Augusta Precious Metals
Your Premier Gold IRA Partner

Augusta Precious Metals Special Report:

Fighting Inflation: How to Protect your Savings

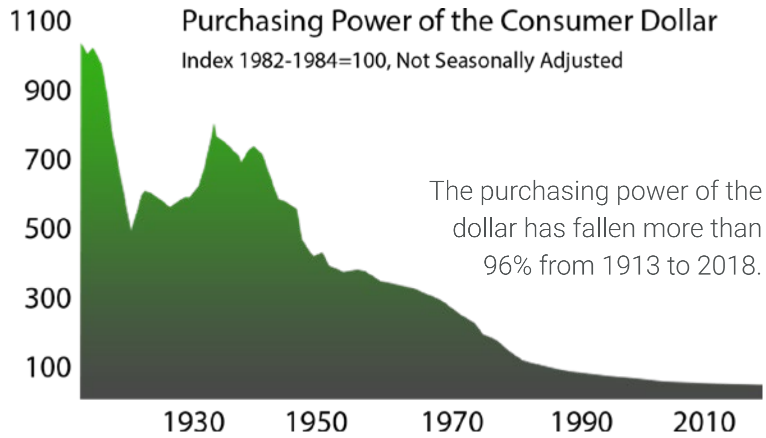
What if you were told the U.S. government could essentially devalue your savings – including IRAs and 401(k)s – as a result of "monetary policy," and the net effect would be a confiscation of your wealth? Would you know what to do about it? When you think of "wealth confiscation," you probably have visions of government agents going door-to-door and forcibly entering the homes of private citizens to search for money or other items of value. Or perhaps you imagine that same government employing stealth measures to electronically debit the bank accounts of its citizens.

But wealth confiscation doesn't happen solely at the hands of jackbooted government agents appearing on the doorsteps of the people. In the world of fiat currency and central banks, wealth confiscation can happen merely as the result of an otherwise-earnest application of monetary policy – but it can be as damaging as if your money was stolen from you by a pickpocket. In other words, a convincing case can be made that administering some forms of Federal Reserve monetary policy to a fiat currency system (which is tailor-made for manipulation) leads to the inflation-based confiscation of your dollar-denominated savings. The practice isn't necessarily an overt, purposeful effort by the central bank and Washington politicians to commandeer your wealth through "silent" taxation. But it ultimately doesn't really matter to you that they don't directly intend to steal your savings. What does matter is the insidious effect the resulting inflation can have on "true" wealth.

The U.S. dollar has been losing value steadily since the advent of the Federal Reserve in 1913, and we can argue that President Nixon's removal of the gold standard in 1971 made things worse. It enabled the greenback to float freely against other currencies and removed the final obstacle to ballooning federal deficits and trade imbalances. Because the dollar isn't tied to a tangible source of value such as gold, the Federal Reserve can implement monetary policy without restriction. And when they print more dollars as a function of that policy, dollar-debasing inflation can result. Because they are first users of any newly minted cash, the government (and banks) don't suffer inflation's long-term debasement effects as the rest of us do. As newly printed money circulates through the system, any manifesting inflation represents a loss in purchasing power. The net result is a transfer of wealth from the citizenry to the government. That's the bad news. The good news is there's a way to defend your savings – including retirement plans you own that contain dollar-denominated assets.

Does Deficit Spending Deplete the Dollar's Value and Decrease Your Wealth?

The fiat currency system of the United States allows the government to spend money whenever and however it wants. And if Washington needs more to spend, the feds and central bankers can create dollars at will. The fiat currency system over which they preside isn't tethered to any tangible store of value. That's how our elected officials were able to engage in high levels of deficit spending and create a national debt now in excess of $21 trillion.



But is deficit spending always bad, and does it always lead to inflation, which debases the value of a dollar?

On the one hand, many economists argue that to a certain extent, deficit spending is essential and good, and some don't believe it will lead to inflation under our current economic conditions. These economists believe there is still "slack" left in the economy, meaning there is still room for expansion. They contend that inflation rates have stayed around or below two percent since the Great Recession. Even after massive deficit spending associated with the Obama stimulus and all the warnings of hyperinflation, inflation averaged less than 1.5 percent.

On the other hand, deficit spending does pump dollars into the economy and some economists argue that if those dollars aren't accompanied by more goods and services for consumers to buy, then inflation IS likely to occur because demand will be up and supply will be down.

Even though deficit spending doesn't always lead to inflation, when conditions are right, pumping more cash into the money supply does debase the value of the dollar. What's the net effect when limitless cash creation leads to inflation? A decrease in the value of the money in your possession.

> **"By a continuing process of inflation, government can confiscate secretly and unobserved an important part of the wealth of its citizens."**
> *–John Maynard Keynes, legendary economist*

What’s in YOUR IRA or 401(k)?

You don’t have to be a student of economics to see how abandonment of the gold standard has affected the U.S. dollar. One of the “tells” can be seen by comparing U.S. currency printed in the first part of the 20th century to currency issued more recently.

Here is what a current $10 bill looks like:

Looks familiar enough, right?

Now ... here’s what a Series 1934 $10 bill looks like:

Aside from the obvious differences in age and cosmetics, do you notice anything significant that distinguishes the Series 2004 $10 bill from the Series 1934 bill?

First, there's this bit of text in the upper-left portion of the 1934 bill:

"This note is legal tender for all debts, public and private, and is redeemable in lawful money at the United States Treasury, or at any Federal Reserve Bank."

Then there's also this on the same bill:

"The United States of America will pay to the bearer on demand ten dollars."

It's important to emphasize the 1934 bill is not a gold or silver certificate. It is a Federal Reserve Note like its 2004 counterpart. The 1934 note overtly recognizes it is not actual money – or "lawful money," a strikingly revealing way of putting it. The bearer could exchange the note for "lawful money" if they showed up at the U.S. Treasury or any Federal Reserve Bank.

Did you ever think of the dollars in your wallet as being something other than lawful money? It may be lawful, but the government clearly knows it's not "lawful money."

And as for just what constitutes "lawful money," Investopedia offers up one of the best, most succinct definitions:

> Lawful money is any form of currency issued by the United States Treasury, and not the Federal Reserve System. It includes gold and silver coins, Treasury notes, and Treasury bonds. Lawful money stands in contrast to fiat money, in which the government assigns value although it has no intrinsic value of its own and is not backed by reserves. Fiat money includes legal tender such as paper money, checks, drafts and bank notes.
>
> Lawful money is also known as 'specie,' which means 'in actual form.'

This comparison highlights the current fundamental inability of American citizens to exchange Federal Reserve Notes in their wallets for "lawful money" and illustrates how things have changed now that money is no longer tied to the gold standard.

How You Can Fight Inflation-Driven Wealth Confiscation

Without a tangible currency anchor, the feds can continue to engage in deficit spending that under certain circumstances can deplete the value of the dollar and everything dependent on it … including your retirement savings!

So how do you fight the potential decrease in your wealth that results from these monetary policies of the government and the Federal Reserve? Ironically, some say you can do it by tethering your personal money to the very stores of value the government does not bind theirs to: gold and silver. When you purchase these stores of value for the benefit of your own financial reserves, you're effectively immunizing your wealth from the government's deficit spending.*

> **"Deficit spending is simply a scheme for the confiscation of wealth. Gold stands in the way of this insidious process. It stands as a protector of property rights. If one grasps this, one has no difficulty in understanding the statists' antagonism toward the gold standard."**
> *–Alan Greenspan, Former Chairman of the Federal Reserve of the United States*

Gold and silver are assets that could defend your IRA or 401(k) from any negative effects of the government's deficit spending. As a physical store of value – genuine money – precious metals cannot be devalued by the government the way fiat currency can be devalued.

And because gold and silver are genuine money, they're able to not only defend your savings against inflation-based wealth confiscation, but help your portfolio survive – perhaps even thrive – in a variety of adverse economic conditions.

What are those other adverse conditions? Higher interest rates, a deteriorating trade climate and record levels of global debt are just a few. These are the factors leading many observers to predict we'll soon see another financial crisis. For example, legendary Microsoft cofounder Bill Gates has said it's a "certainty" the U.S. will be hit by another financial crisis in the near future that is on the scale of the 2008 debacle .[1]

Fortunately, physical precious metals have the demonstrated capacity to not only stabilize portfolios during adverse conditions, but even propel them higher in value. The decade of the "Great Inflation," the 1970s, was a period that saw not only double-digit inflation and double-digit unemployment but also tremendous geopolitical unrest. And how did precious metals respond to the turmoil? From January 1970 to January 1980, gold and silver skyrocketed 1,500% and 2,100% respectively. More recently, from November 2008 through April 2011, while the nations of the world still were suffering the effects of the Great Global Recession, gold jumped 110% and silver soared nearly 400%.

There's more. Although this report focuses on the problem of wealth confiscation by inflation, it's also worth noting the important role gold and silver can play in protecting the physical security of your money. Popular mainstream assets such as cash now are really digital assets when they're on deposit or in the custody of financial institutions. This means their security is vulnerable in new ways. However, when you own gold and/or silver, you own physical assets that are stored outside of banks and securities brokerages in highly secure, non-government depositories.

You can guard your IRA or 401(k) against the negative effects of deficit spending, as well as an array of other shocking financial threats. But you have to act in your own defense, or your portfolio will remain unprotected.

Call Augusta Precious Metals today at 800-700-1008, ask for our free, no-obligation Savings Protection Kit, and get started as soon as possible.

Don't be one of those who may have to look back later and feel the regret that comes with failure to act. Take a few moments now to learn how ownership of physical gold and silver could provide the protection you need for your hard-earned savings.

Call Augusta today!

[1] Elkins, Kathleen. "Bill Gates: We will have another financial crisis like the one in 2008—it's a 'certainty.'" CNBC.com, 7 March 2018. https://www.cnbc.com/2018/03/06/bill-gates-it-is-a-certainty-we-will-have-another-financial-crisis.html.

IMPORTANT DISCLOSURES: Any opinions or advice offered by Augusta or through its attorneys are Augusta's opinions and not to be relied on by anyone for any purpose. Seek your own legal, tax, investment, and financial advice before opening an account with Augusta. Augusta's content may contain errors; Augusta is not qualified to offer legal, tax, investment, or financial advice. You should not base any purchasing decisions on the content Augusta provides. All decisions regarding the purchase or sale of precious metals, including the decision of which precious metals to purchase or sell, are your decisions alone. Augusta cannot guarantee, and makes no representation, that any metals purchased by a customer will appreciate at all or appreciate sufficiently to make a profit, and there is no certainty that any metals can be sold for a profit. The future value of the coins you purchase cannot be predicted. You could lose money. Don't purchase Augusta products with money you can't afford to lose. Prices may rise and fall over time or rapidly. Past performance of any coin does not guarantee future results. Premium coins are sold for more than the value of the precious metal they contain. Augusta's prices and buyback prices are determined and controlled by Augusta. Any purchase of precious metals from Augusta is speculative and unregulated. For more information, call Augusta Precious Metals at 800-700-1008.

Augusta Precious Metals
Your Premier Gold IRA Partner

Augusta Precious Metals | 800-700-1008 | Augustapreciousmetals.com
8484 Wilshire Blvd., Ste. 515 | Beverly Hills, CA 90211

190820