

**November 10, 2023**

## **Much Ado About Not Much**

The reason the US system has been allowed to last so long is because the Rest of the World owes more in USD than the US owes in USD and this large external demand for its currency allows it to operate in a way that no other country can.- Brent Johnson

Sovereign Debt is like a drug addiction or gambling addiction. It doesn't stop until it has destroyed everything. - Anon

Freedom is a fragile thing and is never more than one generation away from extinction  
- Ronald Reagan

The greatest credit event of all would be a recession in which US yields went up, not down. - Bank of America's Michael Hartnett

## Markets

### Updated Charts

No change in outlook -

Going out on a limb - the play-by-play of the stupidity of predicting a market crash. A couple of weeks ago, I predicted "the beginnings of a market crash in several weeks." Since these things are inherently difficult and my track record is less than admirable, it seems like a particularly foolhardy thing to do.

But, I like challenging myself, and as long as no one, including me, takes me too seriously, it could be an interesting exercise. In full disclosure, while I have bought some puts and am looking at others, I have taken no big steps that indicate I believe what I am saying.

Two weeks in, how's it going?

Well, as you can see in the Charts section, I have not changed my prediction, but I have decreased the near-term urgency.



Uh-oh

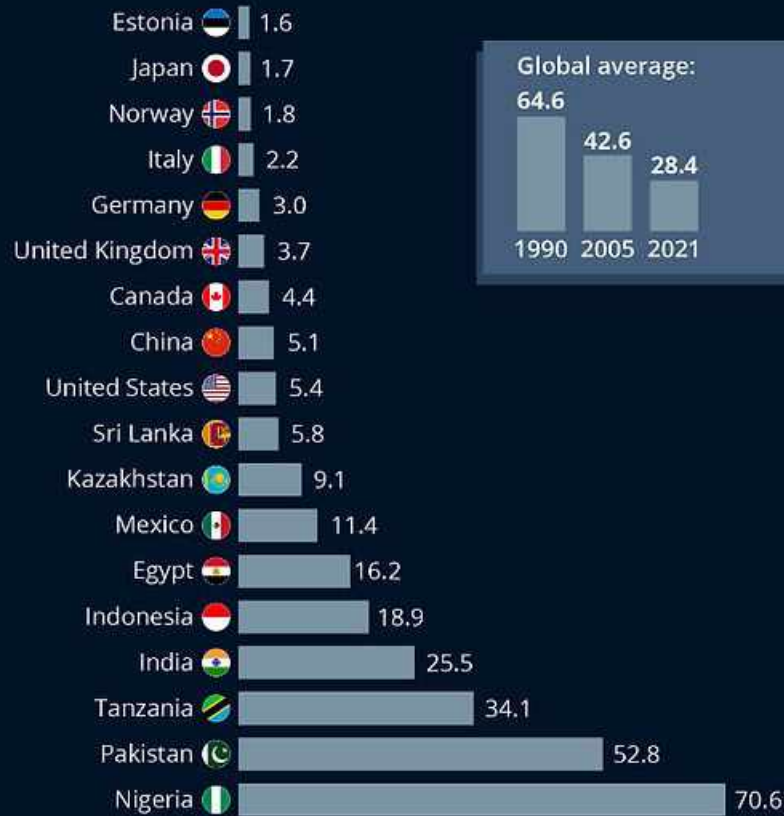
Things are beginning to stir -

US 30y yield spiked higher after a sale of \$24 billion in bonds received far less demand from investors than the govt is used to. Primary dealers, big banks who are obligated to finance whatever portion of a Treasury auction isn't purchased by other investors, bought nearly a quarter of the issuance--more than double their avg in recent 30y auctions.

## Short Takes

### Progress in the Global Fight Against Child Mortality

Rate of infant deaths\* per 1,000 live births in selected countries in 2021

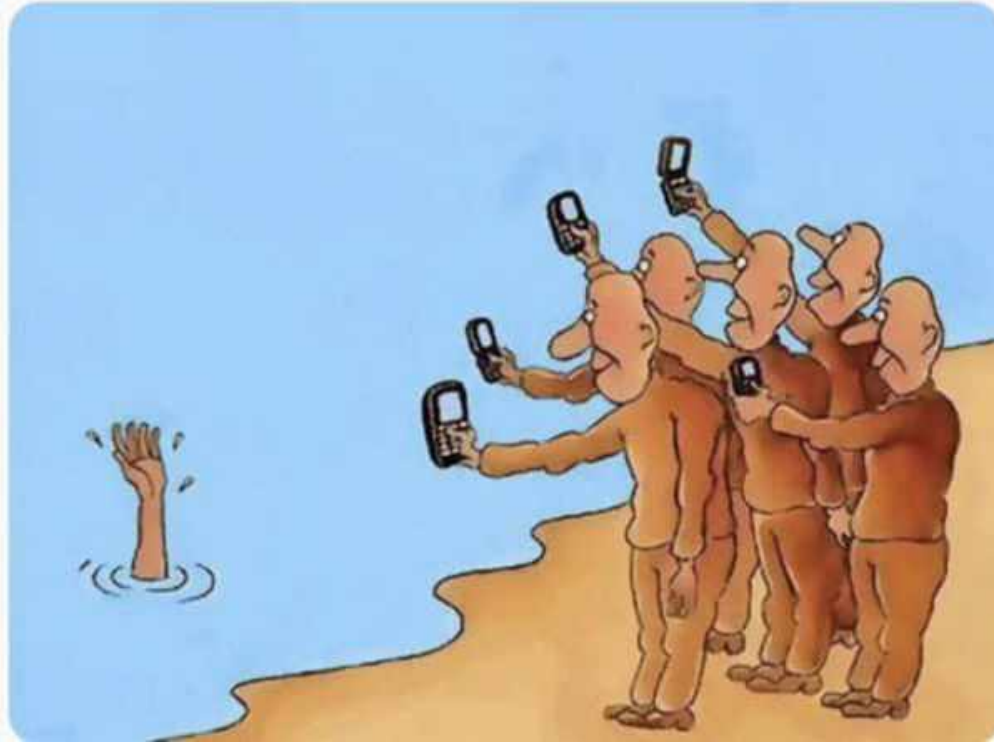


\* Deaths before reaching first birthday  
Source: UNICEF



Very nice!

2023 ...

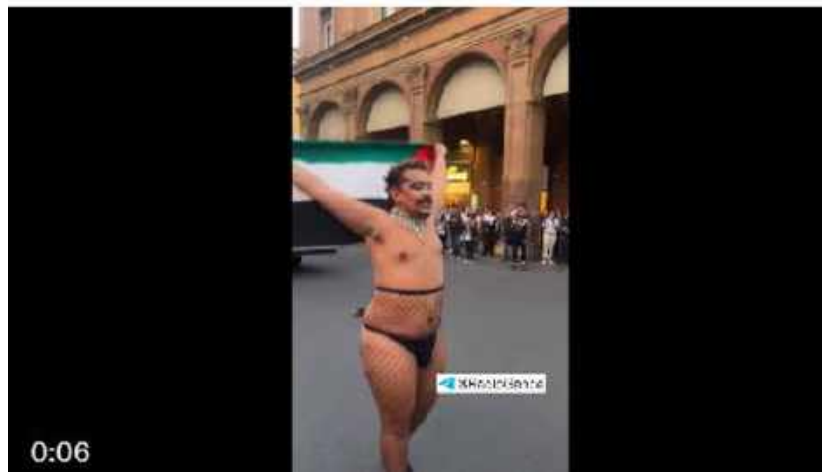


Damn, things are complicated



I'm genuinely so confused on so many levels - somebody make sense of this for me.

Trans activists strip to their underwear to show support for Palestine in Italy.



I was anti-Catholic when I was a kid for three reasons: school lunches had fish every Friday, even though the Catholics had their own schools (my first encounter with life's inherent unfairness other than my sister); the Catholic kids in our neighborhood formed one "gang" to our Protestant "gang;" and they had all the cool holidays. (I married a Catholic so that comment is tongue-in-cheek - well, except for the holiday bit. No kids were harmed in our "gang warfare," although a Catholic girl did try to beat me up one time - just kids messing around. It did include one, epic pinecone battle. Catholics are not supposed to eat meat on Fridays, but that practice, as a sign of sacrifice, widely followed in my youth, has pretty much fallen by the wayside.)

There was a note in the *New York Times* last week that, starting next year, the Hindu holiday of Divali would be a school holiday in New York.

That led me to the conclusion that, as we become more ethnically diverse, pretty soon it will be all holidays, all the time. Islam's sacred day of the week is Friday; Saturday for Jews and Seventh Day Adventists; and Sunday for Christians. We take Sundays off because of Christian Supremacy (same as white supremacy - they got here first, were in the majority and made the rules, and it is now getting complicated - in the Middle East, there is Islamic Supremacy and they take Fridays off because they were there first, are in the majority and make the rules - few diversity-related complications, so far, however they do get the benefit of Santa Claus, which is clearly cultural appropriation).

To be fair, we have mostly lost Columbus Day, Washington's Birthday, and, for Southerners, Confederate Memorial Day.

And some new holidays, such as Martin Luther King Jr's Birthday, are not religious. Ironically, Christian holidays are disappearing, with Christmas now being "winter break," but, what the hell, it's still a holiday.

But Catholics still have about 11 holidays above and beyond the "normal" ones. Life's still not fair.

Now do Western woke values and GPT4 -

*New Yorker* on Chinese malaise: "Chinese chatbots have struggled to compete with ChatGPT, because the Party imposed rules requiring them to uphold 'socialist core values.'"

This borders on the absurd, except when you consider the concept of normalization of the Other that I discussed recently. There is always backlash, but there is hope, so far, that it will be minimal (I could forgive white actors for being less than enthusiastic).

From the UK:

The ethnic make up in the adverts: White: 25/61 = 41% Non-white: 36/61 = 59% The actual make up of the UK: White: 81.7% Non-white: 18.3%

The ethnic make up in the adverts: White: 8/18 = 45% Non-white: 10/18 = 55% The actual make up of France: European origin: 85% Foreign origin: 15%

The ethnic make up in the adverts: White: 14/26 = 53% Non-white: 12/26 = 47% The actual make up of Germany: European background: 71.3% Foreign background: 28.7%

The ethnic make up in the adverts: White: 18/18 = 100% Non-white: 0/18 = 0% The actual make up of Russia: White: 80.85% Non-white: 19.15%

The ethnic make up in the adverts: Han Chinese: 18/18 = 100% Other: 0/18 = 0% The actual make up of China: Han Chinese: 91.1% Other: 8.9%

Still at least one lifetime to go in political years

Shocking new poll from NYT showing Trump leads Biden in 5/6 swing states...

Whether it's the economy, foreign policy, religion/race relations, immigration, etc many Americans feel things are worse now than they were a few years ago.

### Trump Is Ahead in Five of Six Swing States

Margins are calculated using unrounded figures.

NEVADA +10 REP



GEORGIA +6 REP



ARIZONA +5 REP



MICHIGAN +5 REP



PENNSYLVANIA +4 REP



WISCONSIN +2 DEM





But, if you ask the question a different way ... (and, we will likely have a Green Party candidate and perhaps Joe Manchin)

<b>Thinking again about the 2024 presidential election, who would you vote for if the candidates were:</b>  <b>[READ LIST]</b>  <b>[IF NEEDED: If you had to decide today, are you leaning toward one candidate?]</b>	<b>REGISTERED VOTERS</b>
Joe Biden, the Democrat	33%
Donald Trump, the Republican	35%
Robert F. Kennedy Jr., the independent	24%

Hmmmm

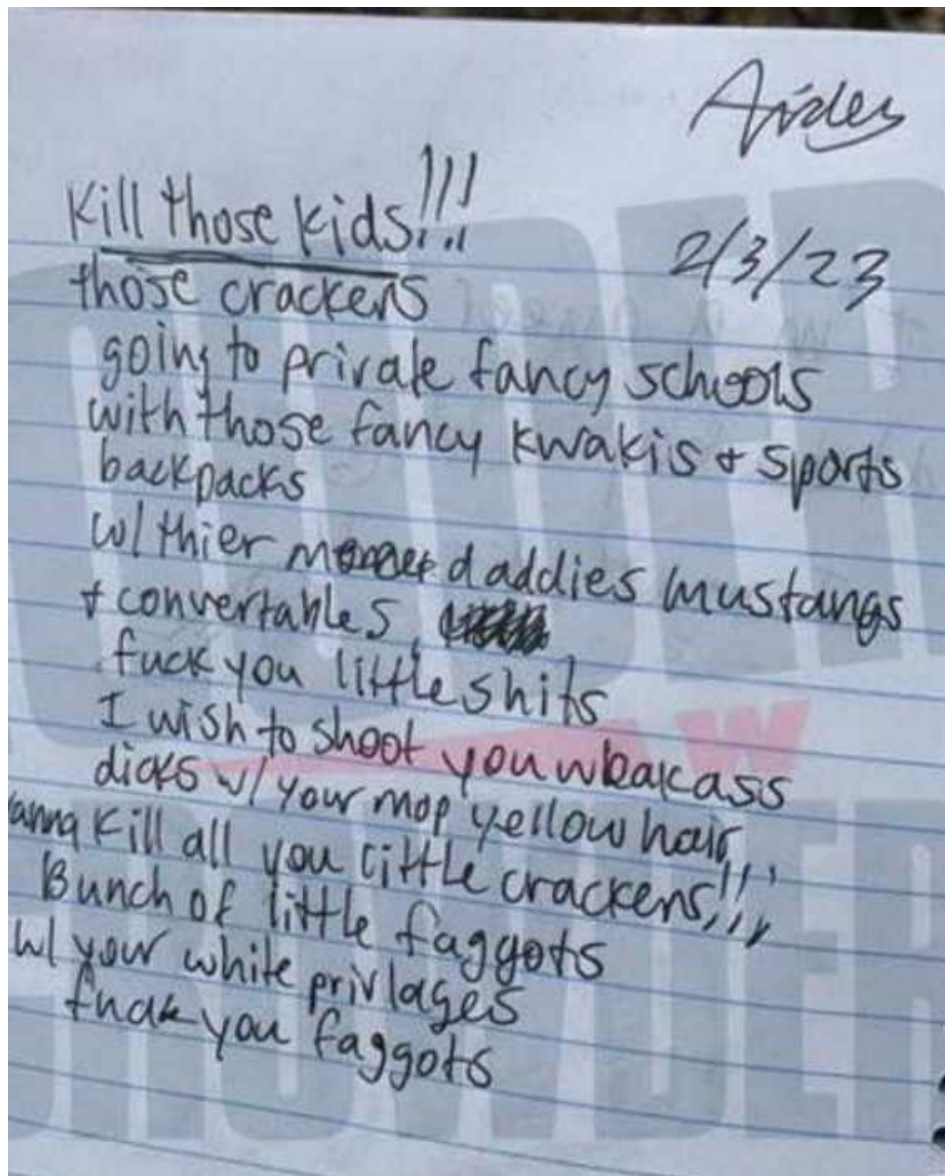


**David Axelrod**  @davidaxelrod · 3m 

Only @JoeBiden can make this decision. If he continues to run, he will be the nominee of the Democratic Party. What he needs to decide is whether that is wise; whether it's in HIS best interest or the country's?



So, many are in an uproar because the Nashville, trans shooter's manifesto finally leaked. Here is one page. Turns out he didn't like whites very much.



Aides  
Kill those kids!!!  
those crackers  
going to private fancy schools  
with those fancy kwakis + sports  
backpacks  
w/ thier ~~money~~ daddies mustangs  
& convertables ~~etc~~  
fuck you little shits  
I wish to shoot you w/ a ~~gun~~ ass  
dicks w/ your mop yellow hair  
Kill all you little crackers!!!  
Bunch of little faggots  
w/ your white privlages  
fuck you faggots

People are hypocritical - most people, all of the time. I am not disturbed because that is what I expect. This whole Hamas-Palestinians-Anti-Semite thing is creating wrenching contortions across our tribes and political spectrum. You assert your position strongly until your team's hand is caught in the cookie jar. (My poster child for this was the feminist reaction to the Clinton-Lewinski thing. He may be a chauvinist pig, but he is my chauvinist pig. Of course, Trump has taken this to the next level.) The following tweet (?) captures some of that - "So let me get this straight -- we had a major protest in the nation's capitol this weekend, where a bunch of people

were carrying signs with Swastikas and crickets from the same national press that told us an OK hand signal was incipient white supremacy?"

Yes, people on the right and left, but particularly the left, are having to make decisions and often those decisions vary strongly with long-term stances.

More than a kernel of truth



## War, Energy and Food

A discussion on MacroVoices reminded me that, when you start cracking open a barrel of oil, you get all of the products. As we move to electric vehicles, we will need less gasoline. We will need to continue to produce other products from a barrel of oil, particularly diesel, which does a lot of the heavy lifting in the world. Therefore, we will be producing a lot of excess gasoline as an unavoidable

byproduct. Back around 1900, when they had this problem, they would dump the gasoline in a lake and light it on fire to get rid of it.

**Bret Weinstein - Hamas worked to ensure an overwhelming Israeli response in Gaza because they thought it would be good for their cause. Israel is delivering an overwhelming response because they believe it is in their interest. One or the other has miscalculated. Why isn't anyone sure which it is?**

## **It Ain't Easy Being Green**

Irony - cleaning up the air increases global warming

The authors also conclude that much of the expected greenhouse gas warming in the past century has been offset by the cooling effect of human-made aerosols—fine airborne particles. Aerosols have declined in amount since 2010 as a result of reduced air pollution in China and global restrictions on aerosol emissions from ships. This aerosol reduction is good for human health, as particulate air pollution kills several million people per year and adversely affects the health of many more people. However, aerosol reduction is now beginning to unmask greenhouse gas warming that had been hidden by aerosol cooling. The authors have long termed the aerosol cooling a "Faustian bargain" because, as humanity eventually reduces air pollution, payment in the form of increased warming comes due.