

Available Info, Facts And Opinions

Another month – and more numbers to consider and analyze – good news? (yes, Feb more sales than Jan) – bad news? – (unstable prices) unless you are a buyer? – it got me thinking about how information is interpreted and how news is presented.

A columnist for the Vancouver Sun recently made an impassioned plea on behalf of the newspaper industry proposing that democracy, government accountability and other fundamental tenets of life are threatened by its potential (likely?) demise. I admit that I meandered through a range of opinions from thoughts of protectionism, elitism, through government funding, online right wing opinion, online left wing opinion, special interest positions masquerading as news and so on. I am finally encouraged by the view (my son’s as it happens) that people are bright enough to sift through the rhetoric, partisan viewpoints, contradictory statements and eliminate the nonsense and seek out the sense.

Bottom line – read a variety of commentaries, including those that may question/ be at variance with one’s own knee jerk beliefs and then form an opinion. Even then that opinion should be written in “play doh”!

Now onward to tirades on the economy, unemployment, value of our investments (including real estate) – same logic applies. Opinion is just opinion but underlying hard data needs to be sought out and thought through. Ask – “where does this originate?”/ “am I being shown half an argument?” Do remember always that in commodity markets (real estate included) the most important features are supply (how many homes for sale) and demand (how many willing buyers). Transaction price stability (or the lack thereof) is set by this relationship.

An example of the ‘whole picture’ argument would be to highlight the full number of listings available in a given geographic market and not just the fact that there are “less new listings in the first two months of this year than last” as appeared in the Sun earlier this month. We need Full supply, Full demand and Full current data to formulate an understanding of current conditions and postulate any opinion of future direction.