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# PRIVATE WEALTH ADVISORY

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## Market Update: Sell YCL and EWW

Something very very wrong is going on in Japan. Last week the Bank of Japan announced a massive \$1.2 trillion QE program.

This is nothing new. The BoJ has announced more than eight different QE programs in the last two decades. Usually the same thing happens: the Yen drops, the Nikkei pops temporarily, and Japanese Bonds rally as investors front-run the Bank of Japan.

However, soon after the plan was announced something different happened... Japanes Bonds FELL HARD.

Since that time, the Japanese regulators have had to CLOSE the market for these securities TWICE as circuit breaks trip due to massive volatility.

This is perhaps the most dangerous element in the financial system today. Japan's bond market is one of the largest in the world. If it begins to implode, then we're going to see a very very BAD time in the financial markets.

With that in mind, I want to get us out of Japan completely. Let's close our two positions:

**Action to Take: Sell the UltraLong Japanese Yen (YCL)**

**Action to Take: Sell the UltraShort Nikkei (EWW)**

I'm watching this development closely and will post updates as needed. But for now I'm issuing a formal warning that things could get very ugly.

Best Regards,

Graham Summers

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