

Buying Gold, Silver and Oil: The Ultimate No-Brainer

By [The Mogambo Guru](#)

07/13/10 Tampa, Florida – In my monthly report to Glabbnarxx, the new despotic Overlord for this sector of the galaxy (and who, I heard, is supposed to be a real pinhead of a dork), I included the news that as a result of oceans of money being created and spent, you would think that none of the sentient inhabitants of this planet called Earth would buy bonds to receive the paltry, miserable, fixed coupon stream from the already-overpriced bonds because of the horrifying, unstoppable inflation in consumer prices that will soon, and surely, result from all the insane amounts of money being created by the Federal Reserve, which was then borrowed and spent by the federal government, and thus the price of bonds will soon fall in response to such inflation in prices, handing a huge capital loss to any moron who bought bonds at today's extremely high, ludicrously high, insanely high prices (and thus interest rates at such extreme, ludicrous, insane lows).

This report has surprisingly caused a stir at SubSector Central Command, as it shows that the cumulative intelligence of Earthlings is lower than previously estimated, and I was ordered to send corroborating evidence so that they could see for themselves.

So, I sent them a quote from Agora Financial's 5-Minute Forecast, where they report, in black and white, that the yield on the 2-year note is unbelievably below 0.6%, something "that's never happened before, even during the worst of the 2008 crisis."

And with inflation in consumer prices, even using the government's own figures, being 2% per year, you have ask yourself, "Am I dreaming, or are these people stupid or what?"

Suddenly, I know that I am not dreaming because I see [Chuck Butler](#) from EverBank, whom I had previously dreamed say that I was not dreaming, and he apparently thinks that there is too little information to decide whether bond-buyers are stupid or not, although he does admit that "You have to ask yourself this question: What do I have to gain from buying a Treasury that's yielding all-time lows?"

And this guaranteed loss of capital when bond prices decline from these lofty heights, I say that bond buyers are idiots with more than my usual degree of contempt, because even the lying government admits to inflation in consumer prices being 2%, although the actual increase in prices is, according to John Williams of shadowstats.com, running at least triple that.

Even the Consumer Price Index, although manipulated and tortured to practically eliminate all evidence of inflation, has risen from 177 in 2002 to 218.2 today in 2010, a 23% rise in only 8 years, which comes out to an inflation in prices of 2.65%!

I am happy to note that I am not the only one who is concerned about inflation in prices that will be caused by the Federal Reserve creating so much money, as Howard S. Katz of thegoldspeculator.com is also mighty concerned, and he says, as I say, as all intelligent people say, “The Fed’s printing of money causes prices to rise.”

And since the Federal Reserve has been creating money for as long as there has been a Federal Reserve, Mr. Katz notes, “there has not been a single year of price decline in the US since 1955.”

And with that kind of evidence of continual, simmering, ultimately-ruinous inflation, how can you not be frantically buying gold, silver and oil? Remember: In 1955, gold was \$35 an ounce, silver was 90 cents an ounce, and oil was \$1.93 a barrel.

And with real-life examples of the Federal Reserve’s effect on gold, silver and oil, even from before the Fed went insane and started creating So Freaking Much (SFM) money, buying gold, silver and oil is obviously the ultimate no-brainer! And best of all, it’s easy enough to make you giggle with absolute delight and say, “Whee! This investing stuff is easy!”