

Market Outlook:

Unnatural prosperity

At first glance, it would appear that countries with the greatest bounty of natural resources would/should have a distinct advantage in the economic marketplace. And while that is in fact true, there is an additional burden that comes with such plentitude, so much so that an imperceptible shift in economic advantage might be occurring towards emerging markets, whose incentive to "catch up" to major developed markets gives them a psychological chip on their shoulder. For all their demographic comparisons, Westernized economies are slowing down their output, while modernization and increased labor activity in emerging economies is creating a new balance in global trade.

Bear in mind that the competitive edge still resides within the developed nations, and will for decades. But my quantitative data is indicating a new "normal", setting the stage for numerical inroads to be made in complementary regions.

A major reason for the development of this marketplace shift is the burden borne by "mature" countries to support their existing, and aging, infrastructure, population, and political machinery.

There is a compelling need for developing economies to grow autonomously, sustainably, and creatively. They are coming to view their mature counterparts as partners, not saviors, and are working hard to grow an economic infrastructure that is independent and repeatable. They see reciprocal benefits not as handouts or subsidies but as building blocks for long-term viability. While they might lack the capital and know-how to compete successfully at present, their greatest advantage lies in working with less-complex processes and a broad range of educational, manufacturing, and financial development options. And, indeed, these options are becoming more and more sophisticated. Relative to the cost of creation elsewhere, these markets are already leading in sectors like technology, pharmaceuticals, military hardware, and eco-sciences.

Another reason for these mini economic shifts is the intensity of human displacement in major population centers owing to the overuse of existing resources. Climate is now becoming a major numerical factor that I must engineer into my proprietary metrics to make computational outcomes more accurately reflect current consumption, price, and future earnings projections. **The competition for finite resources is having global repercussions in the data measurements I, and other quantitative strategists, create for market and sector allocations.**

Pivoting for economic advantage, coupled with subtle regional changes in climate and ecology, is now the new definitional norm for the study of economics.

Imagine turning on the spigot.....and no water comes out.

Wherefore the conflicts?

Escalation of current geopolitical conflicts in Ukraine and the Mideast not only has a religious, economic, and cultural overtone, but is a prime example of the survival of populations dealing with climate, migration of resources, haves and have-nots.

Variation in environmental changes also magnifies the locus of my database solutions. One can never plan for one-hundred percent certitude of anything, but incremental climate-related redistributions of economic GDP and earnings patterns raises the possibility of investment outcomes being far different in the future than they are today. Political leaders and social scientists should be spending more time, not less, on these cultural, moral, and social issues I would argue. **Economies cannot simply become unmanageable monolithic structures without leading to implosion from the weight and burden they place upon themselves.** Worse than the impact of changing ecosystems and depleting resources, however, would be an inattentiveness to the catastrophic prospect of self-inflicted inertia.

A generational investment (as well as cultural and spiritual) opportunity lies before us. The "enemy" isn't a great super power or economic juggernaut from abroad. It is, instead, an isolation from the collaborative responsibility to care for and fix the "blue marble" we all inhabit that makes a horn-of-plenty possible for all its citizens.

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