

# Precious Metal Stock Review

*Bridging Wealth Protection and Wealth Creation*

[www.preciousmetalstockreview.com](http://www.preciousmetalstockreview.com)  
30, 2011

November

## To Infinity...And Beyond! Part II

I wrote an article way back on August 7<sup>th</sup> 2010 titled "[To Infinity...And Beyond](#)", funny enough this was days before other pundits began coining the term QE to infinity. Funny how that works.

I talked about in that article and in many others that it was a certainty that central banks around the world would have to print so much money in order to keep the system solvent, ie QE, that it would devalue all the major currencies to a large degree and it will hurt every single person out there who has not invested in physical gold and silver as a mechanism of protection or insurance as well as a method of wealth increase.

Huge news this morning came after a dull day yesterday when I was Tweeting about something big coming down the pipe it seemed due to the dull market action. (You can follow me on Twitter at iTraderz or find me at Warren Bevan)

There is a saying that one should never short a dull market and those who did yesterday learned that lesson hard and quick.

The news was that the worlds largest central banks including the U.S. Federal Reserve, the Central Bank of Canada, the Japanese central Bank and Switzerland have allow joined forces to basically bailout the world.

I don't really know why the IMF isn't just stepping up to the plate since they are funded by these Central banks anyhow but this news is even worse since it's a much clearer to regular folk now. Most citizens understand their Central Bank and their role, while the IMF's role is quite murky to most.

The fact is that these banks will print dollars to bail out many, many countries and financial institutions who get into trouble.

This will increase the dollars in circulation beyond my imagination, well maybe not, but it will reduce our purchasing power much more quickly than I'd thought would occur.

This may seem like a good move as commodities, markets and stocks are ripping higher today and this certainly will be great in the short-term and likely even in the longer-term for markets. But this will hurt us and our purchasing power in the medium to longer-term.

Let me explain.

As any inflationary episode occurs the corresponding stock markets soar. The shares won't necessarily be worth more in terms of purchasing power, but they will be much higher on a nominal basis.

High stock prices are only good if the currency they are valued in remains stable and value does not erode.

Basically, we're screwed now, and even though we knew it was coming, it's just now publicly admitted knowledge.

Gold and silver will preserve purchasing power against any currency debasement. The Central Banks I listed above are likely to now devalue their currencies in tandem, taking many of us down with them.

I'm not sure what currency is safe these days, but I do know money/gold is and will remain safe.

I have and still do suggest owning a hefty percentage of physical precious metals while owning some high yielding dividend stocks along with a basket of great mining companies and also short-term swing trading a smaller percentage of the total portfolio.

It's working for us and it's sure to work going forward now that we "know" what's in store for the world in term of monetary policy.

I'm feeling pretty under the weather today so I'll cut it short and keep it simple.

Enjoy the rest of your week and consider the big picture and what types of investment strategies suit both your personal view of the world economies and your risk tolerances.

I dare say the lower your risk tolerance, the more physical precious metals you should own.

That may seem backwards from anything you've heard from 99.9% of the financial advisors out there and I am not a financial advisor, just a keen market watcher and I have my own opinion formed from years of study. I don't read reports from upstairs and regurgitate them verbatim.

How many advisors have made you money in the past? [I know I have.](#)

Warren Bevan

In my free, nearly weekly newsletter I include many links and charts which cannot always be viewed through sites which publish my work. If you are having difficulties viewing them please sign up in the left margin for free at <http://www.preciousmetalstockreview.com/> or send an email to [warren@preciousmetalstockreview.com](mailto:warren@preciousmetalstockreview.com) with "subscribe" as the subject and receive the newsletter directly in your inbox, links and all. If you would like to subscribe and see what my portfolio consists of please see [here](#).

If you found this information useful, or informative please pass it on to your friends or family.

### **Free Service**

The free weekly newsletter "Precious Metal Stock Review" does not purport to be a financial recommendation service, nor do we profess to be a professional advisement service. Any action taken as a result of reading "Precious Metal Stock Review" is solely the responsibility of the reader. We recommend seeking professional financial advice and performing your own due diligence before acting on any information received through "Precious Metal Stock Review".

\*To unsubscribe send an email to [newsletter@preciousmetalstockreview.com](mailto:newsletter@preciousmetalstockreview.com) with "unsubscribe" in the subject line.