



YTD as of 10/31/2022

Alpha Portfolio **-10.69%**

MARKETS

DOW JONES **-9.88%**
 S&P 500 **-18.69%**
 NASDAQ 100 **-30.14%**
 REIT INDEX **-28.47%**
 SMALL CAP **-17.59%**
 HIGH YIELD **-15.61%**

BOND YIELDS

10 YR TREAS 4.08%
 YTD CHANGE **+257%**
 30 YR TREAS 4.20%
 YTD CHANGE **+230%**

SINCE INCEPTION

Through September 30, 2022

BROXTON **401.04%**
 S&P 500 **302.72%**
 DOW JONES **299.47%**



Third Quarter Earnings!

(above): Early November snowfall in Montreal. last July we reported that we thought that inflation would subside in June of 2023. [Whitehouse.gov](https://www.whitehouse.gov): Since World War II, there have been six periods in which inflation—as measured by CPI—was 5 percent or higher. According to Benjamin Caplan, the inflationary episode after World War II ended after two years as domestic and foreign supply chains normalized and consumer demand began to level off. So, using the closest Comparable period we can expect that the current inflation period, which started in April of 2021 will abate by May or June of 2023.

In October we saw the first inkling of evidence that the current inflationary environment was beginning to subside. Reuters: “U.S. consumer prices rose less than expected in October, pushing the annual increase below 8% for the first time in eight months, the strongest signs yet that inflation was slowing, which would allow the Federal Reserve to scale back its hefty interest rate hikes.”

Last month we asked: “Does Neo Keynesian economics work? No. Keynesians believe that a government should try to control an economy through setting interest rates and raising and lowering the money supply. Although Keynesian monetary policy can increase and decrease the value of assets dramatically this does little to stimulate or reduce economic activity and does not consider many of the other variables. Also, the asset price distortion created by ultra-low interest rates can cause system shocks when the asset prices crash. The 2003-2004 low interest rate stimulus attempt caused a dramatic jump in housing speculation which caused the 2008 crash, and the 2010-2020 zero fed funds rate caused the massive run up that we are currently watching melt. So overall, we do not believe Neo Keynesian economics or government intervention in the economy works or has a positive effect.

We recently took a look at the EV or electric vehicle market by way of **Fisker Inc. (FSR)** Fisker Inc. (FSR) is an American electric vehicle (EV) company founded by Henrik Fisker and his wife Geeta Gupta-Fisker. Fisker Inc. has two cars, the [Ocean](#) and the [Pear](#). Fisker began production for delivery of the Ocean recently and plans to launch the Pear in 2024 Fisker’s business model is described as a technology-enabled, capital-light automotive business that involves a focus on vehicle development and customer experience. Fisker considers the “Fisker Flexible Platform Agnostic Design” (FF-PAD) as a central part of their process. The asset light model concentrates on third party manufacturing and integration of pre-existing technology and engineering. This allows for the Fisker Ocean to be immediately profitable and reduces the capital required by as much as 80%.. [REPORT](#)

Broxton Capital Advisors

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