

**Market Outlook:**

Pushing back against aggressive inflation data from the past few weeks, the US Federal Reserve upped its rate-hike pace by raising the policy rate by 50 basis points, thereby sending equities...and consumer expectations...into another tailspin. This notion that interest rates, alone, might quell anxieties about and solve supply chain and production issues, the war in Ukraine, domestic violence and crime, and political disfunction in Washington D.C. is specious at best. In fact, the perception that economic panacea resides with one individual, one stroke of the pen, or one institution is the reason, we believe, that the economy is so forlorn.

The extraordinary volatility in the financial markets during the past few months has lifted the veil off of a poorly kept secret: business is all about making money. The infinite contortions that corporations are willing to make regarding hiring and pricing indicates just how resourceful they must become to deliver the ultimate “positive” outcome for their shareholders and to demonstrate supremacy within their sphere.

And make no mistake...no industry is immune from those gyrations. Large or small, energy companies or baby formula manufacturers, utilities or computer tech...all of them jostle for consumer share. Regardless of capitalization or geography, if they aren't profitable they won't last very long.

The only question is *for how long are investors in these companies willing to forsake their own role in the downsizing/upsizing of the economy and the unavoidable loss of moral compass in the process?*

Please note that we are not suggesting anything is wrong with pure capitalism. We believe most strongly that capitalism itself is part of a long term solution *if it provides for the common good of consumers and the general community in which these companies reside*. However, anything meant for a means-to-an-end philosophy is far-fetched in academia and the social sciences. Consider how we address the global food crisis...

Question: is it unethical or immoral to hoard food, discard leftovers, or “manage” the output of our farms in a world that has millions of starving inhabitants? We suggest that the answer derives from one's age, location, occupation, social status, or conscience. Children of the Great Depression (1929) are loathe to discard table scraps; today's millennials can't wait to leave the table to pick up their cellphones. (Obviously, those examples are generalizations and literary exaggerations about individual facts.) But the point is this: one's circumstance markedly defines a whole host of beliefs and attitudes about the state of the world and one's place in it.

So, we ask again....is eating immoral or unethical in today's world?

Let's answer with this thought: eating is intrinsically selfish (!) We eat to keep ourselves alive. We support ourselves by being healthy and well-nourished. Given this, how, then, do we treat countries and citizens that are “poorer” than we are? Don't they have the same rights; do they not have the same survival impulses?

Food is different from computers or cars. *Feast or famine* does not mean the same thing to a retail sales executive, for example, as it might to someone for whom the phrase is literally life or death. Food is a topic about which capitalists cannot only argue about the bottom line, but also the human element and any emotional context. Why is there anyone on this bountiful planet that must go to bed hungry, or migrate across continents to avoid starvation?

To be fair, your kitchen *does not* come at the expense of another. You made yourself successful, we agree. Your bounty is not a sign of gluttony or inconsideration. But we know that as the global wealth and natural resources gap widens what is “ordinary” for some is “extraordinary” for others. **The more the extremes are increased, the more we should expect economic and global volatility.**

One cannot choose their country of origin. But we can use our integrity to help understand what maximizes reward and profitability and who benefits/loses in the process. Besides the laws of physics and economics, ethical indifference is why the markets are in such a funk.

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