

Today's Challenges

- Peak Oil
- Peak Government
- Peak Currency Management

Peak Oil

- Simon's Axiom
- Commodity shortages lead to the development of new resources
- Rising prices lead to intensified search for replacement
- Creative solutions are found (unconventional oil)
- Replacements lead to stable/falling prices and stable supply period
- Statistical forecasts see reserves at 30 years supply – for 30 years
- 2004 – 2008: Spare capacity rising

Peak Oil

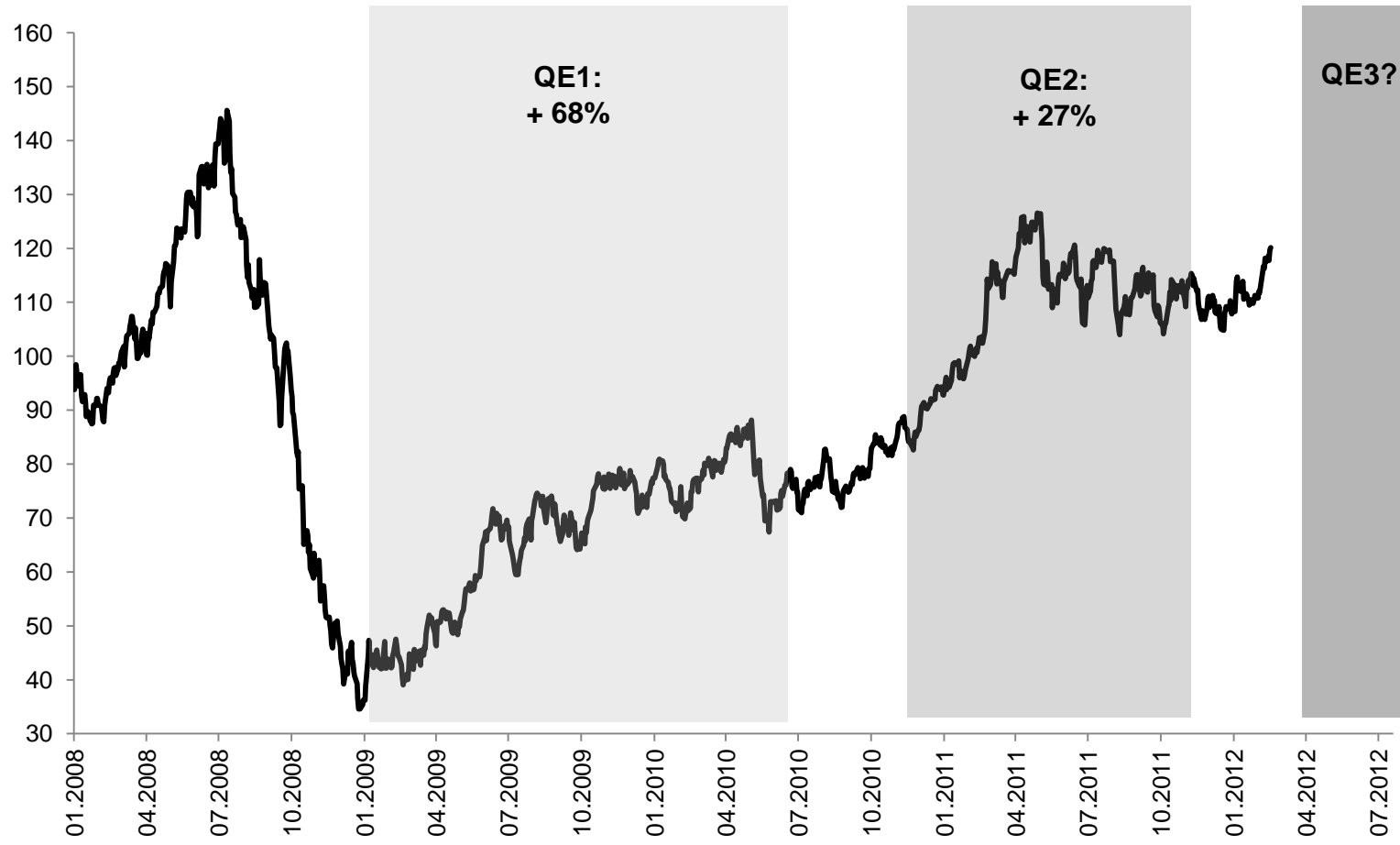
The Stone Age didn't end because we ran out of stones. The oil age will not end because we've run out of oil. It will end because people invent
Alternatives.

Ahmed Zaki Yamani

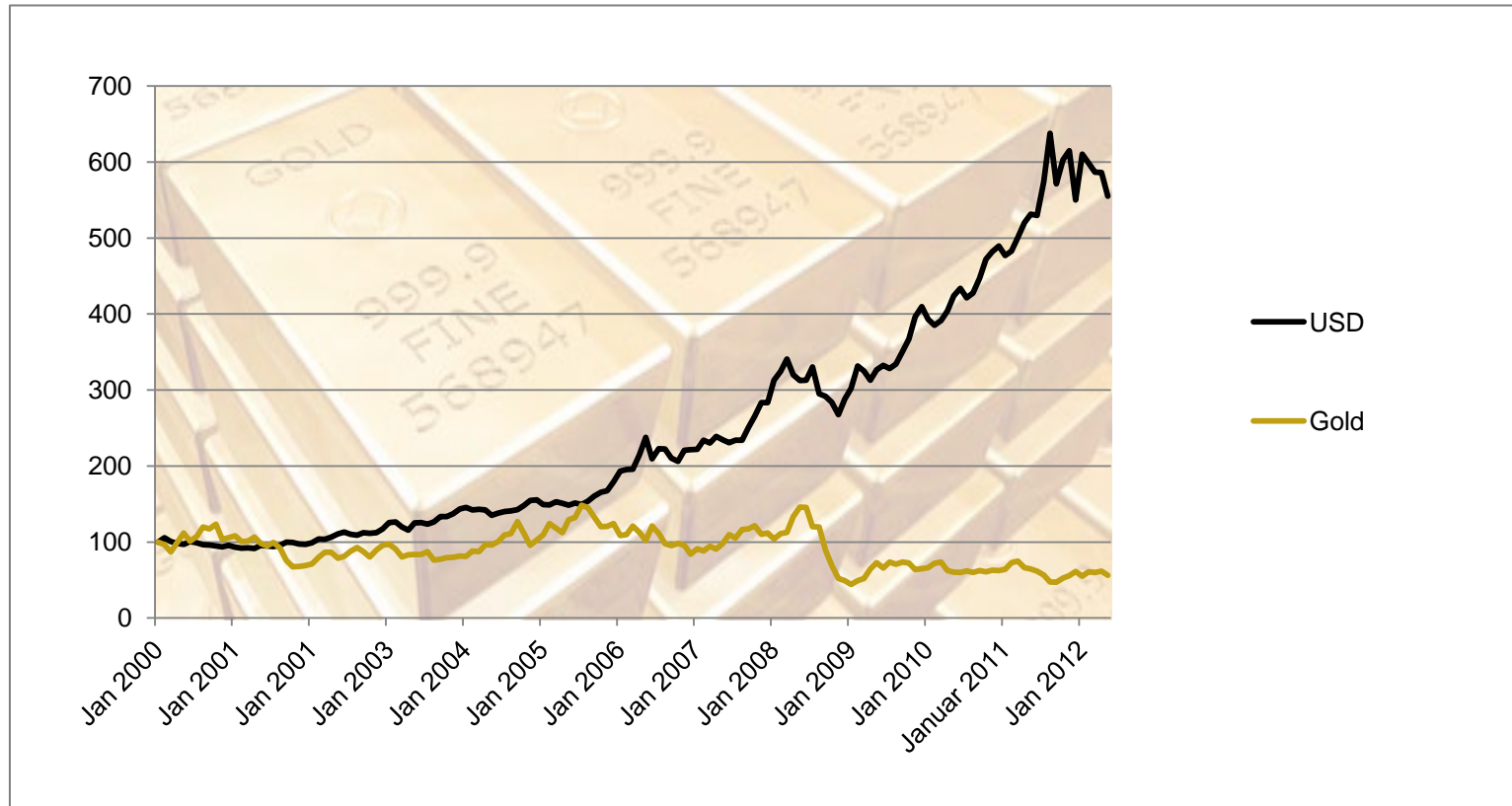
Peak Money Management

- Oil & Gas are the most important non-arbitrarily increasable commodities
- Measured and settled using an almost freely produceable currency
- Each additional unit of money decreases the intrinsic value per unit
- Loss of purchasing power – energy prices show it

QE Impact on Oil Price



Oil Price in USD vs Gold



Stock to Flow Ratio

- 99,xx % of all gold ever produced is still there
- Harder to find but technological development guarantees a stable stock to flow ratio
- 170.000 t 2500 t 70:1
- Most stable ratio of all commodities
- Therefore it has been used as yardstick to ascertain value

New Monetary Policy

- Stable energy prices
- More planning confidence
- Encouraging the development of new projects and products
- Innovation – economic system change