

Mr. Dow's Wild Ride



Good morning, y'all. As the cold abates, the rain moves in. Still a good reason for inside activities. I've staked out a week long project with the painting of the Rec room. It's funny how things don't look so bad over time, and then you put a fresh coat of paint on a wall and the wall next to it looks like a remnant from the Civil War. I guess the same could be said when going through my photo album. I just hope nobody says it out loud. As Bocephus used to say, "the one constant is change", Daddy was deep like that sometimes.

Speaking of change, how about that DOW? Down a 1,000 one day, up 500 the next. If I had any investments other than [TackyToo](#), I'd be having heart palpitations. Fortunately for me, I can stand on my front porch and hit everything in my "portfolio" with a rock. I might have to use a slingshot to hit the back lots, but you catch my meaning. "Put all your eggs in one basket, and watch that basket" has been my investment strategy. I know I'm not doing much to spur the world's economy, but I think I'm minimizing the amount of damage the world's economy can do to me. Maybe I'm just shy about investing in something I can't see, and don't really know how it works.

I know a lot of folks are real wrapped in the DOW because of their investments, or their retirement fund is stock based. Al Katz, in Number Seventy Two, is a retired teacher and he's been glued to the big screen for the last week or so. When he can't get total control of the big screen, he's watching the PIP for the latest stock quotations. He's being somewhat of an aggravation to the other members of our little community. His obsession with the DOW makes one think he's got millions in the market, but that can't be true. I guess his obsession with the DOW is that everything he's got is tied up in the market. If you can't afford to live in [TackyToo](#) anymore, where do you go?

My view of the market is one from 50,000 feet. I've read a lot of books, and we'll talk about "The Big Short" one day, but for right now I'll confine my scope to the daily ups

and downs. Like Mr. Toad's Wild Ride at Disney, the roller coaster ride of the stock market is making everyone sick to their stomachs. What's causing it? Well, right now I'd say it's oil, or the fact that the major powers have outlined plans for getting off of fossil fuels. Oil has now dropped below \$30 per barrel, which goes back to pricing in the seventies. With an upsurge in new clean technology, and the commitment to at least slow global warming, the need for oil is dropping. The world's needs for power, whether for electricity for our homes, or gas for our cars, will be supplied by a renewable resource. That's **HUGE, HUGE, HUGE!**

Now the enlightened individual would say, couldn't the oil companies see this coming some day? And yes, they could. Some have been investing in clean technology to reposition themselves in the market. Exxon is an example. Exxon is attempting to make fuel from algae, and then plug the fuel into their current delivery system. Sort of a "business as usual", kind of scenario. If it works. So far, not so much.

Other oil companies, like Chevron, have been investing in new technologies and then hiding them away. The nickel cadmium batteries designed for the electric car, the EV1, would be an example. By prolonging the evolutionary change to electric vehicles, Chevron hoped to wring every nickel out of the oil business. Fortunately for the world, their plan was circumvented.

So there you have it, from my viewpoint, you've got old money fighting to hang on to what they have, and the old way of doing things, and the new money moving to the future. New money is going to make mistakes, and so there will be some volatility, but eventually it will all settle out. It always has, it's just a wild ride until it does, sometimes.

The good news is that it's taking place without my money. Now if I could just get Al Katz to chill out a little.