Dirty Dozen Economic Disaster Tripwires
Developed by James Investment Research

1. US Dollar depreciates by 25% or more in a 12 month time period
2. Inflation (year-over-year) jumps 5% or more
3. Yield Curve (10-Year Treasury yield– 1-Year Treasury yield) is negative / inverted
4. Auctions for the 10-Year Treasury are canceled (due to lack of buyers) OR the bid/cover on the auction is less than 1
5. Major rating agencies (Moody’s, S&P, Fitch) rate US Treasury debt as “Below Investment Grade”
6. China sells half or more of their US Treasury holdings within 12 months
7. S&P 500 earning’s growth is negative in back-to-back quarters
8. Government passes a tax on wealth, retirement assets or financial transactions
9. Government rations (or creates price controls) on fuel, food or gold
10. Youth unemployment tops 20%
11. EMP (Electro Magnetic Pulse) detonation in the US
12. Stock circuit breakers close the markets for two entire days consecutively

No single tripwire will indicate a disaster is upon us, but the more tripwires we see activated the more concern we should have and take appropriate actions to help protect capital.