

# The Kisses of Death



July 11, 2011

## **DOW**

**May 15, 2011**

**"All taken together, the US markets can roll off a cliff whenever it feels like it, and one's strategic positioning and cash management should reflect that."**

**May 29, 2011**

**"A final technical note: When indicators become so oversold, it is often sign of trend change, more than any buying opportunity: rookies beware! Simply, ALL taken together in this section, there will be an utter debacle in the stock market, as forecast earlier this year."**

The 2 kisses of death that were forecast in these pages and that will have ushered in the greatest market debacle of all-times are listed below:

The world's reserve currency fails, en route to creating a merged economy and balance sheet with Canada (unbeknownst to Canadians, whose democratic will will have been usurped by insidious means....but the pursuance of this topic is not within the domain of this report, though the bottom line is); a failed US

currency is part of the already negotiated "North American Perimeter," which allows the US government to thumb its nose at its creditors.

1. A SLOWING ECONOMY HAS BEEN ACKNOWLEDGED.
2. \*DEBT CEILING AND DEBT REPAYMENT ISSUES ARE GROWING CONCERNS THAT ARE BUILDING IN THE MARKET AND UNDERNEATH EVERYONE'S NOSES.

## **SILVER**

**May 15, 2011**

**"More likely, any continued correction would be one that is more comprised of time than price. Therefore, diagonal call spreads are appropriate now."**

**May 25, 2011 GoldCore newsletter:**

**"Silver's fundamentals remain even stronger than gold's and the recent paper-driven sell off due to a series of margin calls and heavy selling on the COMEX appears to be over."**

**"Silver has support at the recent low of \$32.31/oz. There are continuing calls by knowledgeable silver analysts for silver to rise above \$100/oz, suggesting that silver may rise above its nominal high of \$50/oz sooner than the silver cynics expect."**

**July 4, 2011**

**"However, the most ominous backdrop by a long shot is the warning of the default of US debt. The latter is a matter of course, or the Obama administration would never have allowed the rating agencies to discuss such a eventuality."**

**"If one does not believe that such accord is required within the American power base, then please remember that Moody's and S&P allowed the 2008 debacle to occur.....and here I refer you to the Academy Award winning 'Inside Job.'"**

**July 4, 2011**

**"Thursday's action in silver looks to me like the Dow's low of a week ago Thursday, when the Dow put its bottom for this most recent move."**

## **STRATEGY**

For the time being, however, silver is trading parallel to stocks, so SKGS positions include the previously discussed and maintained January/October call spreads, along with September Dow puts and August vertical Dow put spreads.

## **ASSET ALLOCATION**

The breakdown remains:

50% gold  
25% Swiss Franc  
25% US Dollar

Sid Klein

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