



# An Interview with Mr. Market

A Candid Conversation About Fear,  
Fundamentals, and the Cost of Panic

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Satirical Market Commentary  
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## About This Interview

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In 1949, Benjamin Graham introduced the world to “Mr. Market” in his landmark book, *The Intelligent Investor*. Mr. Market is a fictional character who shows up every day offering to buy or sell shares at a different price, his mood swinging wildly between euphoria and despair. Graham’s insight was simple: Mr. Market is there to serve you, not to guide you. His prices reflect his emotions, not the value of what he’s selling.

In that spirit, we sat down with Mr. Market for a candid conversation about what’s on his mind, what’s driving his mood, and why he sees the world the way he does. As always, Mr. Market was generous with his time and his feelings.

The views expressed by Mr. Market are his own and should not be taken as investment advice. Honestly, that’s sort of the whole point.

### IMPORTANT NOTICE

This piece is **satirical market commentary** for educational and entertainment purposes. Mr. Market is a fictional character. Nothing in this interview constitutes investment advice or a recommendation to buy or sell any security.

What follows is Session One of an ongoing series. We expect to check in with Mr. Market regularly, especially when he’s feeling emotional. Which, if history is any guide, will be often.

# The Fear

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**MATT**

Mr. Market, thank you for taking the time to sit down with me today. I always look forward to these catch-up conversations with you, especially during volatile times like these. Given all that's happening right now, how are you doing?

**MR. MARKET**

*I'm very scared, Matt. There's a lot that scares me. I stare at screens, I scroll, and I just see danger everywhere.*

**MATT**

What are you seeing that's weighing most on you?

**MR. MARKET**

*Conflict in the Middle East and the closure of the Strait of Hormuz, first and foremost. I mean, other stuff worries me too. Sticky inflation, tariffs, AI, the Fed, there's a lot. But the Strait of Hormuz has me really freaking out today. Around 25% of global seaborne oil flows through there. And I think about that stopping, and the supply shocks and the additional inflationary pressure that follows if this keeps going, and then I start spiraling. What if the Fed gets trapped? What if they can't cut? What if they have to hike? What if this all ends in stagflation? Then everything goes wrong and it's the next Great Depression? You know?*

**MATT**

It's definitely a lot to process, and we're tracking all of it closely. But what are your thoughts on risk assets right now? Are there levels where valuations get compelling enough to ease your worry?

**MR. MARKET**

*Ease my worry? How can that happen? All I can focus on is what scares me when it comes to most risk assets here and now. I can't think of a good scenario when there's so much scary stuff swirling around my head.*

# The Fear

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**MATT**

Fair. Though it's an interesting backdrop, right? Because we've got a full plate of geopolitical risk and other factors to watch, and yet it's fascinating to watch the *decoupling* that's occurring as prices broadly come down because of those worries while the underlying fundamentals look great.

**MR. MARKET**

*What looks great? Everything looks pretty scary to me. I'm worried, and I'd rather skate to where the puck is going, not where it is or was.*

**MATT**

That's a great quote. Though I'd point out that most of the time when you've tried to skate to where the puck is going, you've ended up on the wrong end of the rink. But look, it's not like everything positive is in the rearview mirror, right? S&P 500 companies just delivered year-over-year earnings growth of nearly 14%, led by broad-based demand. And from that we're seeing pretty remarkable revision "up-drift" to forward earnings from analysts. Beyond the positive and stronger-than-expected company guidance we've gotten, we're seeing analysts revise their earnings growth expectations higher because of what they're finding as they go company by company. That's what's happening as we go through companies in Erenda portfolios, we see growth accelerating for our holdings. How do you square that with the fear you're feeling?

**MR. MARKET**

*I'm not really able to focus on that very much right now. It feels like I've got blinders on, you know? I see the downside everywhere I look and I see risk. Maybe I can think about fundamentals if all these alarm bells stop ringing for me. I just wish there weren't so many reasons holding me back from wanting to buy risk assets here.*

**MATT**

As a reader of history, and especially the history of markets, I can tell you there has never been a moment when there were not compelling reasons to sell. There has never been a window where the skies were clear, the risks were zero, and investors could see the future with confidence. Uncertainty will always be present. So maybe there's something to be said about learning to discern between the signal and the noise, between fundamentals and price on one hand, and fear-based narrative on the other.

# The Contradictions

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**MATT**

Let's talk about something I've noticed in your thinking lately, because I think it's worth examining. You've been very bearish on traditional seat-based software companies. Walk me through that.

**MR. MARKET**

*AI is going to destroy them. It's obvious. Why would a company pay \$50 per seat per month for a software tool when an AI agent can do the same thing for a fraction of the cost? The entire SaaS model is under existential threat once everyone is using AI and vibe coding their own products. I'm pricing that in.*

**MATT**

Okay, I hear you. Now, you've also been expressing serious concern about the AI infrastructure capex cycle. You've suggested it might be a massive misallocation of capital, that the hyperscalers are spending too much, and that the returns on all that investment may never materialize. You also seem to be saying via price action that the semiconductor and memory companies are likely at peak revenue and earnings.

**MR. MARKET**

*Yeah. I mean, have you seen the numbers? Hundreds of billions of dollars pouring into data centers, GPUs, power infrastructure. It's giving me 1999 vibes. What if they're building capacity nobody needs? What if the demand doesn't show up? What if this is the cycle top?*

**MATT**

So let me make sure I'm following you. On one hand, you believe AI is so powerful and so inevitable that it will destroy an entire category of enterprise software companies worth trillions of dollars. On the other hand, you believe the companies building the infrastructure to power that AI are wasting their money because AI might not deliver on its promise. It's like you're telling me that you think railroad companies are dead because everyone will be flying, but you're also saying there won't be demand for airplanes or airplane engines to meet that demand that you believe will have shifted away from rail travel.

**MR. MARKET**

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# The Contradictions

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**MATT**

Because those two things can't really both be precisely true at the same time. Either AI is transformative enough to reshape how businesses operate, in which case the capex is justified and probably still early, or it's not, in which case the seat-based software companies are probably going to be just fine. You're simultaneously pricing in AI's total victory and its total failure, depending on which sector you're looking at.

**MR. MARKET**

*I guess I hadn't really thought about it that way. I've just been reacting to each thing as it comes.*

**MATT**

And that's the challenge, right? When you react to each narrative in isolation, you end up with a portfolio of contradictions. The market is telling two stories at once, and they can't both be right. Our job, the part that requires actual analysis rather than reaction, is figuring out which pieces of the narrative are supported by the evidence and which ones are just fear looking for a place to land.

**MR. MARKET**

*So which is it?*

**MATT**

I think the evidence, the actual capital deployment data, the customer adoption curves, the revenue trajectory of companies building on AI infrastructure, suggests this cycle is real and we're still in the early innings. Which perhaps also means the companies being written off as AI casualties deserve a closer look at what they're actually doing to adapt, and the companies building the picks and shovels deserve more credit than you're giving them right now. But that's a research question, not a sentiment question.

# The Fed Obsession

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**MATT**

I want to shift to something that comes up every single time we talk. The Fed. We follow what the Fed is doing, but you take it to an extreme. You seem to spend an enormous amount of energy thinking about what the Fed is going to do.

**MR. MARKET**

*Of course I do. The Fed controls interest rates. Interest rates affect everything. Every asset in the world is priced off the risk-free rate. When the Fed speaks, I listen.*

**MATT**

Yeah, but you don't just listen. You hang on every syllable. You parse the difference between "patient" and "cautious." You move trillions of dollars based on whether Jerome Powell pauses for a beat too long after a question. I've watched you swing 2% in an afternoon based on a single word in a press conference.

**MR. MARKET**

*Because it matters!*

**MATT**

Does it to the degree you think it does, though? Let me ask you this: if the Fed cuts rates 25 basis points next quarter instead of waiting until the quarter after that, how much would that change the intrinsic value of a business you plan to own for the next ten years?

**MR. MARKET**

*Well... I mean, it's about the signal. It tells me where policy is headed.*

# The Fed Obsession

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**MATT**

The signal. Okay. So you're not actually reacting to the economic impact of 25 basis points, which on a discounted cash flow basis barely moves the needle on a long-term valuation. You're reacting to what you think the signal means about the future. And then other people are reacting to your reaction. And then you're reacting to their reaction to your reaction.

**MR. MARKET**

*When you put it that way, it sounds a little...*

**MATT**

Recursive? The point isn't that the Fed doesn't matter. Monetary policy matters. But the difference between a cut in, say, June and a cut in September, or between two cuts this year and three, has an almost negligible impact on the long-term value of a well-run business with durable competitive advantages and growing cash flows. You're trading the most important assets you have, your long-term compounding engines, based on 25 basis point increments that won't matter at all in five years. Meanwhile, there are businesses trading at genuinely attractive valuations right now, and you're not even looking at them because you're too busy watching the Fed.

**MR. MARKET**

*I mean, I'll look at them once the Fed gives me the all-clear.*

**MATT**

Mr. Market, when has the Fed ever given you the all-clear? And every time you've waited for it, you've bought at higher prices than where we're sitting right now.

# The Memory Problem

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**MATT**

Before we wrap up, I want to try something. I've been keeping notes from our conversations over the years, and I want to read a few back to you.

**MR. MARKET**

*That feels a tiny bit unfair.*

**MATT**

Just bear with me. In late 2018 you were despondent about the trade war and rushing to sell companies like Apple. Apple now trades 650% higher. In early 2020, you told me the global economy was finished. A pandemic was going to permanently destroy consumer demand, and we'd never recover. The S&P 500 went on to nearly double over the next two years.

**MR. MARKET**

*That was all different. It felt very different and scary in the moment.*

**MATT**

In 2022, you told me inflation was permanently embedded, the Fed was going to hike us into a severe recession. Inflation came down, the economy avoided recession, and markets rallied over 50% from the lows.

**MR. MARKET**

*The rate hikes were historic. Nobody knew what was going to happen.*

# The Memory Problem

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**MATT**

In 2023, you were certain the banking crisis was the beginning of a systemic financial meltdown. Three banks failed and you extrapolated it to the entire financial system. The crisis was contained within weeks. In late 2024, you panicked about the election destroying markets regardless of who won. Markets rallied. Earlier in 2025, you told me tariffs would trigger a global trade war that would crater corporate earnings. Earnings grew 14%.

**MR. MARKET**

*Okay, I see what you're doing. But that's not fair. I didn't know how each of those would turn out or resolve.*

**MATT**

I'm not trying to embarrass you. I'm trying to show you a pattern. Every single one of those moments felt like the end of the world while you were living through it. The fear was real. The reasons were legitimate. The arguments were real and valid. And every single time, the fundamental resilience of the economy and the businesses within it exceeded your worst expectations. Not because the risks weren't real, but because you consistently overestimated the probability of catastrophe and underestimated the capacity for adaptation.

**MR. MARKET**

*So you're saying I should just ignore risk? That sounds like a recipe for disaster.*

# The Memory Problem

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**MATT**

Not at all. Risk is real and it deserves respect. What I'm saying is that your track record of predicting which risks will actually become catastrophes is, frankly, not the best. And the cost of acting on every worst-case scenario, selling at the bottom, waiting for clarity that never comes, missing the recoveries, has been enormous. The investors who have done best over the last 20, 50, 100 years aren't the ones who avoided every downturn. They're the ones who stayed invested through them, owned quality businesses, and let compounding do its work while you were busy panicking.

**MR. MARKET**

*That's easy to say when you're not the one feeling it. I really feel the panic, I feel the fear.*

**MATT**

You're right. It's not easy. It's never easy. That's exactly why it works. If it were easy, everyone would do it and there'd be no premium paid for patience. The discomfort we feel right now, that pit in your stomach when you look at headlines, that's the price of admission for long-term compounding. The investors who earn those returns are the ones willing to pay that price. The ones who aren't, well, they sell to the ones who are. Usually at the worst possible time.

**MR. MARKET**

*You're not going to let me off the hook, are you?*

**MATT**

I'm not. Because I think too highly of you to just tell you what you want to hear.

# Tired of Listening to Mr. Market?

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If you'd rather have a conversation with someone who will tell you the truth instead of what you want to hear, we're here.

We offer a complimentary portfolio review: a confidential, no-obligation discussion about your current positioning, your risk exposure, and how to build a process that works when Mr. Market is at his worst.

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