

Hello Everyone,

Q. Where does the Federal Reserve Bank keep inflation?

A. In debasement.

Wall Street Humor

Covid stimulus money now equals \$41,870 per taxpayer. Have any of you benefitted by \$41,870 in printed money?

Today's missive pivots off the Ides of March theme. Julius Caesar was assassinated on this day, so I contorted the events of 49-44 BC to fit modern day financial America.

Yes, that is a reach.

Still, I hope you find the report both informative and edifying.

Signed, Your Andrew-Cuomo-Must-Feel-Like-Julius-Caesar Financial Advisor,

Greg

KKOB 2021.03.15 The Ides of March

Bob: So, Greg, today is March 15th ...otherwise known as the *Ides of March*. And I think our listeners all know what happened on this day. Julius Caesar was assassinated.

Greg: Yes, he was. Now legend says---- soothsayers told Caesar's wife to warn him to "*beware the Ides of March*". And, back then, the Ides signified the New Year which usually fell between the 13th and 15th of March. And, yes, Brutus and Cassius (along with about 60 senators) stabbed Julius Caesar to death at the Senate.

So, how do we connect this to Wall Street? Let me set the stage.

About 2100 years ago, Roman institutions were breaking down. Faith in the government was waning. In general, there were two groups of people. The patriarchs...the elite of the day. And, Bob, the plebeians....the little guys who were constantly upset at their unfair treatment.

Bob: It sounds like today. I don't think faith in government is particularly high. And the gap between the haves and the have-nots is becoming a canyon.

Greg: Right. Beyond this, there was a group called the Prefects. Their job was to patrol the cities--- and keep the riff-raff plebeians in line. And they weren't just enforcers. They were a surveillance group charged with censoring any dissent that might lead to an uprising.

Bob: That sounds like some of the Big Tech guys today. But let's not go there.

Greg: Right. So, what happened was this. The Roman Senate became ever more fearful of the people. So, the Senate's answer was to promulgate a flurry of laws that no one bothered to follow. Of course, that weakened the Senate even more.

And since power abhors a vacuum, soon it was the army that was seen as the one institution that could "get things done".

Therefore, resourceful (and media savvy) generals began to draw large followings.

This prompted the Senate to pass laws making it illegal for any Roman (!) legions to cross certain geographical boundaries thereby getting close to Rome. If those boundaries were crossed, the penalty for the general---and his troops--was death.

And here is where Caesar sealed his fate five years prior to his death.

Once such boundary was the Rubicon, which was a small river to the north of Rome. Well, Julius Caesar had about had it with the wimpy Senate. And he knew he had the people on his side. So,

he marched his army south toward Rome and crossed the Rubicon.

Bob: So, this where we get the saying, *"You've crossed the Rubicon."* Basically, it means you have passed the point of no return. There is no turning back.

Greg: Correct. Legend also says that as he crossed, he whispered, *"The die is cast."* Meaning once you have thrown the dice you can't bring them back.

Anyway, as you might guess, there were still some Romans loyal to the Senate. Thus, a civil war broke out that Caesar quickly won. And Rome was never the same.

So, how do we relate this to today?

Well, I'll leave it to your intrepid listeners to decide if we have a weak Congress that fears the people....and if anything is being done to address the growing gap between rich and poor. Oh, and does our modern surveillance state mirror the Prefects roaming the back streets of Rome?

But back to finance.

I believe we have financially crossed the Rubicon. The avalanche of money we printed last year---coupled with the stimulus money promised last week---tells me the die has been cast.

And looking ahead, President Biden's promised infrastructure and Green New Deal programs are still in the pipeline. Plus, the Federal Reserve is pushing an additional \$1.829 trillion to the banks. And Treasury Secretary Yellen has given the green light to limitless spending by basically saying go big or go home.

And don't expect any serious opposition from the GOP. After last year's spending spree, they don't command much in the way of the moral high ground.

Thus, expect our currency to be a casualty. And, therefore, invest for inflation.

Bob: Good report. And, for all you guys out there-----see what happens when you don't listen to your wife? How do people reach you?

Greg: Sage advice. My number is 250-3754. Or go to my website at zanettifinancial.com.

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