



How can you profit from peak oil?

Posted by [Yankee](#) on June 15, 2005 - 9:00pm

There are some people and blogs out there concerned with energy stocks and what investments in the energy sector might look like in the coming future. I'm not particularly up on investment issues, but blogs like [New Era Investor](#) are thinking about how issues like peak oil and baby boomer retirees are going to affect stocks, bonds, gold and silver in the near future. Michael McAllister's [Energy Stock Blog](#) seems like a more standard day-to-day accounting of how the energy sector is doing, but also reports on peak oil. For example, he also [recently discussed](#) Berman of the Houston Geological Survey (see the two posts below), although McAllister has a somewhat more approving view of him than we did.

OK, well, I would expect that analysts covering the energy industry are going to downplay the types of concerns that we raise here, but at least people like McAllister are taking the issues seriously.

But imagine my horror at seeing this google text ad come up on the side of my gmail account:

[World Oil Production Peak](#)

How can you potentially profit? Free report from GA Funds.
www.gafunds.com

Guinness Atkinson Funds is estimating the global peak oil production year will occur between 2015 and 2020 (see chart at right). We suspect that soon, daily oil demand will outstrip daily oil production capacity, potentially creating an opportunity to profit from the ownership and exploitation of the world's dwindling hydrocarbon reserves.

Truly, America at its very finest. As civilization is slowly disintegrating, you too can profit! Of course there's always going to be investing in energy (read: petroleum) even when we're seriously conserving and developing alternative technologies, but to actually advertise your fund by telling potential investors they can capitalize on peak oil? That's pretty shameless.

Here are some more quotes from [the prospectus](#):

- (p21) The Advisor believes that growing demands on existing energy supplies, in particular petroleum-based energy supplies, could lead to higher prices for this and other traditional energy sources and the profitable development of alternative sources of energy.
- (p22) You may lose money by investing in this Fund if any of the following occur:
 - a. Stocks that comprise the energy sector decline in value;
 - b. Prices of energy (oil, gas, electricity) or alternative energy supplies decline, which would

likely have a negative affect on the Fund's holdings;

c. A government expropriates or nationalizes assets of the Fund or companies in which the Fund invests;

d. Political, social or economic instability causes the Fund's holdings to decline

- (p28) Prices and supplies of energy may fluctuate significantly over any time period due to many factors, including international political developments; production and distribution policies of the Organization of Petroleum Exporting Countries (OPEC) and other oil-producing countries; relationships among OPEC members and other oil-producing countries and between these countries and oil-importing nations; energy conservation; the regulatory environment; tax policies; and the economic growth and political stability of the key energy-consuming countries.

Wow! This sounds like a *great* fund to me! Anyone else interested in buying in now?

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