

Is Today's Stock Market Just a Reflection of Ourselves?

On October 12, the broad U.S. equity market (SPY) came within a whisker of its all-time high reached less than six weeks earlier. The positive stock performance was based on hopes for improving corporate earnings going forward, an additional stimulus package, and Covid-19 having taken a backseat in our country's collective conscious.

Since then, we have seen all those positives (along with the stock market) come crumbling down. Our leaders are unable to reach any meaningful agreement on stimulus, thereby ensuring additional layoffs, business closures and ultimately, bankruptcies. Earnings have been better than predicted three months ago but are facing a growing storm in the months ahead. Lack of fiscal policy support out of Washington is part of the problem, but the real threat is the pandemic. It has crawled out of the backseat and is again driving the car. Cases around the country are raging with daily infections at all-time highs and hospitalizations are overwhelming medical staff in numerous parts of the country. Irrespective of your political beliefs and whether this pandemic is the greatest health threat of our lifetime or simply an overblown hysteria, the fact remains that perception becomes reality. This virus has changed the perception of Americans, and that is reality.

I'll start by stating that I am by nature an optimistic person and a huge believer in the perseverance and innovation of human beings in general, but Americans in particular. With that, I have to say that Americans are not doing a very good job at this moment in history. We don't treat each other well. We focus on our differences rather than our common humanity. We don't hold our leaders accountable, morally or fiscally. Self-interest has become all-consuming and acceptable. We are scared more than we are brave. Most importantly, we have become scared of our neighbors. Eighty years ago, our grandfathers and great grandfathers of all colors and walks of life came together to fight for a common cause. They had the same differences we do today, but those differences did not prevent those men (and women) from extending a hand to one another for the common good. They were willing to live, fight and die together for their country and their children - all their children. I am ashamed of where we are today. As King Solomon pointed out, this too shall pass. I am ready.

Go vote and hold those people you vote for accountable and to a higher standard. It is a start. Even better yet, let us hold ourselves accountable.

Thank you for allowing me this moment of indulgence and reflection. The stock market is merely a reflection of ourselves. It is currently volatile, fearful, and unsure of a path forward.

Last week's market commentary can be found [here](#).



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