

## **Gold & Dow Jones Finally Invert: The Golden 'It Had To Be'**



**January 6, 2008**

**YEN:**

**From the December report:**

**"The lag between the currency and domestic non-multi-national equity turning points was the same in 2004 as it is now, as will be evident very soon, with 2008 upon us."**

**The crucial importance of the Yen is not only as regards Japanese non-multi-national large-cap equities, but as regards US stocks and real estate, as well. The Japanese finance minister very recently said that Japanese investment is solely about parking reserves, while Japanese individuals are starting to stampede back home as they customarily do when the currency going gets rough. It's ALWAYS the same.**

**In any event, the Chinese he pointed out, however, have to reinvest in US assets with their economic surpluses (though that policy is about to nosedive, based on what the Chinese have been warning). Anyway, the Japanese, he explained, are invested in US Dollars as a portfolio mater, not as a matter of reinvested surpluses.**



**Anyway, after pulling back to 115, the New Year has quickly reverted the Yen back to 108. This is the most profitable major fiat currency now, as I've been writing for some time. While I was early (in identifying the perfect long term low), we held the Swiss Franc (after having also held the Euro), and which I still hold. So, I have provided the very best risk-adjusted currency asset allocation since 6 years, this month. Today, it remains so with:**

### **Asset Allocation:**

- 45% gold**
- 5% silver**
- 25% Yen**
- 25% Swiss Franc**

**From the September report: "This is a wonderful time to own the Yen, gold...and silver!" I have a feeling that I will be reprinting this for some time to come.**

**Good fortune to all,**

**Sid Klein**

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