

That Hissing Sound You're Hearing...

"I'm being modest when I say I'm the world's greatest day trader. My unlimited money has upgraded to infinity money. There's nobody who can argue that Warren Buffett is better at the stock market than I am right now. I'm better than he is. That's a fact." David "Davey Day Trader" Portnoy, one of the most charismatic, if not modest, personalities who came to fame during The Insanity Bubble.

TGIF, EVA readers!

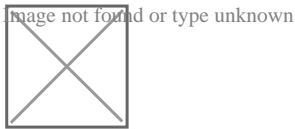
Well, it's been another interesting week in the stock market. It's not often a mega-cap tech stock like Facebook (I'm not a fan of that "Meta" name), crashes 25% in a single day, as it did yesterday. That wiped a cool \$225 billion off its market value (not so cool, however, if FB is one of your largest holdings). It's now down 37% from its September peak for a loss of roughly \$450 billion. The good news is based on its present \$660 valuation, versus \$1.1 trillion at its high point, it's not likely to fall another \$450 billion!

The bloodbath, particularly in tech, has reached far beyond Facebook which wasn't all that pricey even before yesterday's smackdown. Consequently, the evidence is mounting on nearly a daily basis as to how vulnerable the U.S. stock market had become late last year, especially among the multitude of ridiculously overvalued issues. What I've called The Insanity Bubble, the subject of this week's, series continues to be in serious deflation mode.

For those EVA readers who missed it, we launched *Bubble 3.0* via last Friday's edition. You can [access it here](#). As we noted then, we are accelerating the publication of some of our chapters based on what's happening in the markets. It's for the reasons mentioned, along with the bombardment being inflicted upon much more aggressive names than Facebook, that we wanted to run *Chapter 10, The Insanity Bubble*, this week. If you missed the mini-chapters we published on Monday and Wednesday, please [click here](#). It continues to be my belief that the level of speculation seen in late 2020 and through most of 2021 was of truly historic dimensions. We may never see anything like it again... at least, I certainly hope not.

Many of you have been kind enough to recommend this series to your family and friends. If you have not done that yet, I would be extremely grateful if you would do so now. Please let them know to click on the invitation-to-subscribe button on our Substack page. This will give them on-going (and free!) access to the continuation of the book. There are some important chapters coming up, particularly on wealth preservation strategies during an era of utterly reckless central bank money creation. On that note, the U.S. money supply has increased by 40% in just the last two year. In my view, that certainly qualifies as reckless — and senseless.

Anyone to whom you are relaying an EVA link, such as this page, should also indicate that they would like to subscribe in order to receive the rest of *Bubble 3.0*. Hopefully, that's a very easy way for you to share this project with "your people".



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David Hay

Thank you again!

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