

Stuck on Stupid

September 28, 2005

Using a recent comment from the man in charge of operations on the ground in New Orleans, as he replied to reporter's questions about Katrina, we say to those advocating sustainable inflation and strong growth due to events on the gulf coast, "SOS (Stuck on Stupid)."

It is beyond our comprehension how so many "experts" can get things so terribly wrong. Now, we do agree there may be short-term shortage of certain commodities needed in the rebuilding process on the gulf coast. The only real lasting effect, as concerns the economy, will be the restoration of a lost assets and huge amounts of increased debt (please note last weeks Bison Buzz)

We are not sure that the nations Chief Financial Officers (CFO) are the brightest people in the world, but we would bet a dollar to a donut that they know their business better than Wall Street does. They are telling us that something is wrong in the business world as opposed to the trading world of stocks and bonds. With that in mind, please note the following chart. We again, as we have since 1995, urge all to increase their positions in long government bonds. Stocks and other bonds of lesser quality are suspect. Debt remains the problem and it is getting worse.

