

Are Stocks 80% Overvalued? New Evidence Shocks Wall Street

by Brian O'Connor
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Several noted economists and distinguished investors are warning of a 50% stock market crash.

Billionaire Carl Icahn, for example, recently threw up a red flag on national broadcast when he declared, “The public is walking into a trap again as they did in 2007.”

Unfortunately, Icahn’s warning is tame compared to his peers.

“U.S. stocks are now about 80% overvalued,” says Andrew Smithers, the chairman of Smithers & Co. He backs up his prediction using a ratio which proves that the only time in history stocks were this risky was 1929 and 1999. And we all know what happened next. Stocks fell by 89% and 50%, respectively.

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Former congressman Ron Paul didn’t mince words either. He warns that the stock market’s “day of reckoning” is fast-approaching. When that day comes, he doesn’t think it’s just going to be a correction, it will be “stock market chaos.”

But there is one distinct warning that should send chills down your spine ... that of James Dale Davidson.

As a renowned economist, best-selling author, and founder of Strategic Investment, Davidson makes the strongest case for a looming crisis — “Right now, there are three key economic indicators screaming SELL. They don’t imply that a 50% collapse is looming, it’s already at our doorstep.”

Davidson's warning is the most alarming of all his peers.

Not just because he makes the strongest case for a collapse (he uses over 20 unquestionable charts to prove his point), but also because Davidson has a remarkable track record of calling every major economic shift over the last three decades. For example, Davidson predicted the collapse of 1999 and 2007, along with the fall of the Soviet Union and Japan's economic downfall, to name just a few.

His predictions are so accurate, he's been invited to shake hands and counsel the likes of former presidents Ronald Reagan and Bill Clinton — and he's had the good fortune to befriend and convene with George Bush Sr., Steve Forbes, Donald Trump, Margaret Thatcher, Sir Roger Douglas and even Boris Yeltsin.

Hence, if Davidson calls for a 50% market correction, one should pay heed.

Davidson goes on to say, "I know that everywhere you turn things look pretty good. The market is near all-time highs, the dollar is strong, and real estate is booming again. But remember, the exact same scenario played out in 1999 and 2007. The economy is unraveling right now, and fast. Very fast."

However, it's not just a 50% stock market collapse that Davidson is warning about. He also predicts that "real estate will plummet by 40%, savings accounts will lose 30%, and unemployment will triple."

"I am not a man who likes to preach doom," Davidson reminded me.

Indeed, during his career, he's made investment recommendations that have spun off a good deal of money ... like the \$10 million windfall he banked in a natural-resource company, and the time he told people to scoop up Philip Morris for gains of 405%.

And although our future may seem bleak, as Davidson says, "There is no need to fall victim to the future. If you are on the right side of what's ahead, you could seize opportunities that come along once, maybe twice, in a lifetime."

In a new video presentation Davidson not only explains exactly why the economy is already collapsing, but also reveals what he and his family are doing to prepare right now. (It's unconventional and even controversial, but proven to work.)