

Water - the Most Precious Commodity – Invest in Water Stocks

We see a liquid gold rush.

A commodity is any useful thing bought, sold or of value to someone. Something with intrinsic value due to scarcity or basic necessity is defined as a precious commodity. Gold, silver and copper are of limited supply; therefore of higher value. Time and Patience are intangible examples of precious commodities. Oil is a precious commodity because it is as indispensable in our daily lives as salt was in ancient times. Water, the basic sustenance of life, is the most precious of all commodities.

Seventy percent of the earth's surface is covered by water. Salt water makes up 97.5% of this water and, of the remaining 2.5%, after recognizing the water in the ice caps, less than 1% is actually fresh water. Population growth, shifts from agrarian life to life in cities and pollution have all taken a toll on this limited fresh water commodity. Nineteenth century attitudes carried forward to the 21st century exacerbate the situation. Greed, waste, ignorance and apathy simply seal the coffin. What has historically been an abundance of fresh water has become the next *Precious Commodity*.



Gold - For centuries, gold was the item most treasured in most societies. Wars have been fought and civilizations decimated. From Solomon's mines to the California Gold Rush, it gave the wealthy folks bragging rights. Starry-eyed 49ers flocked to California from 1848 to 1855 after gold was found at Sutter's Mill. There's nothing in the world that makes



people suspend their critical judgment more quickly than the promise of gold. Combining a naive Gold prospector with greed is unique in that sense. It bedazzles in a way that others don't. "BONANZA" was the exclamation when a large vein of gold was discovered. Thousands of optimistic Americans and foreigners alike dreamed of finding a bonanza and retiring at a very young age. A few thrived, but many died at the hands of claim jumpers while seeking their fortunes. Stocks in gold mining companies proliferated. Many investors prospered while others lost their fortunes.

Prices remained relatively flat, priced below \$500/oz. from 1985 to 2005. Gold then quickly peaked at \$1,900 an ounce in 2011 before retreating back to its current price of around \$1,200. **What made Gold a precious commodity?** It serves very little purpose. Maybe what drove its value was the right to own something that was deemed *scarce*. You can't eat it. Other than for adornment Gold has very little intrinsic value.



Enter Oil! Black Gold! Texas Tea! Like most innovations, the oil industry grew out of a necessity. Oil has been used for thousands of years as fuel for lamps. Asphalt from tar pits was used for roads and mortar. Oil fueled the American Industrial Revolution first as a lubricant and then as fuel for the internal combustion engine. Without oil, the industrial revolution would have been unlikely. Only two thousand barrels of oil were sold in 1859. The first Oklahoma oil well in 1879 started the oil rush. Fifty years later, 125 million barrels were produced. 2014 oil production is expected to peak at 75 million barrels a day. Oil drove the American Industrial Revolution and, consequently, became a massive *precious commodity* for the next century.



World demand caused an oil glut in the 1980s, with it selling below \$20 a barrel in 1987 then peaking around \$150 in 2008 only to fall to \$30 a barrel the next year. It rebounded to the \$100 level then fell to \$55 by December 2014 in a similar oil glut. What an interesting chart it makes. The Organization of the Petroleum Exporting Countries (OPEC) dominates oil production with Russia and the United States falling in behind them. Oil as a *commodity* certainly fits the definition of *precious* because our economy cannot function without it and because of a seemingly finite supply. Unlike gold, however, oil definitely has intrinsic value and deserves to be called a *precious commodity*.



Entrepreneurs build businesses. Investors seek to profit by backing entrepreneurs either by investing directly into the business or by putting their money into a company's stocks through a stock exchange. Standard Oil Trust capitalized on the Oil Boom like few others. They seized the moment as entrepreneurs and prospered by focusing their investment around oil. The U.S. Supreme Court ruled in 1911 that antitrust law required Standard Oil to be broken into smaller, independent companies. Some have speculated that if not for that court ruling, Standard Oil might have been worth more than \$1 trillion today. If Rockefeller were alive today, his estimated wealth would be in excess of \$300 billion, three to four times that of Warren Buffet and Bill Gates, currently two of the richest men in the world; all of it from his recognizing the opportunity in one *precious commodity* - *OIL*. Need I say more? Rockefeller seized the moment.



Water - Liquid Gold. What is the most *precious commodity*? Most people would probably answer with gold, oil, or maybe diamonds. But I ask, of all the commodities, what commodity is most precious to life? The answer is clearly *water*. Without water we would all perish within days. Water is essential, so by definition, water must be the world's *most precious commodity*.

The precious little fresh water remaining, available in lakes, rivers, aquifers (ground water) and rainfall run-off, is under increased pressure from a variety of factors.

- Population growth is the biggest pressure. The current world population of 7 billion is likely to grow to 9 billion by 2050 although this growth has slowed somewhat in recent years.
- Drinking, washing and human waste are obvious factors causing this stress.
- Industry in both developed and developing nations consumes an ever increasing amount.
- Agriculture, crop irrigation in hot, dry countries accounts for 70 percent of water use.
- Pollution from industry, agriculture and man renders unusable much of the water we have.
- Migration of the world population into urban areas, concentrating waste, and the increasing *privatization* of water resources will further limit the amount available.
- The combined effect of population growth, irresponsible use and pollution will likely bring world water supplies towards its critical mass in the very near future.

Human's right to clean potable water has already reached crisis mode in many locales. Apart from making good moral sense, the right to water is recognized by the United Nations and protected by several treaties and national constitutions.

Nestle CEO, Peter Brabeck, purports that having the right to water is an extreme concept. He thinks it's better to treat water as a foodstuff with a market value and *privatize* its collection and distribution. He feels that the access to water is not a fundamental human right. Brabeck and Nestlé have since recognized the right to water. Nestlé's corporate policy now asserts "the right of all people to have access to clean water to meet their basic human needs..." *Privatization is here!*

Mother Nature begs to differ with Mr. Brabeck and provides fresh rainwater to all. But take heart; there will soon be a liquid gold rush to control our remaining available supplies. This liquid gold rush will come with all the skullduggery, greed, famine and profiteering that dominated the gold and oil booms. It doesn't take much to realize that with such a commodity in desperate demand, fights are going to break out. There is only so much water to go around, and as the world population mushrooms upwards, we are teetering on the edge looking into an abyss.

How does an investor participate in this Liquid Gold? – Rainwater?

What an interesting *trifecta* of opportunity for investors: gold, oil and water, Oh My! Gold stocks and oil stocks provided massive opportunity for investors in the early days of those commodities. With water, the *most precious commodity*, how do you invest in water?

There are several axioms.

- The right to water must override politics and greed.
- Survival and dignity should reign paramount.
- Public and private markets must cooperate and consider the water footprint.
- We all need to realize that scarcity brings with it control and speculation.
- We need to control our destiny to live with this water crisis.
- Fear fosters greed. While it appears money is the motive; it goes deeper. Power and control are of the utmost importance as with power, one can control everything.
- **A nasty wake-up call may be on the way.**

The price of water may be rising, but no one complains when buying bottled water, even though a .5L bottle of FIJI costs *ten times* the price of gasoline. How do you value water investments? As

Benjamin Franklin reminded us, *"When the well is dry, we will know the worth of water."* Our wells are drying up! What is the value of life? A "watershed moment" has arrived!

In researching the web on this subject, I found scores of articles and papers encouraging investors to seek out and invest in the plethora of water opportunities. According to *Fortune Magazine*: *"Water is one of the great business opportunities. Water promises to be to the 21st century what oil was to the 20th century: the precious commodity that determines the wealth of nations."* That's why the worsening shortage is leading to an exploding bull market in the world's most precious commodity and the companies involved in the industry.

So as not to plagiarize; below are but a few of the statements I uncovered without citing the reference information.

"One thing is for sure, the incredible and increasing demand for water is not going away. Investors with long-term horizons could see incredible gains as more and more people start to realize the magnitude and earnings potential of the industry."

"Recent years have seen an upswing in the demand for investments that seek to profit from the need for fresh, clean water. If the trend continues, and by all indications it will, investors can expect to see a host of new investments that provide exposure to this precious commodity and to the firms that deliver it to the marketplace."

"This whole water debacle could potentially turn the industry into one of the most lucrative in history. The imminent threat of this global water crisis has presented entrepreneurs and investors with a \$500-billion opportunity."

"One of the most dynamic and profitable themes for the rest of this decade will be investing in water. Purifying, filtering, transporting, storing and bottling water will become increasingly important global businesses."

"It's easy to see why some investors consider it one of the most profitable plays out there. Demand already outstrips supply by a wide margin... and the gap is getting bigger."

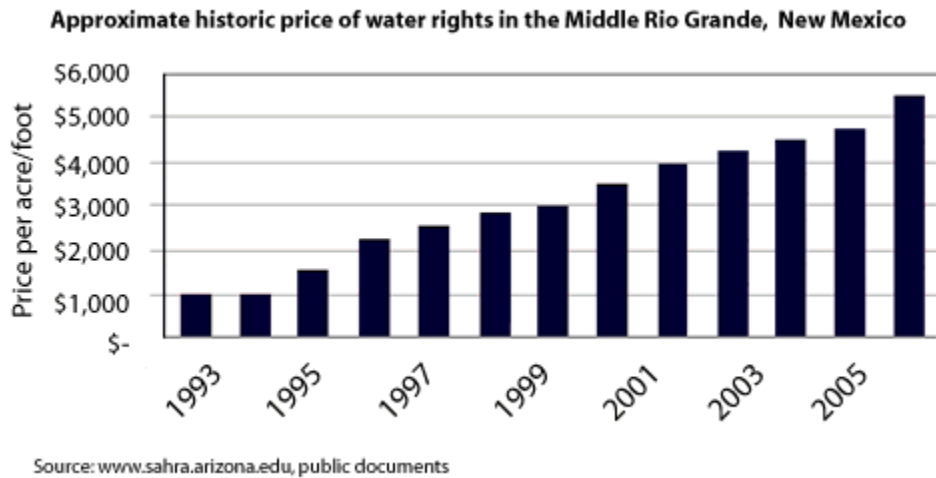
"Global trends, from population growth to urbanization to climate change to fracking, suggest big profits ahead for water-related stocks."

"Each additional drop of water is comparatively more expensive because there is so little of it, and demand is growing at two times the rate of population growth,"

"When it comes to bottled water, the market is growing internationally. Demand is on the rise from China to Mexico, following in the footsteps of the spike in U.S. consumer demand. Estimates suggest that within the last ten years American per-capita consumption of bottled water has doubled - the average American drinks approximately 200 bottles of water a years. On the desalination front, some 100 countries currently rely on desalination for at least part of their freshwater consumption needs."

"This is something that investors should be getting genuinely excited about. Perhaps the most exciting part is that we're talking about water: the most essential element on our planet...it's impossible for demand to cease for a commodity that's required at the most basic level of human life."

T. Boone Pickens invests in water by gobbling up water rights in Texas. Should You? The price of water rights keeps increasing.



I think there are four main investment alternatives in the broad, global water industry:

- **Water distribution and management** involves water infrastructure. Some emerging economies don't have any sophisticated means for delivering water, whereas many developed countries rely on rapidly deteriorating systems. Billions and billions need to be spent on infrastructure.
- **Advanced water treatment** involves a wide variety of companies involved with the treating, recycling and re-usage of water. Water quality issues are becoming just as or more important than water quantity issues. What is often overlooked is the vast amount of potentially valuable **wastewater** which is available but generally unused. Greywater systems could prosper.
- **Demand-side efficiency** offers some of the simplest solutions for managing water resources. Demand includes bulk water, water conservation, bottled water and alternative water supplies. **Desalination** is expensive but with 97.5% of our water being undrinkable salt water, this can be a global solution. **Rainwater Catchment** also offers a global solution. If we can catch it before it is contaminated through contact with the ground, we vastly increase our potable water supply.
- **Agricultural water needs consume most of our fresh water supplies.** Humans obviously rely on large amounts of water to grow their food. Most historic farming practices waste water. Companies involved in agricultural irrigation systems, hydroponics, water based organic nutrients and closed loop farming methodology will see significant growth.

You can lead a horse to water but you can't make it drink. Unless the horse realizes that it is thirsty, it won't feel the need to hydrate. You can lead a human to knowledge but you can't make them think. A corollary might read: ***You can lead a human to rainwater but you can't make them drink it.*** Even in the midst of a water crisis, they hear but don't listen. Education is the key! Arm people with knowledge and anything can be accomplished. All we have to do is enthusiastically connect with their heart strings. Everyone has a family and no one really wants to leave the world worse off for the children. If we can connect and realize our common ground, we can tactfully reach consensus and make a vast and world changing difference.



Choose Rainwater – Mother Nature's Magical Elixir of Life.

“Nothing great was ever accomplished without enthusiasm” – Ralph Waldo Emerson.

Consider Choose Rain, Inc., a penny stock in the water business, as a possible investment. ***Choose Rain’s Mission is to implement sustainable change by example and through education using rainwater and hydroponics to make life better for our children.*** Rainwater falls to the earth in abundance. Until it hits the earth, it is clean and pure. Ten percent of the rainfall immediately evaporates and rises back to the sky. Sixty to seventy percent flows into streams and lakes on its journey to the oceans. Only twenty to thirty percent actually soaks into the aquifer or ground to fill the wells and provide clean water. Instead of sucking the aquifer dry, Choose Rain captures the ninety plus percent that doesn’t evaporate by utilizing the rainwater that ultimately flows to the saltwater filled sea. Choose Rain also promotes hydroponics and organic, rainwater based nutrients as a sustainable, responsible use of water for agriculture.



We all know that water is the ultimate commodity. Some investors haven't yet taken advantage of water ***as the ultimate investment opportunity.*** The laws of supply and demand mandate: ***when something becomes scarce, its value explodes.***

Are you ready to participate in this Liquid Gold Rush?

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By: Larry R. Curran, Founder and CEO of Choose Rain Inc., OTC-PK symbol “CHOS.” Choose Rain will capture Rainwater, process it with ozone, UV light and magnetics, not chlorine, and bottle it in a biodegradable bottle that is more landfill friendly. We believe we are headed down the wrong path and need to change. We believe that irresponsible harvesting of our aquifers will result in water shortages and saltwater intrusion. We believe that plastic bottles are more of a curse than our salvation and, while chlorine is effective at killing pathogens, it is a poison we should avoid. The use of Hydroponic systems and Rainwater-based organic nutrients complete the opportunity to make a difference. Our company's mission is to initiate change in baby steps through education to make life better for our children. The "HELP, BUT DON'T PANIC" theme will help us spread our message.

