



[rhstruthers@gmail.com](mailto:rhstruthers@gmail.com)

519-374-9332

Know when to hold-em!  
Know when to fold-em!  
Know where to set stops!  
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### Doom and Gloom will Soon

Although I know of some great companies and stocks out there, it is best just to wait. Markets are going a lot lower and investors in the main indexes and techs won't have a recovery in their portfolios for **many many** years. Gold is being sold down too at times but the uptrend is still in place. We can expect a recovery in gold, gold stocks and junior miners this year and then off to new highs in a raging bull market. **We will soon have zero interest rates and massive QE.** The Fed announced they are pumping up to \$175B per day in the repo market up from \$150B. The Fed balance sheet is heading up again and will go at a faster pace now. The red arrow is where it's headed, but off the chart.



This crash will cause some investment bank failures and soon they will implement new rules in stock markets like 2008. **I hope the computers melt down and get discarded.**

It will be similar to the 2008 crash in some ways. All the liquidity and money creation will debase currencies, so gold and gold stocks will rally like they did in 2008 to 2011. In that period gold ran from \$700 to \$1900

over 3 years. This time after a possible pull back gold will run to a minimum \$4,000 to \$5,000 and it could go way higher. I expect this recession will be worse than 2008 and even much harder to recover from. **I don't like to be so pessimistic, but you can get a way with in a bear market. Nobody listens to you until after it happens.** I warned about this a month ago. [V26 #4.0 Corona Virus, Gold](#)

**Feb 12<sup>th</sup>** - *"So far the effects from the corona virus are being mostly ignored by the markets. There seems to be hope that this virus will be contained or maybe it is denial of economic damage it will, and could cause. .... The economic impact could be catastrophic. What if markets start to price in the worse. China and the world economies were already slowing ahead of this..... Slowing economies will results in more QE and a quicker move to zero interest rates. US stock markets are frothy at record levels and the balloon is seeking a pin."*

You can be certain fund managers and such are going to put gold back in their portfolios. I am not sure how far a pull back in gold we will get, probably somewhere between the two arrows that will put gold off the chart, \$1350 to \$1500.



In simple terms Covid19 will run its course and infect 30% to 70% of the population world wide. Everything is going to shut down for a while and this will cause a deep recession and a severe bear market. **There is no escaping it, there is no denying it.** Right now just look after your health and family, Try to obtain essential supplies if stores get shut down. It is already too late for this in a lot of cases as panic has already emptied a lot of shelves. Canned goods and dried goods like pasta, beans and rice will get you by if things go real bad. Don't worry about face masks and hand sanitizer, it will not help much. Keep healthy, eat well, get rest and frequent washing with hot water and soap is all you can really do.

Because we will end up in a bad recession most everything will crash. Real estate is another bubble seeking a pin. I warned about this bubble, last July. I have been anxiously waiting for the RLB Crane Index for year end 2019, but still not out. All I can find is this article that Toronto will soon pass Chicago as [the #2 city with the most skyscrapers.. Over half of Toronto condos are owned by investors and they are reliant on travel and tourism for rentals, and you know what's happening there.](#)

Real estate elsewhere will be negatively affected by the recession and high mortgage leverage. As always with real estate, different locations will suffer less than others. It has been a sellers market for many years where buyers bid up above asking prices. This will change abruptly to a buyers market. The first effect is that people will not even want to go out and look at homes, they will be staying where they are. Those who have to sell will lower prices and then the ball starts rolling down hill.

[The last real estate bubble](#) peaked in 2006 and declined into a bottom in 2012. I do not expect this decline to be as bad because lending requirements have been tightened since then, but the low mortgage rates has inspired high debt levels.

[This is a recent report from Stats Canada.](#) From 1999 to 2016, mortgage debt represented two-thirds of the overall increase in debt for Canadian families, while consumer debt made up the remainder. In recent years (2012 to 2016), **mortgage debt was responsible for 100% of the increase in total debt**. More recent, (March 2019) according to Bloomberg - *"Household debt in Canada, a nation generally known for moderation, has reached levels that could be qualified as excessive. Canadians owe \$2.16 trillion—which, as a share of gross domestic product, is the highest debt load in the Group of Seven economies. With the housing market cooling, a reckoning may be fast approaching."*

## 5G What it Means and to Heelo

I have received some questions about 5G and have seen many stock promotions, touting "This is the Best 5G stock". All of these are just sales pitches to try and sell you a report or newsletter or stock – all hype. In fact Heelo is the best 5G stock!!!!!!!!!!!!

5G is about improving the last mile, from the cell tower to your mobile phone. Mobile devices are restricted by the amount of data they can receive on their phones because of much slower speeds on cell networks and Wifi. 5G brings your mobile phone up to the performance you see on your desktop computer with cable and fibre.

5G wireless networks will provide nearly 100% network availability, less than 1 millisecond latency, 1,000 times the bandwidth and 10 gigabit-per-second (Gbps) speeds. 5G could potentially allow you to download a [two-hour movie in 3.6 seconds](#). The same task takes about six minutes on 4G. But the key benefits span far beyond speed — 5G allows for a massive increase in connected devices at lower latency.

*"Entirely new applications including virtual/augmented reality and autonomous vehicle management will require the speed and reliability promised by 5G."*

To elaborate in a working environment, the Heelo app sets a limit, which I believe is 10 images now, that it will send to your mobile device, so like 10 fast food or restaurant deals. You then have to scroll or click view more to see additional ads. This ensures the user experience is good so you are not waiting on the down load hour glass.

When 5G arrives, Heelo will not have that restriction. Furthermore, Heelo can do much more and is already positioned to do so while most don't even understand what is coming with 5G. Heelo could provide video instead of graphic ads. Heelo could create the virtual Wall mart greater

on your phone when you walk through the door (you will have to grab the cart but won't catch covid 19), or a video on a product you are looking at. It will disrupt the video screens you see in stores and the employees too. And there is much more. Heelo also has a 5G expert, Fadi on the front line.

Ignore the Fed, there is nothing they can do. Going to zero interest rates will do nothing in an economy already over leveraged. More QE keeps the financial system afloat, none of this solves the corona virus.