



Harry's Take

August 25, 2026

Nothing Like Collector Cars to Mark the End of a Bubble Era

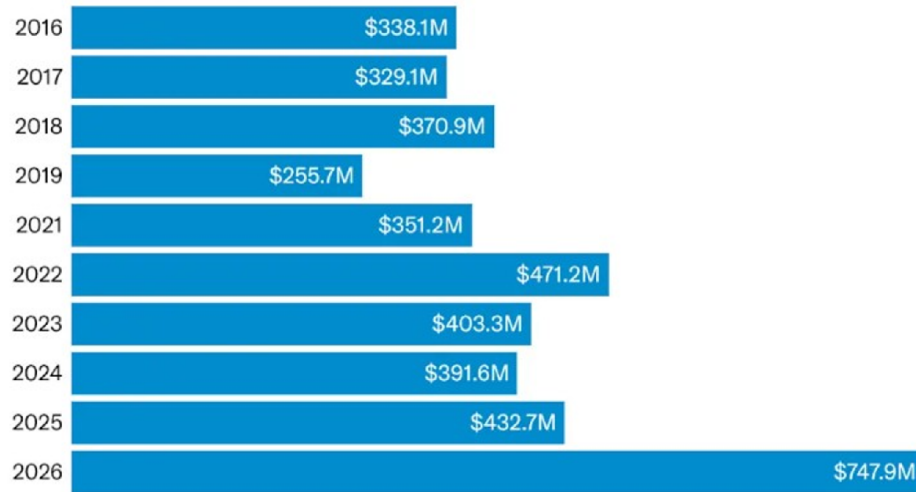
At the recent Pebble Beach Concours d'Elegance a rare 1935 Duesenberg SST Special Speedster (only 2 made) won "Best of Show." It was originally bought and owned by none other than Clark Gable. Don't ask how much that was likely worth, but estimates were well over the \$22 million price its only sibling sold for at a previous Pebble Beach auction, maybe even \$40 million now... for a car! But the world got a better reading of how bubbly the larger collectors car market has been at the Monterey Car Week that just closed on August 16. Total sales there not only hit a record at \$747.9 million, but that was a whopping 73% higher than the previous year of \$432.7 million, and 59% higher than the previous record in 2022 at \$471.2 million. And that occurred just after the previous stock market bubbly peak in late 2021.

The point: This bubbliest by far of all collector car auctions occurred during the week just before what may have been the final stock market bubble peak on the S&P 500 at 7,815 on August 13. No coincidence here! And again, this auction was a leap over the previous ones, not just a healthy rise. That looks like a "blow-off" top to me! So, why not for stocks here?

Another Sign of a Bubble: Big Record Collector Car Sales at Monterey

Total Sales at Monterey in 2026 exceeded \$700M

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Source: <https://finance.yahoo.com/markets/stocks/article/monterey-car-week-clark-gable-duesenberg-wins-pebble-beach-as-auctions-surge-to-record-7479-million-121515295.html> www.hsdent.com

The bigger picture here is that we are at the top of the longest, greatest, and now “everything” bubble in history, and especially in stocks. Its only two modern rivals are the infamous 1929 stock peak and the more recent first tech bubble peak in early 2000. I think we are finally seeing the end of this bubble era, that has only been extended through beyond-massive stimulus since 2008 from its natural end around late 2019 on the 90-year Super Bubble Cycle back to 1929 and 1836. The biggest surge in that stimulus hit in 2020-21 around COVID, and continued high stimulus since has extended this bubble now into 2026, 7 years after its natural peak. Bubble eras come when radical new technologies are first emerging mainstream, as into 1929 and now. The growth is rapid and the long-term potential is enormous at this still early stage longer term. I call this the Growth Boom, like 1897 – 1929, that is followed by a Maturity Boom like 1942 – 1968. The growth booms are hence, more bubbly.

The rich get richer in these growth or bubble booms as they own the lion’s share of the financial assets that bubble so much. But as a consequence, they also get hit the hardest when such rare bubbles burst, as in 1929-32. It wasn’t everyday people jumping off buildings in New York in 1930! And the 1929-32 crash was 89% on the Dow vs. more like 50% in 1973-75. The middle class catch up in the maturity booms to follow, like 1942-68, and they are not as bubbly.

I always remark: I’d rather lose my job for a few years, than 50% to 80% of my net worth built over my lifetime. That’s why the rich and the older will be hit

more by this “Crash of a Lifetime” that is very likely now just ahead... precisely because of signs of bubbles everywhere, even in collector cars. And every day people don’t tend to buy these antique cars, either. The endless stimulus makes it harder than ever to pinpoint a top, but this looks like a very good time... and if not, soon! Don’t gamble by holding out further as the first crash of such bubbles is 50%+ in a few months as I have documented.

Harry

Got a question or comment? You can reach us at info@hsdent.com.

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