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## **Green Investing Strategies For Earth Conscious Investors Looking For Big Profits**

**Dan Eggertsen:** Hello everyone. I'd like to welcome you all to the call. I'm here with my dad, Karl Eggertsen. My name is Dan Eggertsen. Today we're going to field all the questions we've been getting on green investing. And as everyone probably knows this is a hot topic in the investing world right now with all the changes in the world and the global economy.

Things are shifting. Many call it the 'New Economy.' We'll see what my dad has to say about all these questions we've been getting. I've gone and I've summarized, I've boiled it all down to three of the most popular questions we keep getting asked over and over. We're going to hit those one by one. How you doing Dad?

**Karl Eggertsen:** I'm doing fine Dan. How are you doing?

**Dan Eggertsen:** I'm doing great. Okay we're ready to get started here. The first question Dad, is, "What is green investing? Are there really opportunities there to make a lot of money?"

**Karl Eggertsen:** Well first of all, green investing is all about investing in companies and technologies that are going to be favorable to the environment, to protecting the environment, to cleaning up the environment, as well as to preventing any further pollution and damage from our industries. We have learned as the decades have gone by that a lot of how we've been doing things is really not been really good for our environment from the standpoint of our air, our water, our food, and to protect the earth from pollution and further damage.

So that's what green investing is all about. There are companies that are popping up all over the place that are - many of these companies are going to become major companies and major industries. It's becoming a major industry. So that's what green investing is what we're talking about here.

**Dan Eggertsen:** Okay.

**Karl Eggertsen:** Now there're politicians, reporters, investment advisors have been pushing, beginning to push green issues to the forefront of attention globally. There's an overwhelming and truly massive and important shift for investors to understand. This green movement may be the greatest wealth building opportunity of the 21<sup>st</sup> century.

**Dan Eggertsen:** Wow.

**Karl Eggertsen:** We're just early in the 21<sup>st</sup> century here but there are very profitable opportunities for investing in clean technology, alternative energy, and green related companies. The movement will likely continue to grow for the next decade and beyond. Some of the major drivers include world energy demand, Co2 emission concerns, and governmental driven mandates and policies. And that's governments in other countries as well as now the US with the Obama Administration.

**Dan Eggertsen:** Right. Excellent.

**Karl Eggertsen:** So that's basically the answer to the first question there Dan.  
[03:14.30]

**Dan Eggertsen:** Well that's a great introduction to green investing and this stuff is for real. It's not just a bunch of hype generated by the media. This is for real. The world is changing and things need to be done. And there are opportunities out there. Now let's talk about specifically what some of these opportunities can be. Dad. Leads right into the second question here. "How would I put my money in green investments? What are they? Can you give examples?" Maybe Dad, some of the green investing that you've done in the past if you've done any yet.

**Karl Eggertsen:** Okay. First there're many promising opportunities that include solar, wind, biofuels, and power grid infrastructure, as well as solid state technology and energy storage.

**Dan Eggertsen:** Yeah.

**Karl Eggertsen:** Okay? There are multinational corporations that are quickly adapting to the new and efficient production methods, to new and efficient production methods and there are green companies that are making real profits today and others that are emerging that mean real opportunities for the investor to capture some really big profits. So as far as investing is concerned, right now I would not recommend the average investor, particularly one starting out to try to start picking some of these green companies because some of them aren't going to make it.

[04:57.3 – 05:55.8]

**Karl Eggertsen:** I would not recommend investing, the average investor, especially the new one to be trying to do some stock picking right now with these green companies. Most of them are fairly new. A lot of them very promising but you never know which ones are going to arise and be the winners and gobble up the other ones and end up being some major new corporations.

But what I do recommend, at least right now is I've investigated a number of exchange-traded funds out there as well as mutual funds including index funds and the ones that - when we're talking about companies that are developing and producing these new technologies that are green

– and there is one that stands out head and shoulders above the others and it's very diversified relative to the others.

**Dan Eggertsen:** Right.

**Karl Eggertsen:** It's been around for a while. It's got a good size market cap. There're a lot of people that have invested in it. It's very actively traded. It's got a good volume every day so it's a safe way to go.

It's an international global exchange-traded fund that focuses on alternative energy and it includes wind, biofuel, solar, geothermal, and all the technologies that go into supporting these areas. It's very diversified and yet it's focused on green technologies and green companies. So it stands out above all the others so far. I know that there are others out there but they're more narrow focused.

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This one to me is the one that caught my eye because it's a good broad holding that somebody could place in their portfolio, if it's appropriate for them to do so and have a part of their portfolio that this could be a part of that would give you good exposure to this green movement.

**Dan Eggertsen:** Okay. Great. Did you want to give the name of that or do you want to save that for –

**Karl Eggertsen:** Well it's a ticker symbol. It's an international global fund. Its ticker symbol is GEX. So that's exchange-traded fund. Its ticker symbol is GEX and its international global exposure to green companies globally around the world.

**Dan Eggertsen:** Fantastic. Now I think I want to elaborate just really quickly on reasons why someone wouldn't want to do individual stock picking especially in the green investment arena. My take on this is that this is a new evolving marketplace; green investments. In any new evolving marketplace you're going to have small companies falling by the wayside.

Even medium-size companies falling by the wayside because there's so many companies jumping into this because there's going to be a lot of money flowing into this marketplace, into this industry. So your risks are higher when you do individual stock picking especially in an emerging technology area like green investing. Would you agree with that?

**Karl Eggertsen:** Oh absolutely. It's much better to spread your bets right now and as the industry begins to get further into this process, then individual stocks would become more, it would be more clear about which ones appear to be the leaders and are doing the best. Right now – I was talking in a restaurant just recently with a guy that was having a real tough time. He's in a wind focused green company up in Santa Barbara, California.

I talked to he and his administrative assistant who were having lunch together in the same restaurant I was and we had a good talk. They were telling me that it's rough because when you're starting out in a new industry, there's a lot of competition. Then if the economy goes bad,

you don't have a lot of capital because you're new, you're highly leveraged and they're trying to do good things.

But when you get into individual stocks, especially when it's a new industry, you want to be real careful and I think it's better to spread your bets, at least at first. Especially for new investors and average investors who may not have a lot of capital, you don't need to take that kind of risk. I think it's much better to have a part of your portfolio invested in something like GEX assuming you've got all your core holdings covered already.

You've already invested and you have your core holdings which would be the broad stock market, the broad international market, the broad US stock market, and a total bond fund exposure; a variety of different types of bonds in your portfolio which is your core holding. You're well diversified globally in stocks and bonds and you have also some cash for emergency purposes and so on.

**[11:34.1]**

You want to have all that first and then you invest in – and now in this new industry in an exchange-traded fund and it's the only fund I've seen so far that really caught my eye as being really well diversified, it's well capitalized, and it's volume daily, in other words the trading of shares on this exchange-traded fund is substantial. So it's a healthy exchange-traded fund.

**Dan Eggertsen:** Okay. Fantastic. Well that leads into kind of the third most popular question we're getting and it's, the question is, "Would you recommend putting a large chunk of money in these green investments?" I think you've kind of boiled it down to one green investment right now that you'd recommend which is GEX. How much, what kind of money should you put into something like this?

**Karl Eggertsen:** Okay I recommend some investment assuming that not just someone just not starting out in investing, not somebody who has limited funds. I'd say, as I said previously get your core holdings in your portfolio established and being well diversified. Once you're to that point and you have sufficient cash available to you to cover any unexpected expenses or an emergency comes up where you need some money quickly, you want to make sure that you're there first.

When you get into the fringes of opportunities like we're talking about, emerging opportunities, assuming everything is in place and somebody has some additional funds and they've got their portfolio well diversified, then I'd say maybe 5%. Absolutely no more than 10% in an exposure to something like the exchange-traded fund GEX which is international global green industry-type exposure. It has great opportunities but things can happen in the world as we've learned.

**Dan Eggertsen:** Oh yeah.

**Karl Eggertsen:** Things can happen and they can change overnight and you don't want to have, there's no need for anybody to have any more exposure in something like this than 5% to 10% of your total portfolio. I'm talking average people like myself who want to always take care of

what you have and not go gamble excessively on something that's, right now it's a great opportunity but there's always risk in emerging great opportunities.

I think it's best to be diversified. When things fallout we start seeing which companies seem to be arising and becoming a leader. Then some individual stocks within that 5% or 10% of your portfolio can make some sense. But right now I think it's best to diversify. Realize it's a very strong movement globally and the opportunities are tremendous but right now we just aren't in a place where we can say we should go and focus on a few companies.

**Dan Eggertsen:** Yeah it was really important for me starting off to separate my yearning to hit quick riches which I think everybody can have at one point or another and just sound investing principles. What I've learned to do is, I take a trip to Vegas once a year with some friends and I get my little gambling urge out out there. I'll take \$100 or \$200 and I'll try to pay for my trip out there to Vegas or something by playing some blackjack and stuff and that's fun.

[15:25.3]

But when it comes to investing, you don't want to get yourself in a situation where you're gambling with large sums of money on individual stocks or individual investments or individual markets. You wouldn't want to go and put all your eggs down on GEX now. You want to make sure you have it integrated into a full, diversified, smart plan that's best for you depending on your situation.

That's how I had to learn to deal with it because when I first started – you know I first started this investing thing in college. My roommates were really into investing in the penny stocks. So we'd try to pick stocks and put chunks of money into these penny stocks and for some reason it never really worked out like we planned. So I quickly found out that that's not the way to go. You want to come up with a good plan and I thank you so much for stepping in when I was young and helping me set things up.

**Karl Eggertsen:** It all goes back to smart investing. Nobody needs to be a dumb investor. Investing is not gambling. Investing is using the tried and true principles that are going to work in the long-term for you every time. Historically you look back on the US stock market. Yeah it's had its bad times. You look back at the Great Depression on the stock market line that goes up over the last 100 years and it's just amazing to see that depression looks like a little blip in that long upward movement of the stock market.

That's what we can plan on in the future. We're already seeing this economy turning around. We're seeing more and more emphasis on the environment globally including now the US is putting big bucks in big efforts and mandating a lot of things and new policies to get this green movement an established industry that's going to make the world more efficient, better, and cleaner.

I think a good start is the GEX, ETF and keep your eyes open because there's more coming, more opportunities to invest while still being a small investor. But I'd still never recommend more than 5% or 10% out of an overall portfolio investing in new emerging opportunities

because some of these new emerging opportunities can look great then they can fall and look terrible.

You don't want to have too much of your, there's no reason to risk your money that way. Because your core portfolio is going to chug right along in a steady fashion with the ups and downs that we all see between recessions and bull markets. We're going to see some more good times and green energy looks like it's a real thing. We just need to be smart about it and get in there carefully, feel it out and go from there.

**Dan Eggertsen:** We all work really hard for our money and my dad and I are here to help people take care of that money and watch it grow over time. So I thank everyone for being on the call. Thank you so much Dad for answering these questions. I appreciate your time and we'll talk to you all soon.

**Karl Eggertsen:** Okay Dan. Talk to you later.  
[18:29.6]

**Dan Eggertsen:** Thanks.

**Karl Eggertsen:** Bye.

**Dan Eggertsen:** Bye Dad.

[18:34.2]