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<http://www.smartmoney.com/Investing/Stocks/Impatient-Investors-Are-Anticipating-a-Rebound/>

## The Impatient Investor

**THE NATIVES ARE GETTING RESTLESS** -- and by natives we mean that peculiar genus known as the U.S. equity market investor. After a four-day rally petered out on Monday, the market managed to regain a toehold (albeit a shallow one) and lift itself back up Tuesday. Whether for good or for ill, anxious, impatient investors are acting as if the market's subtle move upward may be a sign that we're entering a **sustained rally**.

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But some investors are doing a lot more than just trying to stay in the game. In fact, they may be throwing high-risk Hail Mary passes hoping to win it all on one bet. From trading "triple-levered" ETFs to betting big on beaten down blue chips, some investors are breaking the cardinal rule of diversification. Experts say optimism is one thing and irrational exuberance is another, especially when this supposed rally seems tenuous at best. Here then is a look at some of the riskier bets impatient investors are making -- and ways to avoid the mistakes that may come with them.

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The Nifty Fifty, junk bonds, Internet start-ups — the **investing** landscape is littered with the supposed next big things and the investors who lost a fortune on them. About this time last year the **price of oil** stood around a \$100 a barrel -- and still had another 50% rally to come until finally topping out midsummer. Some Wall Street wags were even predicting that **black gold** would soon fetch \$200. That made alternative energy, namely solar and wind-power companies, among the hottest of hot commodities. After all, as the price of oil rises, demand for alternative energy picks up and the economics of the business become more viable. Alternative-energy ETFs such as **PowerShares WilderHill Clean Energy** ... and ... rewarded investors with gains of 60% and 50% in 2007. Alas, then the bottom of the barrel of oil fell out. Now those ETFs are off 75% from their all-time highs. But the global economy will eventually rebound, renewing our insatiable need for oil. (It also helps that the Obama administration has made green energy a key part of its agenda.) Indeed, these ETFs are up a good 15% in the last week. Just be forewarned that as with the tech, housing and **commodity booms**, the next big thing can rapidly become the next big bust -- if you don't get out in time. That's why we would be cautious of plowing into **infrastructure plays** right now, a hot topic as Washington tries to jump-start the economy.

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