John Williams'
Shadow Government Statistics
Analysis Behind and Beyond Government Economic Reporting

ShadowStats Special Hyperinflation Commentary, Issue No. 1438

Mounting Risk of a Hyperinflationary Systemic/Economic Collapse

June 3, 2020

Entire Economic Expansion Since the Great Recession Is at Risk of Collapse

Driven by the Pandemic, U.S. Economic Plunge and Financial Market Turmoil Are Accompanied by Rapidly Mounting Risk of a Hyperinflationary Systemic Implosion

The Fed Is Creating Unlimited Money, Liquidity and Bailouts, With the Federal Government Embarking on Unlimited Deficit Spending and Bailouts

Annual Growth in Money Supply M1, M2 and the ShadowStats M3-Continuation Jumped to Historic Highs in April 2020, With Accelerating Expansion in Early-May

Ratio of Collapsing GDP to Exploding Federal Deficit and Debt Shows Historic Low Ability of the U.S. Economy to Cover U.S. Government Obligations

GDP Inventory Changes Suggest Developing Shortages; Infinite Money Creation Chasing Too Few Goods Can Trigger Early, Rapid and Meaningful Inflation, As Seen Already With Meat and Other Foods

Headline CPI-U Inflation in the United States from 1970, the Last Year of the Gold-Backed U.S. Dollar, to Date Has Been 561%

Corrected for U.S. Government Understatement of the CPI-U ShadowStats Alternate CPI Inflation (1970 to Date) Has Been 4,257%

Increase in the U.S. Dollar Price of Gold (1970 to Date) Has Been 4,314%

Gold and Silver Prices Remain the Canary in the Coal Mine of Hyperinflation

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Section I - Overview and Notes to Subscribers

Coronavirus Pandemic Has Panicked the Federal Government and the Federal Reserve

Collapsed Economic and Social Structure, Creation of Unlimited Money and Debt Provide the Formula for Hyperinflation, a Perfect Financial and Systemic Storm

Good Time to Be Holding Physical Gold and Silver

For Decades, the Ultimate Fate of the Current U.S. Dollar, Economy and Financial System Has Been a Hyperinflationary Collapse; the Coronavirus Pandemic Crisis Could Be the Trigger. Decades of gross fiscal mismanagement by the Federal Government, gross monetary system mismanagement by the Federal Reserve and conflicted, albeit related joint Government and Fed mismanagement of the economy and banking system are being laid bare, exposed by the Coronavirus-Pandemic shutdown of the U.S. economy and related societal turmoil.

An old-line, conservative economist, I have been looking at an eventual hyperinflation crisis and effective long-range U.S. government insolvency for decades, publishing hard forecasts of same since at least 2005. At that time, the 2004 ***Financial Report of the United States Government*** showed U.S. Government fiscal conditions and long-term financial operations had deteriorated to the point of unsustainability. At the time, I predicted the long-term insolvency risks of the United States Treasury—an unsustainable budget deficit and sovereign debt levels—would lead to a U.S. hyperinflation likely around 2018 or 2019. When the Banking System collapsed in 2007-2008, I moved the forecast time horizon to 2014, which obviously did not pan out. Nonetheless, relevant underlying history and fundamentals affecting the current circumstance are laid out in ***Hyperinflation 2014—The End Game Begins (Revised), No. 614*** of April 2, 2014 and ***Hyperinflation 2014—Second Installment, No. 617*** of April 8, 2014.

Coronavirus Pandemic Turned the System on Its Head. Elements driving the system to its current, prospective hyperinflationary catastrophe are coalescing into an extraordinary peak, centering upon recent actions by the U.S. Congress and the Executive Branch and by the U.S. Federal Reserve.

Responding to the Coronavirus Pandemic, the government ordered the shutdown of the U.S. economy and the personal isolation of the U.S. population. That collapsed the domestic economy and societal activity in a manner never seen previously (see ***Section III – Economic Collapse*** on ***Page 13***). Related stresses likely are a factor in intensifying current racial tensions and related civil disorders.

To help mitigate those moves financially, the Executive Branch and Congress moved to explosive, unfettered government spending and bailouts, irrespective of already unsustainable levels of the Federal Debt and Deficit (see ***Section IV- Fiscal Calamity as Federal Spending Goes Ballistic*** on ***Page 23***).

In response to the unfolding financial-market panic and renewed collapse of financial institutions, the Federal Reserve moved to unlimited creation of money and credit, and once again to effectively unlimited bailouts of financial companies and institutions. It also slashed its Federal Funds rate to 0% (see ***Section V- Hyperinflation Risk from Unlimited Money Creation*** on ***Page 29***). ***Section VI – Latest Financial Markets*** on ***Page 37*** provides graphs of related financial market measures.

Too much money thrown at too few goods tends to trigger rising prices – inflation. The current extremities of economic collapse, unlimited money creation and unlimited government spending are conditions that commonly have led to hyperinflation, a circumstance where a currency becomes so debased that it is worthless in its original denominations. Physical holdings of precious metals such as Gold and Silver are traditional stores of wealth, which tend to preserve the purchasing power of one's income, wealth and assets. Movement in the price of Gold can be a leading as well as a coincident indicator of an unfolding hyperinflation problem. Both Gold and Silver prices have started to move higher (see ***Section II – Signal for Mounting Risks of a Hyperinflationary Collapse*** on ***Page 7***).

Notes for Subscribers

• **Recommended Reading:** Widely cited in the various ***ShadowStats Hyperinflation Reports*** and recommended to ***ShadowStats*** subscribers for years, there is:

> ***Fiat Paper Money, The History and Evolution of Our Currency***
> by Ralph T. Foster (Privately Published)
> 2189 Bancroft Way, Berkeley, CA 94704
> E-mail: tfdf@pacbell.net

Fiat Paper Money details the history of fiat paper currencies from 11th Century Szechwan, China, to date, and the consistent collapse of those currencies, time-after-time, due to what appears to be the inevitable, irresistible urge of issuing authorities to print too much of a good thing. Renowned Berkeley Coin Dealer Ralph Foster's extraordinary volume is the most comprehensive and informative analysis available on the history of fiat currencies. This privately printed book continually is updated and expanded. Due to current Coronavirus Pandemic disruptions with his printer, Ralph temporarily has a limited number of printed books in stock. He also can provide a PDF file of his missive to interested parties.

• **Use of "Pro Forma" Graphs:** A number of "Pro Forma" graphs are used in today's ***Commentary*** and are noted as such in the text and title headings, using measures such as U.S. Treasury projections of fiscal-year 2020 Deficit and Debt Levels, and ShadowStats third-quarter GDP forecasts, again, as otherwise discussed in the text.

• **Updated Circumstances Are Highlighted in the *Daily Update*.** Rapidly shifting headlines, reporting details, intervening events, unusual developments and schedule changes—all are covered regularly in the ***Daily Update*** section on the ***ShadowStats Home Page***.

For recent economic and the latest (updated) market and systemic assessments, see ***Special Commentary, Issue No. 1429*** (FOMC Panic), ***Special Commentary, Issue No. 1430*** (Systemic Solvency), ***Flash Commentary, Issue No. 1433*** (Retail Sales Benchmarking), ***Flash Commentary No. 1434*** (1q2000 GDP), ***Flash Commentary No. 1435*** (April Unemployment), ***Flash Commentary No. 1436*** (Cass Freight Index®) and ***Special Economic Commentary, Issue No. 1437*** (Economic Update).

Today's ***Special Hyperinflation Commentary, Issue No. 1438*** reviews the risks of the current economic collapse evolving into a Hyperinflationary Economic Collapse. There is a great deal of new information here, as well as previously explored concepts lifted or updated from earlier ***Commentaries***. More will follow.

Your questions and comments always are welcomed. Please call or e-mail me any time. Leave a message if your call goes to Voicemail. I shall be back to you.

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Section II - Signal for Mounting Risks of a Hyperinflationary Collapse

With Effective Infinite Money Creation Chasing Too Few Goods, Inflation Can Pick Up Meaningfully and Rapidly; Food Shortages Already Have Triggered Some Related Price Jumps

Price of Gold Reflects Actual Underlying U.S. Inflation (Not the Gimmicked CPI)

A Sudden, Sharp Spike in the Price of Gold Could Signal an Unfolding Inflation Problem

Product Shortages Have Begun to Surface. Discussed in ***Section III – Economic Collapse***, the May 28th second estimate of First-Quarter 2020 Real GDP annualized contraction deepened, revised downward from 4.78% (-4.78%) to 5.05% (-5.05%), which was more than accounted for by an even greater, deepening downside revision to the negative GDP growth contribution of Inventories [from 0.53% (-0.53%) to 1.43% (-1.43%)] to the GDP contraction (see ***Table I*** on ***Page 14***). With the Pandemic's unplanned deepening hit to production in mid-quarter, continuing consumer demand naturally would reduce inventories, eventually creating or intensifying product shortages. Anecdotal evidence of a variety of physical product shortages continues to mount.

Given unprecedented Federal Government Deficit Spending (see ***Section IV – Fiscal Calamity – Federal Spending Goes Ballistic***) and explosive, record high Money Supply growth (see ***Section V – Hyperinflation Risk from Unlimited Money Creation***), excessive cash circulating in the system, going against a restricted supply of product, should begin driving prices higher, with mounting upside pressures on headline inflation.

Food Shortages and Rising Prices. Per the Bureau of Labor Statistics (BLS) release of the April 2020 Consumer Price Index, "In contrast to a 20.6% monthly plunge in gasoline prices [driven by an oil-price war], food indexes rose in April, with the index for food at home posting its largest monthly increase [1.5%] since February 1974." The "Meats, poultry, fish, and eggs" subcomponent rose by 4.8% in the month.

From "**US Food Prices See Historic Jump and Are Likely to Stay High,"** by David Pitt (Associated Press), May 30, 2020, "... Overall, the cost of food bought to eat at home skyrocketed by the most in 46 years, and analysts caution that meat prices in particular could remain high as slaughterhouses struggle to keep workers healthy."

Uncontrolled U.S. Government Deficit Spending and Unlimited FOMC Money Creation Threaten Hyperinflation, Particularly in the Context of Collapsed Economic Activity. Discussed in the January 28, 2020 pre-Pandemic ***Special Commentary -Bullet Edition No. 19-A***, the U.S. financial system already was in crisis. The Federal Reserve's "Non Quantitative Easing" Balance Sheet Expansion of the time was aimed at propping troubled domestic financial institutions and financial markets, despite the

headline "booming" economy and FOMC assurances that it had guided the U.S. economy into a period of "sustainable moderate growth."

Noted at the time, the Fed's balance sheet expansion (see later ***Graphs 29*** and ***30***, and related Money Supply ***Graphs 19*** to ***28***) was beginning to look a lot like a tacit acceptance of "Modern Monetary Theory" (MMT), just printing money as needed "without consequence." MMT centers on the concept that a sovereign state, such as the United States, can print its money at will, no need to balance a budget or to sell bonds. The theory goes that the U.S. cannot default on debt denominated in its sovereign currency, the U.S. Dollar, since the U.S. simply can print any dollars needed to cover its obligations (an idea once touted by former Federal Reserve Chairman Alan Greenspan, see ***Section IV***).

Applied to the United States, the theory advocates that the government simply print whatever dollars it needs, for example, to provide a guaranteed minimum income and/or employment to the general population. There is no need to issue bonds. Should inflation pick up and become a problem, the U.S. government simply has to take excess cash out of the system to contain it, by raising taxes or then by selling bonds, per MMT.

Having reviewed the MMT approaches, I find that this system effectively guarantees a hyperinflation, and a full debasement of the purchasing power of the U.S. dollar, rather quickly.

The theory is much enamored of the Socialist Democrats in the U.S. Congress. In contrast, Federal Reserve Chairman Powell initially indicated, "The idea that deficits don't matter for countries that can borrow in their own currency I think is just wrong." Establishment economists, politicians and Federal Reserve officials, who otherwise now have brought the U.S. economy, U.S. fiscal and monetary conditions to their current states of extreme MMT-like peril, largely have dismissed MMT out of hand.

Formal actions taken in response to the Coronavirus Pandemic by the U.S. Treasury (***Section IV***) and the Federal Reserve (***Section V***) appear to be indistinguishable from the MMT concept in practice, in terms of generating unrestrained money creation.

German Weimar Republic Hyperinflation. The Weimar Republic hyperinflation of the early 1920s is close enough to what could unfold in today's United States to provide some cautions as to the scope of potential runaway inflation. Ralph Foster closed the preface to his ***Fiat Paper Money, The History and Evolution of Our Currency*** [see ***Recommended Reading*** on ***Page 6***] with a particularly poignant quote from a 1993 interview of Friedrich Kessler (1901-1998), a law professor whose university affiliations included, among others, Yale and the University of California Berkeley. From firsthand experience, Kessler described the Weimar Republic hyperinflation:

"It was horrible. Horrible! Like lightning it struck. No one was prepared. You cannot imagine the rapidity with which the whole thing happened. The shelves in the grocery stores were empty. You could buy nothing with your paper money."

Some anecdotes—as to the pace of hyperinflation in Germany's Weimar Republic—involved eating and drinking. At one point in the crisis, someone planning lunch in a restaurant commonly would negotiate a price and pay in advance for the meal, since the price otherwise would be higher after lunch. Another

person could have an expensive bottle of wine with dinner. By the next morning, the empty wine bottle would be worth more as scrap glass than the night before as an unopened bottle of fine wine.

Hyperinflation often is accompanied by economic collapse. Circumstances in the Weimar Republic and the Zimbabwe hyperinflation of the 1990s are discussed in the earlier referenced ***Hyperinflation 2014—The End Game Begins (Revised), No. 614*** and ***Hyperinflation 2014—Second Installment, No. 617***. The recent Venezuelan circumstance will reviewed in a separate paper in the next couple of months.

Some Political and/or Fiscal Motivation for a Government to Underreport or to Understate Actual Inflation. The U.S. government can and does mask its reporting of actual annual inflation, having done so specifically since the early 1980s, with a variety of reporting gimmicks. ***ShadowStats*** regularly has tracked and estimated what headline inflation would be today, net of those reporting gimmicks (see ***Graph 2*** on ***Page 11*****)** and the ***ShadowStats Commentary on Inflation Measurement***). As highlighted frequently in the ***ShadowStats Commentaries,*** consider the ***ShadowStats Alternate*** inflation (1980-Based), plotted along with the headline CPI inflation and Gold prices, over time, in ***Graph 1*** on ***Page 10.***

Despite ups and downs around wars, the California Gold Rush, through World War I, the graph shows what appears to be a fairly stable level of prices up to the founding of the Federal Reserve in 1913 (began activity in 1914) and to Franklin Roosevelt's banning domestic ownership of Gold in 1933. Following President Nixon's Closing of the Gold Window in 1971, inflation took off in a manner not seen in the prior 250 years, and at an exponential rate, when viewed using the ***ShadowStats Alternate Measure of Consumer Prices*** in the last several decades.

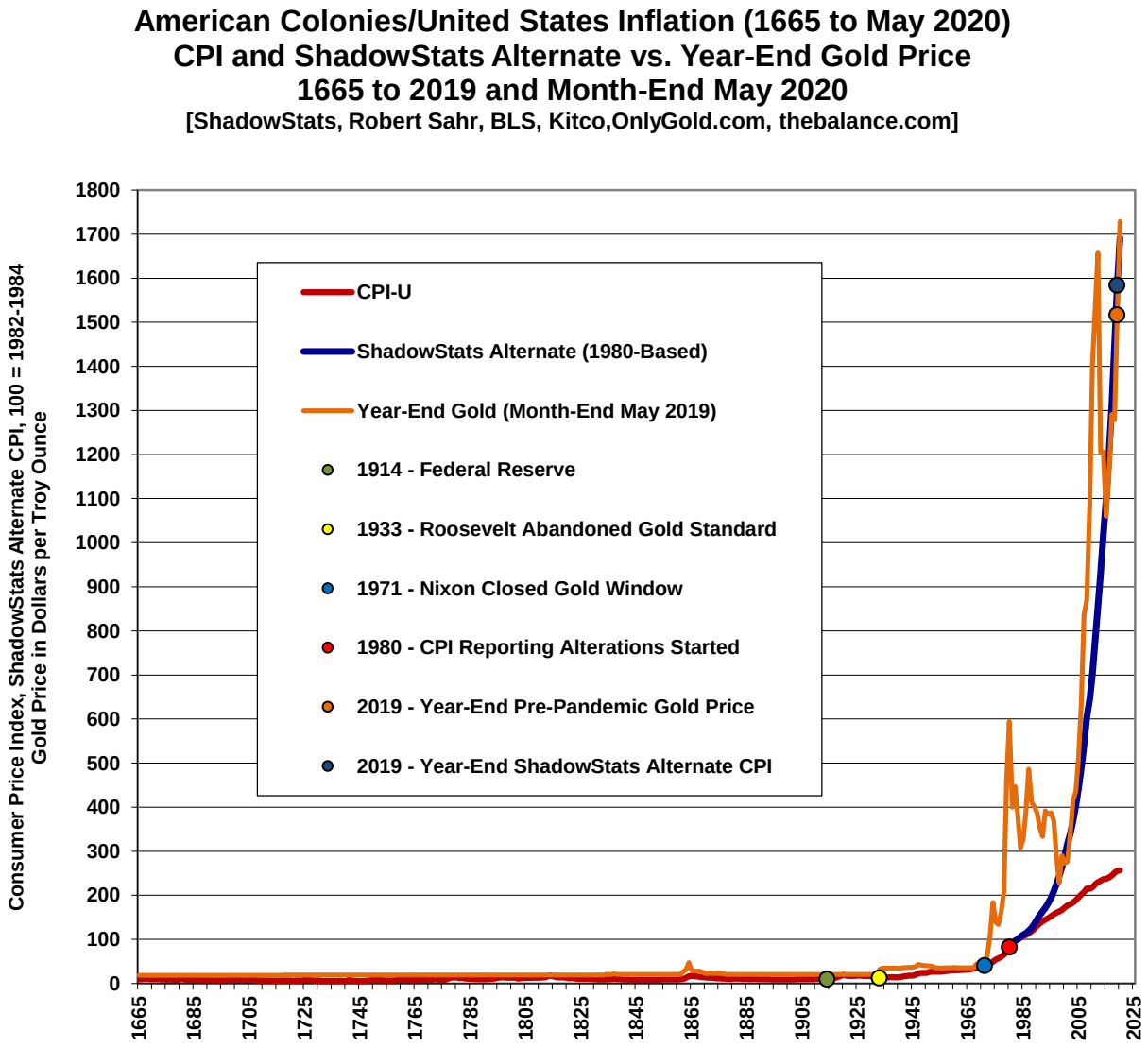
The ShadowStats measure approximates the headline Bureau of Labor Statistics' Consumer Price Index (CPI-U) inflation as it currently would be, net of changes made to reporting methodologies since 1980, when the government moved to mask or hide and the post-Gold Window Closing inflation. Specifically, when the federal government pushed inflation-reducing changes to reporting methodologies, so as to help cut federal spending in such areas as Social Security Cost of Living Adjustments (COLA), Government Pensions and in other areas such as raising Tax Payer real income brackets in favor of Government Revenues.

The "corrected" alternate inflation measure exploded in response to the banking system bailout of 2007/2008. Of significance, Gold, nonetheless, generally has continued to cover fully the "common experience" inflation, not just the artificially suppressed headline CPI-U, as seen in the graph.

Gold Prices Cover Actual Inflation. Reflected in the opening headlines of this missive, looking at inflation since 1970, the year before President Nixon Closed the Gold Window, removing the Gold backing of the U.S. dollar, the headline CPI-U inflation has been 561%, 1970 to date. With inflation corrected for the government's understatement of the CPI-U, the ***ShadowStats Alternate CPI Inflation*** has been 4,257%, 1970 to date. Against those two inflation measures, the increase in the price of Gold in U.S. Dollars (1970 to date) has been 4,314%, paralleling the traditional CPI inflation measure reflected in the ShadowStats measure, as plotted in ***Graph 1*** on the next page.

Near-Term Gold Price Strength Is Suggestive of Pending Pick Up in CPI/ShadowStats Inflation. As seen in ***Graph 1***, the price of Gold tends to have some anticipatory or leading relationship to Actual Inflation (the ShadowStats Measure). At year-end 2019, the headline ShadowStats measure was ahead of Gold, but the oil-price war dampened headline CPI and ShadowStats inflation in March through May 2020 eased back, while Gold surged. The plots here reflect the actual Gold Price through month-end May 29th, while the May inflation estimates are projected by ShadowStats.

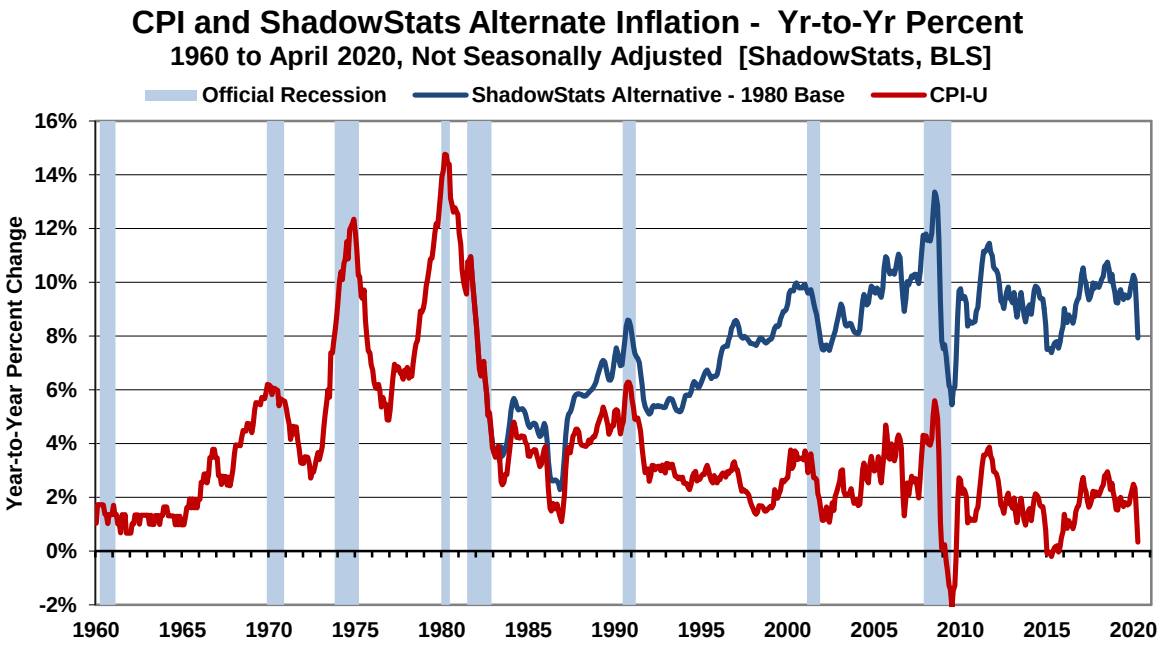
Graph 1: Gold versus Actual Inflation – Updated Through May 2020



Where changes to inflation calculation began in in the 1980s, and the ShadowStats Measure is built upon the Headline CPI-U, it was set equal to the CPI-U as an index, where both series are set at 100 = 1972, as plotted in ***Graph 2***. The year-end reading for Gold was $1516.80 and ShadowStats Alternate CPI Index averages were 1584.6 (unadjusted CPI-U at 255.7), those same numbers at the end of May 2020 were

$1729.70 and 1691.5 (unadjusted CPI-U at 256.7). The level of the two series are somewhat parallel as can be seen in ***Graph 1***, but the level of the ShadowStats index number is coincidental, where it simply was set equal with the CPI-U in 1972.

Graph 2: ShadowStats Alternate (1980-Base) Annual Inflation versus Headline CPI-U



Graph 1 has been updated going forward from prior versions to reflect the latest month-end Gold price or latest monthly CPI or ShadowStats Alternate CPI inflation index in the current (May 2020), plotted as the respective gold and blue lines, beyond the gold and blue circular markers at the top of the graph. Those gold and blue markers indicate the year-end 2019 Gold Price and ShadowStats annual average index points.

Previously, the standard graph plotted the just year-end Gold Price (London afternoon fix) up through 2019, against the year-end December 2019 ShadowStats Alternate CPI and the headline CPI-U Indices and historical estimates, all indexed to 1972 =100 up through December 2019, again those year-end 2019 points are marked at the top of the graph.

Otherwise, the gold and blue lines respectively plot the historical year-end Gold Price and annual average ShadowStats inflation measure, with the red line plotting the headline CPI-U year-end measure (now also latest 2020 month-end measure). Going forward for the year 2020 ahead, those lines plot just the latest month-end or monthly index levels, which will switch over to standard year-end formatting in December 2020, with a reversion to the latest month-end index going into 2021. Current sources for Gold and the Inflation Indices are the London Metals Market, ShadowStats and the Bureau of Labor Statistics. Sources for earlier historical estimates also are cited, where pre-20th century numbers may be annual averages.

The unadjusted month-end May 2020 London Gold Price was $1728.70, up by 7.4% from $1608.95 in February 2020, pre-Pandemic. The unadjusted May 2020 ShadowStats Alternate CPI index level of 1691.5 was down by 0.3% (-0.3%) from 1692.0 in February 2020. The unadjusted CPI-U declined by

0.8% (-0.8%) in the same period, with headline inflation depressed by collapsing oil and gasoline prices. Gold is the anticipating indicator here; headline inflation should be catching up in the months ahead.

The point I have been making with the Gold/Inflation chart in recent Commentaries indeed is that Gold is the real money, over time, millennia/centuries. Its purchasing power per ounce remains constant over the long haul, where the paper dollars/currencies—not backed by hard assets—inflate, always lose their purchasing power. Accordingly, when I talk of a looming hyper-inflationary depression, my hyper-inflation is in the paper money, viewed as money by the reading public, not Gold (albeit the real money).

When a Currency Is Debased, Precious Metals Function as Stores of Wealth. Over the millennia, Gold and Silver have served investors—those holding the physical precious metals—with a stable, liquid and portable store of wealth against inflation or monetary turmoil, as well as often providing a vehicle for financial and personal survival in times of political and social upheaval.

In countries where currency was denominated in Gold and/or Silver, the hard currency was its own store of wealth. Most commonly, however, political states have ended up debasing their currencies or moving to a fiat currency backed by no hard assets, as seen with the present-day U.S. Dollar.

Roughly the same amount of Silver that would buy a loaf of bread in ancient Rome, would buy a loaf of bread today in New York City.

A Broadway enthusiast who could get a third-row center seat for a prime New York City play in 1925 for the cost of a five-dollar gold piece, could get that same seat in 2017 for the value of the Gold content of that same five-dollar coin.

Since establishing the Federal Reserve System 1913 ago, and since abandoning the Gold Standard for the U.S. dollar in two steps, in 1933 and 1971, the United States has experienced a subsequent, cumulative, significant domestic price inflation not seen before in its history.

Reflecting the function of Gold and Silver as stores of wealth, their U.S.-dollar-based prices tend to rally in a manner commensurate with the ongoing debasement of the U.S. currency. Such was seen particularly in the period following the final, formal break between the U.S. Dollar and Gold in 1971. The average price of Gold was $41 per troy ounce in 1971 and $1,393 in 2019, forty-eight years later.

Traditionally—literally over millennia—Gold has been the dominant precious metal as a store-of-wealth, with Silver a close second. Although Silver prices increasingly have reflected an element of industrial demand in the last century, the Gold-Silver price relationship in the open markets, post-1974 (when private U.S. Gold ownership was re-allowed) has been highly correlated, at 91% in terms of movement in monthly-average prices, and 92% in terms of movement in the annual-average prices. The store-of-wealth function has remained the primary driving factor behind the price movements in both these precious metals over time.

Section III - Economic Collapse

Near-Term Economic Collapse Continued Into May 2020

An Unprecedented 50% (-50%) Second-Quarter GDP Plunge Would Wipe Out Entire Post-Great Recession Economic Expansion

Barring a Third Consecutive Month of BLS Classification "Mistakes," May Unemployment U.3 Should Be at 28%, ShadowStats-Alternate at 48%

If Reopening of the Economy Goes Well, Third- and Fourth-Quarter GDP Could See Some Limited Bottom Bouncing and Off-Bottom Growth

Nonetheless, Economic Recovery Likely Will Be Uneven and Slow With Continuing, Extensive Fed and the Government Financial Bailouts

First-Quarter GDP Revision Suggested Developing Product Shortages

The U.S. Economy Was Turning Lower Even Before the Pandemic Collapse. Activity in pre-Pandemic, Fourth-Quarter 2019 U.S. Industrial Production and inflation-adjusted Real Retail Sales contracted quarter-to-quarter, and both series were on early track for second consecutive quarterly contractions in First-Quarter 2020. That was before Pandemic-driven, collapsing production, sales and other activity in March generated an estimate of First-Quarter 2020 Gross Domestic Product (GDP) at its deepest annualized quarterly contraction since the Great Recession, revised lower, now down by 5.05% (-5.05%), previously down by down 4.78% (-4.78%), as detailed in ***Tables I*** and ***II*** and as plotted in ***Graphs 3*** to ***7***, including ShadowStats forecasts for the quarters ahead**.** Discussion follows with ***Table III*** as to the sharply negative labor-market conditions in hand and ahead, given the unusual reporting there.

With April 2020 Industrial Production and Real Retail Sales monthly declines the deepest in their respective 101- and 75-year histories (see the economic update in ***Special Economic Commentary, Issue No. 1437*** and ***Flash Commentary No. 1436***. Consensus forecasts are for a Second-Quarter 2020 GDP annualized drop of about 32% (-32%). With new claims for unemployment insurance confirming a continuing economic decline in the month of May, my ShadowsStats.com GDP forecasts hold at something close to a 50% (-50%) annualized second-quarter decline, as discussed shortly. Either number would be the deepest quarterly GDP contraction in U.S. history, not only indicating a headline "Recession," but a "Depression," with a quarterly contraction deeper than 10% (-10%), or "Great Depression," with a quarterly contraction deeper than 25% (-25%). While the initial hit is severe, most of it is upfront, with subsequent bottom-bouncing activity likely and a drawn out and difficult recovery.

Table I details the second-estimate of First-Quarter GDP and revised growth components, showing a sharp downside revision to first-quarter growth contribution from inventories. With production and imports sharply curtailed, the effect here would be to induce product shortages as discussed in ***Section II***

Table I – Latest Headline GDP Detail

2019 and Second-Estimate, First-Quarter 2020 Real Gross Domestic Product Annual and Annualized Quarterly Real Growth Contribution by Economic and Product Sector							
GDP COMPONENT GROWTH CONTRIBUTION BY SECTOR QUARTERLY AND ANNUAL	First-Quarter 2019	Second-Quarter 2019	Third-Quarter 2019	Fourth-Quarter 2019	Annual 2019	First-Quarter 2020 1st Estimate	First-Quarter 2020 2nd Estimate
ECONOMIC SECTOR							
Personal Consumption							
- Goods	0.32%	1.74%	1.09%	0.12%	0.78%	-0.27%	0.06%
-- Motor Vehicles	*-0.27%*	*0.37%*	*0.06%*	*0.13%*	*0.05%*	*-0.95%*	*-0.82%*
- Services	0.46%	1.29%	1.02%	1.12%	0.98%	-4.99%	-4.75%
Gross Private Domestic Investment							
- Fixed Investment	0.56%	-0.25%	-0.14%	-0.09%	0.22%	-0.43%	-0.41%
-- Residential	*-0.04%*	*-0.11%*	*0.17%*	*0.24%*	*-0.06%*	*0.74%*	*0.66%*
- Change in Private Inventories	0.53%	-0.91%	-0.03%	-0.98%	0.09%	-0.53%	-1.43%
Net Exports of Goods and Services	0.73%	-0.68%	-0.14%	1.51%	-0.15%	1.30%	1.32%
Government Consumption	0.50%	0.82%	0.30%	0.44%	0.41%	0.13%	0.15%
REAL GDP GROWTH	3.10%	2.01%	2.10%	2.13%	2.33%	-4.78%	-5.05%
Final Sales, GDP Less Inventories	2.57%	2.92%	2.13%	3.11%	2.24%	-4.25%	-3.62%
PRODUCT SECTOR							
Goods	2.12%	0.62%	1.20%	0.51%	1.36%	-0.51%	-1.12%
Services	0.66%	1.66%	1.11%	1.51%	1.10%	-4.85%	-4.62%
Structures	0.32%	-0.26%	-0.21%	0.10%	-0.13%	0.58%	0.69%
REAL GDP GROWTH	3.10%	2.01%	2.10%	2.13%	2.33%	-4.78%	-5.05%
SUPPLEMENTAL Annualized Quarter-to-Quarter Real GDP Change and Headline Implicit Price Deflator Inflation							
Gross Domestic Product (GDP)	3.10%	2.01%	2.10%	2.13%	n.a	-4.78%	-5.05%
Gross Domestic Income (GDI)	3.24%	0.87%	1.23%	3.11%r	n.a	n.a.	-4.23%
Gross National Product (GNP)	3.09%	2.78%	2.20%	2.17%	n.a	n.a.	-6.07%
ShadowStats Corrected GDP*	1.01%	-0.05%	0.04%	0.06%	n.a	n.a.	-7.03%
Implicit Price Deflator (IPD) Inflation	0.78%	2.59%	1.71%	1.35%	n.a	1.37%	1.60%
Year-to-Year Real GDP Change and Headline Implicit Price Deflator Inflation							
Gross Domestic Product (GDP)	2.65%	2.28%	2.07%	2.33%	2.33%	0.32%	0.25%
Gross Domestic Income (GDI)	2.00%	2.04%	1.53%	2.11%r	1.88%	n.a.	0.21%
Gross National Product (GNP)	2.47%	2.38%	2.19%	2.56%	2.40%	n.a.	0.20%
ShadowStats Corrected GDP*	0.58%	0.21%	0.01%	0.26%	0.26%	n.a.	-1.79%
Implicit Price Deflator (IPD) Inflation	1.94%	1.73%	1.71%	1.61%	1.75%	1.76%	1.81%

Sources: Bureau of Economic Analysis, ShadowStats.com. (r) 4q2019 Real GDP previously 2.59% Q/Q, 1.98% Y/Y.
(*) Real GDP corrected for understated headline inflation, see Special Commentaries No. 968 / 983-B for background.

Second-Quarter 2020 Real GDP Remains on Track for the Steepest Quarterly Contraction in History. ***Table I*** details the recently reported second-estimate of First-Quarter 2020 Real GDP. Reflected in ***Table II,*** ShadowStats estimates a real annualized quarter-to-quarter contraction for Second-Quarter 2020 GDP of about 50% (-50%), against current Consensus expectations of about 32% (-32%), as discussed in ***Special Economic Commentary, Issue No. 1437***, with a ShadowStats estimate of annual contraction in Real Second-Quarter 2020 of 16% (-16%) against an implied Consensus annual contraction of 9% (-9%).

Table II – ShadowStats Projections of Pandemic Economic Impact

Forecasts of Headline Second- and Third-Quarter 2020 Real GDP Growth, ShadowStats versus Rough Consensus				
Measure	Quarter			
	4q2019 Headline "Final"	1q2020 First Revision	2q2020 Forecast	3q2020 Forecast
ShadowStats Q/Q	2.1%	-5.0%	-50%	-2%
Consensus Q/Q	2.1%	-5.0%	-32%	n.a.
ShadowStats Y/Y	2.3%	0.3%	-16%	-17%
Consensus Y/Y	2.3%	0.3%	-9%	n.a.
1q2020 "final" Jun 25; 2q2020 due for release Jul 30 with annual benchmarking.				
Sources: Bureau of Economic Analysis, ShadowStats.com, various press coverage				

Those forecasts are reflected in ***Graphs 3*** to ***7***. In conjunction with the ShadowStats estimates of initial Second-Quarter 2020 Real GDP of headline annualized quarter-to-quarter and year-to-year real contractions of roughly 50% (-50%) and 16% (-16%) in ***Table II***, also consider some already trending early patterns in place for key Second-Quarter 2020 measures of domestic economic activity:

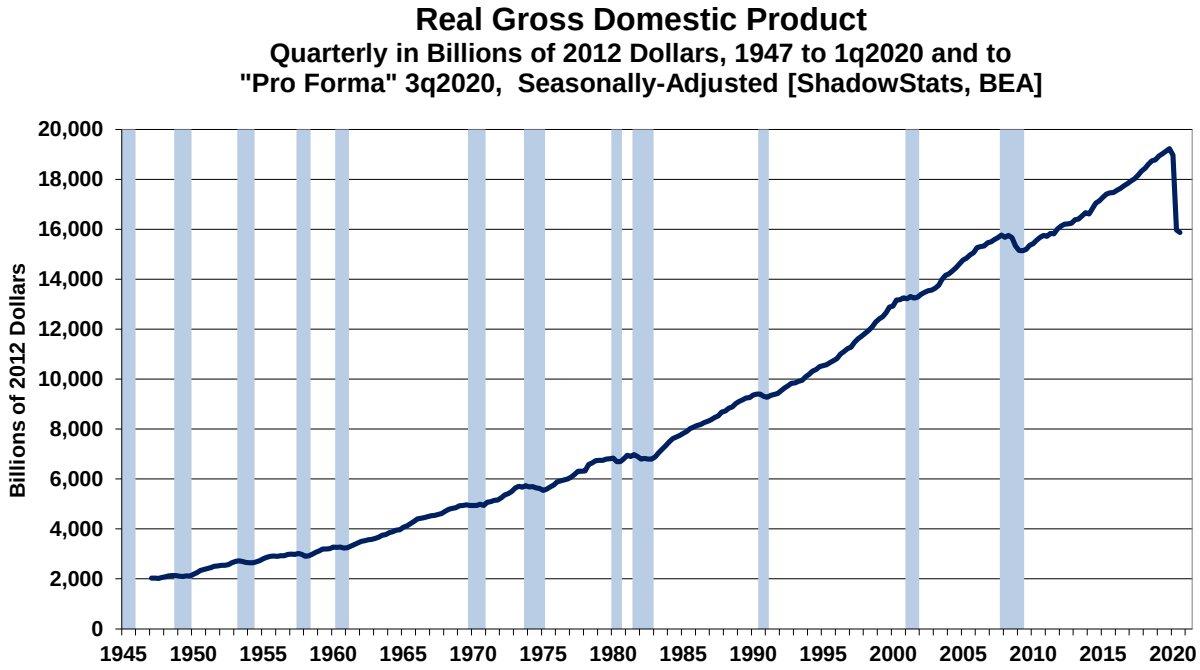
- Household and Payroll Employment – Q/Q down respectively by 59% (-59%) and 44% (-44%)
- Real Retail Sales – Q/Q down by 60% (-60%)
- Real New Orders for Durable Goods – Q/Q down by 70.4% (-70.4%), Y/Y down 29.6% (-29.6%), Ex-Commercial Aircraft Distortions down by Q/Q by 63.6% (-63.6%), Y/Y by 23.8% (-23.8%)
- Industrial Production and Manufacturing – Q/Q down respectively 45% (-45%) and 53% (-53%)
- Residential Construction and Sales – Q/Q Building Permits down 87% (-87%), Housing Starts down 86% (-86%), New-Home Sales down 78% (-78%), Existing-Home Sales down 38% (-38%), Real Residential Private Construction down 20% (-20%).
- Cass Freight Index® – Y/Y (not seasonally adjusted) down by 23% (-23%)

Separately, based on the latest available economic data, the ***Atlanta Fed's GDPNow*** forecast for Second-Quarter 2020 GDP revised to a deeper annualized contraction of 52.8% (-52.8%) on Monday, June 1st, from its prior estimate of 51.2% (-51.2%) on May 29th, and from 40.4% (-40.4%) on May 28th. The ***New York Fed's GDP Nowcast*** also deepened in revision on May 29th, to an annualized 35.53% (-35.53%) contraction, down from 30.47% (-30.47%) on May 22nd. The New York Fed's estimate is closer to the Economic Consensus outlook, which appears to be holding around 30% (-30%). Yet, even an inflation-adjusted 30% (-30%) second-quarter contraction would be the deepest ever reported for the GDP.

50% GDP Plunge Would Wipe Out All Economic Growth Post-Great Recession

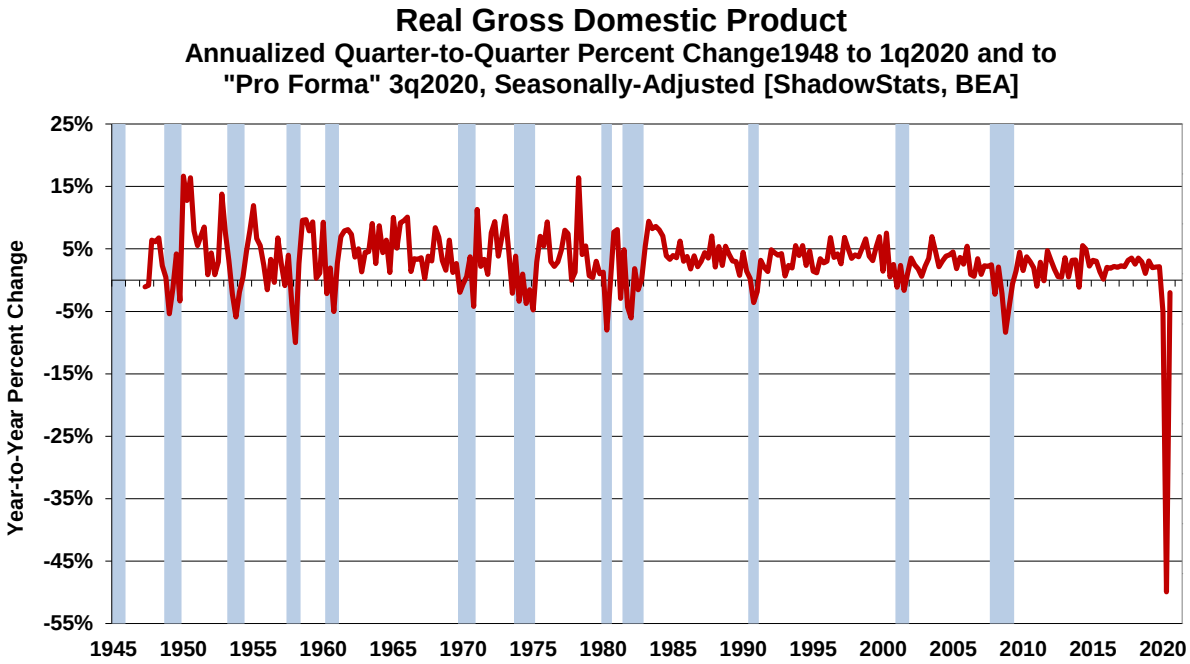
An annualized real quarterly decline of deeper than 50.73% (-50.73%) for Second-Quarter 2020 GDP, which is within the range of my forecast, but well encompassed by the current Atlanta Fed's 51.2% (-51.2%) estimate, would depress the Second-Quarter 2020 real dollar GDP estimate to a level below the pre-Great Recession peak GDP activity in Fourth-Quarter 2007 (the Atlanta Fed Model would take it below that peak), fully wiping out the formal post-Great Recession economic recovery. Recovery from a recession is measured when real economic activity exceeds the pre-recession peak, which was just below the $16 trillion mark for Fourth-Quarter 2007 in ***Graph 3***.

Graph 3: GDP Level and ShadowStats Forecasts

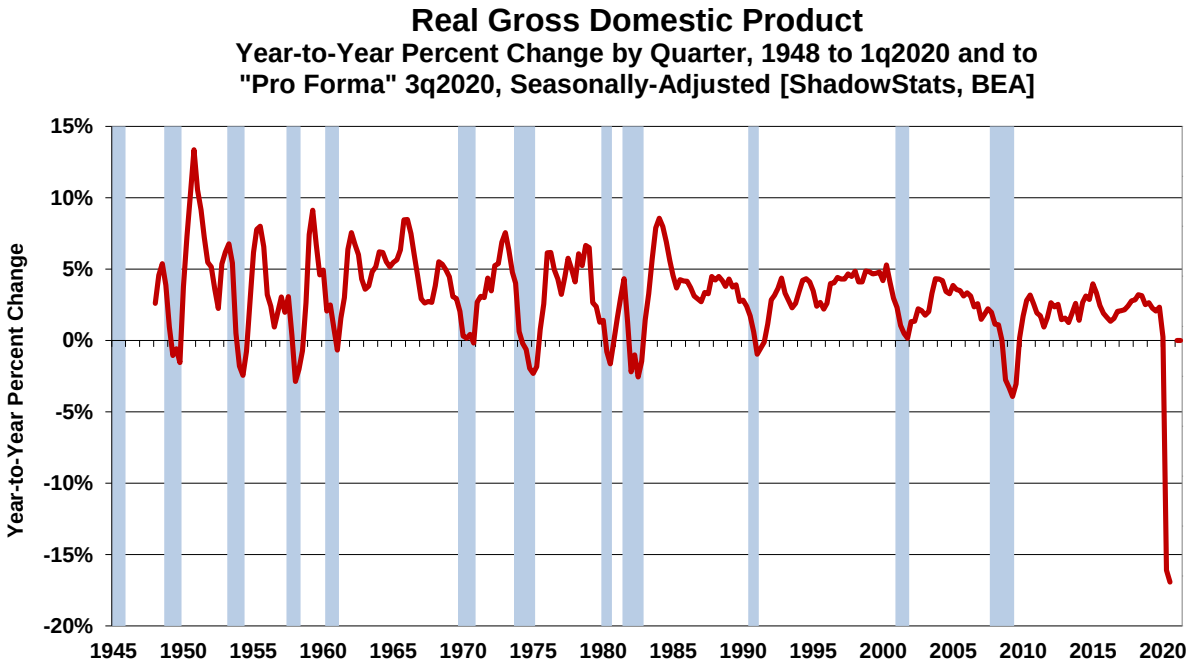


All graphs here are "pro forma," using ShadowStats' Second-Quarter 2020 GDP and related forecasts (***Graphs 3*** to ***7***), reflecting a 50% (-50%) annualized real quarterly decline in Second-Quarter 2020, with a related quarterly real annual decline at 16% (-16%) and an implied full-year contraction close to the record low 13% (-13%) 1932 annual trough of the Great Depression. Subsequent to Second-Quarter 2020, ShadowStats looks for some bottom bouncing and L-shaped recovery through year-end 2020. ***Graph 4*** shows the sharp 2q2020 quarterly growth plunge, but a 3q2020 bounce up to around zero, with the economy flattening out.

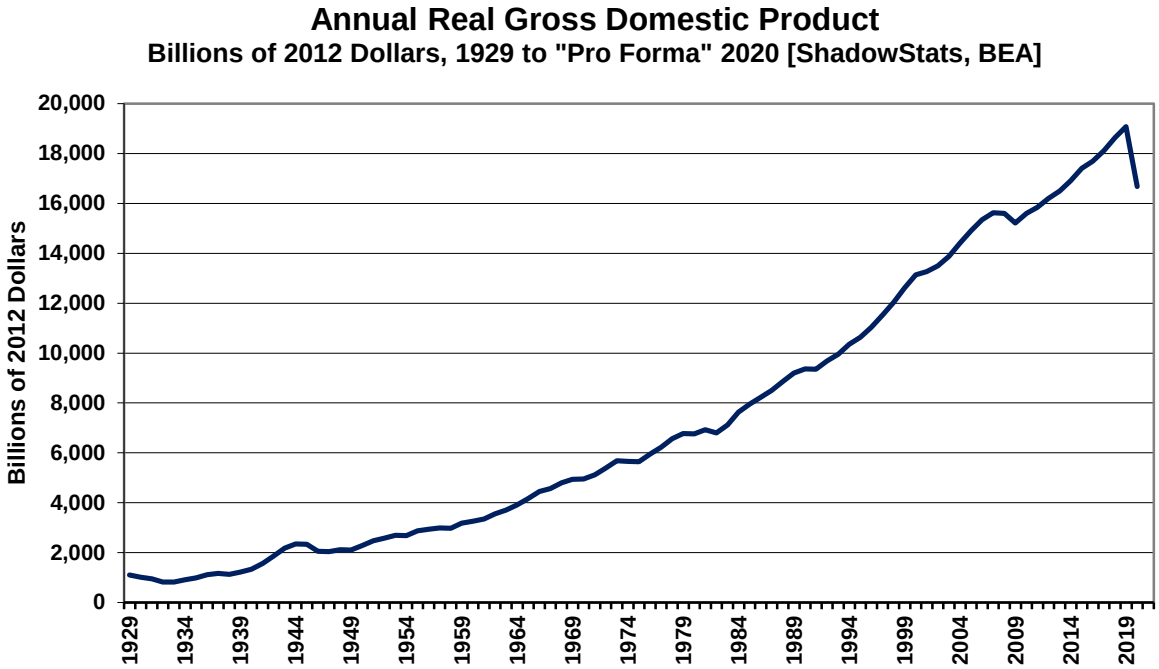
Graph 4: GDP Real Annualized Quarter-to-Quarter Growth and ShadowStats Forecasts



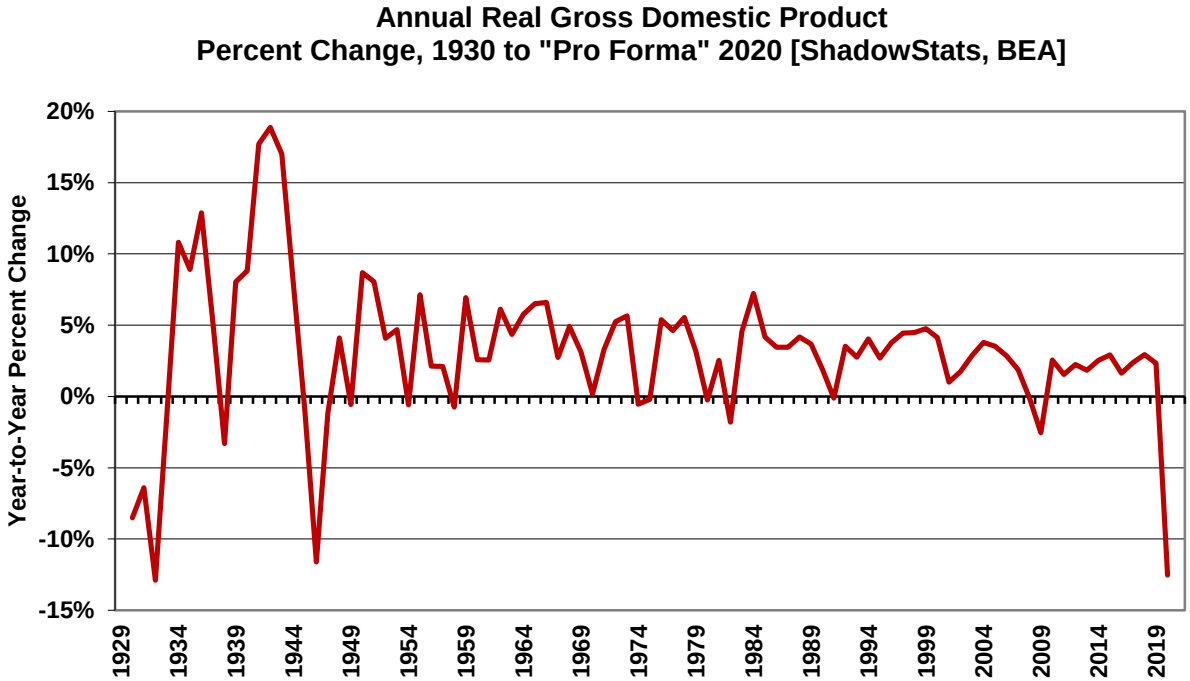
Graph 5: GDP Real Year-to-Year Growth and ShadowStats Forecasts



Graph 6: Annual Real GDP Level and ShadowStats Forecasts (1929 to Estimated 2020)



Graph 7: Annual GDP Real Year-to-Year Growth and ShadowStats Forecasts (1930 to Estimated 2020)



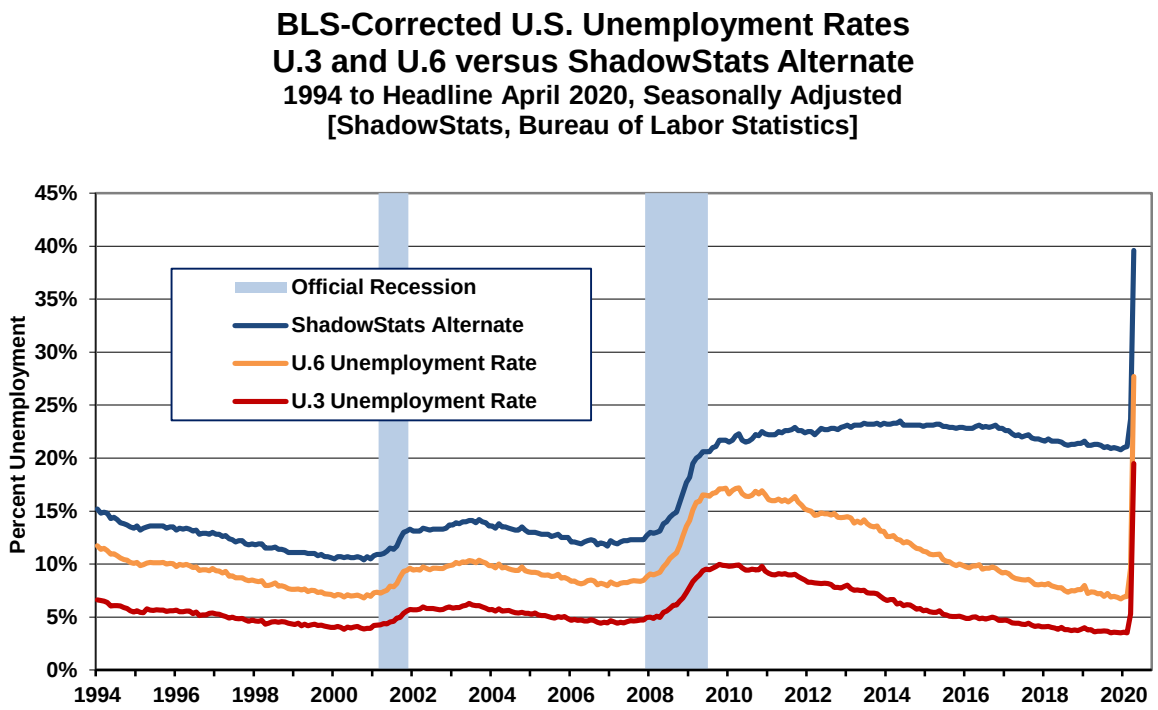
Consensus Outlook Appears to Be That the Bureau of Labor Statistics Will Continue to Misreport (Understate) the Unemployment Rate. Repeated here, unrevised from ***Special Economic Commentary, Issue No. 1437***, ***Table III*** reflects the BLS corrections to the March and April 2020 headline unemployment estimates, along with ShadowStats forecasts for consistently reported unemployment numbers in May, based on headline New Claims for Unemployment Insurance, which also have been through some Department of Labor corrective revisions.

Discussed in ***Flash Commentary No. 1435***, the BLS indicated a second consecutive month of misclassifying some "unemployed" people (7.5 million in April) as "employed," with the related headline U.3 unemployment more properly at 19.5% than the reported 14.7%. ShadowStats estimates consistent, "corrected" May 2020 BLS unemployment at 27.8%, up from 19.5%, with "Consensus" estimates running around 19%, up from 14.7%. The BLS-corrected numbers and the related ShadowStats Alternate Unemployment Rate, which accounts for the no-longer reported long-term discouraged and displaced workers, follow in ***Graph 8***. Details will be updated after the June 5th reporting.

Table III: Headline, BLS-Corrected and ShadowStats Unemployment Estimates to May 2020

Headline Unemployment Rate vs. BLS "Corrected" or Based on BLS - "Corrected Estimate" to April 2020 ShadowStats Estimates of May 2020 Unemployment are Based on New Claims for Unemployment Insurance				
Measure	Month			
	Feb '20	Mar '20	Apr '20	May '20 Estimate
Headline U.3	3.5%	4.4%	14.7%	--
Corrected/Estimate	3.5%	5.3%	19.5%	27.8%
Headline U.6	7.0%	8.7%	22.8%	--
Corrected/Estimate	7.0%	9.6%	27.7%	37.9%
Headline ShadowStats	21.1%	22.9%	35.4%	--
Corrected/Estimate	21.1%	23.7%	39.6%	48.0%
Sources: Bureau of Labor Statistics, Department of Labor, ShadowStats.com				

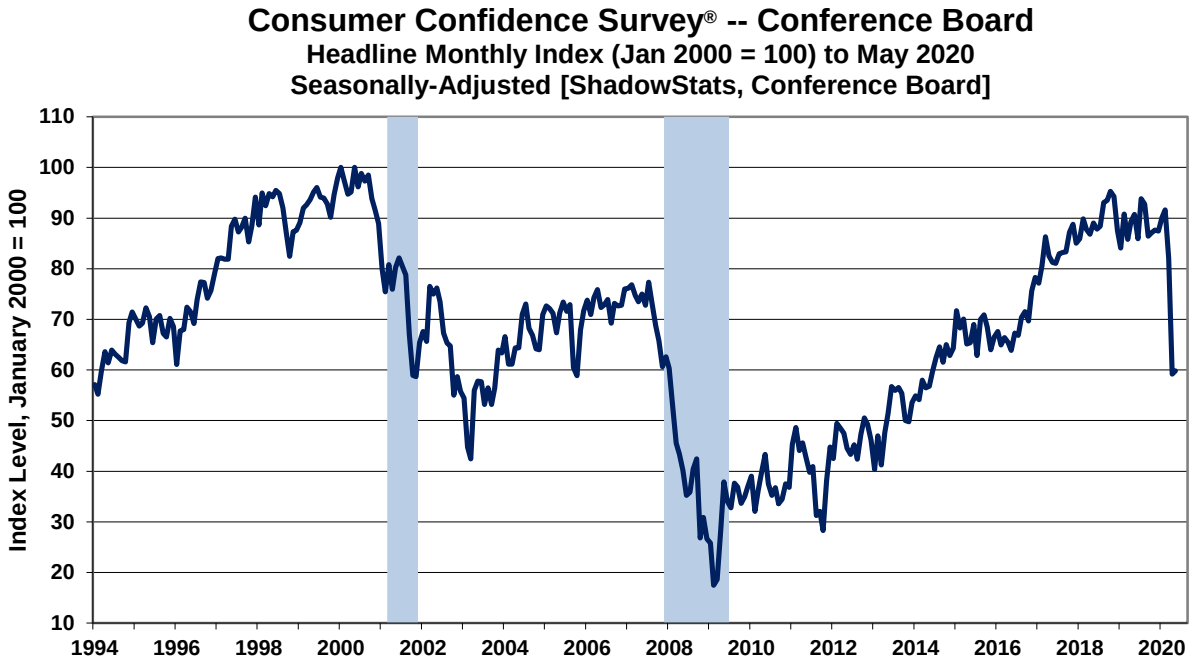
Graph 8: Headline BLS-Corrected Unemployment Rates Through April 2020



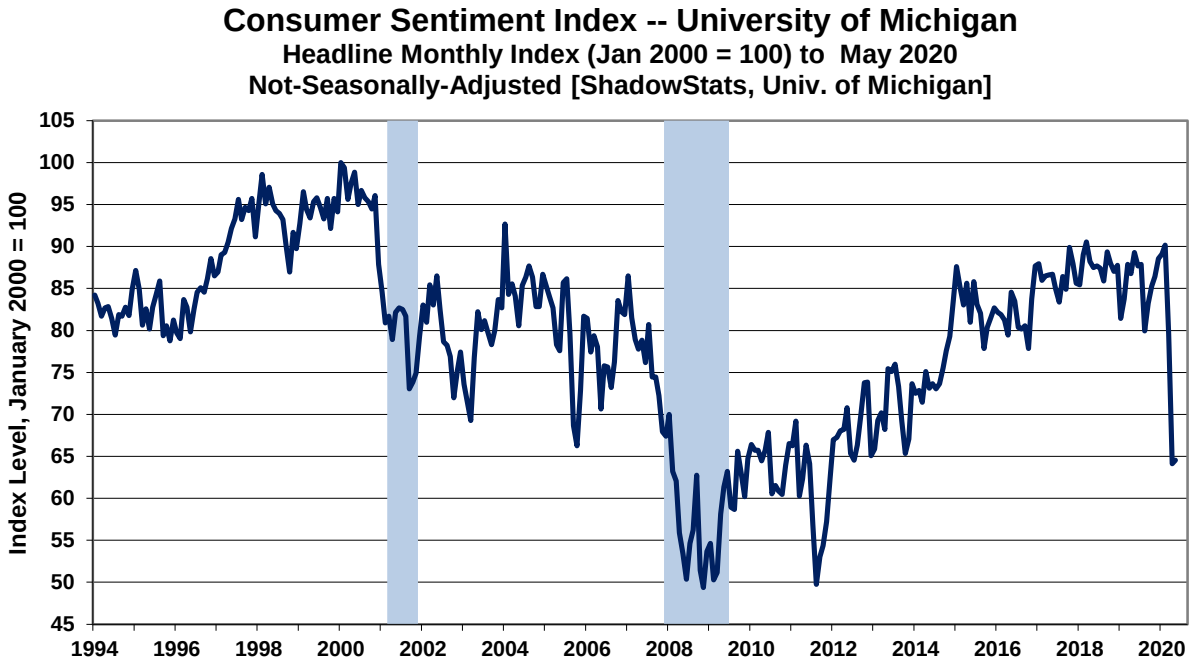
Economic Bottoming Could Be in Place in the Next Quarter or Two, But Full Recovery Will Not Be Rapid. The Pandemic-driven economic shutdown and the related disruptions to people's lives already have been severe enough to alter consumers' outlook and optimism negatively for a number of years to come, as did the 9-11 Terrorist Attacks in 2001. Around for more than half a century, the dominant surveys of U.S. consumer attitudes, the Conference Board's Consumer Confidence Index® and the University of Michigan's Index of Consumer Sentiment, both hit their historic peaks in 2000, before 9-11. Although the series were relatively strong in February 2020, neither series had recovered its pre 9-11 peak activity, going into the March 2020 Pandemic-driven collapse. In the most recent reporting, both Consumer Confidence and Consumer Sentiment plunged for the second straight month in April, with a flattening out in May (see ***Graphs 9*** and ***10***). Those February pre-Pandemic peak levels are not likely to be seen again for some time.

In like manner, once the U.S. GDP hits bottom in the current Second-Quarter 2020 or next quarter, any activity off bottom going forward will tend to show some quarterly economic gain. Still, where full economic "recovery" is defined as economic activity regaining and then rising above its prior, pre-recession or pre-depression peak, that likely will be some years off. Pre-Great Recession peak activity in real GDP was in Fourth-Quarter 2007, which was recovered only in Second-Quarter 2011. Even so, major U.S. industries such as Manufacturing and Construction never have regained their pre-Great Recession peak levels. Recovery from the current Pandemic-driven economic plunge will be measured against the Fourth-Quarter 2019 near-term GDP peak. Yet, again, the current economic decline is so severe that Third- or Fourth-Quarter 2020 GDP could fall back to below pre-Great Recession peak activity levels, wiping out the entire post-Great Recession economic expansion. Accordingly, the full range of Pandemic disruptions has been massive and could be slow to disappear.

Graph 9: Consumer Confidence



Graph 10: Consumer Sentiment



While the economy will begin to recover as the Coronavirus Pandemic impact and related systemic constraints wind down, the Pandemic has been, and increasingly will be so disruptive to U.S. economic and social conditions, that the Restored system likely will not encompass fully all prior conditions. The nature of the U.S. Economy and ongoing the broad outlook of the U.S. Consumer likely will have been altered, with circumstances never returning fully to pre-Pandemic conditions.

Economic "stimulus" in the form of government spending or Federal Reserve accommodation helps systemic liquidity, but not so much current economic growth, which has been savaged so severely by the Pandemic-driven shutdown. Although the pre-Pandemic slowing in consumer demand had been driven by the Federal Reserve's tightening of consumer liquidity, the Pandemic has overwritten such issues. The Pandemic now is the primary and fundamental driver of the current collapse in business activity. Again, assuming some Pandemic relief by year-end, the plunge into Third-Quarter 2020 GDP activity could be the bottom here, with activity moving off bottom in Fourth-Quarter 2020.

[Section IV – Fiscal Calamity as Federal Spending Goes Ballistic begins on the next page.]

Section IV - Fiscal Calamity as Federal Spending Goes Ballistic

Unrestricted U.S. Government Bailouts/Stimulus Packages and Deficit Spending Beyond Current Commitments, Multiple Systemic Bailouts Are Likely in the Years Ahead

Collapsing Tax Revenues and Explosive Growth in the Federal Deficit and Debt

Rapidly Accelerating U.S. Government Insolvency

Greenspan: "We Can Always Print As Many Dollars As We Want"

We Always Can Print Money. In 2011, the Standard and Poor's Rating Agency downgraded its rating of U.S. Treasury debt, previously the global benchmark for investment safety. In response, former Federal Reserve Chairman Alan Greenspan noted on ***Meet the Press*** that: "The United States can pay any debt it has because we can always print money to do that. So there is zero probability of default..." His point was that U.S. debt is denominated in dollars, and the U.S. can print as many dollars as it needs to meet its obligations. Of course, that is without any consideration of the impact of boosting dollar-based inflation or of devaluing the U.S. Dollar in terms of other currencies and Gold.

Indeed, printing unlimited money to bail out the system and to fund unlimited government spending now is the policy of choice for both the Government and the Fed. Dr. Greenspan was correct. Fortuitously for those running both near- and long-term Federal Deficit spending out of control, currency debasement and/or inflation and hyperinflation technically are not considered events of default for Treasury securities. Investors have no recourse other than common sense, such as investing in assets such as Gold and Silver, which will preserve the purchasing power of their assets against currency debasement.

The Fed's and the Government's choices have been made, and end game is here. It is not a happy one: currency debasement and hyperinflation, not sovereign insolvency.

Unsustainable 2020 Federal Debt-to-GDP Ratio Will Top the World War II Record High. Based on U.S. Treasury debt projections for fiscal year-end 2020 (September 30th), and my ShadowStats.com estimate of full fiscal-year 2020 nominal GDP, 2020 Federal Debt as a percent of GDP will hit an unprecedented and increasingly unstable and unsustainable 170%, up from 105% in 2019 and topping the prior World War II historic high of 119% in 1946. These numbers do not reflect the $3 trillion stimulus package recently passed by the Democrat-controlled U.S. House of Representatives, which would take that measure to a further unprecedented 187%. Despite current opposition to that stimulus in the

Republican-controlled Senate, significant additional Federal stimulus is a virtual certainty in the months ahead and likely in at least in the next year or two ahead. The sharp drop in the ability of the GDP to support the National Debt reflects both soaring debt levels and plunging GDP, both triggered by the Pandemic-related disruptions and government actions.

The first round of Federal Government stimulus showed up in the April 2020 Real Disposable Income. ***Graphs 11*** and ***12*** plot the level and year-to-year growth in disposable income, both before and after the impact of the Government Relief Spending.

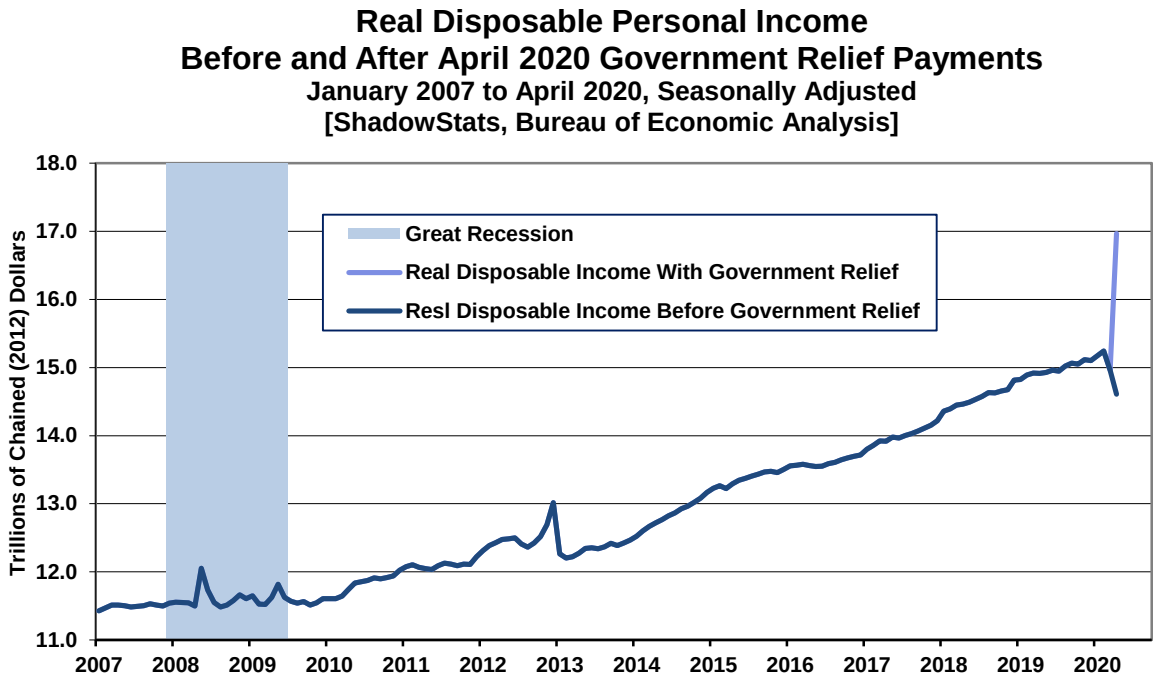
Graphs 13 and ***14*** reflect the rapidly weakening ability of U.S. economy to cover its debt and obligations, as reflected in the ratio of Nominal GDP to Federal Debt Outstanding and vice versa.

In like manner, ***Graphs 15*** to ***17*** reflect the intensifying numerical shortfall in the GDP dollars versus Federal Debt Outstanding. ***Graph 15*** plots the explosive growth in nominal U.S. Federal Debt Outstanding versus nominal annual Gross Domestic Product (GDP) as headlined through actual Fiscal-Year End 2019 (September 30th), and on a pro forma basis, using the latest ShadowStats GDP and U.S. Treasury Debt forecasts through Fiscal-Year End 2020. Those debt numbers do not include any accounting for the potential added $3 trillion stimulus package recently passed by the House and currently opposed by the Senate, or any other supplemental fiscal stimulus measures that might be forthcoming from the U.S. Government.

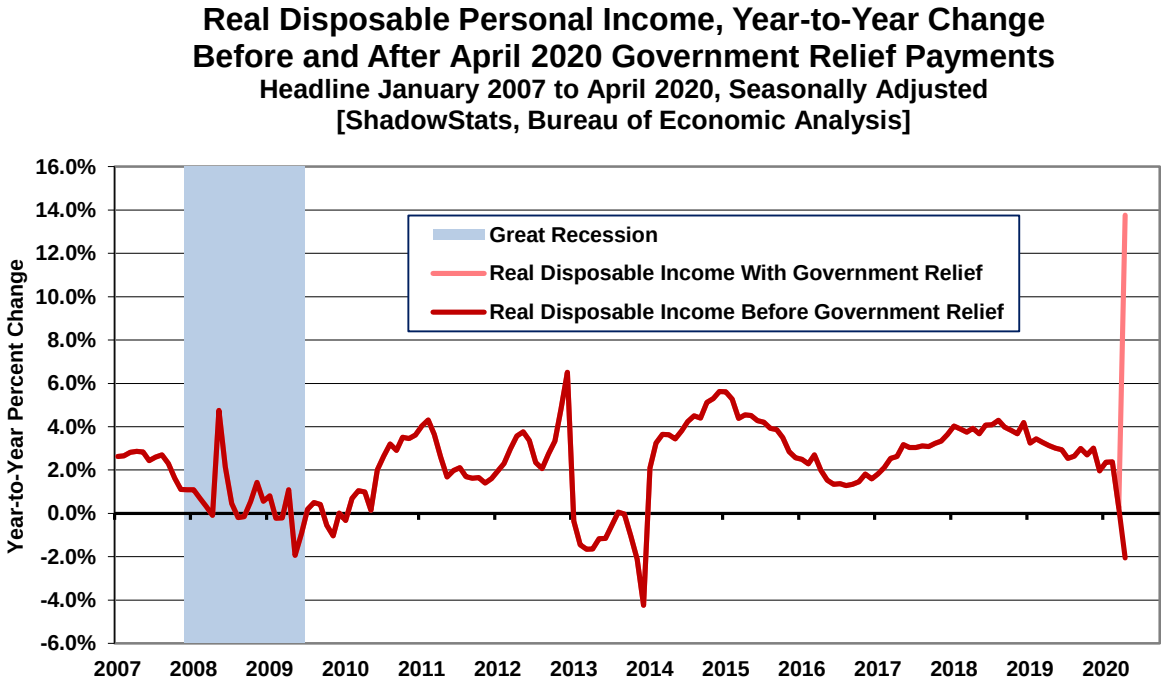
Graph 17 is to the same scale as the preceding ***Graph 16*** that plots the expanding shortfall in Nominal Annual U.S. GDP by quarter minus total Federal Debt Outstanding by quarter, through the recently completed First-Quarter 2020. ***Graph 17*** plots the same circumstance against the U.S. Treasury forecast of its Fiscal-Year End 2020 Gross Federal Debt Level, versus the current ShadowStats forecast of nominal Third-Quarter 2020 GDP.

[Graphs 11 to 17 begin on the next page.]

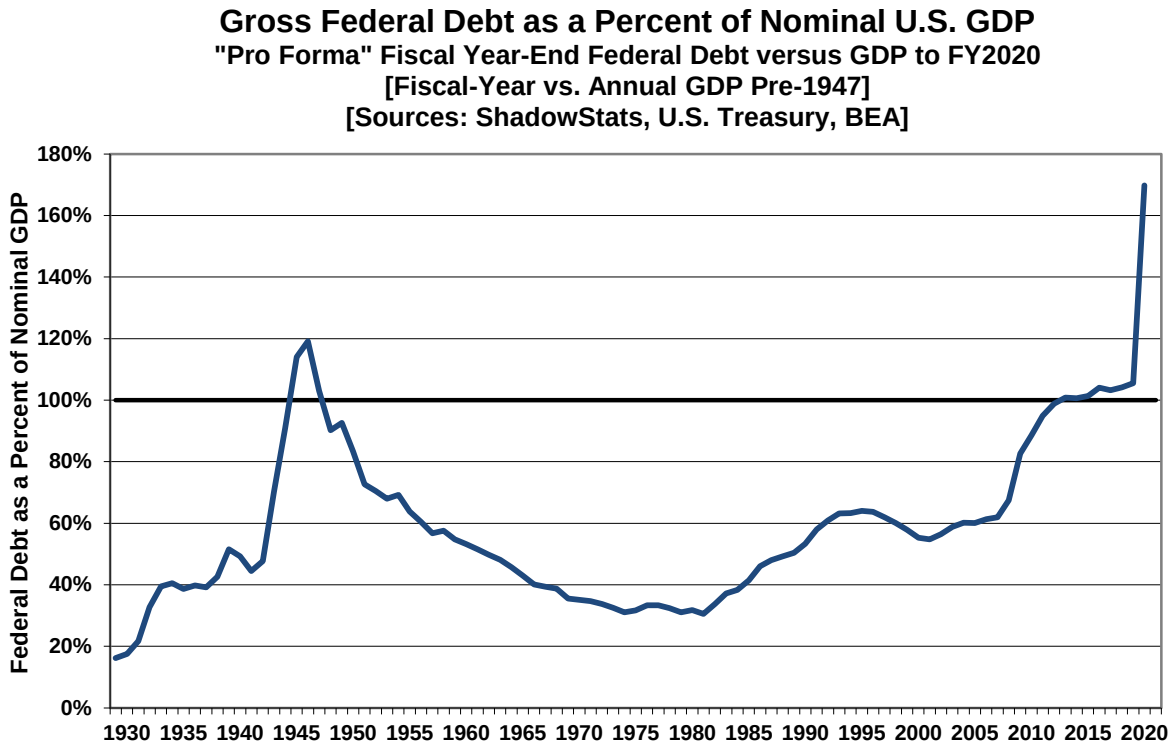
Graph 11: Real Personal Disposable Income Before and After April 2020 Government Relief Payments



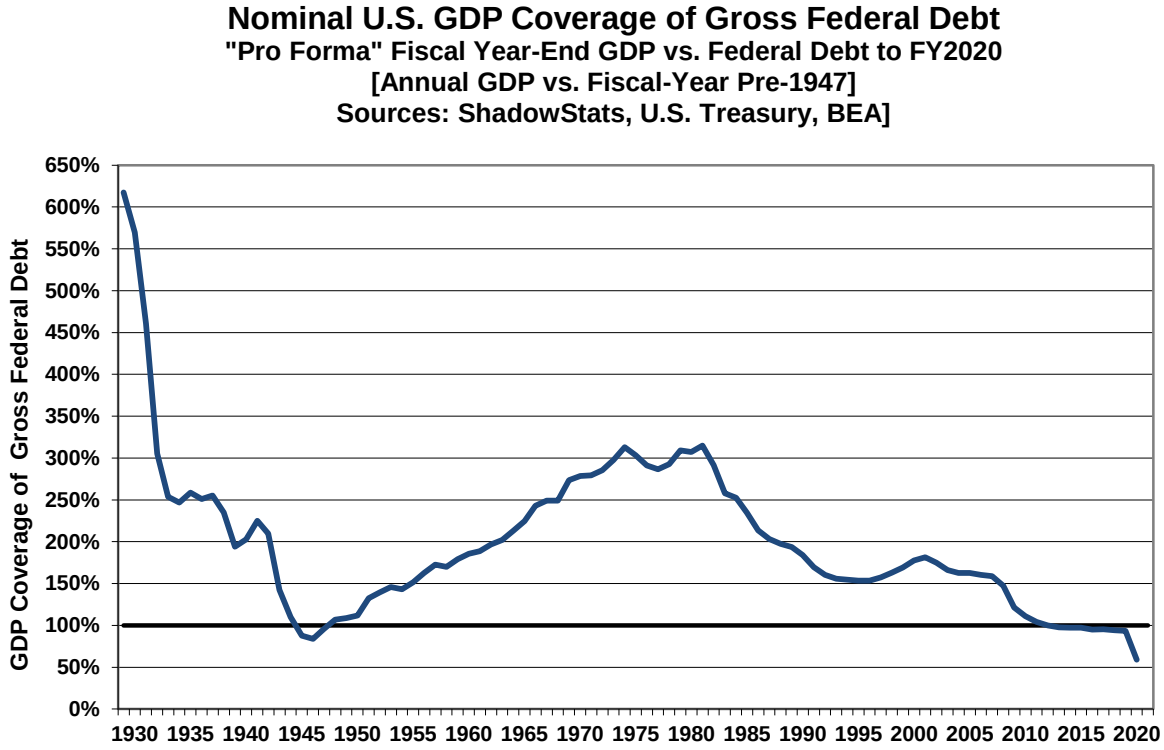
Graph 12: Yr-to-Yr % Change, Real Personal Disposable Income Before and After April 2020 Government Relief



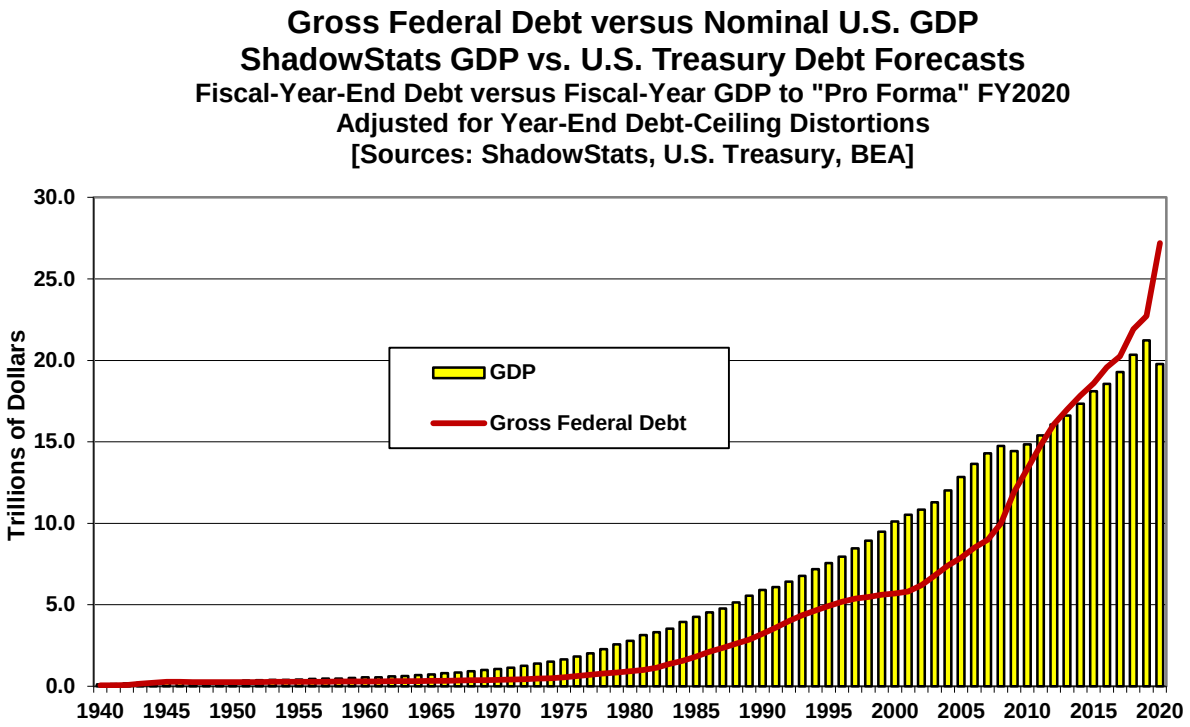
Graph 13: "Pro Forma" Fiscal-Year End Nominal Gross Federal Debt to GDP Ratio



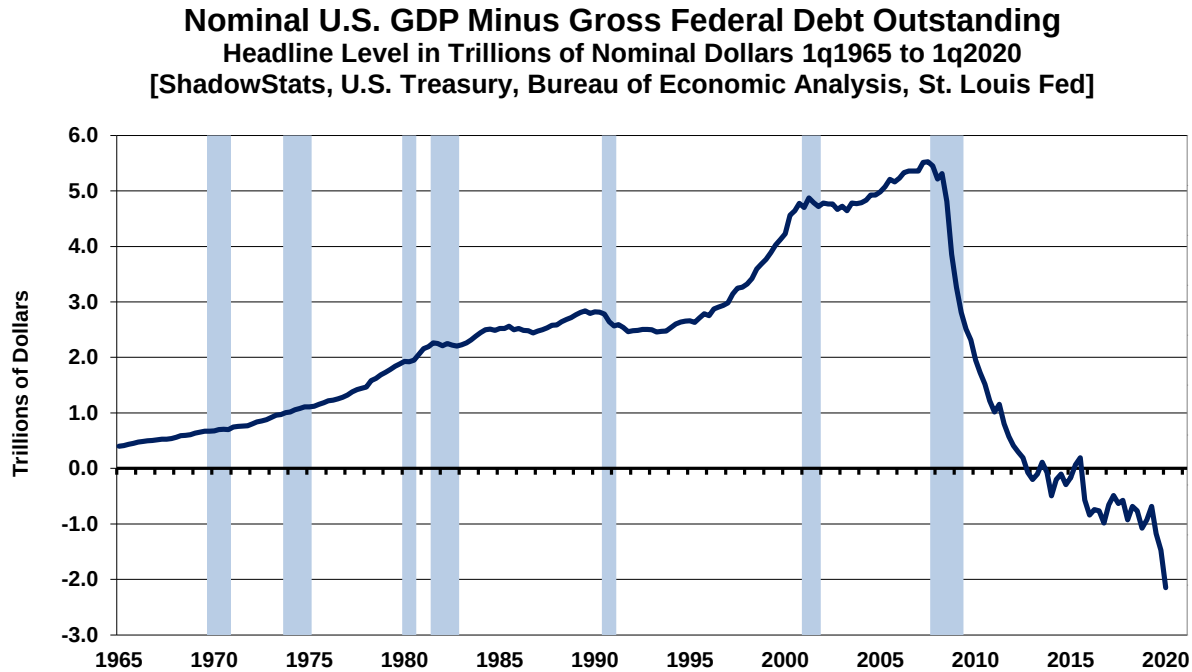
Graph 14: "Pro Forma" Fiscal-Year End GDP Coverage of Gross Federal Debt



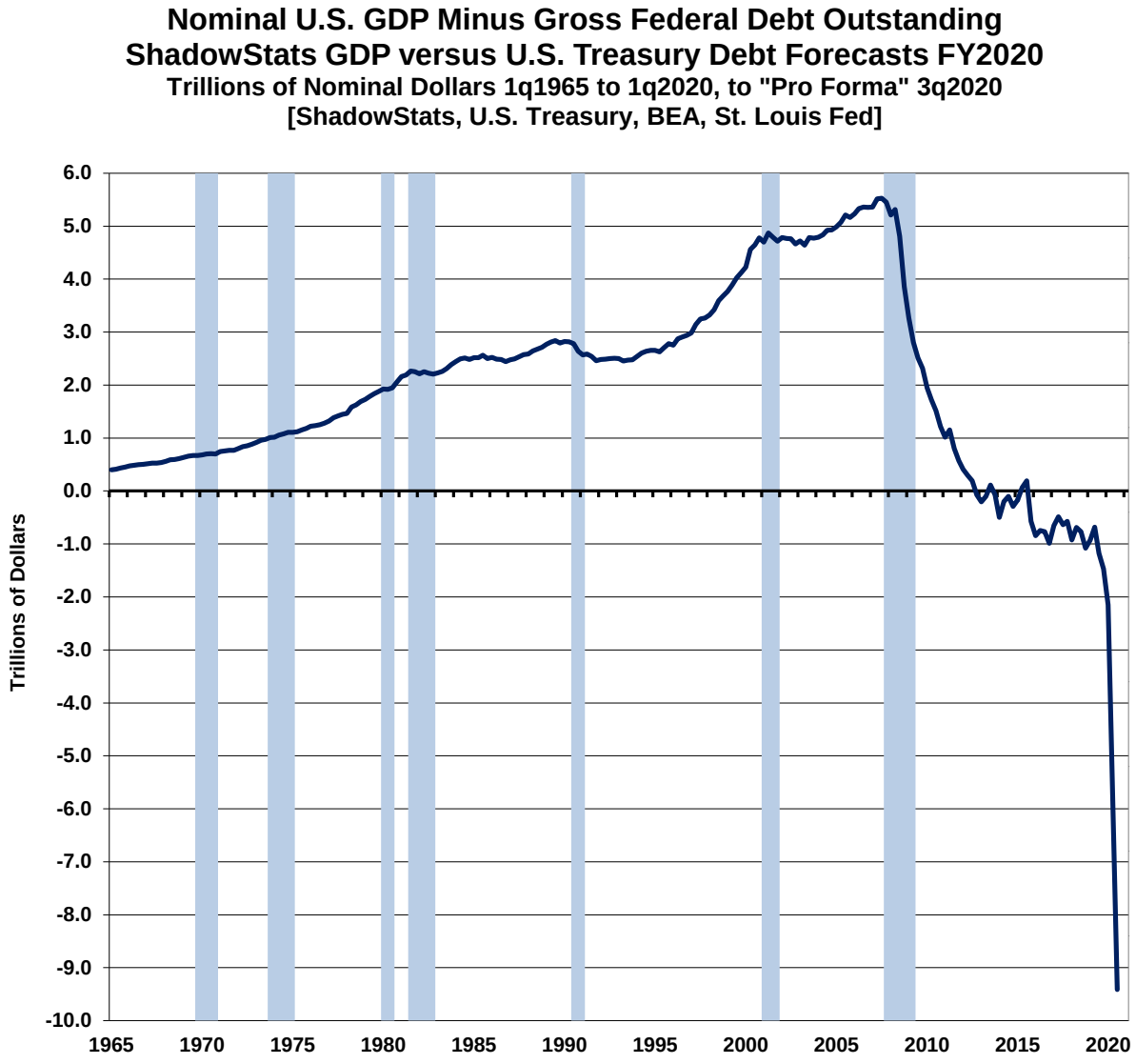
Graph 15: "Pro Forma" Fiscal Year End Gross Federal Debt vs. Nominal GDP



Graph 16: Quarterly Nominal GDP Minus Nominal Federal Debt Outstanding to 1q2020



Graph 17: Quarterly Nominal GDP Minus Nominal Federal Debt Outstanding "Pro Forma" to 3q2020



Section V - Hyperinflation Risk from Unlimited Money Creation

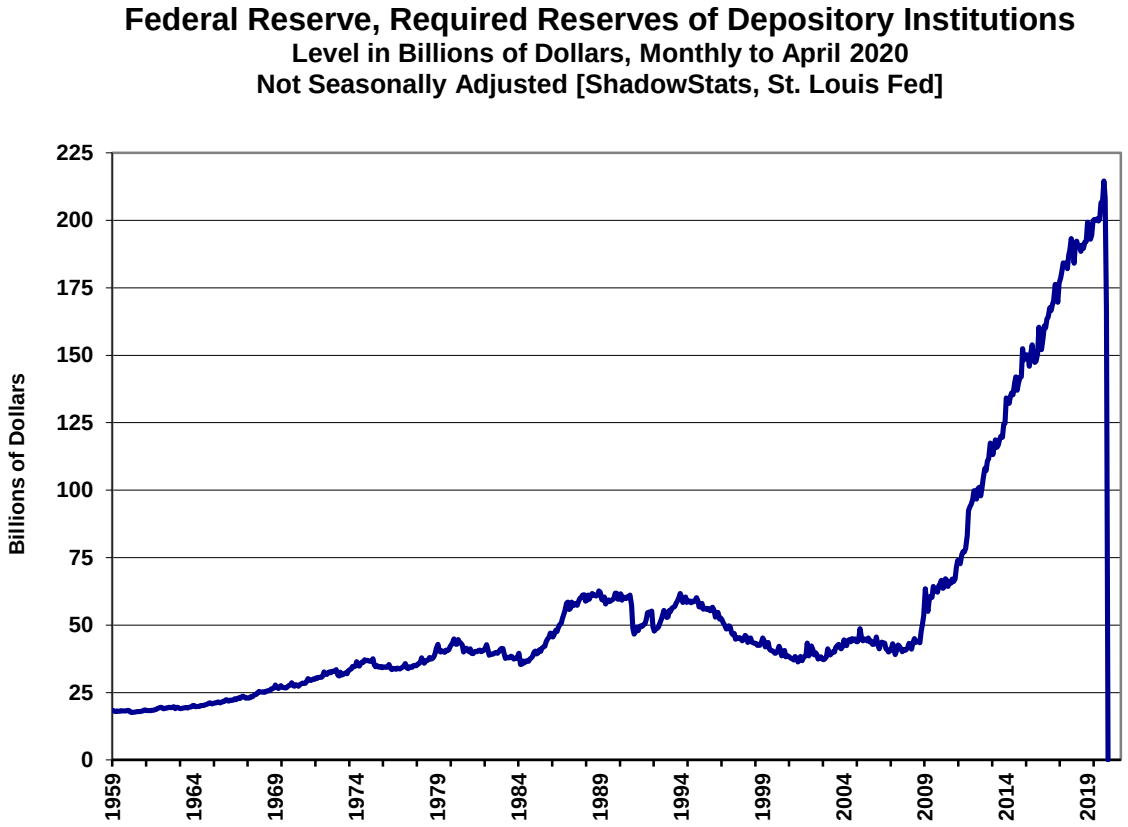
Federal Reserve Policy – FOMC and Unlimited Money Supply

Money Supply and Monetary Base Are Exploding

Saving the Banks Again at All Costs

First Thing We Do Is Cut Rates and Reserve Requirements to Zero! Both the Federal Government and Federal Reserve moved into "Panic Mode" as the Stock Market crashed through the second half of February. By mid-March, the FOMC had dropped the targeted Fed Funds rate to zero, launched massive Quantitative Easing (QE) and eliminated Reserve Requirements (reflected in ***Graph 18***). Cutting rates and reserve requirements to zero signals absolute Central Bank panic, a circumstance that still argues for this being a good time to own physical precious metals such as Gold and Silver.

Graph 18: Federal Reserve, Required Reserves of Depository Institutions



FOMC Has Exploded Money Supply Growth Exponentially, to the Highest Level in History. The Federal Reserve also responded to the financial panic by moving to create unlimited systemic liquidity, bailouts and Money Supply. On the inflation-concern front, annual growth in the latest readings of the U.S. Money Supply measures are accelerating rapidly, with early-May 2020 estimates of M1 up by 34%, M2 up by 23% and the ShadowStats Ongoing M3 at 26%, versus respective annual growth rates of 6.3%, 6.8% and 8.5% in January. Reflected in accompanying ***Graphs 19*** to ***30***, growth has begun to take on an exponential pattern, consistent with higher inflation ahead, albeit still shy of triggering a hyperinflation. Continued rapid acceleration of the money growth should accelerate inflationary pressures markedly.

Consider the Federal Reserve, which, over the last decade, increasingly lost control of its unprecedented bailout of the 2007-2008 U.S. banking collapse. Back then, Fed policy had moved to save failed banks and institutions at extraordinary costs, a banking system failure that Fed malfeasance had helped to trigger. Still unable to unload its toxic assets held over from the banking collapse, the FOMC began tightening liquidity and raising rates in 2018. That succeeded only in driving a renewed economic downturn and financial-market panic. The Fed still is playing out its 2008 banking system bailout, which clearly has failed, anew. Fed Funds are back at zero, with an expanded, open-ended QE backing all sorts of new financial instruments, and with the banking system again in serious trouble.

In 2002—six years before the financial panic in 2008, then Fed Governor Ben Bernanke attempted to counter concerns of another Great Depression-style deflation, outlining a version of what he would introduce as Fed policy six years later as "Quantitative Easing." The future Fed Chairman explained in his remarks (his parentheses) my [bracket]: "I am confident that the Fed would take whatever means necessary to prevent significant deflation in the United States."

"Indeed, under a fiat (that is, paper) money system, a government (in practice, the central bank in cooperation with other agencies) should always be able to generate increased nominal spending and inflation, even when the short-term nominal interest rate is at zero."

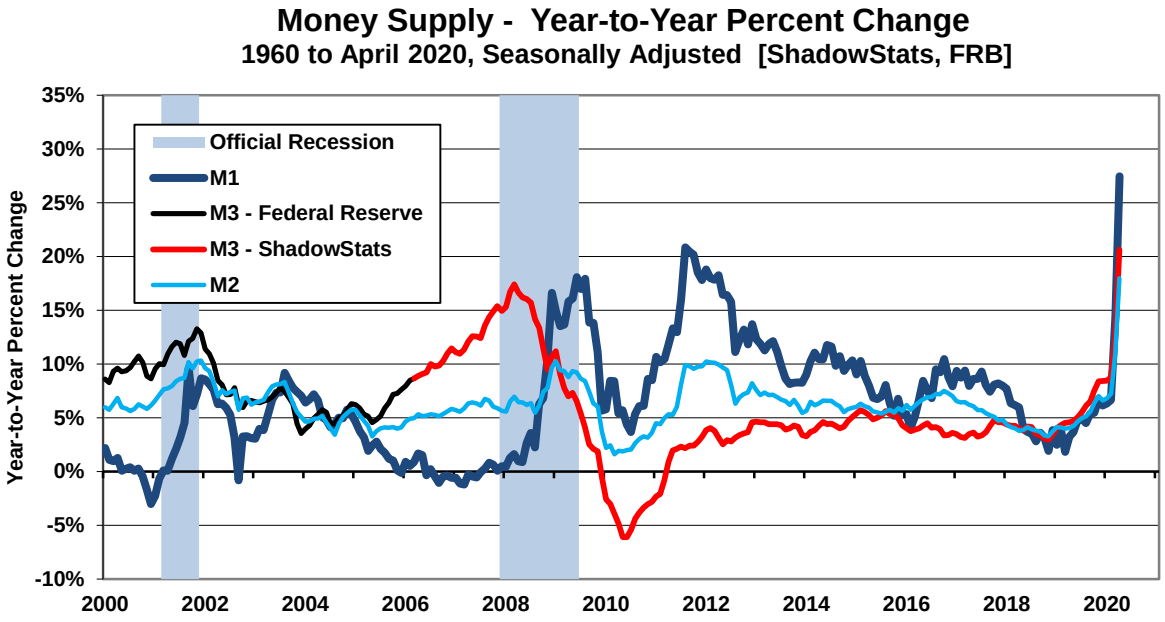
"Like gold, U.S. dollars have value only to the extent that they are strictly limited in supply. But the U.S. government has a technology, called a printing press (or, today, its electronic equivalent), that allows it to produce as many U.S. dollars as it wishes at essentially no cost. By increasing the number of U.S. dollars in circulation, or even by credibly threatening to do so, the U.S. government can also reduce the value of a dollar in terms of goods and services, which is equivalent to raising the prices in dollars of those goods and services [inflation]. We conclude that, under a paper-money system, a determined government can always generate higher spending and hence positive inflation (Bernanke 2002 Deflation Speech)."

Once again, in the current circumstance, the solution appears to be Inflation, to sacrifice the U.S. Dollar and the U.S. Citizenry's standard of living with open, deliberate and massive debasement of the U.S. Dollar.

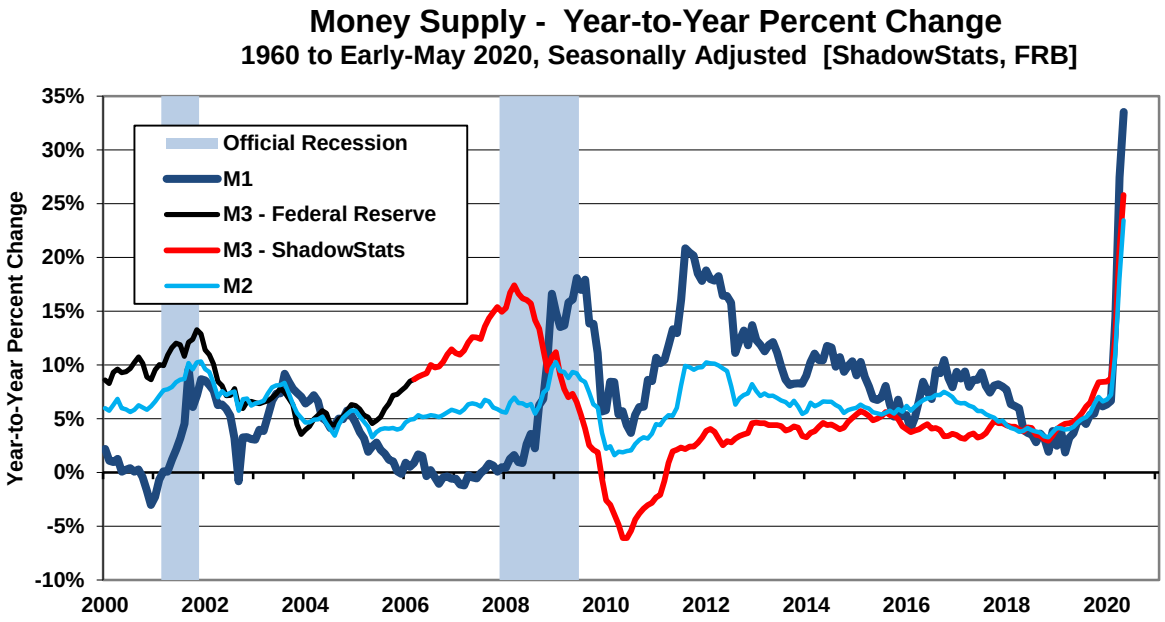
[Graphs 19 to 30 begin on the next page.]

Accelerating, Record-High Annual Money Supply Growth

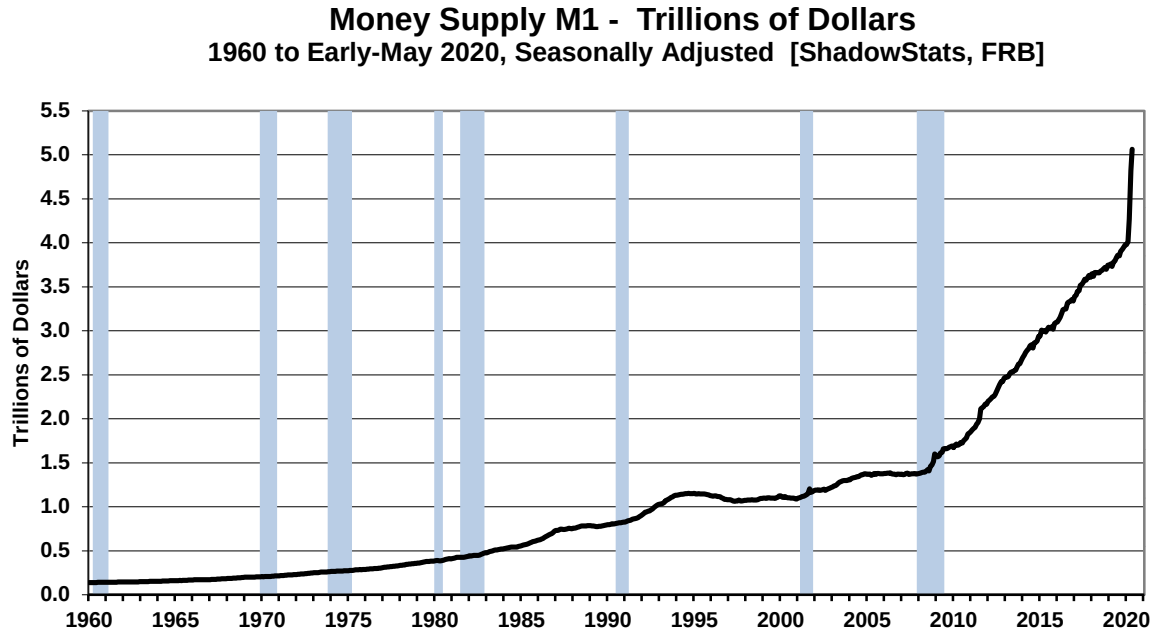
Graph 19: Money Supply, Monthly Year-to-Year Growth to April 2020



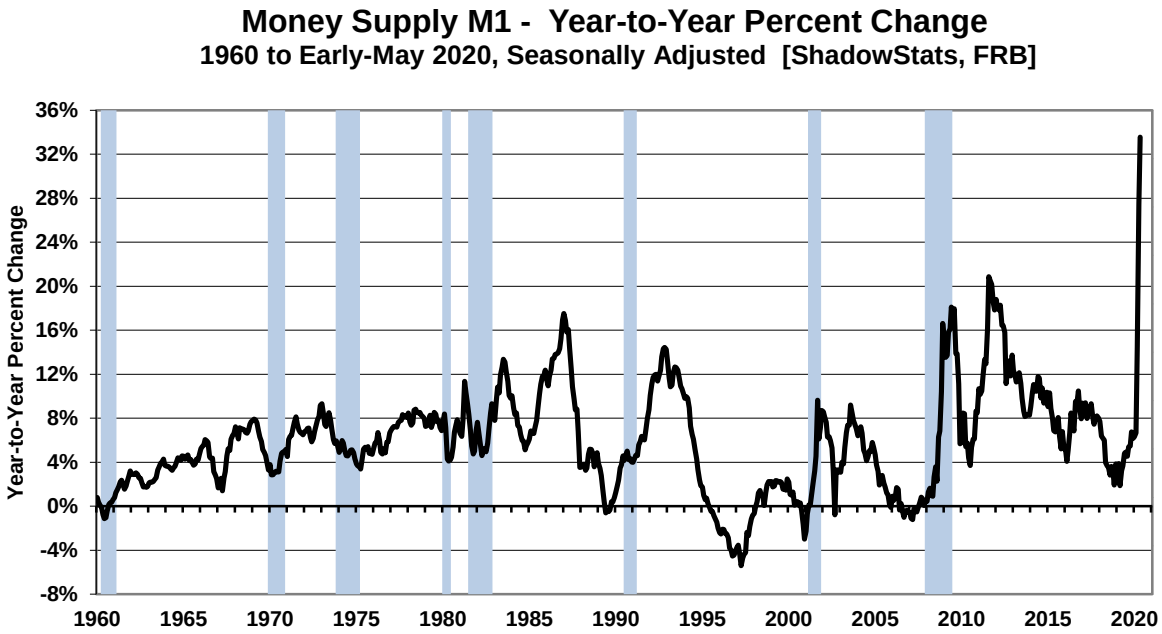
Graph 20: Money Supply, Monthly Year-to-Year Growth to May 2020, Early Trend



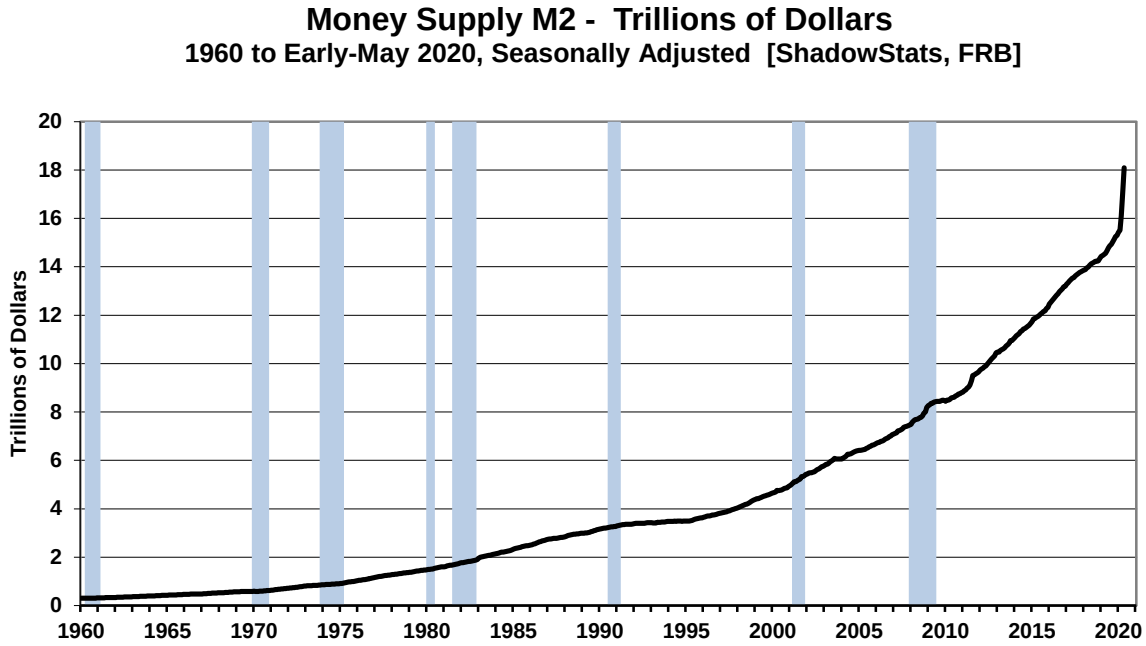
Graph 21: Money Supply M1, 1960 to Date



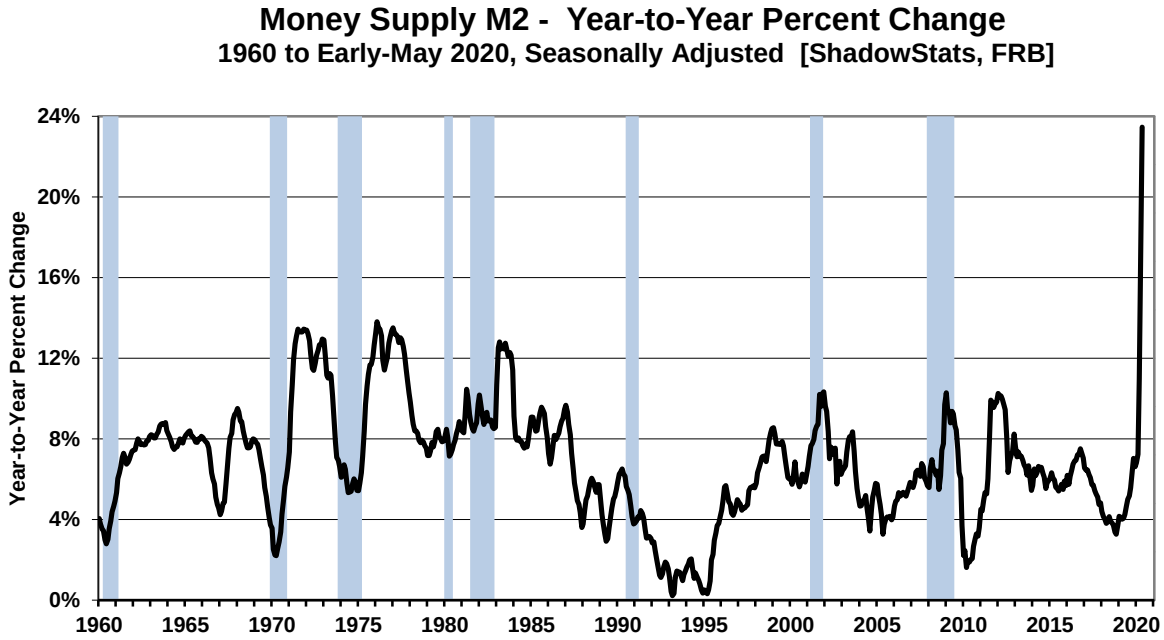
Graph 22: Money Supply M1, 1960 to Date, Year-to-Year Change



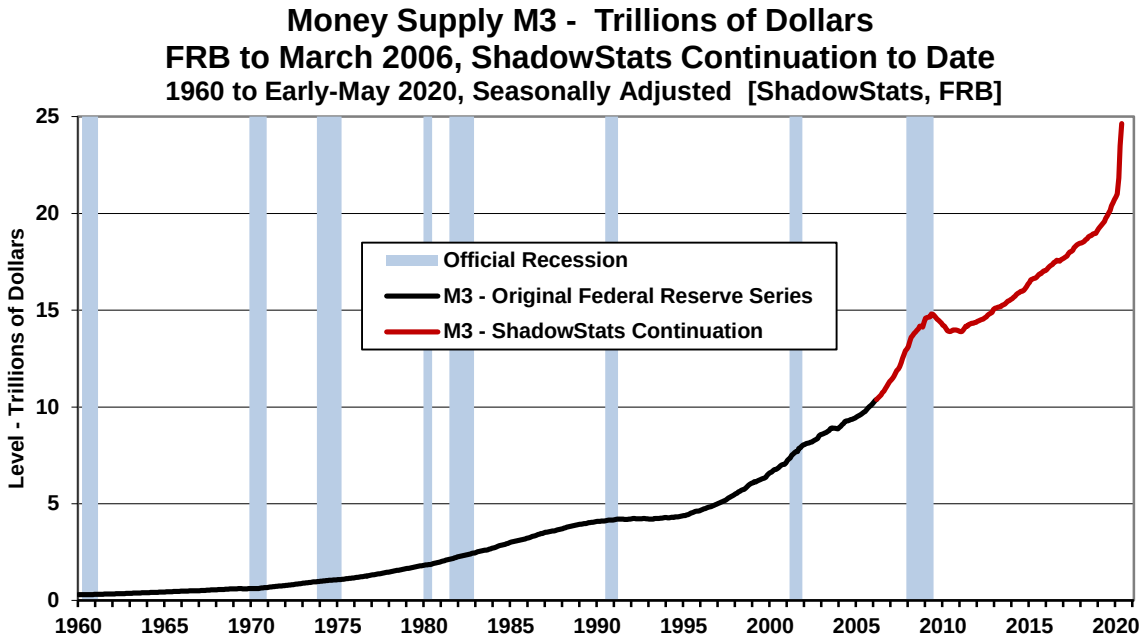
Graph 23: Money Supply M2, 1960 to Date



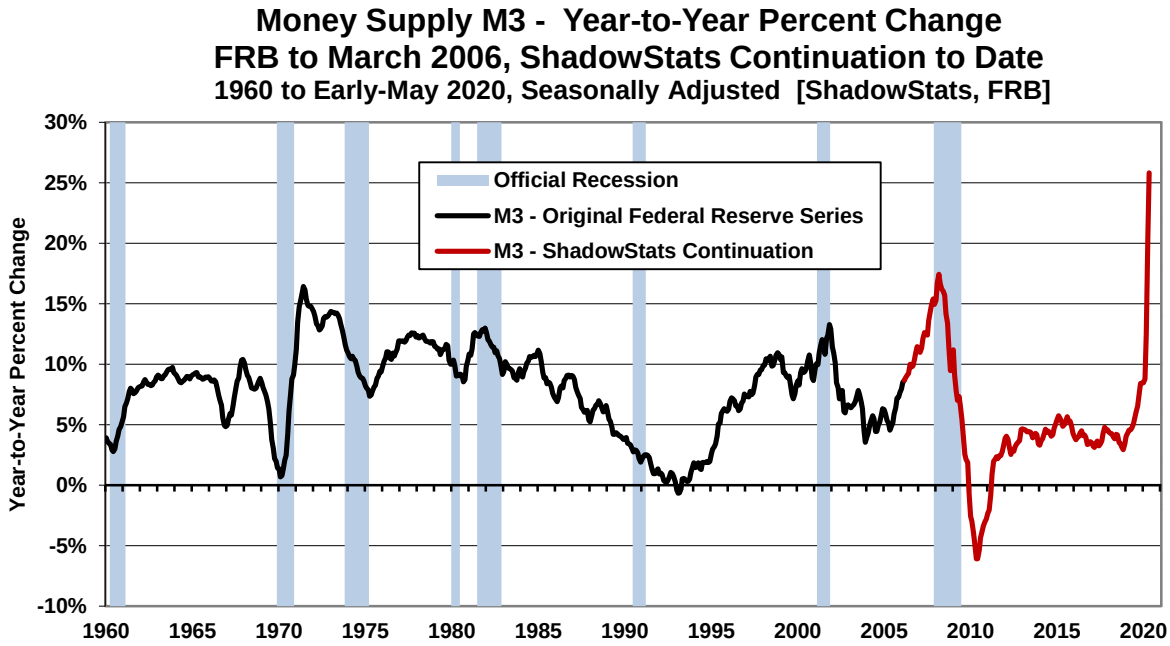
Graph 24: Money Supply M2, 1960 to Date, Year-to-Year Change



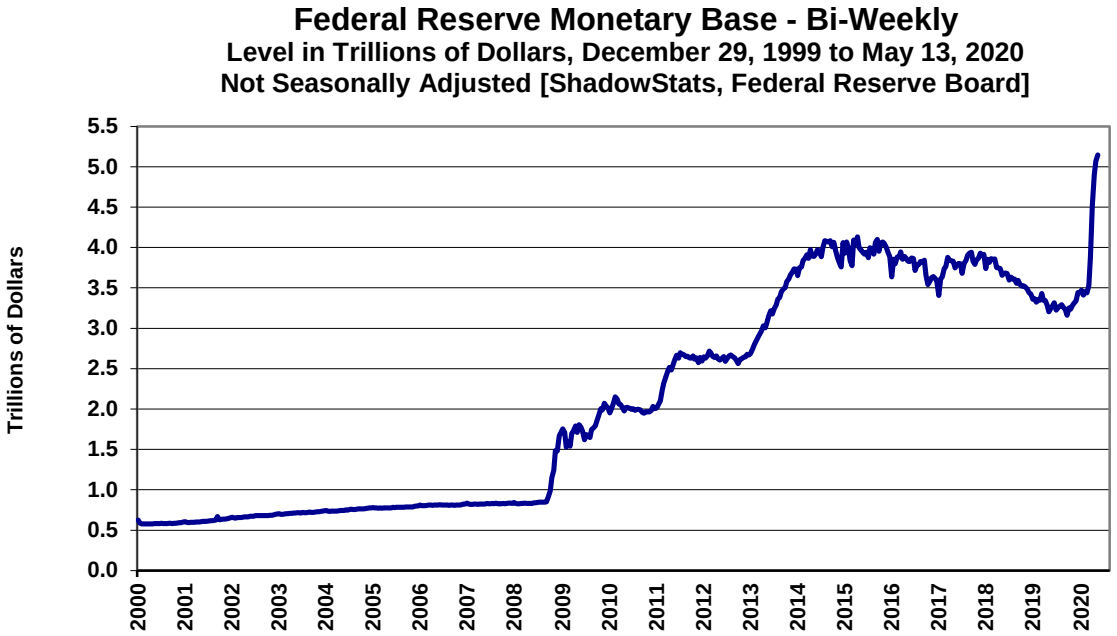
Graph 25: Money Supply M3, 1960 to 2006, With ShadowStats Continuation to Date



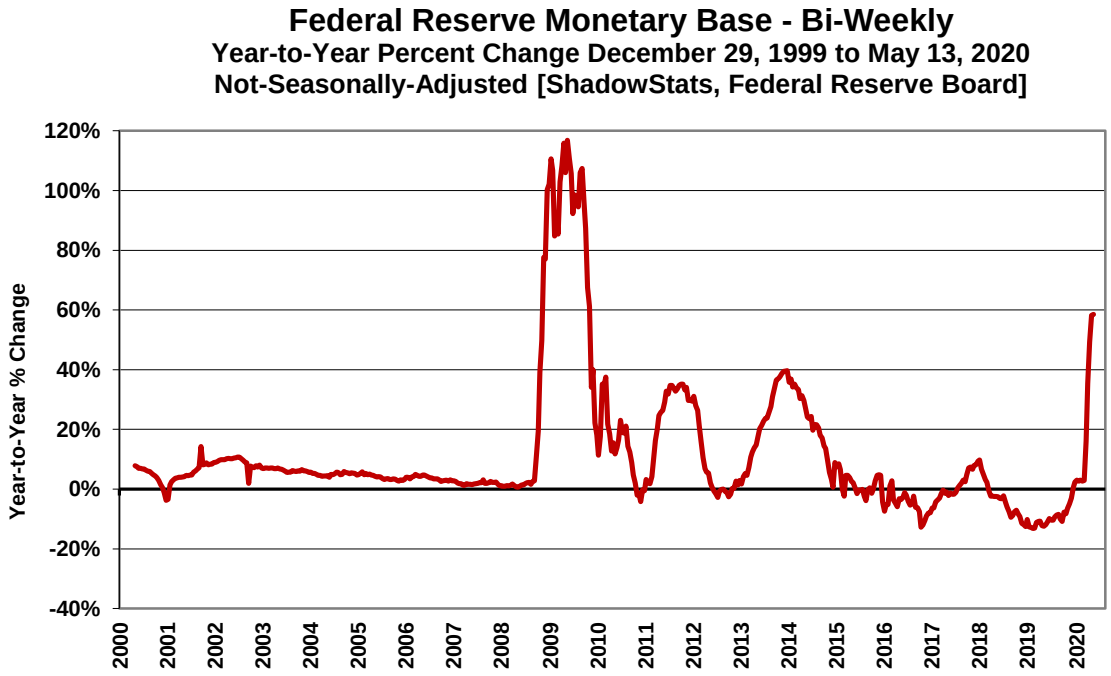
Graph 26: Money Supply M3, 1960 to 2006, With ShadowStats Continuation to Date, Year-to-Year Change



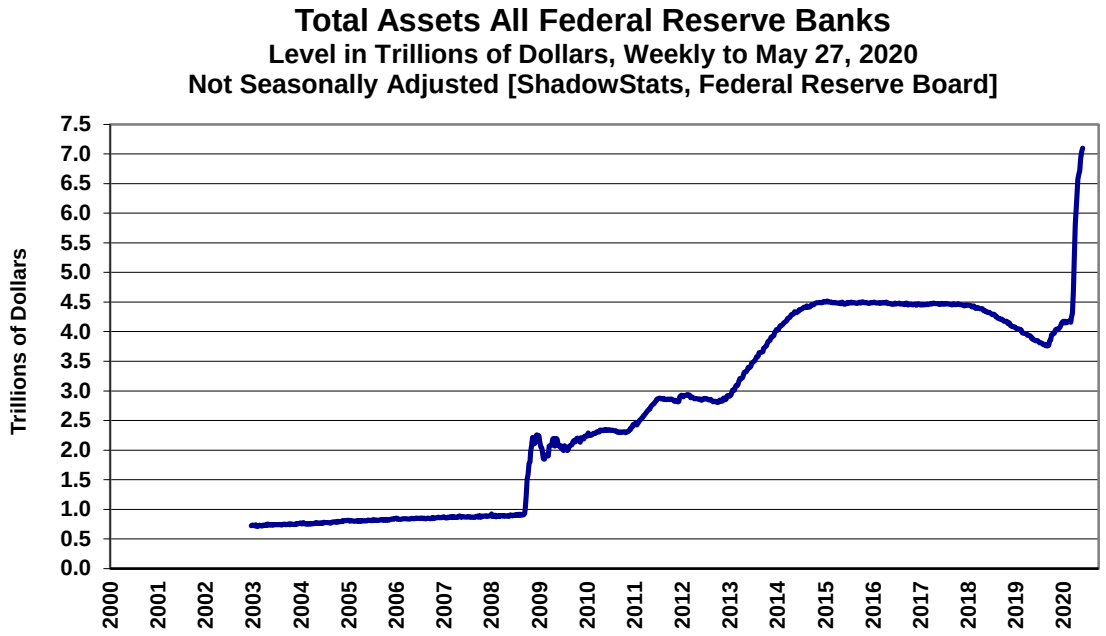
Graph 27: Federal Reserve Monetary Base, 2000 to Date



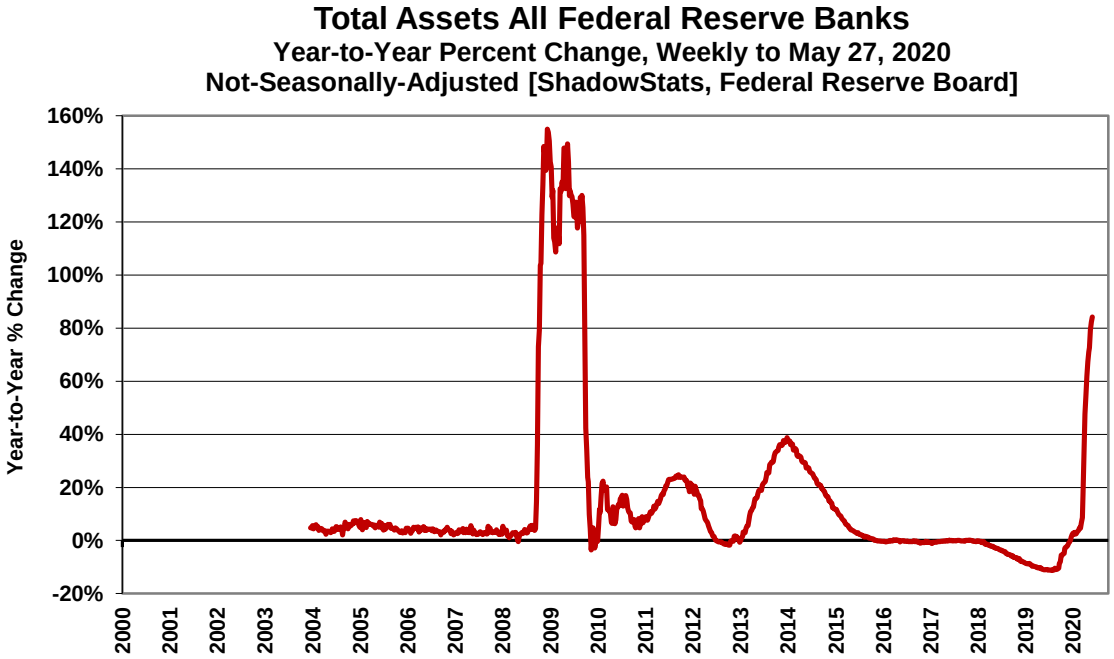
Graph 28: Federal Reserve Monetary Base, 2000 to Date, Year-to-Year Change



Graph 29: Total Assets All Federal Reserve Banks, 2000 to Date



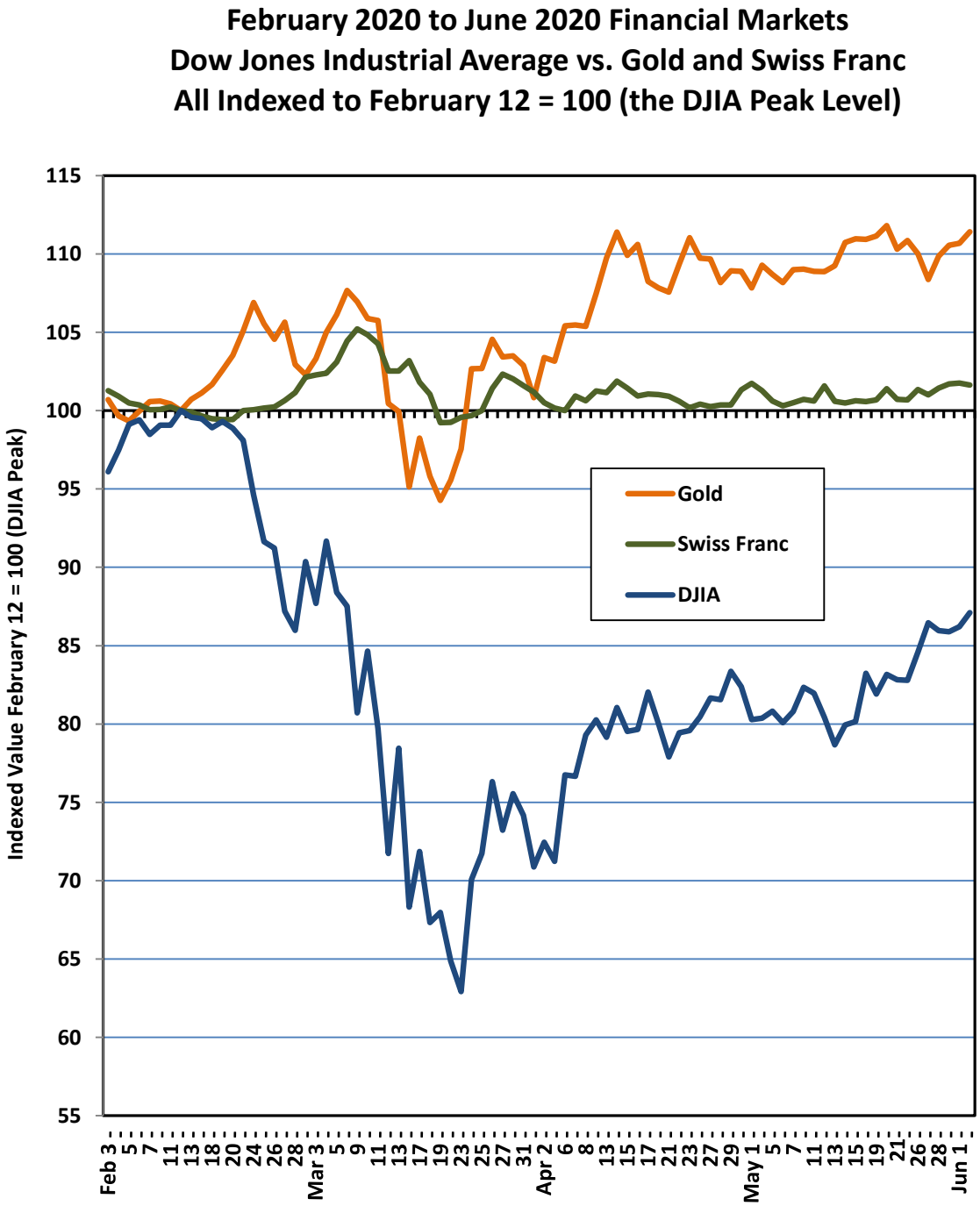
Graph 30: Total Assets All Federal Reserve Banks, 2000 to Date, Year-to-Year Change



Section VI - Latest Financial Markets

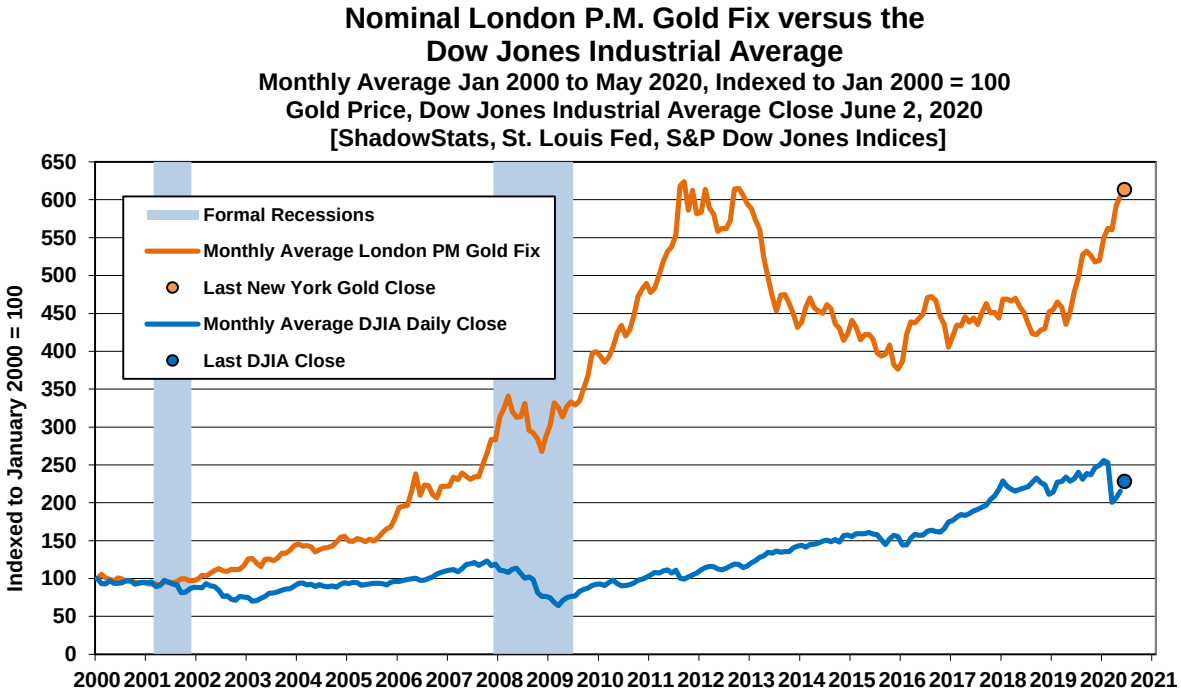
Physical Gold and Swiss Franc Continue to Protect U.S. Dollar Purchasing Power

Graph 31: February 2020 to June 2, 2020 Financial Markets

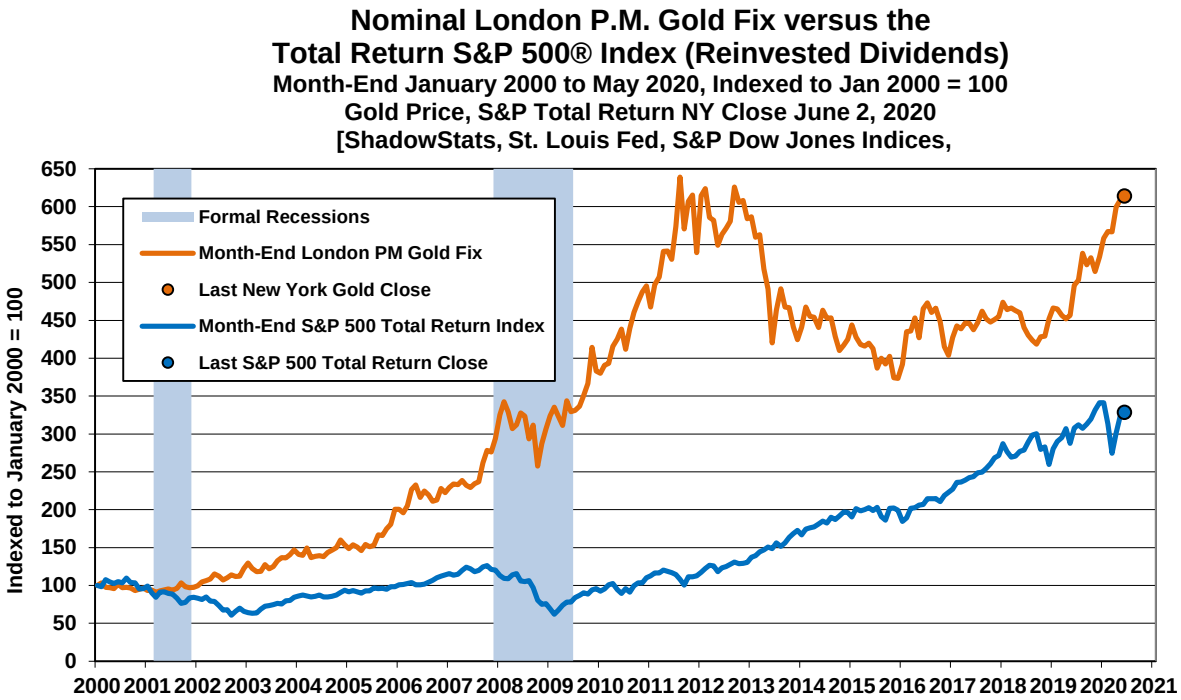


Latest Plots of Key Market Measures. This section provides plots of the latest the latest market numbers and commodity prices graphed regularly by ShadowStats through the close of business on June 2nd. Please advise of any new graphs that you would like to see here on a regular basis.

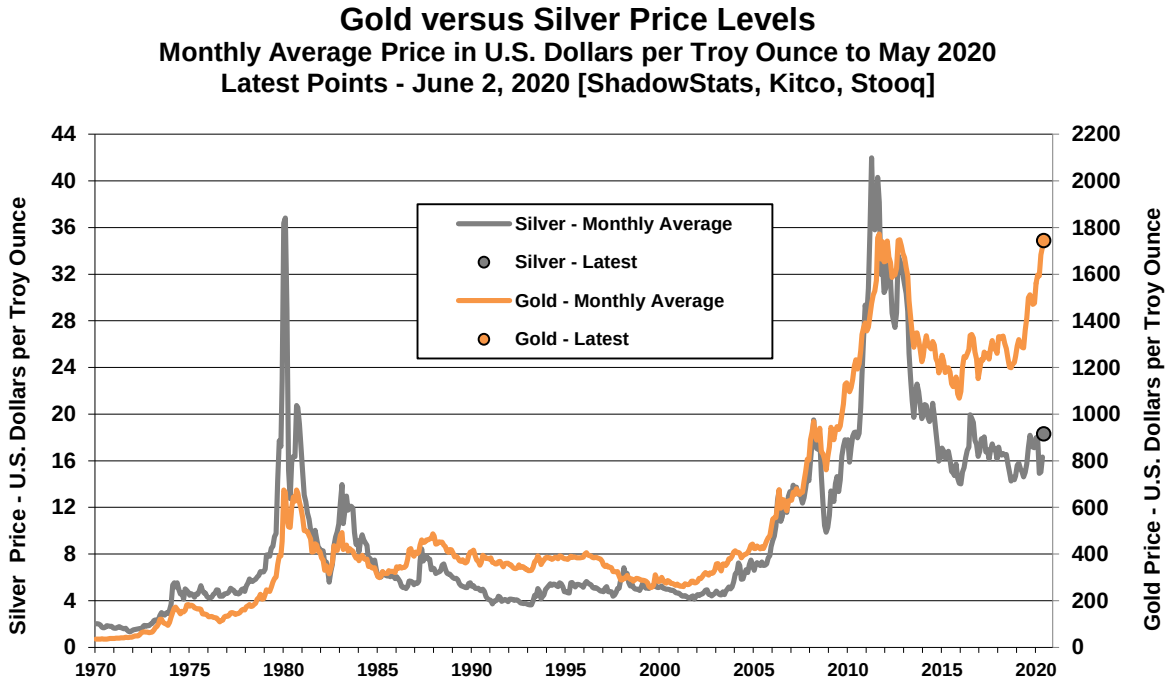
Graph 32: Gold versus the Dow Jones Industrial Average



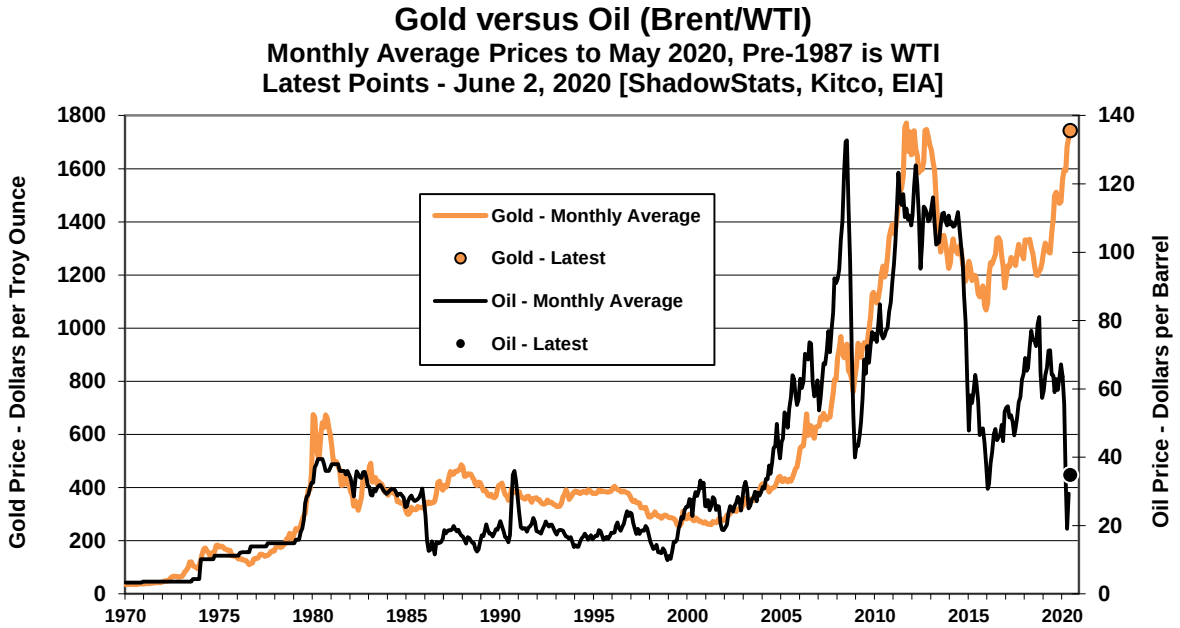
Graph 33: Gold versus the Total Return S&P 500 (Reinvested Dividends)



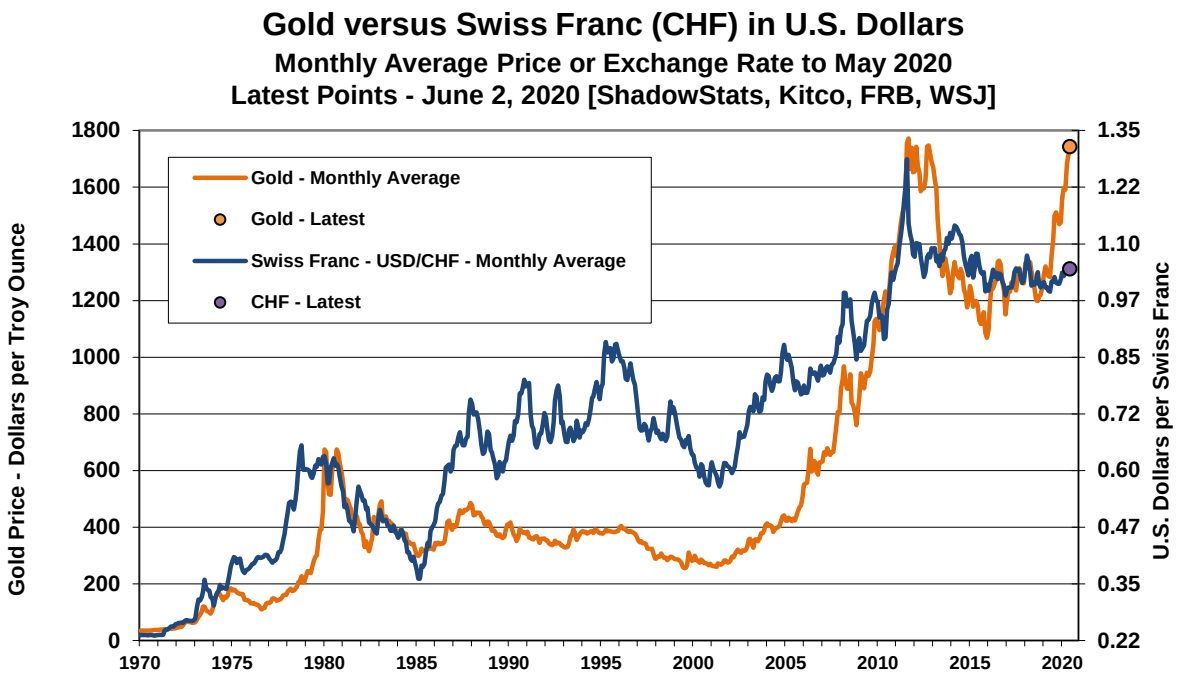
Graph 34: Gold versus Silver Prices in U.S. Dollars



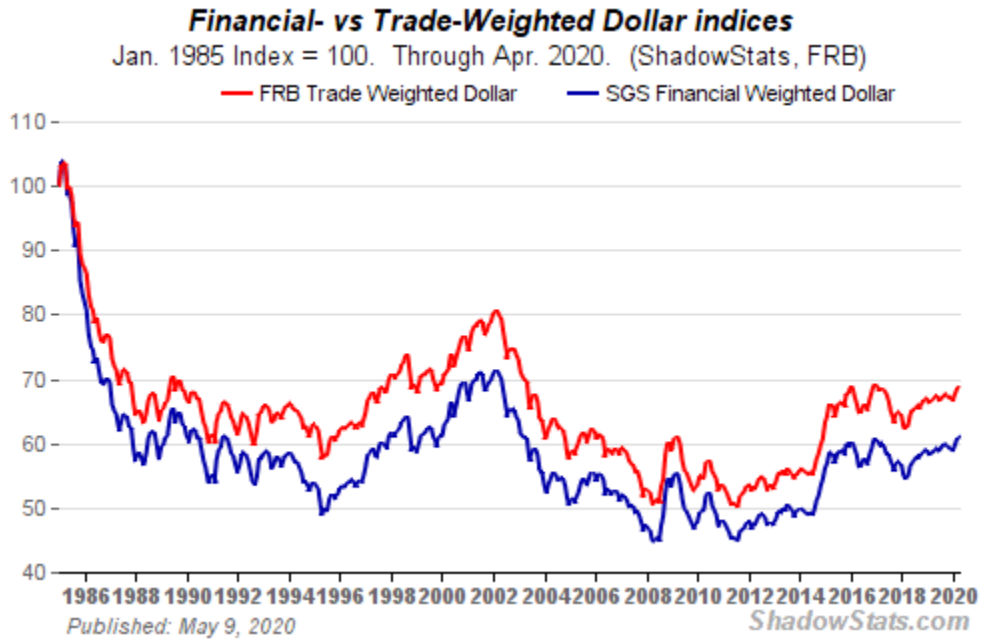
Graph 35: Gold Price versus Crude Oil in U.S. Dollars



Graph 36: Gold versus Swiss Franc in U.S. Dollars



Graph 37: Financial- Versus Trade-Weighted U.S. Dollar



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