



WHO IS THE BEST ECONOMIST TO FOLLOW?!

Kostas Grigorakis, CFA®, Managing Director – Investments, Senior PIM Portfolio Manager

January 4, 2024

In September of 2021, with the Consumer Price Index (CPI) already climbing above 5%, 17 Nobel Prize laureates signed a public declaration downplaying inflation. Within just a few months they were proven very wrong as the CPI continued to rise, topping 9% by mid-2022—a four-decade high!

Ouch! Those 17 luminaries comprised nearly half of all living Nobel laureates in Economics. And there is a rich history of such blunders. Nobelist Paul Samuelson, for three decades, expected the Soviet economy to flourish (it never did and eventually collapsed in the late 1980s). Nobel economists Myron Scholes and Robert C. Merton were on the board of Long Term Capital Management, the giant hedge fund whose collapse in 1998 reverberated around the world. And the list goes on.

Economist Ken Galbraith humorously remarked that “the only function of economic forecasting is to make astrology look respectable.” And Warren Buffet famously pronounced that “every company that has an economist working for [them] has one employee too many.”

Is there any economist worth listening to? Yes, we believe there is—one economist stands out as the only one worth following!

Since 2022, our [website](#) has documented the market’s counter-campaign against the Fed’s economic policy, erroneously based on the notion that our inflation resembles the painful demand-driven episode of the 1970s/1980s (it doesn’t—ours is supply-driven) and that it could be cured by higher interest rates (a misapplied tool with high side effects). Our strategies, utilizing proprietary tools, consistently challenged the prevailing expectation among economists that a recession would hit in 2022 or 2023 (it never materialized).

After 20+ years of tracking the market’s unparalleled economic insight, we have become believers. For us, the world’s only economist worth following is the Market!

Investment and Insurance Products: Not FDIC Insured / No Bank Guarantee / May Lose Value

Wells Fargo Advisors is a trade name used by Wells Fargo Clearing Services, LLC, Member SIPC, a registered broker-dealer and non-bank affiliate of Wells Fargo & Company.

Wells Fargo Advisors did not assist in the preparation of this report, and its accuracy and completeness are not guaranteed. The opinions expressed in this report are those of the author(s) and are not necessarily those of Wells Fargo Advisors or its affiliates. Past performance is no guarantee of future results. Additional information is available upon request.

PM-07102025-6211644.1.1