

Stock Market Rallies: Nothing Lasts Forever

By [The Mogambo Guru](#)

02/23/10 Tampa Bay, Florida – People hear my clear, clarion call for them to buy gold, silver and oil as their protection from the monetary and fiscal stupidities which abound – abound! – all around us, and they have questions, such as the one that is burned into my brain from an altercation this morning outside of the hardware store, where I was telling some idiot to buy gold, silver and oil, and which elicited the response, “Why are you yelling at us in such a deafening manner? Can’t you see that we are standing right here, you moron?” which is, if you count, actually TWO questions!

And it gets worse when another popular response is “What about the stock market? Will it go up or down?” and my answer is, being as polite as I can be, always the same: “What is it with you greedy people always asking two questions at once, which only confuses me and makes me angry? Get out of my sight, you silly rude persons, or I will, as was said in ‘Monty Python and the Holy Grail’ and from which I am obviously ripping off this stilted style of dialog because I have no creativity or talent of my own to come up with anything better, taunt you again!”

Actually, I am rude to these people because they are so stupid compared to, apparently, the incandescent brilliance of my Super Mogambo Brain (SMB), which clearly sees nothing but total, unmitigated disaster from the current monetary and fiscal position of the US and the world, and although it seems so blindingly obvious to me, I figure my surprising genius is the result of my (for one thing) living under a yellow sun, here on this planet you call Earth, and which we call Glabbynakker on my home planet, which refers to the shiny excretory pellets, which are little blue, watery balls, of a stupid creature called Glabby (actually the Greater Glabby, versus the Nervous Glabby, which doesn’t stink as much), and if you could see a glabbynakker and the Earth side-by-side, you would see the resemblance and understand why we don’t call it, like I said, Earth, and it has nothing to do with the fact that Earthlings are, apparently, morons, although the analogy of comparing Earthling intelligence to alien poopie is entirely apt, in a kind of rude, crude and inappropriate way that was not intentional at anytime heretofore, up until now, when I just thought of it, so that, from now on, it will be.

But I digress, and more to the point, if these people had been polite to me, I would have told them that they are obviously new around here, because everybody in THIS stinking little one-horse, provincial little nowhere town full of buttheads, already knows EXACTLY how I feel about the Federal Reserve creating so much excess money and credit (inflation in the money supply), especially so that the Congress can deficit-spend it (inflation in the debt), which results in inflation in prices of something, or some things, or most things, or all things, which has, fortuitously, resulted only in inflation in stock prices, inflation in bond prices (thus driving interest rates low), inflation in housing prices, although it has also produced inflation in the size and expense of government, inflation in the percentage of the population living on the government’s handouts, simmering inflation in consumer prices that will soon explode, (making the poor poorer), inflation in wages and – lest we forget! – the literal creation of the derivatives

market and its massive subsequent inflations in themselves and Every Freaking Thing (EFT)! Hahahaha! We're freaking doomed!

But the essential point is not that the idiotic Congress and the Federal Reserve disregarded the Constitution because some stinking, know-nothing lowlife bastards on the Supreme Court in 1934 said, and reaffirmed at every legal challenge since then, that it was OK to have a fiat money instead of gold as money even though the Constitution itself said otherwise, but what happens when you start creating too much money and credit; you get inflation in prices.

And as for the stock markets? They will go up and down, but mostly up, with heart-stopping falls and amazing rises, because there is a constant torrent of government deficit-spending money coming into the economy and it all, every last dime of it, will eventually come finally to rest as a profit in somebody's pocket, and that person will have to "do something" with it.

And since the stock market will have been going up, up, up due to all the previous trillions of dollars coming into people's pockets and being "put to work" in the stock market, it is a "natural" place to invest all of this money, as it is one of the few places such immense amounts of money, such mountains of money, such Unbelievable Freaking Scads (UFS) of money, can be conveniently "put to work", being merely stored on computers.

Then, one day, you're sitting on the sofa watching TV and listening to your family whining about something, probably about how you watch too much TV and eat like a pig until now you are a fat, stupid slob with stains on the front of my shirt and down the front of my pants and even on my socks ("Mom! Dad spilled food on his socks and now his feet smell even worse!"), which is really getting on my nerves, if you really want to know.

So there you are, not suspecting anything when, suddenly, out of a clear blue sky, one of Taleb's "Black Swan Events" will come bursting onto the scene and everything will be wiped out, either figuratively (in which case gold, silver and oil should soar in price as inflation in the prices of necessities soar, as indeed the Black Swan Event could be massive inflation in food prices and a bond market collapse), or literally (in which case it won't matter because we will all be dead).

Hoping for the best, go with gold, silver and oil! It's not only the smart play, but also easy, as in, "Whee! This investing stuff is easy!"