



WEEKEND READING

Shedding the light on what's happening - our world - our finances - our times

Free Advice Can Be The Most Expensive

Anna talks about the cost of free advice with a look at Gamestop and Wallstreetbets. The “Cheapest” advice is good advice, sometimes you have to pay for it.

LATEST VIDEO FROM ANNA HILBERRY

GameStop and the Stock Market | The Danger of Free Advice

March 2 /21



WATCH HERE! <https://youtu.be/EUMIS5GyimA>

Berkshire Hathaway 2020 Annual Report: Chairman's Letter to Shareholders

<https://berkshirehathaway.com/letters/2020ltr.pdf>

6-Chart Saturday (2/27/21) – Charlie Bilello

<https://compoundadvisors.com/2021/6-chart-saturday-2-27-21>

“Free of IPO Constraints, SPACs Can Make ‘Absurd’ Financial Projections — And This Hedge Fund Manager Says The Fallout Is Coming” – Institutional Investor – February 26, 2021

“You can get away with saying anything you feel like if you sell to the SPAC market,” says Orso Partners co-founder Nate Koppikar.

<https://www.institutionalinvestor.com/article/b1qqv1pgh34s6/Free-of-IPO-Constraints-SPACs-Can-Make-Absurd-Financial-Projections-And-This-Hedge-Fund-Manager-Says-The-Fallout-Is-Coming>

ESG: The mother of all momentum trades?

<https://citywireusa.com/registered-investment-advisor/news/esg-the-mother-of-all-momentum-trades/a1467249>

‘The Inflation Story’ – Behavioural Investment – March 2, 2021

<https://behaviouralinvestment.com/2021/03/02/the-inflation-story/>

‘Minding Your Blind Spots’ – Incognito Money Scribe – March 2, 2021

<https://incognitomoneyscribe.com/2021/03/02/minding-your-blind-spots/>

There's no telling how much ostentation money can buy.

Schitt's Creek Mansion Returns to Market With Price Reduction

<https://www.bloomberg.com/news/articles/2021-02-28/schitts-creek-toronto-mansion-returns-to-market-with-price-reduction>

Turning to Green Energy,

Energy transition SPAC finds a target – March 4, 2021

(Reuters) - DeepGreen Metals, an EV battery metals maker, said on Thursday that it will be acquired by blank-check firm Sustainable Opportunities Acquisition Corp in a \$2.9 billion deal.

The deal will consist of a \$330 million private investment from investors along with Allseas, adding to the list of existing strategic investors such as Maersk Supply Service and Glencore.

Vancouver-based DeepGreen intends to produce metals from polymetallic rocks, found in deep oceans, for use in batteries that will power electric vehicles.

'Will Green Energy Jobs Be The Economic Savior Promised?' – Energy Musings – February 23, 2021

North American politicians have been promising the Green Economy will mean more and better Green Jobs. Build Back Better, etc.

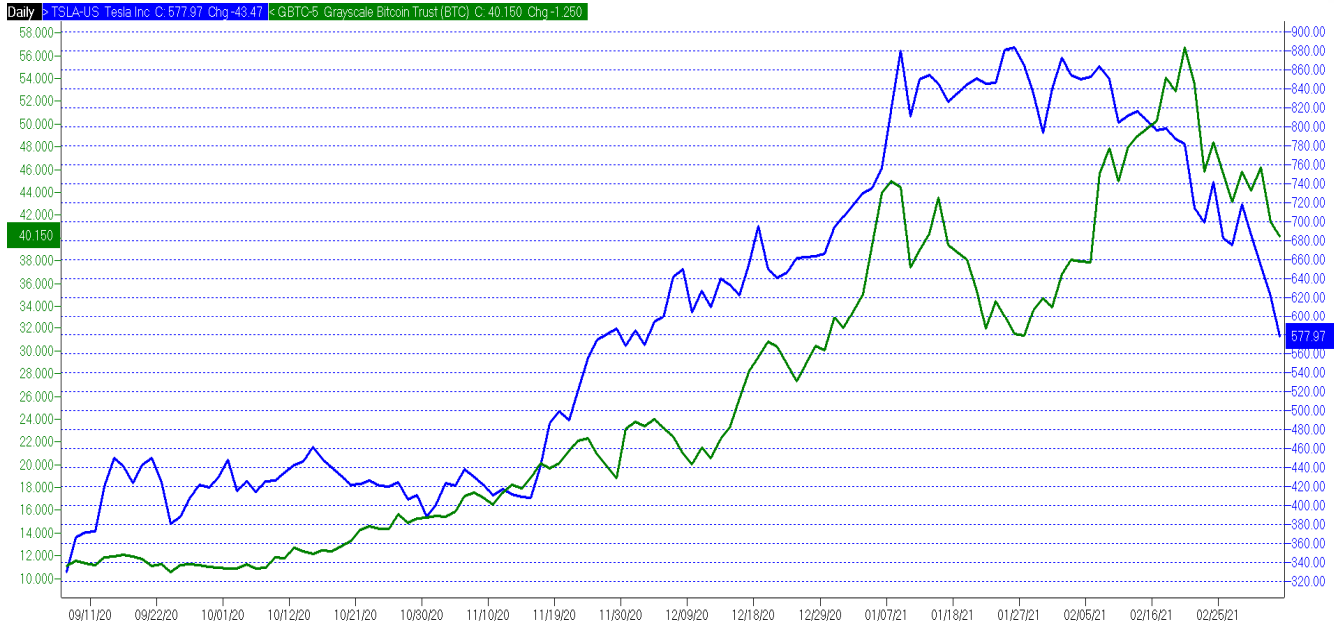
This blog entry is part 2 of a three-part commentary on the Texas freeze-up and what it implies for the energy transition so many hope for. This section looks at jobs in the Green Economy vs. the current state of affairs. The author examines Germany's experience in this section of the commentary. While the entire piece is daunting, I advise clients with a view on the future of energy to read the entire work. I should add I make this advisory as an investor, not as a philosophical stance, belief or want for the future. What I want is a clean healthy world.

<https://energy-musings.com/musings-from-the-oil-patch-february-23-2021/#post-7884-Section2>

Has the air finally gone out of the balloon?

Again, Tesla was in the news this week and again, clients have asked so again, I'll comment.

Tesla (blue-\$578.96) Bitcoin (green-\$40.14) 6 months – daily ranges



Tesla and Bitcoin have danced to the same money tune. Coincidence?

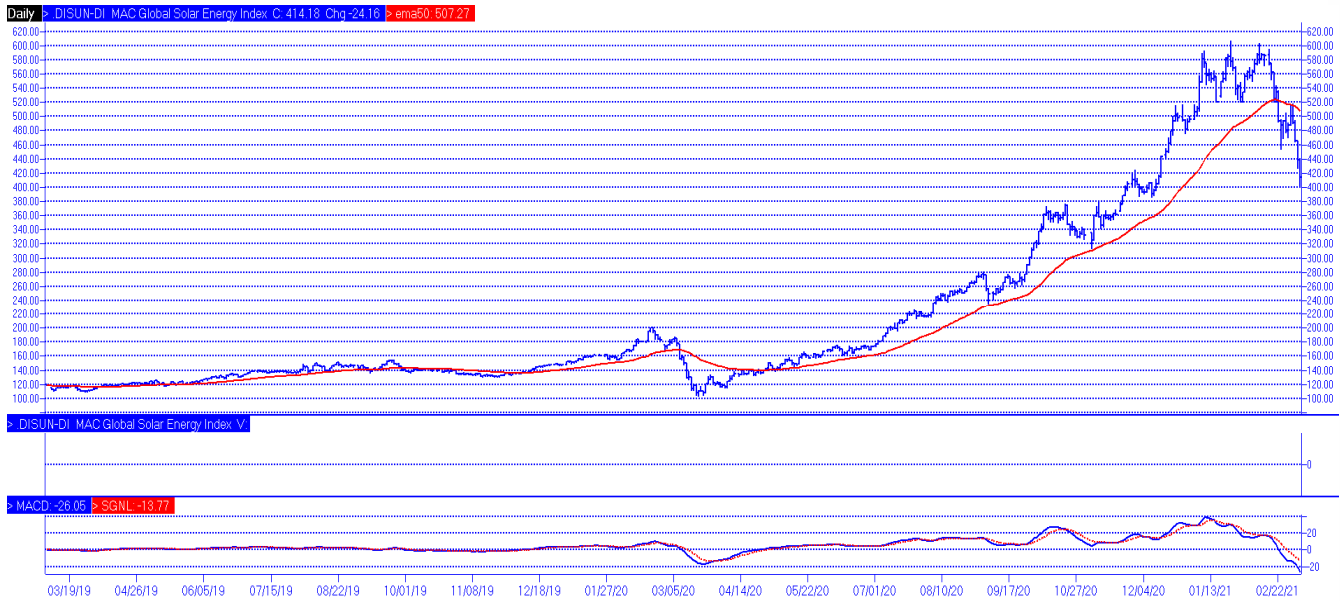
I stand in wonder at the seemingly relentless investor appetite for risk in these names. I've been wrong, wrong, wrong to question the money trend...so far. After briefly hitting the magic \$900 per share mark on Jan 25, 2021 (two trading days before the last day for settlement in advance of month-end reporting) Tesla has declined 40% to a daily low on Friday of \$539.40. Tesla regularly challenges investor devotion. This may simply be yet another. As we haven't owned either of these names we've missed out on the way up and the way down. I plan on continuing to do so.

Is this a sign of other troubles?



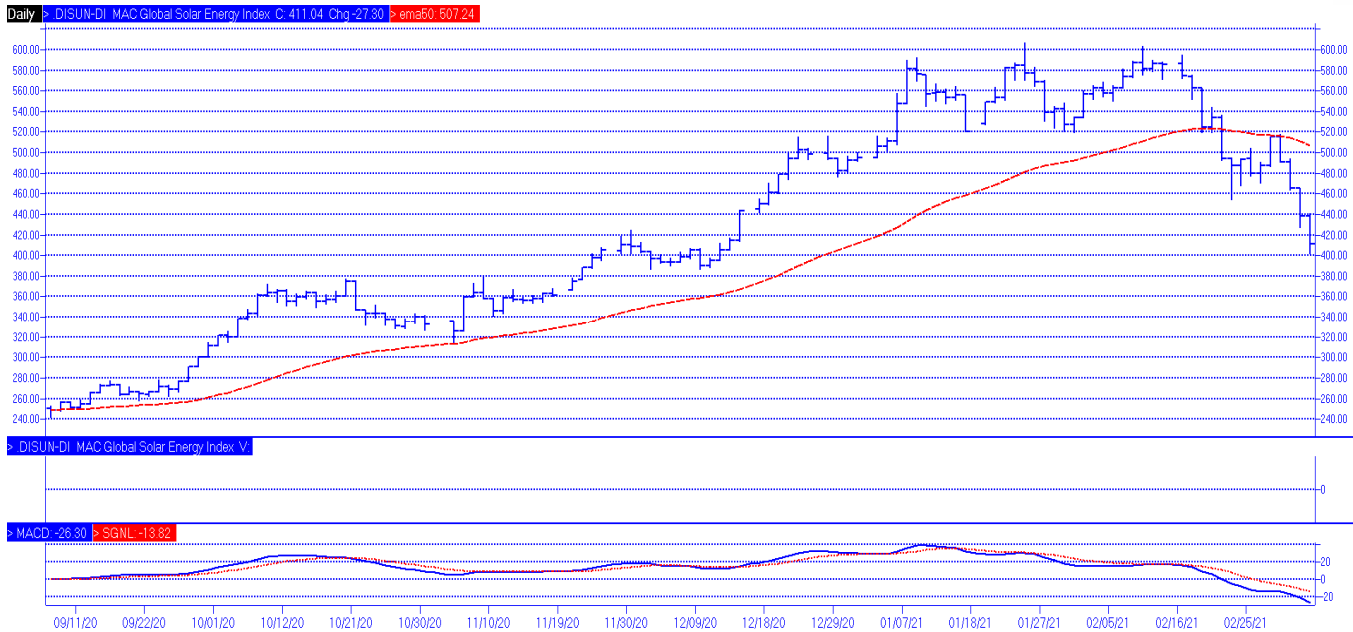
Three Times a Charm?

MAC Global Solar Index (DISUN-413.97) – daily ranges – two years



This chart shows a classic ‘head and shoulders’ topping pattern with a subsequent 32% crash from the Jan 25, 2021 top of 607.10 – note the Tesla peak above.

Here is the same index over six months.

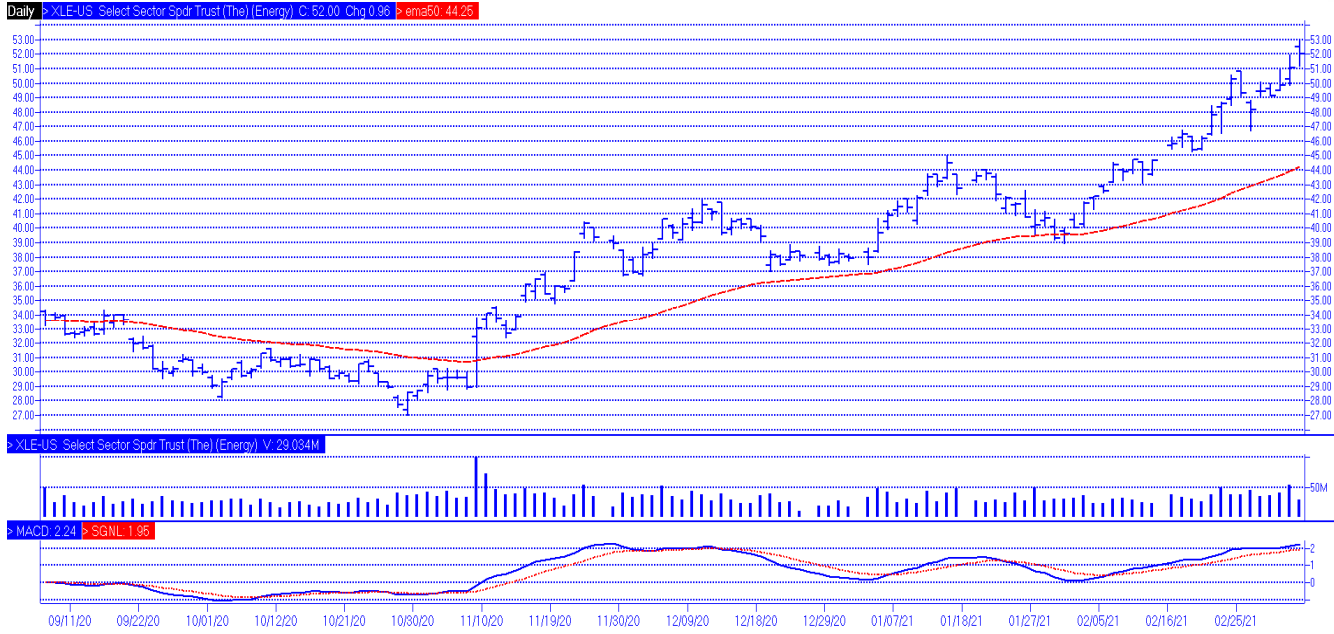


Does this mean the entire market is about to crash?

Not according to conventional energy investors.

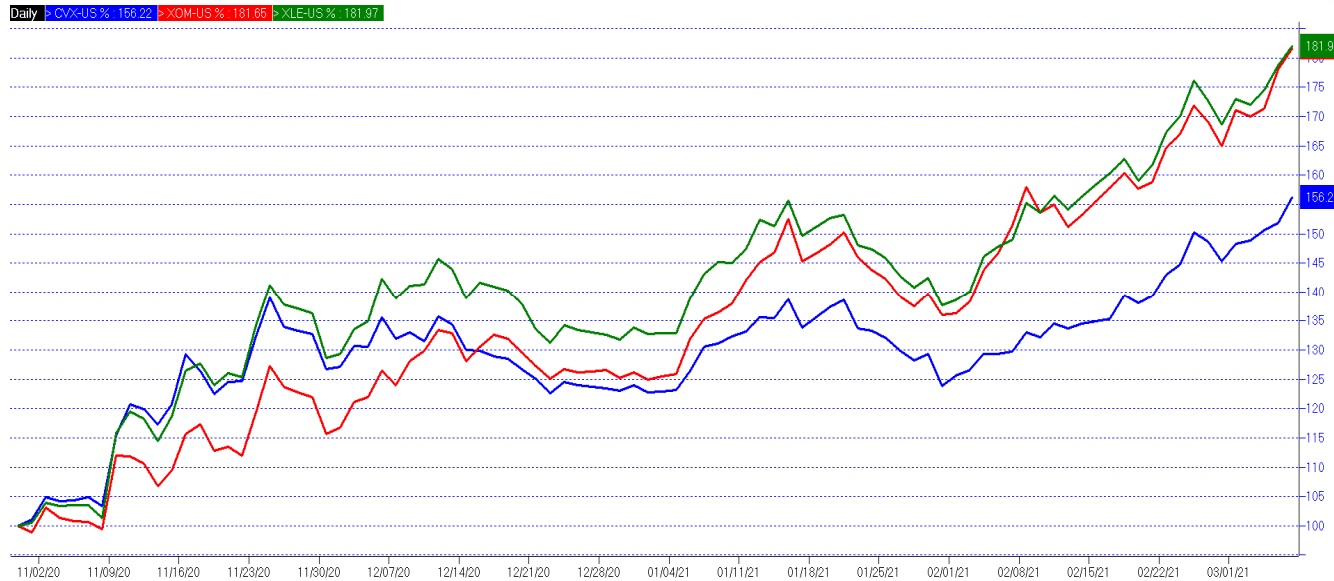


SPDR Energy Trust (XLE-\$51.97)



XLE is up 73.5% from Sept/2020 and +92.6% from Oct/2020 lows. **NOTE:** We needed a tax loss in Oct/2020. We took a loss on Exxon (XOM) and Chevron (CVX), swapping both for XLE on Oct 29/2020. Staying with the sector was the correct move. All have rebounded. XLE gain has been larger than the XOM/CVX avg.

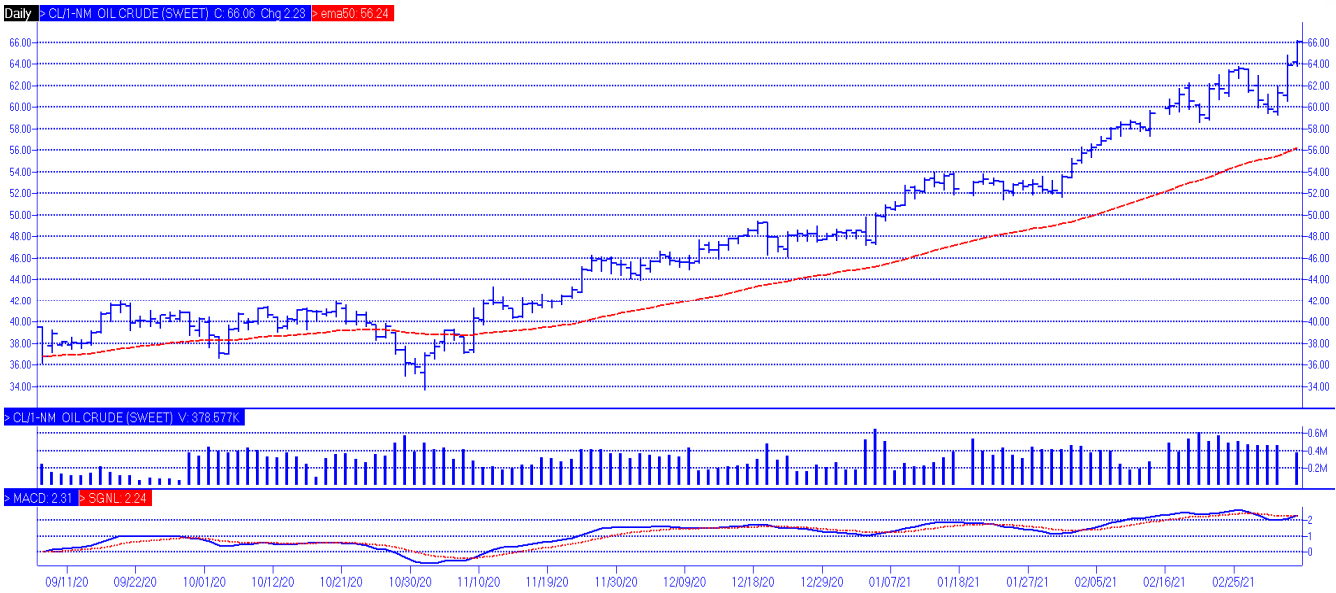
Exxon (red+81.6%) Chevron (blue+56.10%) SPDR Energy Trust (green+81.8%)



A big reason for the lift in the conventional energy companies is the rise in oil prices

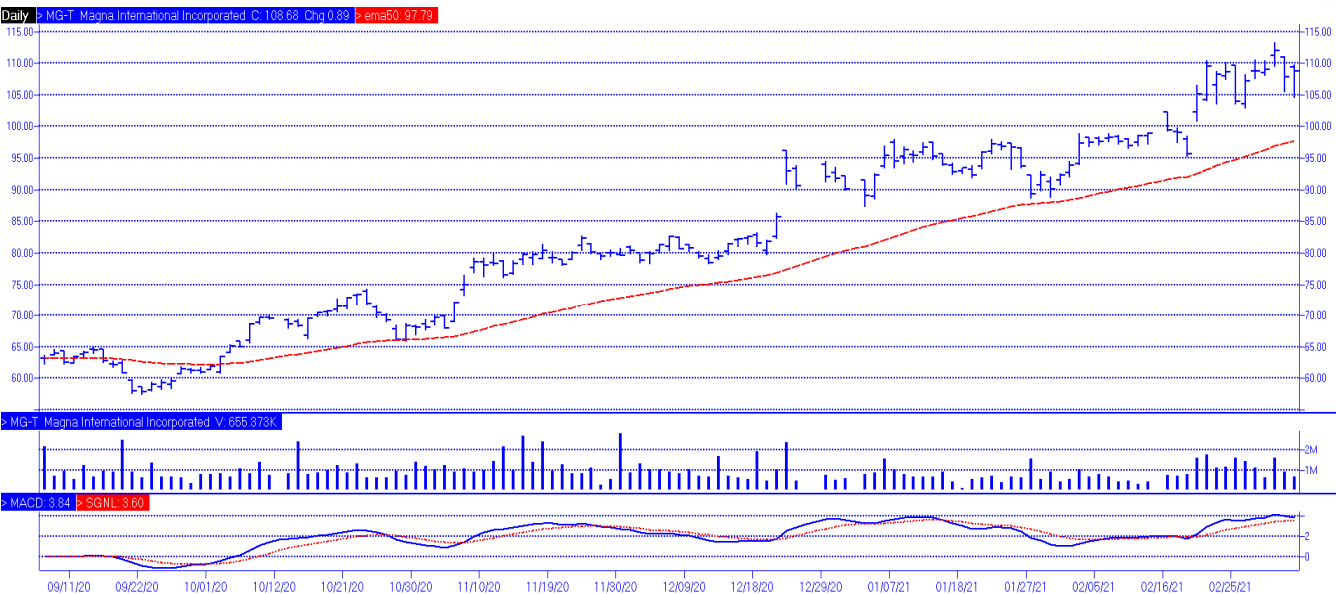


West Texas Intermediate near-term contract \$66.04–Daily 6 months



I've been warning crude prices were very likely to rise due to constricted supply (pipelines) and curtailed drilling (shale oil). My view was while a longer-term hope for alternative energy is a great thing, as an investor I advised caution. In the past green energy investors have viewed rising oil prices as supportive of more expensive renewable energy (see the carbon tax argument). Rising oil prices have often translated into rising green energy stocks. This hasn't happened lately. Maybe it's just a short-term market money momentum thing. While it's early to get really worried, rising energy prices ultimately act as a drag on the economy. \$100+ oil was one of the catalysts for the 2007 onwards economic crash. Worrying is what I get paid to do. At this point I'm watching...and keeping our oil stocks. I am not married to oil stocks and anticipate reducing our holdings in the future.

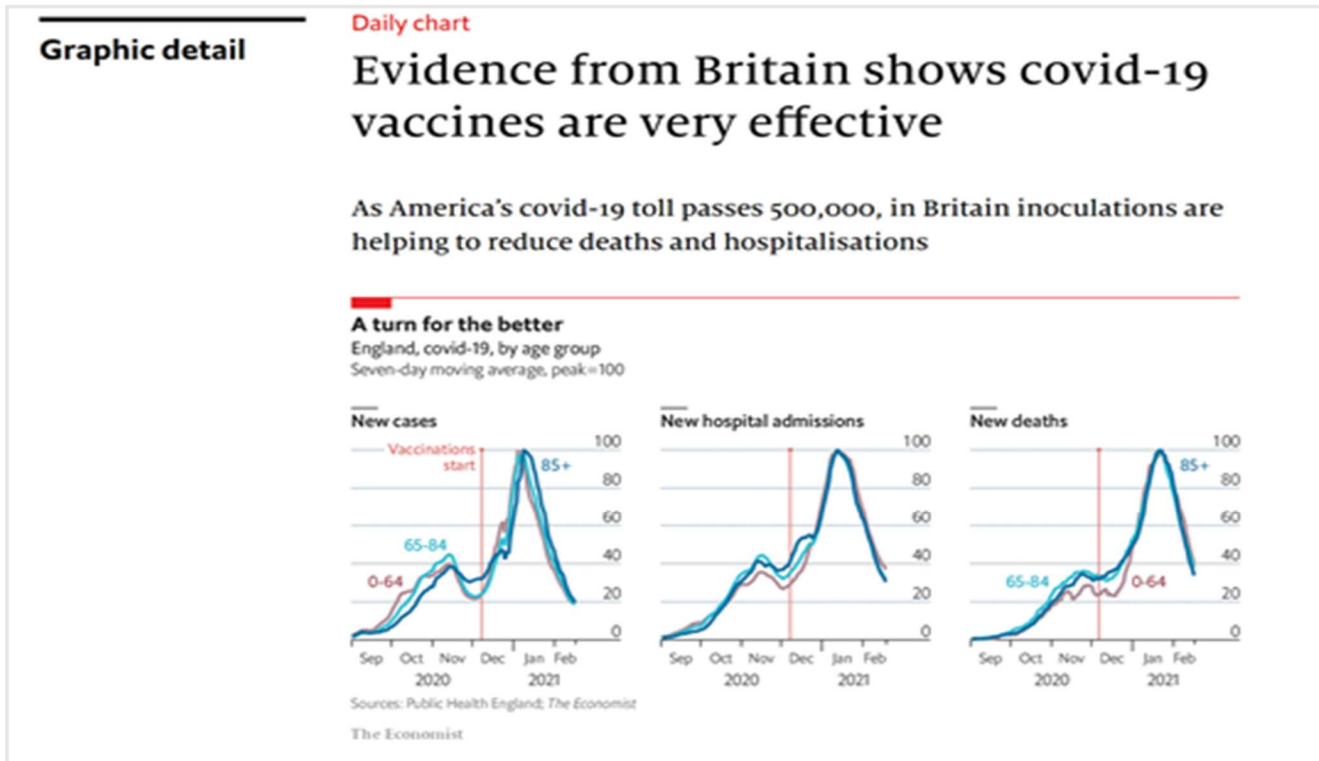
Magna Intl (MG-TSX-\$108.6) six months daily +69%



Car parts maker Magna Investors believe car demand is expanding.

DISCLAIMER: I own Magna personally, hold it for family members and for client accounts over which I have trading authority. We have traded in Magna within the past 60 days.

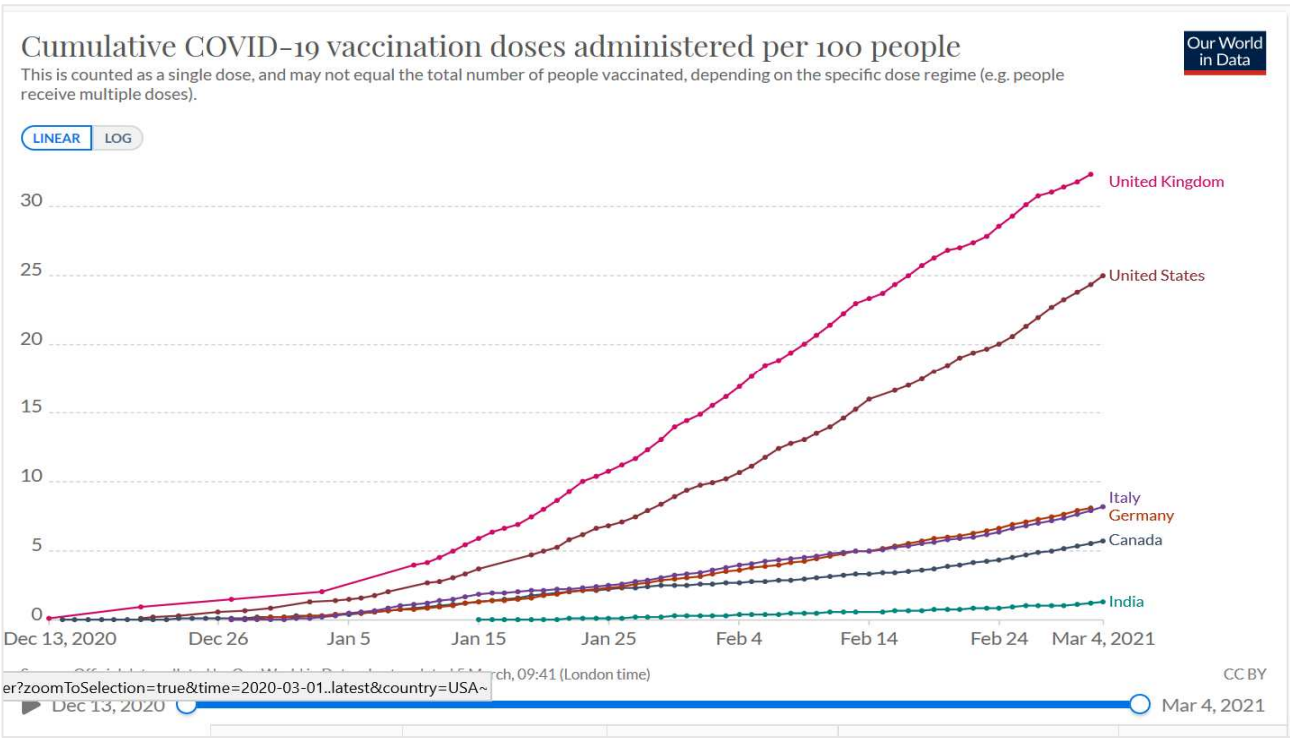
The Economist explains why perhaps investor are correctly optimistic.



<https://www.economist.com/graphic-detail/2021/02/22/evidence-from-britain-shows-covid-19-vaccines-are-very-effective>

On the vaccine front, OurWorldInData provides a nifty global COVID-19 tracker chart package. One of their data sets, compares global cumulative vaccine count per 100 population Canada's performance has been 'disappointing'. You can play with the data chart.

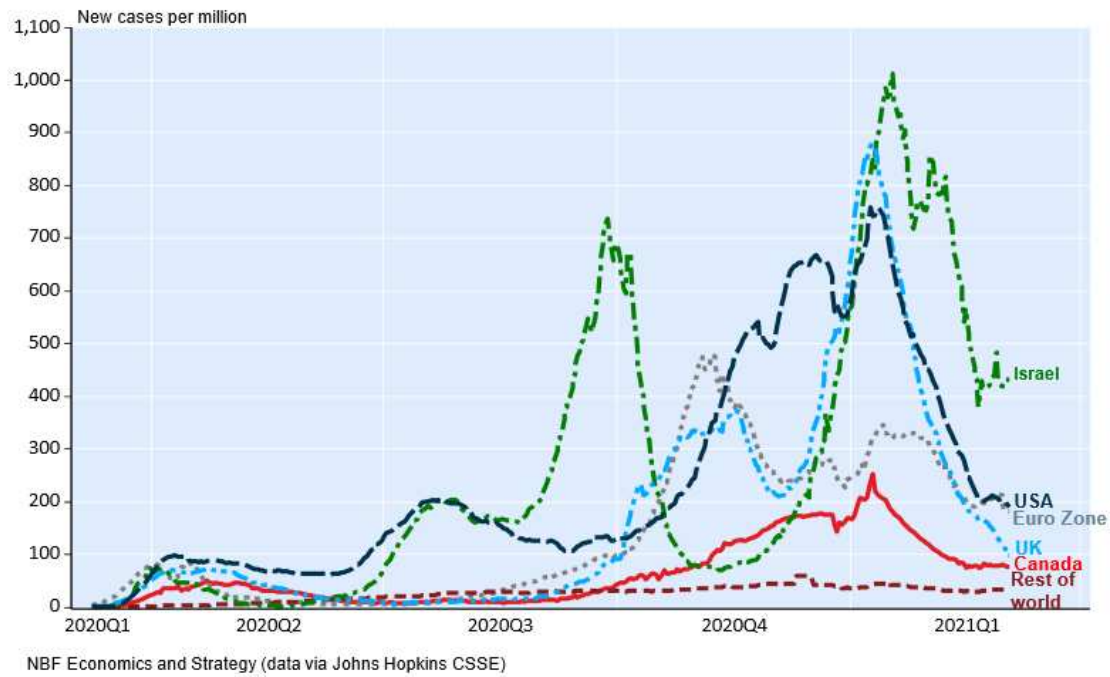




National Bank COVID-19 Daily Monitor – March 5, 2021

1. World: Evolution of the pandemic

Daily new cases per million population by region, 7-day mov. average



For the full report, see PDF:

COVID-19 Daily Monitor – March 5, 2021 – NBF Economics and Strategy

**Find this PDF in the attachments*

There are many reasons for Canada’s lagging vaccination performance, some beyond current Govts’ control. Politicians have pushed health mandarins forward to explain. Ronald Reagan advised “*If you’re explaining, you’re losing*”. Pundits were predicting an early spring Federal election call in Canada. I was in this camp but am starting to have doubts.

My old farm tractor needs work. I’ve been thinking maybe a nice new one would look good in the barn yard. Must be spring has sprung. On that happy thought...

Have a Great Weekend!

THE HILBERRY TEAM



FOR THE RECORD – MARCH 5, 2021

Dow Industrials:	31,317
S&P 500:	3817
S&P/TSX Comp:	18,311
WTI:	\$66.32 (up but not expensive...yet)
Loonie in \$USD:	\$0.7902 USD per \$1 CDN

[Anna Hilberry's YouTube Page](#)

[NBF – Hilberry Group website](#)

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