and...

[**Core Employment \(Age 25-54\) Still Below January 2000 Level, 3 Million Below 2007**](#)

Mish Talk | 05 February 2016

1950 to...

[**Oil Market Spiral Threatens to Prick Global debt Bubble, Warns BIS**](#)

The Telegraph | 05 February 2016

Liquidity is...

[**Why Pensions are the New Flashpoint in Greece's Crisis**](#)

The Telegraph | 05 February 2016

Manned highway blockades for...

[**Exclusive: Iran Wants Euro Payment for New and Outstanding Oil Sales**](#)

Reuters | 04 February 2016

Iran's biggest...

[**Chinese Investor Group to Buy Chicago Stock Exchange**](#)

Reuters | 05 February 2016

Chongqing...

[**Geopolitical – Week of 02.07.16**](#)

[**NYPD Booting People from Homes Draws Outrage from Officials**](#)

NY Daily News | 08 February 2016

Locking people out...before... court 75%...

[**The Trump – Clinton Problem**](#)

Undernews | 08 February 2016

Reflects, rather than...

[**Project Censored: Winter Fund Drive**](#)

Project Censored | 07 February 2016

Catherine's latest Donation

[**Promoting Women Part 1: Everyone Went in the Direction Decided...**](#)

Solari | 30 March 2014

“That was how things were going to”...

Background For Albright: Special Place in Hell

[**Albright: ‘Special Place in Hell’ for Women Who Don’t Support Clinton**](#)

The Guardian | 06 February 2016

Special place in hell for...

[**Pope and Patriarch to Bridge 1,000-year Split in Cuba**](#)

Yahoo | 05 February 2016

Extremists are conducting...

[**News and Views from the Nefarium FEB 4 2016**](#)

YouTube | 04 February 2016

Kissinger was in Russia visiting President Putin...

[**Russian President Vladimir Putin addresses 70th session of the General Assembly**](#)

YouTube | 28 September

Follow up to last week's Solari Report: Russia and Global Geopolitics with the Saker...

[**Border Agent: 'We Might as well Abolish Our Immigration Laws Altogether'**](#)

Washington Examiner | 04 February 2016

Stand down order includes...

[**NATO Secretary General Welcomes US Announcement to Strengthen Military Presence in Europe**](#)

NATO | 02 February 2016

Rotational U.S. ...

[**US Proposes more Pentagon Funding for Europe Aid, Equipment**](#)

AP | 02 February 2016

Russia as a growing...

[**The Costs of Inequality: When a Fair Shake Isn't**](#)

Harvard | 01 February 2016

Grows faster than...

[**Moscow Could Sue UK Government Over Alexander Litvinenko Comments, Russian Foreign Minister Says**](#)

The Telegraph | 26 January 2016

"Reset" relations with...

[**How Heavily Armed is Your State?**](#)

CBS News | 06 December 2015

Per capita weapons...

[**Science & Technology – Week of 02.07.16**](#)

Science & Technology, Top Picks on February 7, 2016 at 10:02 am ·

No Comments [Edit]

[US Intelligence Chief: We Might use the Internet of Things to Spy on You](#)

The Guardian | 09 February 2016

Gain access to...

[Supreme Court Deals Blow to Obama's Efforts to Regulate Coal Emissions](#)

NY Times | 09 February 2016

Early hint that...

[Peabody Energy Corporation \(BTU\)](#)

Yahoo Finance | 09 February 2016

Mining of coal...

[SpaceX Conducts Hover Tests](#)

Space Daily | 09 February 2016

Designed for multiple...

[North Korea Launches Satellite to Space](#)

Space | 08 February 2016

NORAD determined that ...

[Truth: The CSIRO is Not Netflix: Science Cannot be Treated Like a Startup](#)

Delimiter | 08 February 2016

Throwing money at...

[Why the Authors Guild Is Still Wrong About Google's Book Scanning](#)

Fortune | 08 February 2016

Trumped the fact that Google...

[Indian Point Nuclear Facility Operator Reports 'Alarming Levels' of Radioactivity in Plant's](#)

[Groundwater; Some Wells Increase 65,000%](#)

NY Daily | 07 February 2016

35 miles...

[US Air Force Launches GPS Satellite to Complete Navigation Constellation](#)

Space | 05 February 2016

(ULA), a joint venture between...

[Microsoft Reveals Real Cost Of 'Free' Windows 10](#)

Forbes | 05 February 2016

Hidden ...Microsoft EULA...

[Why Google's Artificial Intelligence Boss Is Taking Over the Search Empire](#)

Recode | 04 February 2016

More predictive ...

[The 'Unknown Chapter of Human History' in Europe 15,000 Years Ago: DNA Shows Hunter-gatherers were Replaced by Mystery Group of People After the Ice Age](#)

Daily Mail | 04 February 2016

Unknown chapter of...

[A Robot Hit a Hole-in-one and Everyone Celebrated like it Was a Human](#)

USA Today | 03 February 2016

YouTube | 04 February 2016

TPC Scottsdale...

[Bestselling Authors and Rights Organizations Support Authors Guild in Asking Supreme Court to Review](#)

[Authors Guild v. Google Ruling](#)

Authors Guild | 02 February 2016

Appeals subordinated the very right...

[This Modular Exoskeleton Lets Disabled Children Walk on Their Own Two Feet](#)

Digital Trends | 02 February 2016

Four hours of...

[Can the 'Largest Cleanup in History' Save the Ocean?](#)

Washington Post | 01 February 2016

houseboat...best Airbnb...

[Elon Musk: SpaceX Wants to Send People to Mars by 2025](#)

CNN Money | 30 January 2016

Importance of inspiring...

[Google Plans to Beam 5G Internet from Solar Drones](#)

engadget | 30 January 2016

Problem with millimeter...

[Lockheed Martin's New SPIDER Imaging Tech Could Lead to Smaller, more Powerful Telescopes](#)

Digital Trends | 29 January 2016

Combine the light in...

[Scientists Decode Brain Signals to Recognize Images in Real Time](#)

Digital Trends | 29 January 2016

Had a stroke...communicate...

[Machine-Learning Technique Uncovers Unknown Features of Multi-drug-resistant Pathogen](#)

Kurzweil AI | 29 January 2016
Learning which...

[**The Ocean Cleanup Plan So Crazy It Just Might Work**](#)

Outside On Line | 21 July 2015
Remove 42 percent...

[**Food & Health – Week of 02.07.16**](#)

Food & Health, Top Picks on February 7, 2016 at 9:02 am · [No Comments](#) [[Edit](#)]

[**Zika Distracts from Real Damage: The Playbook**](#)

Jon Rappoport | 08 February 2016
Real ongoing damage...

[**Zika: Who Launched the Fake-epidemic Story in Brazil?**](#)

Jon Rappoport | 07 February 2016
17 “had a relationship with...

[**Putin Slams Big Pharma and GMO Foods**](#)

Australian National Review | 18 January 2016
Threatening the lives...

[**Chipotle’s New Mantra: Safe Food, Not Just Fresh**](#)

NY Times | 16 January 2016
Steps Chipotle has taken are...

[**The Medical Kidnapping of Cassandra C**](#)

The Truth About Cancer | 21 July 2015
Fought them, that they would starve...

[**Wildcards – Week of 02.07.16**](#)

Top Picks, Wildcards on February 7, 2016 at 9:02 am · [No Comments](#) [[Edit](#)]

[Boeing: You Just Wait \(Super Bowl Ad\)](#)

YouTube | 17 January 2016

In under an hour...

[65,000% Spike In Reported Radioactivity After Tritium Leaks At Indian Point Nuclear Power Plant](#)

Zero Hedge | 06 February 2016

Said that the contamination...

this is a very key point which I have not seen anyone else mention.

A mystery still remains - a lot of folks with money including sovereign states haven't been investing in and continue to invest in farmland and food technologies. So how does Depopulation fit in. Not good investments if the world is going to 1 billion from 7 or 9 billion.

Different Mr. Global factions?