



REAL ASSETS ONLY THING TO HOLD

As the inverted yield curve deepens and central banks around the world continue to lower interest rates and debase currencies, it is patently obvious that the assets to hold are those that keep their value no matter what. This is why you must buy Real Estate if you can.

The worst asset to hold would be sovereign bonds with a negative yield. That is, countries loaning other countries or mega financial institutions money and saying the debt can be repaid in 5 or 10 years for less than what they borrowed! The lender loans money at a negative interest rate.

This will eventually infect smaller institutions (like a bark beetle going from spruce to spruce) and you may soon have the privilege of putting money into a savings account or C.D. only to retrieve less than your original deposit a year or two later. Savings account rates are near zero now but may well become negative by next year.

In the coming recessionary state of the world, and the U.S., holding money itself will be a liability, an asset of declining value. There will likely be a worldwide currency war with each country trying to debase its currency fast enough to keep their exports cheap.

The best assets to hold in the next decade are REAL assets - such as real estate and the world's only tangible alternative currency - Gold. China just bought another hundred tons of it.

This is not meant to scare you but to direct your financial planning. Apart from a major drama, your life should go on in relative comfort since you live in one of the world's richest nations. However, I recommend minimizing your cash investments and maximizing physical assets. This includes land and buildings, investment in commodities and, actually, jewelry - particularly gold or diamond in nature.

The Stock market should also be viewed with extreme caution for your investments and I recommend any stocks held include a heavy allocation in dividend paying companies, or those boring but reliable utility stocks. Many a fortune is about to be lost by those heavily invested in speculative stocks, simply because even a moderate retracement in the average person's spending habits will send a shock wave through those markets. A Pow to the Dow will be a Wow to many. This may be page D3 of the Anchorage Daily News, paid for by the author, but you may want to cut it out and pin it on your office wall.

Real Estate is actually the ultimate asset since it constitutes a piece of

the Earth (actually from the surface down to the core of the planet, plus the air space above to the edge of the atmosphere if you want to use it), and improvements constructed thereon - buildings, that is.

Real Estate values will dramatically escalate, or inflate, particularly in the cooler zones of America that also have a good water supply and tolerable weather and seismic events - e.g. Alaska. Climate change, caused by human atmospheric pollution, will now drive wholesale population shifts. Buy and hold Alaska real estate - no kidding !

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