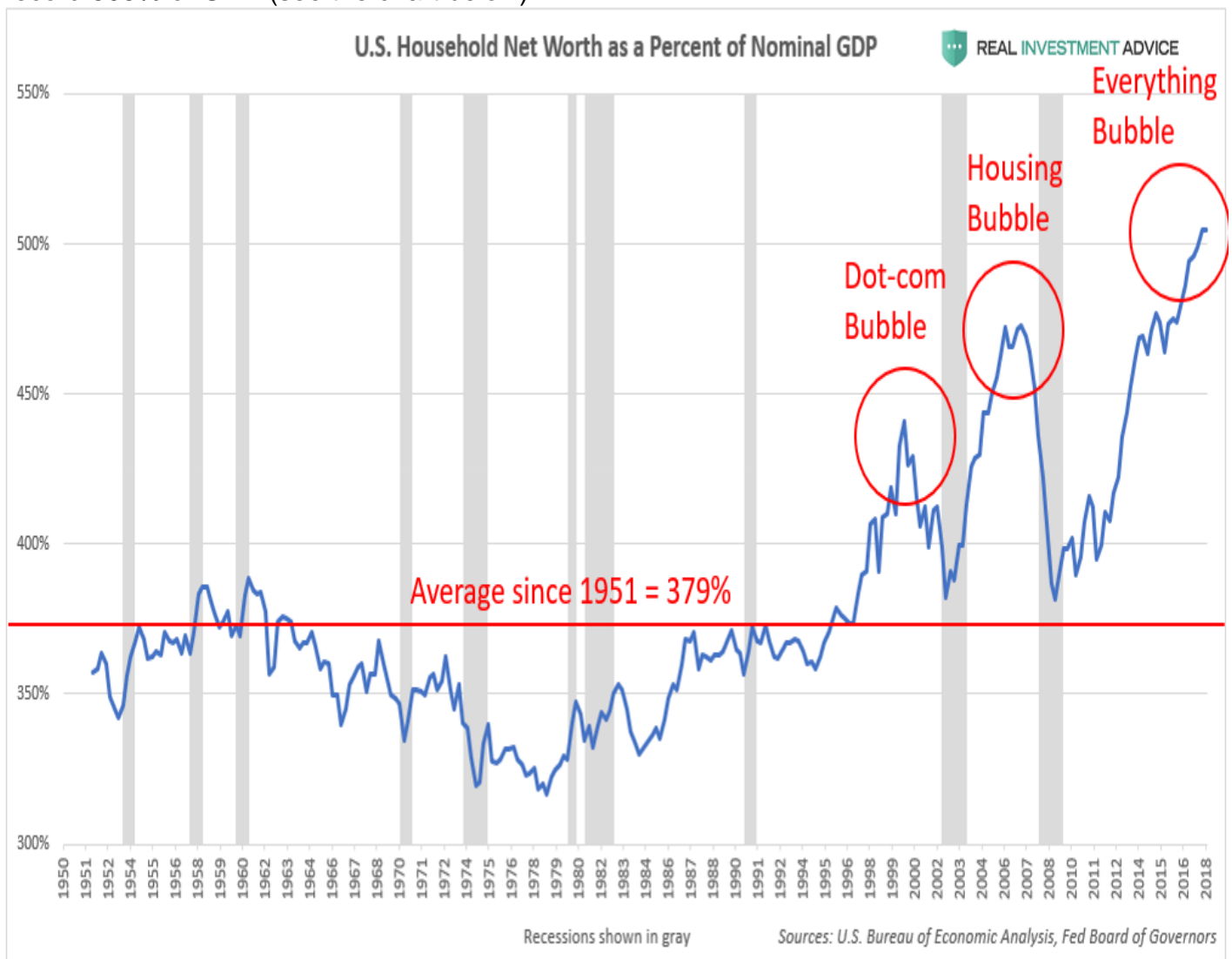
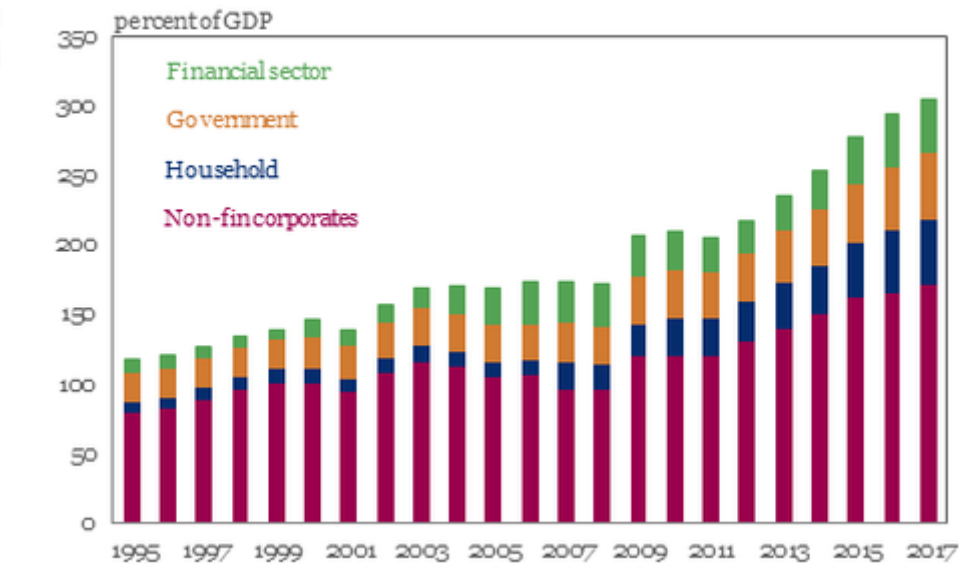


Elon Musk's Tesla has been struggling financially since its inception and has lost over \$1.1 billion in 2018 alone despite a surprise profit in the third quarter. ***As much as Tesla has been struggling, I just wanted to point out that Tesla's struggles are occurring during the largest wealth bubble that has ever occurred in America's history.*** Tesla is a luxury car company that sells expensive cars to affluent people, the U.S. is responsible for [approximately half](#) of Tesla's sales, and U.S. wealth is artificially inflated and heading for a bust. Simply put, America's wealth bubble is enabling many more people to buy Tesla automobiles than would ordinarily occur in a non-bubble environment. As I explained in a [recent presentation](#), U.S. household wealth has surged by approximately \$46 trillion or 83% since 2009 to an all-time high of \$100.8 trillion. Since 1951, household wealth has averaged 379% of the GDP, while the Dot-com bubble peaked at 429%, the housing bubble topped out at 473%, and the current bubble has inflated household wealth to a record 505% of GDP (see the chart below):



Please watch my presentation ?Why U.S. Wealth Is In A Bubble? to learn more: China accounts [for 16%](#) of Tesla's sales and is the largest market for Tesla automobiles after the United States. China is experiencing a massive credit bubble in which total debt-to-GDP nearly doubled in the past decade from just over 150% to 300%. Debt booms like the one China is currently experiencing help to supercharge the economy in the short run and create scores of new Tesla-buying millionaires and billionaires, but are ultimately doomed as they simply borrow growth from the future. China in

China: Total Debt-to-GDP



efore its bubble burst (and

Norway accounted for 8.2%

of Tesla's sales last year and is the third largest market for Tesla automobiles. Norway is [currently experiencing](#) a housing bubble in which housing prices have approximately tripled [since 2005](#). As the U.S experienced in the mid-2000s, housing bubbles create a *wealth effect* that encourages consumer spending (and splurging on luxuries like Tesla cars). **To summarize, at least three-quarters of Tesla sales come from countries that are currently experiencing unsustainable wealth-boosting bubbles in some form or another.** When these bubbles inevitably burst, Tesla's sales are going to sink and the company will hemorrhage red ink like never before. **We at Clarity Financial LLC, a registered investment advisory firm, specialize in preserving and growing investor wealth in times like these. If you are concerned about your financial future, click here to ask me a question and find out more.**