PRIVATE WEALTH ADVISORY

INVESTMENT RESEARCH THAT CONVERTS

Two Major Threats

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TRACK RECORD: RECENTLY CLOSED POSITIONS

POSITION	SYMBOL	BUY DATE	BUY PRICE	SELL DATE	SELL PRICE	GAIN/ LOSS
Halliburton	HAL	10/11/17	$45.37	12/27/17	$48.01	6%
Biotech ETF	IBB	11/15/17	$102.08	1/2/18	$108.87	7%
Wheaton Precious Metals	WPM	10/5/16	$20.83	1/2/18	$22.42	8%
Helix Energy Solutions	HLX	10/11/17	$7.75	1/9/18	$8.29	7%
Exxon Mobil	XOM	12/13/17	$83.12	1/9/18	$87.08	5%
Enterprise Products Partners	EPD	8/10/17	$26.08	1/9/18	$28.16	8%
DB Commodity ETF	DBC	9/13/17	$15.26	1/12/18	$16.97	11%
Gold Miner ETF	GDX	9/20/17	$23.50	1/17/18	$24.44	4%
Gold Mining Juniors ETF	GDXJ	9/20/17	$34.11	1/17/18	$35.67	5%
Euro Trust	FXE	8/23/17	$114.05	1/29/18	$118.95	5%
UltraShort Oil ETF	SCO	1/17/18	$21.72	2/8/18	$23.66	9%
UltraShort Silver ETF	ZSL	1/10/18	$31.27	2/9/18	$34.12	9%
UltraShort S&P 500	SDS	2/15/18	$38.82	3/22/18	$39.90	3%
Facebook	FB	5/31/17	$151.63	3/28/18	$152.13	0%
Alphabet	GOOGL	5/31/17	$987.72	3/28/18	$1,001.09	-1%
UltraShort Oil ETF	SCO	2/7/18	$22.71	4/11/18	$18.71	-18%
Long Treasury Bond ETF	TLT	2/8/18	$118.69	4/11/18	$121.33	3%
US Dollar	UUP	1/31/18	$23.25	5/9/18	$24.42	5%
Energy ETF	XLE	4/11/18	$70.56	5/9/18	$76.86	9%
France ETF (SHORT)	EWQ	9/16/16	$23.38	5/30/18	$31.82	-36%
Italy ETF (SHORT)	EWI	9/16/16	$21.56	5/30/18	$30.05	-39%
Tech ETF	XLK	3/28/18	$64.15	6/5/18	$71.78	12%
Alphabet	GOOGL	4/25/18	$1,022.99	6/5/18	$1,148.34	12%
Wesdome Gold Mines	WDO.TO	9/20/17	$2.05	6/14/18	$2.56	25%
Metals and Miners ETF	XME	3/22/18	$34.50	6/14/18	$38.24	11%
CVS	CVS	5/30/18	$65.99	6/20/18	$71.73	9%
Public Storage	PSA	3/23/17	$225.92	6/27/18	$227.20	5%
Diamond Offshore Drilling	DO	1/3/18	$19.77	6/27/18	$21.22	7%

To view the full track record of all closed positions running back to early-2015, visit:

http://phoenixcapitalresearch.com/privatewealthadvisory/track-record/

To view our current open positions, scroll to the bottom of this issue of *Private Wealth Advisory.*

Two Major Threats

The financial markets are facing two major threats today.

They are:

1) The threat of a trade war between China and the US.
2) The threat of Fed policy error.

I want to stress that these are in fact MAJOR issues. The potential for an actual market crash/ meltdown is higher today than at any point in the last 18 months.

Now I know some of you are saying to yourselves, *"wait a minute, Graham, just one month ago you were stating that everything was great and stocks were going to new all time highs… what happened between then and now?"*

A LOT has happened between then and now. And unfortunately, none of it was predictable. The good news, however, is that ALL of it can EASILY be resolved without a crisis, provided the Trump administration and the US Federal Reserve resolve their regulatory and monetary policy errors soon.

Let's dive in.

The current issues confronting the US financial system today all boil down to one thing: **trade**.

Now, there are two components to trade: regulatory and monetary.

Regarding regulatory policy, countries put tariffs or taxes on the importation of various goods, usually with the intent of defending their

June 27 2018

SHORT-TERM ISSUES

- Trump WH & Fed policy error open the door to deflationary crisis
- Rates dropping fast.
- Stocks to drop 20%?

INTERMEDIATE-TERM ISSUES

- Inflation trades to outperform stocks for the next 12 months.
- $USD to drop into the mid to low '80s.

LONG-TERM ISSUES

- A Crisis worse than 2008.
- Eventual market collapse of 50%+ in real terms.
- A scramble for high-end collateral to bring about derivatives collapse/ implosion of big banks.

country's producers of these very same goods. These policies are largely political tools. And they have been front and center for the Trump administration's trade negotiations with China. We'll delve into this shortly.

The second component of trade is monetary. This component is set by Central Banks and can have a truly devastating effect when it goes the wrong way.

By way of example, let's say I produce cars in the US that I intend to sell in Brazil. In this setup, my costs are denominated in US dollars and my sales are denominated in Brazil Reals. So if the Federal Reserve engages in policies that strengthen the $USD by 20% against the Brazilian Real, my profit margins just collapsed (sales-costs=profit).

There is, however, a second component to monetary policy's impact on trade… that of debt. Globally the $USD is the reserve currency of the world. It is involved in some 86% of currency transactions, and **comprises nearly 48% of ALL debt outstanding in the world.**

When you borrow in $USD, you are effectively SHORTING the $USD. What I mean by this is that you are hoping the $USD will weaken over time so that the Dollars you use to pay back your debt are worth less on a relative basis than they are now.

In this setup, if the $USD strengthens over time, then the Dollars you use to pay back your debt are in fact worth more… which in turn makes paying the debt back more expensive for you. And if you borrowed in US dollars but base your business/ life expenses in another currency… and the US dollar strengthens against that currency, very soon you are in a LOT of financial distress.

We just covered a lot of ground here, but I want to repeat what I said earlier… the financial system is currently facing the **significant threat** of an actual crisis.

This threat is the result of tensions created by the Trump administration's trade policies and the US Federal Reserve's monetary policies. And unless both of these issues are both resolved soon, we could see an actual stock market meltdown (for much of the world, that meltdown has already hit).

Having spent considerable time analyzing how President Trump handles negotiations, I knew for a fact that the Trump administration would play hardball with trade negotiations (more on this shortly). I also knew based on my analysis of Jerome Powell, that the Fed would be tightening policy this year, due to its focus on the economy instead of the financial markets.

However, what I didn't know… and couldn't have known in advance was that both the Trump White House *AND* the Fed would take their aggressiveness to such an extreme as to risk a market meltdown.

Put simply, **something changed "behind the scenes" in the last two weeks.**

We may never know what it was, but based on the sudden announcement of even MORE severe tariffs on China by the Trump administration as well as the Fed's sudden announcement that it intends to hike rates two more times in 2018, three more times in 2019, AND increase the pace of its QT program to $40 billion next month… **I'm guessing that the Trump White House decided it would put INCREDIBLE pressure on China to get the latter to buckle during trade negotiations.**

Before moving forward, I feel compelled to emphasize that none of what follows is meant to be read as pro- nor anti-Trump or his administration. **I am merely outlining how the man and his administration do things.**

Thus far in its Presidency, the Trump administration has utilized a negotiation strategy that was originally developed by Donald Trump himself when he was negotiating deals in his business career. I originally outlined this template in our weekly market update from April 4th 2018. By quick way of review, it consists of:

1) Begin negotiations with an *extremely* aggressive play/ threat.
    a. This immediately puts your opponent on the defensive/ allows you to dictate the direction of negotiations.
    b. It also psychologically "anchors" negotiations on a specific number/ policy that is highly your favor.

2) Begin to walk back your aggressive
    a. This makes your opponent feel as though he or she is "winning" or "gaining ground" and induces him or her to be more willing to close the deal.
    b. It also makes you appear to be reasonable and willing to negotiate, which comes as a relief after your initial aggression.

3) Sign the deal.

The overarching theme here is to push your opponent as far as you can… almost to the point of him or her "breaking." Indeed, Donald Trump actually outlined all of this in an interview back in 1990 (emphasis added)

> ***How far are you willing to push adversaries?***
>
> *I will demand anything I can get.* ***When you're doing business, you take people to the brink of breaking them without having them break, to the maximum point their heads can handle-without breaking them****. That's the sign of a good businessman:*

Somebody else would take them fifteen steps beyond their breaking point…

People need ego, whole nations need ego. ***I think our country needs more ego, because it is being ripped off so badly by our so-called allies; i.e., Japan, West Germany, Saudi Arabia, South Korea, etc.***

A favorite word of yours, tough. How do you define it?

Tough is being mentally capable of winning battles against an opponent and doing it with a smile. Tough is winning systematically.

Another game: What's the first thing President Trump would do upon entering the Oval Office?

Many things. ***A toughness of attitude would prevail. I'd throw a tax on every Mercedes-Benz rolling into this country and on all Japanese products, and we'd have wonderful allies again.***

About your own toughness…

Well, as I said, I study people and in every negotiation, ***I weigh how tough I should appear. I can be a killer and a nice guy. You have to be everything. You have to be strong. You have to be sweet. You have to be ruthless.*** *And I don't think any of it can be learned. Either you have it or you don't. And that is why most kids can get straight As in school but fail in life.*

The Trump administration followed this blueprint in its trade negotiations with China from March 2018-early June 2018, particularly in its threat of tariffs on Chinese imports to the US.

By the look of things this negotiation strategy was working well as of late May/ early June 2018 with China offering to buy more US goods…

American and Chinese officials made progress on Friday toward an agreement that could help avert a trade war, ***with China pledging to increase its purchase of American goods by at least $200 billion by 2020****, largely by lifting existing barriers that would make it easier for United States firms to sell and operate in China, according to a senior Trump administration official.*

https://www.nytimes.com/2018/05/18/us/politics/trump-china-trade-talks.html

… as well as opening its country up to US investment.

***Beijing said it would issue a list of planned relaxations on foreign investment by June 30**, meeting a key US demand just 48 hours before US commerce secretary Wilbur Ross is due in Beijing to lead a third round of trade talks with vice premier Liu He.*

***China's commerce ministry said on Thursday that the new "negative list" would ease or cancel existing restrictions on foreign investment in sectors including energy and transportation**.*

China's so-called negative list identifies areas that are off-limits to foreign investors — sectors not included on the list are open to foreign investment. The US government and business community has been increasing pressure on China to remove investment restrictions on targeted areas.

https://www.ft.com/content/0fa8e644-6488-11e8-90c2-9563a0613e56

Put simply, as of early June 2018, the Trump White House's trade negotiation strategy appeared to be working wonders with China.

Fast-forward two weeks to mid-June, and suddenly this happened:

Trump Threatens Tariffs on $200 Billion in China Goods, Escalating Fight

The president left little doubt that the United States would continue to hit back even harder if China counters, adding tariffs to another $200 billion worth of Chinese goods. ***All told, the Trump administration is threatening to impose tariffs on as much as $450 billion worth of goods, including an earlier round — a sum nearly as large as the total value of goods China sent the United States last year, which was $505.6 billion.***

https://www.nytimes.com/2018/06/18/us/politics/trump-says-us-may-impose-tariffs-on-another-200-billion-worth-of-chinese-goods.html

This, in of itself, suggests that the Trump White House was ratcheting up its pressure on China regarding trade negotiations. Given that trade negotiations seemed to be going rather well, there was no way to predict this. The Trump White House had already gotten China to agree to buy more US goods AND open its country to US corporate investment… why suddenly "up the ante" with $200 BILLION in new tariffs?

However, what's even more astonishing is that it appears the Trump White House pushed the Federal Reserve to get involved in the negotiations via EXTREMELY aggressive monetary policy.

Remember, going into June 2018, the Fed had kept rates at the same level in both its April and May meetings. It had also announced that it was open to an "inflationary overshoot" indicating that if inflation rose above its 2% target, the Fed wouldn't necessarily hike rates more aggressively.

There was also the issue of the $USD's strength to consider. At a time when the Bank of Japan and the European Central Bank were both keeping interest rates in NEGATIVE territory while ALSO engaging in Quantitative *EASING*, the Fed's decision to hike rates (at all) while running a Quantitative TIGHTENING program had made the US currency extremely attractive.

When the Fed announced its rate hike in March 2018… at the same time that the rate of its QT increased from $10 billion to $30 billion, the $USD exploded higher.

This $USD strength had already resulted in an Emerging Market meltdown, with stock markets in Brazil, Turkey and South Africa falling double digits as of late May 2018.

Seeing this, the logical step would have been for the Fed to halt its rate hikes and freeze the pace of its QT program at its June 2018 meeting. **Instead, the Fed announced it was hiking rates in June, planning two more rate hikes in 2018, three more rate hikes in 2019… and ALSO increasing its QT program to $40 billion per month.**

Again, the Fed's June 2018 announcement ran completely contrary to what the Fed had previously said it would do. The fact that all of these policies would greatly strengthen the $USD which in turn would hurt China's trade with the US, leads me to believe that the Trump White House may have asked the Fed to "play hardball" with monetary policy.

I can't prove any of that. And the truth is what we will never know what happened between the US and China regarding trade negotiations from June 5th and June 18th…

All we DO know is that suddenly the Trump White House threatened a massive number of new tariffs on Chinese goods during the exact same week that the Fed announced monetary policies that would GREATLY strengthen the $USD.

Both of these "put the screws" to China… Indeed, China's stock market took a nosedive the very next day after the Fed made its announcement.

However, the collateral damage was that the crisis brewing in the Emerging Markets space began to spill into the US.

It's not immediately apparent as the S&P 500 is only off its all-time highs by 5%... but beneath the surface BAD things are brewing in the US financial system.

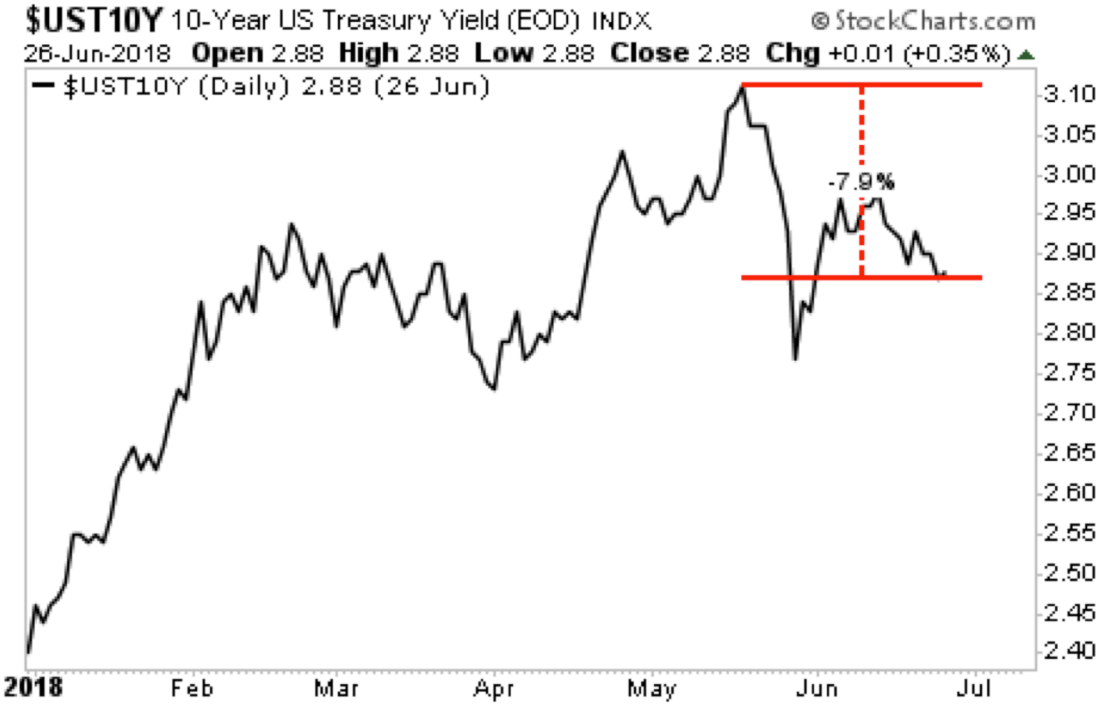
Economically sensitive machinery stock Caterpillar (CAT) is down over 20% from its recent high.

Goldman Sachs (GS), another company of EXTREME import to market health, is down 18%.

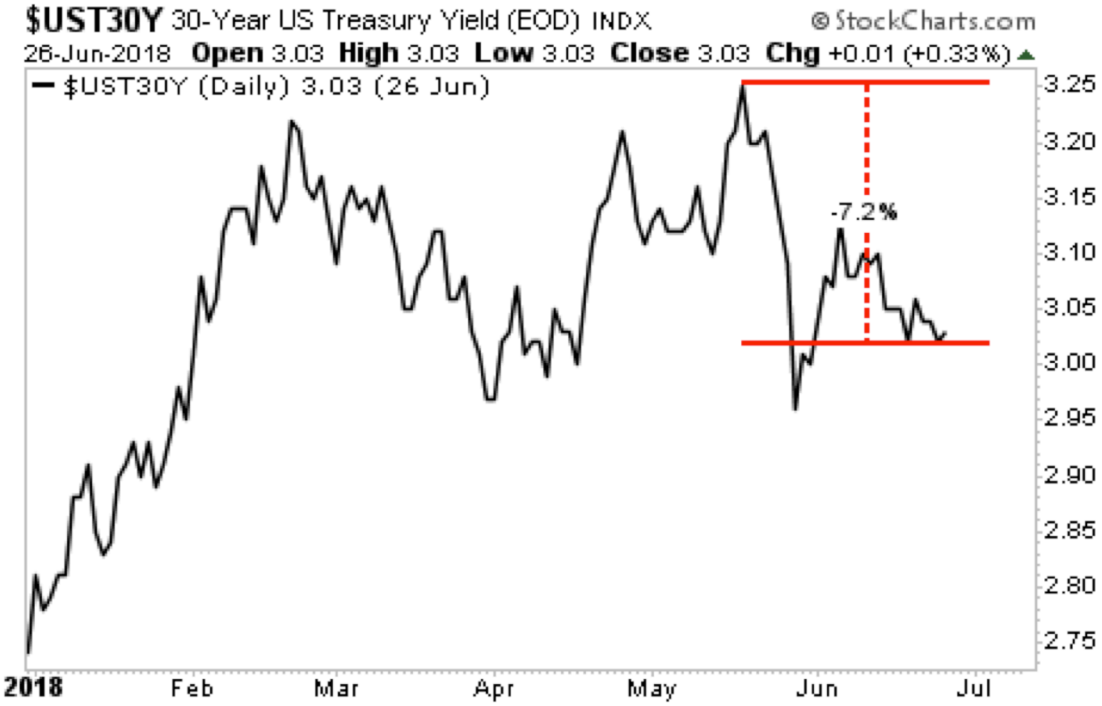
Put another way, both industrials and financials are in full-blown BEAR MARKETS.

Moreover, rates are COLLAPSING.

The yield on the 10-Year US Treasury has fallen nearly 8% from its recent highs. This is a MASSIVE deal. Remember the Fed has stated it will be RAISING rates which means that yields should be RISING. They're not; they're falling. **And it's because capital is FLEEING into bonds**.



The same thing is happening at the long end of the bond market as well.



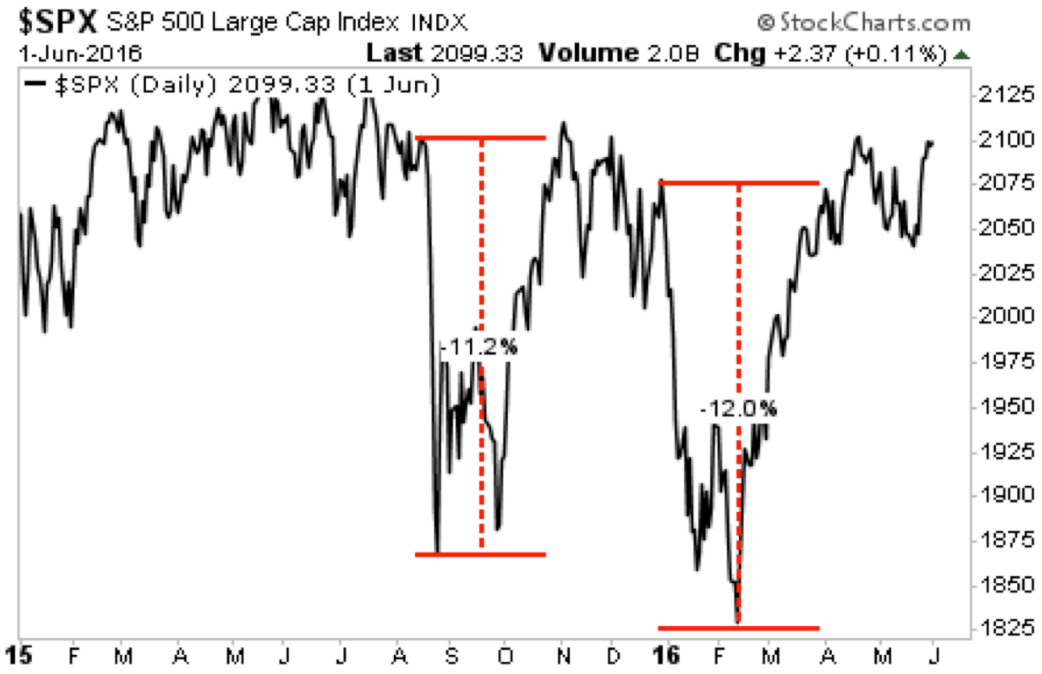
If you wanted a title for those two bond charts, it would read "the Fed SCREWED UP." The fact yields are collapsing like this tells us that the markets are forecasting a total COLLAPSE in economic growth. This is inducing a massive flight to safety in the bond markets.

Again, the bond markets area telling us in no uncertain terms that the Fed went WAY too far.

And now China is doing the same thing to the Trump administration in the currency markets by aggressively devaluing the Yuan. The below chart reveals that this latest devaluation is already on par with those that triggered a market crisis in August 2015 and January 2016.

H/T Lawrence McDonald.

By way of context, those other two instances in which the Yuan was devalued this aggressively, the S&P 500 collapsed 11% and 12% in a matter of days.



Again, my point is that EVERYTHING has taken a SHARP turn for the worse in the last two weeks. What precisely happened within the Trump administration that made them decide to aggressively hit China with tariffs and Fed monetary policy, we will never know, but the fact is that things have gotten downright UGLY in the financial system.

And it's opened the door to a REAL crash in the S&P 500.

Previously I had thought that stocks would correct down to 2,700 on the S&P 500 before starting their move to new all-time highs of 3,000 later this summer. This correction would coincide with a drop to critical support (red line) or the long-term bull market trendline (blue line).

However, given what's going on globally, if the Fed and Trump administration don't immediately REVERSE course we could see the S&P 500 follow emerging markets and crater 20%... which would bring it to 2,300.

I'm not just saying this. That caliber of meltdown is already hitting the emerging market space. The Emerging Markets ETF (EEM) and China ETF (ASHR) are already in full-blown bear markets, down ~20% from their recent peaks.

The S&P 500 could easily follow suit if things don't change soon. This means the S&P 500 at 2,300.

A month ago, I would have put the odds of this happening at 10%. Today, they're up to 30% and rising every day that the Fed and Trump administration don't walk back their policy mistakes.

The good news is that it appears the Trump White House has figured this out. In the last three days we've seen Treasury Secretary Steve Mnuchin as well as White House trade advisor (and vocal China critic) Peter Navarro downplay trade tensions…

On Tuesday Mnuchin tweeted:

> *On behalf of* ***@realDonaldTrump****, the stories on investment restrictions in Bloomberg & WSJ are false, fake news. The leaker either doesn't exist or know the subject very well. Statement will be out not specific to China, but to all countries that are trying to steal our technology.*

Then yesterday, Navarro appeared to state the following:

> *White House trade adviser Peter Navarro sought to ease investor concerns about U.S. trade policy,* ***indicating that a Treasury Department report later this week on American restrictions on foreign investment won't be as sweeping as markets are anticipating.***

> *"There's no plans to impose investment restrictions on any countries that are interfering in any way with our country. This is not the plan," he said in an interview on CNBC Monday with the Dow Jones Industrial Average down more than 400 points. "**The whole idea that we're putting investment restrictions on the world -- please discount that."***
>
> https://www.bloomberg.com/news/articles/2018-06-25/navarro-seeks-to-calm-investor-concerns-on-trump-s-trade-policy

Mnuchin was back again today, this time telling CNBC that it was "unfortunate" that the markets had gotten "mixed messages" about what the Trump admin was trying to accomplish.

> ***Treasury Secretary Steven Mnuchin told CNBC on Wednesday it was "unfortunate" if Wall Street got mixed messages ahead of the newly unveiled Chinese investment restrictions.***
>
> *But he said all of President Donald Trump's advisors were unanimous on the decision, which was announced Wednesday morning.*
>
> *The White House said it won't be looking to block companies with at least 25 percent Chinese ownership from buying certain U.S. tech-related companies, as reports had suggested earlier in the week.* ***Instead, the government will rely on the newly strengthened Committee on Foreign Investment in the United States, or CFIUS, to deal with concerns.***
>
> *https://www.cnbc.com/2018/06/27/mnuchin-says-it-was-unfortunate-if-market-got-mixed-messages-and-all.html?__source=sharebar%7Ctwitter&par=sharebar*

In addition to this, CNBC reporters noted on Twitter that Mnuchin "hung around" after finishing his interview to see how the market reacted to his statements.

So it appears the Trump administration is closely monitoring the impact its trade policies are having on the financial markets.

That's the good news…

The BAD news is that as of my writing, the Powell Fed has made no indication that it is aware of the negative consequences of its monetary policies. Fed Chair Jerome Powell made NO mention of this at a speech given last week. And to date, no hawkish Fed official has publicly warned that the Fed is being too aggressive (the Fed's Bullard *did* make such a claim today, but he is a perma-dove… we need to see one of the hawks or Powell himself do this).

Meanwhile, the $USD keeps strengthening, breaking to a new high today.

Until the Fed begins to "walk back" its hawkishness, the potential for the $USD to trigger a crisis rises every single day (remember China has already begun aggressively devaluing the Yuan to counteract this).

With that in mind, I want to shift some of our capital into more defensive positions.

First and foremost, we're buying the Long Treasury ETF (TLT). This chart predicts a move to 126 if not 127.

Action to Take: Buy the Long Treasury ETF (TLT)

We're also going to short the Russell 2000 (IWM). The microcap index is MOST at risk of a violent sell off if things get ugly. It's already broken its bullish trendline (blue line). The downside target here is critical support (red line).

Action to Take: Short the Russell 2000 ETF (IWM)

On a final note, I want to address the situation with precious metals.

Both Gold and Silver are under duress due to the aforementioned currency tensions. Typically Gold tracks real rates, but the ongoing tension involving the Yuan has temporarily lead to a major divergence occurring (red box).

Based on real rates, Gold should be trading at 1,355 right now. This massive divergence will not last. And if I was bullish Gold before, I'm even more so now. This might be the single most undervalued sector on the planet.

So do not panic here. What's happening is HIGHLY unusual and will soon be resolved. I believe the Fed will start walking back its policy error very shortly. There are already rumors that Emerging Market Central Bank heads have been informing the Fed to fix the situation or expect a full-scale financial crisis.

What are the odds Jerome Powell will risk a full-scale financial crisis six months into his tenure… especially considering that the Trump administration has repeatedly stated that it views the stock market as a "report card" and pays extreme attention to where stocks are trading (recall Treasury Secretary Steve Mnuchin hanging around to watch the market reaction to his interview with CNBC today)?

I want to summarize everything here…

The Trump administration and Powell Fed decided to play "hardball" with China regarding trade negotiations. We will never know what happened to trigger this, but it is clear that something happened "behind the scenes" that made them pursue this aggression.

However, said aggression has resulted in systemic duress appearing in the Emerging Markets and spreading into developed markets. This has opened the door to a potential 20% drop in US stocks IF the Fed doesn't reverse course soon (it is clear that the Trump White House has already decided to "pump the brakes" on its aggressiveness).

So while the odds of a full-scale financial crisis hitting are more elevated than at any time in the last 18 months, the odds are STILL in favor of the Fed resolving this situation before we get a 20% crash.

My new forecast is that the S&P 500 will drop into the mid-2,600s, at which point the Fed will "pump the brakes," and risk assets will bottom. They will then begin their run to new all-time highs as the Fed will have sent a clear signal it is willing to let inflation run wild rather than risk a crisis now.

Again… the only thing putting a lid on risk assets and stopping them from exploding higher is Fed policy error. The moment the Fed begins to "walk back" its hawkishness, it's 100% bullish for the markets. So while things ARE getting worrisome, it's not time to panic just yet. My forecast remains the same (new all-time highs and a major inflationary move)… it's simply been pushed back time-wise.

This concludes this month's issue of ***Private Wealth Advisory***. Barring any new developments you'll next hear from me on the Wednesday after next (the markets will be closed at 1PM on July 3rd and all day on July 4rth next week, which means it's a shortened week in which little will happen).

However, I want to assure you, that if something major comes up at any point during next week, you'll hear from me. It is only barring any major developments that you'll have to wait until the week after next.

Until then…

Best Regards,

Graham Summers
Chief Market Strategist
Phoenix Capital Research

OPEN POSITIONS

STOCKS PORTFOLIO

POSITION	SYMBOL	BUY DATE	BUY PRICE	CURRENT PRICE	GAIN/ LOSS
RPX Corp	RPXC	8/5/15	$15.48	$10.48	-32%
Agricultural Commodities ETF	RJA	1/12/17	$6.46	$5.91	-9%
Energy Transfer Partners	ETP	8/2/17	$21.00	$19.02	1%
Utilities ETF	XLU	2/15/18	$49.68	$51.90	6%
US Steel	X	3/15/18	$38.34	$34.47	-10%
Freeport McMoRan	FCX	3/22/18	$18.30	$16.90	-7%
China ETF	ASHR	4/4/18	$30.94	$25.89	-16%
Emerging Markets ETF	EEM	4/4/18	$47.90	$42.33	-11%
Japan ETF	EWJ	4/25/18	$60.58	$58.03	-3%
Altria Group	MO	5/30/18	$56.59	$55.99	0%
Financials ETF	XLF	6/6/18	$27.95	$26.36	-6%

BONDS PORTFOLIO

POSITION	SYMBOL	BUY DATE	BUY PRICE	CURRENT PRICE	GAIN/ LOSS
High Yield Credit ETF	HYG	3/28/18	$85.35	$85.52	1%
Emerging Market Bond ETF	EMB	5/16/18	$108.49	$106.55	-1%
Long Treasury ETF	TLT	6/27/18	$122.11	NEW	**BUY!**

Prices as of market's close 6/27/18
Returns include dividends

PRECIOUS METALS/ MINERS PORTFOLIO

POSITION	SYMBOL	BUY DATE	BUY PRICE	CURRENT PRICE	GAIN/ LOSS
Gold		3/17/10	$1,120	$1,253.00	12%
Silver*		3/17/10	$16.23	$16.02	-1%
First Majestic Silver***	AG	5/12/17	$7.91	$7.46	0%
Klondex Mines	KLDX	9/20/17	$3.61	$2.34	-35%
Wesdome Gold Mines	WDO.TO	9/20/17	$2.21	$5.62	-12%
Iamgold	IAG	9/28/17	$6.40	$28.52	-12%
Silver Mining ETF	SIL	10/4/17	$33.96	$10.79	-9%
Silver Mining Juniors ETF	SILJ	10/4/17	$12.22	$21.81	-3%
Gold Mining ETF	GDX	6/6/18	$22.58	$32.14	-3%
Gold Mining Juniors ETF	GDXJ	6/6/18	$32.99	$1,253.00	12%

SPECIAL SITUATIONS/HEDGES/SHORTS PORTFOLIO

These are speculative positions and should be kept small

POSITION	SYMBOL	BUY DATE	BUY PRICE	CURRENT PRICE	GAIN/ LOSS
Apple (SHORT)	AAPL	3/23/17	$140.92	$184.16	-31%
Russell 200 ETF (SHORT)	IWM	6/26/18	$163.38	NEW	SHORT!

CASH POSITION

POSITION	SYMBOL	BUY DATE	BUY PRICE	CURRENT PRICE	GAIN/ LOSS
Australian Dollar ETF	FXA	5/10/18	$75.13	$73.35	-2%

Prices as of market's close 6/27/18
Returns include dividends
***Average price of $17.50 and $14.97**
***** Average price of $7.11 and $8.70**

INFLATION PORTFOLIO

POSITION	SYMBOL	BUY DATE	BUY PRICE	CURRENT PRICE	GAIN/ LOSS
Copper Miners ETF	COPX	12/21/17	$26.55	$23.67	-11%
ArcelorMittal	MT	12/21/17	$32.77	$29.39	-10%
Corsa Coal	CRSXF	12/21/17	$1.20	$0.73	-39%
Uranium ETF	URA	1/17/18	$14.93	$12.64	-13%

Prices as of market's close 6/27/18
Returns include dividends