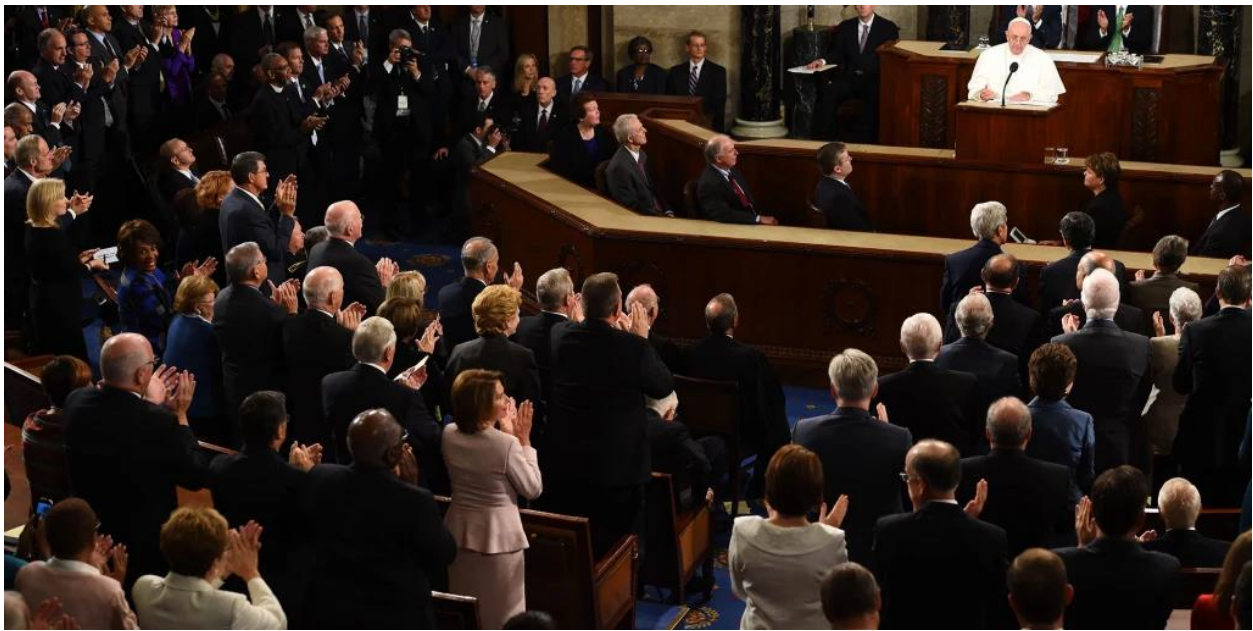


Poignant photo of Pope Francis from 2015 when he addressed congress on his trip to the United States. He said a lot of things, the one I remember most was his nod to what we have done. In 249 short years, we have gone from 13 fledgling colonies to the reason the world's economy works, and why we haven't had a war of the global kind in 86 years. We are after all, the global neutralizer. At some point in his speech, he repeated these fine words about us...and he meant it.

'In the land of the free, and the home of the brave.'



Why do I start with this? Because I'm about to venture into a land fraught with barbs, no holds barred fights, ICBM nukes, and flame throwers. It's not a good place to opine but opine I must. That's the job. As I do, please understand that I have no real idea how tariffs are going to work out, but I do know the threat of them is rocking the world.

The image shows two digital displays, each titled "Reciprocal Tariffs" with the U.S. Presidential Seal. Each display compares the "Tariffs Charged by the U.S.A." (including duties, taxes, and trade barriers) with the "U.S.A. Discontinued Reciprocal Tariffs".

Country	Tariffs Charged by the U.S.A. (including duties, taxes, and trade barriers)	U.S.A. Discontinued Reciprocal Tariffs
China	67%	34%
European Union	39%	20%
Vietnam	90%	46%
Taiwan	64%	32%
Japan	46%	24%
India	52%	26%
South Korea	50%	25%
Thailand	72%	36%
Switzerland	61%	31%
Indonesia	64%	32%
Malaysia	47%	24%
Cambodia	97%	49%
United Kingdom	10%	10%
South Africa	60%	30%
Brazil	10%	10%
Bangladesh	74%	37%
Singapore	10%	10%
Israel	33%	17%
Philippines	34%	17%
Chile	10%	10%
Australia	10%	10%
Pakistan	58%	29%
Turkey	10%	10%
Sri Lanka	88%	44%
Colombia	10%	10%

Country	Tariffs Charged by the U.S.A. (including duties, taxes, and trade barriers)	U.S.A. Discontinued Reciprocal Tariffs
Peru	10%	10%
Nicaragua	36%	18%
Norway	30%	15%
Costa Rica	17%	10%
Jordan	40%	20%
Dominican Republic	10%	10%
United Arab Emirates	10%	10%
New Zealand	20%	10%
Argentina	10%	10%
Ecuador	12%	10%
Guatemala	10%	10%
Honduras	10%	10%
Madagascar	93%	47%
Myanmar (Burma)	88%	44%
Tunisia	55%	28%
Kazakhstan	54%	27%
Serbia	74%	37%
Egypt	10%	10%
Saudi Arabia	10%	10%
El Salvador	10%	10%
Côte d'Ivoire	41%	21%
Laos	95%	48%
Botswana	74%	37%
Trinidad and Tobago	12%	10%
Morocco	10%	10%

Please keep in mind, I checked out on party politics in 2016, give me some leash as I talk about what the markets are seeing and saying. After all, I've got one more vote to be the leader of the free world than you most likely do. The 2028 elections are closer than you think, and I just might officially sign myself up this time.

candidate for party-nominated office on the general election ballot means that the candidate is the official nominee of the party shown.

Governing
Vote for no n

PRESIDENT AND VICE PRESIDENT

Vote for One Party

HILLARY CLINTON Democratic
for President
TIM KAINE
for Vice President

GLORIA ESTELA LA RIVA Peace and Freedom
for President
DENNIS J. BANKS
for Vice President

DONALD J. TRUMP Republican, American Independent
for President
MICHAEL R. PENCE
for Vice President

GARY JOHNSON Libertarian
for President
BILL WELD
for Vice President

JILL STEIN Green
for President
AJAMU BARAKA
for Vice President

BRYAN J. GOLIGOSKI

VOTER-NOMINATED AND NONPARTISAN OFFICES

All voters, regardless of the party preference they disclosed upon registration, or refusal to disclose a party preference, may vote for any candidate for a voter-nominated or nonpartisan office. The party preference, if any, designated by a candidate for a voter-nominated office is selected by the candidate

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PROPOSITIO

To those who are surprised by what is happening right now in politics and the economy, I'm surprised you are surprised. Love him, or hate him, Trump told you exactly what he is about, and exactly what he was going to do. Who has two thumbs and in three months has turned the world order upside down? This guy....



While I enjoy talking stocks, sectors, and the small nuances of markets, it's all about the top down global macro right now. Forget the middle and bottom. Buckle up, buttercup. It's going to be a bumpy ride. A very bumpy ride.

Trump Tariffs Cause Global Market Meltdown

Change in major stock market indices since Trump's inauguration (vs. closing prices on Jan. 17, 2025)



Indexes used: S&P 500 (U.S.), FTSE 100 (UK), Shanghai Composite (China), S&P/TSX Composite (Canada), Nikkei 225 (Japan), Euro Stoxx 50 (Euro area)

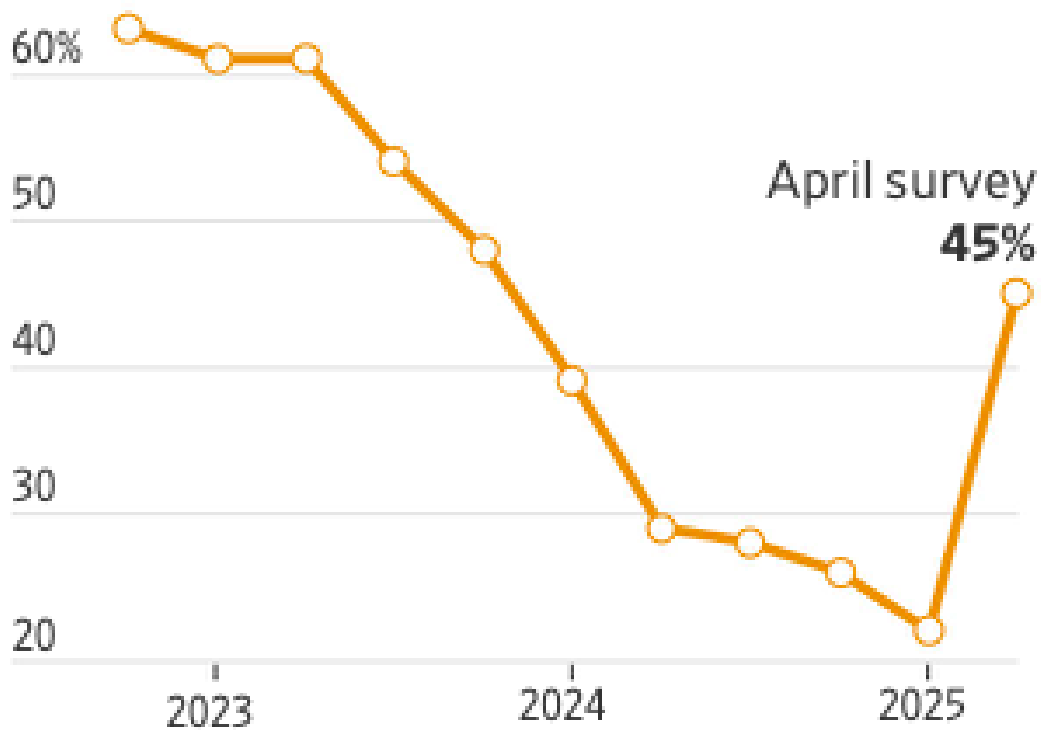
As of April 7, 9:30 EDT (Shanghai Composite/Nikkei 225: as of close)

Source: Finanzen.net



If you want a singular picture that shows how quickly the economic tone and outlook has changed, this is the one for you. A full three year decline in expectations that we would go into a recession turned on a dime, and we are now at a coin toss.

Likelihood of recession in the next 12 months



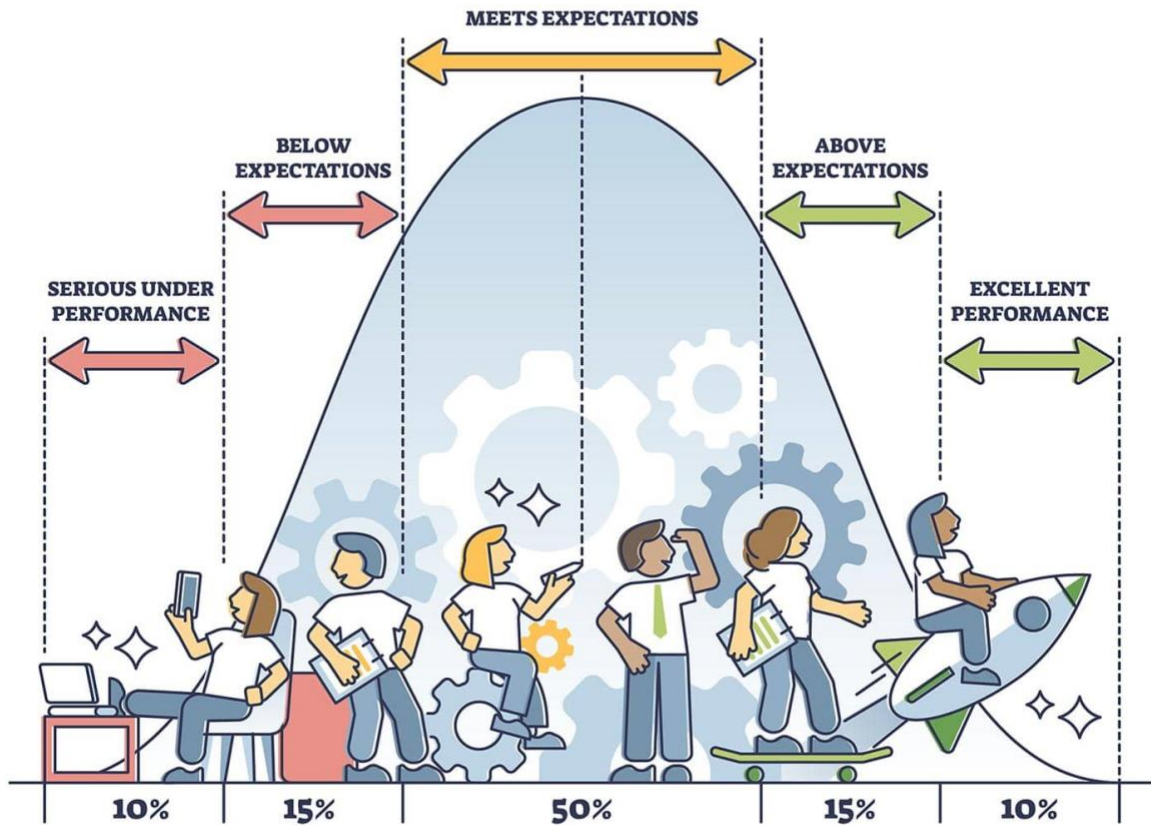
Note: Chart shows average response in each survey.
Source: Wall Street Journal survey of economists

I don't know how much clearer I can say it, but President Trump is running the White House like a reality TV show. It's that simple. He got elected tapping into a populace that was looking for something different and new. And we all wound up getting him, regardless of if you wanted to live in reality television show or not.



The point of this is to say in its most basic form, Americans wanted to sign up and watch this guy, and now let's see how long they can keep the channel on. And I think that's a good way to frame this. I like to use the bell curve to frame most everything. Right side is good, left side is bad. In the past month or so, we've gone from a solid right tail to a very shaky left tail. And that has pretty much everyone rattled.

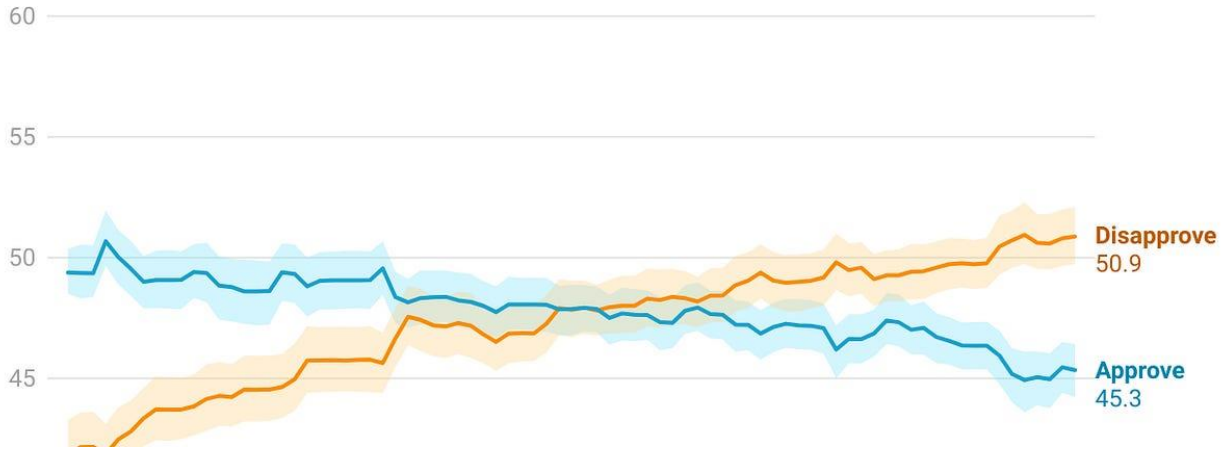
BELL CURVE



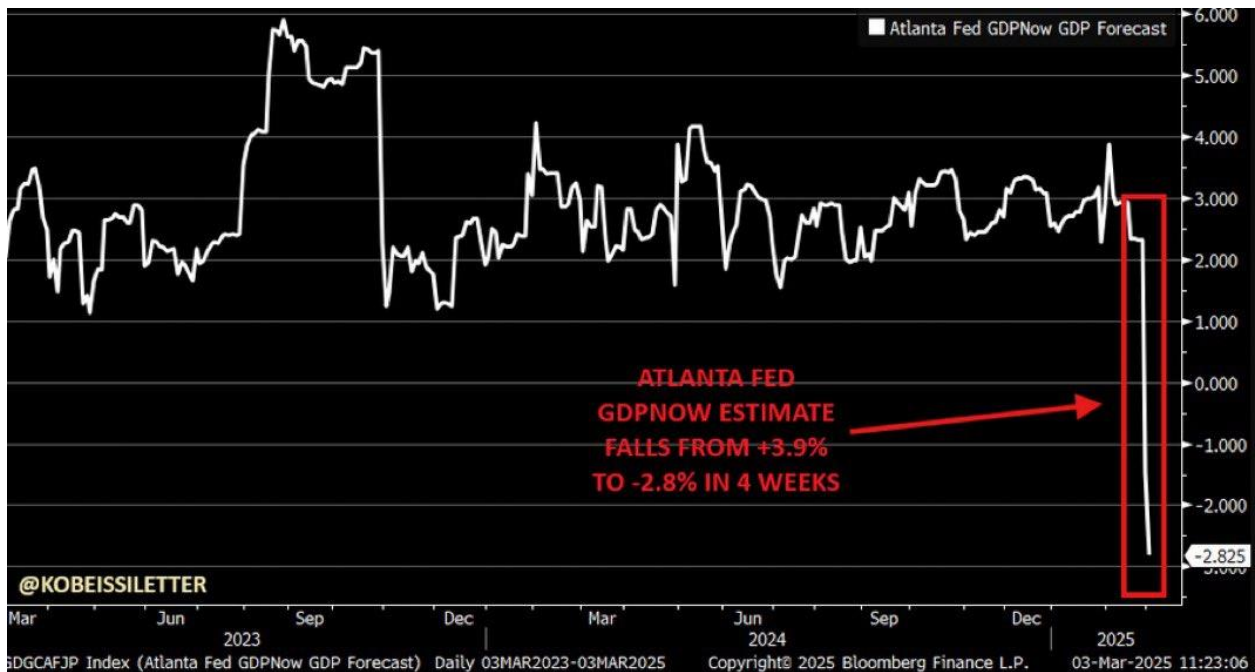
It's all fun and games on the campaign trail during elections, you can say or do whatever you want. But to some extent that's a 'cold war' because the challenger can't do anything until elected. At that point it turns into a hot one with global economic missiles flying everywhere, all the time, every day of the week it seems. And that is quickly taking a toll, and the numbers show it.

Trump's job approval rating

Average approval and disapproval rating for Donald Trump's second term. The average is adjusted for poll quality, mode of interview, sample size, and recency.

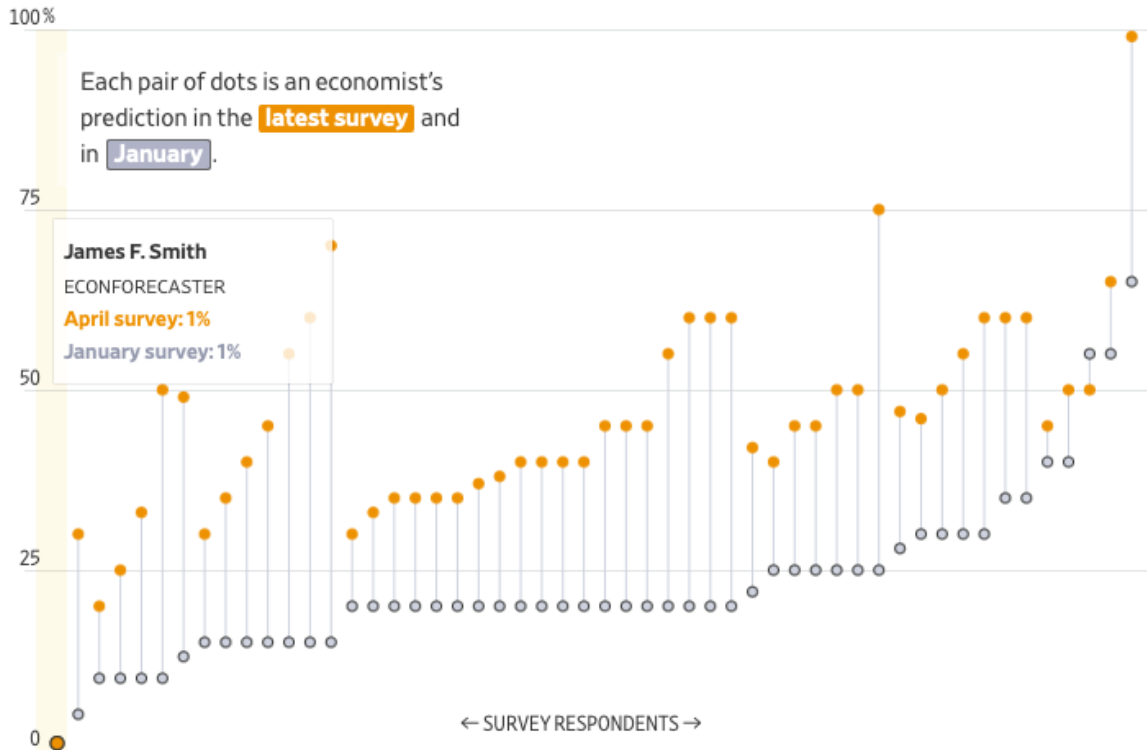


Time for another scary chart because I can. This is the well watched Atlanta Fed GDP now chart. The thing fell off the side of the table when the headline tariff war started. I'm 100% sure that part of the reason it did was because it's going to be tough for Trump to walk this one all the way back.



Same chart from the Wall Street Journal, just turned upside down...or right side up. It's tough to tell the exact dates, but it's a January through April chart, you get the idea.

Likelihood of a recession in the next 12 months



Note: Limited to respondents who provided recession forecasts in both January and April.

Source: Wall Street Journal survey of economists

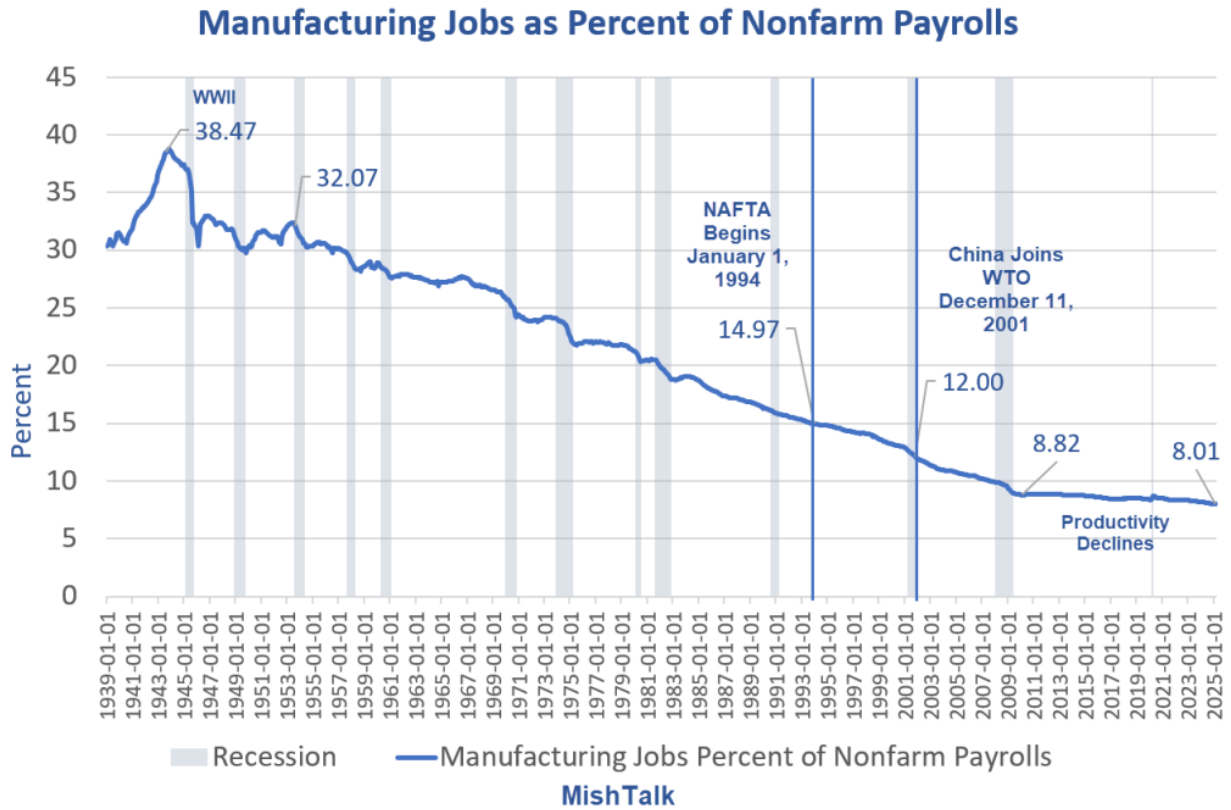
To be fair and clear, this could work out swimmingly as the phase goes. I don't know too much about global trade, but I think anything is possible. President Trump has an uncanny way of pulling rabbits out of hats. Perhaps it's as simple as shaking a few trees to see what comes dropping out. Xi Jinping and Mohammad Bin Salman (MBS) scare the hell out of me, and I think the rest of those with an interest in global economic prosperity and stability. Maybe the end game is to put them on their heels and see what happens. And they aren't going anywhere soon.



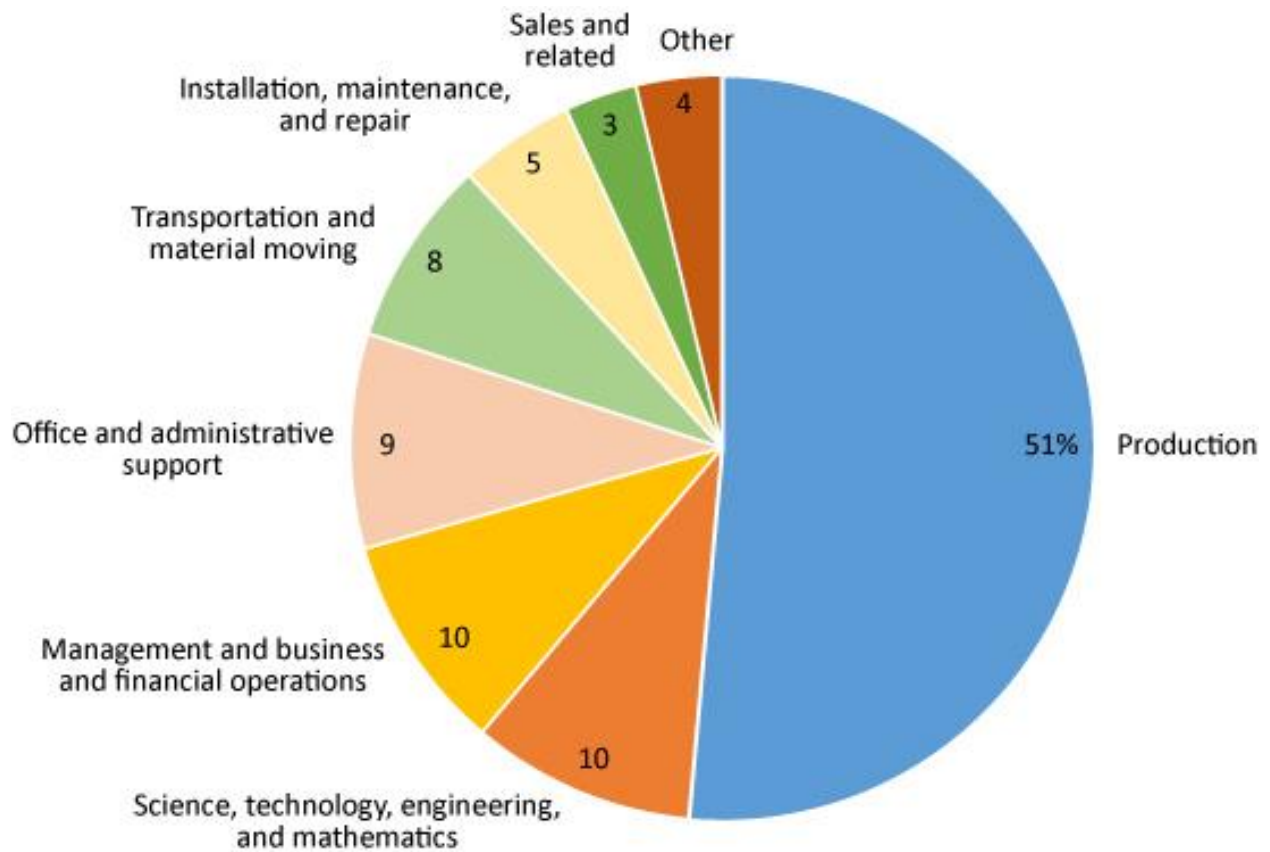
On China, this is a really important chart. It shows the holdings they have of United States Treasury securities. While it's been in decline for a decade, it's not small and the threat has always been they would push sell on a bunch of big blocks. A massive sell order would kill prices, and spike rates. That would be bad.



The subject of tariff related inflation is everywhere at this point, and it's a real thing. The counter to the United States flexing trade muscle is that you are going to be importing inflation, in a desperate attempt to make this chart switch direction. But to what end?



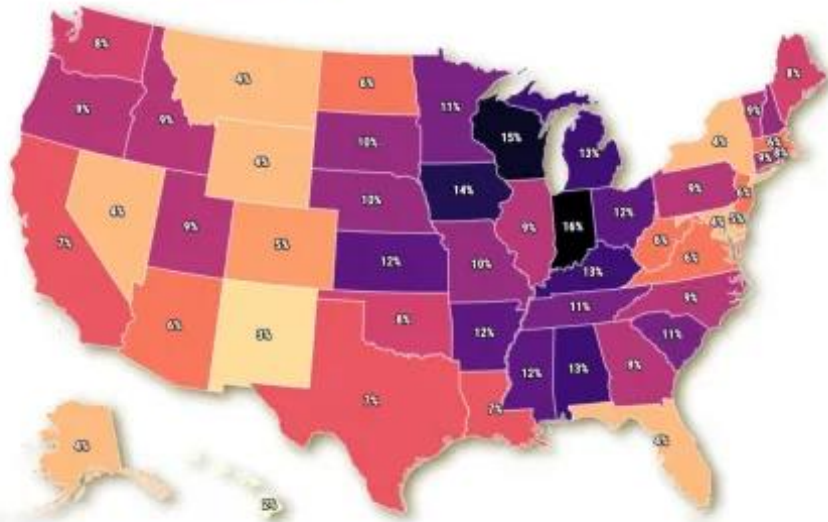
Here are the jobs you are looking to keep and grow....



And here are where those jobs are. Notice that fat swath of real estate in dark purple and black? Those are very red states, and love the rhetoric of bringing back coal mining, auto production, and steel making. While I love the stories of the industrial age in America, it's just that...the stories. Not the prices to be paid for what is coming out of those factories.

Manufacturing hot spots

SHARE OF 2024 JOBS IN FACTORIES: 2% — 16%



Source: Bureau of Labor Statistics

While the subject of tariffs, taxes and inflation are an economic ten in terms of how this could go. There is still some humor to be found. This pair of pictures has been making the rounds and shows what it would look like to bring back manufacturing and make America great again. As Dave Chapelle said, 'No man, I want to wear Nikes....not make them!' Golden.



If you are looking for one good indicator of what the market is saying about inflation pull up a gold chart as I have done for you here. The commodity has gone, as they say in the business, parabolic. Because it's a store of value, and has always been a hedge on inflation, you must take it seriously.



I mentioned a month or two ago that I would start to include a story about a stock, or group of stocks, in the future. This has been a grind of late, so what I will give you is a lite version of what I promised. This is the VanEck Junior Miners. It's the lowest of the low in terms of where you want to be in a bear market for the commodity, but a rocket when prices are going up. Super high Beta. It's up 60% in one year. Scoreboard!

Market Summary > VanEck Junior Gold Miners ETF

64.90 USD

+ Follow

+24.70 (61.44%) ↑ past year

Apr 21, 3:06 PM EDT • Disclaimer

1D 5D 1M 6M YTD 1Y 5Y Max



Junior miners are the Mos Eisley of mining companies. Literally the most exciting of them all in terms of stories of how they got the dirt, and what it looks like trying to get gold out of it. My best story, and I was sitting ringside, was Bre-X Minerals. It was simply put, the biggest gold mining fraud ever. This little outpost was one of the places they salted the core samples. Salting is process by which you juice the look of the rock by putting it in with gold that didn't start off in the rock. And oh, by the way, the geologist for the whole things was thrown out of a helicopter into the jungle and never seen again. Good times, good times.

