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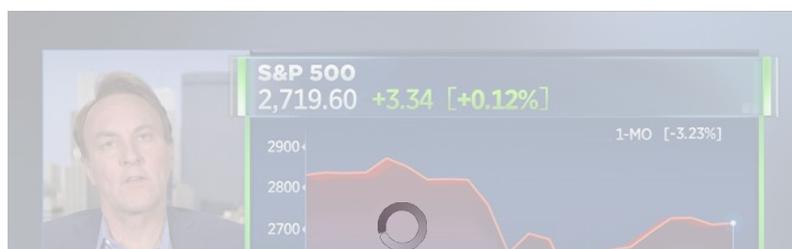
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The big one hasn't hit yet — why this bear sees stocks rupturing



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Historic stock market rally is in trouble, famed bear David Tice warns

6:22 PM ET Wed, 21 Feb 2018 | 02:07

David Tice, who made his name running a bear fund, is warning investors the February correction is just a foreshock.

Tice believes the big one hasn't hit yet.

He sees another rupture — or two or three — this year. By the end of 2018, the stock market could be 20 to 25 percent lower than current levels, Tice says.

"I thought about it a lot. Are we going to get back to an increase in the market like we've seen or are we going to decline? I feel like the weight of the evidence is that we've broken a tectonic plate," he said Wednesday on CNBC's **"Trading Nation."**

Last December, Tice warned investors on "Trading Nation" that **"the market is going to suck"** in 2018. Just four weeks into the year, a seismic shift happened. Stocks plunged on jitters over monthly wage-growth figures and rising interest rates.

Those inflation fears haven't subsided completely. The **Dow**, **S&P 500** and **Nasdaq** are struggling to regain lost points, and the **10-Year Treasury yield**, which is often viewed as an economic indicator, hit its highest level since January 2014 on Wednesday.

TRADING NATION



Trump tariff or not, Ron Paul warns a 'calamity' will hit stocks

Former presidential candidate Ron Paul says investors shouldn't be shocked if stocks plunge 50 percent.



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Square shares just saw one of their best days ever, and some market participants see further upside for the stock.



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U.S. stock index futures fluctuated ahead of Monday's open.



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"The 10-Year is approaching 3 percent. It looks like it could get there tomorrow. There are some big issues with the bond market," he said. "We now have the **dollar** in a massive decline. We've had our first 11 percent decline in a rally. I think the risk is just a lot higher now."

He said that in this environment — rising rates, a growing budget deficit and a flood of bonds hitting the market — a bear market could be just three months away.

Tice is known for selling his Prudent Bear Fund to Federated Investors in 2008 just as the financial crisis was hitting. His timing was nearly perfect. Last summer, he said he **wouldn't bet against the stock market**. But he's turned bearish again over the past several months.

Tice is urging investors to consider **gold** instead of stocks as a protection play. Gold has been regaining momentum over the past two months — gaining more than 4 percent.

"We've had a massive decline, a rally and then another decline," Tice said. "We think a lot of money is going to be made in gold."

Are you bracing for another stock market correction this year?

- Yes
- No
- Undecided

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Disclaimer

Correction: An earlier version misidentified the company that purchased Tice's Prudent Bear Fund. It was Federated Investors.



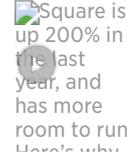
Stephanie Landsman
Producer, CNBC's "Fast Money"

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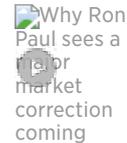
Square is up 200% in the last year, and has more room to run. Here's why

Square is up 200% in the last year, and has more room to run. Here's why.



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3/6/2018

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Symbol	Price	Change	%Change
NASDAQ	7330.71 ▲	72.84	1.00%
S&P 500	2720.94 ▲	29.69	1.10%
DJIA	24874.76 ▲	336.70	1.37%
GOLD	1331.80 ▲	11.90	0.90%

