

It Begins

We are draining reserves faster than we should (SPR and DUC's) just to try and stabilize oil prices. These things do have a bottom. In addition, we are pretty much screwed (for lack of a better word) if we actually have an emergency. - Tracy Shuchart

The Treasury Borrowing update pretty much ended any hope of a soft landing for the US economy. - Luke Gromen

The majority of US macroeconomic indicators continue to point towards economic deceleration, cyclical disinflation (amid a high potential for structural inflation), and a likely recession. - Lyn Alden

My goal is to say enough is enough, it is time to prohibit Americans from investing in crypto. - Brad Sherman, D-CA, House Financial Services Committee

Markets

(Graphs updated)

Several months ago, I updated my thoughts on where the markets would go and posted the graphs, which you can access though the link, above. Although forecasts are hard and I am not right some of the time, and I am not right about the stock market a lot of the time, I have been on a little bit of a roll lately. I have not materially changed my thoughts and the markets have followed, nicely.

Two weeks ago, I said that the stock market was peaking in a bear market rally. The top was not confirmed then, but it is now highly likely that the top of the bear market rally is in. The primary question is not whether the stock markets are going down - they likely are and a very long way. The question is whether the low point in September was an Elliott i or an Elliott a. I have no idea - either interpretation is fine. If it is an a, I would begin looking for a low around 3300. If it is a i, we are going much lower - I don't know, maybe 2000-ish.



I still wonder whether the top is in for the dollar, and I still favor the interpretation that there is another high under way.

Gold is probably heading down, which reinforces the argument for another run up in the dollar.

Oil is probably heading down, following a short-term rally. This is the chart that, to me, indicates that the coming recession will be nasty.

Bitcoin has probably not yet bottomed. I would guess that bitcoin bottoms when the stock market does, although bitcoin has been holding up well in the face of the general crypto crash, the threat of regulation and the downturn in the stock market.

Interest rates are probably heading lower in the medium term, before turning back up.

I will have a detailed year-in-review at the new year and explore these alternatives in greater detail.

Segueing - something I discussed a couple of weeks ago was that the official jobs statistics are off by as much as 2.7 million jobs. Either a broken system or some book cooking.

In any event, reality is now intruding.

Headline: Here Comes The Job Shock: Philadelphia Fed Admits US Jobs "Overstated" By At Least 1.1 Million

The Border Situation Is An Abomination And Is About To Get Much Worse

Watching the chaos as thousands illegally cross the border every day is a constant reminder to those of us living in Texas of the travesties there. The bottom line is that the border has become so politicized that reasonable steps cannot be taken to address the issues, so we try to control the chaos as best we can.

This whole immigration thing is too complicated for me to give it a reasonable treatment here, but I want to generalize about one aspect.

The way this part of the game is played is that you get across the border as best you can - and tens and hundreds of thousands do. If you cannot, Title 42 says you have to stay on the Mexican side of the border until you are processed - a current estimate is that there are 50,000 waiting. A judge has recently said that Title 42, basically an anti-Covid measure, has outlived its usefulness and is to expire on Wednesday.

Biden was highly critical of Title 42, but left it in place.

Now, nobody knows what will happen, but it involves being able to cross the border for processing and detention. I'm not sure what the word is for the likely level of increased chaos and the complete lack of control of a border that is just barely holding together.

There are human rights issues and national security issues that are all not being effectively addressed. But not being in control of your border is, at minimum, stupid, but also very risky.

But nothing will change anytime soon.

And here we are.

Late, breaking news. A judge in Texas has halted the end of Title 42, so here we go...

The Conundrum

I've come to think over the last 20 years that secular humanism has no moral bottom. Absent a core of absolutes of right and wrong, anything can be rationalized. Absent some divine origin for those absolutes, they cannot be absolutes. - Charles Murray

War, Energy and Food

China has begun pivoting on zero covid. Now for the effects to appear.

Britain is open to providing long range weapons to Ukraine if Russia continues bombing civilian infrastructure said Britain's Secretary of Defense Ben Wallace

Bloomberg: Oil giants are poised to halve their international spending growth next year in response to lower crude prices, dealing another blow to a global market already facing a slowdown in production from US shale fields.

The U.S. continues to purchase millions of dollars' worth of goods from Russia, despite imposing severe sanctions on the country over its invasion of Ukraine. The U.S. imported goods worth a total \$732 million from Russia in October, the largest amount in the past five months. The imports include nuclear fuel, fertilizers and platinum group metals.

TerraPower announces two-year delay of Wyoming nuclear project due to lack of HALEU (high grade uranium from Russia - Terra Power is a Bill Gates startup)

The use of electric vehicles and an increase in cryptocurrency mining could pose a threat to U.S. power reliability in the near future, the North American Electric Reliability Corporation told Reuters. These developments will add demand to the country's fragile grid, while power plant closures could outpace the creation of new capacity, Reuters reported.

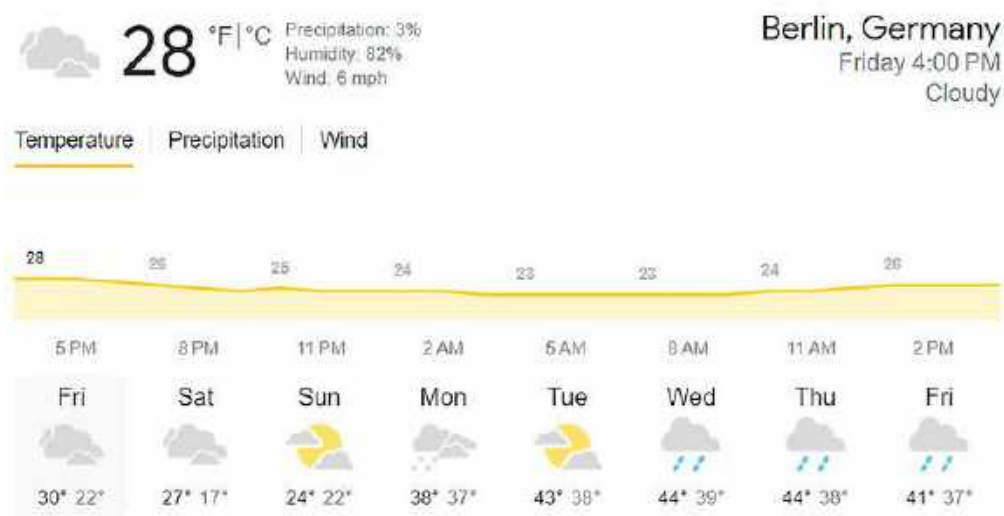
Britain's largest oil producer in the North Sea has said it will not drill new oil wells because of the windfall tax on profits.

Putin is preparing a major offensive for 2023.

Russia has said it will "seriously study" a proposal by Kissinger that says the war should be concluded by going back to borders before the war began.

The base version of the Ford F-150 Lightning electric pickup now starts at \$56,000, more than 40%, or about \$15,000, over its original listing price earlier this year, according to Electrek. Ford hiked prices in August and October.

In a major escalation, the US is sending Patriot missiles to Ukraine



Tidbits

In the face of high levels of COVID-19, flu, and RSV cases, New York City's health officials have issued an advisory, strongly urging New Yorkers to use masks.

The Respect for Marriage Act is now the law of the land.

The new Prime Minister of Australia, Hon. Anthony Albanese, believes roof-top solar panels can charge your e-car battery at night. And he said this before the election in a political rally and was still elected.

It's going to take a while to properly digest and assess the Twitter Files. My comments will have to wait until that digestion and assessment process is completed.

Similarly for the ultimate effects and effectiveness of Covid "vaccines." Lots of studies are coming out now, but, their credibility is not clear - yet.

Irony: "No one dares to come out": Many people in Beijing remain in voluntary lockdown with Covid spreading rapidly.

The European Union reached an agreement to impose a tax on imports based on the greenhouse gases emitted to make them, inserting climate-change regulation for the first time into the rules of global trade.

There are a million political years left until the election, but by 2-1, GOP and GOP-leaning voters now say they want Trump's policies but a different standard-bearer to carry them. While 31% want the former president to run, 61% prefer some other Republican nominee who would continue the policies Trump has pursued. They have a name in mind: Two-thirds of Republicans and those inclined to vote Republican want Florida Gov. Ron DeSantis to run for president. By double digits, 56% to 33%, they prefer DeSantis over Trump.

For City Journal, Steven Malanga reports on the hundreds of billions of dollars left over from pandemic-era stimulus—and how state and local governments are struggling to find ways to spend the money. "The federal money has turned pols into the proverbial kids in the candy shop," he writes. "They're using it to restart parades, fund street performers, upgrade high school weight rooms and sports fields, and build bike paths, golf courses, pickleball courts, and other 'essential' infrastructure. Billions of dollars are going to illegal aliens. Cities are testing efforts to give low-income residents guaranteed money that supporters say will end poverty. Municipalities are moving to construct their own broadband networks, in competition with the private sector. It's all part of a program whipped up so quickly that it included billions of dollars for municipal governments that don't even exist. To many local officials, ARPA's allocations seem like free money. But it comes at a cost to the United States."

That fusion announcement was a very important, impressive achievement. But, in spite of Biden's comments, lasers are probably not the ultimate answer, and we remain multiple decades away, at a minimum, from commercial fusion energy.

Nicely said, by Roger Pielke Jr. -The main point of difference in the debate over the eligibility of trans athletes in elite sport is the following: One side thinks they are regulating a CATEGORY OF HUMANS. The other side thinks they are regulating possible UNFAIR ADVANTAGE

The Commerce Department reported Thursday that U.S. retail sales fell 0.6 percent month-over-month in November

Any News On Who Blew Up The Nordstream Pipelines? Anyone?

In frustration, I turned to ChatGPT, the new, impressive, AI bot.



who damaged the nordstream pipeline



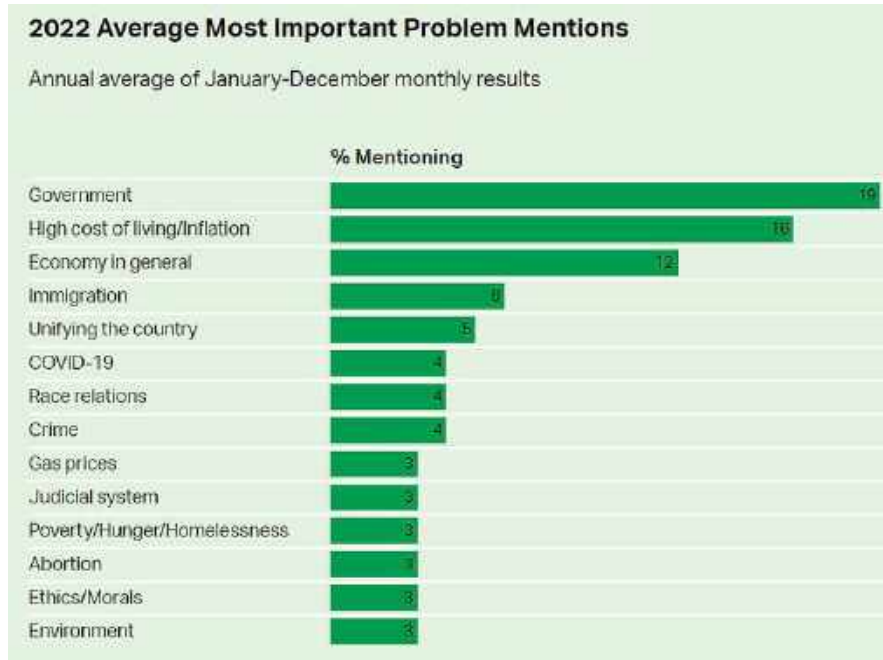
I am not aware of any specific incidents involving damage to the Nord Stream pipeline. The Nord Stream pipeline is a system of two pipelines that transport natural gas from Russia to Germany through the Baltic Sea. The pipeline has been in operation since 2011 and has a capacity of 55 billion cubic meters of natural gas per year. It is owned and operated by Nord Stream AG, a consortium of Russian and European energy companies. If you have more specific information about an incident involving damage to the Nord Stream pipeline, please provide more details so I can try to help you.

Damn.

Presented Without Comment - A Russian News View Of The Griner Deal

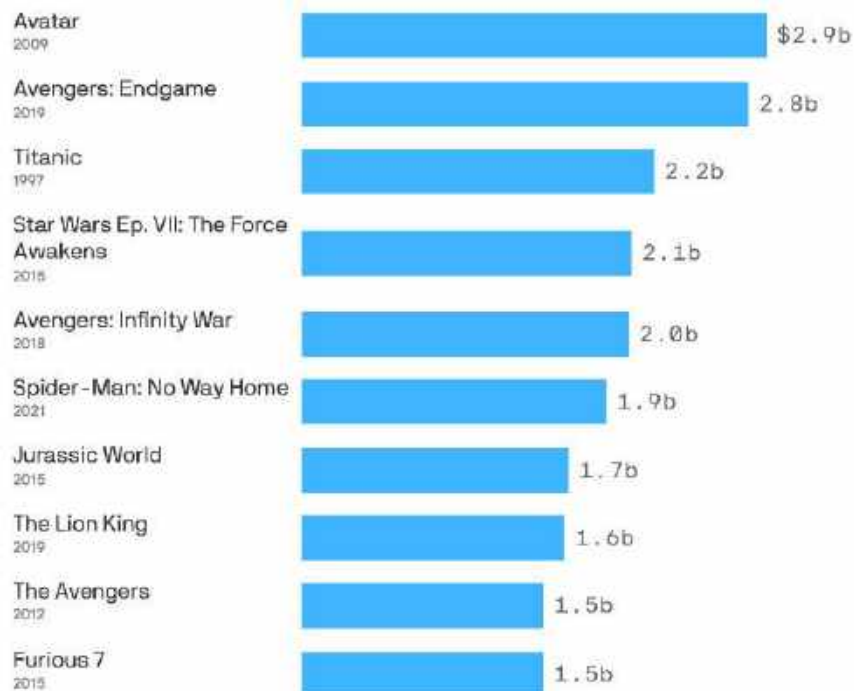
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This Gallup Poll Chart Is Worthy of Contemplation



Lies, Damned Lies and Statistics

As the sequel to Avatar launches, we are being treated to the best-selling movies of all time.



Only, they are not. Inflation, inflation, inflation. A dollar today is worth only \$0.05 compared to a dollar in 1939. Additionally, the population of the US has grown significantly over time. When *Gone With The Wind* was released in 1939, the population of the US was 131 million, approximately a third of today's population of 332 million. Additionally, movie-going habits have changed dramatically over time.

Here are the inflation - adjusted results.

Rank	Title	Adj. Lifetime Gross	Lifetime Gross	Est. Num Tickets	Year
1	<i>Gone with the Wind</i>	\$1,850,581,586	\$200,882,193	202,286,200	1939
2	<i>Star Wars: Episode IV - A New Hope</i>	\$1,629,496,559	\$460,998,507	178,119,500	1977
3	<i>The Sound of Music</i>	\$1,303,502,105	\$159,287,539	142,485,200	1965
4	<i>E.T. the Extra-Terrestrial</i>	\$1,297,730,421	\$437,141,279	141,854,300	1982
5	<i>Titanic</i>	\$1,240,054,754	\$659,363,944	135,549,800	1997
6	<i>The Ten Commandments</i>	\$1,198,431,667	\$65,500,000	131,000,000	1956
7	<i>Jaws</i>	\$1,172,447,655	\$265,859,065	128,159,700	1975
8	<i>Doctor Zhivago</i>	\$1,135,632,932	\$111,721,910	124,135,500	1965
9	<i>The Exorcist</i>	\$1,011,798,348	\$233,005,644	110,599,200	1973
10	<i>Snow White and the Seven Dwarfs</i>	\$997,168,333	\$184,925,486	109,000,000	1937

Only *Titanic* is on both lists.

Bonus item. NFL seasons were once 12 games long and 1,000 yards rushing (or passing) meant something. In today's 17-game season, 1,000 yards is equivalent to 700 yards when I was growing up. The number of games increased to 14 in 1961.

Not A Parody

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For the first time ever, collect your own rare digital collectible Trading Card by President Trump.

Former U.S. President Donald Trump’s non-fungible token (NFT) digital trading card collection sold out early Friday, the day after its initial release.

According to data from OpenSea, at time of writing, the collection’s trading volume is 900 ETH, or about \$1.08 million. Its floor price is about 0.19 ETH, or about \$230 – more than double the original price of \$99.

Not Funny



"He knows when you are sleeping. He knows when you're awake."

It's All In The Perspective

In reality, plants are actually farming us, by giving us oxygen daily, until we all eventually decompose so they can consume us.