

The person who smiles when things go wrong has thought of someone to blame it on.
~~Robert Bloch



Good Tuesday morning,

U.S. stock futures were mixed on Tuesday, with artificial intelligence-linked names coming back under selling pressure following a mostly higher session on Wall Street.

Today's biggest trading catalysts are the semiconductor rebound, a packed earnings calendar, housing data, Treasury yields and oil prices.

1. AI and semiconductor rebound faces its first major test.
 - a. The Philadelphia Semiconductor Index gained 1.6% Monday, breaking an eight-session losing streak that had erased approximately 15.7%.
 - b. What matters: Whether semiconductor shares extend the recovery with improving market breadth, or whether sellers return after Monday's relief rally.
2. Netflix earnings — major after-hours technology catalyst.
 - a. Netflix reports third-quarter results. Investors will focus on advertising revenue, subscriber engagement, operating margins and forward guidance.
 - b. What matters: Guidance and commentary on growth sustainability could matter more than the headline earnings beat or miss.
3. General Motors earnings — consumer and auto-demand test
 - a. GM's results will provide insight into vehicle pricing, SUV and truck demand, incentives, electric vehicle losses and consumer financing conditions.
 - b. What matters: Forward guidance and signs of deteriorating consumer affordability.

4. Treasury yields remain a critical market variable

- a. The 10-year Treasury yield was around 5.13% Monday. Elevated borrowing costs continue to challenge valuations and financing economics for capital-intensive AI businesses.
- b. What matters: A renewed move higher in yields could undermine the technology rebound.

5. Housing starts and building permits

- a. September housing starts are expected near a 1.3 million annualized pace, providing an important look at the impact of high financing costs on residential construction.
- b. What matters: Whether homebuilding activity remains resilient despite elevated mortgage rates.

Laptop evolution? LOOK what they TOOK FROM US!



Headlines for Tuesday morning, 20-Oct-26:

- Morgan Stanley warns of a hidden market correction
 - Strategist Mike Wilson argues that many individual stocks have already experienced significant declines despite relatively resilient headline indices. He favors financially strong companies with improving earnings revisions.

- Trading watch: RSP versus SPY, market breadth, and high-quality large caps.
- Higher borrowing costs threaten equity valuations
 - Rising Treasury yields continue to challenge highly valued technology companies and debt-intensive AI infrastructure businesses.
 - Trading watch: 10-year Treasury yield, TLT, QQQ, IWM
- CoreWeave financing concerns remain a focus
 - CoreWeave slipped approximately 0.4% Monday despite a Goldman Sachs buy rating, as investors continued evaluating the financing requirements of AI data centers.
 - Trading watch: CRWV, NBIS, IREN. Balance-sheet strength is becoming a key differentiator.
- Anthropic is in talks to buy \$45 billion of computing power from Nscale, the Nvidia-backed data center developer, per Bloomberg.
 - A deal could be finalized as soon as in the coming days and would bolster Nscale's IPO prospects.

The 25 best performing Russell 1,000 stocks in the first half of 2026 fell an average of 19.1% last week alone.....

- The BEST performer of the group was Iridium \$IRDM , which fell 7.8%.

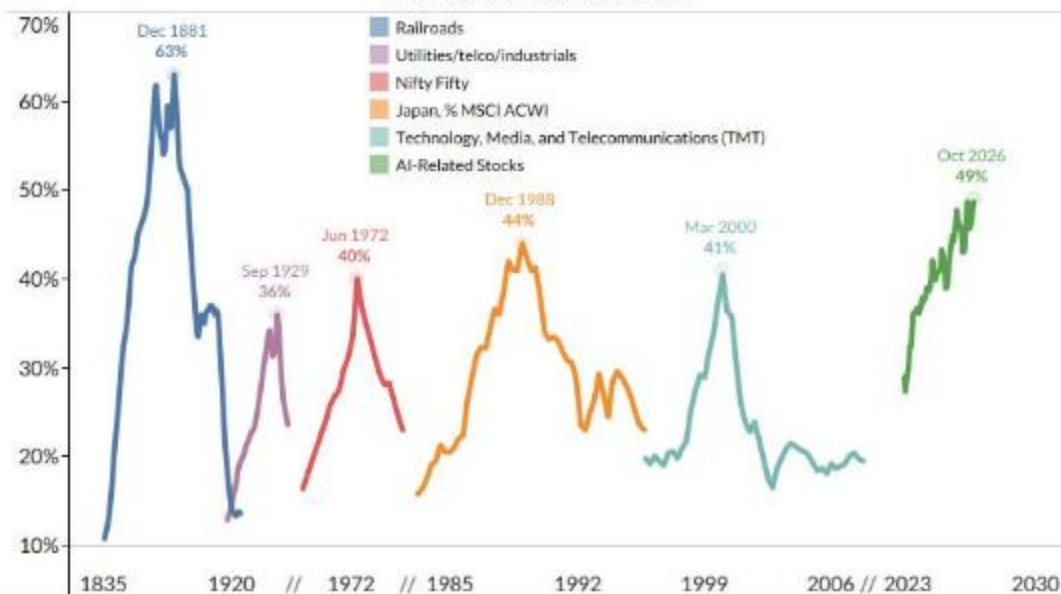
Russell 1K: 25 Best Performers in 1st Half

Stock	Company	Sector	Mkt Cap (\$, Bln)	Price	% Change	
					1st Half	Last Week
SNDK	Sandisk	Technology	\$187.8	1299.3	857.8	-17.9
AAOI	Applied Opto	Technology	\$6.8	75.6	325.0	-31.1
MU	Micron Tech	Technology	\$994.3	878.8	304.6	-14.6
INTC	Intel	Technology	\$474.9	89.9	278.4	-14.2
WDC	Western Digital	Technology	\$124.3	332.0	271.1	-16.4
MRVL	Marvell Tech	Technology	\$199.8	227.8	251.0	-17.2
BE	Bloom Energy	Industrials	\$65.2	221.3	248.4	-21.1
VICR	Vicor	Industrials	\$8.8	191.5	246.5	-28.0
DELL	Dell Technologies	Technology	\$287.2	451.7	245.4	-22.9
DOCN	DigitalOcean	Technology	\$11.6	98.7	226.3	-26.8
IRDM	Iridium	Comm. Svcs	\$4.6	43.8	218.5	-7.8
GLW	Corning	Technology	\$113.7	132.0	192.7	-15.8
ALAB	Astera Labs	Technology	\$49.6	285.8	190.3	-16.5
FORM	FormFactor	Technology	\$8.2	105.0	186.7	-24.8
AMAT	Applied Materials	Technology	\$324.8	409.3	182.0	-19.3
MKSI	MKS	Technology	\$14.5	214.8	178.8	-18.8
STRL	Sterling Infra	Industrials	\$13.0	424.4	174.1	-17.3
AMD	Advanced Micro	Technology	\$863.2	528.8	171.3	-13.0
TTMI	TTM Technologies	Technology	\$9.9	93.9	171.0	-22.4
POWL	Powell Industries	Industrials	\$6.0	165.1	169.7	-14.0
FLEX	Flex Ltd	Technology	\$33.4	90.5	168.2	-24.5
VIAV	Viavi Solutions	Technology	\$8.2	33.4	168.0	-26.6
ALGM	Allegro Micro	Technology	\$5.9	31.6	163.9	-11.1
LRCX	Lam Research	Technology	\$330.3	263.9	153.6	-17.2
TER	Teradyne	Technology	\$50.8	325.0	150.2	-19.3
Average					235.7	-19.1

AI Bubble hits 2nd largest concentration level in history, only behind the railroad mania of the 1880s

AI-Related Stocks at 49% of the S&P 500, Above Every Bubble Peak Except Railroads

Concentration in Historic Bubbles



Note: US sectors as % of US market cap, except Japan (% of MSCI ACWI). AI-Related Stocks = the 41 S&P 500 stocks J.P. Morgan classifies as AI-related: 29 direct AI, incl. the Magnificent 7, Broadcom, Oracle, Palantir, AMD and Micron; 8 AI utilities; 4 AI capital equipment. Month-end data through Oct 9, 2026. Years are not evenly spaced: as in the original, each series is plotted by observation.

Source: BofA Global Investment Strategy, GFD Finaeon, Bloomberg, J.P. Morgan, Bianco Research Recreation

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CoreWeave's founders cashed out as the company unravels:

- CoreWeave's co-founders have CASHED OUT \$3.3 BILLION since the company's March 2025 IPO, including \$2.4 billion in 2026 alone.
- Brian Venturo has sold more than \$1.2 billion in shares, Brannin McBee has cashed out \$1.06 billion since the IPO, equivalent to 40.4% of his original stake, while Michael Intrator has sold more than \$907 million this year.
- Meanwhile, CoreWeave, \$CRWV, shares have plunged more than -50% from their May peak, wiping out \$15 billion in the founders' paper wealth.
- The company's 9.625% bonds due in 2032 have collapsed to around 76 cents on the dollar, while credit default swaps have surged to a record 1,117 basis points, implying a 63% probability of default within 5 years.
- The risks extend beyond CoreWeave itself, as the company is both a borrower and a tenant whose lease payments support bonds issued by other data center developers, potentially spreading its financing stress across the wider AI infrastructure market.

- The founders took some of their chips off the table just before the house of cards started falling apart.



10-Year Real Yield hits highest level since the Global Financial Crisis

Chart 6: US 10-year real yields at 3%

US 10-year real rate (%)



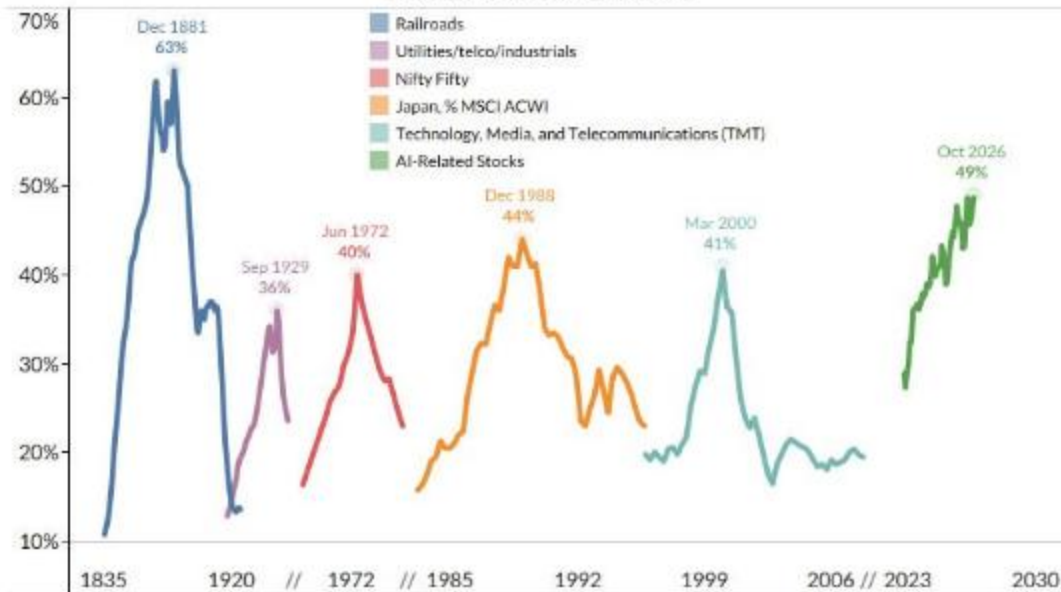
Source: BofA Global Investment Strategy, Bloomberg

BofA GLOBAL RESEARCH

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SMOKIN' "deal" from Firehouse Subs...

EXCLUSIVE MEAL DEALS

\$9.99

COMBO*

\$19.99

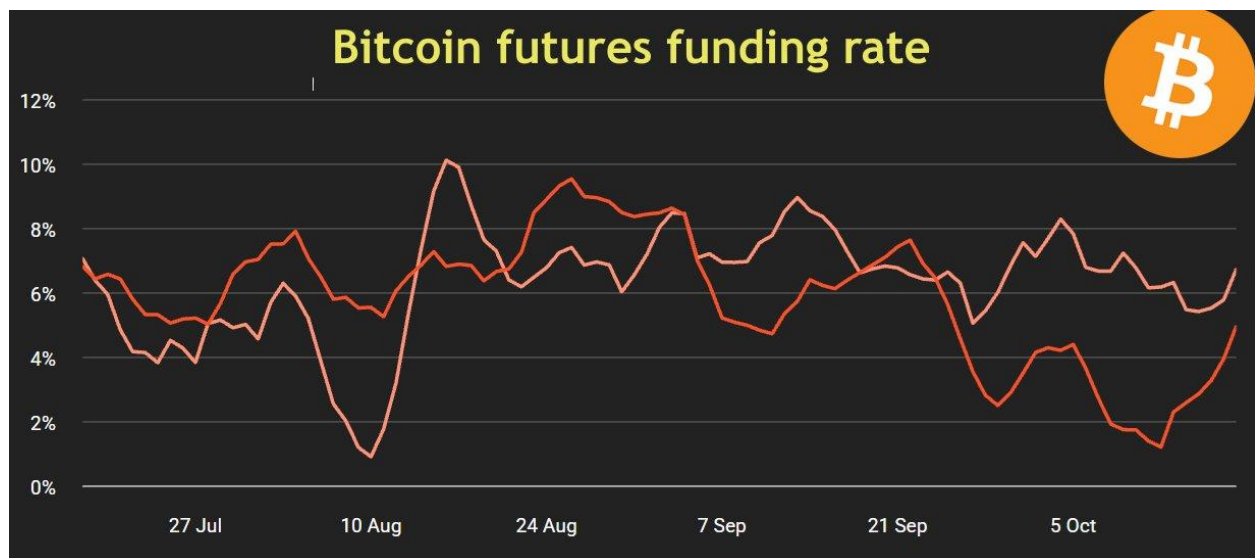
2 COMBOS*

Cryptocurrency

- Bitcoin is up 84% since Morgan Stanley's CEO called it "merely a speculative asset."
 - Now, Morgan Stanley's own Bitcoin ETF has bought \$800M since launch.
- WORLD \$WLD LAUNCHES WORLD ID SUITE FOR BANKS AND FINANCIAL FIRMS, BUNDLING IDENTITY APP, ZOOM DEEPFAKE CHECK, AND AGENTKIT TO COMBAT AI IMPERSONATION
- COINDESK HEADLINES: CFTC rebuffs CME's legal stance in consequential fight over perpetual futures

Bitcoin buyers continue to avoid leverage as funding rates remain neutral at 4-8%.

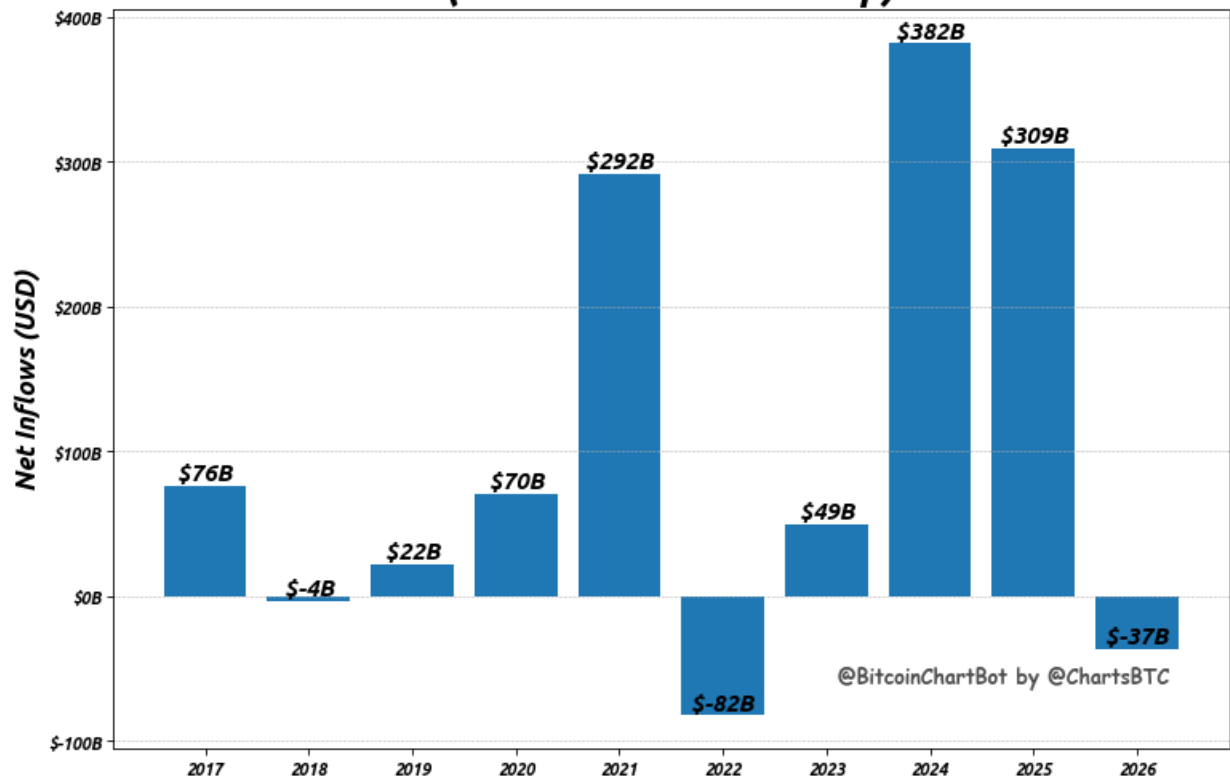
- Lower liquidation risk in case of a \$80K retest.



Bitcoin Net Capital Inflows per Year 2026: \$-37B



Bitcoin Net Capital Inflows per Year (Δ Realized Market Cap)



Apparently AI thinks GLOVES with fibreglass laden insulation is for wimps.....

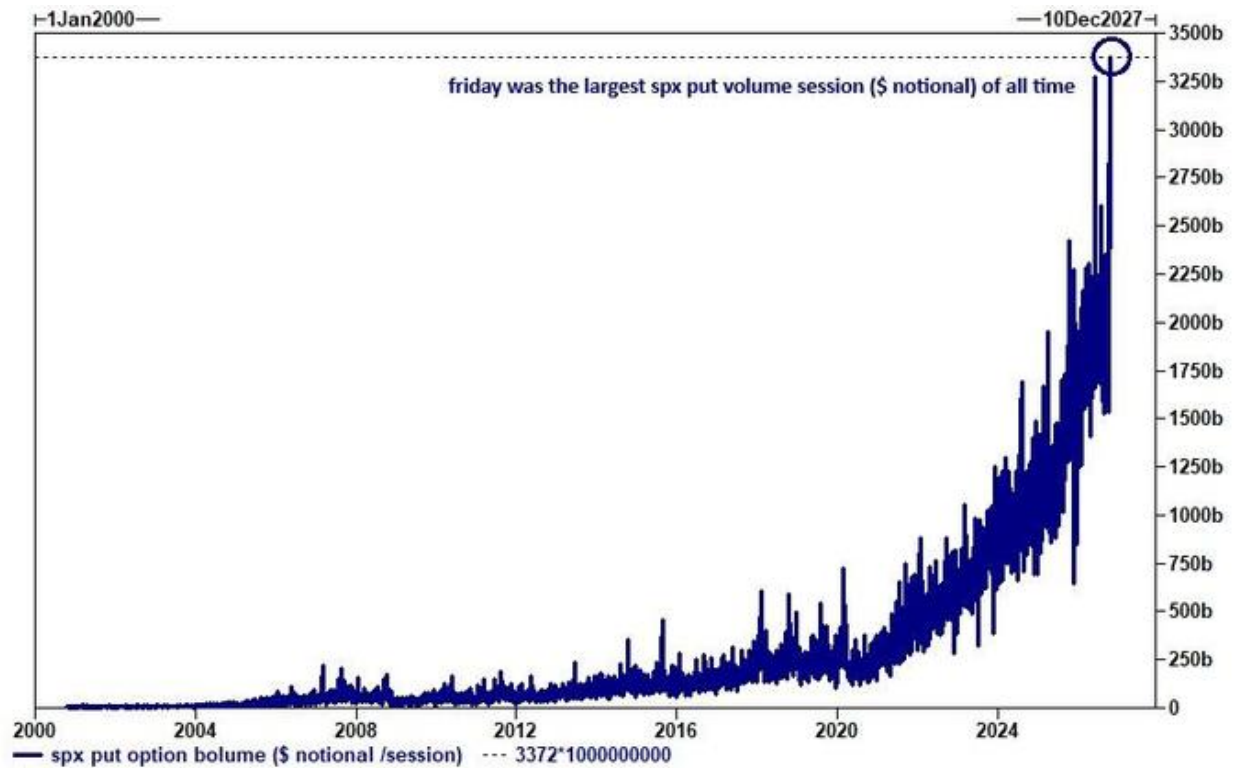


u/HomeDepot
Promoted

LPT: Home maintenance projects and simple upgrades are much easier when you come back to The Home Depot.



S&P 500 [\\$SPX](#) saw the largest put volume day (in \$ notional) in history last Friday - Goldman Sachs



Watching someone, who makes 2x your salary, struggle saving a PDF..

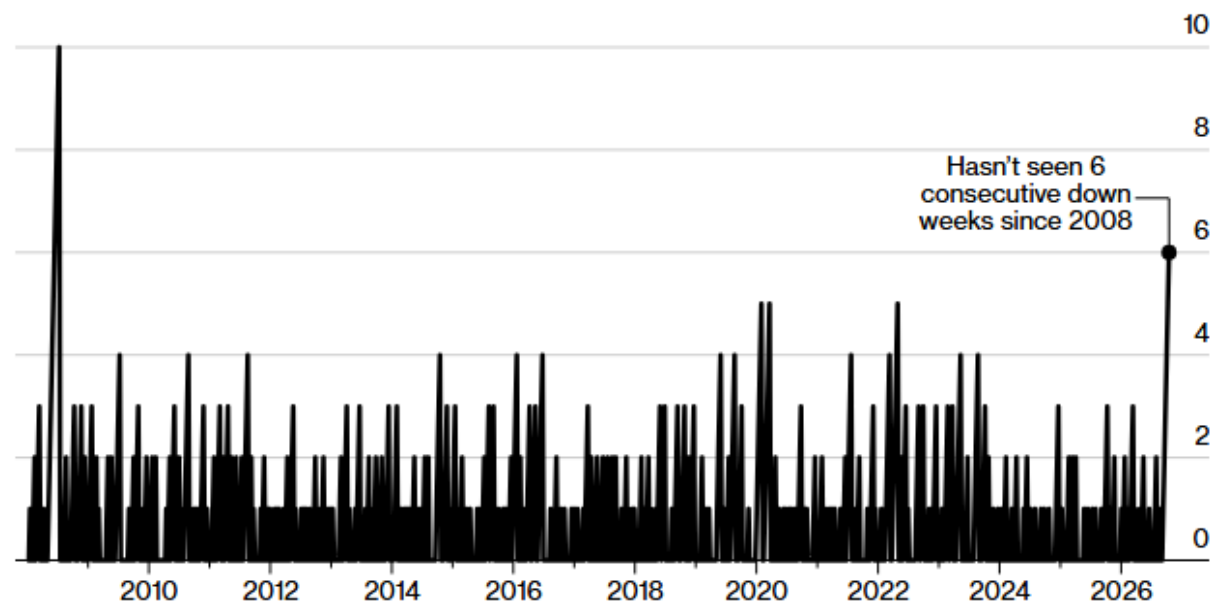


Bank Stocks have now dropped for 6 consecutive weeks, their longest losing streak since the Global Financial Crisis

Souring Momentum

Bank stocks decline for six consecutive weeks, most since the financial crisis

▀ KBW Bank Index, weeks of consecutive losses

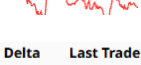


Source: Bloomberg

VIP Pricing

	LAST	CHANGE	% CHG
.DJI	51,966.03 USD	-36.38	-0.07%
.IXIC	26,430.886 USD	+290.852	+1.11%
.SPX	7,690.73 USD	+31.29	+0.41%
@SP.1	7,716.75 USD	-17.75	-0.23%
.VIX	18.86 USD	+0.42	+2.28%
@CL.1	109.50 USD	+5.84	+5.63%
@GC.1	4,142.30 USD	-17.80	-0.43%
@SI.1	57.325 USD	+0.052	+0.09%
@TY.1	105.3125 USD	+0.0625	+0.06%
US10Y	5.117%	-0.019	-0.3699%
US30YFRM	7.43 USD	+0.06	+0.81%
BTC.CM=	81,429.12 USD	-398.32	-0.49%
ETC.BF=	7.72 USD	+0.01	+0.12%
CAD=	1.4051	-0.0059	-0.4181%
EUR=	1.1212	+0.0002	+0.0178%
GBP=	1.3342	+0.004	+0.30%
JPY=	158.14	-0.34	-0.2145%
AAPL	338.82 USD	-4.12	-1.20%
AMZN	261.96 USD	-0.49	-0.19%
AVGO	332.49 USD	-2.10	-0.63%
NFLX	70.15 USD	+0.30	+0.43%
DEFT	0.42 USD	+0.0033	+0.7938%
TSLA	367.00 USD	-1.06	-0.29%
META	699.00 USD	-6.44	-0.91%
MSFT	534.50 USD	+0.98	+0.18%
GOOGL	342.66 USD	-1.52	-0.44%
NVDA	215.26 USD	-1.83	-0.84%
QQQ	713.62 USD	-4.74	-0.66%
BRK.B	535.80 USD	+3.57	+0.67%
UVXY	17.99 USD	+0.61	+3.51%

	LAST	CHANGE	% CHG
SLV	51.48 USD	-0.06	-0.12%
PSLV	18.47 USD	-0.01	-0.05%
AG	15.70 USD	-0.28	-1.75%
SPCX	146.37 USD	-1.59	-1.07%
LOFD	6.45 USD	+0.17	+2.71%
LOFF	15.49 USD	-0.37	-2.33%
SKHY	136.07 USD	-6.80	-4.76%
MU	880.94 USD	-23.96	-2.65%
SNDK	1,326.25 USD	-44.87	-3.27%
BITO	10.88 USD	-0.04	-0.38%
AA	41.03 USD	-0.64	-1.54%
UNH	410.21 USD	+3.33	+0.82%
AI	11.25 USD	-0.03	-0.27%
LLY	1,258.00 USD	+17.66	+1.42%
RH	114.03 USD	+1.04	+0.92%
COIN	165.93 USD	-2.52	-1.50%
CRK	14.31 USD	+0.07	+0.49%
CVX	227.77 USD	+3.40	+1.52%
GLW	129.00 USD	-3.74	-2.82%
SBUX	98.66 USD	+0.79	+0.81%
MNTN	9.93 USD	-0.23	-2.26%
HIMS	27.67 USD	-0.48	-1.71%
RIOT	13.58 USD	-0.39	-2.79%
XRPI	6.94 USD	-0.04	-0.57%
ASTS	40.35 USD	-1.52	-3.63%
BRZE	30.10 USD	+0.06	+0.20%
DJT	6.40 USD	-0.03	-0.47%
GME	25.53 USD	-0.91	-3.44%
BA	191.05 USD	-0.37	-0.19%
DKS	143.77 USD	-0.58	-0.40%

Coin		Price	1h	24h	7d	24h Volume	Market Cap	Last 7 Days
 Bitcoin BTC	Buy	\$81,449.51	▼ 0.1%	▼ 1.2%	▼ 2.2%	\$23,560,485,213	\$1,637,096,842,546	
 Ethereum ETH	Buy	\$2,383.99	▼ 0.1%	▼ 1.8%	▼ 4.6%	\$8,970,179,166	\$291,226,000,767	
 Tether USDT		\$0.9991	▲ 0.0%	▲ 0.0%	▲ 0.0%	\$45,117,748,711	\$183,023,630,917	
 BNB BNB	Buy	\$728.18	▲ 0.0%	▲ 0.4%	▼ 1.5%	\$635,147,456	\$95,771,653,830	
 XRP XRP	Buy	\$1.30	▲ 0.2%	▼ 0.6%	▼ 4.6%	\$1,219,694,006	\$81,911,580,372	
 USDC USDC		\$0.9999	▲ 0.0%	▲ 0.0%	▲ 0.0%	\$16,213,633,464	\$72,071,618,024	
 Solana SOL	Buy	\$104.11	▼ 0.2%	▼ 0.9%	▼ 2.3%	\$2,247,523,604	\$61,376,045,368	
 TRON TRX	Buy	\$0.3321	▲ 0.0%	▲ 0.3%	▲ 0.9%	\$302,524,930	\$31,549,427,154	
 Figure Heloc FIGR_HELOC	Buy	\$1.02	▲ 0.0%	▼ 4.4%	▼ 4.0%	\$19,254,635	\$24,521,793,109	
 Zcash ZEC	Buy	\$1,140.22	▼ 0.7%	▼ 0.7%	▼ 5.5%	\$582,018,171	\$19,377,986,757	

Symbol	Price~	Exp Date	Type	Strike	Moneyness	Bid	Latest	Ask	Volume	Open Int	Vol/OI↓	Imp Vol	IV	Delta	Last Trade
CSX	47.88	10/23/26 (4)	Call	52.00	-8.60%	0.05	0.10	0.15	25,212	116	217.34	23.38%	55.15%	0.0814	10/19/26
M	23.60	01/15/27 (88)	Put	25.00	+5.93%	2.87	2.89	2.95	62,579	355	176.28	46.40%	45.96%	-0.5517	10/19/26
NUAI	2.97	05/21/27 (214)	Call	3.00	-1.01%	1.00	1.08	1.10	11,918	126	94.59	135.84%	118.01%	0.6803	10/19/26
NFLX	69.85	11/13/26 (25)	Put	58.00	-16.96%	0.40	0.44	0.44	21,050	290	72.59	50.91%	55.41%	-0.0851	10/19/26
PEP	133.57	10/23/26 (4)	Call	138.00	-3.32%	0.16	0.16	0.17	17,424	245	71.12	21.36%	24.40%	0.1026	10/19/26
QXO	10.14	11/13/26 (25)	Call	11.00	-8.48%	0.35	0.38	0.50	4,608	115	40.07	71.77%	70.02%	0.3676	10/19/26
KHC	23.17	10/30/26 (11)	Put	22.50	-2.89%	0.15	0.17	0.20	9,602	242	39.68	32.79%	26.78%	-0.2617	10/19/26
HAL	32.98	11/20/26 (32)	Call	33.00	-0.06%	1.60	1.68	1.72	11,541	292	39.52	40.85%	42.27%	0.5275	10/19/26
DXC	14.26	11/20/26 (32)	Call	15.00	-5.19%	0.95	1.04	1.05	4,591	118	38.91	69.93%	78.29%	0.4552	10/19/26
CLF	14.10	10/23/26 (4)	Put	14.00	-0.71%	0.39	0.50	0.49	5,639	150	37.59	68.06%	83.52%	-0.4492	10/19/26
MU	904.90	10/21/26 (2)	Call	920.00	-1.67%	8.85	9.00	9.10	7,202	212	33.97	51.65%	56.74%	0.3564	10/19/26
TSCO	32.81	10/23/26 (4)	Call	33.00	-0.58%	1.25	1.35	1.35	3,832	114	33.61	49.85%	101.32%	0.4997	10/19/26
CIM	8.12	03/19/27 (151)	Call	9.00	-10.84%	0.25	0.30	0.35	10,254	318	32.25	38.01%	37.17%	0.2873	10/19/26
SON	49.80	11/20/26 (32)	Put	45.00	-9.64%	0.50	0.62	0.75	3,202	100	32.02	37.27%	40.40%	-0.1820	10/19/26
GLW	132.74	12/18/26 (60)	Call	120.00	+9.60%	17.90	20.15	20.70	10,004	321	31.17	64.47%	56.21%	0.7179	10/19/26
RIOT	13.97	03/19/27 (151)	Put	22.00	+57.48%	8.55	8.89	9.30	3,411	112	30.46	97.01%	86.78%	-0.7069	10/19/26
AMZN	262.45	10/21/26 (2)	Put	265.00	+0.97%	4.00	4.15	4.25	4,449	149	29.86	41.37%	34.56%	-0.6404	10/19/26
MU	904.90	10/21/26 (2)	Call	970.00	-7.19%	0.91	0.92	0.96	6,093	213	28.61	51.65%	58.38%	0.0569	10/19/26
MU	904.90	10/21/26 (2)	Call	915.00	-1.12%	10.75	10.76	11.00	6,556	230	28.50	51.65%	57.03%	0.4064	10/19/26
NVDA	217.09	10/26/26 (7)	Put	232.50	+7.10%	15.15	14.90	15.80	7,963	292	27.27	40.32%	28.23%	-0.9650	10/19/26

Cheers,

-NOD-

Nathaniel Orr-Depner

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