

If you want your children to listen, try talking softly - to someone else. ~~Ann Landers



Good Wednesday morning,

Futures are mixed to slightly positive, but today's September CPI report, major bank earnings, and elevated crude oil prices could dramatically change market direction.

Inflation is the dominant catalyst. Wednesday combines the September CPI release, another round of major financial-sector earnings, the Federal Reserve's Beige Book, and continuing weakness in semiconductor stocks.

- BAC, MS and BLK are expected to report Wednesday. Watch net interest income, trading performance, credit quality and assets under management after Tuesday's mixed bank reactions.
- The 10-year Treasury yield has been hovering around 5.2%. Wednesday's CPI surprise could produce a sharp repricing of Fed expectations, particularly in the 2-year yield.
- The Fed's regional economic survey will provide clues about employment, pricing pressure, consumer demand and business activity ahead of its October 27–28 meeting.
- Oil above \$100 keeps inflation concerns alive; Brent crude remained above \$105 despite Tuesday's decline. Geopolitical risk continues to complicate the inflation outlook, with energy producers and transportation stocks particularly sensitive.

***TRADING PRIORITY: Watch the 2-year Treasury yield and Nasdaq futures immediately following the 8:30 a.m. CPI release. Then evaluate semiconductor breadth and the bank earnings reactions after the opening bell. The most consequential combination would be hotter core CPI, rising yields and disappointing ASML guidance. Conversely, cooler inflation accompanied by strong financial-sector earnings could create a meaningful risk-on session.**

When I got 2 hours of sleep and have had 4 shots of espresso by 7am;



Headlines for Wednesday morning, 14-Oct-26:

- September CPI: Today's biggest market event.
 - Headline CPI is expected to rise 0.6% month over month and 3.6% year over year, with core CPI forecast at 0.2% monthly. A hotter-than-expected core reading could pressure equities and lift Treasury yields.
 - US SEPTEMBER CPI INFLATION ESTIMATES
 - •JPMORGAN: 3.6%
 - •BANK OF AMERICA: 3.6%
 - •WELLS FARGO: 3.6%
 - •CITI: 3.6%
 - •CITADEL: 3.6%

- •TD SECURITIES: 3.6%
- •UBS: 3.6%
- •DEUTSCHE BANK: 3.6%
- •BNP PARIBAS: 3.6%
- •NOMURA: 3.6%
- *INVESTING.COM: 3.6%
- •GOLDMAN SACHS: 3.7%
- •MORGAN STANLEY: 3.7%
- •BARCLAYS: 3.7%
- Top 5 international & regional monetary institutions by gold held
 - 1. IMF: 2,814.0 t
 - 2. European Central Bank: 508.4 t
 - 3. Bank for International Settlements: 102.0 t
 - 4. Central Bank of West African States (BCEAO): 36.5 t
 - 5. Bank of Central African States (BEAC): 4.7 t
 - Source: World Gold Council, World Official Gold Holdings (IMF IFS), September 2026
- **FED'S WILLIAMS: AI BOOM IS FUELING INFLATION, BUT ECONOMY IS NOT OVERHEATING**
 - New York Fed President John Williams says AI infrastructure demand is pushing up chip prices, construction costs and inflation, with supply unlikely to catch up for several years.
 - Key takeaways:

* Rates: One more hike in 2026 may be appropriate; no additional hikes currently expected in 2027.

* Inflation: Expected to approach 2% in 2027.

* AI: Strong demand could keep chip prices elevated.

* Economy: Labor markets remain stable, with no broad overheating.

* Treasuries: Higher long-term yields are tightening borrowing conditions.

- Morgan Stanley Raises 4Q26 Brent Price Forecast to \$105 a Barrel From \$100 a Barrel
 - Morgan Stanley Raises 1Q27 Brent Price Forecast to \$100 a Barrel From \$95 a Barrel
- FED'S COLLINS SAYS THE FED IS NOT RETHINKING ITS 2% INFLATION TARGET AND THAT ITS ECONOMIC MODELS ARE MINDFUL OF GOVERNMENT DEBT LEVELS.
 - ADDING THAT OFFICIALS ARE WELL AWARE HIGHER RATES CAN CREATE CHALLENGES AND THAT ECONOMIC UNCERTAINTY IS ELEVATED

The worst bond trader in history? The Federal Reserve.

- They bought trillions in Treasury/Mortgage bonds in 2020 when yields were at all-time lows.
- By this June, they had amassed \$878 billion in unrealized losses.
- And that was BEFORE 10-year yields surged above 5% & mortgage rates above 7%.
- You couldn't lose this much money if you tried.

Table 3. Domestic SOMA portfolio holdings
(In millions)

	June 30, 2026			December 31, 2025		
	Amortized cost	Fair value	Cumulative unrealized gains (losses), net	Amortized cost	Fair value	Cumulative unrealized gains (losses), net
Treasury securities						
Bills	\$ 485,413	\$ 485,300	\$ (113)	\$ 231,485	\$ 231,604	\$ 119
Notes	2,233,151	2,144,151	(89,000)	2,242,469	2,165,444	(77,025)
Bonds	1,925,678	1,453,247	(472,431)	1,916,249	1,457,894	(458,355)
Total Treasury securities	\$ 4,644,242	\$ 4,082,698	\$ (561,544)	\$ 4,390,203	\$ 3,854,942	\$ (535,261)
Federal agency and GSE MBS						
Residential	\$ 1,976,645	\$ 1,660,988	\$ (315,657)	\$ 2,069,402	\$ 1,761,250	\$ (308,152)
Commercial	7,950	7,047	(903)	8,221	7,306	(915)
Total federal agency and GSE MBS	\$ 1,984,595	\$ 1,668,035	\$ (316,560)	\$ 2,077,623	\$ 1,768,556	\$ (309,067)
GSE debt securities	2,483	2,559	76	2,499	2,634	135
Total domestic SOMA portfolio securities holdings	\$ 6,631,320	\$ 5,753,292	\$ (878,028)	\$ 6,470,325	\$ 5,626,132	\$ (844,193)

Apple is now trading at nearly 11x sales, the highest valuation level in company history.

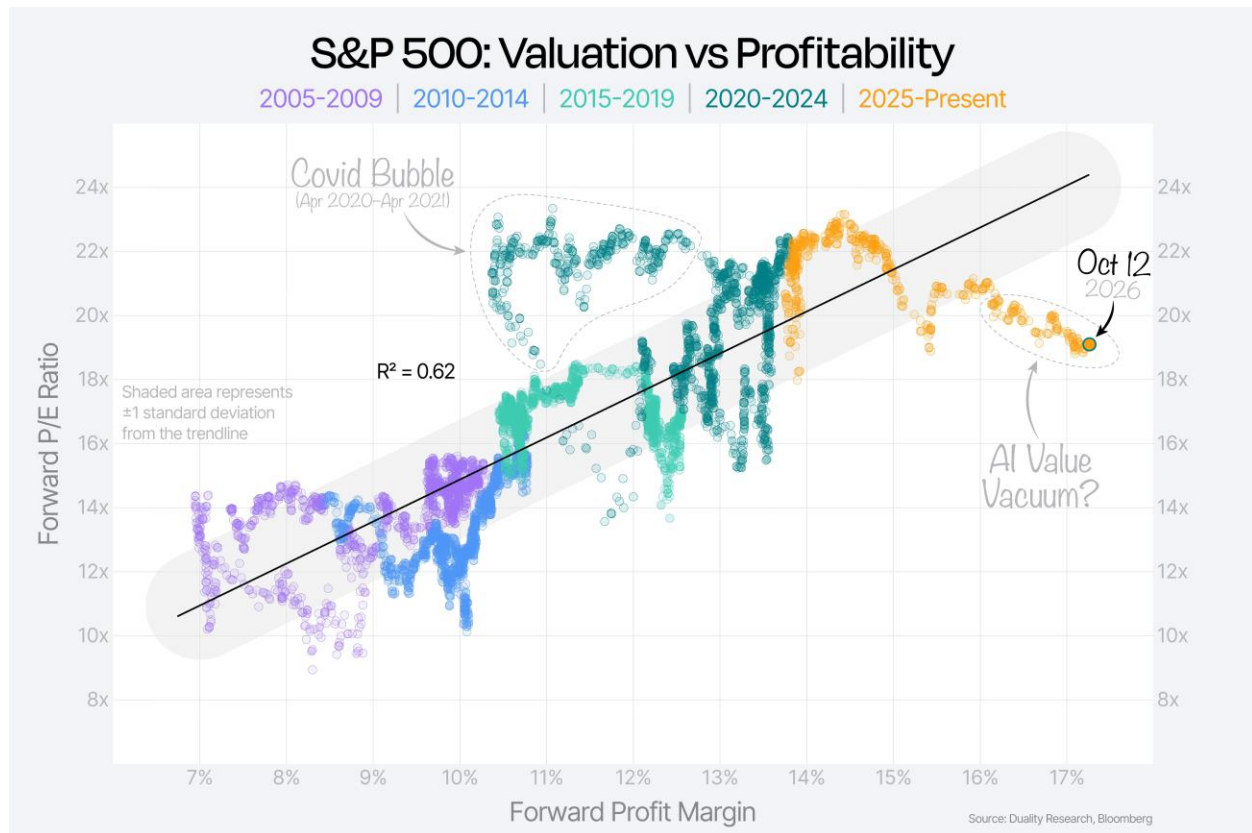


CREATIVE PLANNING @CharlieBilello

Oct 13, 2026, 5:46 PM EDT Powered by YCHARTS

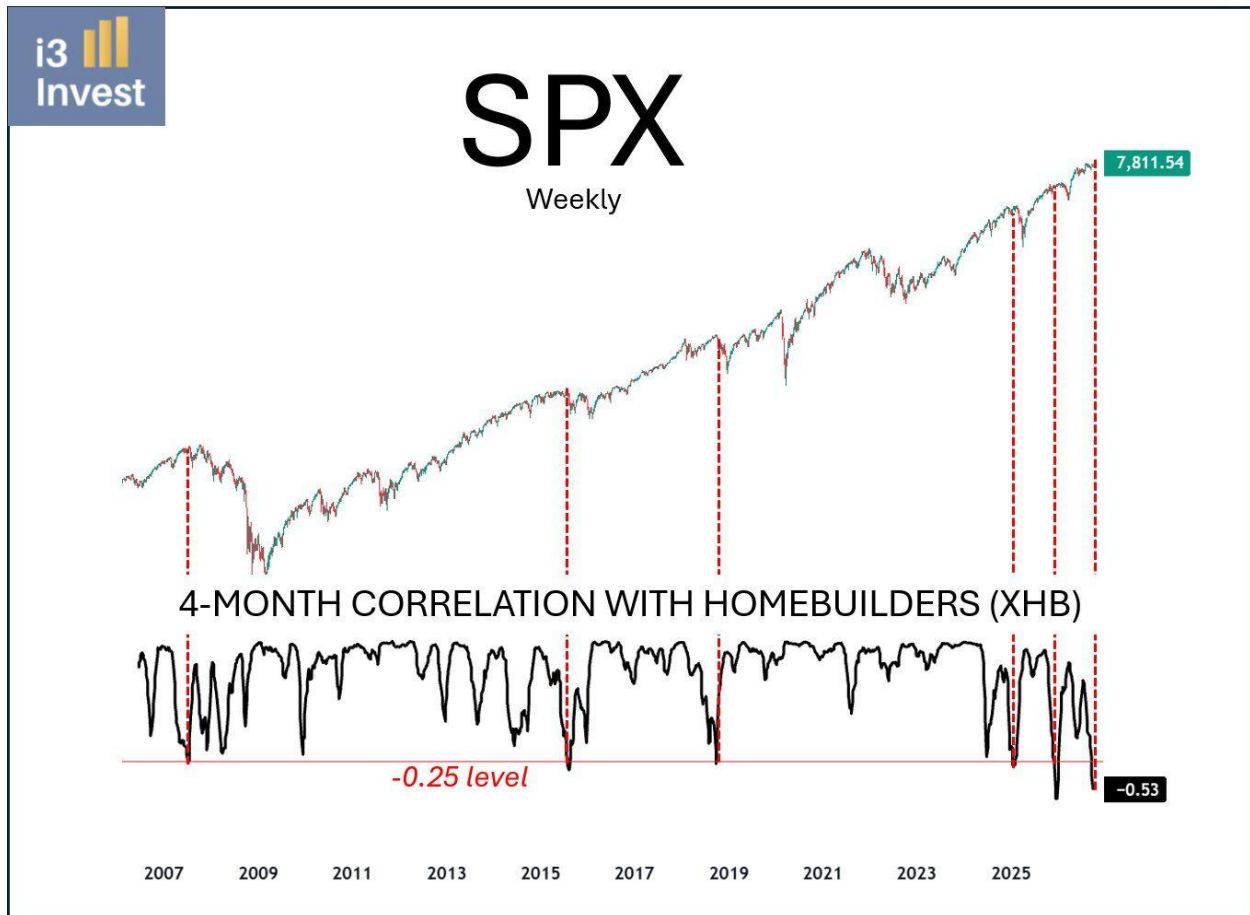
Valuation vs. profitability -Duality Research

- When we map recent developments onto our Valuation vs Profitability framework chart, we can see that the market is now trading close to three standard deviations below its long-term trend.



SPX vs. XHB

- Whenever the correlation between the S&P 500 and homebuilders has been this low, equities have experienced significant drawdowns.

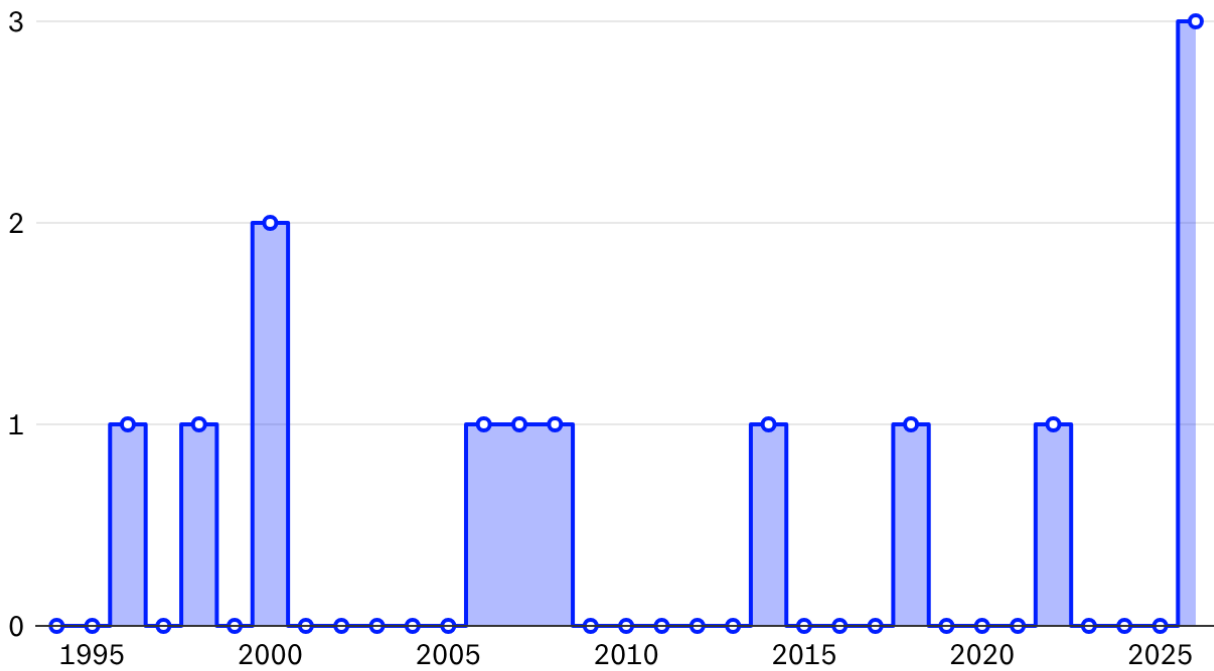


NDX vs. SOX

- The Nasdaq 100 managed to close up on the week despite the Philadelphia Semiconductor Index falling 4%.
- This has happened just 13 times going back to May 1994.
- The number of occasions since the end of June is the same as the amount from August 2008 through Q2 2026.

Tech gains without semis

— Number of weeks per year in which Nasdaq 100 is positive with SOX down 4%



Source: Bloomberg, @LJKawa

Sherwood

When you SWEAR you're a "morning person"-but then give THIS look to ANYONE who says "Good morning!"

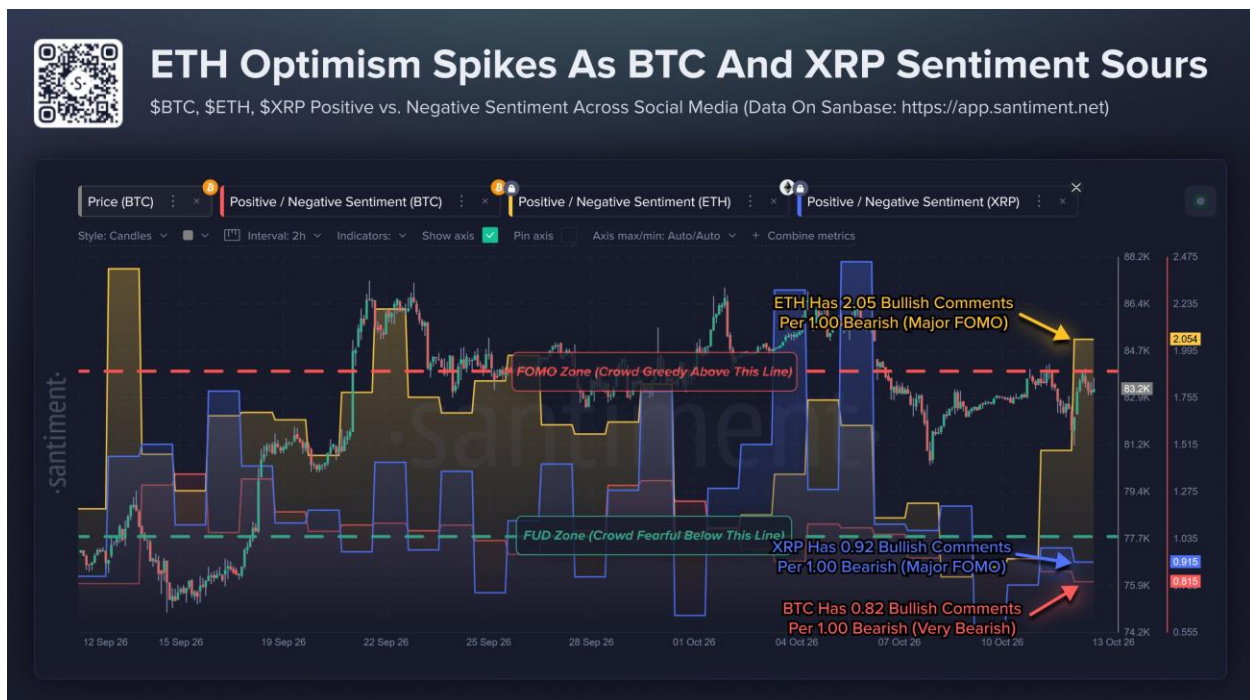


Cryptocurrency

- **BITCOIN WHALES RESUME ACCUMULATION AS MARKET ENTERS EARLY BULL PHASE**
 - Large Bitcoin holders are buying again after more than a year of selling, according to CryptoQuant.
 - Whales now hold 3.03 million BTC, their highest holdings since November 2025.
 - CryptoQuant says the shift toward accumulation signals an “early bull phase” and improving investor sentiment.
- Michael Saylor say Bitcoin is at the "beginning of a bull market."
- Citadel Securities and \$62.6T BNY officially complete a tokenized US Treasury repo.

Ethereum FOMO Surges While Bitcoin And XRP Turn Fearful

- Ethereum is suddenly the crowd favorite. Across X, Reddit, and Telegram and has 2.05 bullish comments for every bearish one, putting sentiment firmly into FOMO territory as traders focus on its rebound above key support, staking demand, and optimism around upcoming network improvements.
- Bitcoin is seeing the opposite setup, with just 0.82 bullish comments per bearish one. Repeated rejection near \$87K, a drop toward \$81K, heavy long liquidations, and recent macro pressure have quickly turned confidence into fear.
- XRP is also deep in FUD at just 0.92 bullish comments per bearish one. XRP has fallen more than 9% over the past week, with leveraged longs getting flushed and the \$1.40 area proving difficult to reclaim. From a contrarian perspective, BTC and XRP's fear is healthier than ETH's crowd excitement if prices begin recovering.



Strategy's Bitcoin Banking Adoption Index increased to 34% in Q3 2026

Bitcoin Banking Adoption Index: 34% Overall



	Country	Q2 Index	Q3 Index	Trading & Custody			Products					Margin				Leadership		
				ETP Trading	BTC Trading	BTC Custody	Stablecoin	ETP	Blockchain	Tokens	Money/Yield	BYC	ETP	Equity	Credit	Underwriting	Executive	Allocation
Fidelity	USA	71%	77%	None	None	None	None	None	None	None	None	None	None	None	None	N/A	None	None
JPMorgan Chase	USA	43%	47%	None	None	None	None	None	None	None	None	None	None	None	None	None	None	None
BNY	USA	46%	46%	None	None	None	None	None	None	None	None	None	None	None	None	None	None	None
Goldman Sachs	USA	45%	45%	None	None	None	None	None	None	None	None	None	None	None	None	None	None	None
Morgan Stanley	USA	43%	45%	None	None	None	None	None	None	None	None	None	None	None	None	None	None	None
Citigroup	USA	43%	43%	None	None	None	None	N/A	None	None	None	None	None	None	None	None	None	None
Banco Santander	ESP	35%	40%	None	None	None	None	None	None	None	None	None	None	None	None	None	None	None
Wells Fargo	USA	38%	38%	None	None	None	None	None	None	None	None	None	None	None	None	None	None	None
Société Générale	FRA	35%	38%	None	None	None	None	None	None	None	None	None	None	None	None	None	None	None
TD Bank	CAN	32%	35%	None	None	None	None	None	None	None	None	None	None	None	None	None	None	None
Standard Chartered	GBR	28%	35%	None	None	None	None	None	None	None	None	None	None	None	None	None	None	None
Charles Schwab	USA	32%	34%	None	None	None	None	None	None	None	None	None	None	None	None	N/A	None	None
Crédit Agricole	FRA	30%	33%	None	None	None	None	None	None	None	None	None	None	None	None	None	None	None
HSBC	GBR	30%	30%	None	None	None	None	None	None	None	None	None	None	None	None	None	None	None
UBS	CHE	30%	30%	None	None	None	None	None	None	None	None	None	None	None	None	None	None	None
Barclays	GBR	28%	30%	None	None	None	None	None	None	None	None	None	None	None	None	None	None	None
BNP Paribas	FRA	30%	30%	None	None	None	None	None	None	None	None	None	None	None	None	None	None	None
Bank of America	USA	28%	28%	None	None	None	None	None	None	None	None	None	None	None	None	None	None	None
State Street	USA	27%	27%	None	None	None	None	None	None	None	None	None	None	N/A	N/A	N/A	None	None
Deutsche Bank	DEU	22%	27%	None	None	None	None	None	None	None	None	None	None	None	None	None	None	None
Mizuho	JPN	22%	22%	None	None	None	None	None	None	None	None	None	None	None	None	None	None	None
Lloyds	GBR	17%	22%	None	None	None	None	None	None	None	None	None	None	None	None	None	None	None
MUFG	JPN	18%	18%	None	None	None	None	None	None	None	None	None	None	None	None	None	None	None
Royal Bank of Canada	CAN	13%	17%	None	None	None	None	None	None	None	None	None	None	None	None	None	None	None
SMBC	JPN	13%	13%	None	None	None	None	None	None	None	None	None	None	None	None	None	None	None
Overall		32%	34%															

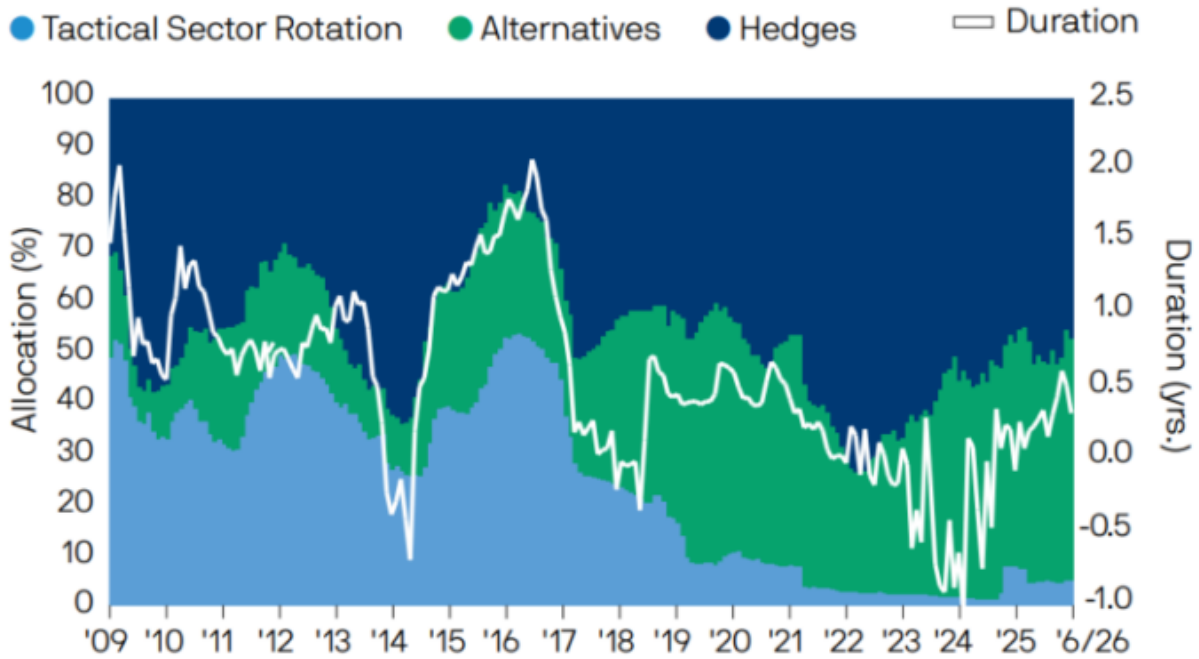
Bank selection criteria: Drawn from the top ~30 institutions across five sizing dimensions - total assets, assets under custody/administration (AUC/A), client assets, private-banking AUM, and 2025 Q-SIB status. Harvey balls show adoption per dimension (0 / 25 / 50 / 75 / 100%). Figures approximate, from public sources as of October 8, 2025; offerings vary by client type, geography, and access channel and may differ from publicly disclosed information. Green indicates a score increase, including prior-period adjustments.

Strategy#

When you're 8% through your inbox and have already gassed out..



Historical Portfolio Positioning -JPM



When our names are listed RIGHT on the Zoom screen-but they ask everyone to introduce themselves..

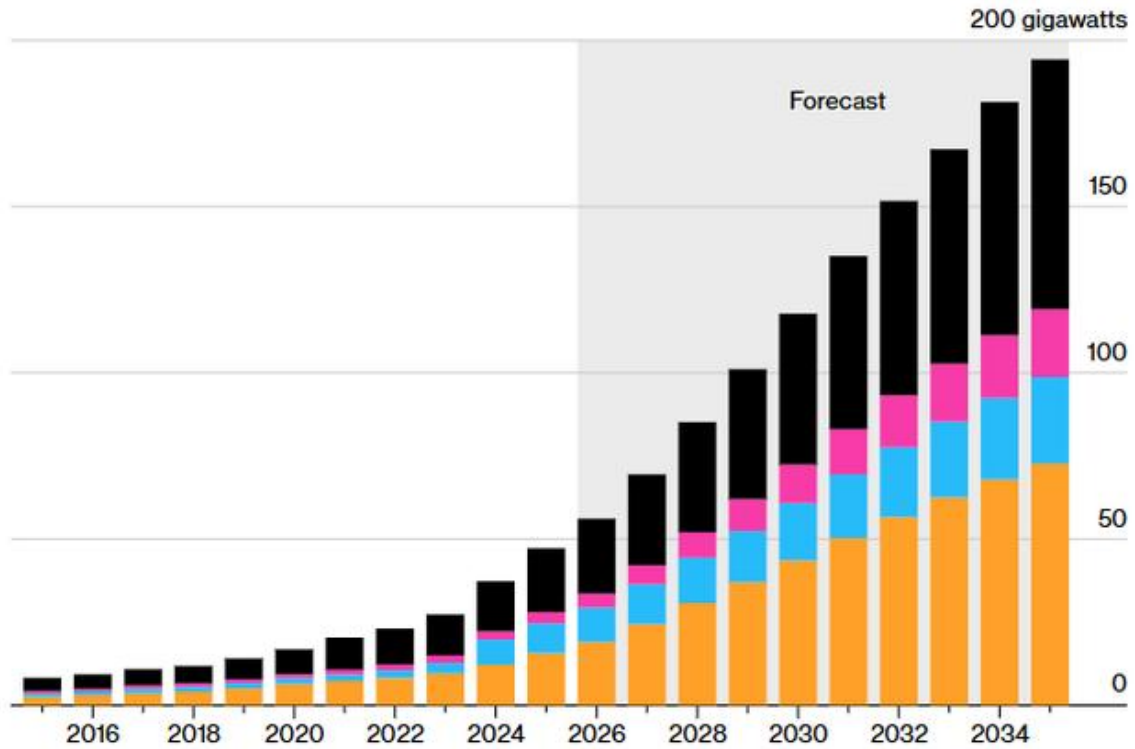


How Data Centers Are Pushing Up US Power Costs - Bloomberg

Rapid Data Center Growth Is Expected in the US

Installed capacity, by grid region

■ PJM ■ Ercot ■ MISO ■ Other



Note: Ercot is Electric Reliability Council of Texas, MISO is Midcontinent Independent System Operator
Source: BloombergNEF, DC Byte

VIP Pricing

	LAST	CHANGE	% CHG		LAST	CHANGE	% CHG
.DJI	51,670.10 USD	-180.45	-0.35%	SLV	52.95 USD	-0.54	-1.01%
.IXIC	27,204.38 USD	-41.522	-0.15%	PSLV	19.15 USD	-0.22	-1.15%
.SPX	7,805.45 USD	-1.79	-0.02%	AG	16.27 USD	-0.06	-0.37%
@SP.1	7,867.50 USD	+11.75	+0.15%	SPCX	157.20 USD	+0.66	+0.42%
.VIX	15.29 USD	+0.02	+0.13%	LOFD	5.63 USD	+0.46	+8.90%
@CL.1	95.79 USD	+1.65	+1.75%	LOFF	17.98 USD	+0.11	+0.59%
@GC.1	4,162.60 USD	-14.70	-0.35%	SKHY	152.89 USD	-4.17	-2.66%
@SI.1	58.685 USD	-0.84	-1.41%	MU	944.85 USD	-8.19	-0.86%
@TY.1	104.8594 USD	+0.125	+0.12%	SNDK	1,446.49 USD	-35.84	-2.42%
US10Y	5.194%	-0.023	-0.4409%	BITO	11.18 USD	+0.05	+0.45%
US30YFRM	7.46 USD	-0.02	-0.27%	AA	41.45 USD	-0.04	-0.10%
BTC.CM=	83,622.22 USD	+478.09	+0.58%	UNH	379.90 USD	+2.14	+0.57%
ETC.BF=	8.14 USD	-0.01	-0.07%	AI	11.99 USD	-0.02	-0.17%
CAD=	1.4217	+0.0003	+0.02%	LLY	1,174.00 USD	+7.49	+0.64%
EUR=	1.1194	-0.0004	-0.0357%	RH	115.88 USD	-0.88	-0.75%
GBP=	1.3265	+0.0013	+0.10%	COIN	181.48 USD	-0.31	-0.17%
JPY=	158.43	+0.14	+0.09%	CRK	14.32 USD	+0.13	+0.93%
AAPL	343.95 USD	+2.68	+0.79%	CVX	219.30 USD	+1.57	+0.72%
AMZN	260.43 USD	+1.85	+0.72%	GLW	146.70 USD	-1.84	-1.24%
BRK.B	522.92 USD	+2.33	+0.45%	SBUX	92.40 USD	+0.40	+0.43%
DEFT	0.46 USD	UNCH	UNCH	MNTN	9.79 USD	-0.11	-1.11%
TSLA	375.10 USD	-0.13	-0.04%	HIMS	29.65 USD	-0.06	-0.20%
META	758.99 USD	-3.51	-0.46%	RIOT	16.47 USD	-0.20	-1.20%
MSFT	546.55 USD	+3.10	+0.57%	XRPI	7.37 USD	UNCH	UNCH
GOOGL	358.33 USD	+4.55	+1.29%	ASTS	46.79 USD	-0.27	-0.58%
NVDA	227.54 USD	-0.98	-0.43%	BRZE	28.84 USD	-0.09	-0.31%
QQQ	743.54 USD	-0.03	UNCH	DJT	7.78 USD	+0.03	+0.39%
NFLX	71.10 USD	+0.64	+0.91%	GME	27.58 USD	+0.36	+1.33%
UVXY	15.77 USD	-0.17	-1.07%	BA	186.97 USD	+0.48	+0.26%

Coin			Price	1h	24h	7d	24h Volume	Market Cap	Last 7 Days						
 Bitcoin BTC	Buy		\$83,242.18	▲ 0.1%	▲ 1.0%	▼ 2.7%	\$32,769,131,252	\$1,672,980,822,674							
 Ethereum ETH	Buy		\$2,509.43	▲ 0.0%	▼ 0.2%	▼ 6.8%	\$14,700,210,103	\$306,493,978,382							
 Tether USDT			\$0.9992	▲ 0.0%	▲ 0.0%	▼ 0.1%	\$62,441,279,493	\$184,054,365,780							
 BNB BNB	Buy		\$742.08	▲ 0.1%	▼ 0.2%	▼ 5.0%	\$801,703,715	\$98,816,667,677							
 XRP XRP	Buy		\$1.37	▲ 0.0%	▲ 0.9%	▼ 8.9%	\$2,218,860,453	\$86,713,177,481							
 USDC USDC			\$0.9998	▲ 0.0%	▲ 0.0%	▲ 0.0%	\$19,526,326,493	\$72,675,404,762							
 Solana SOL	Buy		\$107.42	▼ 0.4%	▲ 0.0%	▼ 11.1%	\$4,003,639,027	\$63,297,793,694							
 TRON TRX	Buy		\$0.3287	▲ 0.0%	▼ 0.4%	▼ 2.3%	\$381,164,112	\$31,222,163,761							
 Figure Heloc FIGR_HELOC	Buy		\$1.03	▼ 0.5%	▼ 3.0%	▼ 0.6%	\$51,144,978	\$24,518,322,215							
 Zcash ZEC	Buy		\$1,218.99	▲ 0.0%	▼ 1.4%	▼ 10.4%	\$1,046,693,660	\$20,706,442,825							
Symbol	Price~	Exp Date	Type	Strike	Moneyness	Bid	Latest	Ask	Volume	Open Int	Vol/OI↓	Imp Vol	IV	Delta	Last Trade
MU	953.19	10/14/26 (1)	Call	950.00	+0.33%	14.10	14.15	14.35	27,060	114	237.37	48.10%	62.97%	0.5483	10/13/26
META	762.50	10/14/26 (1)	Put	760.00	-0.33%	5.25	5.30	5.40	31,573	196	161.09	42.18%	41.07%	-0.4335	10/13/26
MAT	16.80	12/18/26 (66)	Call	17.00	-1.19%	1.35	1.65	1.70	24,374	206	118.32	69.55%	56.83%	0.5272	10/13/26
MU	953.19	10/14/26 (1)	Call	970.00	-1.76%	5.90	5.89	6.15	13,977	132	105.89	48.10%	63.08%	0.3051	10/13/26
META	762.50	10/14/26 (1)	Put	770.00	+0.98%	10.90	11.10	11.15	10,519	101	104.15	42.18%	41.61%	-0.6683	10/13/26
SOUN	4.88	11/20/26 (38)	Put	10.00	+104.92%	5.00	5.12	5.20	20,008	204	98.08	69.38%	0.00%	-1.0000	10/13/26
JNJ	248.61	10/23/26 (10)	Call	257.50	-3.58%	1.49	1.49	1.76	10,815	114	94.87	24.42%	28.65%	0.2396	10/13/26
SPCX	156.54	10/14/26 (1)	Call	157.50	-0.61%	1.31	1.34	1.35	42,613	462	92.24	51.45%	53.73%	0.4209	10/13/26
AAPL	341.27	10/14/26 (1)	Put	342.50	+0.36%	2.36	2.50	2.46	44,116	515	85.66	25.17%	24.43%	-0.6062	10/13/26
U	46.63	10/30/26 (17)	Call	47.00	-0.79%	2.12	2.18	2.22	31,586	414	76.29	69.74%	57.39%	0.5051	10/13/26
BAC	53.96	11/06/26 (24)	Put	49.00	-9.19%	0.16	0.21	0.25	10,220	143	71.47	26.64%	30.49%	-0.0994	10/13/26
AAPL	341.27	10/14/26 (1)	Put	345.00	+1.09%	4.15	4.28	4.35	36,328	514	70.68	25.17%	25.60%	-0.7886	10/13/26
NLY	18.16	10/30/26 (17)	Call	18.50	-1.87%	0.24	0.35	0.34	10,668	154	69.27	25.12%	30.00%	0.3731	10/13/26
MU	953.19	10/14/26 (1)	Call	975.00	-2.29%	4.65	4.70	4.90	6,911	104	66.45	48.10%	63.63%	0.2548	10/13/26
EQT	54.43	10/30/26 (17)	Put	56.00	+2.88%	2.44	3.10	3.30	6,575	103	63.83	32.23%	42.68%	-0.5998	10/13/26
MSFT	543.45	10/14/26 (1)	Put	545.00	+0.29%	3.60	3.80	3.85	11,161	176	63.41	29.72%	25.60%	-0.5796	10/13/26
SPCX	156.54	10/14/26 (1)	Call	160.00	-2.21%	0.59	0.60	0.65	55,315	941	58.78	51.45%	56.14%	0.2340	10/13/26
AAPL	341.27	10/21/26 (8)	Call	355.00	-4.02%	0.55	0.58	0.67	11,001	192	57.30	25.17%	21.57%	0.1161	10/13/26
RIOT	16.67	11/20/26 (38)	Call	18.00	-7.98%	1.35	1.37	1.39	27,660	487	56.80	85.46%	87.15%	0.4532	10/13/26
TSLA	375.23	10/14/26 (1)	Call	372.50	+0.73%	4.45	4.48	4.65	19,459	345	56.40	41.40%	37.94%	0.6492	10/13/26
SPCX	156.54	06/16/28 (612)	Put	160.00	+2.21%	37.25	37.50	38.30	6,755	122	55.37	51.45%	52.02%	-0.3597	10/13/26
MU	953.19	10/30/26 (17)	Call	1,035.00	-8.58%	13.60	13.98	14.50	11,162	202	55.26	48.10%	49.90%	0.2437	10/13/26

Cheers,

-NOD-

Nathaniel Orr-Depner

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