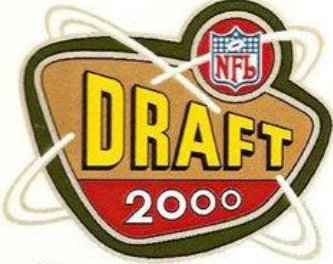

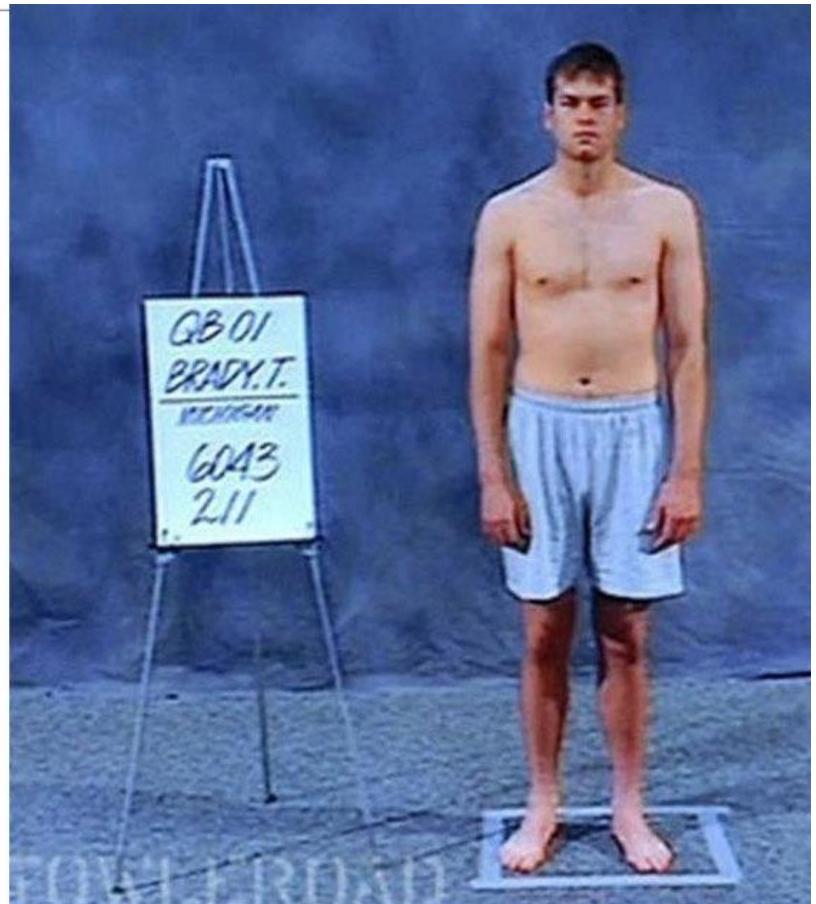


After a solid month of leading with Ukraine and the top-down economy, we are taking a break. But not before we get off two final blasts. First, Russia so badly misjudged this one it now rivals Tom Brady going as the 199<sup>th</sup> pick in the 2000 NFL draft. Did the GOAT really get picked up in the sixth round? Did Brady's favorite team growing up, the Forty-Niners, really take nine afterthoughts before New England changed their destiny forever? Were he and Matt Damon really separated at birth?



# 6 NEW ENGLAND  
 FROM: COMPENSATORY SELECTION  
Brady, Tom  
 (Last) (First)  
 DN: QB  
 L: Michigan  
 .L# #199

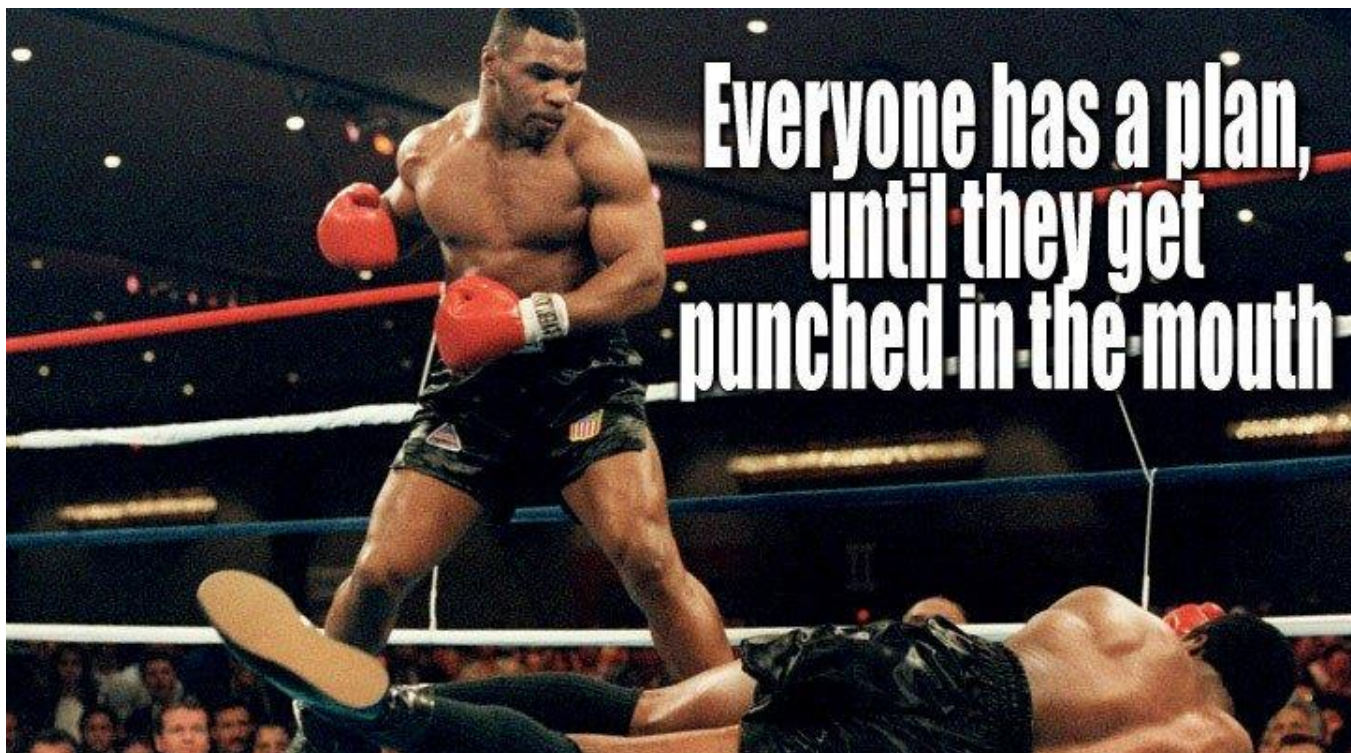



All this really happened, as did this outpouring of Ukrainian support around the globe. This protest of Russian aggression happening, ironically, right in front of the Brandenburg Gate in Berlin. While history doesn't always perfectly repeat itself, it for sure can rhyme with the past. Mr. Putin, tear down the tyrannical wall in your head.



In case you missed it, [Arnold Schwarzenegger](#) posted a [poignant message](#) to the Russian people about the folly that Putin has engaged the country in. While I'm a manly man, who never cries, this one brought me a little optical leakage. Hey Vlad, apparently you didn't listen to the sage advice [My Main Man](#) Mike Tyson once said...

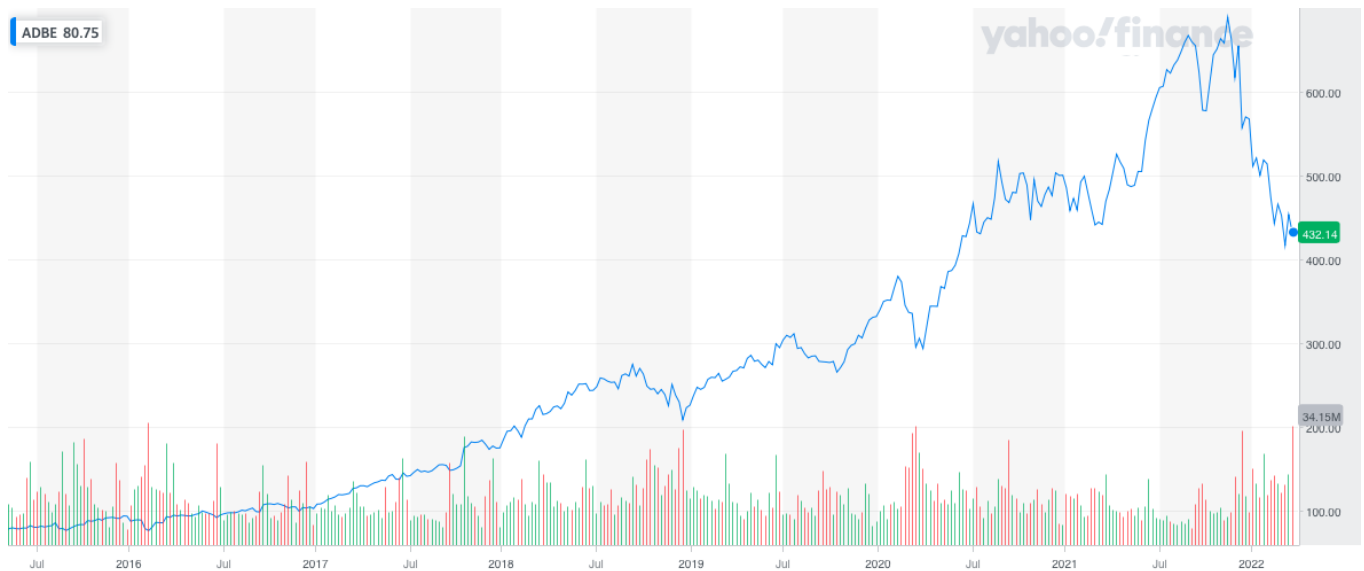




We also promised earlier to keep the top-down economic commentary on the back page. Well, here is the back page. Fed President Jarome Powell finally caved and caved in a [rather abrupt way](#). As recently as last week, Powell spoke of deliberate 25 basis point rate hikes. Well, that changed this week as he just [dropped a 50-caliber slug](#) into the big quantitative tightening cannon.



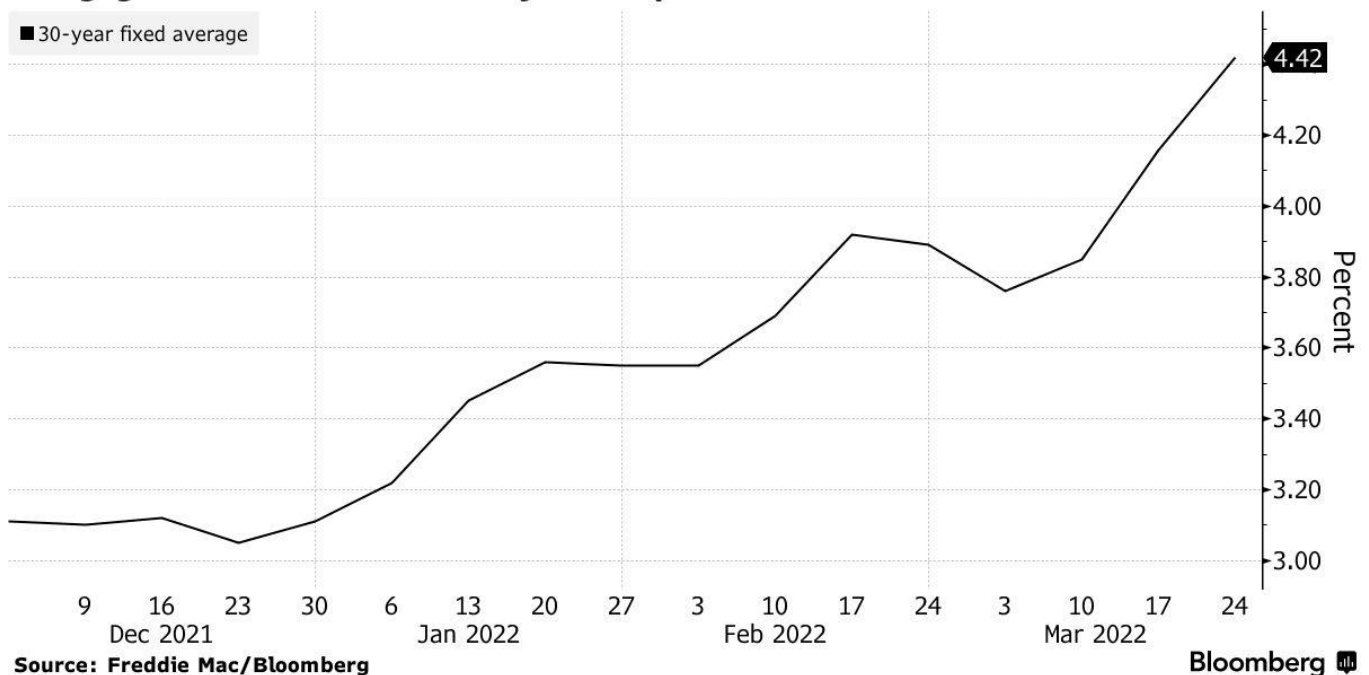
Count Adobe as a casualty of the conflict in Ukraine. On Wednesday the [company guided down](#) estimates for year by \$100 million as sales have been shut down in Russia. The stock was down 10% on the news and is now down close to 40% from last fall of last year. Keep in mind, the company had projected a top line run rate of \$4.4 billion for fiscal year 2022. The stock has now roundtripped all of its gains over the past 12 months.



Looks like the bond market is already [doing the work for him](#) in terms of higher mortgage rates. That's good news for Fed Governor Chris Waller who [can't find a home to buy](#) in the white-hot Washington D.C. market of homes.

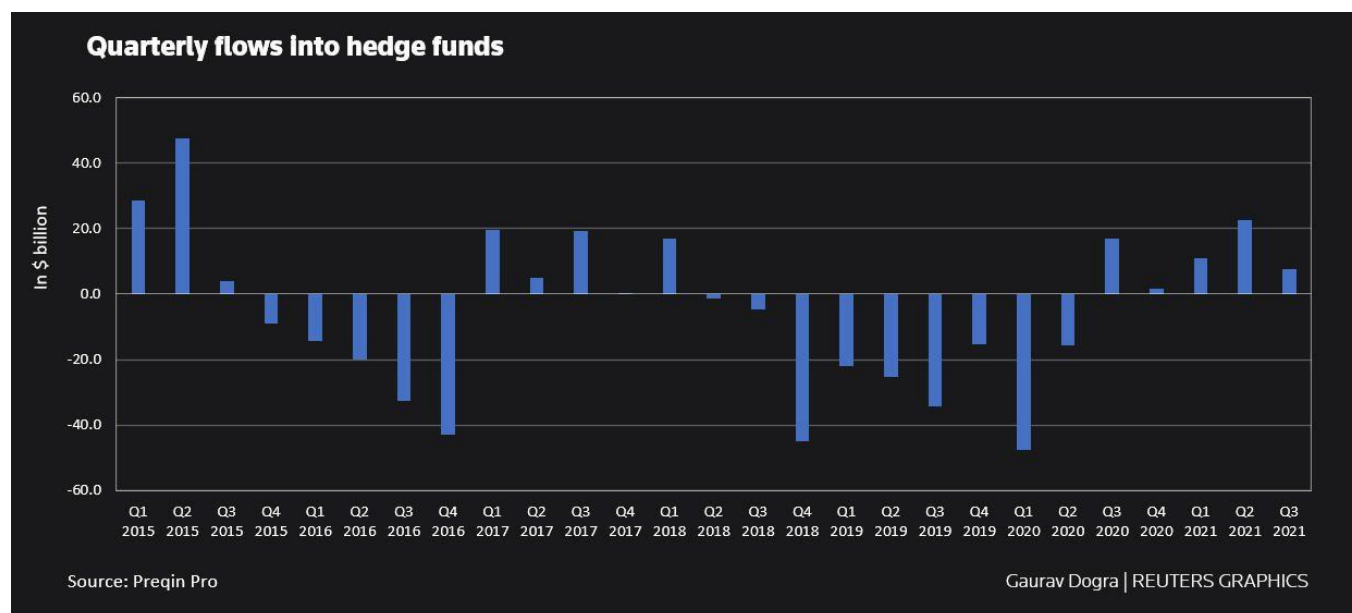
## Steep Climb

Mortgage rates have risen swiftly in the past few months



From inside the walls of Wall Street there were two interesting developments in the fund management business. First off, Fidelity is doubling, maybe tripling down on [liquid alternatives](#). These are publicly traded ETFs and mutual funds that, in

theory, offer private hedge fund like returns but with liquidity and flat fee pricing. After years of struggle, they are finding their footing again, and big money wants back in. With outflows being the norm on the private side of the, we aren't so sure this is a great business to be in and it would seem like there are easier ways to get to heaven.



In an effort to reward CEO's who exhibit 'high character', fund firm ROCI Capital has introduced the [Return on Character ETF](#). And we have to say, in 25 years of doing this, quality people run quality companies. They do so with a level of transparency and ethics that leads to good returns. That said, the screen for this is both really easy..





But also really tough as Jack Welch was fawned upon when he financially engineered General Electric into a lean conglomerate.

# Jack Welch

**Born:** November 19, 1935

**Died:** March 1, 2020

## Chair and CEO of General Electric (1981-2001)

- Restructured GE with massive cost-cutting and layoffs, earning him the nickname "Neutron Jack"
- Active as a writer and public speaker in retirement



 Investopedia

But 'Neutron Jack' had no chance against Silicon Valley legend Steve Jobs, Homestead High School class of 1972. And neither did Jeff 'I've never met a GE private jet I didn't like' Immelt. And the returns followed...





Darden Restaurants (DRI) parent company of Olive Garden reported earnings this week and lowered future expectations on inflation concerns and whatever else they could come up with. How about this, 'We missed the quarter because our food, across multiple platforms, sucks. Literally sucks!'.



*Foundation*



We learned a little bit more about this on our road trip from California to Minnesota to Montana. The Chili's in Grand Junction Colorado was proof positive that Brinker International has seen better days. An infant child could have done a better job on the chicken fajitas. If it looks like cold cuts, it tasted like cold cuts.

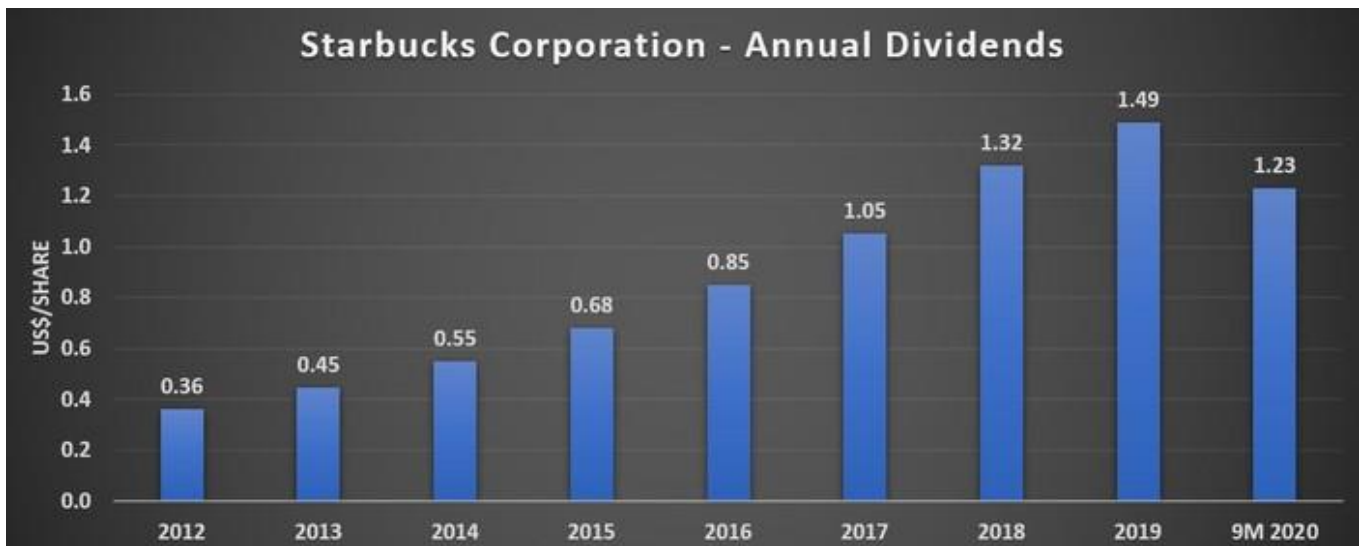


This was only a precursory experience to the Texas Roadhouse in Bismarck, North Dakota. Single best thing we experienced, the warm dinner rolls. Worst thing? Every other item that found itself on my plate....





While nobody should expect Bocuse, what I paid for was the stuff of prison riots. I understand that these are not easy times for restaurants, but unless it was a bankruptcy workout, I would never invest in anything other than something along the lines of Starbucks or McDonalds for the dividend, as brutal as that sounds.





Finishing up this week, the NCAA basketball tournament getting hot at the right time. Defending champ Baylor is out. Number one seeds Gonzaga and Arizona are out. Duke is for once being cheered for by those that didn't go there. And in a blue blood matchup, the Bruins and Tar Heels compete tonight with one moving onto the Great Eight and one victory away from the Final Four. Between the two of them they hold 17 National Championships. Carolina with 6, Ucla with 11. No flopping tonight, Tyger. Coach Wooden wouldn't approve.

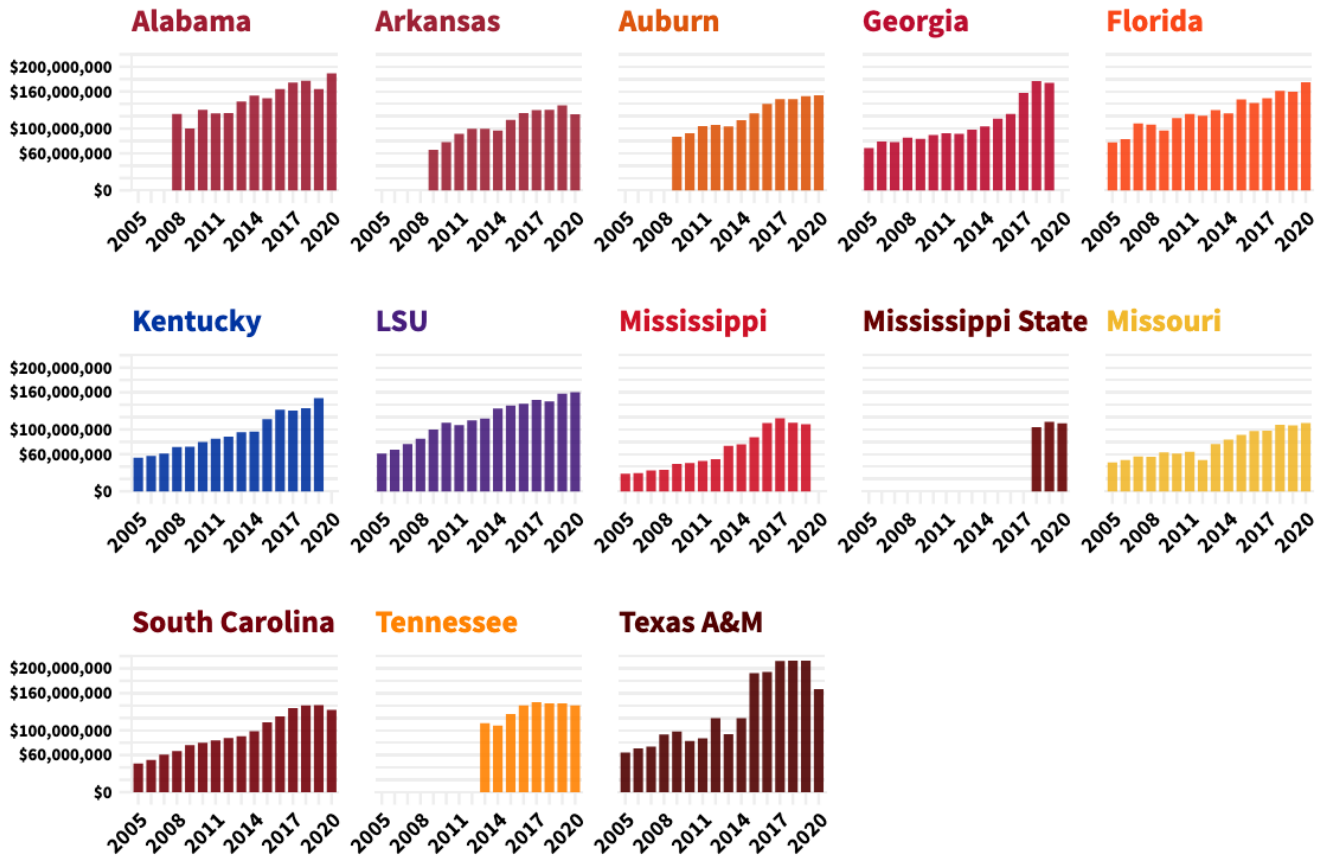


In the annual [Bracket for a Cause](#), Wall Street's elite are going head to head in an effort to take home bragging rights. The buy in is \$10,000 with the proceeds going to charity of choice among the top three point getters. In [the lead right now](#) is Blackstone's [Johnathan Grey](#). His other accomplishments include being the president of the tiny little private equity shop he works at, making \$100 million last year, crossing the billion dollar in net worth mark, all at the age of 50. Come on Jonathan, quit hogging all the fun and give the rest of us a chance.



All of this is a lead into a special Mid Current piece we will be publishing next week, just in time for the Final Four. The focus will be the business of college athletics, and the crazy money that is involved. Is \$100 million a lot for a college football coach to get paid, USC is about to find out. In the meantime, the rich just keep getting richer. SEC, SEC, SEC, SEC.....

# Annual Total Operating Revenue Among Public Schools in the SEC



Source: Data from annual NCAA Financial Reporting System reports

We leave you with this, the almond blossoms of California's central valley. With everything east of the Sierra-Nevada mountains in the brown season, this is a gentle reminder that spring is on its way. We remember those sights fondly, driving back down south on I-5 after an epic few days skiing in Squaw Valley for the annual family gathering, Bobfest. Gone, but never forgotten.



