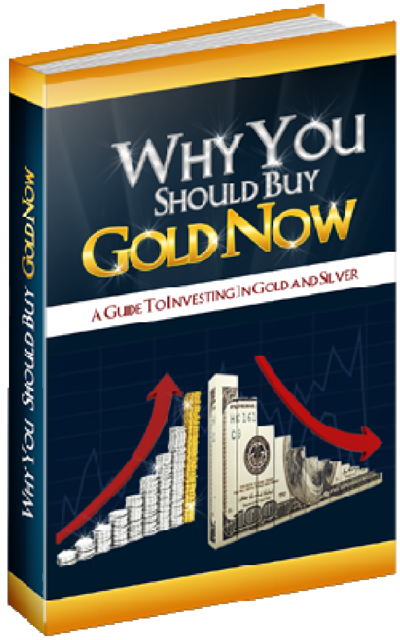

The Essential Step-by-Step Guide To Buying Gold And Silver

This book is written by Garrett Strong. Garrett Strong began investing in gold and silver after educating himself on inflation and the economy. Garrett is now owner and webmaster of two gold and silver websites dedicated to helping others prepare for inflation.

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PART 1

Introduction

Welcome! Thanks for downloading my eBook **"Why You Should Buy Gold Now"**. In this eBook I cover the topics of how to go about buying gold and silver, the best places to buy gold and silver, and I explain why the gold and silver markets are set to explode in the near future. I try not to bore you with charts, so I've included only a few to drive home the point.

- What does spot price mean?
- What is a premium?
- What is bullion?
- What is the COMEX?
- What is a numismatic coin?
- What is a *fiat* currency?
- What is the Federal Reserve?

I will explain all of these seemingly difficult terms in an **EASY TO UNDERSTAND** language.

You are one of the many people who are beginning to see that gold and silver are a great investment during this period of economic uncertainty we are facing.

Central banks (which are there to "stabilize" our money) are busy flooding the world with money. The Dollar is becoming worthless, and it would be wise to start investing in gold and silver while dollars still have value. I will clearly explain why this is so important to do.

Gold of course, is the **king of all metals**. As you will find out in this eBook, gold is not the only precious metal looking rather attractive to investors these days. Silver is actually set to outperform gold quite dramatically over the next 5-10 years. I spend more time on silver because I think silver is an amazing investment right now.

If you have been listening to the radio or watching CNN, MSNBC, Fox News, Bloomberg News, or have read any publications about the economy, then you already know that we are in a **heap of trouble** worldwide.

Billions of dollars have been spent to bail out corporations, banks, and government agencies. The Federal Reserve has been on a printing spree, and inflation is running rampant all around the world.

What does this money printing mean to you and me? One word, **Inflation**.

What does gold and silver have to do with inflation? **Everything!**

I wish the best for our country's future and the world, but the reality is that you need to take your finances into your own hands in this inflationary environment.

I'm going to take you on a short historical trip to begin with since gold and silver have their roots about **6,000** years ago.

Let's jump right in shall we!

PART 2

History of Money

Gold and silver as money go way back to the ancient greeks. The Greek civilization used a coin called the **electrum**, which was a natural combination of gold and silver.

(Greek Electrum)

(Roman Aureus)

The Romans had a gold coin called the **Aureus**, a silver coin called the **Denarius**, and also coins made of bronze.

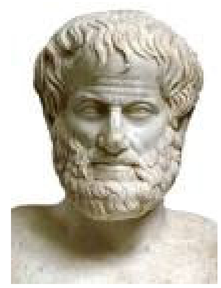
The use of gold and silver as money came about through necessity really. Barter systems of exchange were and still are very inefficient. When the hat maker did not want a chicken for payment, there had to be a valued asset that could be more easily exchanged.

(Roman Denarius)

Gold and silver met the criteria for this and they have remained real **<u>money for over 6,000 years.</u>**

In fact, **Plato** and **Aristotle** spoke of sound money to have the following characteristics.

1. The ability to be durable. It must stand the test of time and not wither.
2. The ability to be portable. Good money needs to hold value in a small space.



(Statue of Aristotle)

3. The ability to be divisible. **Real money** should have the ability to be divided evenly and still hold its value. Also known as *fungibility*. Diamonds are not fungible because each diamond has it's own value, so therefore is not used as money.
4. It must hold a rare value or quality.

Goldsmiths

As we will see later in this book, historically most governments have used a gold standard for their monetary system, where a gold coin was circulating for daily transactions.

When people wanted their gold and silver to be safe from thieves or whatever else could take their wealth, they would store their gold with a **goldsmith** for a small storage fee.

The goldsmith would simply give the depositor a paper certificate that was proof of deposit and could be redeemed for gold at any time. So, people stopped dealing in gold coins and just transferred paper receipts. After all, they were the same as gold because they could be redeemed for gold any time.

Over time the goldsmith realized that he had large amounts of depositor's gold and hardly anyone ever came to pull out all of their gold at the same time. So, the goldsmith lent out a small portion of the gold on reserve in exchange for an **interest payment**.

The goldsmith finally realized that he could lend up to 90% of the gold in his vault and collect interest on the loans with no problems. After all, there were never **HUGE** amounts of people coming to withdraw their holdings at one time, so the goldsmith could get away with it.

Once people finally caught on to the goldsmiths act, people panicked and went to redeem their paper receipts for their gold.

The only problem was that there were now many more receipts in circulation than there was gold.

Of course, there was not enough gold to cover all of the receipts in circulation.

This is how the first run on the bank took place and also the beginning of what is known today as fractional reserve banking. It’s called "**fractional reserve**" because banks today are only required to keep a “fraction” of the customer’s reserves’ on deposit.

By the way, if you are not familiar with a run on the bank it's when everybody rushes to pull their money out at the same time.

Out of every $100 on deposit at most banks, $90 can be lent out to customers. Just like there were runs on the banks in the GREAT DEPRESSION and other times throughout history, there will be more runs on the banks in our future.

Panic of 1873-Bank Run

In fact, Citi bank recently announced a new change. They sent letters out to customers expressing that they reserved the right to have a written request seven days before depositors make a withdrawal from their checking accounts.

This is closely related to what is known as a bank holiday, where banks close the doors and don't let customers withdraw cash. This occurred during the runs on the bank during the great depression.

The banking industry is a very secretive practice, and not many people really understand the practices of the banking industry. It is meant to be **confusing** and **secretive** because if people understood the banking industry, they would be so OUTRAGED and disgusted that the banks would not be around for very long.

I'm getting off topic. Since goldsmiths did have actual gold in their vaults and therefore real value, people who got to the banks early could get their gold coins.

St. Gaudens $20 Gold Piece
(1907-1933)

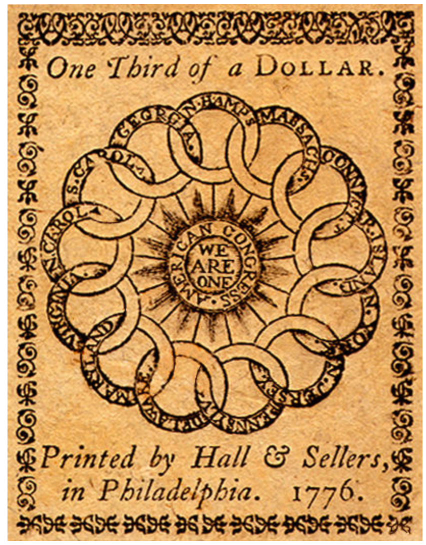
In 1930 you could have taken a $20 bill to the bank and exchanged it for a one ounce gold coin. What I find CRAZY is that today if you tried to take a $20 bill to the bank and exchange it for gold they would laugh at you because **dollars are not exchangeable for gold** at the bank anymore. That means that your dollar has no backing of any sort. The only thing giving our paper money value is the "faith" that we place in it.

It is also important to note that gold can not be inflated like dollars. If a bank decided to open and they only kept gold and silver on deposit and did not loan money against your gold and silver on deposit, then our money would be a true and sound money.

The **Lakota Nation Bank** is the only bank in the world who has done this. Since our dollars are just paper with no backing, the Federal Reserve can print as much as they want and never run out.

The "Continental"

"Continental" currency



During the Revolutionary war the continental Congress issued a *fiat* currency to finance the war against the British. The currency was dubbed the "**Continental**" and it became worthless in a matter of a few years. That's where the saying "not worth a Continental" originated.

The British government made counterfeit "Continentals" and put them into circulation in all of the colonies as a way to try and stifle the resistance via inflating the money supply. The massive amount of paper money in circulation eventually led to a collapse of the currency.

Fiat Currency

A *fiat* currency, as it is known, is a paper currency that has no backing by any hard assets like gold or silver. It's just paper with ink and no gold or silver in a vault backing it up. The U.S. Dollar is a fiat currency. Many people have trouble understanding the concept of fiat currencies and inflation, as it is rarely defined as clearly as it should be.

With no gold backing of any currency, governments are naturally going to take advantage of this by printing as much as they need. The U.S. government is doing just that. This is why many economists are practically screaming to buy gold, buy silver and buy commodities.

(Fiat money backed by nothing)

(Silver Certificate from 1935)

These two paper bills may look the same, but the **silver certificate** was actually redeemable for real money; a silver coin.

The only currency that is not totally considered fiat is the Euro, and it only has a 7% gold backing. In other words, for all of the paper dollars in circulation, only 7% of the Euros could presumably be exchanged for gold.

So, you may be asking what your paper dollar is worth since you can't exchange it for gold. Well, I've got news for you. Your paper dollar is just that, **paper**. The only thing giving your dollar any value at all is the faith that you put into it.

We have all read this note written on a dollar bill:

This note is legal tender for all debts public and private.

This is the governments’ way of saying that you have to accept paper dollars as a currency, even if it has zero intrinsic value like paper does. This is the fraud of the dollar.

Historically, legal tender laws had to be put in place in other countries because people finally stopped using the intrinsically worthless paper money.

The government knows that paper is worthless. That's why they have to put a legal tender note on our dollar to make people accept them. This isn't the first or last government to put forth legal tender laws.

Gold Certificate (1882-1933)

Gold certificates were freely convertible into gold coins. They were made illegal in 1933, when the U.S. went off the gold standard.

The Gold Standard

The gold standard is a monetary system where the unit of account is a fixed weight of gold. These are the three different gold standards that have been used.

- **Gold Specie Standard** - In this monetary system, the monetary unit in circulation is a gold coin.
- **Gold Exchange Standard** - In this monetary system it references only to silver coins or coins made from other metals in circulation.
- **Gold Bullion Standard** - In this monetary system, gold coins are not circulated but the government allows the sell of gold bullion on demand.

Historically, when countries are on a gold standard they agree to keep each currency note issued equal to the amount of gold they have on reserve. If they increase the amount of currency in circulation and don't increase the amount of gold on reserve to back the currency, then the value of that currency falls against foreign currencies.

(Gold Byzantine coin)

The Byzantine Empire used a gold standard and minted a gold coin called the **Byzant**. A silver standard was also commonly used in the 19^{th} century.

Back in 1971, President Nixon took the U.S. off of the gold standard thereby making it impossible for foreign creditors to exchange their dollars for gold. Since that time, no country has used the gold standard.

The whole purpose of a gold standard is to keep the currency stable. As we will see, governments around the world have effectively abandoned the gold standard for a fiat based central banking model.

This model does not make much sense at all since it ensures that the rich get richer and the poor get poorer.

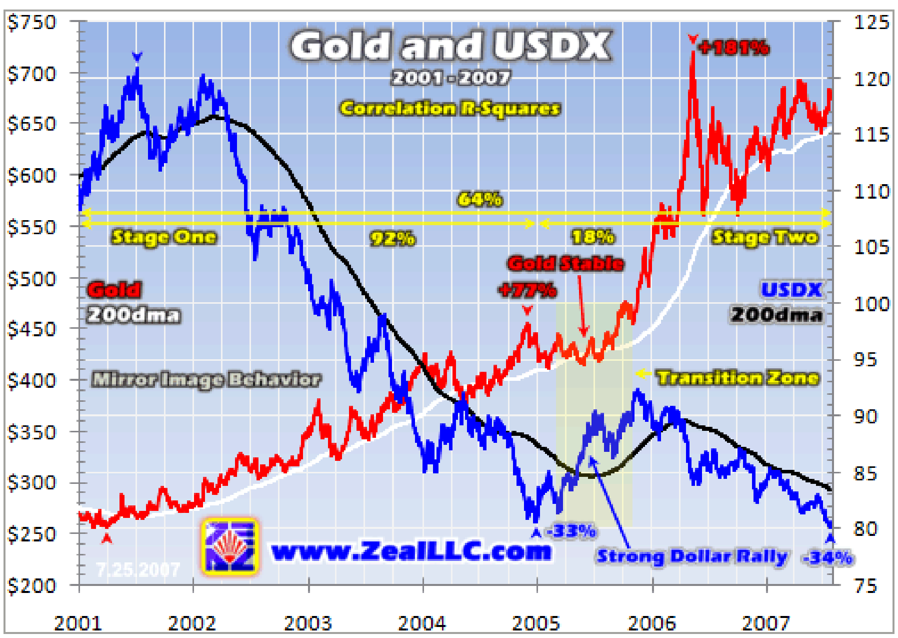
PART 3

Why Invest in Gold and Silver?

To begin with I would like to make it clear to all readers that I am not a financial advisor, and this is not a book to try and convince you to buy gold and silver. However, I have done extensive research on the gold and silver markets and I would like to at least educate others about this subject.

When governments around the world print excessive amounts of money as is happening today, the value of those paper currencies goes down.

As you can see in this chart the gold price in red has risen significantly since 2001, while the dollar in blue has fallen significantly.



Historically, there have been hundreds of paper fiat currencies in existence, and all of them have eventually gone to **zero**. The U.S. dollar is a fiat currency, and it too will suffer the same fate.

The way it works is that when governments print more money it devalues each dollar in circulation, thereby allowing you to buy less for your money. In a situation like today where the government is printing literally billions of dollars, which is the definition of inflation, our dollars are falling in value.

Gold is a hedge against inflation. Gold can't be inflated like paper can. There is not some magic gold faucet that the government can turn on to make more gold. There is a printing press though, that can be used and abused at will.

Actually, it's much simpler to inflate money today. Governments don't even need to print the money. A government just simply has to enter extra zeros in a computer and "**wah lah**".

Gold and silver are considered honest money. They keep economies stable because gold cannot be inflated.

When excessive amounts of dollars go into circulation without a relative increase in goods and services, you are losing money holding those dollars.

Taxation vs. Inflation

Governments usually fund their operations in three different ways.

1. **They tax the citizens outright.**
2. **They issue government bonds, or**
3. **They print the money.**

In our current situation, the government wouldn't dare tax the citizens outright to bail out Wall Street banks, which should have been left to fail.

Bonds are not desireable when a currency is falling because you are still holding paper. People have gotten smart and are wary of government bonds.

After all, why would you want to loan your money to the government for 5 or 10 years during a period of high inflation. The dollar may not even be around for that long.

The last means of funding is to print the money. That means your dollars are falling in value fast and the price of gold is going up fast.

You want to hold gold and silver because it is stable. It will never fall in value, even if the nominal price goes up or down.

A good example to use is from Roman times when it cost one ounce of gold to buy a toga, shoes, and a belt. In 1930, a one ounce gold coin would buy a nice men's suit, and today a one ounce gold coin can still buy a nice men's suit.

So, the value remains almost the same over thousands of years. Will your dollars still buy the same amount of goods in 10 years? I'm leaning towards NO!

PART 4

What Is Inflation?

When I first heard about inflation I had no idea what it was. Confused, I researched more about it and found out that most people haven't got a clue what inflation is or what it means.

Most people simply think that inflation means prices are rising. Higher prices are only the result of inflation. But I still have not defined **inflation.**

In simple terms, think of blowing up a balloon. You are making it larger by increasing the amount of air. Simply put, you are inflating it. So, when a central bank prints large sums of money they are inflating the supply of money in circulation.

Governments try to keep inflation under control by raising interest rates, which stifles borrowing. If it costs more money to take out a loan, then less people will apply for loans thereby controling the amount of money in circulation.

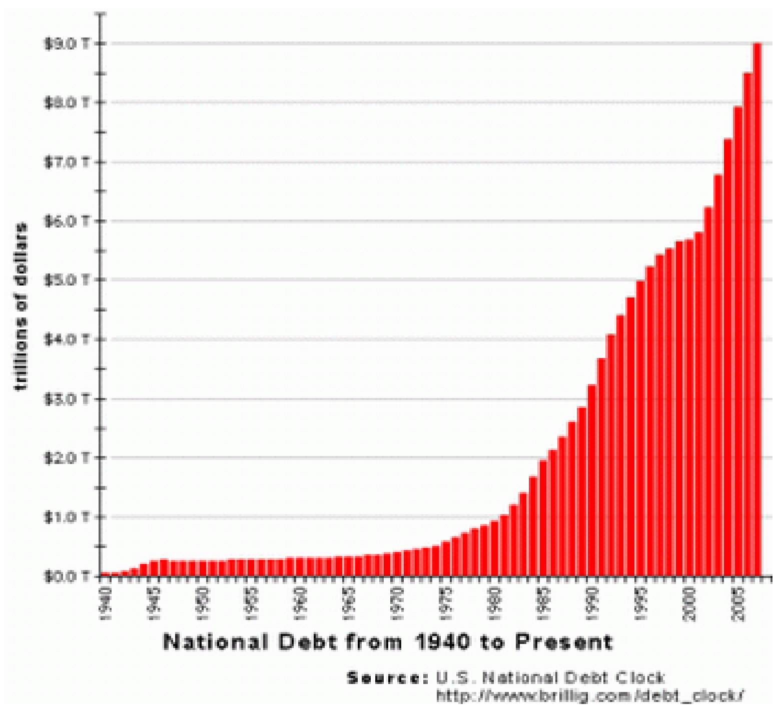
What happens when governments keep interest rates artificially low? Well, the money supply increases and inflation starts rearing its ugly head. That's where many governments are at today.

Many definitions of inflation will say that inflation is simply a rise in prices of consumer goods. **Why would the price of something just magically rise over time?** Have you ever thought of that?

Why doesn't the price of goods and services remain the same over time. It is so ingrained in our minds that prices are just supposed to rise, without any good explanation why.

Maybe "grandpa" told you about a pair of nice leather boots he bought for just $5.25 in 1945. Now those same boots cost $100, **and that's if you get a bargain!**

Below is a chart showing the result of money printing over time.



Nobody ever stops and asks why the prices are rising. Simply put, when a central bank like the **U.S. Federal Reserve** prints

MASSIVE amounts of money, and there is not a relative increase in goods and services, the value of the dollar falls. That's what inflation means.

So, your $5.25 that could buy a nice pair of boots in 1945 will now buy you a gallon of milk.

Is the loss in purchasing power all done by accident, or are there actual people benefiting from your loss? I talk more about that in the chapter on **The Federal Reserve.**

Today, most people don't understand inflation because we have a paper currency. Most people can not recognize that the dollar's value is falling, even if they look at some chart showing the details.

Professor "Patrick Harris" explains this well in his book *How To Protect Your Money From The Coming **Obama Inflation Grab**.*

Many experts believe that the fall of the Roman Empire was attributed to the government inflating their gold coins. The Roman government issued gold coins as currency throughout the empire, but they began inflating the currency at one point.

They debased the currency for the same reason that many other governments in history have debased theirs. Governments do this to fund their operations, whether it's for war, or something else. The Roman government needed more money, so they simply made more while simultaneously devaluing each coin in circulation.

What the Roman Government did was to melt down the gold coins and mix it with other metals like **copper, lead, or silver**.

In response to this, it took more coins to buy the same goods. There were obviously more coins in circulation, which is no different than more dollars in circulation.

The truth is that when governments can no longer tax the citizenry, they use the hidden tax called inflation. It is a hidden tax because most people don't know their money is losing value.

PART 5

What Is Deflation?

Well, as you may have already guessed, deflation is the opposite of inflation. Since we said that inflation is when the money supply is increased, deflation is a decrease in the money supply.

Technically, deflation occurs when the inflation rate falls below 0%.

Instead of a decrease in the value of money like inflation, in deflation there is an increase in the value of your money. This means you can buy **more** goods with your money.

During deflation, people have an incentive to hold on to their money because in the future their dollars will buy more. So, people just put off spending so they can get more for their money in the future.

This is what economists call a "deflationary spiral" because people won't stimulate the economy by spending. This is our Fed Chief Ben Bernanke's biggest fear.

During inflation, people try to get rid of dollars fast because the dollars will buy less if they wait another day or week. As we have seen, the opposite is true for deflation. I talk more about this in the hyperinflation chapter.

PART 6

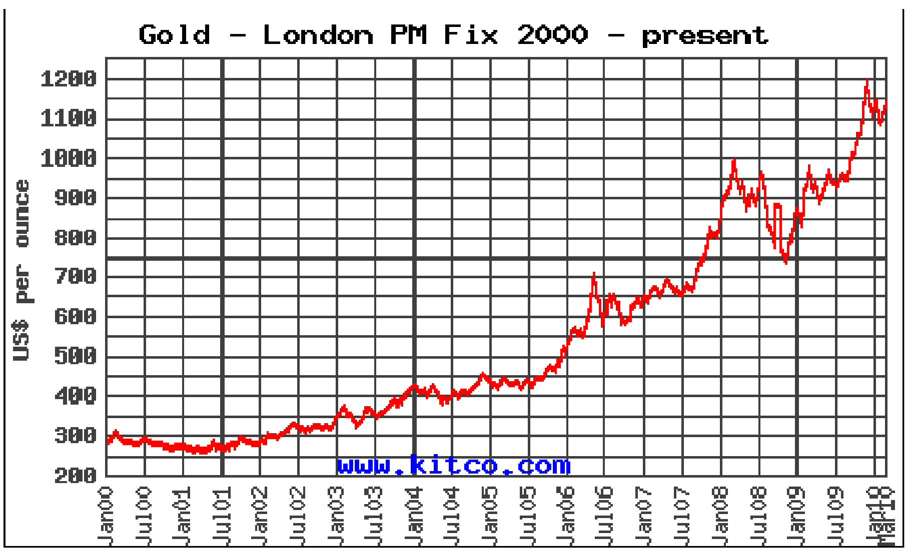
Gold Market

Gold is recognizable in every country in the world. Our U.S. fighter pilots even carry **British Sovereign** gold coins in their survival kits, not dollars.

Gold is in the middle of a **20 year bull market**. China is buying gold, India is buying gold, and investors are buying gold. There is maybe 3-5% of people who are actually invested in gold though.

The investing side of the gold market is pretty much untapped, but many investors are starting to take note of the rising price in gold.

In 2001, the gold price was sitting at around $250/oz. Today the gold price is sitting at over $1,100/oz. **A pretty nice gain if you ask me.**



So, today a one ounce gold coin would cost you over four times the amount it did just 8 years ago. What other investments do you know have gained **400%,** and not lost any value due to inflation?

Gold's inflation adjusted price is over **$7,000/oz** and it will get there according to many prominent economists. This bull market is really only just getting started. The gold price has a long way to go to make up for all of the paper money in existence.

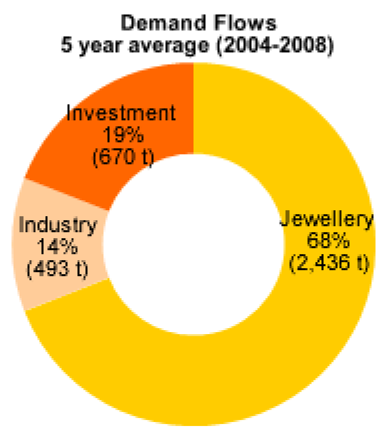
Gold is predicted to go to $5,000, $10,000, or even $15,000 per ounce depending on which economist you are listening to.

Hard assets can be a range of things from commodities to land, but gold and silver are the ultimate hard asset during times of economic uncertainty. **Why is that?** To put it in simple terms, it's because gold and silver have been money for over 6,000 years.

> In 1930 the price of gold was set at $20/ounce, which meant that a $1 bill was worth 1/20th the price of gold. Today, dollars are not priced in gold since we are no longer on a gold standard. Dollars are just priced in dollars since there is no gold backing it.

The demand for gold is going through the roof. The demand in 2008 was up 64% as scared investors searched for a safe haven for their money.

There is currently only about **23** grams (less than 1 ounce) of gold available per person on earth. The existing value of all the available mined gold on earth is **$3.7 trillion.**



Data: GFMS Ltd.

There is around **140,000 tons** of gold above ground, and that number increases each year by **2,600 tons**. That is an increase of about 2% per year, but that doesn't even come close to satisfying the demand.

The demand for gold each year is about 4,000 tons, so the mines are coming up short by about 1,400 tons. Until the recent gold price highs, gold has been selling for around the cost of production.

PART 7

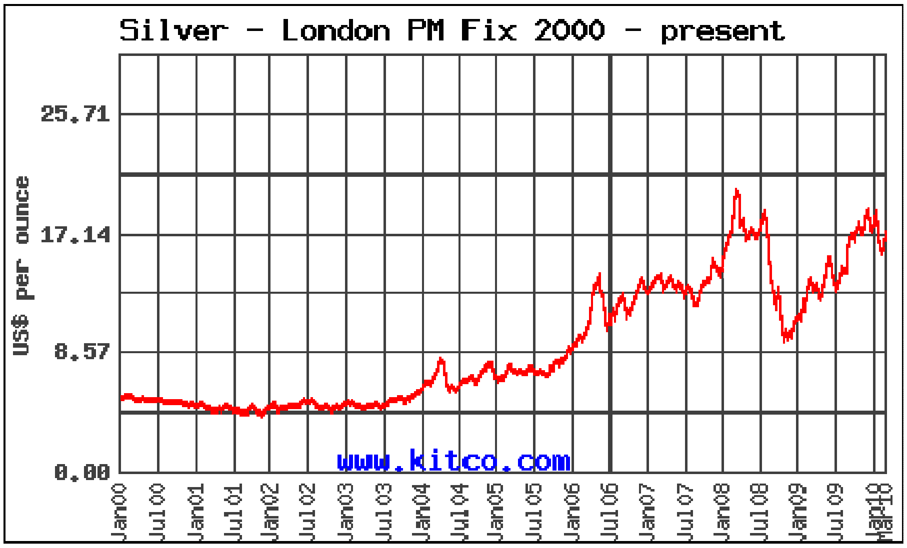
Silver Market

Silver Investing is in my opinion the best investment choice out there today. Many experts believe silver is the investment of a lifetime, and I will tell you why.

Never before in the history of silver have there been so many bullish factors for the price. Once the price explosion in silver happens, it will be historic in its magnitude. When the silver bull is over and profits have been taken, it will go down in the history books as a **price explosion never before seen in a commodity.**

Silver is at all time low reserves. About 97% of all silver above ground has been consumed by industrial applications, not to mention there is 5 times more silver than gold above ground.

The silver price today sits at an extremely cheap price of only **$16/ounce**. Just 8 years ago silver was down around **$4/ounce**. That's over a 400% return for those who held.



To be conservative, many of the leading experts on silver have predicted prices of at least **$50-$100/ounce** over the next few years, but some predict the price to surpass **$1,000/ounce**.

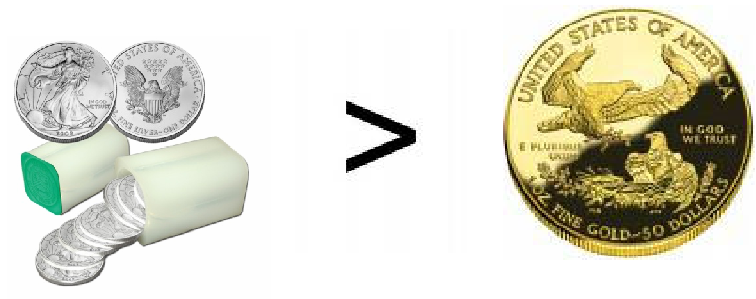
Some economists predict that silver could surpass gold in price.

Silver vs. Gold

Silver and gold play similar roles as a monetary metal. Both have been used as currency for over 6,000 years, and both act as a store of wealth. That is where the similarities end. Silver has a dual functionality in that it is used as a store of wealth, and as an industrial metal.

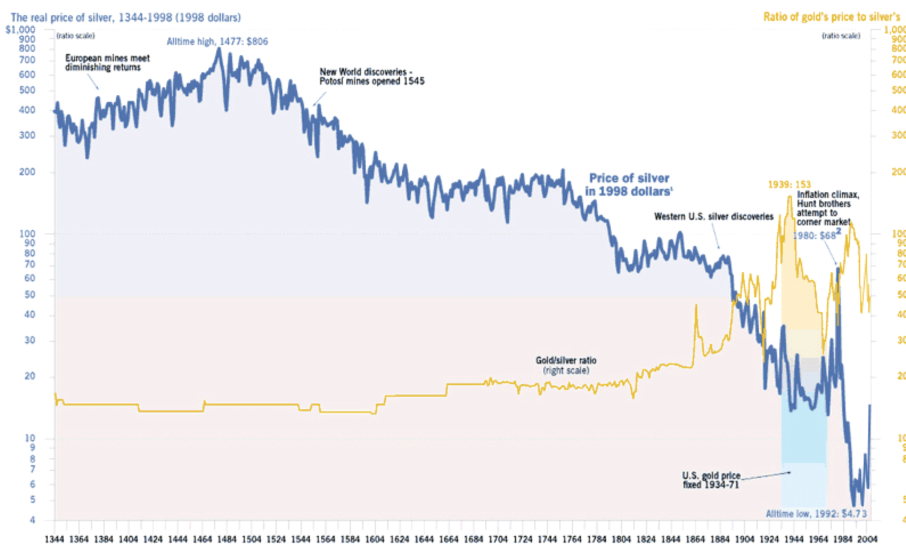
Everything from **electronics** & **solar panels** to water filters & antibiotic creams consume silver. In fact, over 50% of the silver demand is used for industrial applications.

Silver is much more affordable than gold. Today, you can buy a roll of **20 American Silver Eagles** for around $400. It will cost you over $1,000 to buy just one American Gold Eagle. For most people, silver is the better option.



Historically, the ratio of gold to silver has been around 15:1. The gold to silver ration tells how many ounces of silver it takes to buy one ounce of gold. Today, this ratio is about 68:1. This means that the silver price should be somewhere around $70/ounce today.

This chart shows the silver price over a **600 year period**. As you can see, silver is at all time lows. It is a screaming bargain right now at $16/ounce.



The yellow line in the chart represents the gold to silver ratio. See how it was level for hundreds of years at about a 15:1 ratio of silver to gold, but has now gone much higher.

Silver has been worth more than gold during different times in history. An ounce of silver was actually considered a days pay at one point. The silver price would have to go to $200 or higher to get back to that historic price.

Bullish Factors

According to the **USGS** (**United States Geological Society**), all the silver in the world will be consumed by 2020. You read that correctly. The USGS stated that silver would be the first element to go extinct on the periodic table of elements. If that is not a huge red flag and an extremely bullish factor for silver, I don't know what is. This is just one of the many hugely bullish factors for silver's price explosion. Other major factors include the following.

1. Economic uncertainty and the dollar falling in value
2. Government printing of money
3. High investment demand
4. COMEX price manipulation
5. Shortages
6. Increased industrial demand
7. Lack of good mining sites

Falling Dollar

The dollar is quickly fading as the world's reserve currency. Many countries know this and are getting out of dollar related assets and buying gold and silver. China is the biggest holder of Treasury Bonds that the U.S. has, and they have begun selling those bonds and buying gold.

Our government knows this is bad, and they have even gone as far as to send Timothy Geithner to China so he can beg the Chinese to keep buy Tresuries. He was even **laughed** at by Chinese college students when he remarked that the dollar was still strong.

They would have you believe the same thing, but you are smarter than that. That's why you are reading this. The very last thing the government wants is for you to trade your dollars and buy silver or gold. Why? It's because the dollar is our issued currency.

By getting out of dollars and into gold and silver, you are taking your money out of dollar related assets like the stock market or Treasury notes.

What happens when people get out of dollars? The stock market takes a dive. We learned this during the Great Depression. Do not be duped into thinking that you are somehow supporting our economy by staying in dollar related assets.

There is no question that we are going into a depression. Some economists are calling this the "Greatest Depression" because of the MASSIVE inflation going on worldwide. When this thing finally hits in the next few years, the standard of living for those people who are in debt and holding dollars will suffer a terrible standard of living.

Economists **Bob Chapman** and **Marc Faber** have consistently stated to get out of debt **NOW** and buy gold and silver.

If you are in debt, here is a great **debt resource** to help you become debt free.

The people of Weimar Germany and Argentina who were in debt and had their wealth stored in paper currency lost everything. Both of these countries experienced hyperinflation which is a real possibility in the U.S. The only winners in any inflationary situation are the gold and silver owners, and this has been proven hundreds of times throughout history.

Do not let the media play this game on you about the jobless recovery, and all this other garbage they keep spouting. There is no such thing as a jobless recovery. That's like being **almost pregnant**, as Gerald Celente would say. The market will go back down, and it will fall dramatically.

Any good we are seeing in the stock market now is due to the trillions of dollars that were pumped into the system. They are just propping the market up temporarily. When they can no longer print anymore money to prop the system up, it will come falling down like a house of cards. The market is coming back down. Some experts think the Dow could drop to **4,000** or even **2,000**.

Printing of Money

The Treasury department has kept the printing presses going non stop. They have printed trillions of dollars for so called bail outs and rescue packages. All of this printing is leading to the inevitable, inflation.

The more money our government prints, the more worthless our dollars become. That is why it is so important to get your money out of dollar related assets. Some economists even suggest taking the early penalty and liquidating your **401K** or **IRA**.

Be very wary about how much cash you keep in the banks as well. You certainly don't want your money sitting in a bank account earning a 0.5% return because the inflation rate is somewhere around 10%. This means you are losing 9.5% of your dollars value just having it in the bank.

It would be wise to get some of that money positioned into silver and gold because unlike the dollar, it has intrinsic value. Silver and gold will never go to zero. The same cannot be said about the dollar. It has no intrinsic value. It is a piece of paper with ink stamped on it all official like. It is a tool of deception used by the government.

(German woman burning paper currency in a stove.)

Where is the value in a piece of paper? I guess if you had enough of it you could burn it to stay warm like the people of Weimar Germany during the 1920's. Their government did the same thing our government is doing now, and the value of their currency went to zero. The gold and silver owners were the only ones spared.

That is the great thing about silver and gold. You can hold it, it's heavy, and it has a distinct value that paper does not offer. That is why it is always used as a safe haven for people who want to protect their wealth. If you stay in dollars you are not protecting your wealth, but rather burning your wealth.

The good news about the money printing going on around the world currently is that you can make a fortune trading the **FOREX** Markets. The FOREX market (a.k.a. Foreign Exchange) is where you can buy and sell different currencies around the world.

Right now there have been large swings up and down as the different currencies revalue against each other. There are automated **FOREX Robots** that trade the markets for you with up to 95% accuracy. In every recession there is a great opportunity, and this is one of them.

If you are interested in getting started with trading the FOREX market, here is a great **FOREX Program** to get started. This is a program run by **Albert Perrie** and **John Grace**. The Robot can deliver 95% accuracy. See the results **here**.

Investment Demand

The investment demand for silver is at an all time high. **The U.S. mint even had to stop minting silver eagles due to the extreme demand.** Many mining companies who mint their own silver have you wait 4-5 months before delivery.

All of this increased demand has caused the premiums on silver coins to sky rocket. So, the spot price of silver might be $16 but the consumer pays around $25. This is the markets way of saying that the spot price of silver should be valued at $25 at least. There are forces trying to keep this price down, however.

As I stated earlier, China is buying heavily into precious metals. China has historically outlawed the ownership of silver, but has just recently announced the legalized ownership of silver.

They are even marketing silver ownership to Chinese citizens on TV. Can you imagine where the price will go when this really catches on with the citizens of China. Let's not forget that there are 2 billion Chinese people.

COMEX

The COMEX (a.k.a. **Commodities Exchange**) is a part of the **NYSE**. It is set up to facilitate futures trading of commodities like silver. Each **COMEX** silver contract is **5,000** ounces. Just like any futures contract you can go long and bet that the price will go up, or you can go short and bet that the price will drop. If you are right then you make a profit.

This is where the COMEX gets interesting. There are commercial banks who buy thousands of silver contracts. For a long time now there have been three commercial banks shorting the price of silver.

These banks hold most of the outstanding silver contracts on the COMEX. So, when these banks short the COMEX it pushes the price of silver down, and they own so many contracts that they are able to easily push the price down when it is beneficial to them.

These banks are making **billions** of dollars by shorting the COMEX, and every bit of their activity is illegal. The **CFTC** (Commodities Futures Trading Commission.) just refuses to stop them from **manipulating the price of silver** down. Why would they want to push the silver price down? Well, because they want the dollar to appear strong. These banks are in the process of being stopped for their illegal behavior due to the efforts of many people exposing these commercial banks illegal acts.

(Actual 1,000 oz COMEX bars)

Once the manipulation of the silver market is stopped, and it will be sooner than later, the price will go bananas! Even if the manipulators aren't forced to stop short selling, the physical demand will eventually overwhelm them and they will be forced to cover their short positions.

Shortages

Major shortages exist in silver right now. Most of the above ground silver has been depleted over the past 25 years due to the massive industrial demand. In fact, Silver is more rare than gold above ground, by a large margin.

Industrial Demand

Each year industry consumes 50 million more ounces of silver than is mined.

Industrial demand will be ever increasing as more and more uses for silver become available. Silver is used in almost every electronic device you have in your home. It is the best conductor of electricity that is available. Imagine every Chinese citizen having a refridgerator or tv in their home. You can see where this is going?

Everything from electronics & solar panels to water filters & antibiotic creams consume silver. In fact, over 50% of the silver demand is used for industrial applications.

Silver is used in things such as **solar panels** and **cell phones** because it has an electric conductive efficiency of **100%**. It would be used in power distribution like power lines if it was affordable to do so.

Silver also has **antibacterial uses**. Silver has been used for thousands of years as far back as the Egyptians to purify drinking water and keep liquids and food from spoilage. Ancient silver vessels have been recovered that were used to store liquids in.

Pioneers who were heading out west in to the frontier used to place silver dollars in their milk jugs to kill off any bacteria that might grow. Today, silver is used in water filters, medical equipment, military equipment, and medicine to kill bacteria.

Silver actually disables bacteria from forming by breaking the cell wall of any bacteria. So, the popularity of silver in hospitals is growing rapidly.

Curad has a line of band aids that has silver in the healing pad to kill any bacteria.

Most of the industrial applications that are used are consuming silver. What this means is that the silver is **NOT** recoverable. It is simply thrown in a landfill never to be seen again. Silver will one day become recoverable, just like gold when it is used in electronics, but first silver must go to a price where it is economical to recover it.

Some may make the mistake of saying that a metal like silver couldn't or wouldn't go to a price of $1,000 or higher, but look at the price of rhodium.

Both **palladium** and **rhodium** are

interesting metals in themselves.

At one point palladium was $60/ounce until a shortage from Russian producers drove the price to $1,000/ounce. The Ford Motor Company purchased huge amounts of palladium at its high fearing a shortage would disrupt their production of catalytic converters.

Rhodium has a seemingly more dramatic story. Rhodium was once priced at around $300/ounce and the price briefly rose to **$10,000/ounce** in 2008. These sharp price rises in these metals is simple proof that it has happened before, and will happen again.

Mining

The mining of silver is becoming more and more difficult. Companies are having to dig deeper mines and a lot of the mines that were once producing have been completely mined out.

This is making it harder for companies to keep up with demand and even harder to find new locations to mine. Most **junior mining companies** trade for around $.10-$3.00/share. These are referred to as penny stocks because they trade so cheap. Do not invest in penny mining stocks until you check out this information on penny stock investing. Day trading penny stocks can be very profitable, and there are some good resources which will help you make **GREAT** incomes trading penny stocks. Check out this site to **make money trading penny stocks.**

Physical gold and silver are great and I would highly recommend them to anyone wanting to diversify out of dollars, but even more significant gains are going to come in the penny mining stocks. Why, you might be asking? It’s because gold and silver stocks provide much greater leverage due to the operating leverage of the company than does buying physical coins or bullion.

From 1972-1980 was the last great bull market in precious metals. The peak of the silver price eventually hit **$50/ounce** in 1980. If you adjust that price for inflation today, that would be the equivalent of about $130 to $150 per ounce.

It wasn't just the metals that did very well from 1972-1980, but the mining stocks did tremendously well.

For an example of where the mining stock prices could go we will look at the last gold and silver bull market from 1972-1980. In 1975, many gold and silver stocks were trading under $2/share and most were actually trading under $.50/share. **"Lion Mines"** was trading at $.07/share in 1975 and by 1980 it was at $380/share. **YES!** That is not a misprint.

So, if you had invested $500 in 1975 you would have gotten a return of roughly $2,700,000 in 1980! This is just one of the many success stories. In January of 1980, most gold and silver mining shares were trading above $50 and lots were at $100-$200.

Penny stocks are not traded on the big stock exchanges. Instead, they are traded on the OTC bulletin board market and the pink sheets. Don't let this confuse you. That just means that since the stock prices of these companies trade at such low levels (i.e. $.10/share), they can't be traded on the large stock markets.

Since the price of silver has been floating in the $12-$15 range for so long, many miners are shutting their operations because it simply is not profitable. Also, most mines do not produce just silver. Mines also produce base metals like **nickel, copper, zinc, and iron.**

However, money is starting to flow into the miners now that silver has started to take off. When the economy started slowing back in 2008, so did the demand for these base metals. That resulted in less silver coming out of the ground as well. This is very bullish for silver!

The bullish fundamentals for silver are too much for any concerned investor to ignore.

All it takes is 1/10 of 1% of the U.S. population to buy silver to send the price to the stratosphere. The silver market is so tiny that the smallest increase in demand could send it into price territories never dreamed of before.

It would take just one billionaire to buy into silver to send the price to the moon.

Although the bullish fundamentals may scream loudly at some people to buy now, others will not. Others will wait on the sidelines until the masses drive the price up, and then they will buy. This totally defies logic, but it happens.

That's the way bull markets work. You have the people who saw the fundamentals a long time ago and got positioned, you have those who are getting in today, and you have the masses who will get in close to the top, which is when I will be selling.

The list of uses for silver are immense, and the demand is outgrowing the supply by a huge margin. A lack of new silver mines and a solid investor demand will prove too much for the silver price to stay low.

PART 8

Hyperinflation

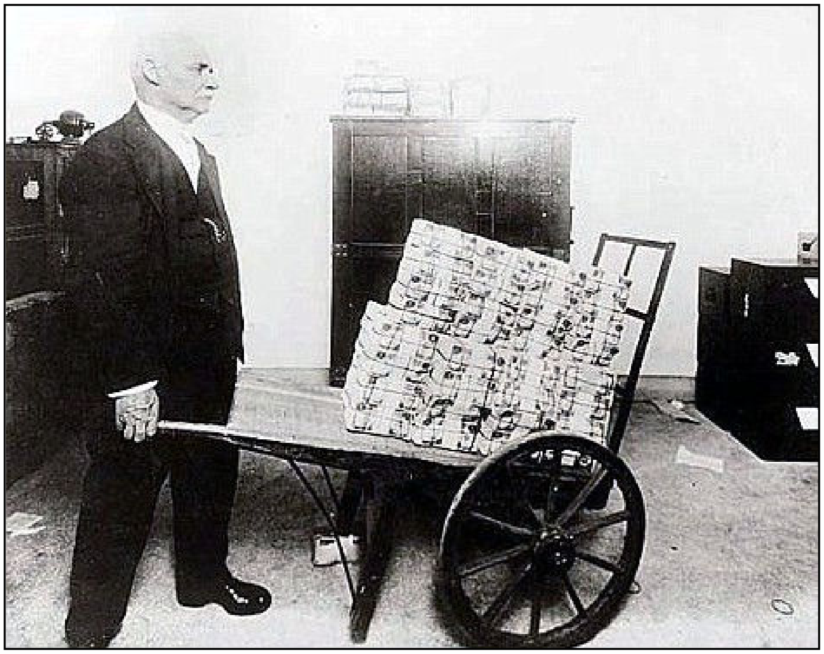
What is hyperinflation? Ask any of the tens of millions of people from countries like Germany, Bolivia, Argentina, and Zimbabwe. They would tell you that it's not something you want to live through.

Essentially, hyperinflation is when governments print massive amounts of money without any corresponding increase in the amount of goods and services.

During hyperinflation, the government printing the money can't print money faster than the rate at which it is falling in value. It does not help to stimulate the economy.

After a country has gone through hyperinflation, there is usually a return to a gold standard or some sort of hard backing of the currency.

The effects that people feel during hyperinflation are **MASSIVELY** higher prices in everything.



(In Weimar Germany in 1923, it took a wheelbarrow of money just to by a loaf of bread.)

Price controls have been attempted by governments, but it always ends in a shortage of supply. Price controls are where governments tell businesses that they cannot charge more than say $10 for a hat.

This fails because the currency is falling fast and businesses will lose massive amounts of money if they don't charge more for their products.

During hyperinflation, people scramble to get rid of their dollars in exchange for tangible assets as fast as possible. Where the U.S. had a relatively stable inflation rate of **3-5%** annually, during hyperinflation the inflation rate goes up hourly or by the minute.

Hyperinflation essentially wipes out the purchasing power of the public and private entities.

While hyperinflation is under way, most people don't have a clue what is happening. They don't realize that when the government prints money they are effectively stealing their hard earned wealth.

It is common for countries to inflate their currencies during wartime. This is a means of funding the war that doesn't involve outright taxation. **Inflation is still a tax**, it is just hidden out of view because most people don't understand it.

Weimar Republic

From 1921-1923, a massive hyperinflation hit **Weimar, Germany**. It was after World War I and Germany had many war reparations they were required to pay.

The currency, known as the **Reichsmark**, was inflated so badly that it cost 1 trillion marks to buy a loaf of bread.

(1923 1 trillion Mark bill.)

The total reparations demanded was 132 billion Marks, which was way more than the German government could afford.

The Reichsbank printed the money needed, which resulted in hyperinflation.

In the first half of 1921, it took 60 Marks to buy one US Dollar. By the end of 1921 it took 330 Marks to buy one US Dollar, and by December 1922 it fell to 8,000 Marks per US dollar.

The cost of living in the Weimar Republic from June 1922 to December 1922 rose **16 times!**

At the beginning of World War I the US Dollar was worth 4.2 Marks. By November of 1923 the US Dollar was worth 4.2 trillion Marks. The inflation peaked out, and the Reichsmark was replaced with a new currency termed the Rentenmark.

PART 9

Federal Reserve

The Federal Reserve is a central bank which was created after several "bank runs" happened in the early 20th century, and the banks were unable to pay out the deposits of customers. So, the Federal Reserve was created under the guise that there needed to be a lender of last resort in case a bank run ensued and all of the people wanted their money out at once.

The Federal Reserve was also created to “control inflation” by manipulating the money supply via interest rates. What most people don’t know is that our dollar has lost 95% of its value since 1913 when the Federal Reserve was created.

The Federal Reserve was not the only central bank in the U.S.’s history. There were two prior central banks in the U.S. during the **18th and 19th century**, and both failed to maintain any longevity.

The first central bank in America was chartered in 1791 and ended in 1811. It was known as "**The First Bank of The United States**".

(The First Bank of The United States- Philadelphia, PA)

This central bank was opposed by both **Thomas Jefferson** and **James Madison**. They knew all too well the dangers of leaving the money creation up to a private central bank.

The Second Bank of The United States was created in 1816 just 5 years after the closure of the first bank. It also failed to stay around for any serious amount of time and did not get its charter renewed after 20 years.

(The Second Bank of The United States- Carpenters' Hall, Philadelphia)

Thomas Jefferson was very aware of the fact that if the money supply ever came under the control of a private bank, the people would suffer due to greed and selfish interests. He quoted the following:

"If the American people ever allow private banks to control the issue of their money, first by inflation and then by deflation, the banks and corporations that will grow up around them (around the banks), will deprive the people of their property until their children will wake up homeless on the continent their fathers conquered."

The writers of the constitution knew that paper money was a fraud, so they made sure that only gold and silver could be coined by our government as a tender in payment of debt.

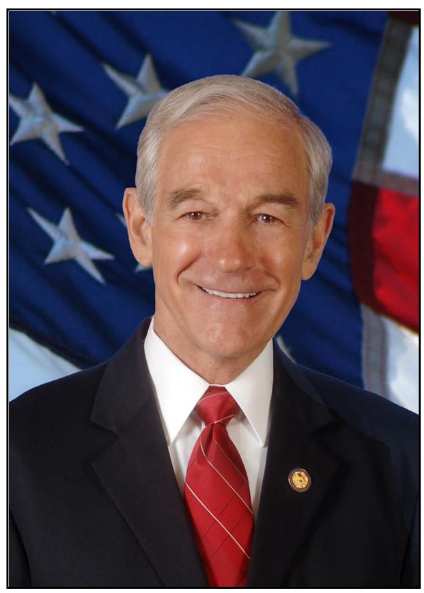
Article I Section 10 of the U.S. Constitution stated that

“No State shall make any thing but gold and silver coin a tender in payment of debts.”

The Federal Reserve is not a government entity. It’s a private bank owned by private investors who lend money to the U.S. government with interest. Guess who pays the interest on the loans from the private Federal Reserve. We do. The real reason the Federal Reserve was established was to make money for a few elite bankers and businessmen.

Author and historian G Edward Griffin points this out in his book "The Creature From Jekyll Island".

The Federal Reserve is not being honest with the American people about where these bailout packages are going and how much these overseas banks are getting. When asked about this, **Ben Bernanke** simply said he **would not** say where the money went.



There needs to be transparency in our monetary system and the Federal Reserve should show all accounts of where taxpayer money has gone.

Congressman **Ron Paul** has been fighting the Federal Reserve for 40 years now. He has a bill (HR 1207) that would allow an open audit of the Federal Reserve.

If passed in both the house and senate, it could mean our nation will go back to a gold standard where our money would be stable.

Central banks around the world also play a role in suppressing the price of gold by flooding the markets with gold thus driving down the price.

Central banks have gotten away with this for some time, but they are running out of gold to push to market.

PART 10

How To Buy Gold and Silver

When buying gold and silver there are many pitfalls to avoid before spending your hard earned money. I've compiled a list of the **TEN BEST** **gold investing tips** for new investors who want to get the most value for their money.

Spot Price: The price that is quoted if you want to buy any commodity today.

1) The first tip, and I believe the most important tip before buying your gold is to **shop around**. It might sound obvious, but there are many new gold investors out there who get emotional about buying gold and they settle for the first place they find online. Do your research before buying because it could cost you thousands of dollars if you make a mistake.

2) Never buy numismatic gold coins unless you are a collector. **Numismatic coins** are collector's coins and they carry a large premium over the spot price of gold. Numismatics include extremely rare coins, graded coins, shipwreck coins, etc. Remember, you are investing in a commodity (gold) so you want the most gold for the money.

   The first time I heard the word "**numismatic"** I was taken back. It is just a fancy way of saying that the coin carries some kind of rare or distinguishable quality. A one ounce numismatic gold coin may fetch twice as much or 100 times as much than the gold content itself.

3) **Only buy bullion coins and bullion bars**. Gold and silver bullion simply means it is produced in mass quantities. Gold bullion is 99.9% pure gold and comes as government minted coins, rounds, ingots, and bars.

   Buy gold bullion because the premium that it carries over the spot price is minimal. For example, the gold price today is about **$1,100/ounce**. If you were to buy a numismatic gold coin it might cost between $200 and $100,000 over spot price.

   A bullion coin like the American Gold Eagle might be $35 over the spot price. A much better deal.

(US Coin- $1 face value)

(Silver Round)

4) Compare the different gold bullion products. Usually gold bullion that is minted by government mints like the **Perth, Australia mint** or **U.S. mint** carry a higher premium than gold rounds. Gold rounds are not considered coins because they are not legal tender. They do not have a face value on them like a U.S. gold coin does. <u>These rounds are usually cheaper to buy.</u>

5) Steer clear of fool's gold. Fool's gold is terminology used by many to describe the gold ETFs (**Exchange Traded Funds**). GLD is one such fund that can be invested in through your broker. The problem with these ETFs is that you do not

physically own the gold your are investing in. The ETFs are derivatives so you are only getting **exposure** to the price of gold. The GLD is widely thought to not have the gold that they claim they have because they will not allow a third party audit of the stored gold.

6) Be weary of the gold futures contracts traded on the COMEX (**Commodities Exchange**). These are simply futures contracts to buy 100oz of gold or 5,000oz of silver per contract. When the future date arrives and the gold price has gone up, you make a profit.

   The COMEX too has been under scrutiny for supposedly defaulting on gold delivery to customers. People are also claiming the the COMEX is using **cash settlements** in place of physical delivery of the gold to their customers. Technically, this is considered a default. It's probably not a good idea to invest here.

7) Diversify your physical holdings. Just like any investment portfolio you want to buy different kinds of gold. Don't just put all of your money into American Gold Eagles. It's a good idea to diversify because you never know which coins might carry a much higher premium when you go to sell them.

8) Buy different denominations of gold coins. You can purchase most gold coins in **1/10** ounce, ¼ ounce, ½ ounce, and **1** ounce. Some coins are even minted in 10 oz or higher. It's important to remember that the smaller coins carry a higher premium just do to the fact that it took more time and energy to mint.

9) **Beware of putting your gold into bank lock boxes**. It's better to find a place to hide your gold that nobody else knows about than to trust that a bank will let you get your gold out in the event of a bank run. Another option is a super heavy safe that is **bolted** to the ground.

10) Never tell anyone that you are investing in gold. If the time comes when the gold price goes bananas, which is what many

economists are expecting to happen sooner than later, you want to make sure that your investment stays unknown to possible thiefs.

Government Issued Coins

These include coins that are minted specifically by governments. They include coins like the Gold American Eagles, Canadian Maple Leafs, Austrian Philharmonics, and South African Krugerrands. These coins are considered bullion coins which means they are 99.9% pure gold and produced in mass.

Each of these coins has a face value on them. For example, the American Eagles have face values of $5, $10, $25, and $50. The face values mean nothing and are just there to show that the coins are **legal tender**. In other words, a one ounce gold coin will always be redeemable for $50. I say the face value means nothing because it drastically undervalues the actual price of the coin.

I highly recommend buying **government issued gold coins**.

1. They are 99.9% pure.
2. They carry a low premium.
3. They are recognizable around the world.

Bullion Coins & Rounds

Bullion coins, like the **Gold American Eagle**, are a good choice for investors. There are, however, bullion rounds on the market that may offer an even better deal than the coins. **Coins vs.**

rounds: what's the difference? Coins are minted by the government, whereas rounds are minted by governments and independent companies. Many mining companies will mint their own rounds with their company name on the round. Rounds should be on the top of your list because they are **99.9% pure gold**, and they do not carry the premium that government coins carry.

Bullion Bars/Ingots

Bullion bars (a.k.a. ingots) will give you the most gold for your money. Why? Well, because you are buying in bulk of course, and with everything bulk you get a discount. You can buy gold bars for considerably less than bullion coins or rounds.

There is such a premium on coins and rounds because it's more labor intensive to produce. The bars are simply poured and stamped with 99.9% pure gold. That's it. The only problem with bars is that most people cannot afford to buy gold in bulk amounts. This may not be the best choice for most people.

Gold Mining Stocks

There are choices when it comes to mining stocks. By far the highest profits are taken in the **junior mining stocks**. These stocks usually trade around $.10-$3.00 and can be risky, but the payout is huge. These stocks are referred to as penny stocks since they trade for very cheap.

Diversify

I don't think that gold is any different than any other investment. You need to diversify your gold holdings. I wouldn't just buy only American Gold Eagles. I would buy some other coins or rounds.

Jewelry as an Investment

Most people would not invest in jewelry due to many factors.

1. It's too expensive for the amount of gold you get.
2. It's not easily divisible into units.
3. The jewelry is not pure gold. Most of the time it is **14K** gold.

In India, jewelry is the main avenue for which people invest in gold. It is just not the most economical way to go about investing.

Storage

There are companies here and overseas who will store your gold for a small fee. Many people are not comfortable with storing gold in their home or at a bank. Letting somebody else store and protect your gold is a **great investment strategy.**

BullionVault.com is a company that you can buy gold through, and they will store it in one of three locations of your choosing. They have large storage vaults located in New York, London, or Zurich. They will start you off with a **FREE** gram of gold!

I would avoid keeping your gold in a bank lock box. During the 1930's when the government **confiscated gold**, the first place they went were the bank lock boxes.

Not that gold confiscation would happen again, mainly because we are off the gold standard, but it is just better not to keep it at any bank.

PART 11

Where to Buy Gold and Silver

In this chapter I'm going to lay out to you the top gold and silver dealers online. I will try to give some personal experiences with buying from these companies so you don't get ripped off like I have been before.

When you buy gold and silver online, you want to buy as much metal for the lowest price possible. Since you are an investor, you should only buy bullion coins and bars.

I don't care what dealer tries to tell you that you should be in rare coins or graded coins. That is how many dealers make lots of money at your expense, by selling a coin way over the spot price because of the inherent "**rarity**". Stick strictly to bullion bars and coins and you have nothing to worry about.

With that said, let's look at the top online places to buy gold and silver.

Monex

Monex.com has a **friendly and visual** website. They have videos when you click on each metal that tells you about the metal. As far as going the distance to help customers understand the precious metals they are investing in, Monex goes the distance. They also have a good selection of metals to choose from, although they are a little lacking in the bullion selection in my opinion.

Monex lays the price out for each item they sell. I would give a **10 star rating** to the Monex website, but I think the prices are a little high for my taste. Overall, I think Monex is worth checking out, at least to watch the videos on each of their products. It is really educational, and maybe you will find a better deal from them when you look.

Ebay

Ebay.com is one of the **BIGGEST** marketplaces on the internet. If you have not heard of ebay, then you have been living under a rock somewhere for a while. My favorite thing about buying gold and silver on ebay is that the selection is practically endless. You have individual sellers and ebay store owners who sell on ebay, so your chances of finding what you're looking for are really good.

You can find really **good deals** on gold and silver coins, even below the spot price if you search around. Ebay is a great place, but the prices are a bit higher on most items than I would like to pay. Ebay is truly a market place, and most sellers are small shops or individuals, so the prices are a little higher than a large retailer like Apmex.

The good thing about buying coins on ebay is that many times you do get **FREE Shipping**. Overall, I will rate ebay as a good and safe place to buy gold and silver.

GoldSilver.com

GoldSilver.com is where I go to buy gold and silver. There is a nice selection of gold coins, silver coins, bullion bars, gold bullion, and the list goes on. They offer advice on what to buy, how to buy, and they ship right to your door.

There are videos, frequently asked questions, and you can sell back your gold or silver to them when you are ready to. They offer gold and silver **IRA's** as well. The articles on their website are great and they will give you an insight into what is going on with our money supply. I give **goldsilver.com** **10 stars.**

Bullion Direct

BullionDirect.com is a company I have not personally bought from, but have heard good feedback from others who have purchased from them. The website at Bullion Direct does not seem as user friendly as others I have looked at, though they seem to have an ok assortment of inventory.

The prices at Bullion Direct do not compare to the goldsilver.com prices, at least not for the most popular American Silver Eagles, but they do provide a Bullion Direct self directed IRA. You can invest your tax-deferred funds in precious metals, provided you have an IRA with an approved IRA custodian.

Keep in mind you will hold the actual tangible metals in your IRA, they will just be held in the Bullion Direct vault or whomever they contract with to store the metals. Overall, if you are interested in precious metals for your IRA, I would consider Bullion Direct. If you just want to buy physical metals, it's not a bad choice, though there are cheaper options I have seen.

Goldline

Goldline.com has a nice website and a lot of inventory to choose from. I have bought from Goldline before, and have to give their shipping and customer service a good rating. Goldline also offers **Precious Metals for you IRA**. On the Goldline website, when you click on a coin it says "call to order".

They do not let you see the price like Apmex or Bullion Direct, so that may mean several things. One good thing I see about Goldline is that **Glenn Beck** from Fox News is a buyer of Goldline products. It's usually good to see a familiar face supporting the company you want to buy from, so Goldline may be a good choice after all. I'm just not too sure about the hidden price, although I seem to have gotten a good deal.

Usually, when a company hides their prices, it's not good, but it doesn't mean you shouldn't check them out. Overall, I think Goldline is a good buy. Just do some more research on the company before making the plunge..

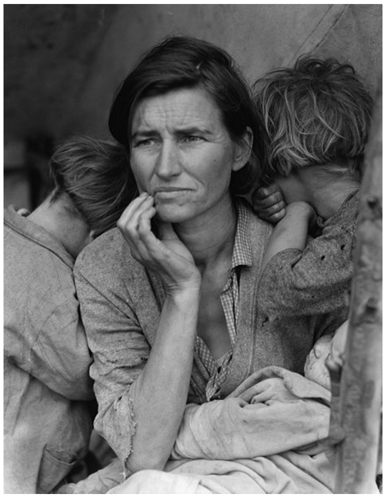
PART 12

Future of the U.S. Dollar & Our Economy

The future of the **U.S. Economy** looks pretty bleak for the **next 10 years** or so. When I hear some of the doomsday predictions put forth by some of these prominent economists, I can't help but want to help others prepare.

Economist **Marc Faber** has made some pretty negative statements about the future of the **U.S. economy**. Here is a quote directly from Marc Faber.

> "The future will be a total disaster, with a collapse of our capitalistic system as we know it today, wars, massive government debt defaults and the impoverishment of large sections of Western society."
>
> Source: The Gloom, Boom, and Doom Report (9/09)



The U.S. Dollar is in serious trouble, and signs of improvement don't look good at all. The **USDX** (U.S. Dollar Index) started in 1973 after the U.S. was taken off the gold standard.

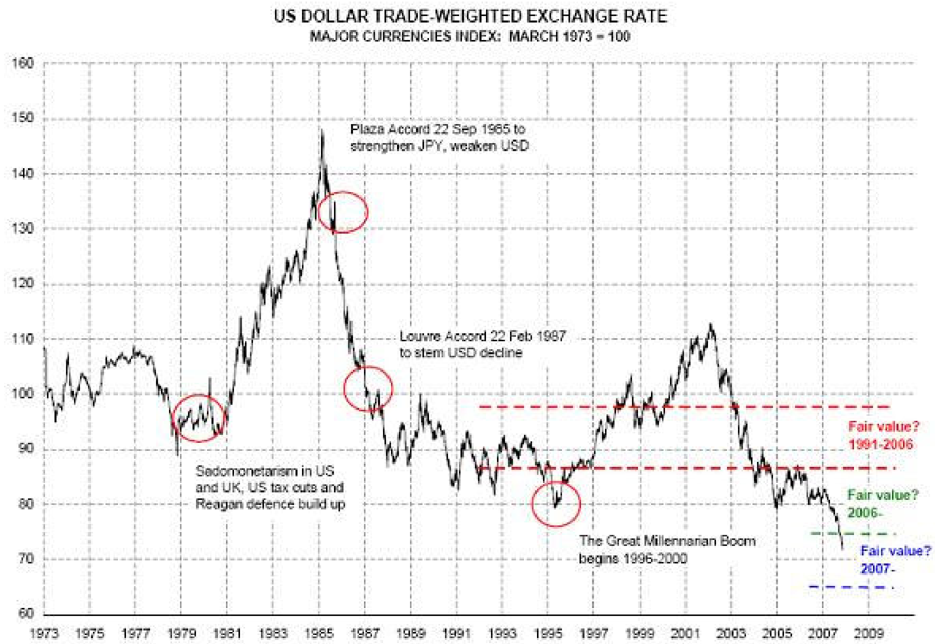
The **USDX** is a weighted average of the U.S. Dollar against six other currencies. At

at

its start, the value of the U.S. Dollar Index was <u>100.00</u>, but has recently fallen to a value of <u>71</u>.

What does this mean? It means that since 1973, the beginning of the USDX, the dollar is only worth 71% of what it was. Some economists are expecting the USDX to go to 40 or lower. This would mean disaster for you if you are holding dollars.

The following chart shows the **<u>gruesome</u>** details of the fall of the dollar.



The U.S. has borrowed trillions of dollars from countries, notably China, to fund our addiction to credit. Citizens in the U.S. are in debt up to their eyeballs and the only thing that has enabled people to keep borrowing money is the credit extended to the U.S. lending institutions by other countries.

China has now pulled back from purchasing Treasury Notes from the U.S. and are buying gold instead. The Chinese are not the only countries increasing their gold reserves. India recently purchased 200 metric tons of gold from the **IMF**.

Countries around the world are aware that the dollar's reserve status as the world's currency is going to end soon. That's why they are **scrambling** to get out before it's too late.

The U.S. government will try to inflate their way out of this mess, but will ultimately fail just like other governments in history who have tried the same thing. One stimulus package will lead to the next one and it will end with the collapse of our once great nation.

Let's not forget most people in this country have never experienced an economic collapse like that of the **Great Depression.** Most people are not prepared for what is coming and they will soon find out what real poverty is all about.

Before I conclude I would like to make a note that I believe along with many experts, that **all commodities will go up** over the next 10 years. People don't want to hold paper when it's being inflated. You will see the price of **crude oil** go up as well as the price of **food**.

It would be a good idea to research these markets and invest in them as well because we could see **$500 a barrel oil** in our future.

To learn more about investing in oil, **click here.**

If you think that claim is outrageous, what do you think people were saying in **2000** when some experts said gold would go above $1,000/ounce? **They called them crazy, but who's laughing NOW!?!?**