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Turkey's double attack / Greece back in the news / Commodities, bad news for Australia / China's wild west sharemarket / Energy storage progress

Turkey's double attack

I am rather worried that Turkey has attacked both ISIS and Kurdish forces. This is Stratfor's ideas on how things may play out... a must read article for anyone wishing to understand the current state of play...

https://www.stratfor.com/analysis/syria-chronology-how-civil-war-may-end?utm_source=freelist-f&utm_medium=email&utm_term=article&utm_campaign=20150730&mc_cid=4c351c3f19&mc_eid=f6520e17b6

It is hardly surprising that Russia is collaborating with USA on a number of fronts in an attempt to get sanctions eased...

http://www.nytimes.com/aponline/2015/07/30/world/europe/ap-eu-russia-ruble.html?_r=0

Middle East – general...

http://www.nytimes.com/2015/07/29/opinion/thomas-friedman-for-the-mideast-its-still-1979.html?src=me&module=Ribbon&version=context®ion=Header&action=click&contentCollection=Most%20Emailed&pgtype=article&_r=0

US attempts at remote global control (rather than direct intervention) are satirised by this cartoon...

<https://dl.dropboxusercontent.com/u/65193431/insecurity%20military%20industrial%20complex.jpg>

Greece back in the news

Greece is showing signs of reluctance to meet EU requests for information and some EU countries have expressed dissatisfaction with what has already been agreed. Meanwhile IMF pragmatically says the parties must sort out something more sustainable for the future of Greece....without which it won't participate...

<http://www.bbc.com/news/business-33727276>

Commodities, bad news for Australia

The bad news for Australian miners rolls on...

<http://www.mining.com/about-30000-fresh-job-cuts-more-mine-closures-expected-in-australia/>

Jeremy Grantham is one of the investment gurus I listen to but while he thinks commodities may be bottoming, I believe we will see a continued fallout of junk bond repudiations and business failures in the US shale oil regions of Bakken, Permian Basin and Eagle Ford...

<http://www.caseyresearch.com/articles/this-living-legend-just-called-the-bottom-in-commodities>

This article supports a bottoming in commodities and NZ is on the line as well as Australia and Canada...

http://seekingalpha.com/article/3374015-china-growth-proxies-aussie-copper-and-volkswagen?source=email_macro_view_eco_0_36&ifp=0

So I will watch all commodities even though oil may move later due to business failures. The US energy junk bonds are a major portion of the high yield bond market that a lot of observers are watching closely and with good reason. This market is of sufficient size that debt repudiations could roll the global derivatives market and cause a cascading collapse of counter-parties...

http://seekingalpha.com/article/3371715-high-yield-bonds-mounting-threats?source=email_macro_view_mar_out_1_3&ifp=0

Harry Dent has turned very bearish and I hope some folk reading this have read his earlier books on investment strategy. I agree 100% with this article...

http://seekingalpha.com/article/3371415-situation-critical-everythings-starting-to-crash?source=email_macro_view_mar_out_8_10&ifp=0

But the operative word is..."when". It could be a while before the central banks run out of bullets .

I am not sure what game the Saudis are playing but they don't want to blow all their reserves by continued borrowing to support social programmes (resulting from the ultra low oil prices)...from Seeking Alpha.

“**Just moments after Saudi Arabia** announced plans to cut oil production, U.S. House Speaker John Boehner expressed his support for repealing the 40-year-old ban on domestic crude exports. "Until recently our nation's energy policy was rooted in a scarcity mindset that went back to the 1970s," Boehner told reporters. "But now America is experiencing an energy boom and our policy needs to follow suit." The House will start working on wider energy legislation when it returns after the August recess.”

Overnight on COMEX, WTI oil went to USD48.54/bbl and Brent to USD53.57. Gold weakened to USD1,087.10/oz and silver to USD14.71/oz. Not good for producers L.

China's wild west sharemarket

These days the Chinese sharemarket looks like the Wild West without a Sheriff...save for when things look bad the Sheriff comes to town shoots up the place and then leaves without really restoring law and order. Meantime, it stands to reason that before the RmB can be accepted as a global reserve currency component it must be accepted in bilateral trading with many diverse nations...

http://seekingalpha.com/article/3373955-london-metal-exchange-to-accept-chinese-rmb-as-cash-collateral?source=email_macro_view_com_0_27&ifp=0

It will be interesting to see what China buys on the LME in RmB...gold perhaps? I suspect they may still have lots of US dollars to dispose of first.

Energy storage progress

Not rivalling what we think EESstor may achieve, this is the first published case of capacitor storage devices exceeding the performance of batteries. Cadre member "dfwrunner" is in on this project...FYI...

<http://phys.org/news/2015-07-sol-gel-capacitor-dielectric-record-high-energy.html>

Slowly, slowly...but China is way out in front with electric buses...

<http://insideevs.com/london-add-51-electric-buses/>

Hmm, Japan wants to catch up with cold fusion???

<http://www.mail-archive.com/vortex-1@eskimo.com/msg103951.html>

Some more on the mythological EESU...

For some time we have been hearing from Dennis that EESstor will be disruptive for the high voltage capacitor market. Dennis talks in the article about some of the companies EESstor is targeting for a JV.

What we investors should take most comfort from is this portion of the attachment to today's email. On July 10th "The company says it is only days away from having commercial prototypes of 1500 volt capacitors. No other capacitor competes with it." But let's remember that even if or when they achieve JVs for high voltage capacitors, this is only designed to provide cash flow for the main event...developing an energy storage system that we loosely call the "mythological EESU". That is where a potential payoff could be very high.