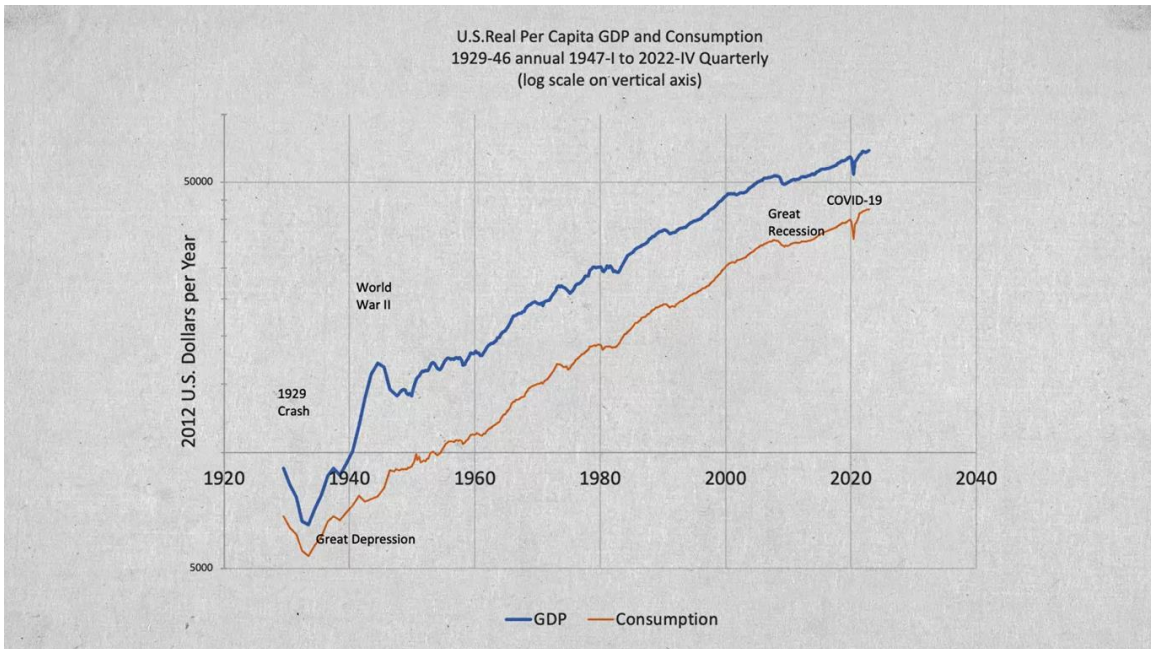




Fluctuations In Indicators

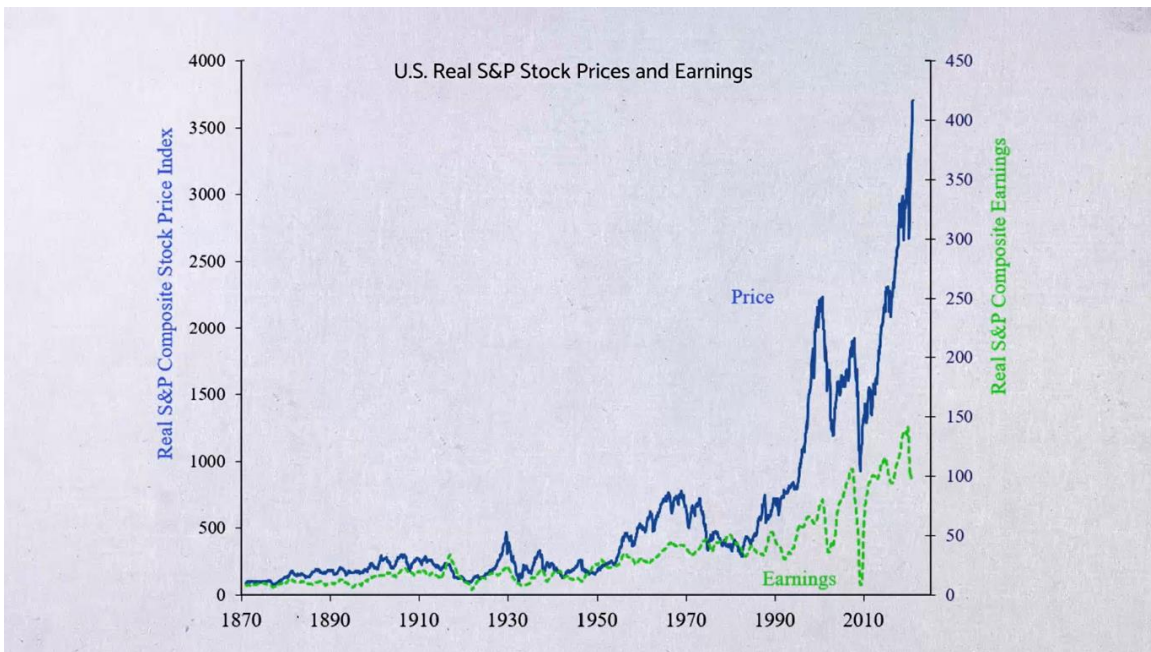
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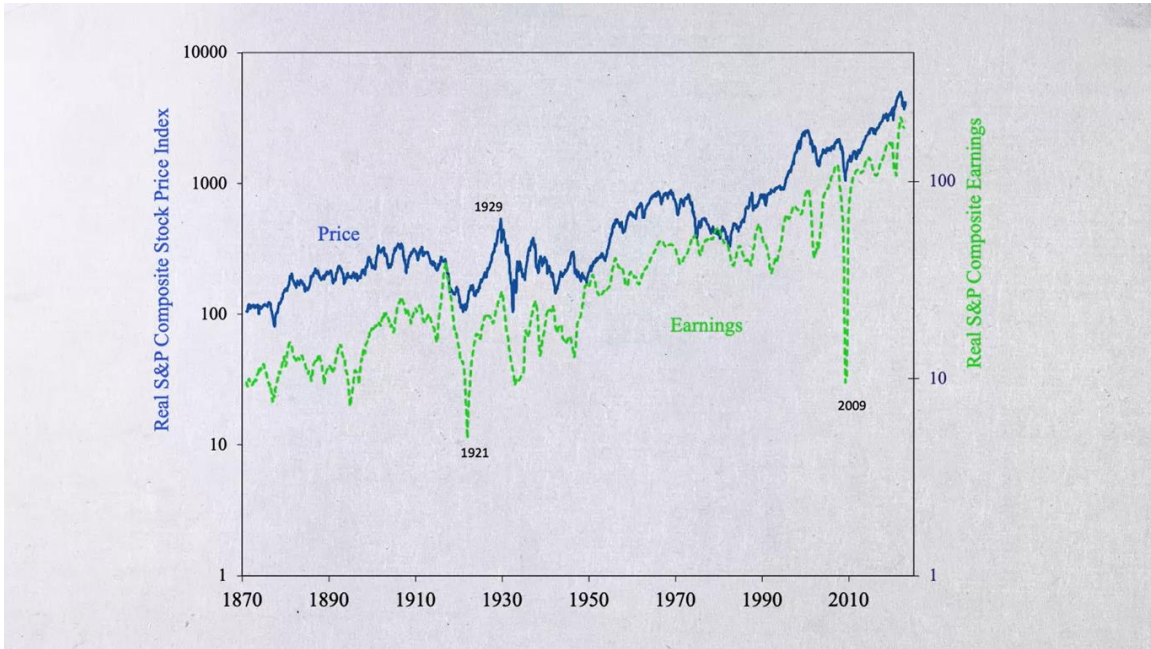
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GDP AND CONSUMPTION OVER TIME

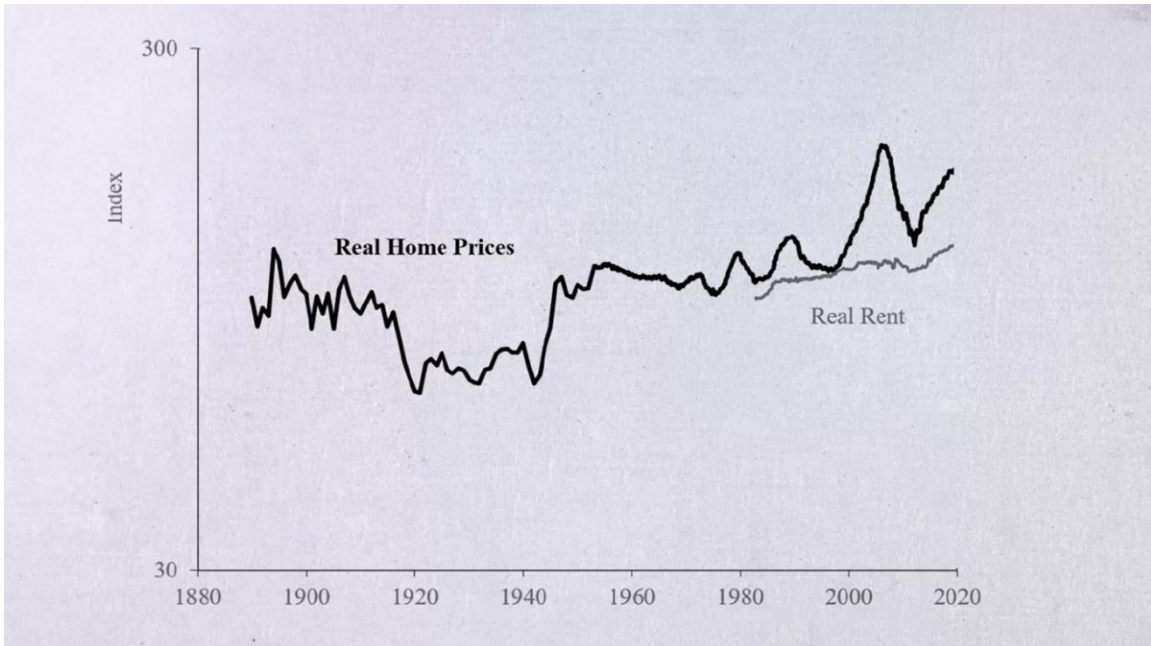
This graph illustrates the historical trend of Gross Domestic Product (GDP) and consumption in the United States from 1929 to the present. It demonstrates the overall economic output of the nation (GDP) and the amount spent by individuals on current needs and pleasure (consumption). The graph shows that both GDP and consumption have generally shown an upward trend with occasional fluctuations, indicating economic growth and changes in consumer spending patterns over time.





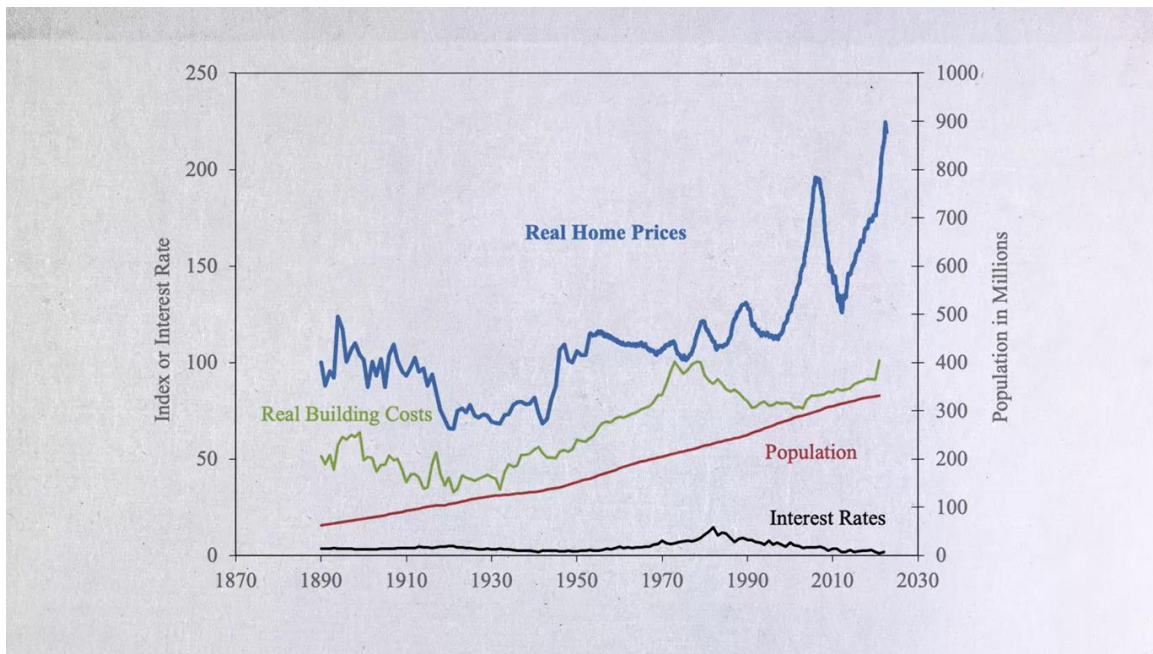
STOCK MARKET VALUATION AND EARNINGS PER SHARE

This graph depicts the valuation of the stock market using the S&P 500 index in real terms, along with earnings per share for the same index. It reveals the fluctuating nature of the stock market, with significant movements occurring periodically. Additionally, it demonstrates the earnings generated by companies listed in the stock market, highlighting their variability from year to year. The graph suggests that factors such as investor sentiment ("animal spirits") and narrative epidemics play a substantial role in driving stock market fluctuations, rather than solely being driven by company earnings.



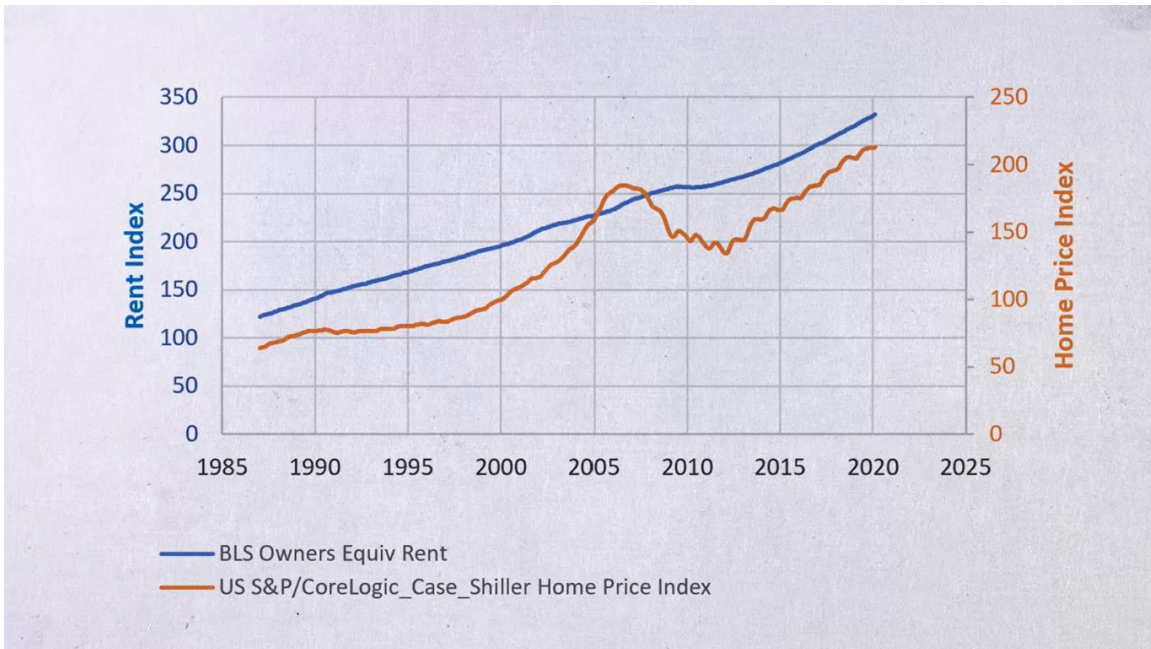
HOME PRICES AND REAL RENT

This chart displays the home price index for the United States over time. It reveals the significant fluctuations in home prices, indicating that they are not stable but rather subject to ups and downs. The graph also includes the real rent series, providing evidence that fluctuations in home prices are not primarily influenced by changes in the demand for housing, as real rent remains relatively stable. Instead, the fluctuations in home prices are attributed to narrative changes and the stories people tell about the housing market, leading to shifts in consumer behavior and buying patterns.



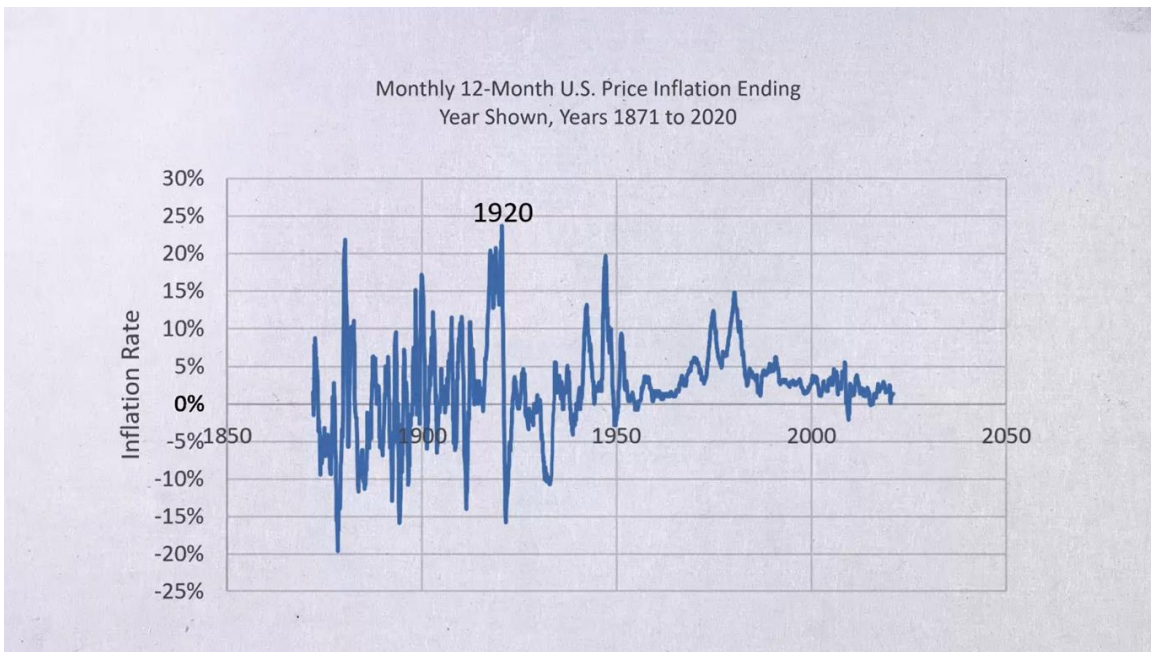
HISTORICAL TREND OF HOME PRICES

This graph illustrates the trend of home prices in the United States from 1900 to the 21st century. It shows a period of falling prices until the 1920s, followed by a return to the 1900 level with subsequent fluctuations. The graph highlights a significant boom in home prices that peaked in 2006. The fluctuations in home prices are attributed to narrative changes rather than changes in economic fundamentals, such as building costs, population, or interest rates.



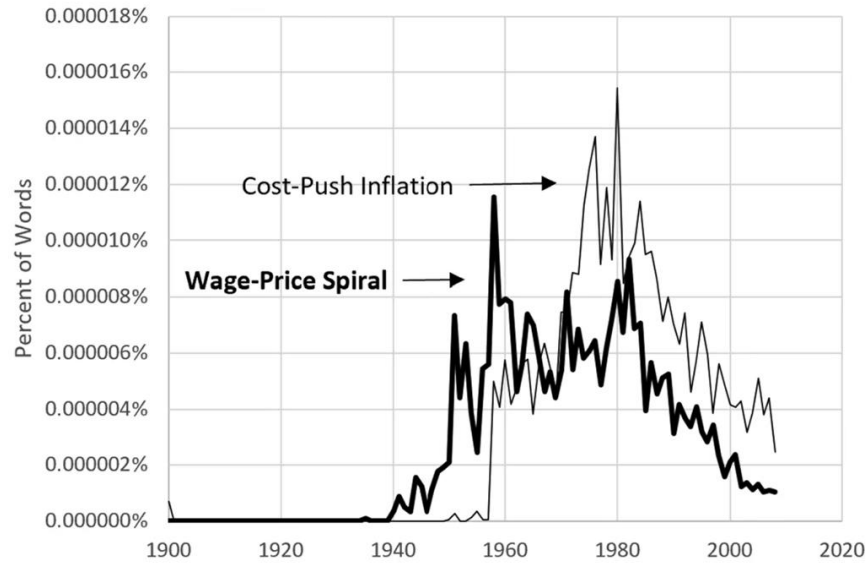
NOMINAL HOME PRICES AND RENTS

This graph compares nominal home prices and nominal rents over time. It demonstrates the increase in both home prices and rents, which are mostly influenced by the rate of inflation. The graph emphasizes that people often do not consider the inflation-adjusted real terms and tend to perceive an upward trend in home prices. This perception, fueled by narratives, influences behavior, such as the eagerness to buy homes based on the belief that prices will continue to rise.



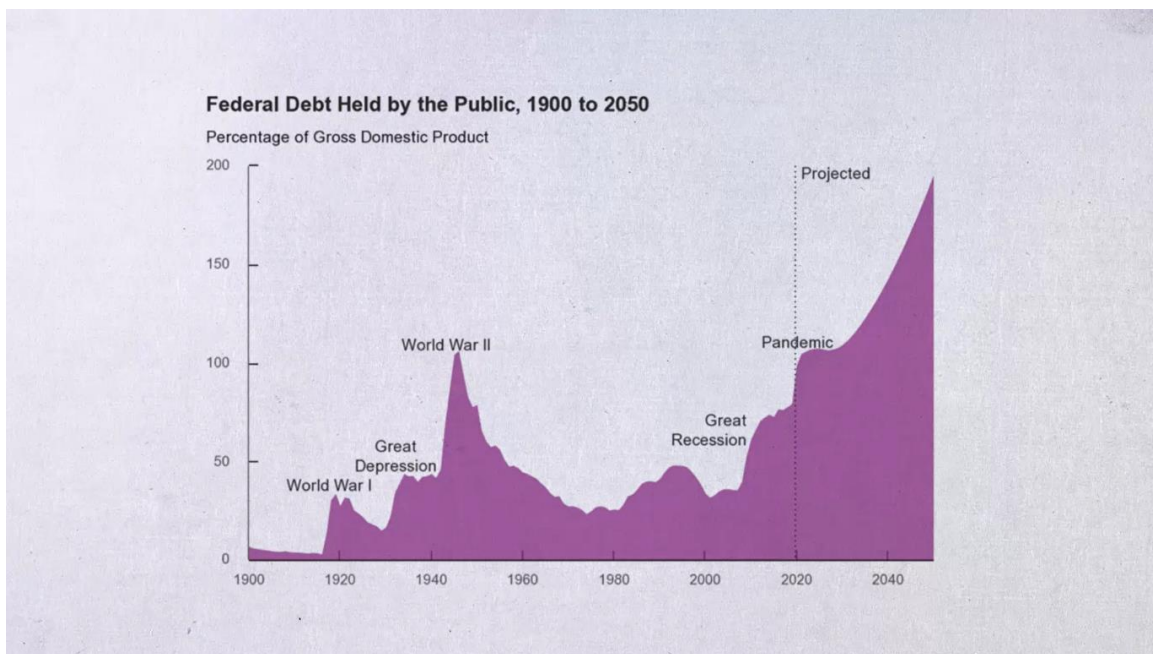
INFLATION RATE (1871-1920):

The 1920 had the highest inflation rate in US history.



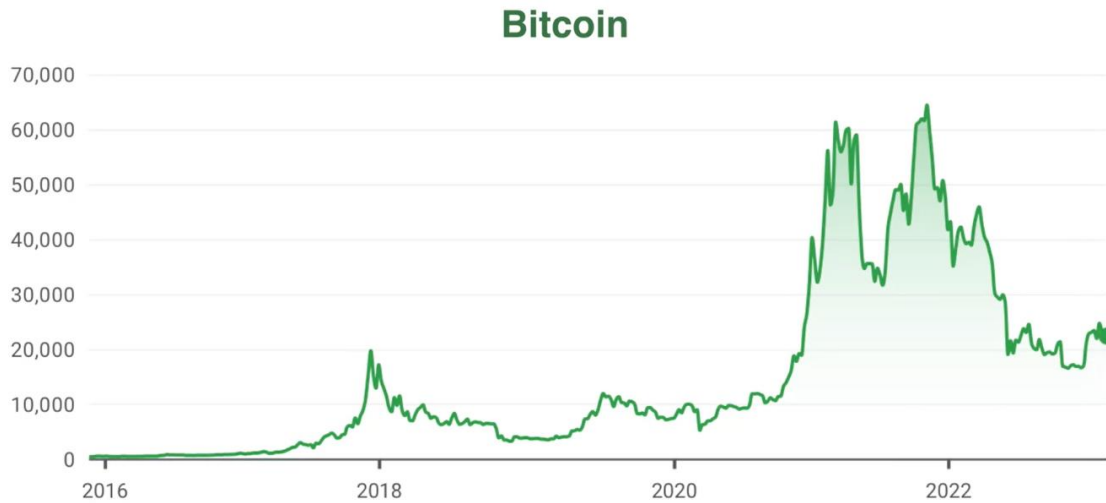
REAL WAGES DURING THE GREAT DEPRESSION:

The real wages for those who remained employed during the Great Depression were relatively high.



NATIONAL DEBT IN THE UNITED STATES

This chart, provided by the US Congressional Budget Office, displays the increase in the national debt of the United States. It points out that the current levels of debt have reached levels comparable to those seen during World War II, even though the country is currently in a period of peacetime. The chart suggests a potential correlation between rising national debt and the government's incentive to inflate the value of its debts.



BITCOIN PRICE AND MARKET SENTIMENT

This graph represents the price trend of Bitcoin over time. It showcases the fluctuating value of Bitcoin in the market, indicating periods of growth and potentially speculative bubbles. The graph reflects the excitement surrounding Bitcoin and its success, driven not only by the technical aspects outlined in Nakamoto's treatise but also by the compelling narratives associated with it. These narratives include a sense of resentment towards government regulations and a belief in the new Internet generation's ability to redefine the role of government. The rising price of Bitcoin further reinforces a shared identity among young people worldwide, fostering a sense of global citizenship.

This graph illustrates the sentiment of resentment towards government regulations and rules. It signifies a narrative shift among individuals, particularly the younger generation, who perceive government interference as a hindrance. The graph suggests that narratives associated with Bitcoin, such as the belief in a smarter Internet generation and a desire for reduced government intervention, contribute to its appeal and success. These narratives align with the idea of defining a global identity and challenging traditional geographic boundaries, fostering a sense of empowerment among Bitcoin enthusiasts.