

## Stagflation? The Misery Index

2 years down, and many more to go! I look forward to continuing to keep a disciplined approach in our hunt for value.

I do think it needs to be said...for the next 12-24 months, I would like to advise that you spend less money and save more money, even just holding more cash in the bank or putting off big life decisions for a small period.

We are at a very precarious moment, where the world isn't ready for higher rates. People have been ignoring common sense and doing business at razor-thin margins. The problem with higher rates is that business becomes more expensive, meaning only the best deals and most profitable businesses can survive. Thankfully, no Armageddon scenario...just more rational behavior versus speculation.

Most of the people I encounter are not head down, grinding, and focused on math. They are pseudo-confident looking to distract and point to "when things will get back to normal" or "the market always goes up." You actually have investors who are refusing to check account balances, while also refusing to check the earnings power and investment thesis of their investments. Recipe for success or failure? You tell me.

This attitude is reminiscent of late-night behavior at the craps table...but the problem is, we are all on the pass line and doomed to fail together. In a mindset of gambling and over speculation, at Grey Opal, we will be taking the path less traveled. We will be a little more conservative, hold a little more cash, spend a little less, be a little more kind and see what happens.

As I've said before, I do not expect to perform like the mainstream stock market indexes. We will be giving up some gains by holding more cash, but I hope in the long run to even out against the times when we do get more aggressive.

Next year will be exciting and I look forward to many more updates! I'd also like to mention, our public market strategy is alive and well. There is a delicate balance between real and digital exposure but I look forward to our first activist investing campaign in the near future. More to come in our 2022 Annual Letter: <https://www.investopedia.com/terms/a/activist-investor.asp>

While we will not be making a monetary charitable contribution this year, I encourage you to donate your time to your neighborhood. Be kind to those around you and help others where/when you feel you can. happy holidays and let's have a happy and healthy 2023.

Best,

Dhruv