Investing in Precious Metals, Physical Storage & IRA Accounts

IDP Consulting Group Special Report

By www.chuckcoppes.com, author of

America's Financial Reckoning Day

"The study of money, above all other fields in economics, is one in which complexity is used to disguise truth or to evade truth, not to reveal it. The process by which banks create money is so simple the mind is repelled. With something so important, a deeper mystery seems only decent."

- John Kenneth Galbraith, *Money: Whence it Came, Where it Went* (1975)

"You have to choose between trusting to the natural stability of gold and the natural stability of the honesty and intelligence of the members of the government. And, with due respect for these gentlemen, I advise you, as long as the capitalist system lasts, to vote for gold."

- George Bernard Shaw, London School of Economics

"I'm more concerned about the return of my money, than the return on my money."

- Will Rogers, Political Satirist (1875 – 1935)

"Gold and silver is money, everything else is credit."

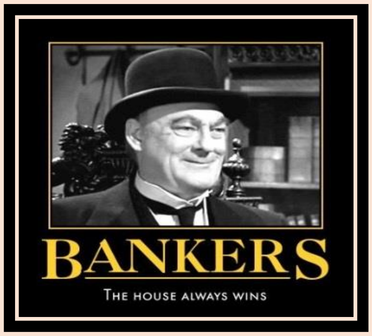
- J. P. Morgan, Pugo Committee, 1913

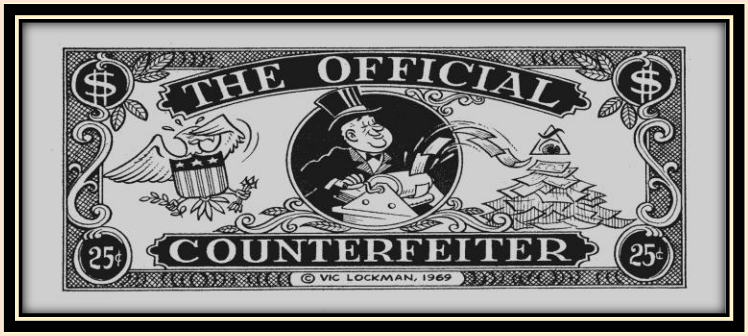
Dear Precious Metals Investor,

I receive many inquiries about how to invest in precious metals, and I look forward to addressing these topics in this ***Special Report*** and how you can protect your wealth in uncertain times. According to the **McKinsey Global Institute** (2017), world debt has increased from **$142** trillion to **$217** trillion since **2008**, and most central banks are buying their own debt (**QE**) with a low or **zero-interest-rate-policy**. They are doing this because they are *trapped* into **debt-based economies** that must monetize fiscal debts, *or they die*! What is unfolding is a currency war, or race to the bottom, as nations desperately fight the forces of **debt and deflation** by doing the only thing they know to do. Meanwhile, since **2008**, gold and silver demand has steadily increased as concerned investors, hedge funds and sovereign entities seek the historic safety of metals. This is resulting in an **epic battle** between fiat (paper) money and **real money**.

The Battle: Paper Money vs Real Money

Excerpts from America's Financial Reckoning Day, By Charles H. Coppes





The following excerpts are from **my book** (pages 4-5) which provides a good definition of **"real money"** (commodity money), and how we have now progressed to **"paper money"** (fiat currency) through the mechanism of **fractional reserve banking** that has distorted the *very concept* of **money** today.

A Brief History of Coin and Currency

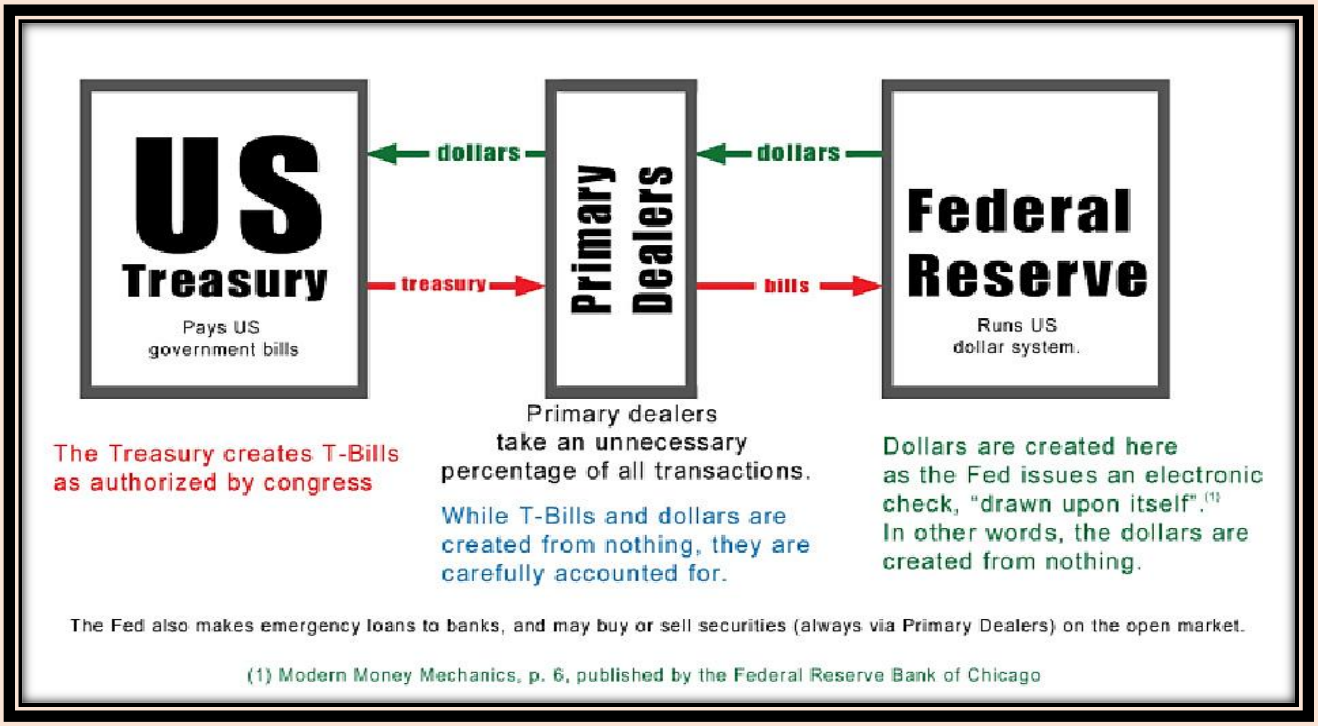
"Since the dawn of time mankind has used a variety of items for barter and trade as a medium of exchange. Economists refer to this direct exchange as a "coincidence of wants" in which both parties benefit from the exchange. Adam Smith referred to this beneficial exchange between two parties as the "invisible hand" that naturally benefits all of society. Historically there have been four types of money used as a medium of exchange:

- **Commodity money**
- **Fiduciary money**
- **Fractional money**
- **Fiat money**

"Commodity money has been identified as any tangible item, or asset, that can be used as money in a transaction. In different cultures, this has included various kinds of metals, seashells, stones, nails, furs, beaver skins, livestock (particularly sheep and cattle), tea leaves, tobacco, corn, wheat, rice, barley, whiskey, sugar, spices, and salt (from which we get the word for salary). Over time people began to realize that commodity money needed to have durability, divisibility, portability, and relative scarcity to be really useful as a medium of exchange. Eventually, it was universally recognized that metal coins had all of these unique characteristics, in addition to being an excellent store of intrinsic value since it was limited in supply.

"The conversion of commodity money to fiduciary money marked a significant development in the evolution of money. But the most significant development by far was the conversion of fiduciary money into fractional money. Within a short time, the goldsmiths discovered that very few depositors actually withdrew their holdings. In fact, withdrawals rarely exceeded ten or fifteen percent of their stockpile. The goldsmiths reasoned that they could safely lend out 85% of their stockpile and make a handsome profit using other people's money. This was a revolutionary new concept! In a single stroke, warehousemen became loan brokers on behalf of their depositors, and the era of fractional reserve banking had begun. Almost overnight goldsmiths had become bankers.

The transition from **commodity money** to **fiduciary money** occurred in the **Middle Ages** when the goldsmiths issued *receipts* for gold and silver that was stored in their vaults for a small fee. These receipts were trusted by people since they were **100%** backed by precious metals (*fiduciary* means trust in Latin). When the goldsmiths started lending other people's deposits at least they had some **real money** (gold and silver) to back up a fraction of their deposits. Today the central banks of the world create **fiat money** out of thin air, *and even worse they create it out of debt*! Every US dollar today is created by the **Fed** through the US Treasury Department issuing bonds that are "brokered" through a network of huge banks known as **Primary Dealers**. These **23 Primary Dealer Banks** exchange new **Treasury Bonds** for new **Federal Reserve Notes** that go directly back to the US Treasury to help fund our fiscal budget. This new debt is then auctioned off to the public and private sector as part of our national debt:



The above illustration is taken from a **Fed** publication in **1961** that is now out of print. You will notice that our fiat **paper money** is called **Notes** because they represent *a debt instrument* – our **Bonds**. This diagram is so "simple the mind is repelled," said **John Kenneth Galbraith**, but "complexity" is used to "disguise and evade" the real truth. The truth is that **real money** should represent a "store of value" and **paper money** is always being "inflated" through the above process, and further "inflated" through the fractional reserve banking system create by the **Federal Reserve Act**. I cover this history in **Part One** of my book, and **Charles Lindbergh**, a bitter opponent of this dangerous fraud, had this to say:

*"**This is the strangest, most dangerous advantage ever placed in the hands of a special privilege class by any government that ever existed**. The system is private, conducted for the sole purpose of obtaining the greatest possible profits from the use of other people's money. When the President signs this act**, the invisible government by the money power, proven to exist by the Monetary Trust Investigation, will be legalized**. The new law will create inflation whenever the trusts want inflation. From now on, depressions will be scientifically created."*

- Rep. Charles A. Lindbergh, Sr. (1859 – 1924)

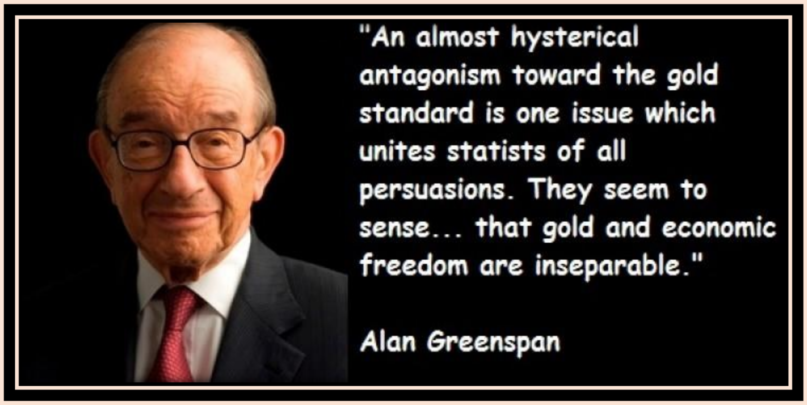
Sadly, looking back **100** years we can see how destructive the **Fed** has been and how far we have strayed from **real money** and the Constitutional mandate to "coin money" and have "gold and silver coin as a tender in payment of debts" (**Art. I, Sec. 1.8, 10**). A generation earlier, **Daniel Webster** (1782-1857) said, "Of all the contrivances for cheating the laboring classes of mankind, none has been more effective than that which deludes them with **paper money**." This cheating process is easily told in this instructive **42-minute video clip** from the **Von Mises Institute** entitled ***Money, Banking & the Fed***, and I encourage you to watch it carefully. This video has had over one million views on **YouTube**, and it is also featured on my business website at **IDP Consulting Group, LLC** to help educate new clients.

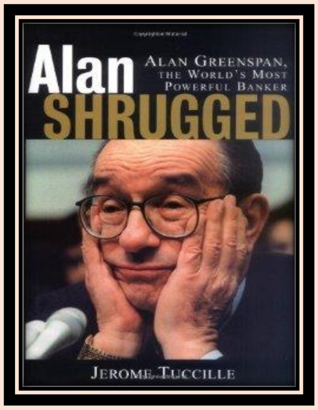
The Von Mises Institute: Money, Banking and the Fed

One of the stated goals of our central bank back in **1913** was to become a **Lender of Last Resort** to the federal government, and this, of course, has led to an increasingly larger Welfare State in the US as the size of government has grown to huge proportions. Amazingly, at one point in his early career, former **Fed Chair Greenspan** was a follower of **Libertarian Ayn Rand**, and he wrote an essay in **1966** that explained how a gold standard (**real money**) restricts the expansion of the Welfare State through inflation (**paper money**). The following is an excerpt that is also quoted in **my book** (p. 58):

Gold and Economic Freedom Essay

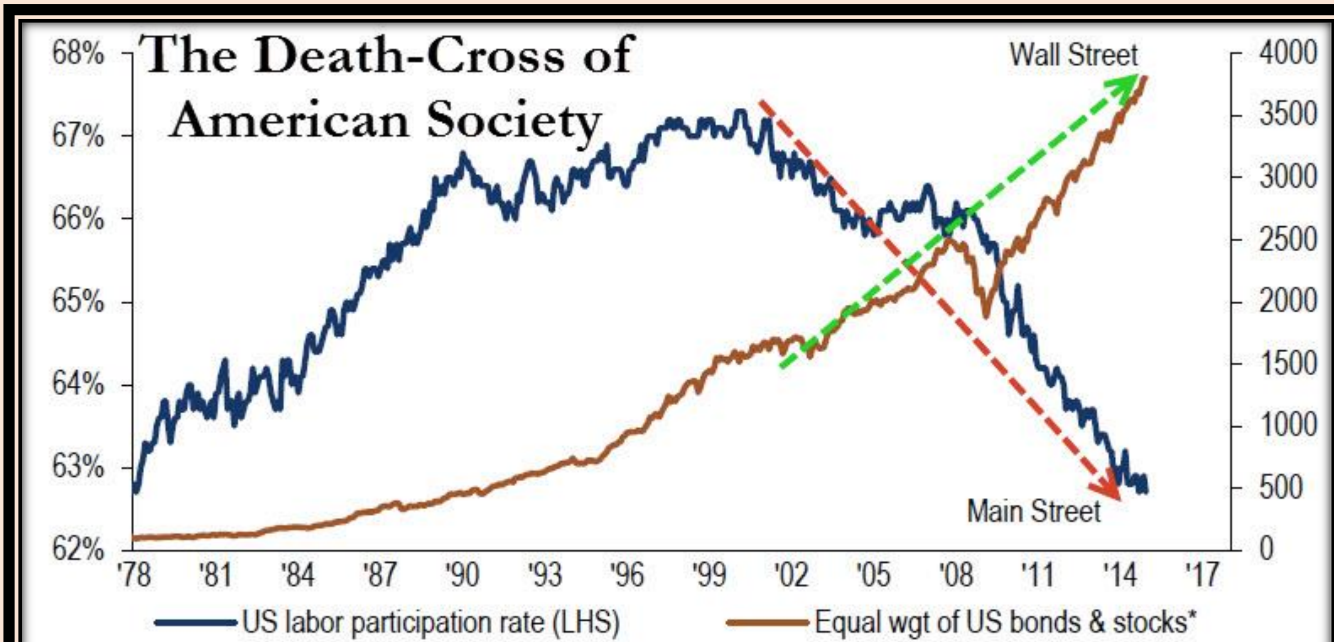
Essay by Alan Greenspan, 1966, http://www.constitution.org/mon/greenspan_gold.htm





*"Stripped of its academic jargon, the **Welfare State** is nothing more than a mechanism by which governments confiscate the wealth of the productive members of a society to support a wide variety of welfare schemes….**The abandonment of the gold standard** made it possible for the welfare statists to use the banking system as a means to an unlimited expansion of credit. They have created paper reserves in the form of **government bonds** which — **through a complex series of steps** — the banks accept in place of tangible assets….In the absence of the gold standard, there is no way to protect savings from **confiscation through inflation. There is no safe store of value….This is the shabby secret of the welfare statists' tirades against gold.** Deficit spending is simply a scheme for the confiscation of wealth. Gold stands in the way of this insidious process. It stands as a protector of property rights. **If one grasps this, one has no difficulty in understanding the statists' antagonism toward the gold standard**."* **Full Commentary on his Legacy Here: http://mises.org/library/mess-greenspan-leaves**

This essay helps understand the ***"antagonism"*** between **paper money/real money**, and the following **charts** revel the distortion and destruction of a central bank when it comes to **QE** and unemployment:

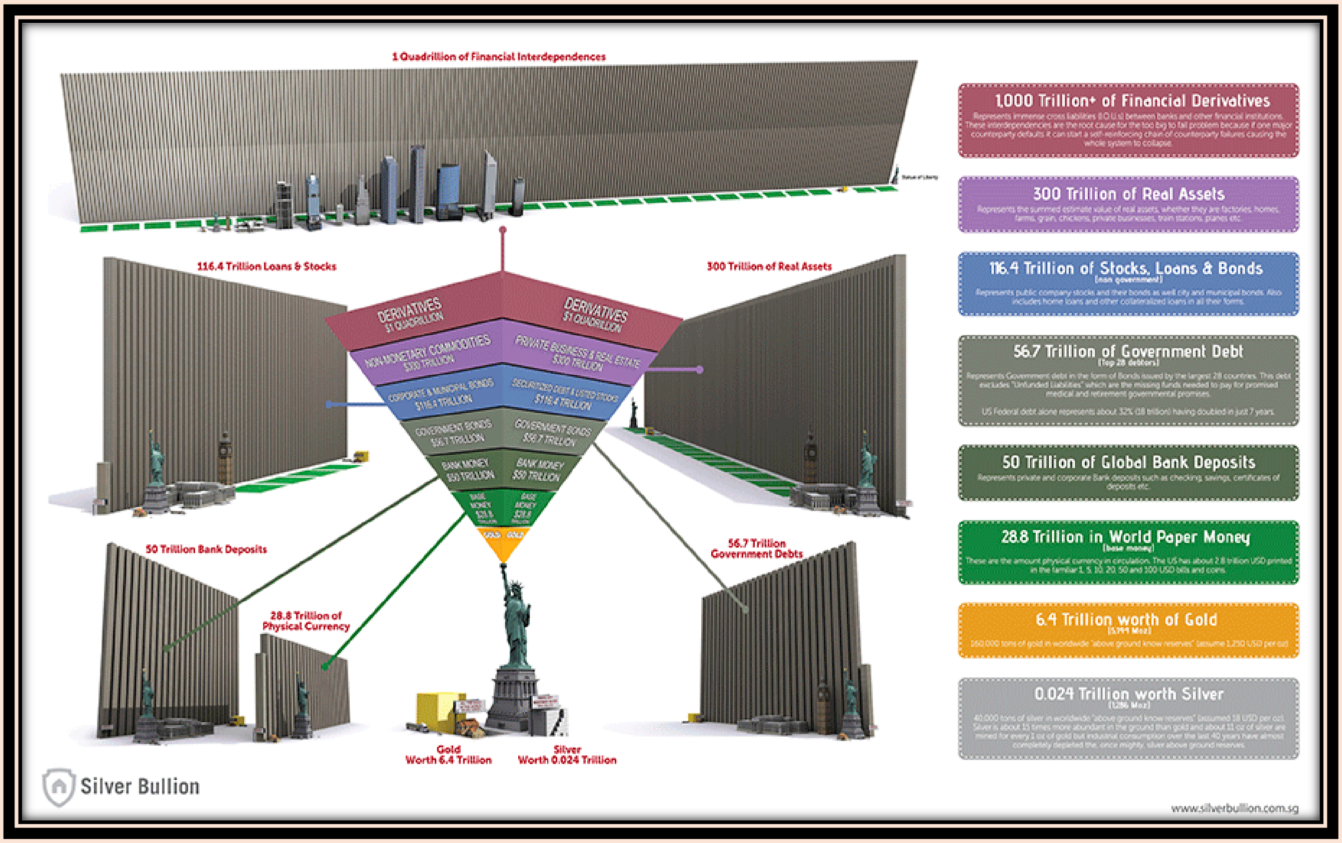


Note *: Equal weighted total return index of US equities (DJIA) and US government & corporate bonds (B0A0)

Source: BofA Merrill Lynch Global Investment Strategy, Bloomberg

EXPLANATION: During the Fed's bubble/burst economic paradigm since the late 1990s, growth of the equities and bonds markets and growth of the labor market have been inversely proportional.

You will notice from the **top chart** that in **2008** the Fed imposed a **zero-interest-rate-policy** (*ZIRP*) and started expanding the **Fed** balance sheet (buying US debt). You can also see that this has not helped boost global **GDP** (just the opposite), and labor participation has *dropped* at the same time that stocks and bonds have *gone up* as seen in the **lower chart** – a "death cross of American society" as **Wall Street** benefits and **Main Street** suffers. In this **chart below**, we can see the effects of all this money printing, and a ranking of asset classes compared to the sheer scarcity of gold and silver at the bottom of this inverse pyramid. As noted in the **McKinsey Report** since **2008**, global government debt has grown by **$75 trillion** and a global fiscal/monetary crisis is looming that has no historical precedent:



For a better look at **this chart** you can **[CLICK HERE](#).** Those are pallets of ***US dollars*** using the **Statue of Liberty** as a reference! Pretty amazing huh? The total combined "notional value" comes to **$1,558.32 *trillion***, and the *majority* of that is in unregulated **OTC derivatives**, of which a majority are **interest rate** sensitive - **http://demonocracy.info/infographics/usa/derivatives/bank_exposure.html**

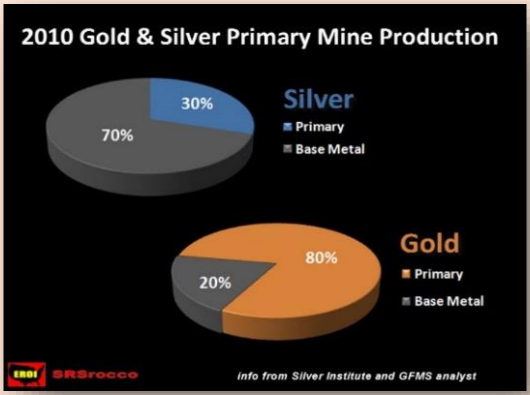
This is what happens in **a debt-based monetary system** that is divorced from gold and silver, and fiscal policy is directed by politicians who have an incentive to grow sovereign debt. As **Alan Greenspan** said, the government does this "through a complex series of steps," but the simple truth is that **paper money** is *not* **real money**. As **J. P. Morgan** once said, "Gold and silver is money; everything else is credit." Credit is debt using fiat currency at the base and this eventually creates a **graphic image** like the one seen above. And as **Voltaire** further observed, "All fiat currency eventually returns to its intrinsic value of – ***zero*.**" All the more reason to audit the **Fed** as was recently passed in Congress in **2017**:

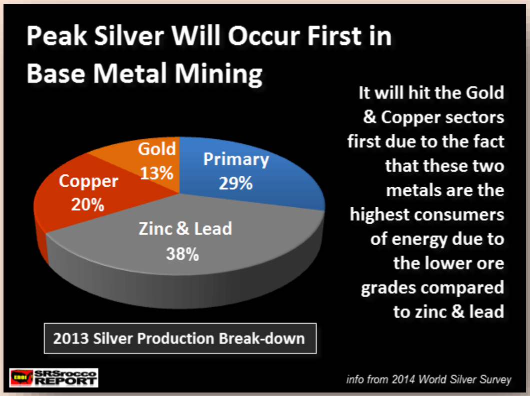
Federal Reserve Transparency Act of 2017 (HR24)

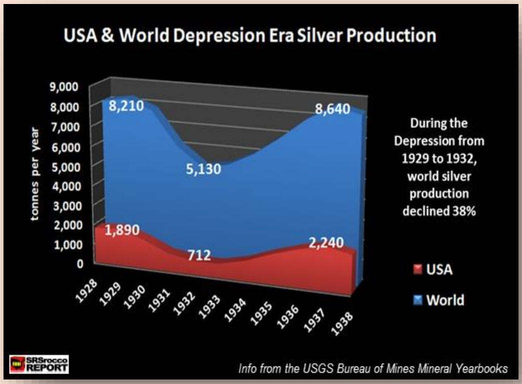
Supply & Demand Fundamentals for Metals

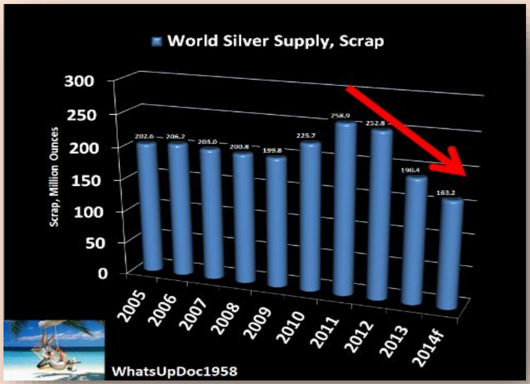
Now we come to the important discussion of **market fundamentals** for gold and silver, and the future outlook for both. By now, it is no secret in this industry that gold and silver prices have been severely disconnected from **genuine price discovery** on the major indexes. Why is this? As stated earlier, there is a battle raging between the banking forces of **paper money,** and their market-rigging schemes, and the advocates of **real money,** who are seeking to hedge themselves against inflation and perpetual central bank currency devaluations. This fraudulent distortion will likely continue until market demand simply exceeds supply; and analysts are then predicting *thousands* for **gold,** and literally *hundreds* for **silver**.

In **2016**, the annual production of gold was **32 tons** and silver production was **27,000** tons, ***or a ratio of less than 9:1***. Many contend that the gold supply and demand is in balance, but the silver demand has been exceeding supply for almost **50 years**. Approximately **70%** of global silver production is a by-product of mining base metals like zinc, lead, copper and the more valuable gold sector. In contrast, only **20%** of global gold production is a result of mining other metals as **seen below**. According to the **World Silver Survey**, zinc and lead accounted for **38%** of by-product silver production with copper at **20%** and **13%** for gold, and this is bullish for silver. Why is this? In addition to scarcity at the margin, Steve St. Angelo has also argued that energy to produce base and precious metals will be impacted by the metric of 'Energy Return on Energy Invested' (*ERORI*), and you can learn more at **THIS LINK**.

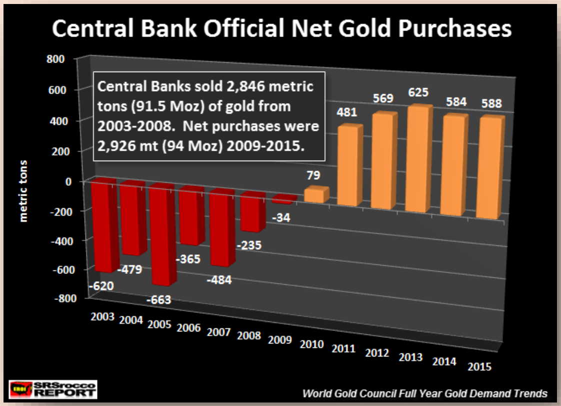


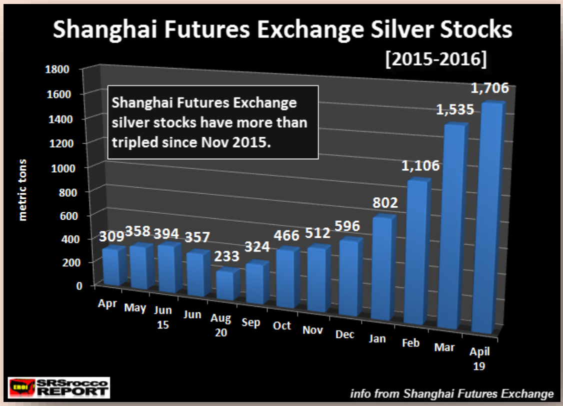






The **above charts** reveal some additional factors for silver when production slows and silver recycling is in decline. During the **Depression Era** from **1929** to **1932**, global silver production dropped by a full **38%** in direct response to an industrial slowdown using base metals like copper, zinc and lead. Copper production has been down in recent years and most analysts blame this on the global economic downturn, and especially in **China's** housing boom. Copper mining is a leading industrial commodity and this loss of production, and silver as a by-product, is a significant **silver supply issue**. Add to this is the fact that **silver scrap** is also in decline as households are selling-off **scrap silver** to raise cash in recent years.



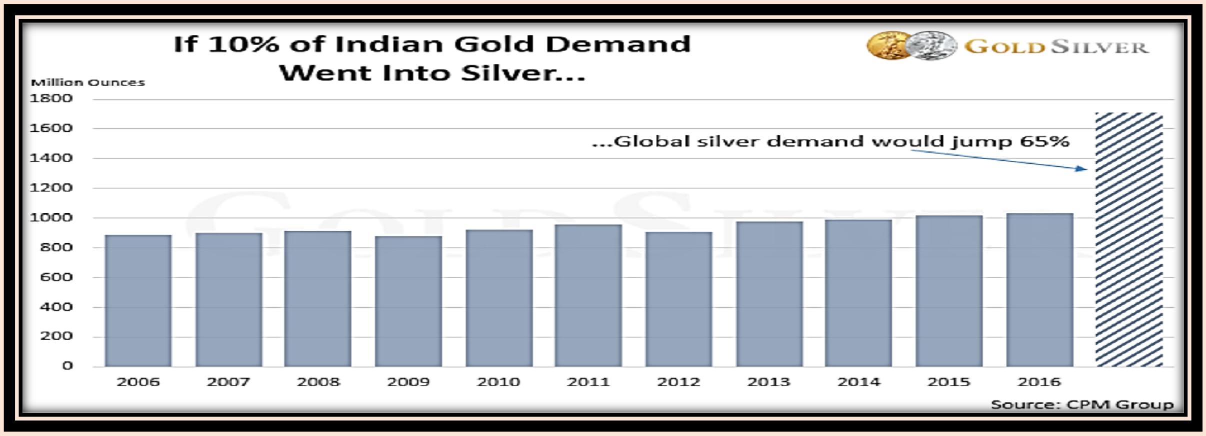


The demand for gold and silver has been at record highs since the **Dot.com Bubble in 2001**, and historic highs since the **Financial Crisis in 2008** – *a crisis which has never been fixed and is now only made **worse!*** According to the **World Gold Council**, global gold production was flat in **2016** with a **2%** rise in increased demand for the yellow metal. As **seen above**, central banks have become ***net buyers*** of gold as of **2010** (a 50-year high), and this trend continues as sovereign nations purchase and repatriate their gold from **NY** and **London.** **China** has become the world's largest producer of gold and they are also importing more gold than any other nation. Their official reserves in **2017** are reported to be **1,842** tons of gold (compared to **8,133** tons in the US), but this figure is ***grossly understated***. Precious metals analysts estimate that China could have as much as ***20,000** tons or more!* China has also been steadily increasing their **silver holdings** and their physical inventories, as indicated in **the above chart**.

So why is **China** buying (and producing) so much **gold**? The folks at gata.org have the answer, and the answer is **geopolitical** as well as **economic**. As gold and silver were approaching new highs in **April of 2011**, Western bankers smashed the price index through market manipulation. This happened again in **April 2013** as the new Chinese President **Xi Jinping** took office in **March 2013**. Was this a mere coincidence? **No**. It appears Beijing and DC have a "secret agreement" to allow China to keep buying **gold** (and silver) at *current artificially low prices* from Western sources in **NY** and **London**.   Reporting in late **2013**, **GATA** provided THIS DISPATCH, and here is the **relevant quote** for your consideration:

> *"**China and the United States** have great leverage over the other. Each knows what the other wants. The United States wants to devalue the dollar gradually and gracefully to reduce its debt burden and improve its trade balance**. Understanding the U.S. objective of gradual dollar devaluation, China wants to hedge its insane dollar exposure and is doing so by acquiring gold and other hard assets around the world.** Each side could blow up the other at any time -- China by dumping U.S. debt instruments and buying gold abruptly, the United States by devaluing abruptly**. So, the two governments probably are talking to each other in detail every day and acting cooperatively in the markets in pursuit of their objectives, which really are not so contradictory**."*

China is not only hedging against risky **US** assets, they are also striving to become the **new benchmark** for pricing gold and silver that has been dominated by the **West**. The **Shanghai Gold Exchange** (**SGE**) was organized by the People's Bank of China ten years ago and in **April 2016** they launched a new yuan-denominated physical contract for **gold** as a direct challenge to the **London Bullion Market Association** (**LBMA**) and the **London Gold Fixing scheme**. This is highly significant, and only appropriate as the world's largest consumer of precious metals. Both **China** and **India** account for **45%** of global gold demand compared to *a mere* ***7%*** in the **US**. **India** imports **700 tons** of gold each year **($25 billion**) and this huge demand has caused a trade deficit for the Indian government. In an effort to *curb gold demand* the government imposes a **tariff on gold,** and late last year they officially banned large **500 and 1,000** rupee notes to discourage the gold trade and promote a **cashless society**. It has been reported that this action was encouraged by sources in the **West** to prevent inevitable **physical gold delivery defaults**.



It is estimated that 80% of the Indian people own gold for a *whopping 20,000 tons!* This effort to curb gold demand in **India** has now resulted in record demand for **silver**! If just **10%** of the Indian gold demand goes into **silver** the global demand for **silver** will jump by **65%** - *another bullish indicator!*

Remember that the **silver market** is relatively small, and I encourage you to watch this very short and graphic clip by **Chris Martenson** on just *how small* the silver market is at **THIS LINK**. **Silver** is more scarce than gold, and a normal **silver to gold ratio** is **16:1**, and not the **72:1** as we see today. The price indexing for gold and silver is being suppressed by bankers in the **West** through the futures exchanges (**CME, COMEX, LME**). Traders are writing **300+ paper derivative contracts** against every physical ***ounce*** of silver and gold, ***and this cannot continue***. At some point there will be **physical delivery defaults** as I have written about in my past newsletters due to the increased demand for gold, and silver.

How to Invest in Physical Precious Metals

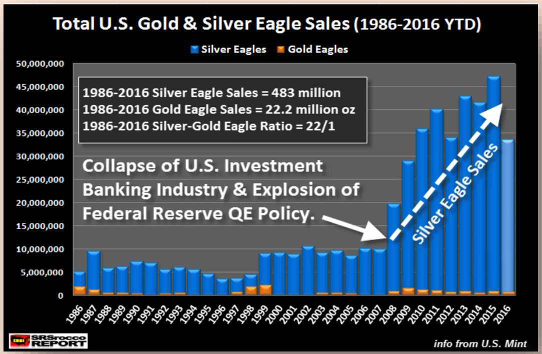
Protecting and Preserving Wealth in a Time of Uncertainty

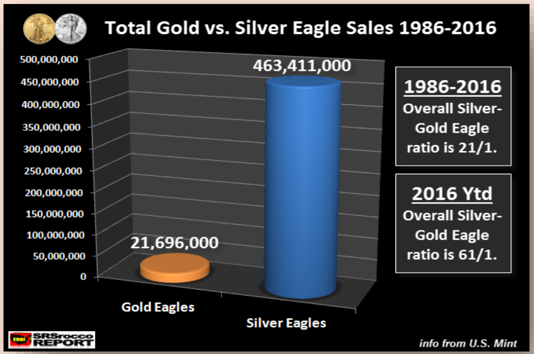
Gold and silver have stood the test of time as a reliable and safe store of value for personal wealth and real money. **Precious metals** are an excellent way to hedge against risky capital markets and also provides a low-profile asset for enhanced financial privacy. I am often asked how much a person should diversify into precious metals, and the answer depends on each individual's personal situation. If a person is able I would recommend **30-50%** of your liquid assets with the majority of that into pure silver bullion. ***Why silver?*** As noted so far in this ***Special Report***, demand has exceeded supply for the past **50 years**, it is a by-product of base metal mining and benefits during ***deflation or inflation***, and currently there is only **$24** billion available on global markets for **silver investors**.

Silver "rounds" are a practical way to invest in pure silver and have low premiums over spot price. The popular Sunshine and Buffalo rounds are .999 pure and come in rolls of 20, with 500 ounces per box.

American Silver Eagles (.999) and Canadian Silver Maple Leafs (.9999) are available in rolls of 20 and 25 respectively. These are offered at competitive prices and ship within two weeks of payment to **IDP**.

American Silver Eagles were first introduced in **1986.** The US Mint has now sold more Silver Eagles in the past nine years than the previous 20 years – beginning with the **Financial Crisis of 2008**, of course.

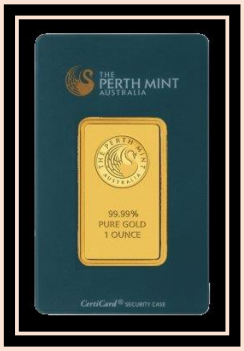




It should be further noted that American Silver Eagle sales are far outpacing American Gold Eagles sales from the **US Mint as seen above**. It is now a **61:1** ratio of investor demand for **silver** and this trend is likely to continue as both silver and gold bullion are trading near the cost of mining production.

Due to its relative scarcity, beauty, unique physical properties and enduring value **gold** has been prized by nations, central banks, individuals and smart investors throughout history. Gold represents a larger store of wealth than silver and is available in different bar and coin weights to be added to any portfolio.

American Gold Eagle coins are .999 pure, and come in one ounce and smaller fractional coins. The Canadian Gold Maple Leaf is .9999 pure (24 carat), and also comes in one ounce and fractional amounts.



Sunshine Mint and Perth Mint gold bars have low premiums over spot price in contrast to popular gold coins, and especially the rare, collectible numismatic and semi-numismatic coins that are overly promoted by the **Gold Dealers** (as seen on **TV**). With *huge mark-ups*, these coins should be avoided.

Numismatic coins are usually older US and European coins that are certified in various grades of mint condition and rarity. These gold coins are highly favored by the **Gold Dealers** since they are hard to price or compare in the marketplace, and have premiums of ***30-40% and higher*** (to help pay for their national **TV ads** and slick promotional literature). Apart from these *obscene commissions*, the **Gold Dealer's** rationale for acquiring collectible gold coins is to avoid any future government "confiscation" of gold from American citizens. This is based on actions taken by **FDR** back in **1933** during his first **100** days of taking office when he "banned" private ownership of gold coins. The Executive Order specifically exempted "gold coins having a recognized value to collectors of rare and unusual coins" and this old ruling is now used by the **Gold Dealers** to sell **pre-1933 gold coins** like the St. Gaudens (above), Liberty and other rare and semi-rare coins (including silver). In addition, the **Gold Dealers** stress that coins with a premium of "**15%** or higher" are considered collectible coins, and thus exempt from the dreaded confiscation that is coming. This arbitrary figure has no legal precedent, but is used to provide an easy profit margin for the **Gold Dealers** who acordingly mark up their inventory *higher than **15%**!*

So why did **FDR** call in the gold? In the early days of the **Fed** the original **Federal Reserve Notes** had a **40%** gold-backing and this was restricting monetary expansion during the Great Depression. In other words, a nominal gold standard was standing in the way of **FDR's New Deal** to expand the **Welfare State**. Sound familiar? At that time, gold was **$20.67** an ounce and **FDR** later raised the price of gold to **$35** an ounce for a **70%** increase in the money supply – *an early version of **QE!*** Privacy expert **Mark Nestmann** asserts that the fear of confiscation today is ***over-blown*** as also noted in my book (p. 292):

> *"**There remains legal authority for a future forced sale or confiscation of precious metals, but the government's need for gold and silver is mush lower than it was in 1933. Roosevelt's emergency order was issued when gold and silver coins still circulated as currency**, the U.S. dollar was backed by gold, and both individual citizens and foreign central banks could exchange U.S. dollars for gold. **Today, none of these conditions exist. In addition, relatively few Americans own precious metals**."*

So there you have it. And on top of this, **Milton Friedman** documents that **78%** of the American people *did not* comply with this **Executive Order** in **1933**, which means that **13.9** million ounces remained in the hands of the American people despite heavy fines and imprisonment! Further, gold coins were not "confiscated" in the sense of ***a robbery***. Gold coins were ***"nationalized"*** and **22%** of the American people were compensated at $20.67 an ounce. And even further, **The Bullion Act of 1985** determined that even the newly minted American Gold Eagle bullion coins fall into the 'numismatic category' since they sell for more than the arbitrary **$50 face value** – *so much for bullion confiscation!* **Mark Nestmann** has more to say on this at **this link**: http://www.silverbearcafe.com/private/2.08/handsoff.html

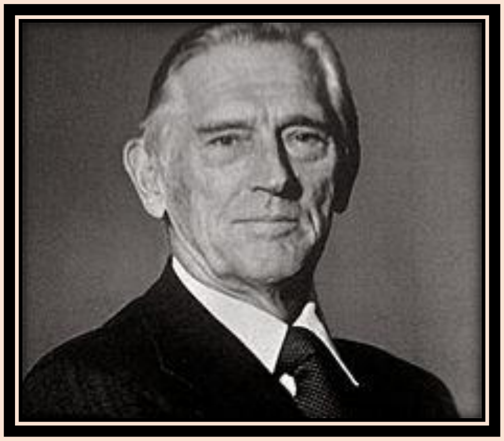
Why Confiscation of Gold and Silver Coins Will Not Happen

By Greg Hunter, April 9, 2012, www.usawatchdog.com

People ask me on a consistent basis if I think the government will confiscate their gold and silver coins if times get rough. I feel there is little chance of this happening, and here's why. Gold and silver coins are predominantly held by the wealthy (especially gold). The wealthy are not going to allow the government they support with campaign money to take their gold. It is just not going to happen. …Another reason I think the government is not going to confiscate gold and silver coins is state governments are legalizing their use as money. South Carolina [and AZ] is the latest state to approve legislation (after Utah), and at least 12 other states are proposing the same thing. …The trend is moving towards **gold and silver** coming back into the monetary system, not outlawing it. Now, if you asked me if the government would nationalize gold or silver mines in the continental U.S. or Alaska, I say that is a possibility. I also think the U.S. government could confiscate foreign gold holdings on deposit at the **New York Federal Reserve Bank**, which are roughly **8,000 tons**. This is the low hanging fruit. So, I think confiscation of gold and silver coins here in the US are unlikely**.** **[End of excerpt]**

Full Article & 14 Minute Video Clip by Chris Duane:
http://usawatchdog.com/confiscation-of-gold-and-silver-coins-will-not-happen/

You can check out the previous article by **Greg Hunter** at this **link above** that also includes an insightful **video clip** on the topic of "confiscation" that is ***shamelessly exploited*** by the **Gold Dealers** who prey upon the novice and unsuspecting public. Mentioned in this clip is the fact that **gold coins** represent less than **1%** of today's wealth and it is easier to nationalize mining companies, Exchange Traded Funds or gold coins held at the **23** Primary Dealers of the US Mint. Wealth confiscation is more insidious through inflation by the **Fed**, and outright theft of bank deposits are more likely with bank bail-ins looming (more on this is a moment). Further, since the **US dollar** is not on a gold standard, unlimited **QE** is no problem today, as we are all witnessing. And finally, not only did **78%** *not comply* with this **EO**, historians note that ***only one (1) person*** was ever prosecuted by this **EO** – a **Mr. Frederick B. Campbell** on **September 27, 1933** who tried to sue Chase National for refusing to return his gold on deposit (look it up!).



Exter's Pyramid is named after economist **John Exter** who weighted risky assets similar to the **graphic image** we saw earlier. Coming down to **paper money** this is a reference to all bank deposits and paper assets priced in dollars, and this would include retirement assets that I will cover soon. The reference to **gold** here should be pure gold for reasons already mentioned. *The only thing more rare than a rare coin is a buyer!* **Silver**, of course, should be mentioned here also. Because gold and silver represent **low risk** they do not pay a yield, dividend or interest. **Their value is intrinsic**. As **Will Rogers** once said, "I am more concerned about the *return of my money*, than the *return on my money*." The production of **gold and silver** has historically been about **9:1** (as it still is today), and has been priced accordingly. But as I mentioned earlier, the current silver/gold ratio of **72:1** suggests that **silver** is a greater value than gold.

Physical Storage of Your Precious Metals

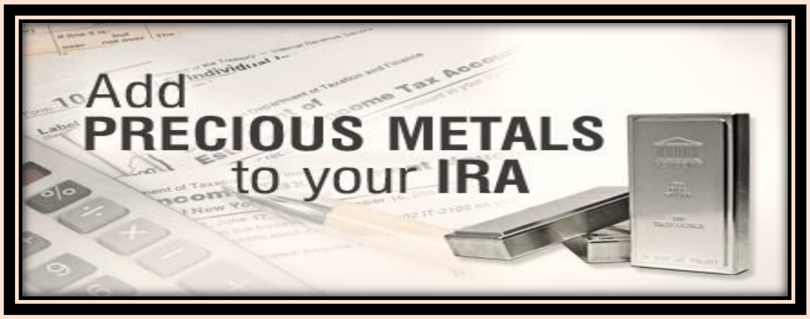
Safe Ways to Protect Your Gold and Silver Bullion Holdings

M**etals storage and safety** is an important consideration for every investor, and individual needs can very. For most, securing precious metals is as simple as a good safe or gun safe within the home, and for others **commercial storage** is an option. A safety deposit box within the banking system is not advised since they are not covered by **FDIC** and subject to bank holidays. If you take delivery of precious metals, retain the original packaging and paperwork *and remain discreet*. Around the house, you can hide valuables behind baseboards, walls, paneling, ventilation vents, electrical outlets, even in houseplants or **PVC** pipe in your backyard. To guard against fire damage you might consider a small **Sentry Safe** available at Walmart or hardware stores. For the ultimate safety you can purchase a new or used gun safe or create a hidden floor safe. For a full line of excellent safes you can go to www.amsecusa.com or www.libertysafe.com to make a smart selection. You can also order the book ***How to Hide Anything*** by **Michael Conner** for some helpful ideas. When considering home storage remember to tell a trusted friend and include this information in your will or estate plan.

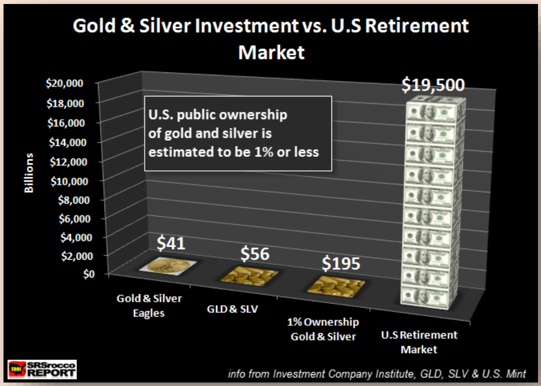
For some investors, a **physical depository account** at a commercial storage facility is a more practical alternative to secure precious metals. This is especially true for large acquisitions of bulk metals like silver. **IDP** uses the custodial services of **Dakota Depository Company** located in Fargo, North Dakota. **DDC** is the largest precious metals depository in the upper Midwest and is a full-service depository and logistics firm that offers security for allocated and segregated accounts for a nominal annual fee. All accounts are protected with an armed staff, state-of-the-art military grade vaults, layers of redundant video/audio surveillance and fully insured by Lloyd's of London. **DDC** does not commingle customer assets and all accounts are separate from the firm's balance sheet. In addition, **DDC** offers private safe deposit box storage to physically store valuables. These rental boxes are uninsured and account holders must be present to access their contents. **IDP** also has a commercial account with **Delaware Depository Service Company** located in Wilmington, Delaware to provide segregated and non-segregated custodial accounts for clients. **DDSC** is a nationally recognized leader that provides an array of corporate and individual account administrative services for precious metals investors, large financial institutions and IRA service companies. All bullion products are safely secured in state-of-the art facilities that are fully insured and bonded for a nominal fee and clients receive a semi-annual statement for their accounts.

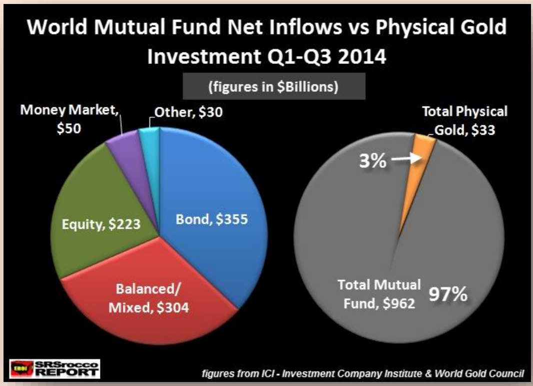
Converting into a Precious Metals IRA Account

Penalty-Free, Tax-free Capital Gains and Peace of Mind



Individual retirement accounts converted into a **Precious Metals IRA** represents both a tangible and strategic alternative for existing IRA accounts and qualified plans. A transfer or rollover is a penalty-free transaction and can provide for significant **tax-deferred gains** with low annual fees. There are several good reasons for transferring all, or a portion, of your retirement funds into a **Precious Metals IRA**, and chief among them is the low-risk correlation to conventional capital markets that are being pushed into a bubble as the **Fed** keeps expanding its balance sheet and distorting the marketplace. As illustrated in **these two charts**, *very few Americans* have gold or silver in their retirement accounts (*less than **1%***). According to the **Investment Company Institute** (www.ici.org), there is $9.8 trillion in 401(k)s, $7.3 trillion in **IRAs**, $5.1 in government funds and $2 trillion in annuities for a total of **$24.2 trillion** in the US retirement market. Half of these **IRAs** are invested in mutual funds which are allocated in dollar-denominated paper assets compared to ***only 3%*** allocated into **physical gold (or silver).**





This enormous disconnect in the **retirement-investment complex** is due to some restrictions, but mostly due to the extreme "antagonism" on **Wall Street** that is downright negative toward **precious metals** in general. This is similar to the *implicit moral hazard* leading up to the **Financial Crisis of 2008** when all market participants were driven by "irrational exuberance", along with their financial advisers who were compensated in the **paper market casinos** that they perpetuate. Do you think those brokers really cared about the investors? It is truly a ***rare adviser*** that will recommend **precious metals** in a portfolio – and I don't mean a gold or silver Exchange Traded Fund (**ETF**), mutual fund, stock, margin account or other **paper assets** denominated in dollars – but physical delivery, storage or funding of retirement accounts in **hard precious metals** that have intrinsic value, no counterparty risk and provide ultimate safety!

A **Precious Metals IRA** offers a flexible and profitable alternative during uncertain economic times. By diversifying your retirement funds or qualified pension plans into precious metals you can participate in an historic opportunity in this asset class, and also achieve a higher level of safety, peace of mind and liquidity. A **Precious Metals IRA** is a "self-directed" investment in which you have complete control to change or redirect the assets in your **IRA** account. Unlike traditional paper-asset based **IRA** strategies which are under the direction of nameless, faceless fund managers, you have full knowledge and control of your **IRA** account. Precious metals are also easy to track on a regular basis, and you are assisted in selecting the appropriate metals to place into your **IRA** account for safekeeping, like the coins and bars shown earlier. Most employer pension and profit sharing plans, 401(k), 403(b), 457(b), SEP 408(k), SIMPLE IRA 408(p), Keogh, ROTH and traditional IRA's can be converted to a **Precious Metals IRA**.

EQUITY
INSTITUTIONAL℠

IDP Consulting Group, LLC uses the custodial services of **Equity Institutional**, a division of Equity Trust Company, located in Westlake, Ohio (www.equityinstitutional.com). Your **Precious Metals IRA** is professionally administered by this third-party trust company, and they are fully licensed and regulated by federal and state agencies. There is a set-up fee of **$50** and annual custodial fee of **$80**. Each account holder is provided with a comprehensive quarterly statement and easy online access to their **IRA** account.

Additionally, all precious metals in your **IRA** account are securely stored in an insured, physically segregated account at **Delaware Depository Service Company (DDSC)**, a New York Mercantile Exchange approved depository located in Wilmington, Delaware. **Equity Institutional** has a "Master Account" with **DDSC** and can offer a low annual storage fee of only **$150** for each **IRA** account holder. **IRA** accounts are limited to only pure bullion products with purity of .999 and higher with recognized hallmarks from Johnson Mathey, Englehard, Credit Suisse, Perth Mint, Sunshine Minting, Golden State Mint, Royal Canadian, US Mint and other ISO 9000 approved manufacturers. At **IDP** we assist in the purchase, registered delivery and storage of all metals for your **Precious Metals IRA** account. This final transaction is promptly handled upon completion of your **IRA** transfer request or rollover to **Equity Institutional**, and you are provided with an order confirmation and invoice folder for your records.

Clients can liquidate their **IRA** accounts and receive a partial or full cash distribution, transfer their **IRA** to another **IRA** account or take physical possession of their precious metals (federal and state taxes are applicable). All distributions, or deliveries, prior to **59½** include an early withdrawal penalty and all distributions are taxed as ordinary income in your tax bracket. All **Precious Metals IRA** accounts are *not* subject to normal capital gain tax of **28%**, or potential windfall profit tax, by the **IRS**. In most states **IRA** accounts are also protected from judgments and creditors depending on personal circumstances.

As a full-service depository, **DDSC** is federally regulated by the Commodity Futures Trade Commission, licensed with the state of Delaware and registered with the National Futures Association. **DDSC** is also an approved depository for the New York Commodity Exchange, the New York Mercantile Exchange, and the Chicago Board of Trade. The managing principals of **DDSC** and its parent company are highly respected and have combined experience of over **200** years in the precious metals and commodities trading industry (www.delawaredepository.com). In addition, as a fully independent depository, **DDSC** is not subject to normal banking industry restrictions imposed by the **FDIC** or **Federal Reserve**.

A final consideration with a **Precious Metals IRA** is the concern of confiscation, or nationalization, of 401(k) and **IRA** accounts by the federal government. This is similar to concerns about **gold**. ***Is this a likely event?*** We don't think so and privacy expert **Mark Nestmann** weighs in on this again at this link:

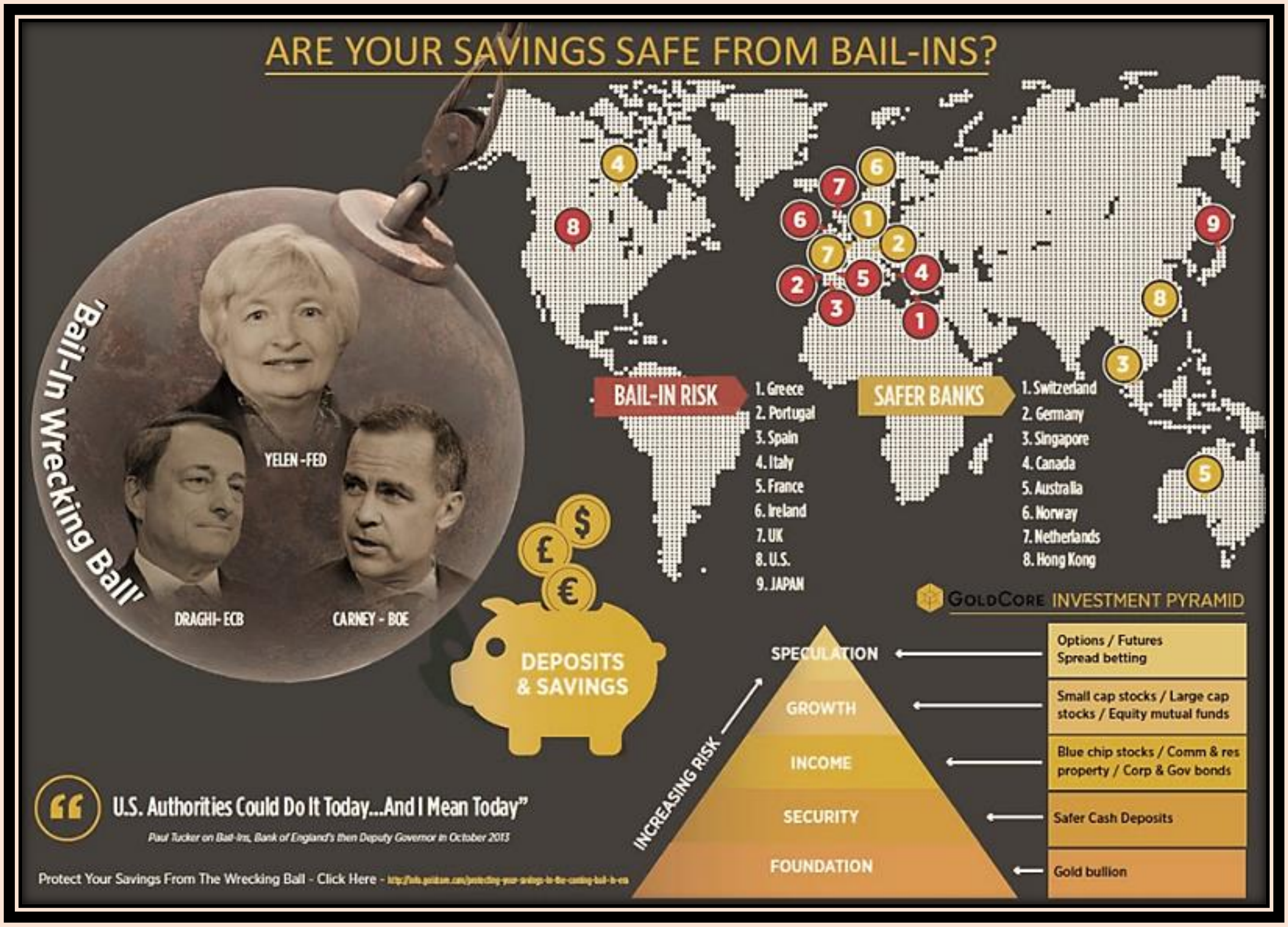
Mark Nestmann: Why IRA Confiscation Will Not Happen

With **63 million investors** in these plans the political consequences would be more devastating than defaulting on **Social Security** benefits, *which is far more likely to occur!* A proposal like this would also take a legislative act similar to the **Employee Retirement Income Security Act of 1974** (**ERISA**). Further, any move in this direction would telegraph to the world that we acting like a Third World nation and our bond market would implode. In 2008, **Argentina** nationalized $30 billion in pension funds. In late 2010, **Hungary** passed pension reform to access $14 billion and **Bulgaria** adopted a similar measure to obtain $300 million. More recently, **Poland** has transferred 30% of future contributions to the state-run Social Security System. **Ireland** has adopted a plan to expropriate $2.5 billion from the National Pension Reserve Fund for government expenses, and **Spain** has been dipping into the Social Security Reserve Fund to purchase Spanish bonds. Finally **Greece** says it wants to "borrow" some funds as well. There has been some talk at the **US Department of Labor** division of Employee Benefits Security Administration regarding the so-called 'Government Retirement Account' proposal by progressive Leftist **Theresa Ghilarducci** of the New School for Social Research. This is also known as a **MyRA Account** that is ***100%*** invested in **US bonds** – not a good idea. As a service to **Precious Metals IRAs** managed by **IDP** we also offer a ***strategic alliance*** with **Meixler Investment Management, Ltd** to rollover or transfer accounts when market timing and/or conditions deem necessary. For a courtesy consultation regarding our **IRA** strategy, or **physical storage services** please contact our **office below**.

Are Your Savings Safe from Bank Bail-Ins?

Lessons and Warnings from the Cypriot Banking Crisis of 2012-2013

Another area of risk that deserves brief comment is the fractional reserve banking system in the **US** that is proposing ***bank bail-ins*** similar to events in **Cyprus** when their bonds fell to junk status. Cyprus banks imposed a 'bank deposit levy' of **40%** on accounts below €100,000 euros and **60%** above this amount. **Can this happen here?** You bet! The **Dodd-Frank Reform Act of 2010** (Section 716) states that tax-payers will not be liable for Credit Default Swap (**CDS**) derivatives of large **US** banks. "Rather than relying on public funds to bail-out one of these institutions," said **Robert Young**, Director at **Moody's**, "we expect that bank (unsecured) creditors will be bailed-in and thereby shoulder much of the burden to help recapitalize a failing bank." **That's clear enough isn't it?** Here is **a chart** of the bail-in risk today:



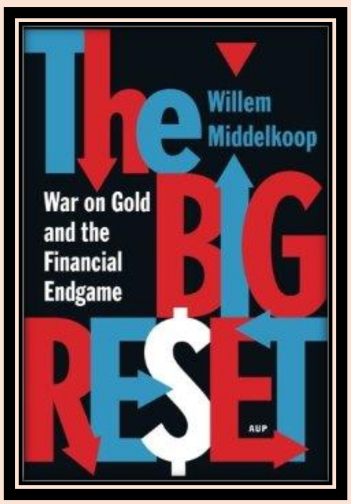
It should be noted in an 18-page ***Joint Report by the FDIC and the Bank of England*** (Dec. 10, 2010) that they *coached* **Cyprus** regulators how to "impose losses on shareholders and unsecured creditors and not on taxpayers" (Section 64). You can do a **Google** search to read this yourself. Keep in mind that the **FDIC** only has ***$25 billion*** in assets to cover ***$9.3 trillion*** in **US** deposits! If you are a bank depositor, you are considered an "unsecured creditor" of that bank. All the more reason to lower your exposure to **paper money** in the system and protect yourself with **real money** as indicated in this **pyramid above**. **Gresham's Law** states that "good money drives out bad money" and this means that smart investors are diversifying into precious metals and *away* from the "wrecking ball" of **fiat currencies** in their banks.

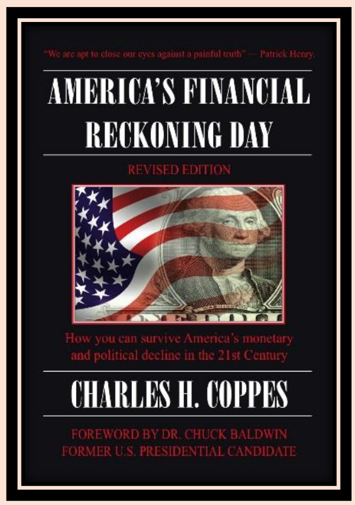
Finally, an important dynamic that relates to the **precious metals complex** is the traditional "inverse relationship" that the **US Dollar Index** has with commodity prices in general, and **gold and silver** in particular. This active interplay between the alleged "strength" of the **US** dollar and "weakness" in the commodity sector is cause for *confusion and vexation* among precious metals investors. The role of the **US dollar** as the reserve currency is the **main culprit** as shared by commodity expert **Chuck Kowalski**:

How the USD Index Impacts Commodity Prices

***By Commodity Expert Chuck Kowalski, September 10, 2016,* www.thebalance.com**

Commodities typically follow an inverse relationship with the value of the dollar. When the dollar strengthens against other major currencies, the prices of commodities typically drop. When the value of the dollar weakens against other major currencies, the prices of commodities generally move higher. You can see from the **chart below** how this inverse relationship works. The **green line** represents the price of the **US Dollar Index**, which is the value of the dollar against a basket of other major currencies. The **gold line** is the **CRB Index**. This is an index of a group of diversified commodity prices. As the dollar moves lower, commodities generally move higher. The opposite happens as the dollar moves higher. It is not a perfect correlation, but it is fairly close. There are many reasons why the value of the dollar has an impact on commodity prices. ***The main one is that [all] commodities are priced in US dollars. When the value of the dollar drops, it takes more dollars to buy commodities*.** **[**emphasis added**]**





The dollar is the **benchmark** for important commodities, and someday this privilege will end when the **US** faces a **financial reckoning day** as I have outlined in my book. **Willem Middelkoop** calls this ***The Big Reset*** and this also has a direct relationship to the "war on gold" (and silver) by the financial elites.

The Commodity Research Bureau (CRB) Index comprises crude oil, unleaded gas, heating oil, natural gas, gold, silver, copper, nickel, aluminum, coffee, cocoa, orange juice, sugar, soybeans, corn, wheat, cotton, hogs and cattle. Lower crude oil has been influenced by dollar strength. Current weakness in gold (and silver) can also be seen. Conversely, the **US Dollar Index** is mostly paired against the **Euro** (by **58%**), so gold is *down **3%*** in the US, and *up **10%*** in Europe! As noted, the correlation between the dollar and metals is not always in sync, but these **two indexes** are fairly constant and investors need to be aware. So forget near-term pressure on prices, **and keep a long-term perspective on metals**.

So is **dollar strength** a good thing? Not necessarily. **Fed** officials give the impression that currency appreciation is a *positive* for the economy, but it has a *negative* impact on a nation's **exports** to other countries *who pay less* for domestic goods. **Trump's** victory in **2016** has caused **US** dollar strength, and this has hurt corporate earnings for **US multinationals** like Coca Cola, IBM, Dupont, Ford, Intel, Boeing and Apple whose foreign earnings are now *worth less* when exchanged back into dollars (**1/3** of the **S&P 500**). Another concern is **China** removing its 20-year low peg (***6.89***) to the dollar due to the stress of dollar strength and losing its competitive edge – in the same way **the Swiss** had to remove their peg from a declining **Euro Index** in January **2015**. Uncertainty in the **Eurozone** is also causing a rise in the dollar as flight capital (hot money) flows to **US** financial markets; ***but this trend will not last forever***. It is a **major theme** in my book that the **Eurozone** will forge a new fiscal union and rebalance itself, while the **US** eventually collapses under the structural weight of an institutionalized warfare/welfare state and a global awareness *of* ***our uncreditworthiness*****.** Economist **Laurence Kotlikoff** recently spoke before a Senate Committee on Finance regarding our unfunded liabilities of ***over $200 trillion,*** and he concluded that Congress "does not have a clue" how bad things really are. In **THIS INTERVIEW** he related how **US bonds** could collapse "at any moment" with the result of bank failures and bank runs in the **US**.

"We are in danger of being overwhelmed with irredeemable paper, mere paper, representing not gold nor silver*; no sir, representing nothing but broken promises, bad faith, bankrupt corporations, cheated creditors* ***and a ruined people****."*

- Senator Daniel Webster, Speech in the Senate, 1833

In conclusion, these words by a previous Senator, sounds like the latest **McKinsey Report** on global debt. We are "being ***overwhelmed*** with irredeemable paper, mere paper, representing not gold nor silver" and many people are going to be ***ruined and cheated*** of their hard-earned paper money, savings and retirement accounts – and you don't have to be one of them! It doesn't take a mathematician to see that ***$500 trillion*** in global stocks, bonds, real estate and bank deposits will not fit into **$6.4 trillion** in gold and **$24 billion** in silver! If we can assist you with diversification in precious metals for physical delivery, physical storage or a **Precious Metals IRA** account please contact us by clicking our banners below, or call **1-855-860-6800** for an introductory free consultation. We also invite you to **sign-up for our free monthly newsletter** by submitting your name and email at **our website** for important market updates and briefing on current affairs in a very fast-changing world. **God bless** (Pro. 16:16)

Your Messenger, Charles H. Coppes**, President of IDP Consulting Group, LLC**