

WHITE PAPER

Riding the Amplifier

Concentrated Momentum in the Market's New Amplifier Regime

*A thesis paper on amplitude, amplifiers, and the question
of whether we now inhabit a new, lasting momentum regime.*

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Preface

This paper shares a market observation and a business idea derived from it, deliberately in the open and deliberately including the counterarguments. It is not investment advice, not an offer and not a prospectus.

The central claim is this: equity markets have shifted into a structurally new momentum regime. Price moves of several hundred percent within months no longer strike speculative newcomers alone, but decades-old industrial companies, and they do so simultaneously, across every index and region. The trigger keeps changing (currently, above all, artificial intelligence, the geopolitical *Zeitenwende*, and the erosion of trust in the US-led order; in the future, possibly other structural breaks such as quantum technology or robotics), but the *amplifier* remains constant: a market mechanism built from passive capital, options markets, explicit leverage, a growing capital base and a new algorithmic retail layer.

From this follows the thesis of this paper: in such a regime, a deliberately **concentrated** vehicle can be constructed, one that invests in roughly twenty such names rather than diluting the source of return through broad diversification. From this also follows the flip side, which this paper treats with equal seriousness: the same mechanism that generates amplitude on the way up produces, when it breaks, a deeper and faster correction than in earlier regimes.

A word on intellectual honesty: wherever this paper advances a thesis, it names the antithesis. Wherever the data is not yet robust, this is disclosed. That transparency is not a flaw; it is the very feature that distinguishes this paper from the usual apodictic market commentary.

Data status: all price and market data were verified against the sources listed in the Annex as of July 27, 2026; the postscript adds market data from July 28 to August 5, 2026; the distribution analysis in Chapter 16 was computed on July 30/31 (US) and July 31 to August 4, 2026 (Europe); Table 3 and Chapter 13 contain verified data through August 3, 2026. Unless noted otherwise, returns in Table 2 are based on closing prices of the trading days June 30, 2025 and June 30, 2026. All Annex sources are backed by verified original links.

1 · The Speculator of 1923

Edwin Lefèvre's stock market classic *Reminiscences of a Stock Operator* was published in 1923. Its narrator, Larry Livingston, is the thinly veiled figure of Jesse Livermore, and what keeps the book relevant a century on is not nostalgia but its opposite: nearly every mechanism Livermore describes exists again today, only faster, larger and accessible to millions of market participants.

Livermore got his start in the *bucket shops*, semi-legal betting parlors where small-time punters wagered on price moves without ever owning a share. Today's functional equivalent is the zero-commission broker app, Robinhood or Trade Republic: Robinhood now counts 27.7 million funded customer accounts with roughly \$377bn in platform assets, Trade Republic roughly ten million customers across eighteen countries; add to that a host of further providers, from neobrokers to crypto platforms. Together they have lowered the threshold to the market so far that the line between investing and betting blurs. The NYSE brokers of Livermore's day, who controlled the order flow, have three successors today: the actual market makers such as Citadel Securities, Jane Street or Virtu, through whose systems the order flow runs; the global investment banks such as JP Morgan, Goldman Sachs or Morgan Stanley, which make markets in the classical sense; and the large asset and wealth managers along with the private-markets houses, BlackRock, Vanguard, State Street or Blackstone, which move the market above all through their passive ETF and

mandate flows. Together they form the ownership layer of the infrastructure through whose books the capital flows.

Livermore's core dictum, that prices move because people move them and that the trend is friend and foe at once, is the oldest formulation of what this paper calls the *amplifier regime*. The difference lies in the amplitude. What a single operator with nerve and a ticker tape did in 1923 is now executed by trillions of passive capital, millions of options contracts and a growing number of automated systems, and they do it in sync.

2 · The Observation: Extreme Amplitude

The occasion for this paper is empirical. In 2025 and 2026, individual names have posted moves that textbooks would file as singular outliers; except they are no longer isolated cases.

- **Kioxia**, the Japanese memory maker, was the best performer in the MSCI World in 2025 at +540%. On June 12, 2026 (by then up more than +670% year to date once again), it overtook Toyota as Japan's most valuable listed company.
- **Sandisk** (spun out of Western Digital in early 2025) is the best-performing S&P 500 stock of 2026 and has risen roughly fiftyfold over the trailing twelve months (June 30, 2025 → June 30, 2026).
- **Micron** at +837% over twelve months, **SK Hynix** in Korea up roughly tenfold within a year; in June 2026, SK Hynix was worth more than Samsung for several trading days, for the first time since 2000.
- **Bloom Energy**, a fuel-cell manufacturer, up more than +1,100% over twelve months, driven by the power demand of AI data centers: not a semiconductor stock, but energy infrastructure.
- **Even General Motors**, an established industrial group far from the semiconductor world, gained roughly +57% over the same twelve-month window: no extreme case, but evidence of how deep the move reaches into traditional industry.
- **Europe's old economy is moving in step.** HOCHTIEF, the Essen-based construction group founded in 1873, whose US subsidiary Turner builds the data centers of the AI boom, has more than doubled within twelve months ($\approx +111\%$ as of early August 2026); the utility RWE, founded in 1898, stands at roughly +60%, in the same league as General Motors. And Arm Holdings, the UK chip designer, bundles the amplitude in a single name: +155% in the twelve-month window through late May 2026, at times down roughly half from its June high, and up double digits again in early August.

The pattern is not the individual outlier but the *breadth* and the *maturity* of the companies involved. This leads directly to the central distinction of this paper.

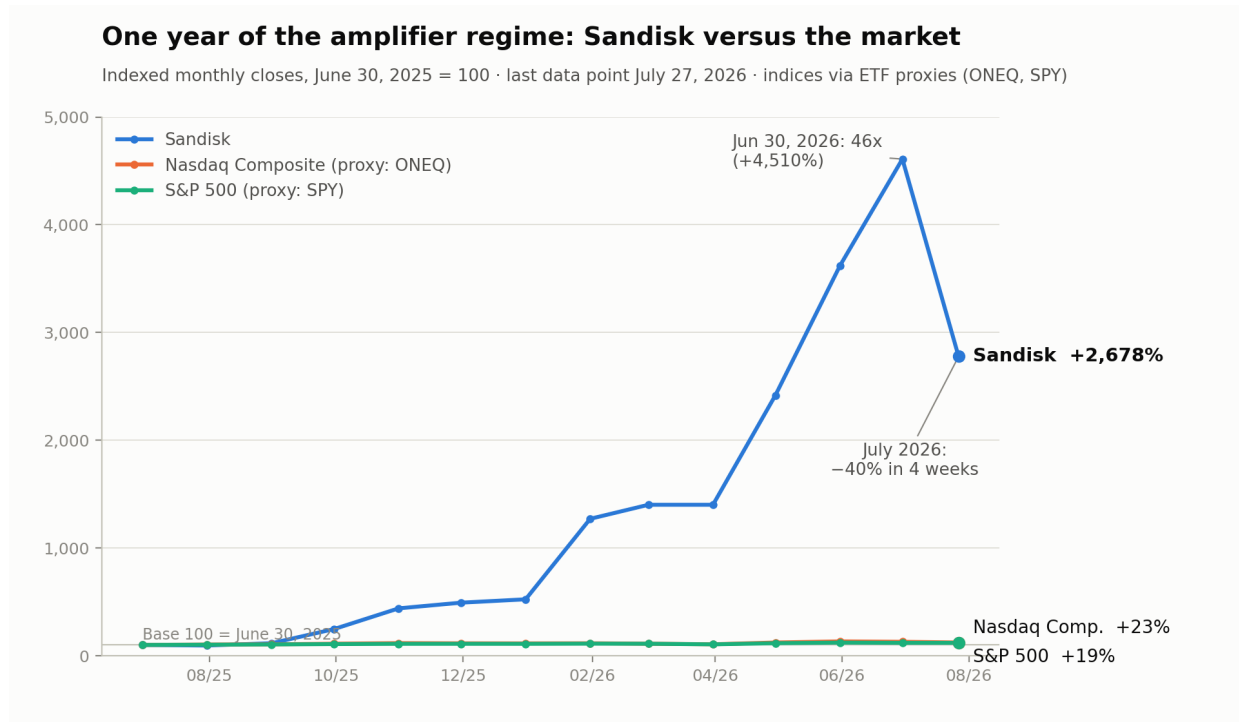
Figure 1 · Extreme amplitude: Sandisk versus the broad market

Fig. 1: Sandisk versus Nasdaq Composite and S&P 500, indexed monthly closes (June 30, 2025 = 100), last data point July 27, 2026. Indices mapped via ETF proxies (ONEQ, SPY); data source stockanalysis.com, own calculation and presentation. Owing to a differing price basis of the monthly series as of June 30, 2025, the June value in the figure ($\approx 46x$) sits slightly below the value in Table 2 ($\approx 50x$); the order of magnitude is unaffected. The July decline of roughly -40% from the June close is itself part of the argument: the amplifier works in both directions.

The amplitude is no longer confined to twelve-month windows; it has reached the daily level. Within a single year, trading days piled up that rank as extremes in the corporate histories of decades-old companies, in both directions (Table 3). What is remarkable is less any single record than the density: record days that used to lie decades apart now fall within the same half-year and strike established companies whose earlier boom-and-bust phases produced no comparable single-day swings. Oracle is the illustrative case: the company, founded in 1977, posted its largest daily gain since 1992 in September 2025 at $+36\%$ (adding \$244bn of market value in a single day), suffered its worst trading week since the bursting of the dotcom bubble in 2001 in June 2026, and by mid-July 2026 stood roughly 58% below its high. Reddit, in turn, lost more than 20% in a day despite revenue growth of more than 60%: the best-news rule (Chapter 6), compressed into a single session.

Table 3 · Record daily moves of established names, September 2025 to July 2026

Name	Date	Move	Context
Oracle	Sep 10, 2025	+36.0%	largest daily gain since 1992 (+\$244bn); June 2026: worst week since 2001
Intel	Sep 18, 2025	+26.4%	largest daily gain in company history (Nvidia investment)
Novo Nordisk	Feb 4, 2026	-17%	guidance shock; another -9% on July 31, 2026 after a halted trial
IBM	Jul 14, 2026	$\approx -24\%$	worst day in the company's 115-year history, beyond Black Monday 1987
Adidas	Jul 30, 2026	$\approx -20\%$	despite record World Cup revenues, after lowered guidance

Name	Date	Move	Context
Microsoft	Jul 30, 2026	+15.5%	largest daily jump in company history (+\$450bn)
Roblox	Jul 31, 2026	-29%	worst day in company history
Reddit	Jul 31, 2026	-21%	largest daily loss since IPO, despite +61% revenue growth
Universal Music	Jul 31, 2026	≈ -25%	worst day since its 2021 listing
Kospi (index)	Jul 31, 2026	≈ +18%	largest daily gain in the index's history

Selection; sources and links in the Annex. Striking is the clustering of “best/worst day in company history” events at mature companies within a few months; the Kospi record and the Microsoft record fell in the same trading week as three record corporate loss days.

3 · The Three-Axes Thesis: Why This Is Not a Dotcom Rerun

Phases of exuberance have occurred repeatedly, from the Nifty Fifty to the dotcom bubble. The current phase differs structurally along three axes.

First axis: time. Even Deutsche Telekom, at the summit of the dotcom era, needed roughly thirteen months for about +230% (from the low of €31.35 on January 13, 1999 to the all-time high on March 6, 2000, Xetra close of €103.50). Comparable moves now unfold in weeks; Rheinmetall, for instance, rose in 2022 from its pre-war close (€96.80 on February 23) to above €200 for the first time within five weeks.

Second axis: volume. Back then it involved individual names. Today it involves multi-billion-dollar companies across every index and region simultaneously, from Tokyo via Seoul and Shanghai to Frankfurt, London and New York. The main table of this paper alone assembles fifteen companies with more than \$10bn in market capitalization and more than +100% in twelve months, among them three trillion-dollar companies.

Third axis: maturity. This is the decisive axis. These are not speculative newcomers but established industrial companies. Ibidem, for instance, the Japanese printed-circuit-board and substrate maker, was founded in 1912 and nonetheless recorded roughly +700% in twelve months. A company of that age and substance would not have developed such momentum in any earlier regime.

From these three axes follows the core of the argument: this is not a repetition of the dotcom phase but a structurally different momentum regime. From that, in turn, follows the business idea: that a concentrated vehicle can be constructed to invest in precisely such names.

Table 1 · Historical momentum in comparison

Name	Era	Characteristic move	Type
Cisco	Dotcom (1995–2000)	≈ +4,000% cumulative Jan 1995 → peak Mar 27, 2000 (\$80.06, P/E ≈ 220); then -87% through Oct 2002	Tech growth
Nifty Fifty	1960s–70s	avg. P/E 1972 ≈ 42 (Polaroid ≈ 95); 1973/74 crash: Xerox -71%, Avon -86%, Polaroid -91%	Blue chips
Deutsche Telekom	Dotcom (1999–2000)	≈ +230% low 01/99 → peak 03/00 (≈ 13.7 months); calendar year 1999 +121%; then -93% through June 2012 (€7.69)	Former state-owned

Name	Era	Characteristic move	Type
Rheinmetall	Zeitenwende (2022)	€96.80 (Feb 23) → above €200 for the first time within ≈ 5 weeks (≈ +107%); calendar year 2022 +124%	Industrials / defence
Kioxia	AI memory (2025/26)	+540% in calendar year 2025 (best performer in the MSCI World); 2026 again > +670% YTD by mid-June	Semiconductors (memory)
Sandisk	AI memory (2026)	best S&P 500 stock of 2026; ≈ 50x over the trailing twelve months as of June 30, 2026	Semiconductors (memory)
Bloom Energy	AI energy (2026)	+1,167% over the trailing twelve months as of June 30, 2026; all-time high of \$345.85 on June 22, 2026	Energy infrastructure

Historical values: Cisco from chained annual returns (peak close \$80.06 on March 27, 2000, low \$10.32 on October 11, 2002); Nifty Fifty per Jeremy Siegel's data; Deutsche Telekom from the Xetra data in the 1999/2000 annual reports (calendar year 1999: +121% from the first trading day, +153% in the year-end comparison; the intraday all-time high of €104.90 is documented in the press); Rheinmetall from the 2022 annual report (year-end close €83.06 → €186.05). Current values: own calculations from daily closing prices, sources in the Annex.

Table 2 · Top global performers (rolling 12 months, June 30, 2025 → June 30, 2026)

Parameters: rolling one-year return based on the daily closing prices of June 30, 2025 and June 30, 2026, minimum market capitalization \$10bn, developed markets plus China. CXMT is the sole exception (IPO on July 27, 2026, hence “since IPO”).

#	Name	Country / exchange	12-mo. return	Mkt cap (USD)	Sector
1	Sandisk	US · Nasdaq (S&P 500)	+4,916%	≈ \$190bn	Memory
2	Kioxia	Japan · Tokyo	> +2,000% ¹	≈ \$180–275bn	Memory
3	AT&S ²	Austria · Vienna	+1,273%	≈ \$9–10bn ²	PCB / substrates
4	Bloom Energy	US · NYSE	+1,167%	≈ \$51bn	Energy (fuel cells)
5	SK Hynix	South Korea · KRX (ADR: Nasdaq since Jul 10, 26)	≈ +900–1,000% (≈ 10x)	≈ \$1.06tn	Memory
6	Western Digital	US · Nasdaq	+898%	≈ \$169bn	Memory (HDD)
7	Micron	US · Nasdaq (S&P 500)	+837%	≈ \$988bn	Memory
8	Ibiden	Japan · Tokyo	≈ +700%	≈ \$43bn	PCB / substrates
9	Seagate	US · Nasdaq (S&P 500)	+569%	≈ \$181bn	Memory (HDD)
10	Intel	US · Nasdaq (S&P 500)	+523%	≈ \$452bn	Semiconductors / foundry
11	Samsung Electronics	South Korea · KRX	≈ +400–490% (≈ 5x)	≈ \$1.10tn	Memory / electronics
12	Resonac	Japan · Tokyo	≈ +300–400% ³	≈ \$17bn	Semiconductor materials
13	Lasertec	Japan · Tokyo	≈ +200% ³	≈ \$23bn	Inspection equipment
14	Advantest	Japan · Tokyo	≈ +180–200% ³	≈ \$131bn	Test equipment
15	Renesas	Japan · Tokyo	≈ +160–180% ³	≈ \$45bn	Semiconductors

#	Name	Country / exchange	12-mo. return	Mkt cap (USD)	Sector
16	TSMC	Taiwan · ADR NYSE	≈ +113%	≈ \$1.88tn	Foundry
17	CXMT (ChangXin Memory)	China · Shanghai STAR	+466% on the first trading day (since IPO Jul 27, 2026)	≈ \$460–487bn	Memory (DRAM)

¹ Kioxia: trailing twelve-month return of ≈ +2,025% as of mid-July 2026; the exact value as of June 30, 2026 is arithmetically higher but could not be hardened from a single consistent source. ² AT&S: market capitalization just below or at the \$10bn threshold depending on the exchange rate, hence flagged as a borderline case. ³ Japanese names other than Kioxia/Ibiden: trailing returns from source snapshots between late May and late July 2026; owing to the sector correction in July 2026, precise June 30 values would tend to be higher. Ranges denote the span of documented values. All other returns: own calculations from daily closing prices (sources in the Annex).

Addendum: the second tier of the Japanese supplier ecosystem (market capitalization below \$10bn, trailing 12 months). Ferrotec ≈ +279%, SUMCO ≈ +247%, Kanto Denka ≈ +239%, Tokyo Ohka ≈ +157%, Shibaura Mechatronics ≈ +151%, MegaChips ≈ +97%. These names fall below the capitalization threshold of the main table, but they demonstrate how deep the momentum reaches into the supply chain.

Blanket caveat: the second-tier figures come from a single secondary source (stockanalysis.com) with non-uniform retrieval dates and have not been individually hardened against exchange closing prices.

Striking is the dominance of the memory complex and its supplier ecosystem, but so is the presence of non-memory names such as Bloom Energy or Intel. This is not a pure “memory trade”: the momentum captures the entire AI infrastructure and reaches beyond it. Equally striking, and relevant for Chapter 11: in July 2026, precisely this complex corrected sharply; Kioxia at times lost roughly 40% from its June high. The amplifier mechanism works in both directions; the table documents a snapshot date, not a standing promise.

4 · The Amplifier Structure: The Actual Core

Three mutually independent shocks are currently producing the same pattern: artificial intelligence; the geopolitical Zeitenwende stretching from Ukraine to Iran; and the erosion of trust in the US-led order, from the NATO question via the new bloc formation to tariff policy, personified in the Trump variable (Chapter 13). When independent triggers simultaneously produce the same market reaction, the cause lies not in any single trigger but in the amplifier structure of the market itself. Five pillars carry it.

Pillar 1 · Passive Capital, ETF Weighting and the Thematic-ETF Industry

Passive vehicles buy price-insensitively into the largest index weights. As a stock rises, its weight grows, and with it the mechanical buying pressure, a feedback loop that reinforces the trend independently of fundamentals. The scale is new: at the end of 2023, passively managed US fund assets exceeded active assets for the first time; by the end of 2025, the passive share stood at roughly 55% of total US fund assets (Morningstar data). Note: a share of fund assets, not of total market capitalization. But at the margin, where prices are set, it is precisely this mechanical flow that counts.

How powerful this channel is has since been quantified. Gabaix and Koijen show in their inelastic markets hypothesis that an additional dollar of equity market inflow raises aggregate market capitalization by roughly five dollars (NBER Working Paper 28967): the market is not an elastic equilibrium but an amplifier with a multiplier. Among the earliest and most prominent voices

warning of this mechanism is Michael Green, Chief Market Strategist at Simplify Asset Management (previously Logica Capital, Thiel Macro and Canyon Partners; his own fund, Ice Farm Capital, was seeded at the time by Scott Bessent, then CIO of Soros Fund Management and now US Treasury Secretary). Green has researched the effects of passive flows on price formation for well over a decade and has presented his findings to the Federal Reserve and the IMF, among others. His core observation matches this pillar: passive investors trade “almost always in one direction: up”, mechanically and valuation-blind, as long as the savings plans keep running; active capital has long been too small to lean against it.

One special form deserves attention of its own: the thematic-ETF industry. Issuers launch passive products on specific narratives (artificial intelligence, defence, quantum computing and others), and they do so systematically near the attention peak of the respective theme. Ben-David, Franzoni, Kim and Moussawi show in “Competition for Attention in the ETF Space” (Review of Financial Studies, 2023) that specialized ETFs lose roughly 30% risk-adjusted in the first five years after launch, driven by the overvaluation of the underlying names at launch; issuers deliberately cater to extrapolative expectations and earn on the launch, not on the outcome. The market is substantial: just under \$470bn in thematic ETFs as of the end of November 2025, up 49.6% within eleven months (ETFGI). The current cycle supplies the illustration: the WisdomTree Europe Defence UCITS ETF, launched in March 2025 after the European defence rally, gathered more than \$3bn within three months; the iShares Quantum Computing ETF started in December 2025 after its underlying index had gained 348% in three years. For this paper, thematic ETFs play a dual role: as a driver, they concentrate price-insensitive flows onto narrow baskets exactly where the momentum is already running; as a signal, a launch wave regularly marks the late phase of a narrative.

The most striking example is supplied by the memory complex of this paper itself. The Roundhill Memory ETF (ticker: DRAM), launched on April 2, 2026 as the first pure-play memory ETF, crossed \$20bn within two months and, at more than \$23bn in net inflows, ranks as the most successful ETF launch in history. The product industry's full escalation chain followed: in June a 2x leveraged variant with the largest first-day volume of any US-listed leveraged ETF, in parallel a European 3x leveraged ETP (Leverage Shares, DRM3) along with a 3x short variant, plus three copycat ETFs from smaller issuers, and on July 28, 2026, in the middle of the correction, the first inverse 2x product. By the end of July, the fund traded more than 43% below its high for the year, with inflows initially still continuing. The complete cycle this paper describes, from launch near the narrative peak via leverage escalation to the break, played out here in less than four months.

How mechanically the index machinery now operates is shown by the second case of the same summer: SpaceX. For the largest IPO in history at \$75bn (valuation $\approx$ \$1.8tn; the retail order book alone exceeded \$70bn, with roughly 20% allotted to retail investors), Nasdaq and FTSE Russell shortened their index-inclusion windows to 15 and 5 trading days respectively via a newly created fast-track rule. As early as July 7, 2026, barely three weeks after the debut, the unprofitable company (most recent quarterly loss: \$541m) entered the Nasdaq-100; index funds thereby became forced buyers, regardless of price or profitability. The S&P 500 alone refused: S&P Dow Jones explicitly declined to relax its profitability criterion, and inclusion is considered conceivable in 2028 at the earliest. The market's preliminary verdict was unambiguous: by mid-July the stock traded roughly 25% below the offer price, and in early August at an all-time low of just above \$110, roughly 18% below the \$135 offer price, almost 30% below the first trade and about half below the interim high. A substantial part of the largest retail order book in history was thus underwater within weeks, while the accelerated index inclusion forced additional price-insensitive demand.

Hardly any case bundles the mechanics of this pillar more densely: record demand at the attention peak, shortened index inclusion without an earnings test, mechanical follow-on buying, a break immediately afterwards.

Pillar 2 · Options Markets and Gamma

The second pillar is the options markets, and there above all the zero-day options (oDTE, “zero days to expiry”): contracts that expire on the very day they are bought. For small premiums they provide large, same-day leverage on index moves, functionally not unlike a lottery ticket with the draw held the same evening, and they are the instrument of choice for short-term-oriented US retail investors: according to Cboe analyses, retail accounts for roughly 50 to 60% of oDTE volume in the S&P 500, overwhelmingly in structures with a capped maximum loss, that is, small stakes with defined risk and a highly convex payoff profile within hours. What matters for market mechanics is the other side: market makers who write these options must continuously hedge their position via the underlying (delta hedging). In positive gamma they buy into rising prices and reinforce the upward move. The magnitude carries the thesis: in 2016, oDTE contracts accounted for roughly 5% of S&P 500 options volume; in February 2026 they reached a record share of 63% at a daily average of three million contracts, and by May 2026 the figure stood at roughly 65% (Cboe). This mechanism has no precedent at this scale in earlier regimes.

Pillar 3 · Explicit Leverage: Margin Accounts, CFDs, Perpetual Futures

The third pillar is at once the oldest and currently at record levels: explicit leverage. US investors' margin loans (FINRA margin debt) reached an all-time high of \$1.53tn in June 2026, up 51.5% within twelve months. The mechanics are procyclical in both directions: rising prices increase the collateral value of portfolios and create additional borrowing capacity that flows back into the market; falling prices trigger margin calls and forced selling. History counsels attention: the three previous growth peaks in margin debt (March 2000, July 2007, October 2021) each came only weeks to a few months before a market top, and thus immediately before the three severest market breaks of the period: the bursting of the dotcom bubble, the 2008 financial crisis, and the 2022 bear market. Historically, a growth peak in margin debt is therefore not a sign of strength but a late-phase signal leading to correction and crash, which is exactly why Chapter 5 lists it among the exhaustion signals. How high up this concern has now traveled became visible immediately before this paper's publication: on August 6, 2026, JPMorgan CEO Jamie Dimon, whose bank was at the same time prime broker to the Situational Awareness fund described in the postscript, warned in a CNBC interview about the record leverage in the system: “Margin debt is the highest it has ever been”; on top of that, he said, comes hidden leverage in prime brokerage relationships, hedge funds, ETFs and Treasury arbitrage. In such a setting, the probability rises “that somebody will disrupt the market in a quick way”, all the more since rising volatility acts procyclically through higher collateral requirements. Dimon expressly does not see a systemic risk as in 2008; what matters for this paper is that the head of the largest US bank describes the mechanics of this pillar, record leverage plus collateral spiral plus a single trigger, almost verbatim.

Added to this is the retail leverage layer of derivatives. In Europe, warrants and knock-out certificates provide the retail leverage, complemented by the CFD industry: over-the-counter contracts for difference, not permitted for US retail investors but marketed widely in Europe. ESMA capped the leverage in 2018 and mandated warning disclosures; ever since, every provider advertisement discloses that, depending on the provider, roughly 70–80% of retail accounts lose

money. The cap changes little about the amplitude argument: even limited leverage produces forced close-outs that translate price moves into mechanical order flow.

The newest and most aggressive link is perpetual futures (“perps”): derivatives without an expiry date, tied to the underlying via a funding rate and tradable around the clock, on oil, gold and bitcoin among others. At the end of May 2026 the CFTC approved them for US retail investors, and the growth figures are extraordinary even for this regime: Kalshi generated \$5.5bn in perp volume in the first two weeks alone, whereas the platform had needed 40 months for its first billion in regular event contracts; the decentralized platform Hyperliquid turned over \$633bn across more than 300 contracts in the first quarter. Hyperliquid deserves attention of its own, because it prefigures the infrastructure of the new regime in miniature: a pioneer of uninterrupted 24/7 trading, the platform has processed roughly \$4.7tn in cumulative volume through mid-2026 and generates annualized fees above one billion dollars with just eleven core employees, by revenue per employee the most profitable company in the world, ahead even of stablecoin issuer Tether (Chapter 14); at the same time, positions and liquidation levels there are publicly visible and now serve professional risk managers and momentum traders as reference points, a price and positioning signal that broadcasts around the clock while the classical exchanges sleep. Offshore platforms offer leverage of 40x and more; at 40x, a countermove of 2.5% suffices to wipe out the entire stake. Unlike in classical futures trading, there is moreover no margin call, only instant forced liquidation. Precisely therein lies the amplifier quality in its purest form: liquidation cascades translate a price move into price-insensitive forced order flow, in both directions, including at night and on weekends when the classical futures exchanges are closed. According to industry estimates, roughly 91% of retail investors lose money trading perps. That Terrence Duffy, head of the largest futures exchange CME, is suing his own regulator and describes the environment with the words “It feels like 2007” (perps could become “a disaster foretold”) counts among the more remarkable warning signs of this cycle.

The classical exchanges are now converging on the around-the-clock model that crypto trading pioneered. The SEC approved Nasdaq's 23/5 trading in April 2026 (launch late 2026, with the week beginning Sunday evening); NYSE Arca is targeting a nearly continuous 23-hour session for December 2026, Cboe filed a parallel proposal in March 2026, and the 24X National Exchange has been trading as the first approved 23/5 exchange since October 2025. CME moved its crypto futures to true 24/7 operation at the end of May 2026, and the London Stock Exchange announced an overnight venue in July. For the thesis of this paper, this convergence is itself an amplifier: the less the market rests, the shorter the phases in which positions are reconsidered rather than moved, and the more seamlessly Pillars 1 through 3 translate every headline into order flow immediately, at night, and foreseeably on weekends as well.

Figure 2 · The perps ramp

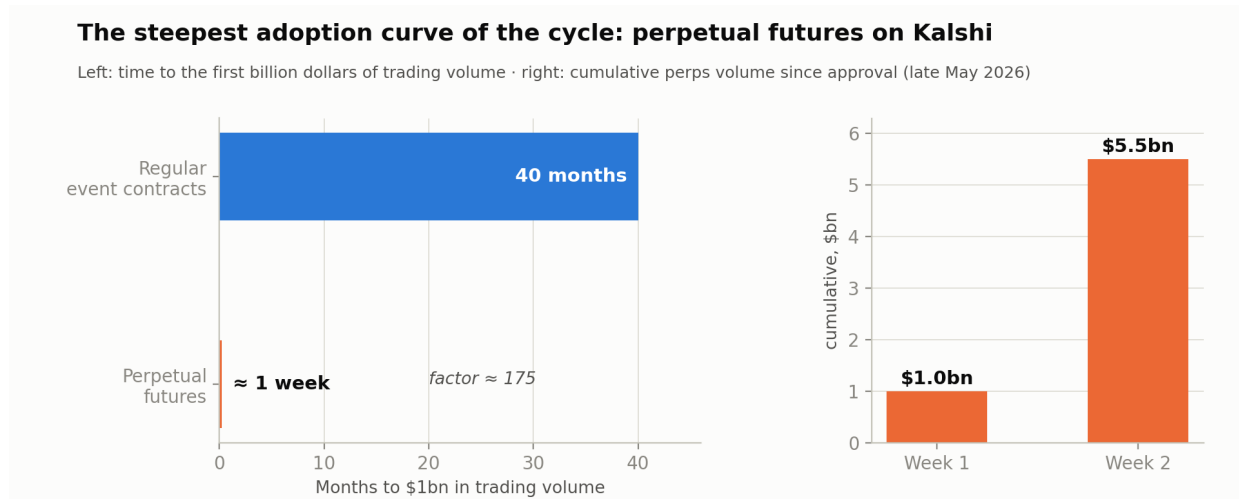


Fig. 2: Kalshi trading volume. Left: time to the first billion dollars (regular event contracts: 40 months; perpetual futures: roughly one week); right: cumulative perps volume in the first two weeks after CFTC approval. Data: Kalshi company figures via Handelsblatt (July 27, 2026); own presentation.

That explicit leverage is no retail phenomenon was demonstrated in the last week of July 2026 by the most prominent hedge fund case of the cycle (the chronicle is in the postscript): Situational Awareness, the AI fund of former OpenAI researcher Leopold Aschenbrenner, had generated more than +400% in six months on a highly concentrated book of over \$20bn in assets under management, and in the market break of that same week had to sell its entire listed equity holdings, while banks, according to the Financial Times, broadly raised collateral requirements for AI-heavy funds. The case evokes the LTCM failure of 1998, when a fund staffed with Nobel laureates and levered roughly 30 to 1 collapsed within weeks, and only a \$3.6bn capital injection by fourteen banks, orchestrated by the New York Fed, averted a systemic crisis. The comparison is instructive in both directions. On the one hand, this time a single buyer absorbed a book of that size overnight, without a rescue, evidence of the system's grown depth (who bought, and what became of it within a week, is resolved in the postscript). On the other, a fund that runs into forced selling on record returns shows how narrow the ridge between triumph and liquidation has become in this regime: leverage hubris is no longer punished over quarters but over trading days. Chapter 10 places the case within the momentum-crash mechanics.

Pillar 4 · A Growing, Speculatively Minded Capital Base

Additional capital flows into the market structurally: the ETF-savings-plan generation, an equity culture propelled by social media, and the migration of entire retirement systems into equities. If the German state pension evolves toward a 401(k)-style equity savings plan, capital that used to sit in money markets will flow permanently and automatically into the same indices and top weights, a standing, price-insensitive inflow.

Added to this is the growing fusion of investing and gambling. Warren Buffett compared financial markets at the Berkshire annual meeting in May 2026 to “a church with a casino attached”; never, he said, had people been in a greater “mood to gamble” than today. As early as his shareholder letter for 2023 he had noted that the casino “now resides in many homes”. Prediction markets such as Kalshi (most recently valued at \$11bn) and Polymarket (\$9bn, with a stake held by NYSE parent ICE), an exchange-regulated offering at Interactive Brokers (ForecastTrader), and crypto as a

largely speculative arena lower the inhibition threshold and carry a gambling mentality into the capital market that further amplifies momentum at the margins.

Pillar 5 · The Agentic Retail Layer

Generative and agentic AI lowers the barrier to entry so far that individuals can build and run automated trading systems, a kind of *retail quant*. eToro institutionalized this path in three steps in 2026: in March, founder Yoni Assia unveiled “Agent Portfolios”, in which users configure or copy AI agents that trade continuously and autonomously, each in its own sub-account; in April, the AI companion “Tori” gained real-time market sentiment from X via a Grok 4.2 integration; in July, the entire application was rebuilt “AI-first”. Assia's stated vision is that AI will produce “more Warren Buffetts”. In practice, autonomous agents are taking over execution for the broad market.

The momentum effect is twofold. First, directly: these systems trade predominantly trend-following and reinforce ongoing moves automatically. Second, via social feedback: participants publish their monthly returns on social media, attract attention and in part capital, and feed back into the retail forums. Part of this activity operates in a legal gray zone, de facto asset management without registration, outside the regulator's field of vision.

Caveat: hardly any robust research exists on this phenomenon so far. It is flagged here as an observed signal not yet scientifically quantified, not as a measured quantity.

5 · Signals: Drivers and Exhaustion

Two kinds of signals must be kept apart. **Driver signals** explain why a name builds extreme momentum in the first place. **Exhaustion signals** show when it tips; for implementation they are almost the more important ones. That crowding is measurable and relevant is shown by research from Capital Fund Management: the rebalancing of momentum portfolios alone is estimated to account for 1–2% of total order flow, and rising.

Signal	What it measures	Type
Passive flows / ETF weight	Price-insensitive, mechanical replenishment	Driver
ODTE options / gamma	Market-maker hedging reinforces the trend	Driver
Explicit leverage (margin, CFDs, perps)	Forced liquidations translate prices into order flow	Driver
Growing capital base	Structural, automated inflow	Driver
Agentic retail systems	Automated trend-following + social feedback	Driver
Fundamental structural break	The actual trigger behind it all	Driver
Buyer food chain exhausted	The marginal buyer (late retail) is fully invested	Exhaustion
Fund ownership overlap	Crowding in ownership	Exhaustion
Order-flow correlation	Crowding in trading	Exhaustion
Short interest / borrow costs	Positioning and squeeze potential	Exhaustion
Retail attention (forums/options)	Late-stage indicator of euphoria	Exhaustion
Thematic-ETF launch wave	Issuers cater to the narrative near the peak	Exhaustion
Margin-debt growth peak (FINRA)	Historically near market tops: 2000, 2007, 2021	Exhaustion

This table also forms the bridge to a tradable signal list to be developed separately.

6 · Mechanics: The Buyer Food Chain and Reflexivity

George Soros's reflexivity supplies the theoretical frame: in a trend, the price itself becomes a fundamental. Rising prices improve financing conditions, sentiment and narrative, which in turn drive prices further. The true break signal is therefore not the fundamental number but the *exhaustion of the marginal buyer*.

The buyer food chain describes the sequence of entries: first convinced fundamental investors, then growth funds, then quantitative strategies, finally broad retail cohorts via social media forums and zero-commission apps. Once the last layer is invested, the next buyer is missing. From this follows the rule of thumb: the best stories end on the best news, namely at the point when no one is left who has not yet bought.

7 · A Typology of Momentum

Not all momentum is alike. Four types must be distinguished; the first forms the core of the strategy sketched here.

Type 1: narrative compounders. A real, self-reinforcing growth path with fundamental substance. Siemens Energy is the classic example. These types are the source of the positive skew that Hendrik Bessembinder documented for the US equity market: between 1926 and 2016, the best roughly 4% of all companies generated the entire net wealth creation in excess of Treasury bills; four out of seven stocks underperformed the money market over their whole lifetime. A handful of names carry the entire wealth creation; precisely these names form the target segment of the strategy.

Type 2: pure but well-founded narratives. A narrative that crosses a visibility tipping point: the moment a technology becomes visible to the mass market. The mass adoption of ChatGPT is the textbook case. Well-founded, but carried by perception, not (yet) by earnings.

Type 3: substance-free flash in the pan. A narrative without a viable business model. Small modular reactors (SMRs) are a current suspect; historical examples include the hydrogen hype, early solar cycles and 3D printing. To be avoided.

Type 4: pure squeeze. GameStop and AMC: movement without fundamental basis, driven by positioning alone. Deliberately excluded; not part of this strategy.

8 · Regime Break versus Cyclical Correction

A cyclical correction moves along an existing demand curve; a regime break shifts or removes the curve itself. The treacherous part: in a genuine break, the fundamentals often still look intact. The SaaS sector did not fail on weak numbers but on the rate regime. For the memory names, the open question is whether memory is still cyclical at all or whether a lasting shift toward a structurally scarcer good has occurred. This distinction is decisive for entry and exit and is deliberately left open here.

9 · The Capacity Law and Alpha Decay

Extreme returns are structurally not scalable at will. Renaissance Technologies' Medallion Fund generated extraordinary gross returns over decades, but has been closed to outside capital since 1993 and trades, unlike what is described here, thousands of small micro-anomalies rather than a few high-concentration conviction positions. It deliberately does *not* serve as a benchmark for the strategy sketched here.

The decisive advantage of the phenomenon described: it plays out in large and mega caps, liquid enough to sensibly carry, for example, a family office vehicle. It is not a niche small-cap effect. At the same time: no small fund is publicly documented that has durably compounded at more than 50% p.a. in concentrated form. Whoever can, presumably stays deliberately invisible or opaque to outsiders, as Renaissance Technologies does with the Medallion Fund.

10 · The Antithesis: Momentum Crashes

A white paper that advances a thesis must know and name its strongest refutation: not refute it, but address it.

That momentum works as a factor has been academic consensus since Jegadeesh and Titman (1993): portfolios of the previous months' winners beat the losers by roughly one percent per month over decades. Yet the same factor carries a built-in break mechanism that is just as well documented. Kent Daniel and Tobias Moskowitz measured it in "Momentum Crashes" (Journal of Financial Economics, 2016): momentum strategies suffer rare but devastating collapses, and they do so systematically at a particular moment: not in the crash itself, but in the *rebound that follows*.

The two historical extremes make the magnitude tangible. July and August 1932, immediately after the trough of the Great Depression: the classic winners-minus-losers portfolio lost roughly 91% cumulatively in two months. The previously destroyed loser stocks rose +232%, while the former winners managed only +32%. March through May 2009, immediately after the trough of the financial crisis: roughly -73% in three months, again driven by the loser rebound (+163% versus +8% for the winners). The pattern is identical both times: after severe market collapses, leadership flips abruptly, and whoever is positioned in the old momentum stands on the wrong side of one of the sharpest moves equity markets produce. Daniel and Moskowitz also show why: after stress phases, the momentum position behaves like a *written call option on the market* (limited further upside, open downside risk in the rebound). The list of concentrated momentum investors who failed on this is long.

To illustrate beyond the jargon: whoever stood at 100 units in the classic momentum portfolio in June 1932 held roughly 9 two months later. The loss arose not in the collapse but in the recovery. The crushed losers of the crash tripled in the rebound while the former winners barely moved; whoever had bet on the old trend lost precisely at the moment the broad market finally rose again. Therein lies the treachery of this strategy: its greatest risk does not look like danger; it looks like the all-clear.

For this paper, the antithesis must be taken seriously in three respects. **First**, the strategy sketched here is long-only and concentrated, not the academic long-short construct: the crash of 1932, like that of 2009, hit the short side above all (the sharply rising losers). That softens the specific crash mechanics but does not immunize: a concentrated long book of the past twelve months' winners carries the market's greatest drops in a break, as Chapter 11 sets out. **Second**, the academic answer

to the crash problem (dynamic, volatility-managed momentum that cuts exposure after stress phases and thereby reached Sharpe ratios around 1.2) is evidence that timing overlays can shape the risk, though at the factor level, not at the level of twenty individual names. **Third**, this is exactly where the paper's own approach comes in: via the exhaustion signals of Chapters 5 and 6, which aim to exit before the turn, and via the tail hedge of Chapter 12, which explicitly insures the crash case.

This shifts the position of this paper from uncritical optimism to an approach that knows the documented weakness and formulates an answer. Whether that answer holds remains to be proven, as with any serious investment thesis. Which is precisely why this is a thesis paper and not a promise of returns.

11 · There Is No Place to Hide

Whoever advances the amplifier thesis for the way up must think it through for the way down. There, it is not mirror-symmetric but sharper. Every amplifier reverses direction in a crash, and it does so simultaneously.

- Passive capital, which buys mechanically into the top weights on the way up, sells just as mechanically and price-insensitively on the way down, as soon as savings plans stop or funds flow out.
- The options markets tip into negative gamma: market makers then sell into weakness instead of stabilizing.
- The agentic retail systems are trend-following by construction on the way down too: they liquidate positions on the same signal at the same time.

The core point is not the size of the excess but the **simultaneity and correlation of the exits**. Market participants used to have different time horizons; one bought when another sold, which had a dampening effect. Today, ever more participants operate on the same logic, the same indices, the same signals. Under stress, the buyer on the other side disappears. That is the exhaustion of the marginal buyer, for the entire market at once.

This does not only hit the momentum investor. If the index falls through the amplifier mechanism, it hits the growth, the value, the emerging markets and even the quality investor. The difference lies in degree and speed of recovery, not in exposure: the momentum investor of this paper is hit hardest, but no one is immune, because correlations converge toward one in the break and style differences become temporarily meaningless. Within the equity market, there is then no place to retreat to; and as trading hours extend toward around the clock (Pillar 3), the temporal breathing space that used to decelerate breaks is disappearing as well.

12 · The Consequence: Tail-Risk Hedging Rethought

If this paper describes the new market reality accurately, one conclusion follows of necessity: classical hedging of daily volatility misses the point; one insures against the wrong risk. The relevant protection is the deep out-of-the-money tail hedge: puts far out of the money on indices or on individual overheated names. They cost little in normal market conditions but deliver disproportionately in the break, when all correlations converge toward one.

Because the amplifier signal operates at the level of market mechanics, this protection is required *across styles*, for every professional investor in this regime, not only the momentum investor. The only true exception is the very long-term buy-and-hold investor with a horizon of ten, twenty or thirty years, who can sit out the break. For everyone else, tail-risk hedging takes on a new dimension, and since hardly any market participant prices it adequately, it becomes, in this regime, a potential source of alpha in its own right.

Consequences for portfolio construction. For the concentrated book of roughly twenty names sketched in the preface, Chapters 10 and 11 imply a framework of five elements:

- **Position discipline:** caps per single name and per cluster (such as the memory complex), plus rule-based trimming of winners, so that the book does not converge unnoticed into a bet on a single narrative.
- **Signal-driven exit:** selling is triggered not by price targets but by the exhaustion signals of Chapters 5 and 6: ownership overlap, order-flow correlation, late-stage retail indicators, thematic-ETF launch waves.
- **A standing tail-hedge budget:** the deep out-of-the-money puts are carried as a fixed, budgeted cost ratio, not as a tactical decision; whoever seeks protection only in the stress pays for it at the worst moment.
- **A rebound protocol:** after a market break, the old momentum book is not automatically re-established. The lesson of Daniel and Moskowitz is that market leadership changes after the trough; redeployment follows the new leadership, not the memory of the old.
- **A liquidity reserve:** a fixed cash quota that rules out forced selling in illiquid phases and preserves capacity to act in the rebound.

Concrete parameters (weight caps, hedge ratio, cash quota) are deliberately reserved for implementation; they belong in mandate and risk documents, not in a thesis paper.

A note on reversibility: whoever takes the asymmetric drop seriously and commands the corresponding timing skill can mirror the same logic and construct a short-momentum book. That is expressly not the core of this paper, but it shows that the thesis carries in both directions.

13 · The Geopolitical Kill Switch

A third, exogenous cause of breaks, besides cyclical correction and endogenous amplifier failure, is political intervention. The AI world is visibly splitting into a US and a China bloc with separate technology stacks. In such a world, momentum can be ended overnight by decree; a company's bloc affiliation itself becomes a priced risk factor and a lasting valuation discount. The old German market adage that political markets have short legs, meaning politically driven moves fade quickly, now holds only conditionally in this regime: political intervention is no longer short-lived noise around an intact trend but can shift demand curves permanently; that is precisely what this chapter is about.

A current piece of evidence from the AI industry itself: on June 12, 2026, the US Department of Commerce imposed binding export controls on Anthropic. The frontier model Claude Fable 5 was blocked entirely, the underlying Mythos 5 restricted for foreign nationals, including within the United States, extending to Anthropic's own non-US employees. The trigger was a circumvented safety mechanism reported by outside researchers. From June 26, Mythos 5 was partially released

for roughly one hundred US critical-infrastructure organizations; on June 30 the control was lifted, on July 1 access restored, a 19-day shutdown by administrative decision. What struck a single company here can strike an entire sector at larger scale.

The Chinese precedent is starker still: after Jack Ma's critical speech on October 24, 2020, the Ant Group IPO, sized at \$34.4bn (the largest in history), was halted on November 3, 2020, two days before trading was to begin; roughly 32 months of regulatory severity followed, up to the final fine of just under one billion US dollars in July 2023, and entire industries such as the tutoring sector were effectively banned overnight. The lesson: across bloc borders, diversification is no longer reliable protection.

The Trump Variable: The Personified Trigger

Alongside intervention by decree there exists a second, continuous source of political volatility that has no precedent in modern financial market history: a head of government whose individual utterances repeatedly and immediately trigger market moves of historic magnitude. The chain of evidence is long. In April 2025, the tariff announcement ("Liberation Day") drove the VIX above 60, the highest level outside the 2008 financial crisis and the 2020 pandemic; six trading days later, the announcement of a 90-day tariff pause triggered the largest daily gain since October 2008 at +9.5% in the S&P 500 (Nasdaq: +12.2%, the largest since 2001). Both extremes trace back to a single communication each, from the same person. As early as 2019, JPMorgan constructed the "Volfefe Index", a dedicated measurement instrument solely for the rates volatility resulting from Trump tweets; in 2025 the Financial Times coined the "TACO trade", a trading pattern that systematically bets on the retreat after market pressure; academic studies now document the volatility effect of the utterances for European markets as well, and in February 2026 a single new tariff announcement cost the Dow 820 points. The only structural comparison of the past hundred years, the Nixon shock of August 1971, was a one-off event; this is a standing regime.

What matters for this paper is that this source does not act in isolation but couples to the amplifier structure of Chapter 4. Prediction markets trade contracts on presidential pardon decisions; the perpetual futures approved by a Trump-appointed CFTC chairman translate political news into leveraged positions around the clock; ODTE options monetize every announcement within hours. What is historically new, then, is not the erratic politician as such, but the combination: a maximally accelerated, leveraged and automated market meets, for the first time, a maximally erratic single signal source. In the language of this paper: the trigger is personified, the amplifier structural, and each reinforces the other.

14 · The Macro Tail: When the Safe Asset Turns Unsafe

The outermost tail risk concerns the foundation of the system. China still holds (as of March 2026, TIC data) roughly \$653bn in US Treasuries, far less than the peak of roughly \$1.3tn in 2013 and only about 7% of foreign holdings, behind Japan and the United Kingdom. Total US debt now stands at roughly \$39tn. The relevant scenario is not that China sells, but that the West freezes Chinese holdings in a hot conflict, with the precedent of the roughly \$300bn in Russian central bank reserves immobilized since 2022.

The endgame would be the erosion of US Treasuries' status as the safe haven. Then correlations converge toward one not only within equities but across all asset classes, and every momentum

ends at once. That is an extreme tail scenario and expressly not a base case, but it belongs in an honest paper.

How close this field has moved to the present became visible immediately before this paper was finalized. In early August 2026, the United States joined Japan in propping up the yen, the two countries' first joint yen support since 2011, by a stricter count since 1998: after the exchange rate had reached roughly 164 yen per dollar, the weakest level in some forty years, the Japanese Ministry of Finance and the US Treasury intervened in the currency market in coordination; on August 3, Finance Minister Katayama and US Treasury Secretary Bessent confirmed the operation, and the rate recovered toward 156. What is remarkable is less the intervention itself than its motive, as the reporting consistently reconstructs it: Japan is the largest foreign creditor of the United States at roughly \$1.1tn, and a persistently weak yen could have turned the country into a forced seller of US Treasuries, into a market whose thirty-year yield, at above 5.2%, already stood near its highest levels since 2007. Commentators from Brookings to Bloomberg accordingly classified the intervention as symptom treatment of a bond market problem, not as its solution. For this paper, this is a real-time indication of where the trigger of the next tail event is most likely to lie: less in the equity market itself than in the bond and currency architecture behind it. When two of the world's largest economies must intervene in coordination so that the safe asset stays safe, the macro tail of this chapter is no longer a theoretical category.

From this follows gold as the bloc-free safe haven. The structural driver (bloc formation, the weaponization of bond holdings, central bank purchases above 1,000 tonnes for three consecutive years since the freezing of the Russian reserves, versus an average of 473 tonnes per year in 2010–2021, World Gold Council) argues for a new, long-term gold momentum, cyclical setbacks notwithstanding. For context on the current picture: the gold ETF GLD traded at the end of July 2026 roughly 26% below its 52-week high and negative year to date ($\approx -6\%$), yet at roughly +21% over twelve months. The 2026 setback does not refute the structural driver; it illustrates the difference between trend and cycle that runs through this paper. How far this gold momentum already reaches beyond the central banks is shown, of all things, by one of the most profitable actors of the new market phenomenon itself: stablecoin issuer Tether, with \$13bn in profit for 2024 and above \$10bn for 2025 on an estimated 300 employees one of the most profitable companies in the world per head, held roughly 146 tonnes of gold by mid-2026 ($\approx$ \$19bn, about one tenth of its reserves) and, per Bloomberg reporting, bought more gold in 2025 than any central bank except Poland's. When the treasury of the crypto economy begins to behave like a central bank, that is a second, independent piece of evidence for this chapter's bloc-free-haven thesis.

15 · Outlook: One-Off Flash in the Pan or Structural Regime Change?

The concluding question is this: is this momentum regime a one-off event of the “ChatGPT moment”, or a lasting structural condition? The lean of this paper is reasoned and unambiguous.

The strongest argument against the flash-in-the-pan hypothesis is the **simultaneity of independent shocks**. If the regime were purely AI-driven, the amplitude should appear only in the semiconductor and data-center complex. Yet it appears equally in the defence sector (Rheinmetall 2022, the Zeitenwende) and in energy infrastructure (Bloom Energy and numerous other names). Several independent causal chains, the same pattern; that points to the amplifier structure as the actual constant. The trigger changes, the amplifier remains.

From this follows the expectation that the next waves will run along the same pattern: robotics (humanoid robots, visible in war or in daily life as the visibility tipping point) and quantum computing (the moment a breakthrough becomes visible to the mass market; likely beneficiaries then include second-tier suppliers such as Linde with cooling gases, precisely because the first beneficiaries of such waves are rarely obvious). Both are formulated here as testable hypotheses, not as certainties.

This new market reality has numerous further implications beyond the focus of this paper, from the structural beneficiaries of the capital flows (index providers and large asset managers such as BlackRock, which profit as “shovel sellers at the meta level” largely independent of individual price paths) to new market opportunities that deserve a paper of their own. That is the next piece of work.

16 · Limits of This Paper

Intellectual honesty requires naming one's own gaps. Three points stand ahead of a further development of this work:

- **Quantitative hardening of the amplitude thesis: the test has been run.** The test that a thesis of this scope demands has been computed in full (data source EODHD, methodology in the Annex): rolling twelve-month windows at each month-end from 2005 to July 2026 across a universe of 1,000 US names, counting per year the share of names above an inflation-adjusted \$10bn threshold with at least one window above +100% and +200% respectively. The result (Figure 4) carries the thesis in sharpened form: in quiet years the share sits at 1–4%. The two historical spikes, 2010 at 18.4% and 2021 at 25.9%, are crash rebounds that fell back to the normal level within a year and were carried by the previously crushed losers. The years 2024 to 2026, at 7.0%, 8.7% and 13.5% (through the end of July, after seven months), form the first multi-year rising sequence of elevated values without a preceding market break in the entire series; among the extreme cases above +200%, 2026 already marks the record after seven months with 27 names (2021: 23 in the full year), and the cohort carries the maturity signature of the Third Axis: Intel, Caterpillar, Corning, Cummins, Southern Copper. What is new, then, is not the individual extreme return but its sustained, building occurrence without a crisis rebound. Methodological limits (residual survivorship bias of the universe construction, approximated market capitalization, 62 unavailable names, Japan not contained in the data set, 2026 incomplete) are openly documented in the Annex; the 1990s including the dotcom phase remain the preserve of the CRSP-based literature.

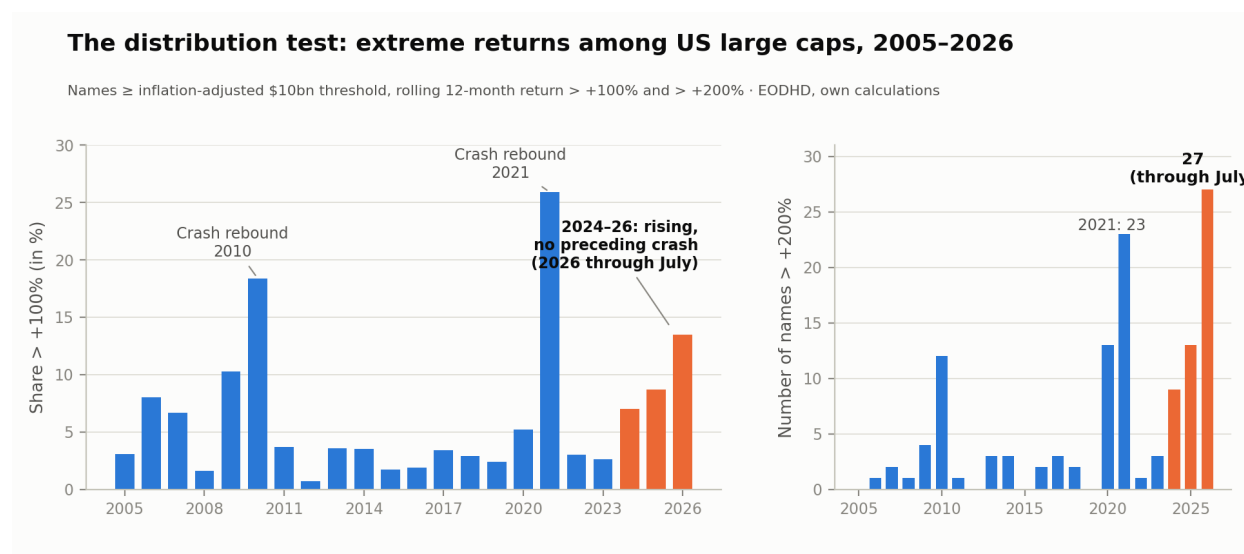
Figure 4 · The distribution test

Fig. 4: Share of US large caps ($\geq$ inflation-adjusted \$10bn threshold at window start) with a rolling twelve-month return above $+100\%$ (left) and the number above $+200\%$ (right), per calendar year 2005–2026 (2026 through the end of July). Universe $\approx$ 350–660 names per year out of 1,000 computed US names including a curated delisted list. Data source EODHD, own calculation and presentation; methodology and limits in the Annex.

The extension to Europe (Figure 5; 166 names from 13 exchanges, same methodology, currency conversion approximated) confirms the pattern at a lower base level. In quiet years the share sits at 0–4% (three years with zero cases); the rebounds of 2010 (16.5%) and 2021 (15.5%) fell back to the normal level within a year; and 2024 to 2026, at 3.9%, 5.8% and 6.6% (through the end of July), form the first multi-year rising sequence without a preceding market break in Europe as well. The carriers here are not memory names but defence and energy infrastructure: Siemens Energy reached 4.7x in twelve months at the peak, Rheinmetall 4.1x, Rolls-Royce 3.2x in the 2023 turnaround; the 2026 cohort further includes Infineon, ASML, STMicroelectronics, Bayer, Nokia and Wärtsilä. Two regions, two independent triggers, the same pattern: the Second Axis of Chapter 3 is thereby quantitatively underpinned. The methodological limits (22 unavailable names, mostly from Switzerland, Vienna and Madrid, approximated exchange rates) are documented in the Annex.

Two qualifications belong to this finding. The first concerns the threshold effect, whose most prominent case is at the same time the trigger of the European defence trade: Rheinmetall, at its 2022 breakout (roughly $+107\%$ within five weeks of the outbreak of war, cf. Chapter 3 and Table 1), still sat well below the \$10bn threshold and by construction does not count in Figure 5 for 2022 and 2023; only the later windows up to 4.1x appear in the tally. Below the threshold, moves of equal and greater amplitude were thus underway that further support the thesis; in this respect the test is deliberately built conservative. The second concerns Japan: the third major region of this paper was not tested because Tokyo is not contained in the data set of the provider used; an extension via a second data source is planned. Given the Japanese individual cases documented in Chapter 2 and Table 2 (Kioxia, Ibiden, Advantest and the supply chain), a pattern at least as strong would be expected; that remains expressly a hypothesis, not a finding.

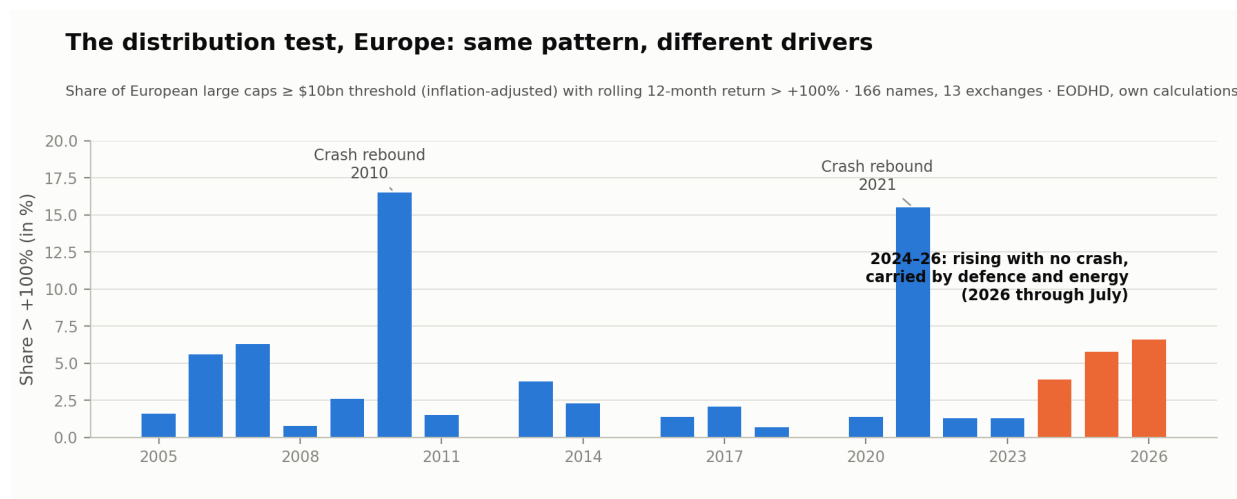
Figure 5 · The distribution test, Europe

Fig. 5: Share of European large caps ($\geq$ inflation-adjusted \$10bn threshold, currency conversion approximated) with a rolling twelve-month return above $+100\%$, per calendar year 2005–2026 (2026 through the end of July). 166 computed names from 13 exchanges including a curated delisted list. Data source EODHD, own calculation and presentation.

- **The antithesis remains the touchstone.** Chapter 10 names the momentum-crash mechanics with their hard numbers; the actual defence, that exhaustion signals and the tail hedge make the crash case manageable, is a claim that only a lived-through cycle can prove.
- **Individual data points carry residual uncertainty.** All core figures of this paper were verified against primary or reputable secondary sources (as of July 27, 2026); where only ranges or non-uniform reference dates could be documented (notably for part of the Japanese suppliers), this is expressly flagged in the tables rather than smoothed over.

Postscript · The Stress Test in Real Time (July 28 to August 5, 2026)

Between the data cutoff of this paper (July 27) and its completion, the market began testing the theses of Chapters 5, 6, 8, 10 and 11 in real time. This postscript documents the events of a good trading week and interprets them deliberately cautiously.

On July 28 and 29, 2026, the semiconductor complex corrected sharply worldwide. SK Hynix and Samsung each lost more than 13% on the Tuesday; the Kospi, in which the two names together account for more than 50% of the index weight, fell almost 11% the same day and thus stood 36% below its mid-June record. Micron and Sandisk opened roughly 7% weaker, the Philadelphia Semiconductor Index sat roughly 25% below its high, the Nasdaq 100 more than 10% below its early-June record. The triggers bundle several threads of this paper: reports of Chinese advances in immersion lithography (hitherto an ASML domain under China export restrictions), the CXMT debut, the low-cost Chinese AI model Kimi K3, plus growing doubts about the return on AI capital spending after Alphabet raised its capex guidance to \$195–205bn and the four large hyperscalers head toward a combined roughly \$650bn of capex in 2026. “Greed has given way to naked fear”, as BNP Paribas strategist Stephan Kemper put it.

July 29 then supplied the textbook case of this paper. SK Hynix reported record results: revenue up 257% year on year to 79.3 trillion won, operating profit up 554% to 60.5 trillion won, an operating margin of 76%, plus an expressly optimistic outlook for continued memory scarcity; 25

of 37 analysts rate the name a “Strong Buy”. The stock nonetheless closed down 9.6% and thus sits 52% below its June 22 high, after previously tripling since late March. Chapter 6 formulated the rule of thumb that the best stories end on the best news; rarely has a single trading day illustrated it so precisely. “Until now, market participants were simply optimistic. Now they want to see proof”, write the strategists at Neuberger Berman.

A few days earlier, the same market phase showed its other extreme. The CXMT IPO was oversubscribed 212-fold in the retail tranche and 569.8-fold in the institutional tranche; the retail order volume alone, at roughly 7.07 trillion yuan ($\approx$ \$985bn), exceeded the record order book of June's SpaceX IPO ($\approx$ \$250bn at roughly four times oversubscription of the largest IPO of all time at \$75bn) several times over, and did so at less than one eighth of the issue volume. The ratio must be read with care: the Chinese subscription system (lottery allocation, only 6.73% tradable free float, effectively restricted to mainland investors, flanked by state-sponsored semiconductor self-sufficiency policy) structurally produces higher oversubscription multiples than a globally accessible Nasdaq listing; the multiples therefore measure different things. Which is precisely why the counter-question is revealing: had global capital been allowed to subscribe, demand would hardly have been lower. As a sentiment marker, this subscription frenzy belongs in the same series as the margin-debt record, the oDTE share and the perps ramp: a late-cycle signal in the sense of Chapter 5.

Figure 3 · Subscription demand as a sentiment marker

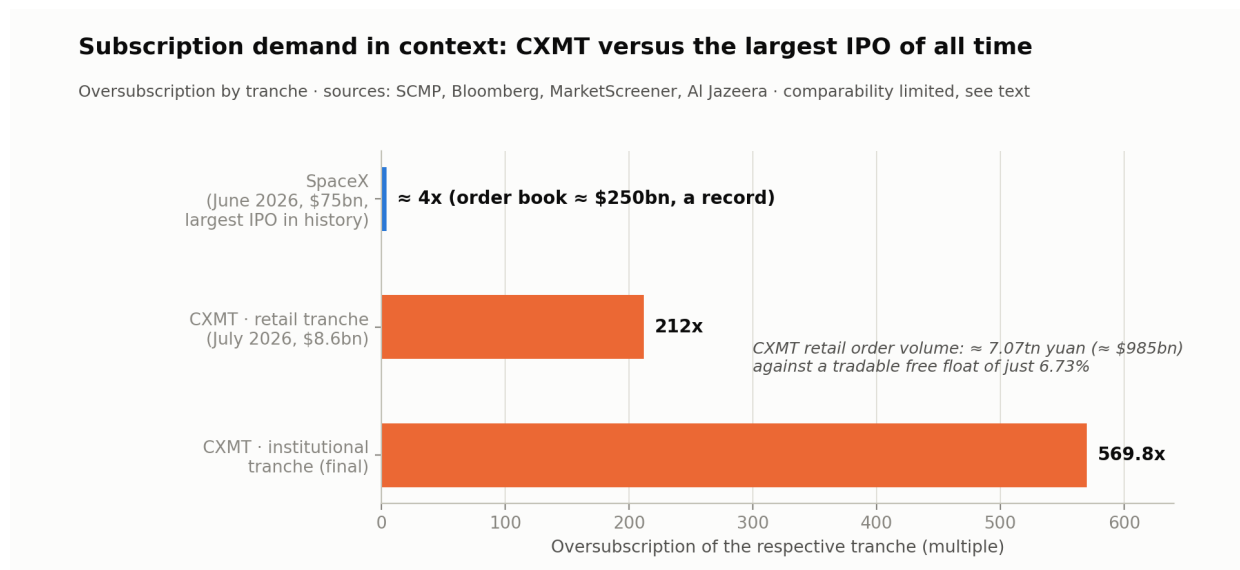


Fig. 3: Oversubscription multiples of the respective tranches. SpaceX: total order book $\approx$ \$250bn, “more than four times oversubscribed” (Bloomberg, Al Jazeera, June 2026). CXMT: retail tranche 212x (SCMP, Bloomberg), institutional tranche final 569.8x (MarketScreener). The systems are only comparable to a limited degree (lottery allocation, 6.73% free float, access restrictions); source links in the Annex. Own presentation.

What follows from this? First, the observation that the downward amplifier mechanics (Chapter 11) work in reality: the correction ran within hours from New York via Seoul and Tokyo back to New York, carried by the same structures that had previously generated the upward amplitude. Then the actual dilemma that distinguishes this phase from the dotcom bubble: prices are breaking while the fundamentals accelerate. SK Hynix reports record margins, TSMC forecasts chip scarcity through 2030, the memory industry's offtake agreements add up to \$750bn over five years. Under the systematics of Chapter 8, two readings thus remain open. The rotation argues for a cyclical correction within an intact regime: the broad S&P 500 Equal Weight reached a record high on July 28, and within the index, industrial names increasingly benefit from the same AI investments; the

trigger migrates, the amplifier remains. The simultaneity of the exhaustion signals argues for the beginning of the break described in Chapters 10 and 11: the margin-debt growth peak in June, the record ODTE share, perps adoption, the subscription frenzy, the launch cascade of the memory ETFs up to leveraged and inverse products, and now record results that get sold. This paper does not claim to decide this question *ex ante*; no one can do that seriously. It claims to have named the signals from which the answer will be readable.

July 30 delivered the counter-test and confirmed the amplitude thesis on the time scale of a single trading day. After six losing days, the market turned abruptly: the Nasdaq Composite rose 2.8% and ended the losing streak, the Philadelphia Semiconductor Index gained roughly 8%, Sandisk 26.0%, Micron 18.3%, Western Digital 15.3%; Microsoft, after strong cloud numbers (Azure up 43%), recorded the largest daily jump in its corporate history at roughly 15.5%, flanked by easing inflation pressure. A name like Sandisk thus stood, within 72 hours, first more than 50% below its record and then gained a good quarter in a single day; the amplifier mechanism works in both directions, and by now on a daily time scale.

The same week also claimed its most prominent casualty and thereby supplied the real-time evidence for Chapter 10. The hedge fund Situational Awareness of former OpenAI researcher Leopold Aschenbrenner (assets under management above \$20bn, up more than +400% from the start of the year through late June according to the Financial Times) sold, according to CNBC, its entire listed equity book, roughly two thirds of assets, in a single transaction negotiated in under 24 hours: the buyer was Citadel, Ken Griffin's flagship multi-strategy fund Wellington, which prevailed over Millennium and Jane Street and took the book at a discount of roughly 10%, deliberately structured as a single-buyer solution to avoid the front-running of a piecemeal market liquidation. Both sides of the book turned simultaneously: the long side via the memory complex (SK Hynix nearly halved since mid-June; the largest positions also included Sandisk, Micron, Nebius and Coreweave), the short side via the recovery of the software names (Adobe roughly +40% since mid-June); according to the FT, banks are now broadly demanding higher collateral from AI-heavy funds. A concentrated momentum fund up +400% in a half-year that the break turns into a forced seller, while the loser rebound hits its short positions: that is the Daniel/Moskowitz mechanism of this paper, not as a historical footnote but as a news item of the current week. The resolution followed within days and reads like an ironic footnote of hedge fund history: the acquired positions ran straight into the rebound of the first week of August, Wellington closed July up 5.9%, its best month in years (higher figures circulating on social media are not substantiated), and the deal is reported to have contributed roughly half of the firm's year-to-date gains. One fund's record loss became another fund's record month within a week. In 1998 it took fourteen banks to hold the book of a stumbling fund (the LTCM comparison in Pillar 3); in 2026 a single multi-strategy fund suffices, buying it overnight at a discount: the break itself has become a business model. That the same founder also fields one of the large market makers of Chapter 1 with Citadel Securities completes the picture: the owners of the infrastructure stand on both sides of the amplifier in this regime. That in parallel Adidas, despite record revenue thanks to the football World Cup (€6.7bn quarterly revenue), fell by almost a fifth after lowered guidance shows, moreover, that the best-news rule long ago reached beyond the technology sector.

July 31 set the closing mark of the week. The Kospi rose roughly 18%, the largest daily gain in its history; SK Hynix gained 30% after losing 27% over the three preceding days; Alphabet, Amazon and Microsoft had added roughly \$1.5tn of market value in a single week, while Roblox, Reddit and Universal Music each recorded record corporate loss days that same Friday (Table 3). Two structural findings of the same week deserve recording. First, leveraged ETFs on Samsung and SK

Hynix alone recently concentrated almost 40% of the trading volume of all Korean ETFs, with holdings up 2.7-fold since late May (LFDE via Handelsblatt): Pillars 1 and 3 of this paper in a single metric. Second, the uncertainty spilled over measurably into the credit market for the first time: the CDS premia of the hyperscalers rose noticeably because their investments are increasingly debt-financed, and banks demand higher collateral from AI-heavy funds (FT via Handelsblatt). “A crash in Asian chip stocks is followed by such an extreme rally that it is difficult for investors to grasp whether this is the beginning of a new recovery or merely a one-day wonder”, was Consorsbank's summary. Four trading days, four extreme events in alternating directions, an open verdict: exactly the market constitution this paper describes.

The first week of August answered Consorsbank's question, provisionally, in the direction of recovery, and it did so with the amplitude this paper describes: a massive momentum rebound set in. Kioxia, the center of the correction with a roughly 59% loss from its June high in July, jumped roughly 23% on July 30 ahead of its quarterly results, added another nearly 18% on July 31 after their release (revenue up 415% year on year, operating margin 75%), and extended the advance after announcing a ¥800bn buyback program along with a share split: by August 5, the recovery summed to roughly 37% within four trading days. The complex moved in lockstep: on August 4, several houses raised their price targets (among them UBS, RBC and Stifel for SK Hynix), Sandisk gained 8%, Micron 6%, Intel 10%, AMD 8%; the VIX volatility index fell roughly 12% within a week to just over 16 points, as if the prior week had never happened.

For the thesis of this paper, the structure of this rebound is more instructive than its direction. The chain that had worked downward in the selloff fired in the opposite direction within days: the deleveraging of momentum and leveraged positions, which according to Bloomberg reporting had amplified the July volatility, ran out and turned into rebuilding; the leveraged products launched only in July (2x ETFs on SK Hynix since July 14, a 2x leveraged product on the memory ETF DRAM since July 24) translated the recovery mechanically into additional order flow, and the memory ETF DRAM itself gained 17% on July 31 alone. From the automated trading systems of the funds via the product industry to the instruments of retail investors, the same amplifier structure that had accelerated the selloff a week earlier now worked in the opposite direction; in parallel, with the joint yen intervention of the United States and Japan, the same pattern surfaced for the first time at the macro level (Chapter 14). Whether this rebound marks the resumption of the trend or the interim recovery of a break already begun (the distinction of Chapter 8) cannot be decided on the current data; how momentum in this complex develops from here remains the open question of the coming months. Precisely this openness, at ever-rising amplitude, is the finding. The postscript therefore changes no thesis of this paper; it is its first, unusually dense practical test.

Annex · Sources and Evidence

All web sources retrieved and verified between July 27 and August 5, 2026; every entry is backed by its original link. Return calculations from daily closing prices are own calculations based on the price sources named. Wherever a figure cannot be documented via link, this is expressly noted. Quotations from German-language sources (notably Handelsblatt and Consorsbank) are given in the author's translation.

Momentum Theory and Evidence

- Jegadeesh, N. & Titman, S. (1993): “Returns to Buying Winners and Selling Losers: Implications for Stock Market Efficiency”, *Journal of Finance* 48(1), 65–91.
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kentdaniel.net/papers/published/jfe_16.pdf
- Bessembinder, H. (2018): “Do Stocks Outperform Treasury Bills?”, *Journal of Financial Economics* 129(3); ~4% of companies generate the entire net wealth creation 1926–2016.
papers.ssrn.com/sol3/papers.cfm?abstract_id=2900447
- Volpati, V., Benzaquen, M., Eisler, Z., Mastromatteo, I., Tóth, B. & Bouchaud, J.-P. (2020): “Zooming In on Equity Factor Crowding”, arXiv:2001.04185 (Capital Fund Management); momentum rebalancing $\approx 1\text{--}2\%$ of order flow. arxiv.org/abs/2001.04185
- Gabaix, X. & Koijen, R. S. J. (2021, rev.): “In Search of the Origins of Financial Fluctuations: The Inelastic Markets Hypothesis”, NBER Working Paper 28967; “investing \$1 in the stock market increases the market's aggregate value by about \$5”. nber.org/papers/w28967
- Ben-David, I., Franzoni, F., Kim, B. & Moussawi, R. (2023): “Competition for Attention in the ETF Space”, *Review of Financial Studies* 36(3), 987–1042; specialized ETFs lose $\approx 30\%$ risk-adjusted in the first five years after launch, driven by overvaluation at launch.
nber.org/papers/w28369 · academic.oup.com/rfs/article-abstract/36/3/987/6655702

Historical Cases

- Cisco: peak close \$80.06 on March 27, 2000 (P/E ≈ 220), decline $\approx -85\%$ within a year, low \$10.32 on October 11, 2002 (Kingswell; low additionally via Barchart/Yahoo history); annual returns 1995–1999 from chained annual returns (1stock1.com, no stable single URL).
kingswell.io/p/the-rise-and-fall-of-cisco
- Nifty Fifty: 1972 P/E data and 1973/74 crash losses per Jeremy Siegel (“Revisiting The Nifty Fifty”), compiled by Ben Carlson. awealthofcommonsense.com/2020/07/the-nifty-fifty-and-the-old-normal/
- Deutsche Telekom: 1999 and 2000 annual reports, T-Share chapter (Xetra closing prices); Telekom IR archive; intraday all-time high of €104.90 documented in the press.
telekom.com/en/investor-relations/publications/financial-results/financial-results-2000 · telekom.com/resource/blob/328730/e08152fc495f862b96168dd9d56e97f2/dl-1999-gb-20-f-ei-data.pdf
- Rheinmetall: 2022 annual report (year-end closes €83.06 / €186.05), IR financial reports archive; pre-war close €96.80 on February 23, 2022 (dpa via fundresearch.de).
ir.rheinmetall.com/de/investor-relations/veroeffentlichungen/finanzberichte

Current Figures (Tables 1 and 2)

- US names (Sandisk, Micron, Intel, Western Digital, Seagate, Bloom Energy, GM): June 30, 2025 closes via ariva.de (Nasdaq/NYSE history); June 30, 2026 closes and market capitalizations via stockanalysis.com; half-year returns additionally cross-checked via Motley Fool (July 6, 2026). stockanalysis.com/stocks/sndk/ · ariva.de/aktien/sandisk-corp-aktie
- Sandisk S&P 500 inclusion: S&P Dow Jones Indices, official index announcement of November 24, 2025 (effective November 28, 2025).
spglobal.com/spdji/en/documents/indexnews/announcements/20251124-1480959/1480959_ipg-pinc-hbi-56.pdf

- Bloom Energy: all-time high \$345.85 on June 22, 2026 (24/7 Wall St); twelve-month return in Table 2: own calculation from daily closing prices. 247wallst.com/investing/2026/06/23/buy-hold-or-sell-bloom-energy-stock-ripped-past-345-to-an-all-time-high-is-this-ai-energy-play-a-dangerous-value-trap/
- Kioxia: +540% in 2025, best performer in the MSCI World (Fortune, December 31, 2025); overtaking Toyota on June 12, 2026 at > +670% YTD (Techzine; original Bloomberg); trailing 1-year $\approx +2,025\%$ mid-July 2026 (stockanalysis.com). fortune.com/2025/12/31/best-performing-stock-2025-wasnt-nvidia-kioxia-japan-memory-chips/ · techzine.eu/news/infrastructure/142093/kioxia-overtakes-toyota-as-japans-most-valuable-publicly-traded-company/
- SK Hynix / Samsung: brief overtaking of Samsung on June 22/23, 2026, first time since November 2000 (Fortune, June 23, 2026: \$1.35 vs. \$1.34tn); $\approx 10x$ and $\approx 5x$ respectively over one year (Korean business press); Nasdaq ADR debut July 10, 2026, \$26.5bn, largest US listing of a foreign company (Quartz; original CNBC); Kospi $\approx +100\%$ by early June 2026 (CNBC, June 3, 2026). fortune.com/2026/06/23/sk-hynix-samsung-semiconductors-south-korea-most-valuable-company/ · qz.com/sk-hynix-nasdaq-debut-adr-listing-record-071026 · cnbc.com/2026/06/03/the-kospi-is-up-100percent-in-2026-goldman-sachs-still-see-more-upside.html
- CXMT: IPO July 27, 2026, Shanghai STAR Market, issue volume 57.92bn yuan (\$8.6bn), +466% on the first trading day (close 49 yuan vs. offer price 8.66 yuan), $\approx \$488bn$ market capitalization, only 6.73% tradable free float; second-largest mainland IPO after AgBank 2010; DRAM world market share $\approx 8\%$ (2025) and $\approx 9\%$ (Q1 2026) per Counterpoint Research (via Fortune). finance.yahoo.com/markets/stocks/articles/cxmt-stock-soars-466-shanghai-112357754.html · fortune.com/2026/07/27/cxmt-china-biggest-ipo-since-2010/
- European old economy and Arm (Chapter 2): HOCHTIEF $\approx +111\%$ (adjusted closes early Aug 2025 $\rightarrow$ August 5, 2026; founded 1873, Turner data-center business), RWE $\approx +57\text{--}65\%$ depending on the reference date (founded 1898), Arm Holdings +155% in the window early Aug 2025 $\rightarrow$ late May 2026, $\approx -51\%$ June high (\$452.70) $\rightarrow$ July low (\$222.56), $\approx +15\%$ August 1–5, 2026; all own calculations from EODHD monthly data (retrieved August 6, 2026), XETRA and Nasdaq prices respectively. eodhd.com/
- TSMC, AT&S: stockanalysis.com (ADR and Vienna prices respectively); AT&S market capitalization flagged as a borderline case. stockanalysis.com/stocks/tsm/
- Japanese suppliers (Ibiden, Resonac, Advantest, Lasertec, Renesas plus the second tier): stockanalysis.com, retrieval dates late May through late July 2026 (blanket caveat, see Table 2); Ibiden founding year 1912 (ibiden.com). stockanalysis.com/ · ibiden.com/

Record Daily Moves (Table 3)

- Oracle: +35.95% on September 10, 2025, largest daily gain since 1992, +\$244bn in market value (CNBC); -11% on December 11, 2025 (Fortune); worst trading week since 2001 as of June 26, 2026 (CNBC); $\approx -58\%$ from the high, mid-July 2026 (Motley Fool). cnbc.com/2025/09/10/oracle-stock-cloud-backlog-ai.html · cnbc.com/2026/06/26/oracle-stock-ends-worst-week-since-2001-as-investors-dwell-on-finances.html · fool.com/investing/2026/07/06/oracle-stock-is-down-58-from-its-peak-but-revenue/
- IBM: $\approx -24\%$ on July 14, 2026 after a profit warning, worst day in the company's 115-year history, beyond Black Monday 1987 (Motley Fool; CNBC); Intel: +26.4% on September 18, 2025, largest daily gain in company history after the Nvidia investment (Finviz); Novo Nordisk: -17% on February 4, 2026 (Euronews), -9.3% on July 31, 2026 after a halted trial (Forbes); Roblox: -29% on July 31, 2026, worst day in company history (24/7 Wall St). fool.com/investing/2026/07/14/ibm-stock-is-having-the-worst-day-in-its-history/ · finviz.com/news/169712/intel-stock-eyes-best-day-ever-after-nvidia-investment · euronews.com/business/2026/02/04/novo-nordisk-stock-sinks-by-17-after-bleak-2026-forecast · 247wallst.com/investing/2026/07/31/roblox-plunges-29-in-worst-day-ever-as-monetization-warning-prompts-sell-ratings/

- Kospi $\approx +18\%$ on July 31, 2026, largest daily gain in the index's history; SK Hynix $+30\%$ the same day (Sahm Capital, TradingKey, Benzinga). sahmcapital.com/news/content/south-koreas-kospi-rallies-18-its-best-day-ever-sk-hynix-jumps-30-2026-07-31 · tradingkey.com/analysis/stocks/us-stocks/262067341-kospi-surged-17-9-percent-largest-single-day-gain-history-july-31-2026-tradingkey
- Reddit: -21% on July 31, 2026, “tumbles the most on record” / largest daily loss since the 2024 IPO, despite revenue $+61\%$ year on year (\$804.9m, above consensus); triggers: declining US daily active uniques and Google dependence (Motley Fool; Yahoo Finance, July 31, 2026). fool.com/investing/2026/07/31/reddit-beat-on-revenue-profit-and-guidance-its-us/ · finance.yahoo.com/markets/article/reddit-stock-tumbles-the-most-on-record-as-lack-of-new-ai-deals-us-daily-users-metric-disappoints-153413759.html
- Universal Music: -25% on July 31, 2026, “steepest decline since the company's 2021 public listing” (previously -23.5% on July 25, 2024); triggers: subscription growth of $+6.7\%$ against 9.3% consensus, EBITDA below expectations (MarketScreener, July 31, 2026; Bloomberg reporting). marketscreener.com/news/universal-music-shares-have-worst-day-since-ipo-after-subscription-growth-disappoints-2nd-update-ce7f50d8d88af523
- SpaceX since IPO: fast-track inclusion in the Nasdaq-100 effective July 7, 2026 (new rule: 15 trading days; FTSE Russell 5 days) despite lack of profitability (CNBC, June 26, 2026; Motley Fool); S&P Dow Jones declined to relax the profitability criterion, S&P 500 inclusion ≈ 2028 at the earliest (Fortune, June 6, 2026; CNBC, June 5, 2026); dual-class structure with 10x voting rights (TechCrunch, June 11, 2026); retail allocation $\approx 20\%$ against a $> \$70\text{bn}$ retail order book (CNBC, June 11, 2026; Bloomberg); $\approx -25\%$ below the offer price mid-July (Forbes, July 10, 2026); all-time low \$110.25 on August 3, 2026, Q2: revenue \$7.8bn ($+92\%$), loss \$541m (Yahoo Finance, August 3, 2026; CNN, August 4, 2026). cnbc.com/2026/06/26/spacex-added-to-nasdaq-100.html · fortune.com/2026/06/06/spacex-openai-anthropic-mega-ipo-sp500-inclusion-nasdaq-russell/ · forbes.com/sites/petercohan/2026/07/10/spacex-stock-down-25-inside-the-debt-and-equity-risks/ · finance.yahoo.com/technology/article/spacexs-first-ever-earnings-report-comes-as-stock-hits-new-all-time-low-q2-preview-132323178.html · techcrunch.com/2026/06/11/spacex-officially-prices-shares-at-135-in-the-largest-ipo-ever/

The Trump Variable (Chapter 13)

- April 2025: VIX peak 60.13 on April 7, 2025, highest level outside 2008/2020 (Yahoo Finance); April 9, 2025, after the announcement of the 90-day tariff pause: S&P 500 $+9.5\%$ (largest daily gain since October 2008), Nasdaq $+12.2\%$ (largest since 2001), Dow $+7.9\%$ (CBS News). finance.yahoo.com/news/tariffs-turmoil-vix-april-2025-140608869.html · cbsnews.com/news/stock-market-today-dow-jones-china-tariffs-trump-04-09-25/
- Volfefe Index: JPMorgan, September 2019, measurement instrument for the influence of Trump tweets on implied US rates volatility (CNBC); “TACO trade”: coined by Robert Armstrong, Financial Times, May 2025 (via CBS News); academically, i.a., Nishimura (2021), “Trump's tweets: Sentiment, stock market volatility, and jumps”, Journal of Financial Research, and Finance Research Letters (2025) on European markets. cnbc.com/2019/09/08/donald-trump-is-tweeting-more-and-its-impacting-the-bond-market.html · cbsnews.com/news/trump-taco-trade-trump-always-chickens-out-what-it-means/ · onlinelibrary.wiley.com/doi/abs/10.1111/jfir.12248
- Nixon shock of August 15, 1971 as the historical comparison (end of gold convertibility, 10% import surcharge); tariff episode of February 23, 2026: Dow -820 points after a new 15% tariff announcement, IBM -13% (ABC News); coupling to the amplifier structure: CFTC perps approval under Trump-appointed chairman Selig (CoinDesk, May 28, 2026), Kalshi contracts on pardon decisions (kalshi.com). en.wikipedia.org/wiki/Nixon_shock · abcnews.com/Business/stocks-tick-lower-after-trump-ratchets-tariffs/story?id=130407007 · coindesk.com/policy/2026/05/28/u-s-cftc-opens-crypto-perp-door-with-approval-of-first-regulated-firm · kalshi.com/markets/kxtrump pardon

Market Structure (Chapters 4 and 5)

- Passive vs. active: crossover at the end of December 2023, \$13.29 vs. \$13.23tn (Morningstar via CNBC, January 18, 2024); US passive share up from 53% to 55% in 2025 (PWL Capital, Passive vs. Active Fund Monitor, April 2026). cnbc.com/2024/01/18/passive-investing-rules-wall-street-now-topping-actively-managed-assets-in-stock-bond-and-other-funds.html · pwlcapital.com/wp-content/uploads/2026/04/YearEnd2025_The-Passive-vs-Active-Fund-Monitor_en.pdf
- Michael Green: Portfolio Manager & Chief Market Strategist, Simplify Asset Management (since 2021); previously Logica Capital Advisers, Thiel Macro, Ice Farm Capital, Canyon Partners; Ice Farm Capital seeded by Scott Bessent as then-CIO of Soros Fund Management (Institutional Investor, “The Cassandra of Passive Investing”); presentations before the Federal Reserve and the IMF, among others; quote “almost always in one direction: up” *ibid.*; ongoing publications in the Substack “Yes, I give a fig”. simplify.us/news-media/michael-green-joins-simplify-asset-management-chief-strategist · institutionalinvestor.com/article/2e5um1swovwbm3x5yyk1s/corner-office/why-michael-green-is-known-as-the-cassandra-of-passive-investing · yesigiveafig.com/about
- Thematic ETFs: ≈ \$467.9bn AUM globally as of the end of November 2025, +49.6% in eleven months (ETFGI via Funds Europe, January 5, 2026); WisdomTree Europe Defence UCITS ETF: launched March 11, 2025, > \$3bn AUM after three months (ETF Express, July 1, 2025); iShares Quantum Computing ETF (QANT): launched December 9, 2025 after +348% of the underlying index in three years (ETF Express, December 9, 2025). funds-europe.com/thematic-etf-assets-surge-nearly-50-in-2025/ · etfexpress.com/2025/07/01/wisdomtree-europe-defence-etf-surpasses-usd3-billion/ · etfexpress.com/2025/12/09/ishares-launches-quantum-computing-etf/
- Roundhill Memory ETF (DRAM): launched April 2, 2026, > \$20bn AUM in two months, > \$23bn net inflows, “most successful ETF launch in history” (PR Newswire/Roundhill; The Daily Upside, July 13, 2026); 2x leveraged ETF RAM with record first-day volume (Businesswire, June 29, 2026); 3x leveraged ETP DRM3 and 3x short DRMS (Leverage Shares, June 2026); inverse 2x product RAMZ launched July 28, 2026 (Businesswire); drawdown > 43% from the 2026 high with inflows continuing (Invezz, July 29, 2026); copycats DISK, KMEM, HBMX each < \$50m (The Daily Upside). prnewswire.com/news-releases/roundhill-investments-t-rex-launch-2x-long-dram-daily-target-etf-ram-302808487.html · leverageshares.com/en-eu/etps/leverage-shares-3x-long-memory-dram-etp/ · businesswire.com/news/home/20260723164582/en/T-REX-to-Launch-First-Ever-U.S.-2X-Inverse-DRAM-ETF-RAMZ-on-July-28 · invezz.com/news/2026/07/29/dram-etf-at-risk-as-sk-hynix-micron-sandisk-stocks-plunge-despite-inflows/
- oDTE: record share of 63% of SPX options volume in February 2026 at 3.0m contracts ADV (Cboe press release, March 4, 2026), ≈ 65% as of May 2026 (Cboe Q2 presentation via Investing.com); retail share ≈ 50–60% of oDTE volume, ≈ 95% in structures with a capped maximum loss (Cboe Market Intelligence via FOW); history ≈ 5% (2016) → ≈ 50% (2023) → 62% (Aug 2025) (Cboe Insights). ir.cboe.com/news/news-details/2026/Cboe-Global-Markets-Reports-Trading-Volume-for-February-2026/default.aspx · fow.com/insights/analysis-cboe-points-to-retail-flow-as-zero-day-options-grow · investing.com/news/company-news/cboe-q2-2026-slides-record-revenue-0dte-options-surge-to-65-of-spx-93CH-4828641
- Figures 1–3: own presentation. Fig. 1 from monthly closes of SNDK plus ONEQ/SPY as index proxies (stockanalysis.com, retrieved July 27, 2026; base June 30, 2025 = 100). Fig. 2 from Kalshi company figures via Handelsblatt (July 27, 2026). Fig. 3 from the IPO sources linked below. stockanalysis.com/etf/oneq/ · stockanalysis.com/etf/spy/
- Margin debt: FINRA monthly statistics as of June 2026: record \$1.53tn, +7.9% vs. May, +51.5% year on year; historical peaks March 2000, July 2007, October 2021, each shortly before market tops (FINRA via Advisor Perspectives/dshort, July 20, 2026). advisorperspectives.com/dshort/updates/2026/07/20/margin-debt-finra-june-2026
- Dimon warning (Pillar 3): CNBC interview (Leslie Picker), August 6, 2026: “Margin debt is the highest it has ever been”, “somebody will disrupt the market in a quick way”; hidden

- leverage in prime brokerage, hedge funds, ETFs, Treasury arbitrage; collateral procyclicality; expressly no systemic risk as in 2008; JPMorgan as prime broker to Situational Awareness (Benzinga; additionally Seeking Alpha). cnbc.com/2026/08/06/jpmorgan-jamie-dimon-leverage-market-disruption.html · benzinga.com/markets/equities/26/08/60982468/jpmorgan-was-a-broker-to-ai-hedge-fund-situational-awareness-now-jamie-dimon-is-warning-about-hidden-leverage-risk-margin-debt-is-the-highest · seekingalpha.com/news/4627242-jpmorgans-jamie-dimon-warns-high-market-leverage-could-trigger-quick-disruption
- CFDs: ESMA product intervention measures since 2018 (leverage caps 30:1 to 2:1, margin close-out, mandatory risk warnings); loss rates of roughly 70–80% of retail accounts per providers' mandatory disclosures. esma.europa.eu/press-news/esma-news/esma-agrees-prohibit-binary-options-and-restrict-cfds-protect-retail-investors
 - Perpetual futures: CFTC approval for US retail investors at the end of May 2026 (Fortune, May 29, 2026); Kalshi \$1bn volume in week 1, \$5.5bn in two weeks (Handelsblatt, Astrid Dörner, July 27, 2026; additionally news.bitcoin.com, June 17, 2026); Hyperliquid > 300 contracts, \$633bn Q1 volume (VanEck analysis via Handelsblatt); leverage offshore ≥ 40x, US offerings ≈ 10x; ≈ 91% of retail investors losing money (industry estimate, consistent with the Sebi study); CME lawsuit against the CFTC, Duffy quotes “It feels like 2007” / “a disaster foretold” (Handelsblatt). handelsblatt.com/finanzen/anlagestrategie/trends/geldanlage-trump-entfesselt-mit-perpetual-futures-riskanten-krypto-trend/100241857.html · fortune.com/2026/05/29/kalshi-perpetual-futures-us-traders-cftc-regulator-approval/ · news.bitcoin.com/kalshi-perpetual-futures-5-5-billion-two-weeks/
 - Hyperliquid: eleven core employees, ≈ \$106m annualized revenue per employee, first worldwide ahead of Tether (CryptoSlate, Aug 2025); annualized fees > \$1bn, cumulative fees \$1.46bn (DefiLlama, retrieved August 5, 2026); lifetime volume ≈ \$4.7tn through June 2026 (Datawallet); publicly visible positions/liquidation levels as reference points for risk managers and momentum traders (CryptoSlate). cryptoslate.com/hyperliquid-achieves-record-revenue-per-employee-globally-at-106m/ · defillama.com/protocol/hyperliquid · datawallet.com/crypto/hyperliquid-statistics · cryptoslate.com/why-viral-public-whale-liquidations-are-becoming-a-real-trading-signal-on-hyperliquid/
 - Extension of trading hours: SEC approval of Nasdaq's 23/5 trading on April 10, 2026, launch late 2026, week starting Sunday evening (Simpson Thatcher; SEC 34-105199); NYSE Arca 23-hour session targeted for December 6, 2026 (NYSE FAQ; SEC 34-105532); Cboe “near 24x5” filing via EDGX of March 16, 2026 (PR Newswire); 24X National Exchange live since October 15, 2025, full 23/5 expected H2 2026 (PR Newswire); CME crypto futures 24/7 since May 29, 2026 (CME); LSE overnight venue announced July 25, 2026, launch H1 2027 (Crowdfund Insider). True Saturday trading in equities has not been adopted anywhere yet; the wording in the text (“foreseeably on weekends as well”) refers to the Sunday start of the 23/5 models and the crypto reference. stblaw.com/about-us/publications/view/2026/04/29/looking-ahead-to-extended-trading-sec-approves-nasdaq-s-23-5-trading-proposal · nyse.com/publicdocs/nyse/NYSE_Extended_Hours_Trading_FAQ.pdf · prnewswire.com/news-releases/cboe-files-proposal-with-the-sec-to-launch-near-24x5-us-equities-trading-302715022.html · prnewswire.com/news-releases/24x-national-exchange-opens-for-trading-as-first-sec-approved-235-stock-exchange-302581303.html · cmegroup.com/media-room/press-releases/2026/2/19/cme_group_to_launch247cryptocurrencyfuturesandoptionstradingonma.html · crowdfundinsider.com/2026/07/292906-london-stock-exchange-set-to-launch-overnight-trading-venue-aligning-with-crypto-style-continuous-market-access/
 - Situational Awareness / LTCM comparison (Pillar 3): case data as documented in the postscript (Handelsblatt/CNBC/FT); LTCM 1998: leverage ≈ 30:1 at the end of 1997, \$3.625bn capital injection by 14 institutions, negotiated under the lead of the Federal Reserve Bank of New York, which itself provided no funds (Federal Reserve History). federalreservehistory.org/essays/lcm-near-failure
 - Buffett quotes: CNBC interview (Becky Quick) at the Berkshire annual meeting, May 2, 2026: “markets are like a church with a casino attached ... we've never had people in a more gambling mood than now” (Fortune, May 2, 2026; CNBC transcript); additionally the shareholder letter for 2023 (published February 24, 2024): “The casino now resides in many

homes and daily tempts the occupants.” fortune.com/2026/05/02/warren-buffett-investing-gambling-mood-one-day-options-prediction-markets-betting-berkshire-hathaway/ · cnbc.com/2026/05/02/cnbc-transcript-berkshire-hathaway-chairman-warren-buffett-sits-down-with-cnbc-becky-quick-during-the-2026-berkshire-hathaway-annual-meeting-today-.html · berkshirehathaway.com/letters/2023ltr.pdf

- Prediction markets: Kalshi \$1bn round at an \$11bn valuation (TechCrunch, December 2, 2025); Polymarket: ICE invests up to \$2bn at $\approx$ \$8bn pre-money (ICE press release, October 7, 2025; the \$9bn in the main text is the press's post-money reading via Fortune); IBKR ForecastTrader/ForecastEx. techcrunch.com/2025/12/02/kalshi-raises-1b-at-11b-valuation-doubling-value-in-under-two-months/ · fortune.com/crypto/2025/10/07/polymarket-2-billion-intercontinental-exchange-new-york-stock-exchange-9-billion/ · forecasttrader.interactivebrokers.com/en/home.php
- eToro: “Agent Portfolios” (CEO blog, Yoni Assia, March 25, 2026); Tori $\times$ Grok 4.2 / X sentiment (GlobeNewswire, April 16, 2026); app relaunch “AI-first, smart, and social” (GlobeNewswire, July 7, 2026); “more Warren Buffetts” from a Yahoo Finance video interview with Assia (no stable transcript URL available). etoro.com/news-and-analysis/insights-from-the-ceo/introducing-agent-portfolios/ · globenewswire.com/news-release/2026/04/16/3275232/0/en/etoro-s-ai-investing-companion-tori-gets-real-time-x-intelligence-powered-by-grok-4-2.html · globenewswire.com/news-release/2026/07/07/3323457/0/en/etoro-launches-new-app-ai-first-smart-and-social.html
- Retail base: Robinhood 27.7m funded customers, \$377bn platform assets (IR release on the May data, June 9, 2026); Trade Republic $\approx$ 10m customers in 18 countries (company figures via secondary sources). investors.robinhood.com/news-releases/news-release-details/robinhood-markets-inc-reports-may-2026-operating-data

Geopolitics and Macro (Chapters 13 and 14)

- Anthropic export controls: imposed June 12, 2026, partial Mythos 5 release for $\approx$ 100 critical-infrastructure organizations from June 26, lifted June 30, access restored July 1, 2026 (The Hacker News, July 1, 2026; additionally CNN, 9to5Mac). thehackernews.com/2026/07/anthropic-restores-claude-fable-5-after.html
- Ant Group: Jack Ma's speech October 24, 2020 (Bund Summit); IPO halt November 3, 2020, planned at \$34.4bn (CNBC); conclusion of the regulatory wave with a fine of 7.12bn yuan $\approx$ \$984m on July 7, 2023 (Fortune). cnbc.com/2020/11/03/ant-group-ipo-in-shanghai-suspended.html · fortune.com/2023/07/07/ant-group-984m-fine-china-ends-tech-crackdown-ipo/
- US Treasuries: China holdings \$653.3bn as of March 2026, $\approx$ 7% of foreign holdings (US Treasury TIC, Table 5 “Major Foreign Holders”); peak $\approx$ \$1.32tn (Nov 2013); total US debt $\approx$ \$39tn (July 2026). ticdata.treasury.gov/resource-center/data-chart-center/tic/Documents/slt_table5.html
- Russian central bank reserves: $\approx$ \$300bn immobilized since 2022 (Brookings; REPO task force officially \$280bn). brookings.edu/articles/what-is-the-status-of-russias-frozen-sovereign-assets/
- Gold: central bank purchases above 1,000t for the third consecutive year in 2024 (1,045t), versus an average of 473t p.a. in 2010–2021 (World Gold Council); GLD price and NAV data via the SSGA product page; the YTD figure ($\approx$ -6%) from the GLD price level at the end of July against the 2025 year-end close (medium confidence; to be hardened against SSGA NAV data before publication). gold.org/news-and-events/press-releases/global-gold-demand-hits-new-high-prices-soar-2024 · gold.org/goldhub/research/gold-demand-trends/gold-demand-trends-full-year-2024/central-banks · ssga.com/us/en/intermediary/etfs/spdr-gold-shares-gld
- Tether (Chapter 14): net profit \$13bn for 2024, $>$ \$10bn for 2025 (CoinDesk from Tether attestations); gold holdings $\approx$ 146t as of the end of Q2 2026 ($\approx$ \$18.8bn, $\approx$ 10% of reserves), doubled within twelve months; more gold purchases in 2025 than any central bank except Poland's, in Q1 2026 only Poland/Uzbekistan/Kazakhstan/China larger (Bloomberg reporting via secondary sources GoldRepublic/IndexBox; Bloomberg original not freely accessible,

medium confidence); employee count $\approx$ 300 (estimate, secondary source).

coindesk.com/business/2025/01/30/tether-reports-usd13b-profit-for-2024-with-rising-bitcoin-gold-prices-contributing · coindesk.com/business/2026/01/30/tether-s-gold-holdings-top-usd17-billion-as-net-profits-surpassed-usd10-billion-for-2025 · goldrepublic.com/en-us/news/tether-more-gold-than-central-banks · indexbox.io/blog/tether-expands-gold-reserves-at-central-bank-pace-in-q2-2026/

- Joint US/Japan yen intervention (Chapter 14): intervention July 31/August 1, 2026, confirmed August 3, 2026 by Finance Minister Katayama and US Treasury Secretary Bessent (CNBC, Al Jazeera, NPR); USD/JPY previously $\approx$ 164 (weakest yen level in $\approx$ 40 years), thereafter recovery toward 155–157; historical classification inconsistent (first joint action since 2011 or since 1998, depending on the count of multilateral vs. bilateral interventions), press figures on the volume diverge ($\approx$ \$37bn to $\approx$ \$59bn), hence not quantified in the main text; Treasury context: Japan the largest foreign creditor ($\approx$ \$1.1tn), 30-year US yield $\approx$ 5.2% near post-2007 highs, fear of forced selling (Wolf Street, Axios); critical assessments by Robin Brooks (Brookings) and Mark Sobel via Fortune, Bloomberg Opinion headline “Band-Aid Fix for Bonds” (August 4, 2026). cnbc.com/2026/08/03/yen-intervention-us-japan-trump-bessent-katayama.html · aljazeera.com/economy/2026/8/3/japan-and-us-confirm-rare-joint-intervention-to-prop-up-yen · npr.org/2026/08/03/g-s1-136918/us-japan-yen · axios.com/2026/08/03/yen-japan-treasury-bessent · fortune.com/2026/08/03/yen-dollar-intervention-euros-bessent-japan-debt-yields/ · wolfstreet.com/2026/08/03/why-the-us-japan-joint-intervention-to-prop-up-the-yen-fear-of-treasury-yields-blowing-out-if-japan-becomes-a-forced-seller/

Postscript (July 28/29, 2026)

- Global chip selloff: SK Hynix/Samsung > –13% on July 28, Kospi –36% from the June record (–11% on the Tuesday), SOX –25%, Nasdaq 100 > –10%; triggers: China lithography, CXMT, Kimi K3, capex worries (Alphabet \$195–205bn, four hyperscalers $\approx$ \$650bn); Kemper and Neuberger Berman quotes; S&P 500 Equal Weight record high on July 28 (Handelsblatt, Andreas Neuhaus, July 28, 2026). handelsblatt.com/finanzen/maerkte/marktberichte/boersen-neuer-china-schock-laesst-chipaktien-weltweit-einbrechen/100243312.html
- SK Hynix Q2 2026: revenue +257% year on year to 79.3tn won, operating profit +554% to 60.5tn won, margin 76%, net profit +1,242% (incl. the Kioxia one-off gain); stock –9.6% on the reporting day, –52% since June 22 after tripling since late March; 25/37 analysts “Strong Buy”; TSMC scarcity forecast through 2030; offtake agreements \$750bn/5 years (Handelsblatt, Martin Kölling, July 29, 2026). handelsblatt.com/unternehmen/die-aktie-von-speicherchiphersteller-sk-hynix-sackt-trotz-fabelrekord-ab/100243577.html
- Big-tech capex dilemma: FT News Briefing, episode “The Big Tech earnings dilemma” (July 29, 2026, Robert Armstrong; transcript on file with the author; no stable public URL indexed at editorial deadline).
- CXMT oversubscription: retail tranche 212x (9.4m subscription accounts; SCMP), retail order volume 7.07tn yuan (Bloomberg via Yahoo Finance); institutional tranche final 569.8x (MarketScreener, July 19, 2026); free float 6.73% (Reuters via Yahoo Finance); lottery allocation system (Reuters). scmp.com/tech/article/3360892/chinese-memory-giant-cxmt-oversubscribed-212-times-mega-shanghai-ipo · finance.yahoo.com/markets/stocks/articles/cxmt-stock-soars-466-shanghai-112357754.html · marketscreener.com/news/cxmt-s-shanghai-ipo-institutional-portion-oversubscribed-570-times-ce7f51dade8cf025
- SpaceX IPO: 555.6m shares at \$135, \$75bn issue volume, valuation $\approx$ \$1.8tn, Nasdaq debut June 12, 2026, largest IPO in history (Bloomberg via Yahoo Finance); order book $\approx$ \$250bn, “more than four times oversubscribed” (Bloomberg, June 10, 2026; Al Jazeera, June 11, 2026); 20% retail allocation (Al Jazeera). finance.yahoo.com/markets/stocks/articles/spacex-ipo-said-well-oversubscribed-154906500.html · bloomberg.com/news/articles/2026-06-10/spacex-ipo-is-said-to-be-more-than-four-times-oversubscribed · aljazeera.com/economy/2026/6/11/musks-1-8-trillion-spacex-ipo-could-be-highly-undesirable-for-some

Distribution Analysis (Chapter 16, Figure 4)

- Methodology: universe of 1,062 US names (screener: market capitalization > \$8bn as of the end of July 2026, plus 62 curated large delisted names), of which 1,000 with usable data; rolling twelve-month returns from adjusted monthly closes at each month-end from December 2005 to July 2026; market capitalization threshold of \$10bn inflation-adjusted (2005: \$5.95bn), approximated via unadjusted close × annual share count at window start. Data source EODHD (retrieved July 30/31, 2026); computation via 54 parallel runs, deterministic aggregation, spot-check plausibility testing (i.a. GameStop Dec 2021, Tesla 2020, macro patterns 2008/2012/2022) passed. eodhd.com/
- Europe extension (Figure 5): 188 names from 13 European exchanges (166 computed; 22 unavailable, mostly SIX/Vienna/Madrid, documented), same methodology; currency conversion approximated via fixed factors (EUR 1.10 · CHF 1.15 · GBP 1.27 · Nordics rates), LSE pence convention accounted for; data artifact Beiersdorf 2006/07 (implausible adjustment) identified through plausibility testing and excluded; threshold effect documented (Rheinmetall 2022 below the capitalization threshold); computed July 31 to August 4, 2026, EODHD. eodhd.com/
- Open limits: residual survivorship bias of the universe construction (once-large, since-shrunk or pre-2005 delisted names are partly missing), approximated capitalization, 62 names without usable data (documented), Japan not contained in the data set, 2026 as a seven-month year; full results table and raw methodology in the working file “Volltest_Verteilungsanalyse_2005-2026” accompanying the paper.

Postscript Addendum: July 30, 2026

- Rebound July 30, 2026: Nasdaq Composite +2.78% (end of a six-day losing streak), Philadelphia Semiconductor Index ≈ +8%; Sandisk +26.0% (\$1,015.89 → \$1,280.40), Micron +18.3%, Western Digital +15.3% (daily closes via stockanalysis.com); Microsoft +15.5%, per Yahoo Finance the largest daily jump in company history, after Q4 results (Azure +43%; CNBC); flanked by an easing PCE price index. stockanalysis.com/stocks/sndk/history/ · finance.yahoo.com/technology/article/microsofts-stock-rockets-more-than-15-for-largest-single-day-jump-in-history-120144134.html · cnbc.com/2026/07/29/microsoft-msft-q4-earnings-report-2026.html
- Situational Awareness: Handelsblatt, July 30, 2026 (sale of the entire listed equity book, ≈ two thirds of assets, > \$20bn AUM, long the memory complex incl. SK Hynix/Sandisk/Micron/Nebius/Coreweave, short i.a. Adobe; FT: > +400% from the start of the year through late June; banks raising collateral requirements for AI-heavy funds); original reporting CNBC, July 30, 2026. handelsblatt.com/finanzen/maerkte/boerse-inside/situational-awareness-ki-verluste-bringen-prominenten-hedgefonds-in-not/100244077.html · cnbc.com/2026/07/30/leopold-aschenbrenners-hedge-fund-is-facing-steep-ai-losses.html
- July 31, 2026 and structural findings: Handelsblatt, “Chaos on the exchange: investors between euphoria and panic” (Andreas Neuhaus, July 31, 2026): Kospi record day, hyperscalers +\$1.5tn market value in one week, leveraged Samsung/SK Hynix ETFs ≈ 40% of Korean ETF trading volume with holdings up 2.7x since late May (LFDE), rising hyperscaler CDS premia, Consorsbank and Leverage Shares quotes. handelsblatt.com/finanzen/anlagestrategie/trends/aktien-chaos-an-der-boerse-anleger-zwischen-euphorie-und-panik/100244214.html
- Adidas: Handelsblatt, July 30, 2026 (“share price slumps despite World Cup successes”); record quarterly revenue of €6.7bn, price drop of almost 20% after lowered guidance (secondary source XTB; medium confidence). handelsblatt.com/unternehmen/handel-konsumgueter/adidas-aktie-boersenkurs-bricht-trotz-wm-erfolgen-ein/100242502.html

Postscript Addendum: August 1–5, 2026

- Kioxia rebound: +22.97% on July 30 ahead of results (ad hoc news, after $\approx$ 59% loss from the June 22 52-week high); +17.72% on July 31 after the Q1 release (revenue +415.5% year on year, operating margin 75%; Investing.com transcript); +6.9% on August 3 after the announcement of a ¥800bn buyback program and a 3:1 share split (Investing.com); August 5 price level via stockanalysis.com. Cumulative $\approx$ +37% (July 30 to August 5): own chaining of the documented daily closes, August 5 an intraday level; no single source states the aggregate figure. investing.com/news/transcripts/earnings-call-transcript-kioxia-q1-2026-profit-surges-stock-jumps-18-93CH-4826967 · investing.com/news/stock-market-news/why-is-kioxia-stock-surging-today-93CH-4829763 · stockanalysis.com/quote/tyo/285A/
- Breadth of the rebound: August 4: Sandisk +8%, Micron +6%, SK Hynix +4% after price target hikes (i.a. UBS \$204, RBC, Stifel; 24/7 Wall St); Intel +10%, AMD +8%, SOXX +6%, VIX –11.6% within a week to 16.11 (Yahoo Finance); memory ETF DRAM +17% on July 31 (Chip Briefing/Bloomberg reference); winding down of the deleveraging of momentum and leveraged positions per Bloomberg reporting. 247wallst.com/investing/2026/08/04/sandisk-jumps-8-micron-gains-6-sk-hynix-climbs-4-as-wall-street-hikes-price-targets-on-ai-memory-boom/ · finance.yahoo.com/markets/stocks/articles/intel-soars-10-amd-jumps-163611976.html · chipbriefing.substack.com/p/daily-chip-stocks-rebound-as-investors
- Citadel/Situational Awareness transaction: buyer Citadel Wellington (Ken Griffin's flagship multi-strategy fund, not Citadel Securities), negotiated in < 24 hours (contact late evening July 29, close July 30), against Millennium and Jane Street, discount $\approx$ 10% (Hedgeweck; WSJ via Yahoo reports no price); Wellington +5.9% in July, best month in years / since 2022, YTD $\approx$ +12%, deal $\approx$ half of the year's gains (CNBC August 5, 2026, MarketScreener, Hedgeweck, IBTimes); figures circulating on social media (+14.2%, “best month ever”) not substantiated by any reputable source; SA AUM per Yahoo down from \$45bn in early July to $\approx$ \$10bn after the sale. cnbc.com/2026/08/05/ken-griffins-citadel-posts-best-month-in-years-after-scooping-up-situational-awareness-stocks.html · cnbc.com/2026/07/31/leopold-aschenbrenner-situational-awareness-fund-fire-sale.html · hedgeweck.com/citadel-posts-strong-july-gains-following-acquisition-of-situational-awareness-equity-portfolio/ · marketscreener.com/news/citadel-s-flagship-multi-strategy-wellington-fund-gained-5-9-in-july-investor-says-ce7f50dfde88f522 · finance.yahoo.com/markets/stocks/articles/leopold-aschenbrenners-ai-hedge-fund-174426079.html
- Leveraged-product wave in the memory complex (context Pillars 1/3): GraniteShares 2x Long/Short SK Hynix (SKUU/SKDD) and ProShares Ultra SK Hynix (SKHU) since July 14, 2026 (24/7 Wall St, with an explicit note on volatility decay); Leverage Shares 2X Long Memory Daily ETF (RAML, 2x on the Roundhill Memory ETF DRAM) since July 24, 2026 (Benzinga). 247wallst.com/investing/2026/07/14/sk-hynix-adr-soars-19-as-leveraged-etfs-launch-lifting-micron-sandisk-western-digital/ · benzinga.com/etfs/new-etfs/26/07/60673789/micron-sk-hynix-sandisk-fans-get-new-etf-for-dram-trade

Implementation Note · Data Basis for the Distribution Analysis

The distribution analysis formulated in Chapter 16 requires a complete historical price database with machine-readable access. As of July 2026, the following providers, among others, offer officially documented MCP interfaces (Model Context Protocol) through which an AI model can pull and verify historical data directly: **Financial Modeling Prep** (remote MCP across all REST endpoints), **Alpha Vantage** (official MCP server, 20+ years of history), **EODHD** (72 tools incl. EOD history). Morningstar (Direct Web Services) and LSEG offer MCP access within an enterprise framework; Polygon.io now operates as Massive with an experimental MCP. For the purpose described here (one-year return distributions across decades, as free of survivorship bias as possible), the actual selection criterion, beyond the interface, is the quality of the historical coverage, in particular international exchange coverage including Japan and the depth of the price history; both are to be examined specifically before contracting. The provider decision is deliberately left open.

About the Author

David A. Pieper is an entrepreneur and the founder of one of the largest family office communities, in which leading entrepreneurial families and their investment companies organize themselves. His work focuses on the intersection of family offices, real estate, and capital markets; he holds an MBA and an LL.M. in Private Wealth Management. The observations described in this paper stem from managing the portfolio of his own group and community, not from a mandate or distribution context. The daily exchange with owner families shapes this paper's perspective.

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