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Streetlight Confidential

Inside This Issue:

“Quantum” Leaps

Discover the Tech That Will Make AI a Disruptive Force and the Little-Known Company Providing It

-by Tim Collins

When you hear the words Artificial Intelligence, your thoughts likely go one of two places…

If you are older, like me, and a movie buff, then the thought of SkyNet comes to mind. A scenario in which AI allows the machines to become self-aware, turn on their creators in revolt, and eventually send The Terminator to make an unpleasant appearance.

The younger generation thinks about AI differently.

They think of it in terms of *generative art and language services* — like ChatGPT and Midjourney. These are the same names that garner the bulk of the media’s attention right now. It doesn’t hurt that ChatGPT’s owner, OpenAI, recently scored a huge headline-making multi-year, multi-billion dollar investment from Microsoft (MSFT).

The real potential of AI, however, lies far beyond that.

Today, operations like generative entertainment and basic task execution won’t propel AI to a disruptive level. Industries like biotechnology, automobiles, cybersecurity, space exploration, defense, and communications — where AI can truly change lives — will require more than simple generative AI to advance.

These industries will require a massive amount of data collection, analysis of that data, and predictions or decisions based on that data as fast and accurately as possible to stay ahead of competitors and capture market share.

Enter ***quantum computers***, a cutting edge technology poised to propel AI to the next level. Hopefully not to the level of SkyNet, but it may help it get close…

The Next Level of Computing Power

The history of computer processing is really a marvel to behold.

In the dawn of personal computers there was something called an 8086 chip. It was the code for the central processing unit — the "brain" of your PC — and it could process 16 bits of data at a time.

The tech revolution set in and that relic was replaced with the 80286, then the 80386/80486 which could process *32 bits of data*.

Image: Wikimedia

Then came the Pentium™ revolution! Moore's Law was on full display. The typical 8086 chip has 29,000 transistors on it. The Pentium IV had 42 million!

Fast forward to the era of multiple "cores" on a single CPU and the speed at which computers could perform calculations had become blinding.

Today the smart phone in your pocket was probably inconceivable 30-some years ago when Pentium™ processors roamed the land.

Yet despite the massive growth in speed and computing power, it's still not enough to properly advance the cause of AI.

Well, in the words of Bachman-Turner Overdrive… You ain't seen nothing yet!

When it comes to ***quantum computing***, speed matters. And that's why I want to introduce you to a company called **IonQ (IONQ)** — the leading name in the quantum computing industry.

The company's newest generation quantum computer, the IonQ Forte, processes an industry leading ***29 algorithmic qubits***. That's twice as fast as its closest competition. (And I have no idea how much faster than 16 bits…)

At this point, you're likely asking, what's a "qubit?" To answer that, let's look at the basics of computing.

Bits on Steroids

Traditional CPUs process "bits" of data. The nature of bits, as your computer knows them, are binary. They show up as either 0 or 1. You've probably seen binary code at some point in your life. It might have looked something like this:

01001000 01100101 01101100 01101100 01101111 00100001

This, of course, is binary for "Hello!"

Yes, it takes all that code to convey a simple greeting. I guess it's not so simple in binary for most of us.

A qubit, on the other hand, is a quantum bit, or ***a basic unit of quantum information***.

Qubits are similar to ordinary bits, but with a twist. A qubit can be 0 or 1 — or both at the same time.

That may sound confusing but think of the 0/1 option as a coin. When we think of a coin, we see either a head or a tail, the two sides of a coin.

Assuming we code the head side of the coin as a 0 and the tail side of the coin as a 1, then randomly flip the coin, and view the results of it on a flat table, we might get a binary code that reads 00101.

This, of course, means two heads, a tail, a head, and then another tail at the end.

See, you're getting the hang of binary already. That's the only possible outcome, right?

Well, not really.

Qubits add an extra dimension to the coin since your result could be both 0 and 1 at the same time. Let's call that 2.

We either see a head or tail when a coin is lying flat. But what if the coin were standing upright and spinning so fast that you essentially see both heads and tails?

That's a qubit!

A "heads *and* tails" option now exist simultaneously along with just heads or just tails, so now our result could be 0, 1, or 2.

And If You Think That's Mind Bending

The coin example is an oversimplification, and, let's be honest, not a super practical one. But it helps get your head around how something we see as black or white can be both black and white at the same time — and measured as such.

Let's stick with the coins though because quantum computing doesn't end with qubits.

Imagine millions of spinning coins all placed in various locations around the world. If we measured these, we would see both heads and tails simultaneously, so we'll record all their qubits as a 2.

Now let's say you change the qubit of a single coin from 2, seeing both heads and tails, to a 0, seeing only heads. Simultaneously, all the other coins instantly change from a 2 to a 0 as well.

That's called "entanglement" — the relationship, or correlation, of qubits to one another. And it's another thing quantum computing can record and calculate.

Binary code is great at solving simple problems, but quantum computing solves ***complex*** problems.

It's the necessary solution for simulations, cybersecurity, encryption, cryptography, and analysis…everything needed to compete and excel in the AI marketplace.

A Growth Story

IonQ isn't just a concept company. There is real value here, with revenue and bookings both growing at a 100%+ annual pace.

Recently, the company announced second-quarter revenue of $5.5 million and management increased full-year revenue guidance into a range of $18.9 million to $19.3 million.

Bookings for the second quarter hit $28 million. Last year, bookings were $24.5 million for the ENTIRE year.

Full-year bookings should exceed $50 million in 2023.

Although IONQ is still burning cash, it has over $500 million in cash on its balance sheet against no debt, so they have a multi-year runway before they would need additional cash.

Shares have made a strong run, so it wouldn't be surprising to see the company move to raise cash on the open market, but I expect the offering would be bought aggressively by Wall Street.

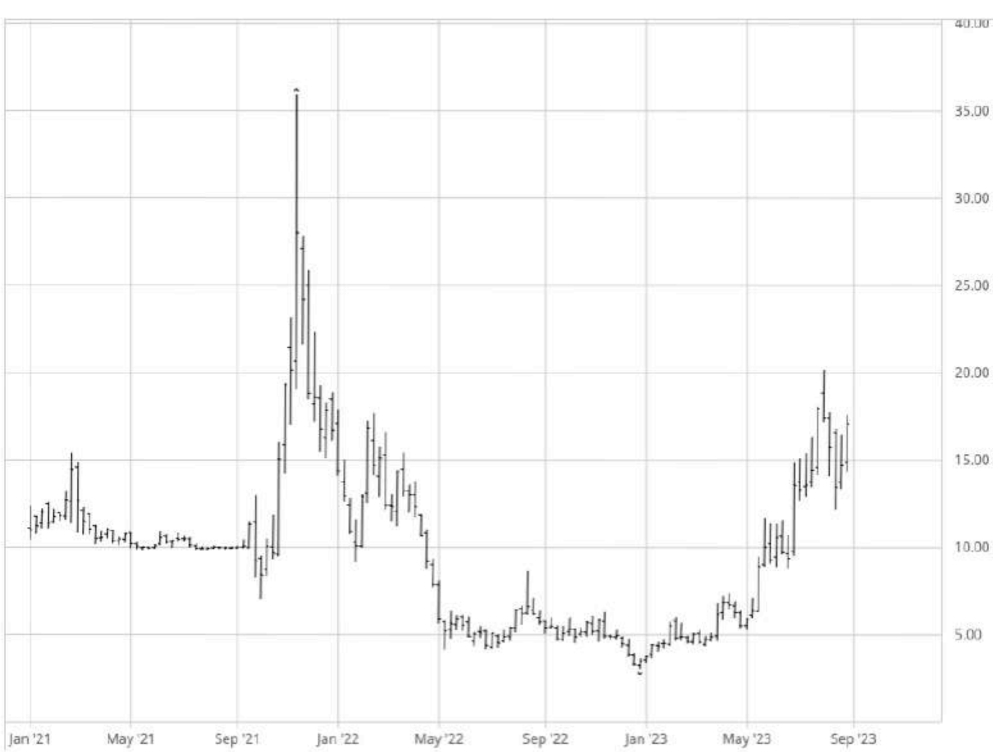
Institutional ownership sits at less than 7.5% of the outstanding shares, so this remains a relatively undiscovered name by the Whales on Wall Street. That comes as a small surprise given the huge market for quantum computing.

Acquiring Partners *and* Customers

Bolstering its already strong revenue growth, the company has already partnered with several major firms.

For example, Hyundai Motors teamed with IONQ to co-develop IonQ's vision algorithm aimed at object detection.

IonQ Inc (IONQ) Weekly



Source: barchart.com

Proper image detection is a major need for car companies seeking to provide autonomous driving, and IONQ's product will analyze three-dimensional data provided by those vehicles.

We've all heard the stories of early-stage autonomous cars failing to accurately differentiate between objects. Suffice to say that error-proof image detection and interpretation is a key component for the future of autonomous driving — an AI utility.

Thus far, IonQ has already demonstrated that its quantum machine learning (AI) techniques have shown the

IonQ Inc (IONQ) Daily

Source: barchart.com

potential to learn faster, be more effective in recognizing edge cases, generalize better, learn despite noisy or fuzzy data, and capture complex relationships with less input parameters required.

IonQ is also processing complex chemical reaction simulations for Hyundai as the car company explores improvements for its Lithium batteries and seeks improved battery chemistry for its vehicles.

And Regarding the Company's Customer Count…

Last fall, the company signed a $13.4 million contract with the United States Air Force Research Lab (AFRL). IonQ will provide the AFRL with access to quantum computers for the development of quantum algorithms and applications.

The main goal is helping the US Air Force protect the public and private infrastructure in the United States. Quantum cybersecurity measures already have support from the House of Representatives and the Biden-Harris administration.

It doesn't end here for IonQ. They have already signed commercial relationships with world players like Goldman Sachs (GS), Airbus, GE Research, and the South Korean Ministry of Science.

As AI continues to expand, I expect more high-profile names will team up with IonQ to accelerate their AI strategies in the marketplace.

With a current market cap around $3 billion, it's not without its risk. But we could see a major technology name acquire IONQ at 10 times the current market cap and still pay less than they would for ChatGPT and get the leading edge of a bleeding edge technology for themselves.

IONQ isn't cheap by traditional metrics and shares have enjoyed a big move this year, so we wouldn't want to get caught chasing the stock. **Ideally, an entry between $13 and $15, depending on your risk tolerance, can be had**.

I would be patient as cutting edge technology like quantum computing will experience volatility more often than the overall market. That means, there should be pullbacks in the stock price even when the market is bullish around the technology.

If you believe the IONQ story might be a solid addition for your portfolio, consult your financial advisor.

Disclosure: The author nor any of his family members own shares in IONQ at the time of writing.

Soft Landing Dead Ahead?

The Underlying Data Suggests What's Coming May Not Be Pleasant

-by Tim Collins

Back to school kids! Class is in session!

And Professor Joe Biden is in da house…

Last week President Biden (or his [alter ego KJP]) posted on X (formerly Twitter) a particularly cringeworthy public service announcement.

It was meme'd relentlessly.

Thanks to the magic of digital publications you can [check it out here]. (The sound track alone is worth the click.)

He harped on his industrial policy fantasy of building the economy from the middle out and the bottom up.

It's about spending public money into a blazing deficit (currently over $1.6 trillion this year and expected to reach $2.9 trillion by 2033 according to the CBO) and empowering their political sponsors.

In last week's weekly update, I pointed out that there is really only one factor keeping headline inflation in check — energy. Headline CPI printed 3.2% y-o-y last month but when you take out the food and energy components it was actually up 4.7%.

That's a big impact from the sector that gets a 7 for relative importance to the overall number. (Compared to 13.4 for food or 34.7 for shelter.)

And remember, these numbers add up annually. A 4.7% annual rate of inflation is certainly better than a 9.1% rate. But even so, 4.7% annualized over five years means prices will go up roughly 26%! And most likely stay there.

(So don't let them claim victory for bringing the rate of inflation down… it's the least they can do.)

A couple big factors are going to be the focus for inflation going forward.

First, according to the Fed, real estate / rent prices are expected to decline taking much upward pressure off core inflation. (I talk more about this in The Last Word.)

The second is what I wrote about last week — commodity prices, specifically energy. The outlook for the rest of the year is for a boost in demand while supply remains tight. I don't need to tell you what that would mean.

So inflation, for the moment, is at a pretty critical juncture as economic forces swirl around it. We're far from the road to 2%.

But what about the economy? That's currently another puzzle to be solved.

The Soft Landing

The buzzword for the past couple months has been "soft landing."

The Fed's job with this bout of inflation has been to squeeze the economy… to dampen demand… to take the air out of inflation — something Jay Powell has stated unequivocally on a number of occasions. How's that going?

You've got to wonder.

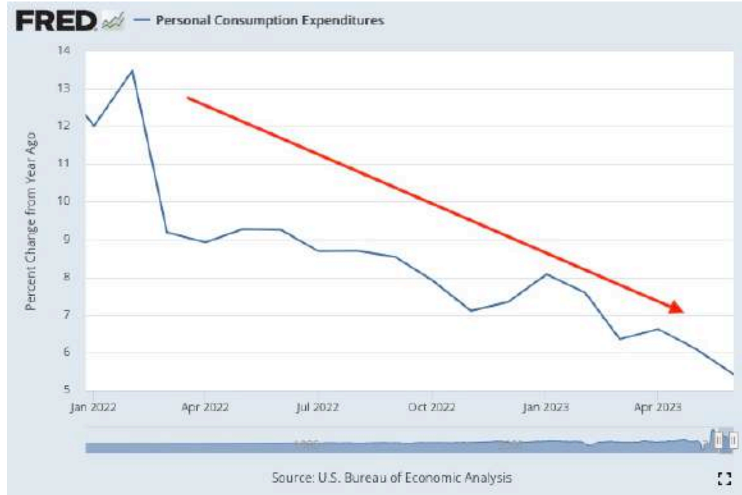
GDP last quarter was estimated at a 2.1% annualized rate. (That's revised down from the first estimate of 2.4% but still up from 2% in the first quarter.)

The most recent estimate for the third quarter from the Atlanta Fed's GDPNow real time estimate is a staggering 5.9%! (Fair warning, it's only two-thirds through the quarter and this number gets revised frequently.)

Still, the numbers printing are impressive. Especially considering interest rates have been raised 550 basis points in just a year and a half.

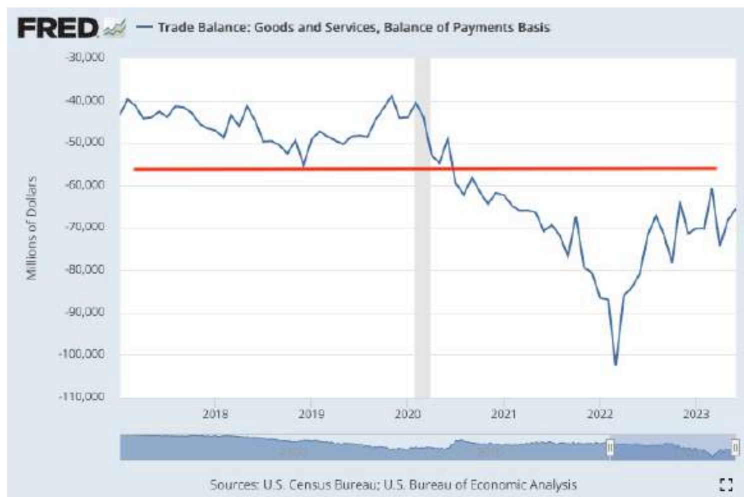
So what's causing the strength in GDP?

Well, considering consumer spending has been on the decline since January 2022 (once spending leveled off after the stimmy spike)…



Source: [The Federal Reserve Bank of St. Louis]

And considering net exports (our negative trade balance) still haven't returned to pre-pandemic levels…



Source: [The Federal Reserve Bank of St. Louis]

…There's a good chance that ***government spending*** has been behind the strength.

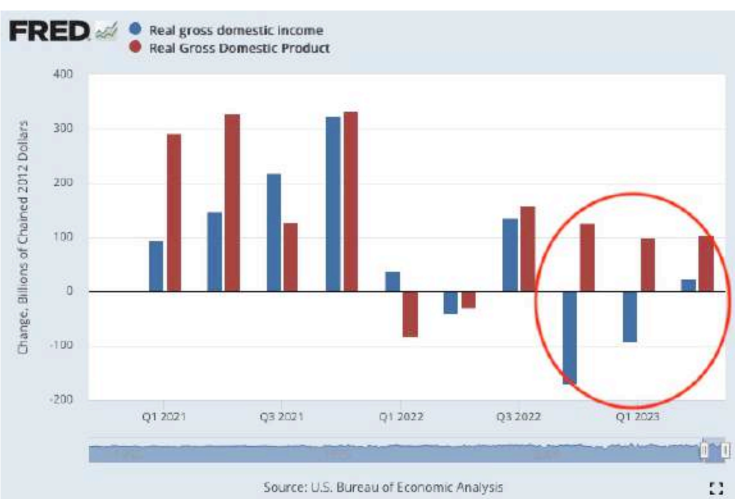
Roughly $1.1 trillion from the Bi-Partisan Infrastructure Bill and $400 billion in subsidies and tax credits from the Inflation Reduction Act has been hitting the economy. And while government spending doesn't actually create growth, it can skew economic numbers.

So let's assume we don't know whether it's the government or not. Instead let's take a look at a couple alternative economic reports that might be more telling.

Earlier this year, we wrote you about a divergence that had developed between gross domestic product (GDP) and gross domestic income (GDI).

> *These numbers are essentially two sides of the same coin. And because they are, in theory, income should roughly equal spending where output goes. Of course there are reasons why the numbers don't mirror each other perfectly…*
>
> *But if you look at a long-term chart, you'll easily see that one report will be stronger or weaker than the other — but rarely is the divergence between the two so pronounced. Which makes this divergence a little troubling.*

Q2 GDI was just reported this week. It barely recovered to the plus side of the scorecard.

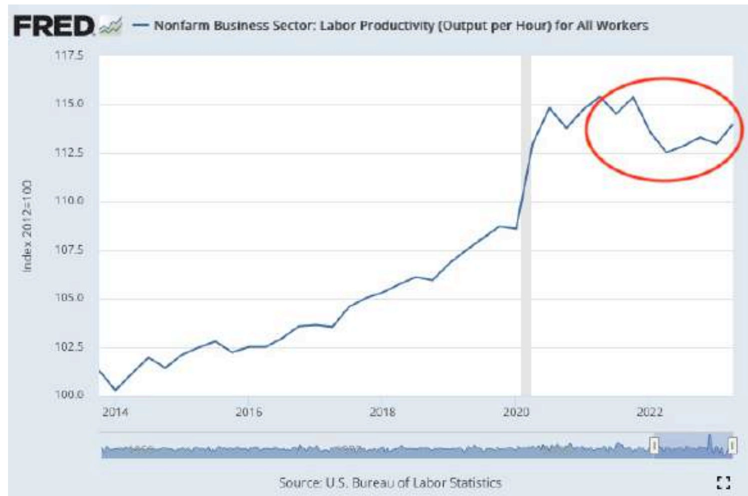


Source: The Federal Reserve Bank of St. Louis

We noted in the same article that productivity (another important sign of actual economic growth) had begun to soften dramatically…

> *In fact, none other than the BLS reported that this was the first time that year-over-year quarterly reports had been negative for five consecutive quarters.*

Here again, the decline has stopped, but production remains weak.



Source: The Federal Reserve Bank of St. Louis

And as it would turn out, employment numbers have been on the decline too.

The administration still brags about the 13 million jobs they created, but in reality revisions to nonfarm

Source: The Federal Reserve Bank of St. Louis payroll have all been down throughout 2023 and the pace of hiring has been dropping all year…

But these are all backward looking numbers that have been revised over and over. What does a real time picture of the economy look like? For that we need to turn to a couple business surveys.

We've written before about how the ["obscure" purchasing managers index]() is a real time indicator of business conditions in the market. Both readings on manufacturing (production) from ISM as well as S&P Global (Markit) have been in negative territory for over a year.

Readings for non-manufacturing or services are still in positive territory and likely what's hold the economy up.

Finally the Dallas Fed just released its Texas Manufacturing Outlook Survey.

It's a monthly survey that asks area manufacturers about how business conditions have changed from the previous month. They focus on a number of indicators including production, orders, prices and so on. They also take the pulse of the broader economic outlook.

Again, the results came back pretty negative.

The survey's production index fell 6.4 points to -11.2. The shipments index fell 13.6 points to -15.8. Capacity utilization was down 1.3 points to -3.7. New orders and growth rate of orders both upticked but remained deep in negative territory.

Many of the accompanying comments were equally negative.

> *"The chemical industry remains slow."*

> *"Customer orders came to a sudden halt. The overall volume dropped 51 percent year over year."*

> *"We have seen a contraction in government contracts. Customer discretionary spending capability has decreased."*

> *"Projects are being postponed and, perhaps even more telling, payments are increasingly protracted."*

ISM Manufacturing PMI

Source: [Trading Economics]()

S&P Global Manufacturing PMI

Source: Trading Economics

Not all the feedback was this bleak, but they were more the exception.

So…

Economic data isn't looking particularly healthy. But neither is it looking entirely apocalyptic. And on that basis a lot of analysts have begun to tout the "soft landing" narrative.

They may be right! Let me explain…

"Soft landing" is simply another economic euphemism for not crashing into a recession. But the opposite of not crashing into a recession isn't economic good times, per se.

What this economic data does appear to be signaling is serious potential for ***stagnant growth*** going forward. An unpleasant condition in its own right.

Because if inflation starts to rear its ugly head *on top of that*, it could lead to something we warned was a possibility two years ago… Stagflation.

> *For years, economists believed that such a condition was impossible because of something called the Phillips Curve. Phillips maintained that there was an inverse relationship between inflation and unemployment. Higher inflation implied greater productivity which, in turn, implied lower unemployment. Conversely a deflationary price environment would signal rising unemployment.*
>
> *It became a popular theory, especially after the Great Depression.*
>
> *But despite a rock solid belief in the Phillips Curve that declared stagflation to be the economic equivalent of Bigfoot, the economy once again proved the smart guys (who think they know everything) aren't so smart.*
>
> *In fact, if you're old enough to remember the 1970s, you probably remember how wrong they all were.*

Let's hope it doesn't come to that. But we'll be watching just in case…

The Last Word…

"Navigating By the Stars Under Cloudy Skies"

-by Tim Collins

You have to be a little bit older to recognize the name, but Professor Irwin Corey was the (self-proclaimed) World's Foremost Authority. He was actually a great improv comedian whose act consisted of stringing together long threads of big words which, when taken as a whole, made no sense whatsoever.

Again, thanks to the magic of digital publications, you can click the image if you want to get a sample. (I recommend you do, if only to get in the mood…)

He died in 2017 at the age of 102. But I bring him up because his legacy lives on…

The more you listen to our financial leaders discuss the economic situation of the day, the more and more they start to sound like Prof. Corey.

If you want proof, I give you Treasury Secretary Janet Yellen's comments on Fitch's recent downgrade of US debt…

> *"I strongly disagree with Fitch's decision, and I believe it is entirely unwarranted. Its flawed assessment is based on outdated data and fails to reflect improvements across a range of indicators, including those related to governance, that we've seen over the past two and a half years."*

Reading from a script doesn't make things a whole lot more intelligible. Fed Chairman Jay Powell stepped up to the mic this week to deliver his address at the Fed's Jackson Hole summit.

A Slip of the Lip?

It would appear that Powell made an unusual (or intentional?) slip up talking about PCE numbers. In his comments he said…

> *On a 12-month basis, core PCE inflation peaked at 5.4 percent in February 2022 and declined gradually to 4.3 percent in July.*

The only problem with that statement is that that number won't be published until Thursday August 31 — six days after he announced it.

If it is, in fact, the number, it'll be an uptick from the previous 12 months. But it still represents a break from the 4.6% average the previous six months (and the higher rates prior).

Slip up aside, the overarching theme of this talk was pretty much the same overarching theme he's delivered at recent FOMC press conferences. Inflation's still too damn high and there's a long way to go to bring it back to their 2% target. In other words, higher for longer.

For what it's worth, the chairman was very clear on them getting inflation back down to 2%.

A lot of analysts, including us here, have speculated that in the face of seriously sticky inflation, the Fed would simply adjust their target up (temporarily of course), declare victory and walk away. But so far, the Fed boss has proven to be pretty stubborn where that goes.

Here are a couple of the bigger takeaways from Powell's latest Jackson Hole comments…

The "Overt" Takeaways

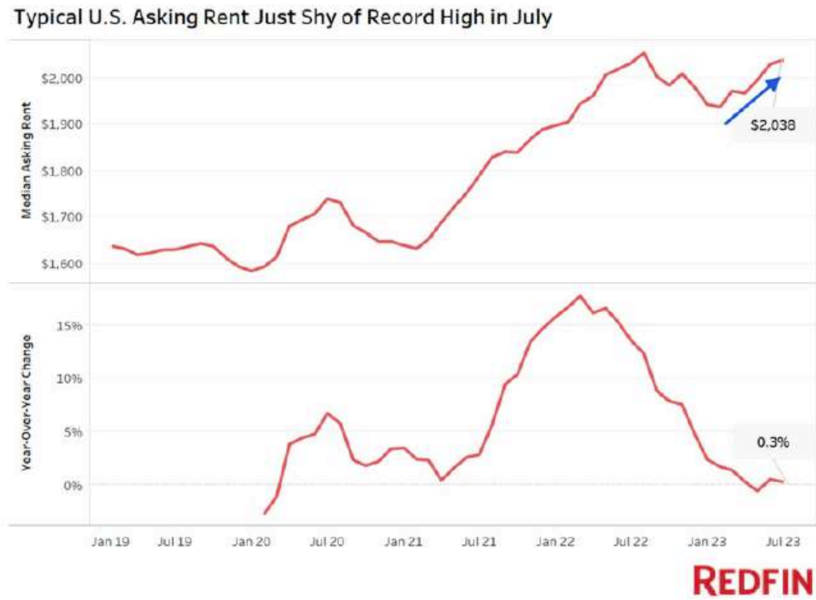
Looking at the overall inflation picture, Powell chose to focus on *"the three broad components of core PCE inflation—inflation for goods, for housing services, and for all other services, sometimes referred to as nonhousing services."*

Goods inflation, has been coming back under control — check.

On the housing services side, he crowed that everything was coming together…

> *Measured housing services inflation lagged these changes, as is typical, but has recently begun to fall. This inflation metric reflects rents paid by all tenants, as well as estimates of the equivalent rents that could be earned from homes that are owner occupied.*
>
> *Because leases turn over slowly, it takes time for a decline in market rent growth to work its way into the overall inflation measure. The market rent slowdown has only recently begun to show through to that measure.*
>
> ***The slowing growth in rents for new leases over roughly the past year can be thought of as "in the pipeline" and will affect measured housing services inflation over the coming year.***

But just to be thorough, another view of that perspective that he didn't mention, was that real time indicators like real estate firm RedFin's rent tracker has been on the rise for most of this year.



Source: Redfin

Whether the trend higher continues remains to be seen, but Powell's declining numbers are only showing up from the decline of the August 2022 high.

At the very least, this portion of the inflation program is going to get a little dicey…

Finally he got to non-housing services (or "other" in the technical financial parlance). This includes everything from doctor visits to hotel stays to dinner and drinks to your car insurance. Powell's take:

Twelve-month inflation in this sector has moved sideways since liftoff. Inflation measured over the past three and six months has declined, however, which is encouraging.

But they want to see some more downside here as well.

What Wasn't Said Out Loud…

So that's the "outlook" as the Fed sees it. We happen to think Powell's right to be cautious because like I wrote in the previous article we may be at the intersection of stagnant growth and inflation.

There was some stuff he said that was more implicit

> *The ongoing episode of high inflation* ***initially emerged from a collision between very strong demand and pandemic-constrained supply****.*
>
> *By the time the Federal Open Market Committee raised the policy rate in March 2022, it was clear that bringing down inflation would depend on both the unwinding of the unprecedented pandemic-related demand and supply distortions and on our tightening of monetary policy, which would slow the growth of aggregate demand, allowing supply time to catch up.*

The astute listener will notice he doesn't mention anything about the roughly $6 trillion that got pumped directly into the economy that fueled that "very strong demand."

He went on…

> *We see the current stance of policy as restrictive, putting downward pressure on economic activity, hiring, and inflation. But we* ***cannot identify with certainty the neutral rate of interest, and thus there is always uncertainty about the precise level of monetary policy restraint.***

The astute reader will notice that nowhere does it cross the chairman's mind that ***the market*** could actually be trusted to set the correct interest rate. Instead active Fed control has become the accepted norm of the financial system.

It would seem that the idea of an actual interest rate "market" is pretty much a thing of the past, like the idea that the earth was the center of the universe.

And that a financialized economy with cheap money that drives fake growth is all we have to look forward to.

He closed his comments with a truly telling line…

"As is often the case, we are navigating by the stars under cloudy skies."

On one hand, you have to appreciate the somewhat poetic honesty.

On the other hand, it just exposes the Irwin Corey economy we're all living in…

The Streetlight Portfolio Update

Breaking News Offers a Bright Spot in an Otherwise Blah Month!

August sucks!

It's nothing personal about August. It's just a lousy month for stocks. According to CNBC:

> *Over the past 10 years, the S&P 500 has averaged a gain of just 0.1% for August — making it the third-worst month for the index… Go back 20 years and the performance gets worse: The S&P 500 has averaged a monthly 0.1% loss in that time.*

The weakness is largely because it's the end of summer and a lot of market participants are on vacation. Things slow down during summer months and August — being the traditional end of the season — is reason enough to get on that last minute vacation.

The accompanying lack of action generally leads to profit taking and other selling. I wouldn't take August weakness as anything serious, unless some important technical levels are violated. (A word of warning, September tends to be even worse.)

So August sucks and this year was no different

The S&P 500 was down 1.5%. The Nasdaq Composite closed the month 1.7% lower. The Russell 2000 (an index of small-cap companies) fell 4.75%.

Our portfolio was no exception. From the settlement posted in your last issue it gave up 5.3%. It was dealt losses across the board ranging from a negligible 0.1% to a gut-punching 24%.

(The overall good news is that the portfolio is still doing well on the year with 13 of our 18 holdings still well into green numbers!)

A Glimmer of Green

It wasn't all bad. Enterprise Products Partners (EPD) managed a 0.5% gain.

But the real eye catcher was what you might call a "green" holding itself — AdvisorShares Pure US Cannabis ETF (MSOS) ***exploded 27.6%!*** And the news that drove the spike was noteworthy.

Let's go back to the beginning.

We added this ETF to the portfolio back in October 2021. And we did it knowing full well that the entire cannabis industry was facing some serious headwinds.

The first big hurdle came in the form of federal regulations. Cannabis is considered a Schedule 1 controlled substance, that is one the DEA believes to have "no currently accepted medical use and a high potential for abuse." Heroin, LSD , ecstasy and fentanyl are all Schedule 1 substances.

Cannabis is legal for either medical or recreational purposes in 46 states. But since it remains illegal as far as the federal government is concerned, it means that even if you are operating a 100% legal business in your state of residence, you're still going to be bound by federal regulations. For instance…

> *Internal Revenue Code Section 280E denies deductions and credits for amounts paid or incurred in carrying on the trade or business of trafficking controlled substances. Since cannabis is a federally controlled substance, state-legal cannabis businesses cannot deduct business expenses the way a traditional business can.*

Another regulation hits the industry on the banking side.

> *Federal banking laws prohibit criminal drug money laundering. This means that even in states where cannabis is legal, banks run the risk of violating these federal laws if they process credit card transactions or accept deposits from the businesses.*
>
> *That means no bank loans, no checking accounts, no credit card merchant accounts, no regular tax deductions even for the legal cannabis business. Colorado State Representative Dan Pabon noted:*
>
> ***"There are businesses creating millions of dollars in revenue and paying taxes with bags of cash."***

That's a helluva lot for an industry that produces the kind of revenue that the cannabis industry does to overcome.

Enlightenment Comes to Washington

But in 2022, it looked like the light just might have gone on in Washington.

In July the House of Representatives took action to pass and add a piece of legislation called the SAFE Banking Act of 2021 to the National Defense Authorization Act. In a nutshell…

> *The SAFE Banking Act aims to protect banking institutions—as well as their insurers—that choose to offer services to legitimate cannabis-related businesses operating in accordance with their respective state laws. The bill prevents federal banking regulators from imposing penalties on depository institutions that offer services to cannabis-related businesses.*

Despite the fact that the House had passed this legislation *seven times*, it still hasn't made it through the Senate. Then in October 2022, the POTUS himself spoke up on the issue…

In his thread he said he was going to ask Health and Human Services Secretary Xavier Becerra and Attorney General Merrick Garland "to initiate the process of reviewing how marijuana is scheduled under federal law."

We noted previously that "Initiating a process of reviewing…" is Washington-speak and one small step removed from "considering thinking about discussing…" And yet lo and behold…

Just this past week, said Department of Health and Human Services sent a recommendation to the US Drug Enforcement Administration to reschedule cannabis to a Schedule III drug.

That would actually be a game changer on a number of fronts.

Of course there's no assurance that the DEA will move forward. But the reaction of MSOS (which holds a number of cannabis industry stocks) tells you just how big a deal potential legislative reform could be.

So some good news in an otherwise less-than-memorable month.

And here's the rest of the portfolio for your review…

Symbol	Name	Comments	Entry Date	Entry Price	Current Price	Annual Dividend	Percent Gain
IONQ	IonQ Inc.	Buy shares of IonQ between $15 and $13. (Note: at the time of publication, IonQ was trading above our limit. We will officially add the position on a pullback.)					
FPI	Farmland Partners, Inc	Buy shares of Farmland Partners (FPI) up to $18 per share	9/2/2022	$14.22	$11.10	1.68%	-21.9%
VOO	The Vanguard S&P 500 ETF	Bear market portfolio: 20% position per the July 2022 Issue	7/5/2022	$351.06	$413.83	1.60%	17.9%
IJR	iShares Core S&P Small-Cap ETF	Bear market portfolio: 20% position per the July 2022 Issue	7/5/2022	$93.35	$100.78	1.89%	8.0%
VTV	The Vanguard Value ETF	Bear market portfolio: 20% position per the July 2022 Issue	7/5/2022	$131.74	$143.51	2.48%	8.9%
IJS	iShares S&P Small-Cap 600 Value ETF	Bear market portfolio: 20% position per the July 2022 Issue	7/5/2022	$89.52	$95.77	1.79%	7.0%
SCZ	iShares MSCI EAFE Small-Cap Index ETF	Bear market portfolio: 10% position per the July 2022 Issue	7/5/2022	$53.43	$59.18	4.72%	10.8%
VEA	The Vanguard FTSE Developed Markets ETF	Bear market portfolio: 10% position per the July 2022 Issue	7/5/2022	$40.01	$45.75	3.89%	14.3%
DOCN	DigitalOcean Holdings Inc.	Buy a half position up to $60, reserving capital to purchase the remainder of your position on a dip.	6/2/2022	$49.31	$27.05	N/A	-45.1%
ONDS	Ondas Holdings Inc.	Buy a full position up to $8.75	6/2/2022	$7.55	$1.00	N/A	-86.8%
WONDF	Wonderfi Technologies Inc.	Buy a half position up to $0.60, reserving capital to add to the position on a pullback.	6/2/2022	$0.45	$0.12	N/A	-73.3%
VMAR	Vision Marine Technologies Inc.	Buy shares of VMAR up to $5.45 as a speculative investment in the growth of electric powertrains in the boating industry. UPDATE August 2022: Buy up to price was raised to $6.50.	5/2/2022	$4.27	$3.72	N/A	-12.9%
U	Unity Software	Buy a 25% starter position between $95 and $99. Then scale into the remainder of the position adding another 25% every 15% to 20% down. †	2/3/2022	$77.27	$37.07	N/A	-52.0%
EPD	Enterprise Products Partners, L.P.	Buy shares of EPD up to $23.00 as an income-generating investment.	12/1/2021	$21.20	$26.61	$1.86	25.5%
ARKX	ARK Space Exploration & Innovation ETF	Buy shares of ARKX up to $22.00	11/1/2021	$20.48	$14.60	N/A	-28.7%
MSOS	AdvisorShares Pure US Cannabis ETF	Buy shares of MSOS at market up to $33. Be prepared to add to your position on a dip to $27 ††	10/5/2021	$28.95	$6.75	N/A	-76.7%
GENI	Genius Sports Group	Buy shares of GENI up to $22.50	10/5/2021	$16.99	$6.64	N/A	-60.9%
JD	JD.Com	Buy shares of JD.com (JD) up to $80 per share	8/30/2021	$76.69	$33.21	N/A	-56.7%
CZR	Cesars Entertainment	Buy shares of CZR up to $101.75	8/6/2021	$90.50	$55.26	N/A	-38.9%
	Current Prices as of 8/31/2023	**Price Notes:**					
		Entry prices are closing prices the day the issue is published.					
		† Per our entry instructions a 25% position was initially purchased at $96.99 on 2/3, then another on 3/7 at $82.45, another on 4/27 at $71.10, and a final on 5/6 at $59.55 giving us an average entry price of $77.27.					
		†† Adding an equal weight positon at $27 on 10/27 gives us an average engtry price of $28.95					