

"In real life, I assure you, there is no such thing as algebra." - Fran Lebowitz



Good Monday evening,

The S&P 500 fell on Monday as oil prices advanced in response to the latest bout of military exchanges between the U.S. and Iran. The broad market index dropped 0.19%, while the Nasdaq Composite lost 0.05%. The Dow Jones Industrial Average lost 305 points, or 0.59%, dragged down by a more than 2% loss in shares of Apple. The U.S. completed its ninth consecutive day of strikes on Iran overnight, but investor sentiment improved by midmorning in London after Iranian Foreign Ministry spokesman Esmail Baghaei lifted hopes for a diplomatic settlement. Baghaei told reporters that intermediaries had continued to exchange messages with Iran amid the latest round of U.S. strikes, and said negotiations between the two adversaries could be pursued based on national interests. That said, U.S. crude futures were last slightly higher at around \$83 per barrel, up less than 1%. International benchmark Brent also traded up around 1% at roughly \$89. "Investors still don't think Trump has the tolerance for a material escalation of the US force posture in the Middle East (i.e. deploying troops) and if that's the case, then some type of a diplomatic resolution is inevitable," wrote Adam Crisafulli of Vital Knowledge. -CNBC



Money has emotional cycles--



**Losing a
\$100 bill**



**Losing \$1,000
from trading**

Headlines from Monday, 20-Jul-26:

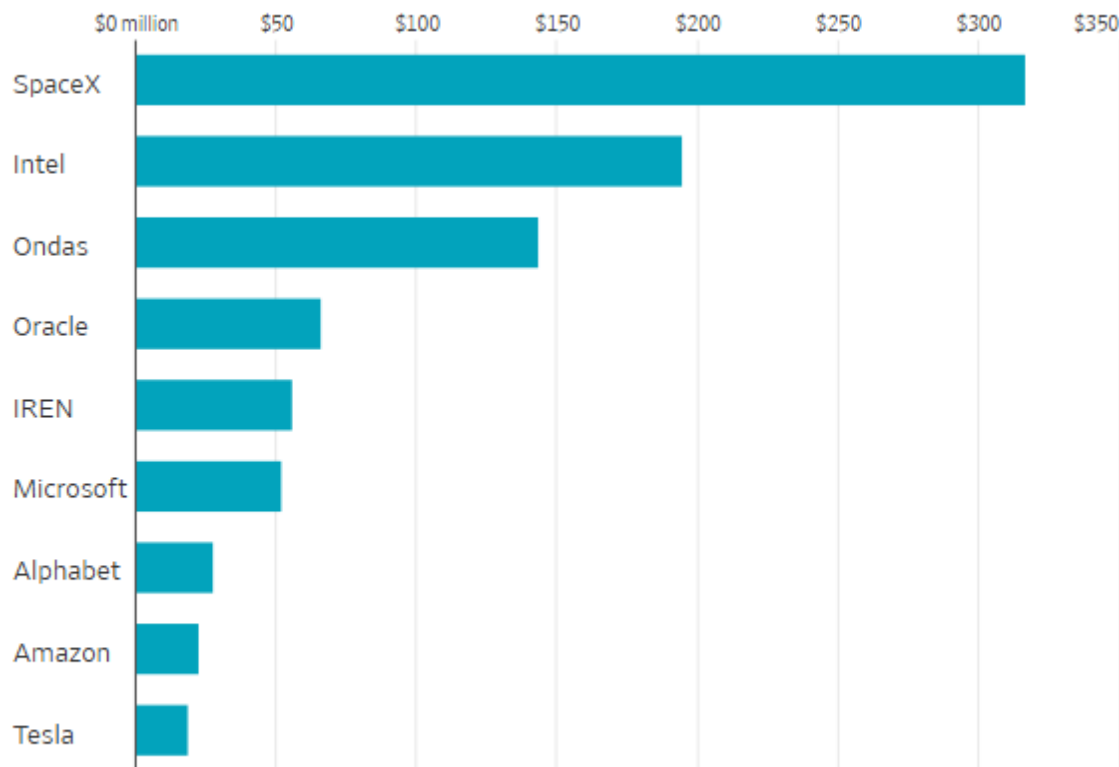
- [S&P 500 closes slightly lower on Monday, weighed down by rising oil prices](#)
 - NASDAQ UNOFFICIALLY CLOSES DOWN 8.43 POINTS OR 0.03% AT 25,511.81
 - S&P 500 UNOFFICIALLY CLOSES DOWN 14.89 POINTS OR 0.20% AT 7,442.80
 - DOW JONES UNOFFICIALLY CLOSES DOWN 316.74 POINTS OR 0.61% AT 51,829.68
- U.S. Strategic Petroleum Reserve crude stocks fell about 5.1 mln barrels last week to 311.4 mln barrels, the lowest level since 1983.
- Hedge funds pulled back from US tech stocks at a record pace over the past two months, per Goldman Sachs.
- \$SPCX Michael Burry Says '95% of Investors' Have No Real Idea What They Own—and Prefer It That Way
- “IMAGINE A WORLD WHERE YOU CAN TRADE STOCKS 24/7 INTERNATIONALLY”
 - Former New York Governor Andrew Cuomo says tokenization could open U.S. markets to trillions of dollars in global investment.
- US stocks have almost never moved this independently of each other:
 - The S&P 500's 6-month implied correlation is down to 0.15, an all-time low.
 - Implied correlation measures how closely stocks are expected to move together, with a reading this low meaning individual stocks are becoming increasingly disconnected from the broader index.
 - This metric has now more than HALVED over the last 4 months, when correlation was at 0.35 during the market selloff.

- By comparison, the long-term average stands at 0.43, nearly 3 times the current level, while the high over this period was 0.82 during the 2020 pandemic crash.
- Leverage is rapidly unwinding across Chinese stocks:
 - Margin debt on the Shanghai and Shenzhen exchanges fell -2.8% on Friday, or -\$11.7 billion, to \$405 billion, the largest daily decline since January 2016.

Retail poured \$320 million into SpaceX, \$SPCX, this month, more than any other stock

- Meanwhile, shares are down -45.9% from their peak, erasing over \$1 trillion of market value.

Net flows by individual investors this month



Note: As of Friday, July 17. Alphabet combines net flows for class A and class C shares.
Source: Vanda Research

The violent crash in space-related stocks since SpaceX \$SPCX began trading is displayed below.

- The bulk of these names fell another 10-20% last week and are now 30-45% below their 50-DMA.

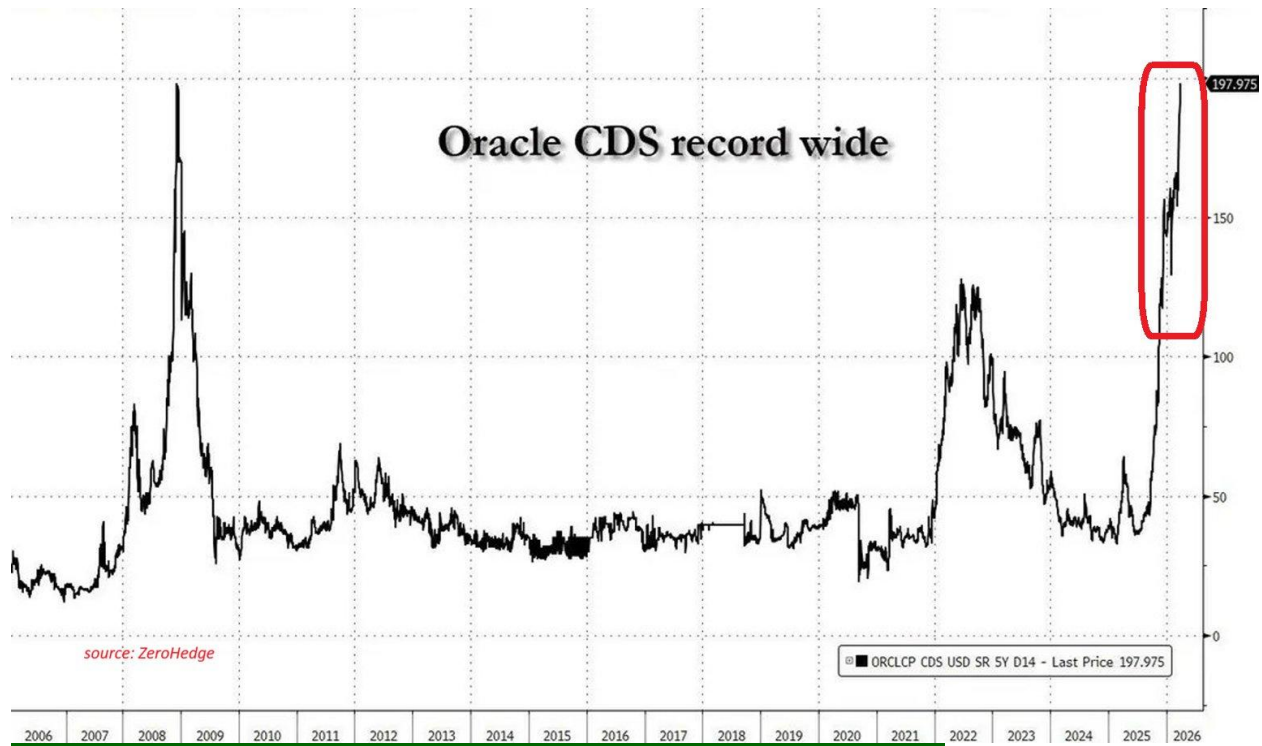
Trends: Space Stocks

Tickers	Name	Price	% Change			Trading Range			
			YTD	5-Day ↓	50-DMA	Current	OS	50-DMA	OB
ASTS	AST SpaceMobile	57.80	-20.42	-21.17	-32.44	Oversold			
VELO	Velo3D	10.59	-22.93	-20.02	-43.26	Oversold			
FLY	Fly Leasing Ltd	19.27	-13.86	-20.01	-44.15	Oversold			
MNTS	Momentus	4.96	1.85	-18.15	-44.78	Neutral			
SPIR	Spire Global	12.14	61.87	-17.41	-32.88	Extreme OS			
RDW	Redwire	8.45	11.18	-16.99	-40.26	Oversold			
VOYG	Voyager Tech	25.90	-0.92	-16.88	-29.22	Oversold			
RKLB	Rocket Lab	67.62	-3.07	-16.56	-36.50	Oversold			
LUNR	Lunar Machines	13.52	-16.70	-16.23	-49.50	Oversold			
SATL	Satelllogic	3.82	104.28	-15.86	-44.51	Oversold			
PL	Planet Labs	22.47	13.95	-13.74	-35.82	Oversold			
SIDU	Sidus Space	1.87	-40.45	-13.43	-45.84	Oversold			
BKSY	Blacksy Tech	22.19	18.35	-11.31	-35.37	Oversold			
LPTH	LightPath	10.46	-3.15	-10.90	-25.16	Oversold			
YSS	York Space	17.93	-46.65	-9.85	-34.93	Oversold			
CPSH	CPS Tech	4.36	41.10	-8.79	-28.66	Neutral			
VPG	Vishay Precision	103.89	169.84	-7.82	-10.85	Neutral			
KRMN	Karman	46.17	-36.90	-7.68	-14.84	Oversold			
GILT	Gilat Satellite Networks	11.14	-13.91	-7.24	-23.79	Oversold			

Oracle's credit risk has never been higher:

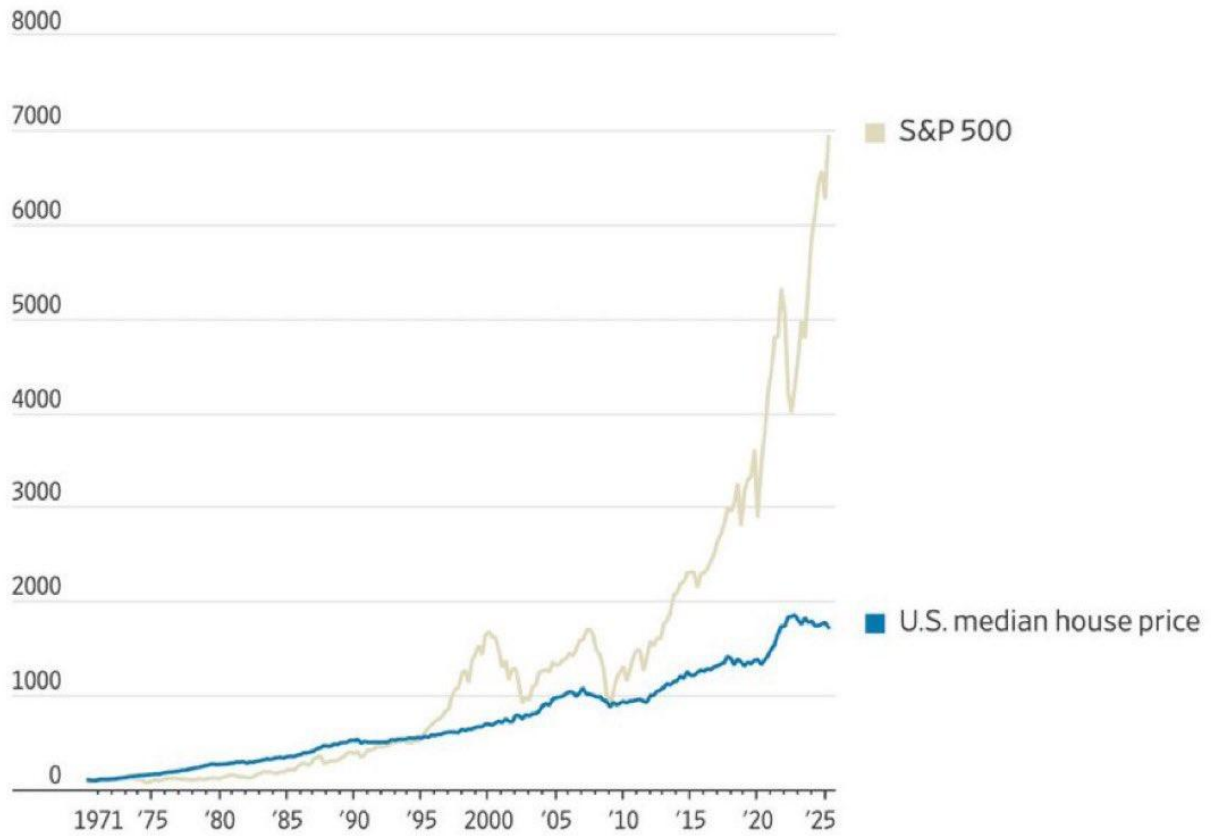
- Oracle's 5-year credit default swaps rose ~10bps to 198.23bps on Friday, the highest closing level on record, surpassing the previous peak of ~197.8bps reached during the 2008 FINANCIAL CRISIS:
- This also exceeded the prior 2026 high of 198.18bps set on March 27th.
- The move comes after S&P Global downgraded Oracle to BBB-, just one notch above junk status, citing repeated underestimates of the amount of cash needed to fund its AI investments.
- Oracle's free cash flow has turned negative as the company ramps up its massive data center buildout.
- \$ORCL also has ~\$117 billion of bonds included in Bloomberg's US high-grade corporate bond index, making it the largest non-bank issuer in the benchmark.
- This comes as tech stocks broadly sold off on Friday after a new Chinese AI model reignited concerns that US AI leaders could lose their edge.

- Oracle's AI gamble is becoming one of the biggest tests of the AI boom.



Stocks vs. Housing Performance since the 1970s

Long-term performance of stocks vs. housing

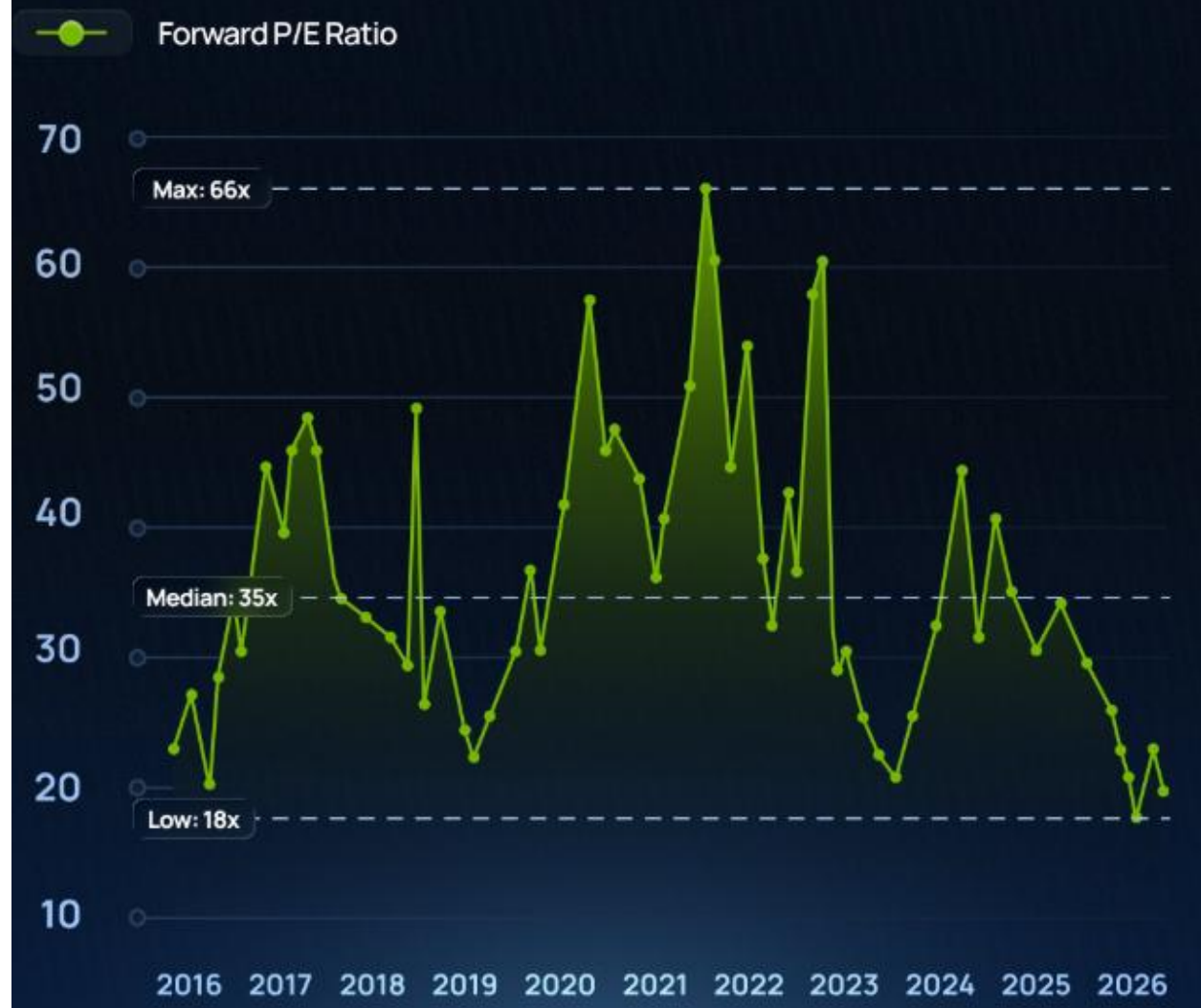


Note: 1970 = 100

Sources: Federal Reserve, FactSet

Nvidia's Valuation Hits a 10-Year Low; Benzinga

Investors are paying less for Nvidia's future earnings than at almost any point in the past decade. Data Source: Carbon Finance | Image Source: Nano Banana 2

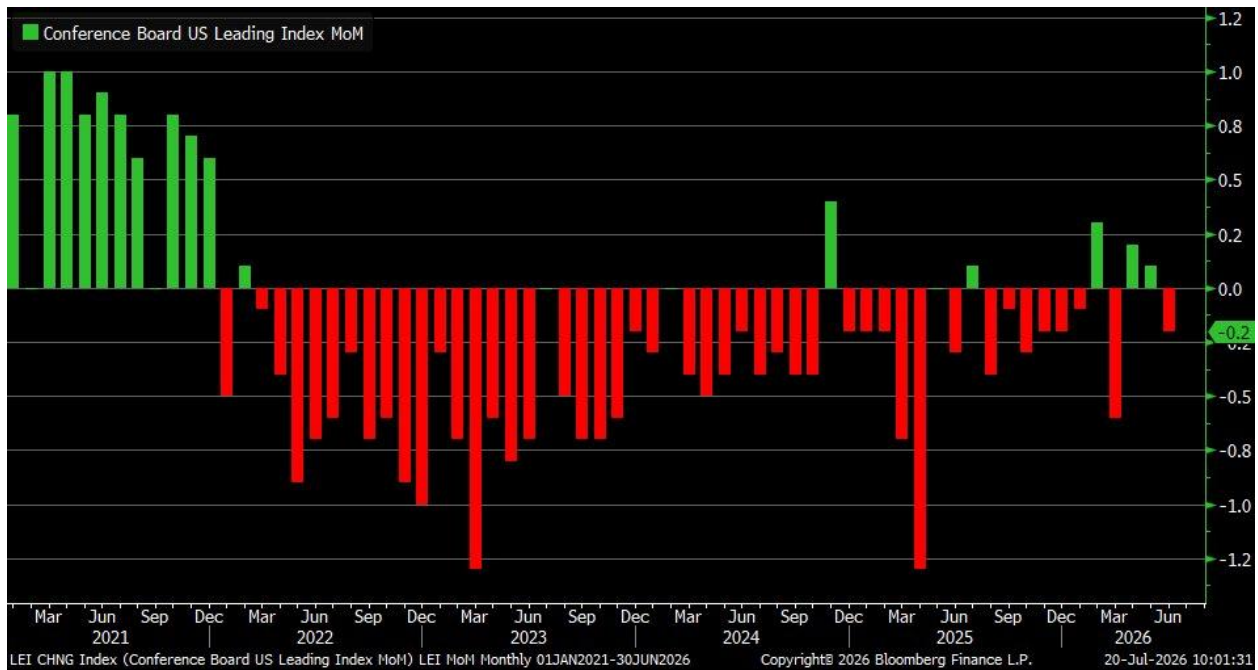


When you're in your 40s and sleep on your side slightly different than usual...

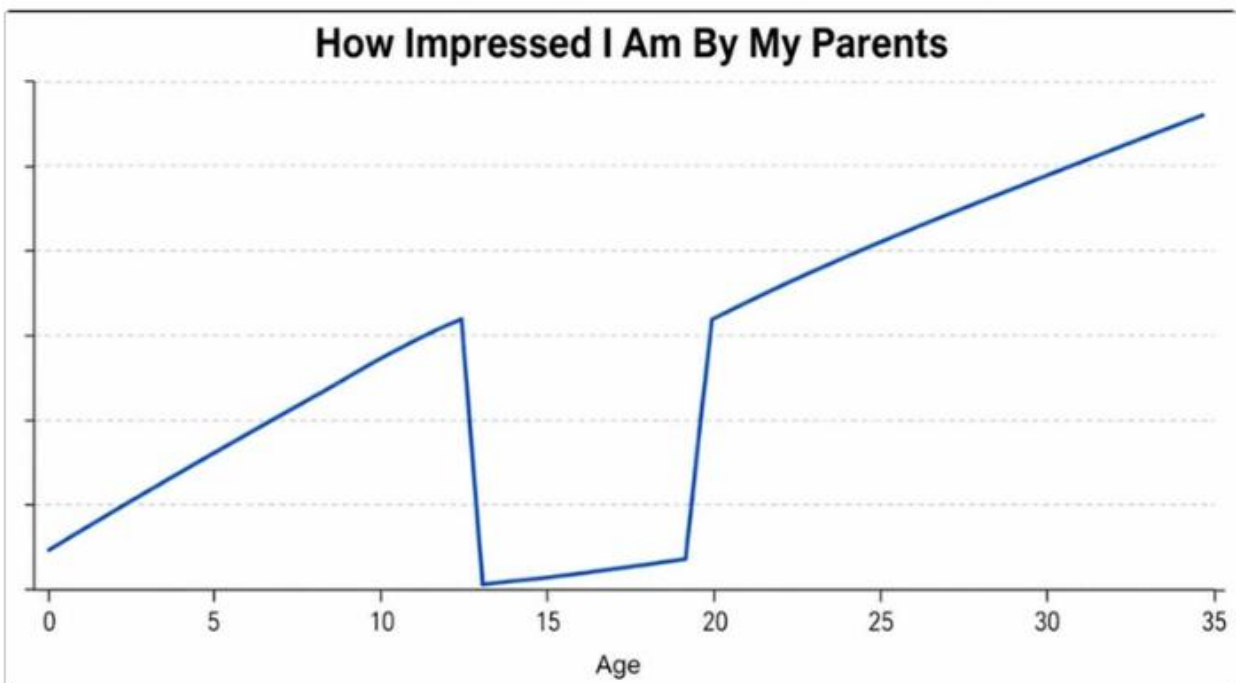


Economic

- US Conference Board leading index MoM -0.2% in June; consensus -0.1%; May +0.10%.
- US Conference Board Leading Economic Index (LEI) for June 99.1, down from 99.3 previously.
- US Conference Board coincident index MoM +0.2% in June, matching May's +0.2%.
- U.S. Conference Board lagging economic index MoM 0.0% in June; May -0.1%.



As you grow, so does your perception and appreciation of your parents...with a small blip along the way...



via roketmanp

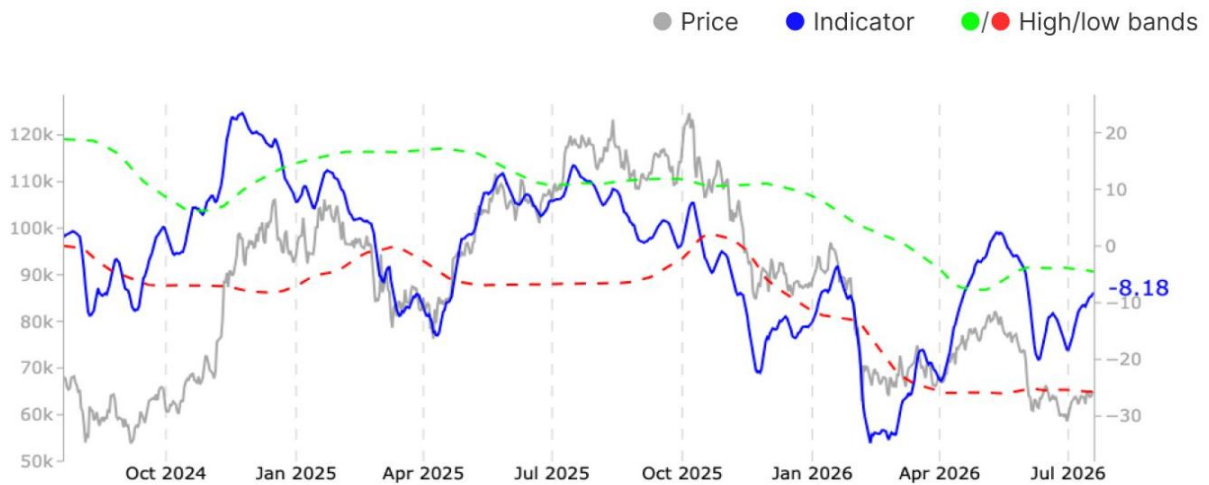
Cryptocurrency

- \$MSTR REPORTS ZERO \$BTC PURCHASES LAST WEEK, HOLDS 843,775 BTC AT \$63.69B
AGGREGATE COST: 8-K

Bitcoin is consolidating near \$64.5K, supported by strong profitability and stable derivatives.

Rising hot capital and sell-side pressure, however, leave the market increasingly sensitive to volatility.

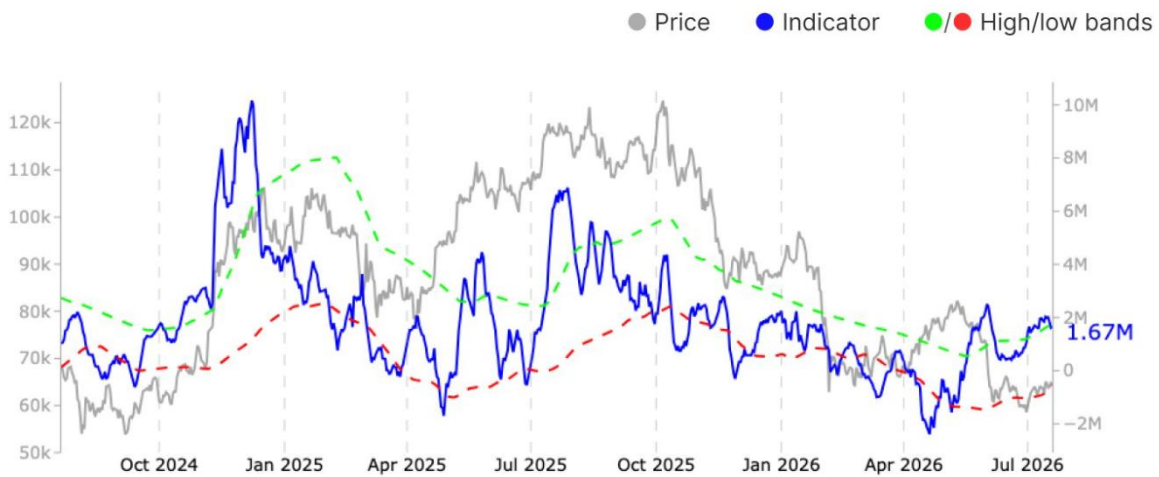
Net Unrealized Profit/Loss



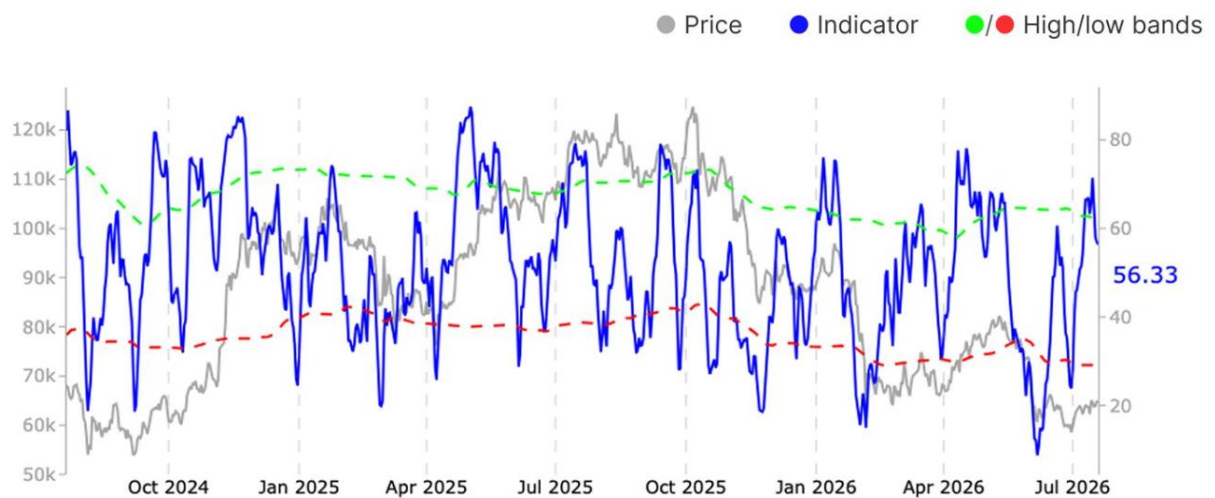
Hot Capital Share



Funding Rate



Price Momentum

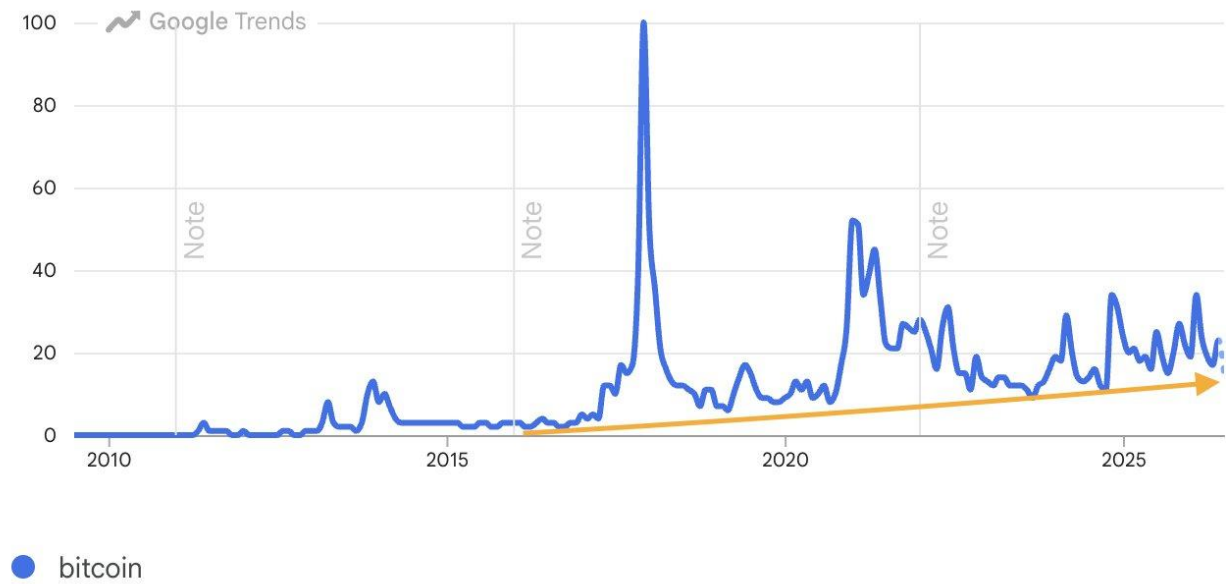


Interest in Bitcoin is growing

- Adoption is trending higher

Interest over time ⓘ

United States · Jul 20, 2009 - Jul 20, 2026



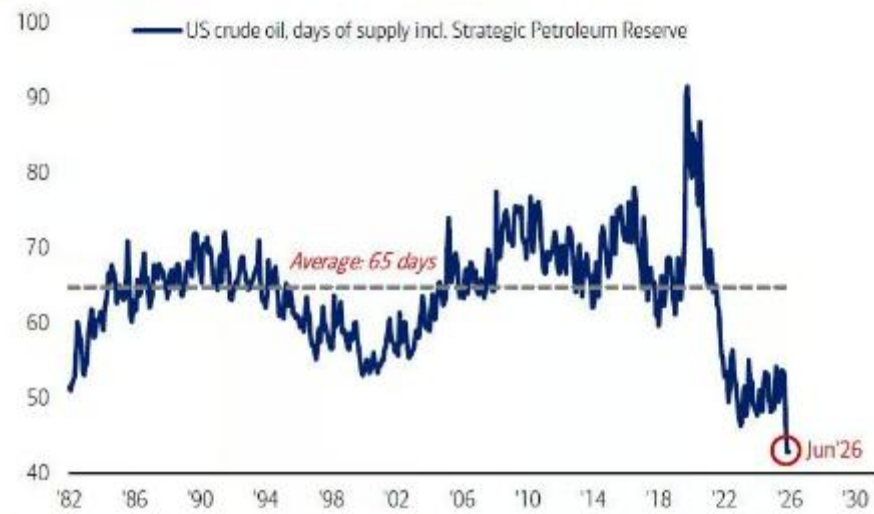
Growing up in the “wood-grain” era...



Crude Oil only has 43 days of supply left in the U.S., the lowest inventory in 45 years

Chart 10: US crude inventories lowest in 45 years

US crude oil, day supply including Strategic Petroleum Reserve



Source: BofA Global Investment Strategy, Bloomberg

BofA GLOBAL RESEARCH

The IT generation...



Hyperscaler Free Cash flow will turn negative by next year

Chart 12: Hyperscaler free cash flow expected to turn negative in '27

AI hyperscaler free cash flow forecasts by year (\$bn)



Source: BofA Global Investment Strategy, Bloomberg

BofA GLOBAL RESEARCH

VIP Pricing

	LAST	CHANGE	% CHG		LAST	CHANGE	% CHG
.DJI	51,862.73 USD	-283.69	-0.54%	SLV	50.98 USD	+0.20	+0.39%
.IXIC	25,508.072 USD	-12.171	-0.05%	PSLV	18.11 USD	+0.07	+0.36%
.SPX	7,443.47 USD	-14.22	-0.19%	AG	15.85 USD	+0.04	+0.25%
@SP.1	7,485.75 USD	-12.00	-0.16%	SPCX	119.85 USD	-4.14	-3.34%
.VIX	18.47 USD	-0.30	-1.60%	SKHY	151.16 USD	-2.87	-1.86%
@CL.1	83.02 USD	+0.53	+0.64%	MU	865.46 USD	+16.51	+1.94%
@GC.1	4,012.70 USD	-6.10	-0.15%	SNDK	1,390.95 USD	+36.13	+2.67%
@SI.1	56.705 USD	+0.379	+0.67%	BITO	8.82 USD	+0.13	+1.50%
@TY.1	108.8906 USD	-0.375	-0.34%	AA	43.48 USD	-0.50	-1.14%
US10Y	4.59%	+0.049	+1.0791%	UNH	421.55 USD	-4.54	-1.07%
US30YFRM	6.71 USD	+0.08	+1.21%	AI	8.61 USD	-0.21	-2.38%
BTC.CM=	65,047.50 USD	+668.27	+1.04%	LLY	1,146.90 USD	-32.21	-2.73%
ETC.BF=	6.96 USD	+0.13	+1.92%	RH	183.95 USD	-3.93	-2.09%
CAD=	1.4062	+0.0042	+0.30%	COIN	160.43 USD	+3.31	+2.11%
EUR=	1.1415	-0.0024	-0.2098%	CRK	12.89 USD	-0.45	-3.37%
GBP=	1.3433	-0.002	-0.1487%	CVX	189.68 USD	+2.30	+1.23%
JPY=	162.48	+0.09	+0.06%	GLW	153.15 USD	-1.46	-0.94%
AAPL	326.59 USD	-7.15	-2.14%	SBUX	104.81 USD	-0.68	-0.64%
AMZN	249.99 USD	+2.76	+1.12%	MNTN	8.77 USD	-0.17	-1.90%
BRK.B	491.43 USD	+0.52	+0.11%	HIMS	32.70 USD	-0.14	-0.43%
DEFT	0.411 USD	-0.014	-3.2941%	RIOT	19.90 USD	+1.64	+8.98%
TSLA	369.57 USD	-11.27	-2.96%	DEFI	73.74 USD	+1.17	+1.61%
META	645.85 USD	-0.16	-0.02%	XRPI	6.15 USD	+0.13	+2.25%
MSFT	402.29 USD	+8.47	+2.15%	ASTS	57.42 USD	-0.38	-0.66%
GOOGL	351.99 USD	+5.22	+1.51%	BRZE	26.19 USD	-0.31	-1.17%
NVDA	203.28 USD	+0.47	+0.23%	DJT	9.74 USD	+0.08	+0.83%
QQQ	696.06 USD	+0.73	+0.10%	GME	21.76 USD	-0.13	-0.59%
NFLX	67.60 USD	-1.35	-1.96%	BA	209.48 USD	-4.55	-2.13%
UVXY	24.75 USD	-0.69	-2.71%	DKS	214.32 USD	-3.04	-1.40%
XOM	148.40 USD	+1.04	+0.71%	FDX	306.22 USD	-6.76	-2.16%

Cheers,

-NOD-

Nathaniel Orr-Depner

<https://www.stickytrades.com/nodlive/>