

# THE ZOLOFT DEPRESSION

## WEB BUZZ 2010.08.23

Please note the chart below prepared by Freestate Advisors, our associates in Overland Park, Kansas. This may well be the most disturbing look at the U.S. economy available.



Please note the trend line depicted in red. This was one of the “green shoots” that so excited Wall Street and sparked the spectacular rally in stocks off the lows in March 2009. It is obvious that this green shoot has turned brown and, from a technical standpoint, is pointing toward a renewal of higher unemployment. We have long debated whether we have had a real recovery. This indicator would suggest that there has been no recovery; therefore we have been in recession since December 2007.

My friends, as we have stated ad nauseum, we are experiencing a rerun of the 1930s with Zoloft - Zoloft being the various safety nets such as social security and unemployment insurance. Be prepared to plan your investments with this in mind. Deflation is more than a 50/50 bet and there will be much to gain if one comes to this realization.