

MONEY IN MOTION

December 15, 2022

When Doctors Don't Listen

One year ago today, on Thursday, December 16, 2021, a prominent businessperson, Mr. Market of New York City, residing at 11 Wall Street, visited his doctor for an annual physical and a year-ahead prognosis.

The patient did not feel well and told his Doctor so.

“Something is wrong”, Mr. Market said, “something inside, I don’t know, something isn’t right.”

The doctor, having known the patient for years, and knowing of his patient’s strong constitution, assured Mr. Market that he was just fine- great in fact.

“Look at you,” the Doctor proclaimed, “you are the picture of health.”

And the Doctor handed Mr. Market his medical chart...

MONEY IN MOTION

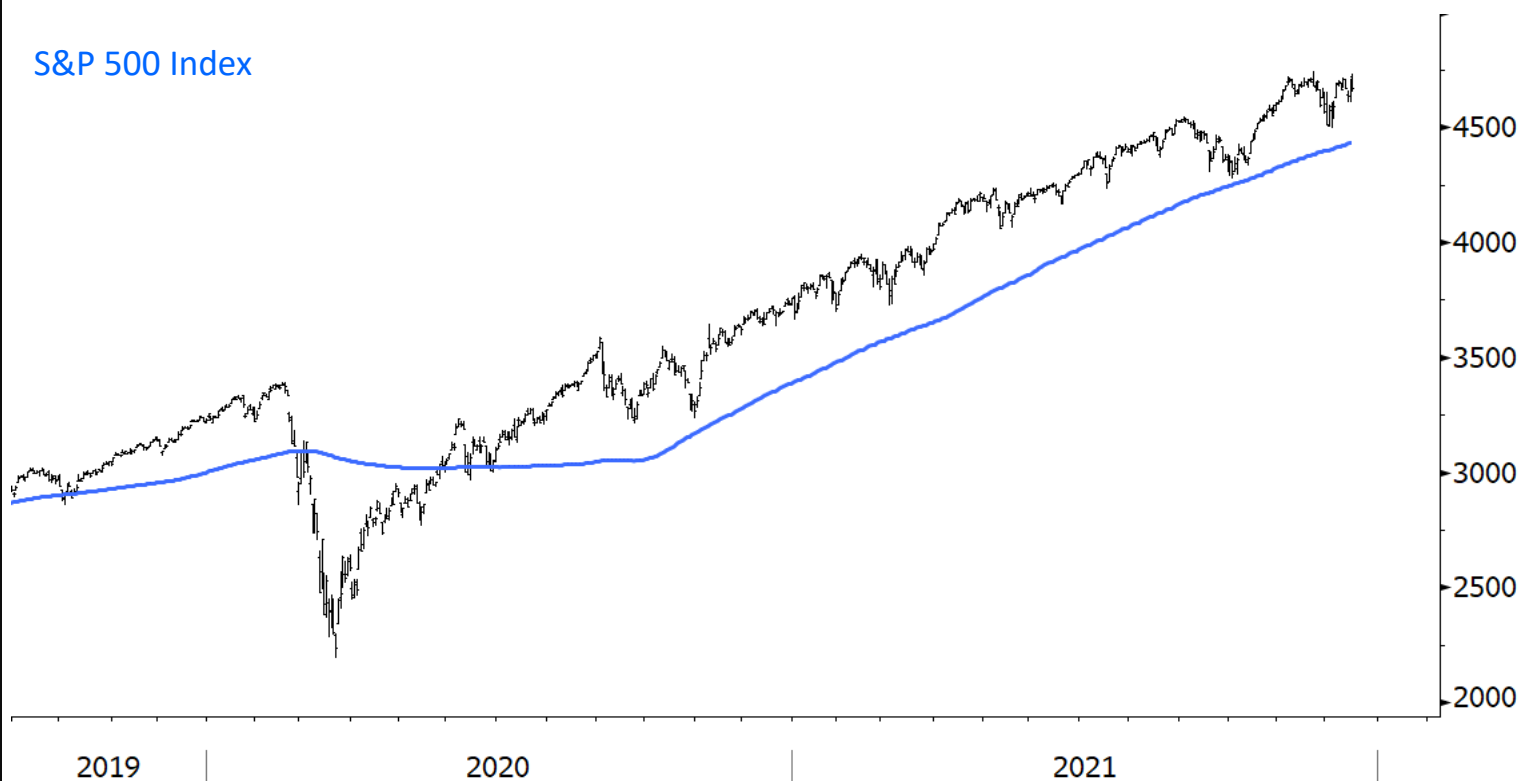
The doctor, having known the patient for years, and knowing of his patient's strong constitution, assured Mr. Market that he was just fine- great in fact.

"Look at you", the Doctor proclaimed, "you are the picture of health."

And the Doctor handed Mr. Market his medical chart...

Mr. Market, patient chart, [December 15, 2021](#) ... 4668.67

S&P 500 Index



Source: Worth Charting, Bloomberg, FactSet

MONEY IN MOTION

But Mr. Market wasn't satisfied. A clean bill of health from his primary physician? It didn't make sense. I do not feel well, he thought to himself, internally, not at all well.

So... he asked his primary care doctor for a referral. And straight away Mr. Market went to a different practice, for a second opinion. But the answer was the same, *"not only do you look good, you look excellent."*

Still not satisfied, the patient sought another fresh set of eyes. In fact, Mr. Market visited more than a dozen practitioners, but each of them was the same. Physician after physician told him he would be A-OK in the year ahead...

Patient Prognosis (12/16/21)

Mr. Market, 2022 patient prognosis
Thursday, December 16, 2021

2022 Prognosis

Dr. Bank of	4,600
Dr. BMx	5,300
Dr. Barc	4,800
Dr. BNx	5,100
Dr. Cant	4,800
Dr. Cit	4,900
Dr. Corner	4,600
Dr. Credit	5,200
Dr. Deut	5,250
Dr. Gold	5,100
Dr. Jeff	5,000
Dr. JPx	5,050
Dr. Morg	4,400
Dr. Ned	5,000
Dr. Opp	5,330
Dr. RBx	5,050
Dr. Scot	5,000
Dr. Stif	
Dr. Ubx	4,850
Dr. Well	4,715

MONEY IN MOTION

So strange he thought.

*“My test results, my ‘total-all-defining-medical number’ reads: **4668.67**, and all the doctors tell me I’m fine, and that 12 months from now my number will be somewhere between **4,950** and **5,000**. But I feel terrible.”*

So, Mr. Market compiled all the Doctors opinions and wrote them on a piece of paper...

19 Doctors

Current reading for Patient Mr. Market (12/16/21): **4668.67**

Average 2022 prognosis for patient Mr. Market: **4,950**

Median 2022 prognosis for patient Mr. Market: **5,000**

*“Hmmm,” he thought to himself, when examining the collective medical opinion of the professionals he visited. “I don’t feel at all well, yet the experts are telling me I am in good shape right now and will be in good shape next year at this time... in such good shape, in fact, that I will be **6.6% better** than I am now.”*

Distraught, and with nowhere to turn, the patient did the unthinkable- he turned to alternative medicine.

Mr. Market sought out sorcery. He turned to wizardry and the art of black magic.

Source: Worth Charting, Bloomberg, FactSet

MONEY IN MOTION

And a Sorcerer he engaged, upon a thorough examination, told Mr. Market, “*you are very sick*” and showed him his vital statistics...

Mr. Market Internal Diagnosis, 98% all organs, tissue and cells (12/15/21)

The Russell 3000 Index is **-3.44%** from its 52-week high (and all-time high)... yet...

2288 stocks (76.2% of the Index) are **-10% or more** below their respective 52-week highs... as of right now

1884 stocks (62.8% of the Index) are **-15% or more** below their respective 52-week highs... as of right now

1564 stocks (52.1% of the Index) are **-20% or more** below their respective 52-week highs... as of right now

1283 stocks (42.7% of the Index) are **-25% or more** below their respective 52-week highs... as of right now

1068 stocks (35.6% of the Index) are **-30% or more** below their respective 52-week highs... as of right now

913 stocks (30.4% of the Index) are **-35% or more** below their respective 52-week highs... as of right now

793 stocks (26.4% of the Index) are **-40% or more** below their respective 52-week highs... as of right now

559 stocks (18.6% of the Index) are **-50% or more** below their respective 52-week highs... as of right now

MONEY IN MOTION

“A casual, top-down appraisal of your health reveals little,” the Sorcerer explained to Mr. Market, “but an in-depth examination of all your organs, all your tendons, all of your bones and tissue and cells, reveals why you feel poorly even as you appear healthy.”

*“On the surface you look good, yes, and are down a mere **3.44%** from peak health, but **52.1%** of your organs and bones are down **-20% or more** from peak health.”*

Mr. Market Internal Diagnosis, 98% all organs, tissue and cells (12/15/21)

Russell 3000 Index

representing 98% of the investible U.S. equity market



MONEY IN MOTION

Then the Sorcerer showed the patient more medical findings...

“The comparative chart below hides the truth. The three lines essentially are identical, but what’s going on under the surface (the carnage) is what’s important”, he told Mr. Market.

The blue line... the largest 100 stocks in the S&P... (the OEX)

The green line... the largest 500 stocks in the S&P... (the SPX)

The orange line... the largest 3000 largest stocks in the U.S. stock market... (the Russell 3000 Index)

(December 15, 2021)



MONEY IN MOTION

A month later, Mr. Market returned to each of the Doctors he consulted with in December and asked for another full physical.

It was Wednesday, January 19, 2022, and Mr. Market was feeling much worse. Indeed, his *'total-all-defining-medical number'* was **4,532.76** (-135.91... -2.91%) from when he visited the Doctors last, yet still they told him his 12-month forward health would be higher.

Patient Prognosis (01/19/22)

Mr. Market, 2022 patient prognosis
Tuesday, January 19, 2022

2022 Prognosis

Dr. Bank of	4,600
Dr. BMx	5,300
Dr. Barc	4,800
Dr. BNx	5,100
Dr. Cant	4,800
Dr. Cit	4,900
Dr. Corner	4,600
Dr. Credit	5,200
Dr. Deut	5,250
Dr. Evec	5,100
Dr. Fund	5,100
Dr. Gold	5,100
Dr. HSx	4,900
Dr. Jeff	5,000
Dr. JPx	5,050
Dr. Morg	4,400
Dr. Ned	5,000
Dr. Opp	5,330
Dr. RBx	5,050
Dr. Scot	5,000
Dr. Stif	
Dr. Ubx	4,850
Dr. V2x	5,040
Dr. Well	4,715

MONEY IN MOTION

Again, a month later, Mr. Market visited each of the Doctors he consulted with in December and asked for yet another full physical.

It was Thursdays, February 17, 2022, and Mr. Market was feeling even worse. Indeed, his *'total-all-defining-medical number'* was down to **4,380.26** (-288.41... -6.18%) from when he visited the Doctors the first time, yet still they all told him his 12-month forward health would be higher.

Patient Prognosis (02/17/22)

Mr. Market, 2022 patient prognosis
Thursday, February 17, 2022

2022 Prognosis

Dr. Bank of	4,600
Dr. BMx	5,300
Dr. Barc	4,800
Dr. BNx	4,900
Dr. Cant	4,800
Dr. Cit	5,100
Dr. Credit	5,200
Dr. Deut	5,250
Dr. Evec	5,100
Dr. Fund	5,100
Dr. Gold	4,900
Dr. HSx	4,900
Dr. Jeff	5,000
Dr. JPx	5,050
Dr. Morg	4,400
Dr. Ned	5,000
Dr. Opp	5,330
Dr. Pipe	4,800
Dr. RBx	5,050
Dr. Scot	5,000
Dr. Stif	4,200
Dr. Ubx	4,850
Dr. V2x	5,040
Dr. Well	4,715

MONEY IN MOTION

And this went on month after month...

Each month, the patient consulted with all the traditional Doctors- each one of them - and each month they assured Mr. Market he would be higher (would be feeling better) at the end of the year.

But he was starting to not believe them.

On Wednesday, May 18, 2022, he was in excruciating pain and *'total-all-defining-medical number'* was down to **3922.68** (-745.99... -15.98%) from when he first visited the Doctors in December, yet still they all told him his 12-month forward health would be higher.

Indeed, on that very day, Wednesday May 18, he saw 23 physicians. And as a group, their collective prognosis was that at the end of the year is *'total-all-defining-medical number'* would be **~4775**. But he was at **3922.68!**

23 Doctors

Current reading for Patient Mr. Market (05/18/22): **3922.68**

Average 2022 prognosis for patient Mr. Market (05/18/22): **4,743**

Median 2022 prognosis for patient Mr. Market (05/18/22): **4,800**

MONEY IN MOTION

Eventually, Mr. Market got so sick he could no longer leave his bed, even to visit his Doctors. And in truth, he was glad of it. The experts had not helped him. In fact, he felt they really were just extrapolators, cheerleaders, enablers.

And one night- a very bad night of fevers and chills and hallucinations - he remembered an old Wall Street Expression about analysts:

*“Analysts- in a Bull Market who needs ‘em,
In a Bear Market who wants them.”*

In good times, when the market is doing well, and stocks, as an asset class are ascending, analysts (who are always looking through rose-colored glasses) simply will tell you what you already know (that things are good) and will just extrapolate the future.

(who needs that?)

And in bad times, when the market is doing poorly, and stocks, as an asset class are descending, analysts (who are always looking through rose-colored glasses) simply will tell you that things are going to get better, regardless of how bad they are at the time.

(who wants that?)

In any event, for those who are new to these pages and interested in this analyst’s Macro work in December 2021 (we ourselves are as mortal and flawed as any, but we’re proud of our warnings a year ago) we would call your attention to the three links below:

[CLICK HERE](#) for some Sorcery on December 6, 2021

[CLICK HERE](#) for some Sorcery on December 15, 2021

[CLICK HERE](#) for some Sorcery on December 20, 2021

Trade well,

-Carter



Source: Worth Charting, Bloomberg, FactSet

Worth Charting LLC (“Worth”) is a provider of financial publications of general circulation offering impersonal advice, not tailored to individual needs of a specific client or group. Reports are distributed for general informational and educational purposes only and is not intended to constitute legal, tax, accounting or investment advice. Worth is an independent research company and is not a registered investment adviser and is not acting as a broker dealer under any federal or state securities laws. Worth does not act as a fiduciary or an investment adviser. Comments or statements made herein do not constitute investment advice. Views, opinions and judgments expressed are of Worth.

The analyses and observations contained in this report (the “Report”) are statements of opinion as of the date they are expressed and not statements of fact or recommendations to purchase, hold, or sell any securities or make any investment decisions. Recipients of the Report should not rely on any of it in making any investment decision. You should obtain independent investment advice before buying or selling any security discussed in the Report. [Worth and/or its employees may hold positions in or purchase or sell such securities contrary to views expressed in the Report.] Worth does not guarantee the accuracy, adequacy, completeness or availability of any information contained herein and is not responsible for any errors or omissions or for results obtained from the use of such information. The Report does not take into account the investment objectives, financial situation, restrictions, particular needs or financial, legal, or tax situation of any particular person and should not be viewed as addressing the recipients’ particular investment needs. Opinions and analyses offered in the Report does not address the suitability of any security. The Report is not an offer or solicitation for the purchase or sale of any security, investment, or other product and should not be construed as such. Investing in securities and other financial products entails certain risks, including the possible loss of the entire principal amount invested. You should obtain advice from your tax, financial, legal, and other advisors and only make investment decisions on the basis of your own objectives, experience, and resources.

Information contained herein is current as of the date appearing herein and has been obtained from sources believed to be reliable, but accuracy and completeness are not guaranteed and should not be relied upon as such. Worth does not perform an audit and undertakes no duty of due diligence or independent verification of any information it receives. Worth has no duty to update the information contained herein, and the opinions, estimates, projections, assessments and other views expressed in the Report may change without notice due to many factors including but not limited to: fluctuating market conditions and economic factors. The Report is based on a number of assumptions. Worth makes no representations as to the reasonableness of such assumptions or the likelihood that such assumptions will coincide with actual events and this information should not be relied upon for that purpose. Changes in such assumptions could produce materially different results. Past performance is not a guarantee or indication of future results, and no representation or warranty, express or implied, is made regarding future performance of any security mentioned in this publication. Worth accepts no liability for any loss (whether direct, indirect or consequential) occasioned to any person acting or refraining from action as a result of any material contained in or derived from this publication, except to the extent (but only to the extent) that such liability may not be waived, modified or limited under applicable law.

All materials are disseminated and available to all subscribers simultaneously through electronic publication via email and to our internal client website. The Report is licensed for use by authorized subscribers, and may not be reproduced, distributed, forwarded, posted, published, transmitted, uploaded or otherwise made available to others for commercial purposes without written authorization from Worth.

Source: Worth Charting, Bloomberg, FactSet