Special Report

STORM SIGNALS: *RECESSION WARNING*

Why the Next Recession May Be Closer Than You Think

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By Kathrynn Ward

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The Red Flags Are Everywhere

The financial landscape is shifting—and not in a subtle way. From persistent inflation and record-high government debt to rising interest rates and new tariffs shaking global trade, pressure is building across the economy.

Concerns about a recession are no longer just speculation. They're being reflected in bond markets, echoed by CEOs, and amplified by major economic indicators. If you've been waiting for a sign to reevaluate your portfolio, this is it.

According to a recent survey by the business group Chief Executive, 62% of over 300 CEOs now expect a recession or economic downturn within the next six months—a sharp increase from just one month prior. Meanwhile, tariffs—often used as a tool to bring supply chains back home—are also raising costs for American businesses, potentially fueling more inflation in the short term.

Jeffrey Gundlach, the widely respected CEO of DoubleLine Capital, recently warned that today's economic environment "feels eerily similar to previous downturns." In his words: "A recession is not just possible—it's becoming probable."

Even major outlets like USA Today are reporting stress signals—from housing to manufacturing to retail. And while headline employment numbers may still look solid, rising credit card delinquencies, consumer fatigue, and slowing wage growth suggest the foundation may not be as stable as it seems.

What History Tells Us:

Recession Warning Signs Repeat

Every recession may be unique in its cause, but the warning signs are often strikingly similar. Looking back at past economic downturns—from the stagflation of the 1970s to the Great Recession of 2008—certain red flags consistently flash before the fall.

The 1970s Stagflation Era

- Persistent **high inflation** with **low economic growth**—a dangerous combo
- **Oil shocks** and geopolitical tensions
- **A weakened U.S. dollar** following the end of the gold standard
- Gold soared more than **2,000%**, from $35 to over $800 an ounce

The 2008 Financial Crisis

- **Rising debt levels**, especially in housing and banking
- **Surging delinquencies** and defaults on subprime mortgages
- A false sense of stability in asset prices right before a sharp correction
- **Bear Stearns and Lehman Brothers collapses** were symptoms, not causes—the damage had been brewing for years
- **Gold surged 150%** in the aftermath as investors fled risk and sought safety

The Warning Signs We're Seeing Today

Now compare those events to today's headlines:

- **Record-high credit card debt** and rising delinquencies
- **Interest rate hikes** from the Fed over the past 24 months
- Persistent **inflation despite rate increases**
- **Geopolitical shocks** (wars, trade wars, de-dollarization efforts)
- Growing fear that **asset prices are overinflated**

If it feels familiar— it should.

The signs are all around us. And once a recession is officially declared, markets often react violently. **That's why smart investors move early—before the headlines.**

Gold Is Already Moving

The market isn't waiting for confirmation—it's reacting. Gold prices have been climbing, and they're not creeping up quietly.

As of April 2025, gold has experienced a sharp rise in value. It began the year at approximately $2,623.91 per ounce and recently hit a new high of $3,500. That's a remarkable increase of roughly 33.4%, driven by rising demand amid continued economic and geopolitical uncertainty.

Meanwhile, central banks are stockpiling gold at historic levels. These institutions are hedging against currency volatility, rising debt, and inflation—and their actions speak volumes about where they think the world is heading.

Let's Not Forget Silver

The gold-to-silver ratio—which measures how many ounces of silver it takes to buy one ounce of gold—is flashing a major opportunity right now. Historically, a ratio above 80 is considered high, signaling that silver may be undervalued relative to gold. That ratio recently hit 100, which is extremely rare and has historically marked strong buying opportunities for silver. When this ratio eventually reverts closer to its long-term average, silver typically plays catch-up in a big way.

Combine that with rising industrial demand—from electric vehicles to solar technology—and a growing global silver deficit, and it becomes clear: silver isn't just a hedge, it's a high-upside opportunity hiding

Tariffs, Inflation, and the Bigger Picture

The newly proposed tariff policies have introduced fresh market volatility—and understandably so. These types of economic shifts often come with short-term challenges. Higher import costs can lead to rising consumer prices, which may put pressure on purchasing power in the near term.

But longer-term, the goal behind these policies is to strengthen U.S. economic independence and rebalance trade relationships. That transition takes time, and it doesn't come without some discomfort along the way.

For investors, it's important to understand that while tariffs can be inflationary in the short run, they also reinforce the value of holding assets that tend to outperform during inflationary cycles—like gold and silver. These metals have historically acted as reliable stores of value when the dollar comes under pressure.

This isn't just about reacting to headlines—it's about preparing for the economic ripple effects and strategically positioning your portfolio for both the challenges and opportunities ahead.

Prepare—Don't Wait

The most successful investors don't try to time the market perfectly—they focus on being prepared. Gold and silver offer:

- **Protection against volatility**
- **A hedge against inflation**
- **A store of value in uncertain times**

They've weathered wars, recessions, monetary policy mistakes, and financial crashes—and come out stronger each time.

If you've been considering physical gold, silver, or a Gold IRA, now may be the most strategic time in over a decade to act.

Next Step: **Secure Your Portfolio**

Call Lear Capital today at 800-965-0580 and talk to a specialist who can help you get started—quickly, simply, and securely.

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CORPORATE ADDRESS

Lear Capital, LLC.
1990 S. Bundy Drive, Suite 650
Los Angeles, CA 90025

800-965-0580 www.LearCapital.com