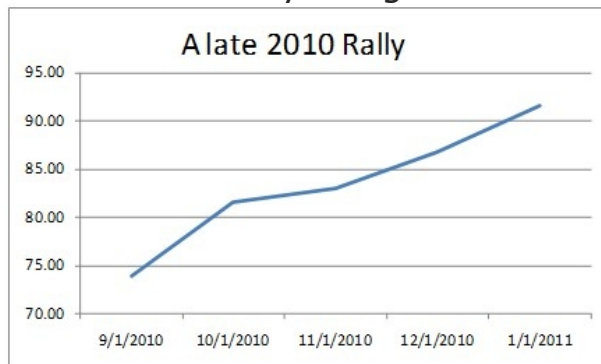


Excerpt from Seeking Alpha, January 12, 2010

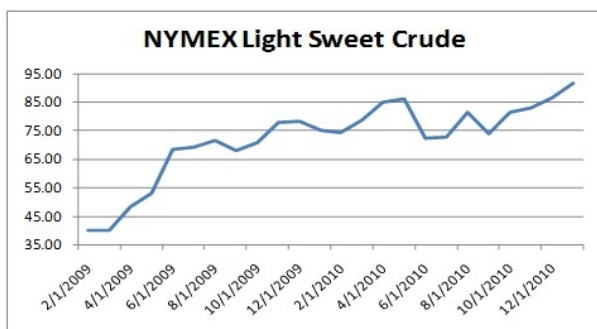
<http://seekingalpha.com/article/246119-impact-of-100-oil-identifying-the-winners-and-losers?source=yahoo>

## Impact of \$100 Oil: Identifying the Winners and Losers

As we move into 2011, economists increasingly believe that the United States and Europe will start to see an economic rebound, joining China, Brazil, India and other emerging economies in a full-fledged global economic upturn. A closer look at recent price action in the crude oil markets underscores a risk that rising economic activity brings -- and an opportunity for investors...



Just as when oil prices moved below \$40 a barrel when the economy hit the skids a few years ago, the price reflected a sense that demand for oil would collapse in the face of an even deeper economic meltdown. But it also created some clear winners and losers. When it became apparent that no such cataclysm would emerge, oil prices rebounded back to the \$50-75 range, reflecting a global economy that was lukewarm. That set the stage for a reversal of winners and losers as oil approaches \$100 a barrel (more on that in a bit).



Like the proverbial frog in the boiling pot of water, rising oil prices are already starting to impact the economy in various subtle ways.

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In the last six months, economists have regularly suggested that rising oil prices should be no cause for concern. When oil was at \$50, they figured that \$70 oil was tolerable. And at \$70, they figured that \$90 oil could still be tolerated. But an increasing number of economists predict we'll see \$100 oil this winter and \$110 oil later this year, and that argument can last only so long in the face of rising prices. The concern came home to roost this weekend when it was announced that a leaking pipeline would lead to sharply diminished flows of oil coming from Alaska, which may push prices up to that \$100 mark fairly quickly. How long the pipeline remains off-line will determine how much oil prices will be affected.

### **The impact of \$100 oil: The winners**

Oil producers are the obvious beneficiary of a spike in prices. I [recently suggested](#) that ... Lastly, if oil moves above \$100 and stays there for awhile, clean energy stocks will move back into vogue. The **PowerShares WilderHill Clean Energy ETF (NYSE: PBW)** which surged above \$25 briefly in early 2008 now trades below \$10, reflecting the recent period of relatively cheap fossil fuels. ....

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