



Retirement *Lifestyle* Advocates

RADIO PROGRAM

Expert Interview Series

Guest Expert: Rob Kirby
Kirby Analytics

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Dennis Tubbergen:

You are listening to RLA radio. I'm your host, Dennis. Tubbergen. I have the pleasure today of chatting with a very bright guy, Mr. Rob Kirby. Rob's website is Kirbyanalytics.com. For those of you that have been longtime listeners to the program, you'll recognize Rob as a returning guest from about a year ago. Rob, thanks for joining us today.

Rob Kirby:

My pleasure to catch up with you again, Dennis.

Dennis Tubbergen:

So Rob, we were chatting a bit and we had some developments in the news today that the country of El Salvador has now adopted Bitcoin as legal tender, and yet Bitcoin prices dropped fairly significantly. What do you read into that?

Rob Kirby:

Yeah. Well, when you say they dropped, the price of Bitcoin dropped fairly significantly, I'm going to suggest to anybody who wants to pay attention, that the announcement of El Salvador, even though they're not really a major league economic powerhouse in the global community, the very fact that they've adopted cryptocurrency as legal tender officially is probably one of the single most bullish things for cryptocurrencies that has occurred in the last three years. And isn't it incredible what happens with that being said. Because prior to that announcement, this morning, Bitcoin was trading over 52,000 and within minutes of the official announcement Bitcoin had dropped to a \$46,000 handle. It's currently above 47 as we're taping right now, but let's just say it dropped \$5,000 on an extremely bullish announcement for cryptos. So what's all that about? And I have some thought to offer as to what has transpired this morning.

Rob Kirby:

The ambush that we saw on Bitcoin this morning is extremely reminiscent to me, at least as a long time metals follower. The counter-intuitive ambushing that we've seen on a very regular basis in the metals market. When news occurs that intuitively would lead someone to think that metals prices should rally and go higher, so often the exact opposite to what you would intuitively expect occurs in the metals and their socked and they're beaten like beaten with a stick very badly. And doing the kind of research that I've done over the years. I'm very much a subscriber and a follower of the work of GATA, the gold anti-trust action committee, and whether people want to accept or not the metals are extremely suppressed. There's interference on the part of officialdom in the metals markets on a daily basis, I would argue. And we

see these dramatic counterintuitive moves in metals prices on a very regular basis.

Rob Kirby:

Well, what has occurred today in Bitcoin is, like I said, it reminds me of these counterintuitive flash crashes we often associate with the metals markets. And what I'd like to address is where officialdom gets the mustard to make these counterintuitive moves like this \$5,000 drop in seconds in Bitcoin, how they make it happen. Well, I follow very closely the work of Catherine Austin Fitts and Dr. Mark Skidmore. Most people listening I'm sure we'd be familiar with the name, Catherine Austin Fitts. She was a former assistant secretary of housing and urban development or HUD under Jack Kemp and Bush one administration. And Dr. Mark Skidmore occupies a very prestigious chair in economics as a PhD economist at Michigan State University with a PhD student research team underneath him. And his expertise is public finance and he and Catherine have done work...their initial work was covering the period 1998 to 2015, where they identified US government books, specifically the agencies of HUD housing, urban development, and the department of defense. And they found that there was \$15 trillion worth of accounting adjustments in the US government's books over that 17 year period, that there was no explanation for where the money went. So that was a story about \$21 trillion missing money since then. Dr. Skidmore has done updated work.

Rob Kirby:

And I believe the last year he did work for was the year of 2019, where he examined the books of the social security trust edifice. And in this research, Dr. Skidmore basically identified that there was \$400 billion in investible assets under the moniker social security trust administration. So \$400 billion in retirement assets for the last year that Dr. Skidmore did work, 2019. The turnover on that \$400 billion was \$44 trillion plus on \$400 billion in assets.

Dennis Tubbergen:

Unbelievable.

Rob Kirby:

And he feels that the internal machinations that he was able to identify... Understand, he's using government data, and he believes that there are many tens of trillions of recorded transactions that are either bogus or that there's just no rhyme or reason to them. To me, Dennis, it amounts to a huge neon sign, like think about the biggest neon sign you've ever seen in in your life and this one says fraud with an arrow pointing to the social security trust administration edifice. Okay? So what this amounts to, as far as I'm

concerned, there is money that is being fraudulently created and it's being stored in what I call hidey holes like the ESF, exchange stabilization fund. And the ESF is an adjunct of the U S treasury that is beyond oversight by anyone. It's operated at the discretion of the secretary of the treasury and let's just say the executive branch of the government.

Rob Kirby:

And I believe in 2006, it was the simpleton George W. Bush, who basically extended some of these privileges to the deep state or the security complex in America in 2006. Some of that ability was transferred to the intelligence czar in America, who at the time was John Negroponte. And I mean, this stuff's all recorded in the federal register and you can go dig it out and read original source documentation that explains and confirms what I'm saying here, by the way. But the reality is they have the slush funds of money. They have these slush funds of money that I call it dark money because it's not acknowledged to exist. And it's with this dark money that these counterintuitive market outcomes are created.

Rob Kirby:

It's like most people listening to this would have heard of something called the plunge protection team. The plunge protection team is a real thing. The plunge protection team has an official name. It's called the President's Working Group on Financial Markets. And the President's Working Group on Financial Markets was formed in the aftermath of the 1987 stock market crash by then President Ronald Reagan. And what the President's Working Group on Financial Markets was charged with doing was ostensibly to prevent a stock market crash like one that happened in 1987. And that's pretty much what they've been doing now since... Call it 1989 or 1990. So for the last 30 years, these guys have been hard at it, trying to prevent catastrophic events from occurring in financial markets.

Rob Kirby:

And I mean, some people would say, well, it's a good thing they've been around because that's exactly what they've done. And I would actually argue with that. In fact what they've done by trying to prevent, or in their vain hopes at preventing financial catastrophes, they've probably set us up for something horrific, which will come our way in short order I do believe. Because making things appear as they are not the financial world, generally ends in tears and ends with very negative outcomes. And what this dark money that is identified by the work of Dr. Skidmore and Catherine Austin Fitts, I would contend, that this is the fire power that the plunge protection team uses to steady the stock market if it's susceptible to a big decline. This money is used to suppress prices on precious metals because precious

metals represent a credible alternative to fiat money, which is being debased at an awesome rate.

Rob Kirby:

This undocumented money also allows the US government to step in and basically buy any American debt that any foreign nation wishes to sell at any time without upsetting the US debt appletart, so to speak. And the other thing that... And this morning, this \$5,000 drop in Bitcoin tells me that what they are also doing with this dark money, they're doing something I call buy high, sell low. And most of us think that the way to riches or the way to wealth is you buy low and sell high, but with digital currencies or cryptocurrencies, something quite the opposite is occurring. Because the central banking community globally is trying to bring in their own version of digital currency or cryptocurrency... And huge difference between like Bitcoin... Ethereum. Bitcoin and Ethereum are what are known as decentralized cryptocurrencies, meaning that they have a finite number that will ever be produced and will ever exist.

Rob Kirby:

But central bank digital currencies are to be centralized and controlled by central banks. And what they amount to is a do-over for the banks in fiat, except in just digital form. Because a central bank, digital currency will not have hard caps on the amount that will be issued. And it will be at the discretion of any central bank as to how much of their digital currency they will ever issue or make available. So this, by the way is why these central bank digital currencies will...In my view, those are dogs that will never hunt. They will never gain traction, and people will never believe them because people intuitively and instinctively know that central banks are liars. They lie to us about how much money exists. They lie to us about what the state of our economy is in. And the odds of them ever successfully having traction with the population at large on digital currencies they issue... it won't happen. That's a market niche that the decentralized digital currencies, and the two poster child's are Bitcoin and Ethereum for these decentralized cryptocurrencies.

Dennis Tubbergen:

We're sneaking up here on the end of a segment. I want to pick this up in our next segment, but the clock tells us we've got to take a break here. But my guest today is Mr. Rob Kirby. His website is Kirbyanalytics.com. I'll continue my conversation with Rob when RLA radio returns. Stay with us.

Dennis Tubbergen:

This is the Retirement Lifestyle Advocates radio program. My name is Dennis Tubbergen, your host. I'm chatting today with Mr. Rob Kirby. His website is Kirbyanalytics.com. The website again is Kirbyanalytics.com. And Rob, in the last segment, you concluded by saying that central bank digital currencies or central bank issued digital currencies, I should say, are dogs that won't hunt. Expand on that.

Rob Kirby:

Yeah, Dennis, my rationale to make such a statement is that we have the living example of what central banks are doing and have done with the fiat currencies that they control. And they are also centralized and can be issued at the discretion of the issuer. And there's no reason to believe that any central bank issued digital currency wouldn't be exactly the same. And these central bank issued digital currencies, just in my view, will never have traction and are never going to be adopted wholeheartedly by what I consider to be smart money. And we know that the central banking community, Dennis, is involved and engaged heavily in the existing cryptocurrency machinations. I mean pre-interview, Dennis, you and I had a very brief discussion about the amount of cryptocurrency is transacting currently on a daily turnover basis.

Dennis Tubbergen:

A remarkable number. We should go into that.

Rob Kirby:

Yeah well, as I pointed out to you today, the latest 24 hour period has had a turnover in dollar terms of \$168 billion in the crypto-verse. Well, let's just say for the last two weeks, at least, and for a very long time, we haven't had a day under a \$100 billion in daily turnover. And in the last couple of weeks, we've had consistent days over \$150 billion. And if you annualize \$150 billion daily turnover, you're up around \$52 trillion in turnover. That's \$52 trillion with a T-R, trillion, in turnover annually. That's the current run rate on crypto turnover. Well, I'm going to suggest to anybody who wants to listen, that when you have turnover in crypto of \$52 trillion a year, we have global GDP, which we surmised is probably somewhere around \$60 trillion.

Rob Kirby:

The question I posed to you before we got on this interview, Dennis, how can there not be a global trade settlement occurring in crypto when there's \$52 trillion of it turning over on an annualized basis? And as I expressed to you before we started taping, it's clear to me that the cryptocurrencies are eating off the dollars plate right now. In terms of cryptocurrencies are being

used de facto to settle international trade accounts. And corroborating evidence for that, apart from the sheer volume of cryptos that are transacting, I look at the countries of Venezuela and Iran. And Venezuela and Iran have been excluded through embargoes and through sanctions. They've been excluded from using swift, S-W-I-F-T, which is the international settlement mechanism for dollars in trade. And when you cut off major natural resource producers and exporters from settling their primary commodity, they have to sell the world, namely oil and oil for the most part, supposedly trades in nothing but dollars in the world.

Rob Kirby:

Well, you've got two huge players in the oil business that aren't allowed to use dollars. Okay? Oh and their biggest customer who they sell all their oil to happens to be China. Oh, and China isn't really very friendly to the dollar either. Oh and at the same time we have \$52 trillion worth of cryptocurrencies settling on an annualized basis. Well, wake up people, crude oil is being settled in cryptocurrency in front of our noses right now. And the extent to which this is occurring, nobody's leveling with the global public at all.

Rob Kirby:

This is why the decentralized cryptocurrencies scare the establishment and why they have such derogatory comments and why they want to develop the narrative that they are too volatile and why they attack them to the tune of \$5,000 on the back of news being released that should have been very positive for the crypto-verse. Instead, we see a \$5,000 drop. And why is that? Because the central banks in the Western world have been in the market, they are in the market, they collect the stuff. They build up inventories of cryptos. And then when we get positive news, that would naturally propel them higher, they back up the truck and they dump them in the market. Basically, it's a race to see how quickly you can sell however many billions worth that they have to sell. And they forced the price down.

Rob Kirby:

But you see, that only lasts so long and the effects of it wear off because the world has turned its back on dollars in trade settlement. And further supporting evidence to back the claim, last week on Tuesday, right after Afghanistan fell to the Taliban and we saw that was on Monday. And then on Tuesday it was announced that Saudi Arabia had a new defense pact with Russia. And if anybody who knows anything about the petrodollar and the creation of the petrodollar, the whole underpinning of the petrodollar was an agreement between Henry Kissinger back in the Nixon era with Saudi Arabia that America would guarantee to protect Saudi Arabia, militarily. And in

return, Saudi Arabia would sell their oil for nothing but dollars and they would effectively recycle the dollars they received in exchange for oil, into US government debt to support the debt machine of America. So the underpinnings for the petrodollar, as far as I'm concerned, have now been removed.

Rob Kirby:

And as far as I am concerned and I think a lot of people in the world see it this way, Saudi Arabia is now completely free as a bird to sell their oil for any currency they wish to because they don't need American protection anymore. They have Russian protection.

Dennis Tubbergen:

So Rob, when do you see this price suppression of cryptos and metals... When do you see this changing? Is this just around the corner? Or can this go on for a while?

Rob Kirby:

Well, let's put it this way, with the underpinning of the petrodollar now seriously in question with Russia now, basically being the hired muscle for the Saudi Arabians, I think things could actually move at a very rapid pace now. I've heard a couple of people who I respect, suggest that the dollar could lose reserve currency status by next March of 2022. I think it could happen even quicker. I think we could be in an absolutely different world before the end of the year. Things are moving at a very, very, very accelerated pace right now in this regard. And with this announcement that Saudi Arabia has a new protector militarily in Russia cannot be underestimated. The importance of this, it's huge.

Rob Kirby:

And all I can say to you is the amounts of crypto being transacted continue to vector up at a dramatic rate. And let's just say this Dennis, the unwantedness of US government debt is expressing itself in the repo market. You see a year ago, the amount of daily repo... the repo market for US government debt is a reflection of debt the world doesn't want. So the more debt US government debt the world doesn't want, the bigger the amount of repos are done on a daily basis. Effectively, it's a homeless shelter for US government debt; the repo market. Okay. And if the US government debt isn't being held in this homeless shelter called the repo market, there's only two ways that that can go away or become less.

Rob Kirby:

Either people become willing buyers of US government debt, which means that the amount of repo would go down or the Fed takes that debt onto their balance sheet. But you see the Fed's already grown their balance sheet from three and a half trillion-ish to \$8.2 trillion in the past year. And the Fed, I think, is becoming extremely concerned about taking on another trillion here or another trillion there because pretty soon you're talking serious money when you're talking trillions like this. And pretty soon, if you continue along this line, you can end up with something on your hands that resembles Zimbabwe. And this is something that the Fed is, believe me, it keeps them up at night. They're very concerned about this, but you know what? They are cornered. And I consider them effectively, they're acting like cornered rats, and they have no way out of the predicament they're in other than to continue to print money and to hyperinflate currency.

Rob Kirby:

And that's what we are seeing occur in real time in front of our eyes. And listen people back when Germany had their Weimar experience for the longest time, Germany was creating money. They were creating Reichsmarks at a phenomenal pace. And for the longest, longest time it appeared that the world had an insatiable appetite for any amount of German government debt that they issued. Until they broke the... At some point there was the straw that broke the proverbial camel's back and then hyperinflation ensued.

Rob Kirby:

And it came on... As all hyperinflations that I've ever studied and there have been hundreds of hyperinflationary episodes over the past two or 300 years, and all of them seem to come on or the commentary that is transmitted about all hyperinflations... To the people who experienced it usually is like a Thunderbolt coming out of a clear blue sky in that it's never expected. But they come on extremely quickly and they ravaged the economy with lightning pace. So I'm just saying, looking at what I look at, we're there. And this is coming home to roost. Cryptos... I don't really view cryptos and precious metals any differently. To me, you see, I put them in a basket, I call it the anti-dollar basket. And when I talk about metals, I'm not talking about owning ownership of gold futures or silver futures or ETFs like GLD or SLV. I believe GLD, SLV are frauds.

Rob Kirby:

And these are instruments that were created by officialdom to deflect investment that would normally would have found its way into physical, precious metal. Instead they create a derivative form of metal called an ETF,

and it siphons money that otherwise would have gone into physical metal and pushed physical metal prices higher.

Dennis Tubbergen:

Rob, I'm sorry to say, as fascinating as this conversation is that I am out of time so we're going to have to leave it there. My guest today has been Mr. Rob Kirby. His website is Kirbyanalytics.com. Rob, always appreciate your perspective. Thanks for coming back on the program. And I'd love to have you back down the road.

Rob Kirby:

Look forward to doing it.

Dennis Tubbergen:

We will return after these words.