

PRIVATE INTELLIGENCE REPORT

**8 Critical Steps You Can
Take Now To Survive And
Thrive During The Coming
Global Financial Crisis**



BY DAVID MACGREGOR

Copyright 2010 - All Rights Reserved

IMPORTANT!

You Now Have Giveaway Rights To This Special Report

Spread The Word!

The information in this report is timely and critical, and could make a real difference to people's lives – people you care about – if they get the opportunity to read it. You can give them that opportunity.

By granting giveaway rights, you may freely distribute this report to anyone you wish, or offer it as a bonus on your website and blog. The choice is yours, and the goal is the spread the word.

The only restriction is that you cannot modify or alter this document in any way, without permission from the author.

Read it, Share it!

[Click Here To Share This Free Report With Your Twitter Followers](#)

Hot Tip: If you would like to learn how to make money by distributing this report, then be sure to read the [last page](#) for full details.

About The Author

My name is **David MacGregor**. I've been living and working "off the grid" since 1998 and have built an online business offering information on how to achieve freedom in an unfree world. As someone heavily influenced by the ideas of *Ayn Rand*, *Andrew Galambos* and *Harry Browne*, I have made it my mission in life to turn such freedom ideas into a **practical** outcomes – through the use of offshore and multi-jurisdiction strategies, which are known enigmatically as "PT".

The motivation to set out on this particular path arose from the ashes of my own personal financial crisis back in 1996, when I lost everything due to some bad business decisions. It was at that time I embarked on a completely new life goal, paid off all my debts, and began a new life as an "expat". Since then life has been full of challenges, adventures, opportunities, and more importantly, about coming to understand the geopolitical and economic tectonic shifts that are now underway.

Back in September 2003, I created a private online membership service for those seeking to achieve more practical freedom in their lives – based on the **Sovereign Individual** hypothesis. My membership service [SovereignLife](#) offers comprehensive information, resources and strategies, as well as a community of like-minded individuals, to anyone who is serious about maximising their personal and financial freedom.

Since 2008, I have written extensively on the emerging global financial crisis – what its origins are, what governments are doing to make the situation worse, and what is in store for us as we move forward. It's a serious situation and I believe it should be taken seriously. As a result of my research, I have identified **eight critical steps** that can and should be taken by anyone who wants to make it through the coming economic storm. By following these eight steps, or as many of them as you are able, you will not only be able to preserve your existing personal and financial status in life, but turn the crisis into an opportunity for financial advancement.

I spend my time in different countries and run my virtual consulting business entirely on the internet. It's the **global** reach of the internet that I find so exciting and revolutionary, as it opens up the channels of communication between individuals anywhere on earth - without the intrusion of "Big Brother" governments. It is my hope that this **introduction** to the emerging financial crisis, and the eight survival steps I disclose, will provide you with timely advice that can prevent a personal and financial disaster – and hope you will take my advice to heart and act accordingly.

If you find this report to be helpful, then I urge you to pass it on to those who matter to you – your family, friends and acquaintances. My goal is to get this report into as many hands as can benefit from it, and your assistance in this endeavour is most welcome. And, as per the notice on the previous page, I give you my express permission to **distribute** this report however you wish – for free or for profit. My only condition is that you don't alter any of the report's content, nor use any form of spamming to promote it.

Yours in freedom

David MacGregor
[SovereignLife.com](#)

*P.S. Make sure to read the **Step \$** at the end of this report to learn how you can use this publication to generate an additional "lifestyle insurance" income. It's powerful and it works.*

Table of Contents

| | | |
|----------------|---|-------------------------|
| Intro | What Financial Crisis? | Page 5 |
| Step 1 | Eliminate Debt as Fast as You Can | Page 7 |
| Step 2 | Build an Emergency Cash Fund | Page 8 |
| Step 3 | Get Out of The Stock & Bond Markets | Page 9 |
| Step 4 | Convert Your Cash Savings Into Gold | Page 10 |
| Step 5 | Open a Bank Account in Another Country | Page 11 |
| Step 6 | Protect Your Assets From Freeloaders | Page 12 |
| Step 7 | Invest For Profit in Future Trends | Page 13 |
| Step 8 | Generate a 2nd 'Lifestyle Insurance' Income | Page 15 |
| Step \$ | How to Profit From This Publication | Page 16 |

Intro

What Financial Crisis?

Since mid 2008 we have witnessed a global financial storm in the making. The first icy blast was the banking crisis brought on by the subprime mortgage debacle in the USA. This was caused by the twin developments of both easy mortgages at low interest rates, and the bundling of those mortgages into other highly-leveraged investment vehicles.

The housing bubble burst, leaving banks with what is now termed toxic assets - or bad loans. These bad loans had in turn been repackaged and on-sold as mortgage-backed securities - exacerbating the situation and causing a tipping point. At that stage the banking system itself was in danger of falling apart and the US and other governments stepped in to bail out these banks and other major financial institutions.

Because of the **global** nature of the economy, these toxic assets had found their way on to the books of overseas banks, therefore spreading the virus of impending bank failure around the world. And as result, governments everywhere embarked on ambitious bailout plans to salvage these banks and preserve the financial system. This, in turn, caused another problem to brew. With governments now holding billions, if not trillions, of dollar's worth of toxic assets, as well as the impact of huge borrowing to fund stimulus packages to their flagging economies, governments themselves became the weak link in the chain.

Iceland was the first shot over the bow. And, as of writing, Greece and Spain are in the crosshairs with other nations to follow – including the USA and the UK. Governments, now over-extended with debt, are finding it increasingly difficult to fund their respective debt issues - as the market perceives the increasing risk of sovereign debt default and pushes up interest rates.

The banking crisis has moved on to a **sovereign debt** crisis - as the second wave of this developing global financial crisis evolves. The essence of the sovereign debt crisis is this: various nations have borrowed heavily to stimulate their domestic economies in an attempt to reflate them. However, the banks aren't lending and the people aren't borrowing, so these attempts have failed. These nations are now saddled with unmanageable debt in an environment of rising bond issue costs. The "market vote" against such national indebtedness is now causing a surge in austerity budgets, as governments attempt to get their annual deficits and national debts under control.

The next phase in this drama will witness certain nations either defaulting on or restructuring their debts (i.e. a haircut for lenders), or falling victim to social chaos as citizens start rebelling against the austerity measures that have been put in place. Either way, it's not a pretty picture, and it's likely to get much worse before it gets better. And even the "better" prognosis is a considerable time off, as the foundations of the global financial structure start to unwind. But there is yet one more element of this crisis to unfold (if it hasn't done so already by the time you read this report!).

The banking crisis has lead to the sovereign debt crisis - which in turn will lead to a **currency** crisis. The reason for this is because the whole world runs on what can only be called a grand **ponzi** scheme - the printing of paper money which is based on nothing other than the faith people have in it, and the legal status to which governments attach to it. Paper fiat currency is money that is declared legal tender by **law**. It is this money that is now due to feel the full force of a hurricane.

One of the obvious byproducts of overt and expansive government debt programmes is that such debts incur ever-increasing interest costs - costs that can only be borne by either more borrowing, more taxation - or more printing of money. As the avenues for borrowing dry up, and the ability to increase taxes becomes politically untenable, the only option left is to print more money. This leads directly to monetary debasement - or what we normally call **inflation**.

The huge global surge in national indebtedness has ensured that rising inflation is on the horizon. And not just a modest 3-4%, which can be absorbed, but the real threat of runaway inflation that could easily rise above 20% and beyond. Once this inflation takes hold, then each nation's currency will **devalue** - or buy less.

At the same time, nations will seek to retain competitive advantage over each other by devaluing their currencies further, in order to retain export markets. And it is in this way that nations will **inflate** their way to what can only be termed a "race to the bottom". The only possible result of such an inflationary downward spiral is the destruction of paper currency. It's happened before many times, and just because the current generation of mostly Western nations has not experienced it recently, does not mean it can't happen.

But the financial crisis - the banking, sovereign debt and currency crises - is but one element of the economic and geopolitical storms headed our way. For within these financial crises lies the seeds of an even greater one - the very **legitimacy** of nations and their respective governments, and the tectonic shifts that will take place over the next few years to reshape the entire global landscape.

We are coming to the end of a grand experiment in social order. Every day, almost, the inability of governments to manage various crises becomes ever more evident. When the banks looked like they were about to fall over, governments everywhere rushed to the rescue - with a cure that turns out to be worse than the illness. That burst of government spending has in turn threatened nations with sovereign debt default - adding one more burden to the tottering house of cards.

But it's not just in economic matters that we witness the failure of governments to deal with the problems of modern global life. We see it in environmental matters, like the Gulf oil spill. We see it in military matters, where the world's most powerful nation is caught in a quagmire called Afghanistan, fighting a war it cannot win. We see it in the erosion of confidence in democracy itself, where more and more people are turning off and tuning out. All of this spells trouble for the nation-state and the mechanism of top-down **authoritarian** social organisation.

Like the pangs of childbirth, the world is going through trauma - the pain of bringing a **new** order into existence, while the old order fights for its survival. This historical power shift could take years to play out, or arrive quite suddenly, as the battle lines are drawn between the old and the new. But what does all this mean for **you** right now? How can you deal with the uncertainty, the financial dangers, the social implications, and the instability that such changes will bring?

That is the purpose of this report, to offer you **eight practical steps** you can take to not only survive, but thrive in these testing times. You have a **choice**, and it's my hope that you will use it wisely, and that this report will provide a compass of sorts, a way of navigating the economic storms of the future and pointing a way forward.

So let's get started...

Step 1

Eliminate Debt as Fast as You Can

In boom times debt seems useful, even practical at times. You've got a good job, good income, good prospects – and the bank or credit card company is offering you a good deal, enabling you to get the things you want **now**, and pay for them **later**. I know. I've been there and done that. In fact, I went from one extreme to another. My early life was influenced by my Scots Dad who never borrowed anything, and I began my adult life the same way. But time passed, credit seemed more and more attractive – and just before my own financial crash I had totted up more than \$20,000 on my various credit cards. Since then I've only used **debit** cards, those *Visa* and *MasterCard* branded cards that access your current bank account balance directly.

However, when the good times turn to bad, being in debt is the worst of situations – even more so **now**, when the future is signaling much higher interest rates to come. The problem is this: debt has to be serviced – whether it's your home mortgage, your car repayments, or the many purchases that make up the existing balance owing on your credit cards. This debt servicing cost is determined by the interest rate that currently applies.

Take a home mortgage - the debt that usually represents the largest financial outgoing in most households. If you financially stretched yourself to get into a home, and your budget is tight, then any change in your **income** status could have disastrous effects. And if you were to **lose** your job, then the sudden loss of income could be devastating – as it already is for thousands of families. And when **interest rates** go up, the cost of servicing your mortgage goes up, putting more pressure on your available income. It's like a vice – where the possibility of reduced income combined with increased interest costs can put a real squeeze on you.

I've made getting out of debt the very first of the eight steps in this report for a very good reason, as it is one of the most unstable and changeable components of your financial situation. So many things can disrupt your existing financial equilibrium and cause potential ruination, that you should do everything in your power to reduce and eliminate, if possible, **all** your debts.

How you do this is obviously up to you, but prioritising your debts as to servicing costs is a good place to start. Many debt reduction strategies recommend that you pay off the highest interest debts first – like your typical credit cards. This makes sense because the quicker you can reduce your monthly outgoings, the quicker you have more funds available for paying off other debts.

Debt **consolidation** is another option – where you amalgamate existing debts into one larger (and lower interest-bearing) one. And when it comes to home mortgages, you should definitely have a chat with your bank manager as to how best to reduce your mortgage debt quicker.

A good way to create a debt reduction plan is to use debt analysis software, into which you enter your various debts and let the software present a repayment plan, based on various in-built formulas. There are many of these on the market – both free and for sale. Just type “Free debt reduction calculator” or “debt repayment software” into **Google** to find many options.

The most important thing is to get **started** – and put a debt reduction plan into **action**.

Step 2

Build an Emergency Cash Fund

Loss of income is perhaps the most devastating thing that can happen to anyone – more so in the current economic climate, because unemployment is on the rise and the odds of losing one's job has naturally increased. If you've kept your eye on the news then you'll be fully aware just how precarious employment can be when the economy is downsizing and businesses are under pressure from increasing costs and falling demand. The truth is, the economic depression that is headed our way could easily last for years, not just months. Sure, the media and politicians will tell you otherwise, but your focus must be on the reality of the situation and the need to be prepared for all eventualities.

Trouble is, most people take their job (and the money it provides) for granted, and expect to stay in it until they choose otherwise. But what happens if that choice is made for you?

A good mental exercise is to ask yourself this question: *“If I was given notice of termination of employment tomorrow, what would my financial situation be like? How long could I survive without a pay packet? And what can I do now to prepare for such an unwelcome event?”* How would **you** answer this question? Do you feel confident you could manage such an eventuality, or does the question unsettle you?

The most important thing, if such a situation arises, is to know that you do not have to panic. You don't want to be thrown off balance and find yourself running around scratching for money. And the best way of ensuring this is to build an **emergency cash fund** for yourself – while you still have the financial means to achieve it.

What is an emergency cash fund? It's basically a savings account into which you deposit regular amounts until you have reached a particular goal. The goal, in this case, is to build up a fund which will act as a **buffer**, should you suddenly find yourself without work or an income. What you want to achieve is a “security blanket” of sorts, an amount of money that will give you some peace of mind and the breathing space necessary to keep your financial affairs in order and find another source of income.

The amount you decide to save depends entirely on your current expenditure and monthly budget. So you should sit down and work out exactly how much you need each month to live as you do **now** – and meet all your existing financial obligations. Once you know the required monthly amount of cash required, simply multiply this by the number of months you want your emergency cash fund to cover. How many months? Well, it should be at least a **three** month fund, and preferably even more. My advice would be to get a three month emergency cash fund in place as your first priority, then work on a second three month target, so you end up with a **six** month fund.

Your emergency cash fund plan can be combined with your debt-reduction one initially, as you can use the money that is increasingly freed up by debt repayment to fund your emergency cash fund requirements. If you have the cash already available for such a fund, then earmark it by placing the funds in a different bank account. If not, then start planning now as to what size fund you want, and how you are going to build it.

Like all the steps outlined in this report, the best time to take them is **now**.

Step 3

Get Out of The Stock & Bond Markets

In boom times the stock market appears to be invincible. Stocks go up and up, and people make money. The trend graph proves the point and the more the stock market rises, the more people climb aboard. But, as history shows, what goes **up** can and does come **down**. In fact, stock market crashes are part of the financial landscape. It's knowing "when" that is critical.

The case for a falling stock market is made by the fact of impending **inflation**. Right now, with historically low interest rates, there is little choice as to where to place your money for profit. The stock market is certainly more attractive than a term deposit at your local bank – and hence the continued apparent confidence in the market. However, once interest rates rise – as they must do in response to rising inflation – then history shows that money starts flowing back into the banks and other investments, as a less risky place to park funds.

When demand for stocks goes down - as it will when many companies start reporting **lower** profits and banks start offering **higher** interest rates - then the price of stocks, as measured by the indices, falls. Falling prices discourages others from participating and starts a downward spiral. However, this can be drastically accelerated by any sudden fall in stocks – a **crash** - which is an entirely possible scenario given the economic environment we now find ourselves in.

When measured in real terms, in relation to the falling value of the dollar, the stock market will be a prolonged financial black hole. And unless you are astute in picking the right companies (see Step 7), the best policy would be to leave that market alone and place your cash elsewhere.

The same goes for the **bond** market. The market for bonds (or Treasuries as they are called in the USA) is based historically on its **safe-haven** status. It has always been considered that the safest place to park your money is to lend it to the government. Why? Because a government's ability to repay is based on its power to **tax** its citizens. Trouble is, governments themselves are now in financial trouble – as the situation in Greece, Spain and other European countries illustrates. Governments have got in over their heads with borrowing and now face resistance in the market for their regular bond offerings. This is getting serious and the likelihood of sovereign debt defaults grows more each day.

One obvious consequence of any nation defaulting on its debts is that the bond market would become very nervous, facing - perhaps for the first time this generation - the reality that governments are not safe after all. And that **is** the reality. To invest in governments, in the context of the economic situation we find ourselves in, would be an unwise decision in my opinion, and I most certainly recommend putting your money elsewhere.

However, you and most private people likely do not invest **directly** in the bond market – but through other investment vehicles that do. If any of your current investments are made up of, or include, the purchase of government bonds as part of the investment portfolio strategy, then I'd advise re-thinking them.

The stock market's "attraction" will be affected by the rising interest rates to come, while the bond market's fortunes are intimately tied up with the emerging sovereign debt crisis. Both should be considered too risky for the foreseeable future.

Step 4

Convert Your Cash Savings Into Gold

The sub-prime mortgage crisis, that led to bank bail-outs and economic stimulus packages, resulted in the sovereign debt crisis which now stalks the global landscape. This debt crisis which is affecting not only government credit ratings, but the value of the various paper fiat currencies, is leading to a **currency** crisis. Why is this? The basic fact to remember is that the money we use, the stuff in our purses and wallets, is paper only. It gains its value from the **faith** we put in it, and the fact that governments declare such paper as legal tender – money that **must** be used.

Today paper money has no redeemable value. But it was not always the case. In fact modern banking and the evolution of paper money arose from the historical use of precious metals as money – **gold** and **silver**. Throughout recorded history humans have reverted to these metals as a store of value and medium of exchange. The first paper money was in fact a **receipt** for gold or silver on deposit. A goldsmith would take your gold and give you a negotiable receipt. You could then use this receipt to pay for things, and the person accepting the receipt could take it to the goldsmith and ask for the gold it represented.

That reality – of paper money being backed by gold – is something that extended well into the last century. But it all changed after the World Wars, when governments found gold too restrictive for their monetary requirements. It was then that the gold standard was abandoned and the paper money in your pocket became irredeemable. If you take your dollar note into a bank these days and attempt to redeem it, the best you will get is a **new** paper note.

The ultimate danger inherent in paper money is the fact that it can be **debased**. And it is – often. Perhaps the most infamous example of such a debasement was the hyperinflation that occurred in Weimar Germany after World War I. The reparations imposed on the country after the war led to economic chaos. This in turn led the German government down the road of debasement of the German mark - which resulted in the stories of people pushing wheelbarrows of cash down to the bakers for a loaf of bread. Back then, if you received paper money in payment for anything, you had to spend it quick, before it devalued further.

This is called **inflation**, a process where the government deliberately prints more money than it needs to cover the existing value of goods and services on the market. The injection of new money results in prices rising. And this is what is going to happen in the near future. Your paper money is going to **devalue** – perhaps seriously, like 20% or more. Any savings you have will naturally be worth less and buy less. In fact, everything will start costing more and the severity of such inflation could cause a tipping point – leading to **hyperinflation**.

Fact is, there is only one **real** money available in the market – and that is **gold** (silver also to a lesser extent). Gold is currently in a major bull (rising) market which is being driven by investment and safe-haven sentiment – meaning that astute individuals are buying gold as protection against the future devaluation of paper money.

I personally recommend that you convert at least 50% of your available paper cash into gold – either as gold bullion coins for delivery (dealers can easily be found using Google), or using a reputable storage vault with either physical or online access. More detailed information and recommendations can be found in my [Financial Crisis Survival Dossier](#).

Step 5

Open a Bank Account in Another Country

One of the very real dangers the emerging financial crisis could lead to, is not only devaluation of the money you have in the bank, but also the possibility of outright confiscation, or loss of funds due to bank failure. Trouble is, most people are captives of the country they reside in, and their money is equally captive. We are lead to believe that banks are safe, and that the best thing you can do with your money is to deposit it in your nearest bank. But the bank failures that erupted in 2008, and which still continue today, give cause for a more prudent strategy – one that does not rely on local banks alone.

The most effective remedy for this is to use **overseas** banks as an alternative to your domestic banking set-up. Not your everyday banking, but as an alternative place to hold your cash **savings** – preferably in more than just one currency. The fact is, different currencies will devalue at different rates, and being able to **hedge** your cash against the worst effects of devaluation (that is the cash that you have, after you have converted a lot of it into gold) is a sound strategy.

Opening a bank account in another country is not difficult, you just need to know where to find the right information regarding which banks and which countries. This strategy is usually termed banking “offshore”, meaning banking somewhere other than where you currently live.

Most people have an aversion to banking away from home, but I can assure you that in the present economic environment this makes perfect sense and should be done as an adjunct to your gold purchases – as a way of preserving the cash you have and of also diversifying the currencies you hold your cash savings in.

Offshore banking is often considered “unpatriotic” or somehow underhand. Some even consider it illegal. But nothing could be further from the truth. You have a perfect right to protect what is yours, and banking in another country is one intelligent way to increase your financial safety net. But what is involved? What do you need to know?

Well, first you obviously want to choose a financially sound bank, in a country where the laws protect your money. Fortunately you have many countries to choose from – and not only the traditional tax havens, but newly-emerging global financial centres where you can expect the best of banking service. My personal preference is to bank in **Asia**, which is a growing financial hub, and in particular Singapore or Hong Kong. But there are many other options as well.

To open an offshore bank account you will require a passport, proof of residential address, a completed account opening application (which will ask for background information on your financial affairs and likely banking usage), and an opening deposit (usually between \$1,000 and \$5,000). Once you have an account opened, you will be able to access it online, do your banking, remit funds by wire transfer and withdraw funds by a global ATM card. It may sound like a difficult or strange thing to do at first, but I assure you that once you have set up such an account and begun to use it, all your existing doubts and fears will be put to rest.

I have been banking offshore now since 1998 and have had many accounts with different banks. If you'd like some advice on this, as well as my personal recommendations and bank contact info, then I recommend you get my two banking reports - available at [Offshore Banking Alert](#).

Step 6

Protect Your Assets From Freeloaders

One of the undesirable side-effects of the coming financial crisis and economic depression is that lots of people will find themselves short of cash - and the more dishonest and devious ones will start looking around for "cash cows" or anyone else that can be fleeced. This often takes the form of common robbery and theft of course, but there are many other ways to skin a cat, including using the courts to sue those with money - often for entirely nefarious reasons.

If you're in a profession that is a target for lawsuits, or a person of considerable financial means, then you are no doubt exposed and could find yourself at the other end of an unpleasant judgement. And the best way to protect yourself against this possibility is to ensure you have nothing in your **personal** possession that can be seized.

How? By placing your assets into a **trust** - preferably an offshore trust. A trust is a legal entity that can own assets - bank accounts, real property, a business etc. If you do not legally own something, then you are untouchable. The secret though, is to get this set up **before** you need it. If you wait until you are in financial jeopardy, then it is already too late - and any court will view your attempts to protect your property, after the fact, as an attempt to hide your assets and will make a judgement against you.

The emerging financial crisis demands that you take seriously the issue of your existing assets and how best to protect them. And while a trust is the most common form of third party ownership, such asset protection can also be achieved by using a foundation or an offshore company - depending on the nature of the assets involved, and your purpose in protecting them.

The main advantages of pre-emptive asset protection planning can be summed up as follows: It discourages frivolous lawsuits; enables you to negotiate favourable settlements; reduces your overall insurance costs (especially for medical professionals); improves your financial planning for the future; and makes you judgement proof.

By making use of an **offshore** trust or company, instead of a domestic one, you add a further layer of protection - by putting a foreign court between you and whoever is after your money. It's one thing for someone to sue you in a local court for assets that can easily be accessed, but quite another if such a person knows you have nothing that can be seized locally, and that a foreign court would be involved in any legal action.

Asset protection is like **insurance**. You never need it until you need it. And the sad thing is that many people don't think about it until it's too late - until after the horse has bolted the stable. Don't be in the "*I wish I had done that before!*" category. Sit down and itemise your assets, consider the judgement risks against you, then make a decision as to whether an asset protection plan will benefit you.

In my business I regularly hear from people who are desperate to protect their assets, and who believe they can set such up **after** someone is already after their money. But by then it's too late! Don't fall into that trap. Be prepared. And if you'd like more in-depth advice on asset protection, as well as personal recommendations and access to professionals who can assist you, then I suggest you get my [Financial Crisis Survival Dossier](#).

Step 7

Invest For Profit in Future Trends

A crisis offers opportunities, if you know where to look and how to take advantage of them. And the best way to make sound judgements in this area is to identify key **future** trends. If you can clearly see where things are going – the big picture – then you have a basis for making informed investment decisions. To help you do this, I have defined seven key trends which can act as a template for a profitable investment strategy.

Trend 1: Inflation And The Need to Hedge Against It

As already mentioned, the fundamentals of the global economy all point to significant inflation down the track. Inflation equals devaluation of money. To protect yourself against such devaluation you need to invest in counter trends. The first sure bet is **gold**. As paper money devalues, gold rises. So if you hold a significant amount of your cash in gold, you will be protected against the ravages of a future inflation. The second sure bet is rising interest rates, which is a market that can be played by purchasing futures contracts. While this area of investing requires knowledge and skill, it is none-the-less a ripe opportunity for those who can take advantage of it.

Trend 2: The Increasing Need For Energy

It's a truism to say that all modern economic development and progress is due to our being able to harness energy to replace human labour. In fact you can correlate a nation's per capita consumption of oil (for example) with its economic status and per capita income - and the two always go together. So it goes without saying that energy is absolutely essential to economic progress, and finding innovative ways to play the energy market is obviously one sure trend worth taking notice of. Key energy areas are oil, natural gas, coal and nuclear technology, and the investment opportunities arise out of both the raw materials themselves and associated technology.

Trend 3: The Flight to Real Stuff

When the value of paper money is going down, the value of real "stuff" goes up. And the best real stuff to invest in is the **commodities** and **resources** that are needed to keep the global economy going. This includes industrial resources like metals, oil and gas - as well as agricultural resources like sugar, wheat, coffee, soya beans, rice etc. Commodities are the raw materials of industrial production and human consumption, so demand can never fall except relatively, in terms of the level of general economic activity. And while it is true that commodity prices will fall in an economic downturn, that only indicates a good time to **buy**, as all commodities have a "future" and represent investment in tangible goods that have ongoing demand.

Trend 4: The Increasing Demand For Cutting-Edge Technology

There is constant demand for new and better technology - in areas as diverse as alternative energy, medicine, biotechnology, pharmaceuticals, electronics and software. And in a recessionary environment, where old markets are dying and existing industries can become dinosaurs, there is even more drive to develop and bring to market innovative **new** technologies. Take oil versus alternative energy sources as one example. As the cost of oil rises, due to both peak oil pressures and increasing global demand (especially from emerging economies like China and India), the search for the next "big thing" in energy is on. Billions will be made by the next major energy breakthrough - whenever it arrives.

Trend 5: The Impact of Interest Rates on The Stock Market

While the stock market has benefited from the cash injected by governments into their respective economies, the overall prognosis is not good - unless you're investing in profitable **gold** mining companies of course! The underlying trend to watch for here is interest rates. As of writing, interest rates are at an historical low - and virtually zero in the USA. Under such a low-interest regime, putting one's money in the bank is not a very attractive option. This fact frees up a lot of cash to enter the stock market, pushing up prices and the general index level. However, interest rates must rise - as a result of all the monetary stimulus being undertaken - and as rates rise, bank term deposits become more attractive, putting downward pressure on funds entering the stock market.

Trend 6: Real Estate – Short Term Pain vs Long Term Gain

We've all grown up and lived in an era of ever-rising house prices, to the point of assuming such prices will always go up. But historical data always shows major moves both up and down. Yes, it's true that in the long term real estate has proven to be a hedge against inflation. But at various times the market can rise fast and fall again. Right now real estate is not a good short-term investment. And there is very likely more value to be shed from this important market. However, long-term, real estate will rise again - especially when the anticipated inflation kicks in. Once paper money starts to lose its value, the search is on for "stores of value", and that definitely includes real estate. Picking up bargain buys in the current or near-term market, before prices start rising again in the future, could pay off handsomely in the long term.

Trend 7: The Foundering Bond Market

Government bonds are the means by which governments borrow money. Why do governments borrow money? Usually because they have expenditures that exceed their tax revenues - expenditures driven by the need to buy voters with various social welfare services, and to project military power and keep the arms industry going. Given the clear fundamentals of this emerging financial crisis, the last place I'd want to place any money is in government bonds. Not only that, but traditionally such bonds offer little in the way of return, depending instead on their level of security. But as the security of such investments declines, then interest rates must rise - giving a clear signal that government bonds are not what they have always been cracked up to be. My advice, stay clear.

Conclusion

The preceding seven trends give you an overview of what to expect during the emerging economic crisis, the fundamentals behind it, and the opportunities presented by it. Fortunes are made by those who correctly read future trends and move into such markets **before** the masses do. Take just one example of this. It's obvious that nuclear energy is going to become a more and more significant element of the energy industry - for both economic and "green" reasons. This indicates a growing future need for **uranium**. A good future-play on this market trend would be to invest in sound uranium mining companies, and wait patiently for "pay day". Of course only *you* can decide how to play these trends, but knowing of them is the first step to both preserving and growing your wealth in the current economic climate.

Understanding the trends is not enough by itself, of course, as you also need expert **knowledge** and **advice** as to how best turn these trends into profitable investment decisions. And unless you are an expert in the field you are looking at, then I'd certainly recommend you get professional advice from those who have a successful track record in their related fields.

For more in-depth analysis of these trends, as well as specific suggestions as to where to get good investment advice, I would recommend you get a copy of my [Financial Crisis Survival Dossier](#).

Step 8

Generate a 2nd 'Lifestyle Insurance' Income

Just as it's a good idea to build an emergency cash fund, it's equally a good idea to generate a **second** income – what I call a “lifestyle insurance” income. What do I mean by that? Well, one of the obvious risks inherent in a financial crisis is the arrival of the unexpected. You could lose your job. Your salary could be cut. Your hours could be reduced. Your wages could remain fixed while the price of everything goes up. Whatever the potential scenario, the likely result of living through economically difficult times is that your existing lifestyle will take a hit. What you need is some way to **insure** against such eventualities. That's where a second income comes in.

The pressing question, of course, is **how** to generate such an additional income. If jobs are tight, then it's unlikely you'll be able to find a second job. No, what you need is something you can do from **home**, something that costs virtually nothing to start, and something that can earn enough to make a difference. The important point though, is to think about this **before** you need the money. One of the unwanted side-effects of finding yourself financially strapped is to panic and start thrashing around looking for a quick fix - something that can lead to irrational decisions, and even loss of money. No, you need to think this out well before such a second income is necessary.

So what second income generating options are there? My personal favourite is to make money **online**. I say this because I do it myself, and have done so since 1998. I do it full time, so see the goal of a part-time online income as certainly doable. However, it's not as easy as many would have you believe. There are lots of traps and pitfalls for the inexperienced. But if you have the determination and persistence, then certainly there is no reason you could not be adding a few hundred dollars a month to your existing income.

Before I give you some of my own ideas, let me counsel against certain 'opportunities' that are out there. First, don't fall for the apparently easy money offered by HYIPs (high yield investment programmes). These are usually **ponzis** of one sort or another – disguised as investments - and I've seen enough people lose their money in such to advise others against such schemes. Another area that usually fails to deliver is network marketing. While these opportunities appear promising on paper, it's been my experience that only a very few people have the talent and skill necessary to rise to the top of the pyramid. The fact is, contrary to the hype, the majority of people who start in this type of business never make more than a few bucks a month.

My personal pick for an online business (other than starting your **own** one from scratch) is to become an **affiliate** marketer. This involves promoting the products or services of others in return for a commission. What makes this ideal is that it's easy to get started, all the marketing resources are provided, very little money is required, and you'd be promoting something that is already a proven seller. That, in my book, is a good deal. Of course, you need to carefully pick the product or service you intend to promote and learn the skills of affiliate marketing. If this interests you, I've written an e-book entitled [The Freedom Blueprint](#) – which is step-by-step plan for becoming an international citizen and online entrepreneur, complete with an online business-in-a-box.

How much can you earn as an affiliate? Well, that depends on how much time you put into it and how serious you are. It's not that difficult to earn \$400-\$500 a month, and a lot more if you get good at it. But if you're looking for a **quick** way to make some additional money, then I suggest you carefully read what I have to say on the next page, as I reveal a way you can start earning a “lifestyle insurance” income online now - **today**.

Step \$

How To Profit From Giving Away This Report

I hope you found this special report helpful and informative, and I urge you to pass it on to all those you know and care about. I hope you've also taken the opportunity to look at what my private membership club [SovereignLife](#) has to offer. Certainly if you're looking for more in-depth information on the subjects covered in this report, or guidance as to how best implement the ideas and strategies presented in it, then a *SovereignLife* membership would be a very good investment in your future.

But before you rush off to share this report with the people you know and your Facebook friends and Twitter followers, let me ask you a question...

Would you like to get paid for distributing this free report to others?

If your answer is “yes”, then I have a very interesting and financially rewarding proposition for you. Not only can you distribute this report for **free** and earn money, but you can become a “distributor” for all my reports and earn money in various ways.

How does this work? Well, you can brand this report (and others) and have your information embedded within it. You can also sell my paid reports and keep 100% of the sales price. And you can do all of this using a ready-to-go business in a box – a turnkey replicated website that provides you with an information portal of your own, complete with a fully-automated marketing system.

To learn more about this and all the additional details of my *Global Freedom Strategies* partner opportunity – [CLICK HERE](#).