

The
Pre-Market

THE PRE-MARKET

A Sunday Read

A Weekly Sentiment & Event-Driven Brief
Sunday, October 4, 2026 · For the week of October 5 – 9



CONFIDENCE SCORE

8.0+
Strongly Bullish

6.5–7.9
Positive

5.0–6.4
Neutral

3.5–4.9
Cautious ◀

<3.5
Bearish

*“The Nasdaq set a record while three of every four S&P stocks fell.
The 10-year at 5.28% did the sorting. This week asks whether it keeps doing it.”*

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The Week Ahead

What we're watching · October 5 – 9, 2026

The letter returns after a six-week pause, and the tape it returns to has split down the middle. The Nasdaq 100 closed Friday at a record 30,807.93, its third straight weekly gain, while the S&P 500 slipped 0.2% and the equal-weight index lost 0.7%. Three of every four S&P stocks fell in September. The 10-year Treasury yield ended the week at 5.28%, its highest close since 2002, after a September payroll print of 29,000 that also revised the prior two months lower by 60,000.

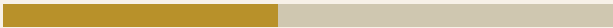
The Fed raised in September to 3.75–4.00%, a unanimous vote, with Brent at \$102.80 and the Strait of Hormuz still closed. Dallas's Logan has said at least fifty more basis points are needed. The market disagrees: odds of another hike at the October 27–28 meeting fell from 64% a week earlier to 23% after Friday's jobs report. This week fills that gap with evidence rather than opinion — ISM services Monday, the September minutes Wednesday, claims Thursday, Michigan sentiment Friday. The Confidence Score opens at 4.6, Cautious, down from 6.8 when the letter last printed.

“A record index and a 24-year high in yields can coexist for a while. They have not historically coexisted for long. The job this week is to find out which one blinks.”

The case for the record is narrow and real. Micron guided its November quarter to \$61.5 billion of revenue against a \$56.8 billion consensus, Accenture booked a record \$84.5 billion and rose 22% in a day, and Carnival reported record revenue with half of 2027 already sold. Core PCE cooled to 3.0%. The case against is broader. Conference Board confidence printed 81.9, the lowest since 2014; 12% of S&P sub-industries trade above both their 50- and 200-day averages; the 30-year mortgage is 7.28%, and the mortgage REITs lost a tenth of their value in five sessions. Anything financed sold. Anything with a backlog rallied.

The score sits at Cautious rather than Bearish because the week's scheduled risk is modest and the bars are low. PepsiCo and Constellation report from 52-week lows; Delta has already guided. There is no inflation print until October 14. What the score cannot see is the thing that matters most: whether a 5.28% ten-year is the top of the move or the middle of it. The posture is half risk, long what is booked, short what is financed, and no hero trades into the minutes.

SCORE COMPONENTS

CALENDAR		5.0 / 10	Minutes and Michigan; no CPI until Oct 14
SENTIMENT		4.5 / 10	Record Nasdaq, 12% of groups above trend
MACRO / FED		3.5 / 10	10-year 5.28%; payrolls +29k; Brent \$103
EVENT CATALYST		6.0 / 10	PEP, STZ, DAL report from lowered bars

WHAT MOVES THE SCORE

Neutral (5.0+) on minutes that show a committee reluctant to hike again, a 10-year back under 5.10%, and Delta holding its 11–13% margin guide. Bearish (<3.5) on a 10-year through 5.40% with Michigan sentiment under 46, or a Hormuz escalation that puts Brent above \$110.

Composite Confidence Score (CCS) = 0.25 × Calendar + 0.25 × Sentiment + 0.30 × Macro + 0.20 × Event Catalyst. Score interpretation: 8.0+ Strongly Bullish · 6.5–7.9 Positive · 5.0–6.4 Neutral · 3.5–4.9 Cautious · <3.5 Bearish.

The Macro Calendar

No decision, no inflation print — a week of evidence

Nothing on this calendar sets policy. All of it informs the October 27–28 meeting. ISM services Monday is the first read on whether the +29,000 payroll was a labor stall or a rounding error. The September minutes Wednesday show how many of twelve voters wanted the hike as a one-off and how many share Logan's appetite for more. Treasury sells 3-, 10- and 30-year paper into a 5.28% ten-year. Michigan sentiment Friday follows a Conference Board reading at a twelve-year low. All times Eastern.

DAY	RELEASE	IMPORTANCE	THE READ
Mon Oct 5	ISM Services PMI (Sep), 10:00	HIGH	Consensus 55.0 after 55.4; prices paid 72.6 in Aug.
Tue Oct 6	Trade Balance (Aug), 8:30	Low	Hormuz shows up in the energy import bill.
Tue Oct 6	3-Year Note Auction, 1:00	Moderate	First coupon supply after the yield spike.
Wed Oct 7	FOMC Minutes (Sep 15–16), 2:00	HIGH	Unanimous hike; how much appetite for another.
Wed Oct 7	10-Year Note Reopening, 1:00	HIGH	Duration demand at a 24-year high in yield.
Wed Oct 7	Consumer Credit (Aug), 3:00	Low	Card balances; BNPL does not show here.
Thu Oct 8	Jobless Claims, 8:30	Moderate	After +29k payrolls, claims are the tiebreaker.
Thu Oct 8	30-Year Bond Reopening, 1:00	Moderate	The long end closed Friday at 5.63%.
Fri Oct 9	UMich Sentiment, prelim (Oct), 10:00	HIGH	September 48.1; Conference Board at a 2014 low.

OCTOBER SEASONALITY · WHAT THE MONTH USUALLY DOES

S&P 500, OCT AVG

+0.7%

since 1976 · positive 60%

MIDTERM-YEAR OCTOBER

+3.0%

avg since 1950 · up 74%

NASDAQ-100, MIDTERM

+3.9%

avg · Russell 2000 +3.1%

THE TAIL

-22% / -17%

Oct 1987 · Oct 2008

October carries the worst reputation of any month and a better record than its reputation. It is a middling month in a normal year and the best month of a midterm year, which 2026 is. The two crashes that built the reputation both began with yields rising into an index at records, which is the one feature this October shares with them. Seasonality is a prior, not a position.

MACRO RISK WATCH · THREE STRESS POINTS

- **Rates — the long end is doing the tightening.**

The 10-year closed at 5.28% and the 30-year at 5.63%, both the highest since 2002, after rising roughly 55 basis points in five weeks. The Fed hiked once in September; the bond market has hiked several times since. Mortgage rates are 7.28%, a three-year high, and the sectors that borrow to operate — banks, REITs, utilities until last week, homebuilders — fell while the index held. Wednesday's 10-year reopening is the first direct test of demand at these levels.

- **Labor — the stall is now in the data.**

September payrolls rose 29,000 against forecasts near 85,000, with the prior two months revised down 60,000. Unemployment rose to 4.2% even as participation climbed to 61.8%. Temporary help lost 11,000 jobs, the usual leading edge. The Conference Board's "jobs hard to get" share rose to 21.9%. A soft labor market with 3.75% policy and 5.28% ten-year is the combination that makes a Cautious score defensible without being Bearish.

- **Energy — Hormuz is closed and the premium is permanent until it is not.**

Brent settled at \$102.80 and WTI at \$91.11 with the strait shut. The refiners carried the energy sector last week; the airlines and cruise lines absorb the same barrel as a cost. Carnival does not hedge fuel. Delta guided its quarter on \$3.15 a gallon and reports Friday. A reopening is the single headline that would move this score the most in either direction, and it is not on any calendar.

The Divergence

A record Nasdaq against a market where most stocks fell

The Nasdaq 100 closed at a record 30,807.93 on Friday. Over the same month, 389 of the 500 stocks in the S&P fell, and the equal-weight index trailed the cap-weight index by 4.6 points, a gap Bespoke finds exceeded only twice since 2003. Last week extended it: QQQ rose 0.7%, SPY slipped 0.2%, RSP lost 0.7%. Only 12% of S&P 1500 sub-industries trade above both their 50- and 200-day averages.

The sorting variable is the cost of money. With the 10-year at 5.28% and mortgages at 7.28%, financials lost 2.5%, health care 2.7%, real estate 1.8%, and the mortgage REITs a tenth of their value. What rallied had a backlog or a deposit: semiconductor equipment on Micron's guide, optics on Bernstein's upgrade, cruise lines on Carnival's booked 2027. Anything that borrows sold. Anything already paid for rallied. That is the divergence this week has to resolve.

WATCH LIST

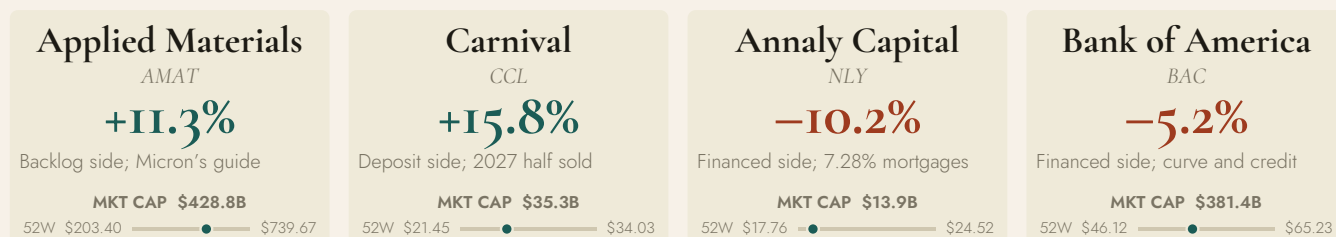
Supporting the record

- Nasdaq 100 at 30,807.93 — third straight weekly gain
- Micron guided Nov quarter to \$61.5B vs \$56.8B consensus
- Carnival: record revenue, half of 2027 already booked
- October hike odds fell to 23% from 64% a week earlier
- Core PCE cooled to 3.0% year over year in August

Threats to the record

- 10-year 5.28%, 30-year 5.63% — highest since 2002
- Payrolls +29k; prior two months revised down 60k
- Conference Board confidence 81.9, lowest since 2014
- 389 of 500 S&P stocks fell in September
- Mortgage rate 7.28%; Annaly -10.2% on the week

THE FRICTION TRADE · four names carrying the divergence



Weekly returns measured September 25 close to October 2 close. The letter did not publish a call for last week; these four are the cleanest expressions of the split as it stands. An equal-weight pair — long Applied Materials and Carnival, short Annaly and Bank of America — would have returned 21.3% in cash across the five sessions. That is the size of the gap, not a trade to chase.

THE OPTIONS MATH · modeled weekly contracts, September 25 to October 2

CONTRACT	SEP 25	OCT 2	RETURN
AMAT \$500 call, weekly	\$7.03	\$40.04	+470%
LITE \$1,000 call, weekly	\$17.78	\$85.42	+380%
CCL \$23 call, weekly	\$0.35	\$2.76	+693%
NLY \$20 put, weekly	\$0.11	\$1.50	+1,237%
FICO \$800 put, weekly	\$5.20	\$138.75	+2,567%

Contract values are modeled, not observed fills — Black-Scholes on the Friday-to-Friday underlying closes at 48% implied volatility for Applied Materials, 75% for Lumentum, 52% for Carnival, 30% for Annaly and 55% for Fair Isaac, seven calendar days to expiry, valued at intrinsic on October 2. Weekly spreads are wide, the FICO put needed a regulatory headline nobody had dated, and the Annaly put spent Monday worthless. The cash returns in the cards above are what actually happened.

Last Week's Movers

Three of eleven sectors rose · the winners had a backlog or a booking

Only technology, energy and utilities finished higher; the equal-weight index lost 0.7% while the Nasdaq 100 set a record. The gainers below share one feature: revenue already contracted. Weekly returns run Fri Sep 25 close to Fri Oct 2 close. On each card the rail spans the 52-week range; the shaded segment traces last week's move and the dot marks Friday's close.

THE WEEK'S BIGGEST WINNERS

Carnival CCL MKT CAP \$35.3B ▲ 15.78% \$22.25 > \$25.76 52W \$21.45 \$34.03 CATALYST · RECORD QUARTER, HALF OF 2027 SOLD Record third-quarter revenue of \$8.44 billion, \$7.6 billion of customer deposits and roughly half of 2027 already booked at higher prices; full-year adjusted EPS guided to about \$2.24. Royal Caribbean and Norwegian rose with it. Carnival does not hedge fuel, and Brent closed at \$102.80.	
Accenture ACN MKT CAP \$121.7B ▲ 12.94% \$176.11 > \$198.90 52W \$118.15 \$291.09 CATALYST · BEST DAY IN ITS HISTORY, THURSDAY Fourth-quarter revenue of \$18.68 billion beat a \$18.03 billion consensus and fiscal-year bookings reached a record \$84.5 billion, with 141 clients above \$100 million. Shares rose as much as 22% Thursday, the best day since the 2001 listing: enterprises are paying consultants to deploy AI, not replacing them with it.	
Lumentum LITE MKT CAP \$84.4B ▲ 15.27% \$941.65 > \$1,085.42 52W \$147.81 \$1,091.61 CATALYST · BERNSTEIN INITIATES THE OPTICS GROUP Bernstein initiated Lumentum and Coherent at Outperform on Tuesday, framing data-center optics as the next capacity-constrained layer of the AI build after memory. Coherent added 13.9% on the same call. Lumentum closed 0.6% below its 52-week high, up more than six-fold from its low.	
United Therapeutics UTHR MKT CAP \$23.0B ▲ 13.93% \$475.45 > \$541.70 52W \$409.07 \$609.35 CATALYST · DELAWARE COURT RULES ON YUTREPIA A Delaware federal court ruled Wednesday that Liquidia's Yutrepia infringes the '327 patent behind the Tyvaso franchise, most of the company's revenue. Liquidia lost more than half its value in a session. The one defensive winner on the page, in the week health care was the worst sector.	

ALSO GREEN LAST WEEK

Wolfspeed	WOLF	\$27.57 > \$35.28	▲ 27.97%
Synopsys	SNPS	\$425.76 > \$489.90	▲ 15.06%
FormFactor	FORM	\$129.69 > \$149.15	▲ 15.01%
Royal Caribbean	RCL	\$242.70 > \$277.74	▲ 14.44%
Onto Innovation	ONTO	\$287.64 > \$327.77	▲ 13.95%
Applied Materials	AMAT	\$485.00 > \$540.04	▲ 11.35%

cont. · Last Week's Movers

THE WEEK'S BIGGEST LOSERS

Fair Isaac

FICO

MKT CAP \$14.3B

▼ 23.39%

\$863.09 > \$661.25

CATALYST · ONE PRICING GRID, AND IT ADMITS VANTAGESCORE

52W \$586.05 \$1,886.28

The FHFA directed Fannie Mae and Freddie Mac on Monday to collapse two loan-level pricing grids into one that accepts VantageScore 4.0 alongside FICO. The stock fell 26% in a session. A score that was mandatory for forty years is now one of two, and its price, raised repeatedly since 2023, is the first thing a lender negotiates.

Cerebras

CBRS

MKT CAP \$39.5B

▼ 19.50%

\$206.75 > \$166.43

CATALYST · POST-IPO LOW INTO THE LOCKUP

52W \$160.81 \$386.34

A post-IPO low, 57% below the high, after a report that OpenAI will run the “Ultrafast” mode of its newest model on Nvidia GPUs rather than Cerebras — the workload the January \$10 billion deal was built around. Up to 19.4 million insider shares, 8% of the count, unlocked Wednesday. Single-customer risk, repriced.

DraftKings

DKNG

MKT CAP \$9.2B

▼ 15.58%

\$22.02 > \$18.59

CATALYST · KALSHI TAKES THE SUNDAY HANDLE

52W \$18.52 \$36.98

DraftKings and Flutter set multi-year lows after Kalshi was reported to be raising at a \$40 billion valuation with three quarters of its first-week NFL volume in sports. Event contracts trade in states where sportsbooks cannot, with no state gaming tax. Flutter lost 10.1%; DraftKings closed seven cents above its 52-week low.

ALSO RED LAST WEEK

Riot Platforms	RIOT	\$23.00 > \$19.73	▼ 14.22%
Alnylam	ALNY	\$255.96 > \$219.72	▼ 14.16%
AppLovin	APP	\$310.75 > \$268.22	▼ 13.69%
MongoDB	MDB	\$410.44 > \$357.96	▼ 12.79%
Annaly Capital	NLY	\$20.61 > \$18.50	▼ 10.24%
Flutter	FLUT	\$83.23 > \$74.81	▼ 10.12%

Annaly, Applied Materials, Carnival and Bank of America are covered in The Divergence. MongoDB fell 17% Wednesday after CEO CJ Desai left for Meta the day before its investor day. Sector returns are the SPDR sector funds, Friday to Friday.

THE WEEK IN SECTORS · S&P 500, SEP 28 – OCT 2

SECTOR	WEEK	WHAT DROVE IT
Technology	▲ 1.80%	Semicap and optics — AMAT +11.4%, LITE +15.3%, SNPS +15.1%
Energy	▲ 1.26%	Refiners — MPC +7.3%, VLO +4.9%; Brent \$102.80
Utilities	▲ 0.81%	The one defensive that worked; XLU 17% off its high
Real estate	▼ 1.80%	Mortgage REITs — Annaly –10.2% on a 7.28% mortgage
Financials	▼ 2.46%	FICO –23.4%, TransUnion –8.3%, BofA –5.2%
Health care	▼ 2.65%	Alnylam –14.2%; United Therapeutics the exception

Three sectors green, eight red, and the index flat: that is a market held up by its largest components while the median stock declines. The three sectors that fell hardest — financials, health care, real estate — are the three most sensitive to a 5.28% ten-year. The score sits at 4.6 because the index has not yet been asked to pay for what the median stock already has.

Retail Watch

What Reddit, X, and the news channels talked about last week

Retail attention ran in three lanes last week: SpaceX, where a \$2 million full-port post and three launches in thirteen hours turned the June IPO into the board's new everything-trade a week before its first lockup opens; memory, where Michael Burry's swap from a Micron short into June-2027 puts gave the bears a face; and the consumer bottom, where Nike, Lululemon and DraftKings drew the bottom-fishing bid that a 52-week low always does. Friday's jobs report barely registered.

THE LEADERBOARD · most-mentioned tickers on Reddit, X, and WSB (Sep 27 — Oct 3)

#	TICKER · COMPANY	MENTIONS	CHANGE	WHY IT WAS TALKED ABOUT
1	SPCX <i>SpaceX</i>	3,741	+526%	\$2M full-port post; three launches Thursday; Oct 9 unlock
2	NVDA <i>Nvidia</i>	1,943	+41%	Intraday record \$237.88; the \$150B buyback thread
3	MU <i>Micron Technology</i>	1,932	+39%	Record quarter and \$61.5B guide; Burry's \$500 puts
4	TSLA <i>Tesla</i>	1,297	+6%	Q3 deliveries 486,532 against 461,100 expected
5	MSFT <i>Microsoft</i>	1,023	+64%	A congressman's \$1.5M in \$330/\$340 calls, exp Oct 16
6	AMZN <i>Amazon</i>	987	+91%	\$8B Nvidia-chip sale-leaseback; the AI-capex funding thread
7	SNDK <i>SanDisk</i>	763	+22%	Bearish lane: -3.3% while Micron ran; memory peak talk
8	APLD <i>Applied Digital</i>	592	+28%	Reports Wednesday; 90% of covering analysts bullish
9	QQQ <i>Invesco QQQ</i>	—	—	Burry's QQQ puts; the most-engaged thread on the boards
10	NKE <i>Nike</i>	89	+20%	"Jumpman formation" — bottom-fishing a 53% drawdown

THREE SPECULATION THEMES · what retail is trading around

SPACEX IS THE NEW FULL-PORT

SPCX · TSLA · MSTR

SpaceX listed on June 12 at \$150 after raising \$75 billion, peaked at \$225.64, and closed Friday at \$158.96, up 7.4% on the day on 119 million shares after flying Crew-13, Transporter-18 and a Falcon Heavy inside thirteen hours. Less than 5% of the company floated at the IPO. Up to 328 million shares can be sold from Friday, October 9, another tranche on October 24, and roughly 1.3 billion two days after third-quarter results. The boards are treating the unlock as a buying opportunity. The float math says it is a supply event.

BURRY VERSUS MICRON, ROUND TWO

MU · QQQ · SNDK · NBIS

Micron reported a record \$54.2 billion quarter and guided the next to \$61.5 billion against \$56.8 billion expected; the stock finished the week slightly lower anyway. Burry disclosed that he had replaced an outright short, entered near \$1,052, with June-2027 \$500 puts, and his QQQ puts were the most-engaged thread of the week. SanDisk fell 3.3%. Retail is long the shortage and arguing with the one investor short the cycle; both sides have the same chart.

BOTTOM-FISHING THE CONSUMER

NKE · LULU · DKNK

Nike closed at \$33.87, 53% below its high and down 46% this year, and the October 9 \$33 and \$34 calls were the most-traded retail contracts in the name. Lululemon lost 6.8% to within a dollar of its low; DraftKings closed seven cents above its own. Conference Board confidence is at a 2014 low and the sectors retail is buying are the ones it is measuring. Catching the bottom in the consumer is a trade on the Fed, whether the boards call it that or not.

The retail bid and the institutional tape are pointed in opposite directions for once: the boards are buying unlocks and 52-week lows while the sell side buys backlogs. One of those is a thesis and the other is a reflex. Mention counts are directional estimates, not audited data.

Options Radar

Where positioning is building into the unlock and the minutes

Friday's session logged roughly 3,800 unusual trades across 508 symbols, \$3.6 billion of call premium against \$2.5 billion of puts; Micron and Tesla alone were about \$2 billion of it. The four names below are where the flow and the calendar meet this week: a map of where risk is being expressed, not a tally.

MU

Micron Technology

\$1.4B PREMIUM, 221 UNUSUAL TRADES · TWO-SIDED

\$1,074.89 CLOSE · 14.4% OFF 52W HIGH · NO REPORT THIS WEEK

The most active options name of the week after a record quarter and a \$61.5 billion guide the stock could not rally on. Burry's disclosed June-2027 \$500 puts are the bear flag; the call side is defending \$1,000. A stock that cannot rise on its best quarter is the positioning question of the quarter.

MKT CAP \$1.21T

52W \$179.61 ————— ● ————— \$1,255.00

TSLA

Tesla

\$589M PREMIUM · PUTS CLUSTERED \$367.5–\$372.5 FOR OCT 5

\$370.59 CLOSE · 25.7% OFF 52W HIGH · DELIVERIES 486,532 VS 461,100

Third-quarter deliveries beat on Friday and the heaviest flow was in two-day puts struck at the money. That is dealers and holders paying for a hedge into Monday rather than a bet on a break, but the amount paid says how little conviction sits behind a delivery beat at this multiple.

MKT CAP \$1.46T

52W \$297.38 ————— ● ————— \$498.83

SPCX

SpaceX

\$172.5 OCT 30 CALLS, \$9.5M AT 59× OPEN INTEREST · \$157.5 PUTS AT 853×

\$158.96 CLOSE · 29.6% OFF 52W HIGH · UNLOCK FRIDAY, OCT 9

Both sides are crowded into the first lockup window: up to 328 million shares become eligible Friday against a float that was under 5% at the IPO. The calls want launch cadence to outrun supply; the zero-day puts wanted Friday's 7.4% gain faded. Implied volatility of 45% on a \$2 trillion company is the tell.

MKT CAP \$2.10T

52W \$104.83 ————— ● ————— \$225.64

NKE

Nike

\$33 AND \$34 OCT 9 CALLS · 74× AND 68× OPEN INTEREST

\$33.87 CLOSE · 53.2% OFF 52W HIGH · 41% IMPLIED VOL

Small premium, large ratio: the retail bottom-fish in options form, a week after the stock set a 52-week low at \$31.97. There is no company catalyst inside the expiry. The trade is that a 46% year-to-date decline is enough, which is a view on the consumer rather than on the swoosh.

MKT CAP \$50.1B

52W \$31.97 ————— ● ————— \$72.39

ALSO ON THE RADAR

- **The index hedge is symmetric, to the dollar.**

The largest SPY trade Friday was \$16.9 million in 770 calls; the largest QQQ trade was \$16.9 million in 750 puts. \$26.8 million in Nvidia \$237.50 puts, struck at the intraday record: the record is rented, not owned.

- **Two long-dated bets ahead of small-cap reports.**

NovaGold January-2028 \$7 calls traded \$2.2 million at 92 times open interest, five sessions before Thursday's report. Schrödinger November \$35 calls took \$7.6 million at 82 times. Neither is a weekly.

Every card on this page is a crowd: Micron's flow is two-sided, Tesla's is hedged, SpaceX's is a fight over a supply event, Nike's is a reflex. Flow is positioning, not certainty; it shows where the pain sits if the week goes wrong, nothing more.

Upcoming Earnings

Eight reports, two of them a dollar from a 52-week low

Lamb Weston Holdings LW

THIS WEEK

Tue Oct 6 · before open

CURRENT PRICE

\$43.60

Oct 2 close

MKT CAP \$6.0B

ANALYST TARGET (avg)

\$49.80

n = 10 analysts

IMPLIED UPSIDE

▲ 14.2%

20% bullish rated

TARGET RANGE

\$40 – \$57

high · low

52W \$37.62  \$67.07**LATEST ACTION** · Sep 30 · JPMorgan maintains Neutral, cuts target \$52 > \$46**THE READ** · Two target cuts in the final week before the report. Eight of ten analysts sit at Hold; the bar is restaurant traffic.

RPM International RPM

THIS WEEK

Tue Oct 6 · before open, call 10:00

CURRENT PRICE

\$99.19

Oct 2 close

MKT CAP \$12.7B

ANALYST TARGET (avg)

\$125.73

n = 11 analysts

IMPLIED UPSIDE

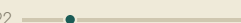
▲ 26.8%

91% bullish rated

TARGET RANGE

\$111 – \$151

high · low

52W \$92.92  \$121.78**LATEST ACTION** · Sep 28 · Morgan Stanley maintains Equal-Weight, trims target \$117 > \$114**THE READ** · Coatings and sealants into a 7.28% mortgage; ten of eleven are bullish and the stock is 19% off its high.

Penguin Solutions PENG

THIS WEEK

Tue Oct 6 · after close, 4:30

CURRENT PRICE

\$61.36

Oct 2 close

MKT CAP \$3.1B

ANALYST TARGET (avg)

\$64.33

n = 6 analysts

IMPLIED UPSIDE

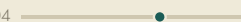
▲ 4.8%

83% bullish rated

TARGET RANGE

\$26 – \$85

high · low

52W \$16.04  \$89.86**LATEST ACTION** · Oct 2 · Rosenblatt maintains Buy, target \$80**THE READ** · Up 9.1% last week into the report. The \$26 low target is a July Barclays downgrade; the range is the debate.

Constellation Brands STZ

THIS WEEK

Tue Oct 6 · after close, call Wed 8:00

CURRENT PRICE

\$112.87

Oct 2 close

MKT CAP \$19.3B

ANALYST TARGET (avg)

\$161.47

n = 17 analysts

IMPLIED UPSIDE

▲ 43.1%

59% bullish rated

TARGET RANGE

\$122 – \$209

high · low

52W \$111.54  \$168.60**LATEST ACTION** · Oct 2 · RBC reiterates Outperform, target \$185; JPMorgan cut \$165 > \$133 Sep 25**THE READ** · Closes \$1.33 above its 52-week low. FY27 EPS guide is \$11.20–\$11.90; beer depletions decide it.

cont. · Upcoming Earnings

Levi Strauss & Co. *LEVI***THIS WEEK**

Wed Oct 7 · after close, 5:00

CURRENT PRICE**\$19.87**

Oct 2 close

ANALYST TARGET (avg)**\$27.15**

n = 13 analysts

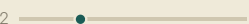
IMPLIED UPSIDE**▲ 36.6%**

77% bullish rated

TARGET RANGE**\$20 – \$34**

high · low

MKT CAP \$7.8B

52W \$17.72  \$25.70**LATEST ACTION** · Oct 1 · Jefferies maintains Buy, cuts target \$27 > \$25; Citi \$25 > \$22 Sep 30**THE READ** · Every target move in the last week was a cut. The lowest target on the Street is 13 cents above the price.**Applied Digital** *APLD***THIS WEEK**

Wed Oct 7 · after close, 5:00

CURRENT PRICE**\$25.38**

Oct 2 close

ANALYST TARGET (avg)**\$63.95**

n = 10 analysts

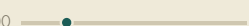
IMPLIED UPSIDE**▲ 152.0%**

90% bullish rated

TARGET RANGE**\$35 – \$90**

high · low

MKT CAP \$7.3B

52W \$19.00  \$50.73**LATEST ACTION** · Aug 6 · Morgan Stanley maintains Equal-Weight, raises target \$36.50 > \$37.50**THE READ** · No target has moved in two months while the stock halved from its high. The gap is lease signings, not earnings.**PepsiCo** *PEP***THIS WEEK**

Thu Oct 8 · before open, 8:15

CURRENT PRICE**\$125.89**

Oct 2 close

ANALYST TARGET (avg)**\$149.80**

n = 15 analysts

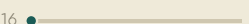
IMPLIED UPSIDE**▲ 19.0%**

20% bullish rated

TARGET RANGE**\$133 – \$178**

high · low

MKT CAP \$172.0B

52W \$125.16  \$171.48**LATEST ACTION** · Oct 2 · UBS maintains Buy, cuts target \$159 > \$145; Barclays \$142 > \$133 Oct 1**THE READ** · Closes 73 cents above its 52-week low; two cuts in two days. Volume, not price, is what the quarter has to show.**Delta Air Lines** *DAL***THIS WEEK**

Fri Oct 9 · before open, call 10:00

CURRENT PRICE**\$84.09**

Oct 2 close

ANALYST TARGET (avg)**\$104.65**

n = 17 analysts

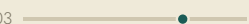
IMPLIED UPSIDE**▲ 24.4%**

100% bullish rated

TARGET RANGE**\$89 – \$125**

high · low

MKT CAP \$55.3B

52W \$55.03  \$95.68**LATEST ACTION** · Oct 2 · TD Cowen maintains Buy, cuts target \$105 > \$101; BMO \$105 > \$100 Sep 28**THE READ** · Guided Q3 EPS \$2.00–2.50 on \$3.15 fuel; Brent is \$102.80. Seventeen of seventeen bullish, two just cut.

Deep Dive · The Experience Split

Cruise lines at records, bowling alleys in distress · the same consumer, two balance sheets

WHAT HAPPENED

Carnival reported on Tuesday: record revenue of \$8.44 billion, \$7.6 billion of customer deposits, and roughly half of 2027 already booked at higher prices than a year ago. The stock rose 15.8% on the week, Royal Caribbean 14.4%, Norwegian 3.6%, and Lindblad closed at an all-time high. Three weeks earlier, Lucky Strike Entertainment reported same-store revenue down 2.5% and adjusted EBITDA down 16%; Dave & Buster's had posted comparable sales down 2.9% and a \$12.5 million loss; Six Flags missed by more than half on earnings, lost \$203 million, and launched a buy-now-pay-later plan for season passes at interest rates up to 36%.

Both groups sell the same thing — time away from the house — to the same broad consumer, in the same month Conference Board confidence fell to 81.9, its lowest since April 2014. One group is reporting records and the other is cutting guidance. BNP Paribas's Meghan Robson calls the leisure sector "a very K-shaped, rates-sensitive story," and that is the right frame: the split is not about what people want to do. It is about who still has the money, and when they paid.

THE BOOKING CURVE, BRIEFLY

A cruise is paid for before it happens. Passengers put down a deposit twelve to eighteen months out and pay the balance sixty to ninety days before sailing; the operator holds that cash as a liability called customer deposits and recognizes it as revenue only when the ship leaves. Carnival's \$7.6 billion of deposits is next year's revenue already collected, at prices set when the customer booked. Viking has sold 53% of its 2027 capacity; its advance bookings for 2027 stand at \$4.71 billion, up 21%. The customer is older, wealthier, and paid cash. The yield they pay is locked. The yield the operator earns on the float is 5%.

A bowling night or a theme-park visit is bought the week it happens, often on a card at 24% or a season pass on an installment plan. There is no deposit, no booking curve, and no visibility; the operator learns what the quarter looks like at the end of it. Lucky Strike carries 366 locations and a 4.6% dividend yield against a falling same-store line. Six Flags carries roughly \$4.9 billion of net debt against a \$1.2 billion market capitalization. When the cost of money rises, the financed customer and the financed operator feel it in the same quarter. The prepaid customer and the deposit-funded operator do not feel it until the booking curve rolls.

THE EXPERIENCE LEDGER · LATEST REPORTED QUARTER, AS OF OCT 2

COMPANY	WEEK	THE DEMAND LINE	THE READ
Carnival CCL	▲ 15.8%	Record \$8.44B revenue; half of 2027 booked	Deposits \$7.6B; no fuel hedge
Viking VIK	▲ 0.3%	53% of 2027 sold; 2027 bookings \$4.71B, +21%	Affluent, prepaid, furthest out
Norwegian NCLH	▲ 3.6%	Q3 above plan; record 2027 bookings	Most levered; refinancing 2028s
Lindblad LIND	▲ 22.3%	Q2 revenue \$199M, +18.6%; all-time high	Expedition niche; 60% of White Desert
OneSpaWorld OSW	▲ 3.1%	21st consecutive record quarter	Onboard spend without the ship
Lucky Strike LUCK	▲ 1.5%	Same-store -2.5%; adj. EBITDA \$74M vs \$89M	Margin 24% from 30%; 4.6% yield
Dave & Buster's PLAY	▲ 2.0%	Comps -2.9%; revenue \$544M -2.4%	Net loss \$12.5M; EBITDA -24%
Six Flags FUN	▼ 5.8%	EPS \$0.14 vs \$0.29 est.; revenue \$865M	Net debt ~\$4.9B; BNPL to 36% APR

Weekly moves are September 25 to October 2 closes. Demand lines are from each company's most recent reported quarter: Carnival Q3 FY26 (Sep 29), Viking and OneSpaWorld Q2 2026, Norwegian's Sep 30 pre-announcement, Lindblad Q2, Lucky Strike Q4 FY26 (Sep 15), Dave & Buster's Q2 FY26 (Sep 9), Six Flags Q2 2026.

cont. · Deep Dive · The Experience Split — what closes it

THE BULL CASE · the split persists

- **The deposits are the moat.**

Carnival's \$7.6 billion and Viking's \$4.71 billion of 2027 bookings were collected before the 10-year crossed 5%. That revenue does not reprice if confidence falls further; it has already been paid by the household least exposed to a 7.28% mortgage. The booking curve is a twelve-month hedge against the consumer the local-leisure names are living inside.

- **Capacity is tight and getting tighter.**

Shipyards slots run years out, so the cruise industry cannot overbuild into this demand the way hotels or restaurants can. Norwegian is guiding record 2027 occupancy and pricing simultaneously, which is only possible when supply is fixed. OneSpaWorld rides the same passenger count with no ship and no fuel bill.

- **The distressed side is already priced for distress.**

Dave & Buster's is a \$235 million company, Lucky Strike \$723 million, Six Flags \$1.2 billion against \$4.9 billion of debt. Shorting them now is shorting the equity stub of a capital structure the market has already handed to creditors. The asymmetry has moved to the lenders.

THE BEAR CASE · the split closes from the top

- **Fuel is the unhedged variable.**

Carnival does not hedge fuel and Brent is \$102.80 with Hormuz closed. Delta's guide assumed \$3.15 a gallon; it reports Friday and is the first large travel name to mark the quarter to the actual barrel. A booking curve locks the revenue, not the cost.

- **Leverage is the other.**

Norwegian expects \$860–880 million of net interest in 2027 and is refinancing its 2028 notes at today's coupons. A record booked position carried on a 5.6% long bond is a thinner margin than the headline. The cruise names are the deposit side of the trade, but not the debt-free side.

- **The K narrows from the top when the top loses its job.**

Payrolls rose 29,000 and the "jobs hard to get" share is rising. The affluent traveler books eighteen months out until the quarter their bonus is cut, and the cancellation shows up as a slower booking curve six months before it shows up in revenue. Michigan sentiment prints Friday morning.

- **The trade is crowded after one week.**

Carnival rose 15.8%, Royal Caribbean 14.4% and Lindblad 22.3% in five sessions. Whatever was true about the split on September 25 is now true at a higher price, into a Delta report and a sentiment print on the same morning.

THE CLOCK · what dates the thesis this week

WED OCT 7

FOMC minutes

appetite for Logan's 50bp

FRI OCT 9

Delta, 10:00

Q3 margin vs 11–13% guide

FRI OCT 9

UMich prelim

Sep 48.1; Oct consensus ~47

OCT 27–28

FOMC

hike odds 23% after payrolls

Royal Caribbean reports October 27 and Norwegian in early November; neither is inside the window. Lucky Strike, Dave & Buster's and Six Flags have no scheduled report this week. Delta is the only name on either side of the split that marks its quarter to market before Friday's close.

The experience economy did not split on taste; it split on the timing of the payment. The prepaid customer funds the operator at zero cost and the financed customer funds the operator at 36%, and a 5.28% ten-year widens that gap every week it holds. The trade is long the booking curve and short the installment plan, sized for the fact that both sides have the same employer, and the employer added 29,000 jobs last month.

Crypto Corner

Bitcoin flat, the miners down, and no bill in Washington

WHERE PRICES STAND

Bitcoin closed the week at \$84,505, up half a percent, while the Nasdaq set a record and the ten-year a 24-year high; it confirmed neither. Ether slipped 0.9%. The equities did worse than the asset: Coinbase lost 6.2%, Circle 8.7%, Riot 14.2%. Spot bitcoin ETFs took in \$82.9 million after \$2.39 billion the week before; ether funds lost \$118 million. The Clarity Act’s failed cloture vote left no legislative catalyst until next year.

ASSET	FRIDAY	FROM 52W HIGH	WHAT IT SAYS
Bitcoin	\$84,505	▼ 33%	Flat on the week; neither the record nor the yield moved it
Ethereum	\$2,668	▼ 46%	ETF outflows of \$118 million; the weaker of the two majors
IBIT	\$47.73	▼ 34%	Inflows slowed to \$83 million from \$2.4 billion the prior week
MSTR	\$160.01	▼ 56%	847,666 BTC; MSCI’s non-operating rule is the live risk
COIN	\$183.00	▼ 54%	Down 6.2%; exchange volume is what the week lacked
RIOT	\$19.73	▼ 35%	Miners sold hard — Marathon –10.5%, CleanSpark –8.7%

All prices are Friday, October 2 closes; bitcoin and ether at 4:00 p.m. ET. Drawdowns are measured against each asset’s trailing 52-week high.

WHAT MATTERS THIS WEEK

- Bitcoin has stopped answering to either side of the divergence.**
A record Nasdaq did not lift it and a 5.28% ten-year did not sink it. An asset that ignores both signals has no marginal buyer, and the flow agrees: \$83 million of inflows a week after \$2.4 billion.
- The miners are an AI-capex trade now, and it is splitting too.**
Riot fell 14.2%, Marathon 10.5% and CleanSpark 8.7%, while TeraWulf, which leased 401 megawatts to Anthropic for twenty years, lost 1.6%. Contracted compute is bid; uncontracted hashrate is sold.
- Strategy carries an index risk, not just a bitcoin risk.**
MSCI’s proposed treatment of non-operating companies could remove Strategy from major indexes and force passive selling. Citi raised its target to \$240 anyway. The stock is 56% below its high with 847,666 coins.
- No bill, no catalyst.**
The Clarity Act failed cloture 49–50 on September 15. Market-structure legislation is off the table until 2027 at the earliest, removing the one non-price reason to own exchange and stablecoin equities into year end.

SIZE OF THE MARKET

BITCOIN MKT CAP

\$1.69T

Oct 2

ETHER MKT CAP

\$322B

Oct 2

IBIT ASSETS

\$79.6B

Oct 2

BTC 52W LOW

\$57,718

Trailing year

Bitcoin is a third below its high and has spent the quarter deciding nothing. The crypto trade that worked last week was not a coin but a miner with a hyperscaler lease. Until the flow returns, the asset is a rate instrument that has stopped responding to rates: not a position, a wait.

Small-Cap Watchlist

Six names under \$3 billion · every one of them reports this week

All six report between Tuesday and Thursday, deliberately. With no Fed decision and no inflation print, small-caps trade on their own numbers for once, and these six touch the seams the letter is watching: private-credit marks, non-residential construction, temp labor, tariff-era steel, gold, power electronics.

Saratoga Investment \$16.48

SAR

Tue Oct 6

PRIVATE CREDIT · BDC

WHAT IT DOES

A business development company lending to lower-middle-market firms; roughly \$1.1 billion of assets and a \$0.25 monthly dividend.

WHY IT IS HERE

The first private-credit mark after the yield spike. Last quarter NAV fell 4.9% to \$23.23 and net investment income of \$0.47 covered 63% of the \$0.75 paid. It trades at 71% of NAV, at a 52-week low.

KEY RISK

Another NAV cut or a dividend reset is the base case the price already implies. A \$269 million company whose marks lag the rates that set them.

MKT CAP \$269M

52W \$16.39 — \$24.63

Apogee Enterprises \$35.62

APOG

Tue Oct 6

ARCHITECTURAL GLASS · COATINGS

WHAT IT DOES

Architectural glass, framing and installation for commercial buildings, plus performance coatings; closed the Kalwall acquisition in July.

WHY IT IS HERE

FY27 guide is \$1.38–1.43 billion of sales and \$2.70–3.25 of adjusted EPS, about 12 times the midpoint. Reports Tuesday at 9:00. Non-residential construction is where a 5.28% ten-year lands first.

KEY RISK

Down 4.1% last week and 30% below its high; a guide cut is live. Office and institutional backlogs convert slowly when financing costs reset.

MKT CAP \$743M

52W \$30.75 — \$50.88

Resources Connection \$3.89

RGP

Wed Oct 7

PROJECT CONSULTING · LABOR CANARY

WHAT IT DOES

Interim finance, accounting and project consultants — the people companies rent when they will not hire. Fiscal 2026 revenue was \$452 million.

WHY IT IS HERE

Guided Q1 revenue to \$97–102 million after a year in which sales fell 18% and billable hours fell 21% in the final quarter. Temporary help lost 11,000 jobs in Friday's payrolls. This is that line, reporting Wednesday.

KEY RISK

A \$134 million micro-cap with negative adjusted EBITDA last quarter, a dividend to defend, and a share price under \$4.

MKT CAP \$134M

52W \$3.06 — \$5.37

Worthington Steel \$36.97

WS

Wed Oct 7

STEEL PROCESSING · TARIFF PRICING

WHAT IT DOES

Value-added flat-rolled steel processor — automotive, construction and electrical-steel laminations for transformers; roughly 3.6 million tons a year.

WHY IT IS HERE

Fourth-quarter sales rose 12% to \$929 million on direct prices up 5% and toll prices up 11%, while adjusted EPS fell to \$0.74 from \$1.05 and volumes fell 4.4%. Wednesday shows whether price or volume is winning.

KEY RISK

A \$66.7 million impairment last quarter and a 30% earnings decline; auto volume is the swing factor and the stock is 25% below its high.

MKT CAP \$1.88B

52W \$27.22 — \$49.17

NovaGold Resources \$6.55

NG

Thu Oct 8

GOLD DEVELOPMENT · DONLIN

WHAT IT DOES

Owens 60% of Donlin Gold in Alaska alongside Paulson, one of the largest undeveloped gold deposits anywhere; an option on the gold price.

WHY IT IS HERE

Reports Thursday before the open with \$370 million of cash and a bankable feasibility study due in 2027. Gold fell 3.4% last week and the stock 8.1%, yet \$2.2 million of January-2028 \$7 calls traded Friday at 92 times open interest.

KEY RISK

A \$2.9 billion valuation on a mine that will not pour gold this decade, 54% below its high, burning roughly \$23 million a quarter.

MKT CAP \$2.87B

52W \$5.08 — \$14.40

Richardson Electronics \$18.99

RELL

Thu Oct 8

POWER ELECTRONICS · ENERGY STORAGE

WHAT IT DOES

Makes and distributes power and microwave components — vacuum tubes, RF, ultracapacitor modules for wind turbines and grid storage.

WHY IT IS HERE

Fiscal 2026 revenue rose 9% to \$228.6 million, fourth-quarter net income tripled to \$3.7 million, and backlog reached \$164.4 million, the highest in three years. \$31.8 million of cash, no debt. Reports Thursday at 10:00.

KEY RISK

A \$278 million company at 44 times trailing earnings; the green-energy unit is lumpy and policy-dependent, and up 8.4% last week into the report.

MKT CAP \$278M

52W \$9.37 — \$23.15

Position sizing note: speculative names with asymmetric upside and real single-name blow-up risk; satellite exposure, not core. Prices, market caps and 52-week ranges are the October 2 close. Confirmed report dates: SAR Oct 6 after close (call Oct 7), APOG Oct 6, RGP and WS Oct 7, NG and RELL Oct 8.

Six reports in three days from companies the index does not notice, each a direct read on a macro question the index is pricing anyway: private credit, commercial construction, the labor stall. The small-caps are the evidence this week; the large-caps are the opinion.

Launch Control

Six names positioned for this week · none of them a household mega-cap

The deep dive makes the case that prepaid demand is the one place a 5.28% ten-year has not reached. These are the names that own that booking curve without owning Carnival or Royal Caribbean after a 15% week, plus the two hedges that pay if the growth scare, rather than the rate scare, wins. Prices reflect the October 2 close.

COMPANY	LAST	LAST WK	52WK RANGE	THE SETUP
Viking Holdings VIK MKT CAP \$35.8B	\$80.56	▲ 0.32%		The furthest-booked customer in travel: 53% of 2027 capacity sold and \$4.71 billion of 2027 advance bookings, up 21%, on second-quarter revenue of \$2.19 billion, up 16.5%. It did not run with Carnival last week and sits 27% below its high.
OneSpaWorld OSW MKT CAP \$2.4B	\$23.62	▲ 3.05%		Runs the spas on roughly 200 ships and has reported 21 consecutive record quarters. Full-year revenue guidance is \$1.02–1.04 billion. It owns the passenger's onboard spend without owning a ship, a fuel bill or a shipyard slot.
Lindblad Expeditions LIND MKT CAP \$2.28B	\$34.78	▲ 22.25%		Expedition cruising; second-quarter revenue rose 18.6% to \$199 million and it bought 60% of White Desert, the Antarctic operator. Friday was an all-time high after a 22% week and a 169% year. On the list to be trimmed, not added.
Norwegian Cruise Line NCLH MKT CAP \$6.95B	\$15.14	▲ 3.63%		Pre-announced a third quarter above its own \$0.90 EPS and \$874 million EBITDA plan with record 2027 occupancy and pricing, and is refinancing its 2028 notes. The most levered way to own the curve, 40% below its high; the one that breaks first if yields keep rising.
Utilities Select XLU MKT CAP \$20.6B	\$39.83	▲ 0.81%		One of three sectors that rose last week and the only defensive one. Utilities are rate-sensitive and recession-resistant at once, which is why the fund sits 17% below its high after the yield spike. The hedge pays if the minutes read dovish.
20+ Year Treasury TLT MKT CAP \$39.2B	\$77.48	▼ 2.32%		Within a point of its 52-week low with the ten-year at 5.28%. If a 29,000 payroll turns into a growth scare, duration is the one hedge that pays while cruise deposits hold. If Logan's fifty basis points arrive first, it loses again. Sized small for that reason.

Prices, market caps and 52-week ranges reflect the October 2, 2026 close; LAST WK is the September 25 to October 2 move. The range dot marks the close. The four equities carry market capitalizations between \$2.3 billion and \$36 billion — liquid, and lightly covered next to the two cruise names that led last week.

These are positioning notes, not recommendations. Any of these names can move double digits on a single headline out of the Strait of Hormuz or the September minutes. Size accordingly.

Four of these six are the same trade — prepaid demand — expressed at different points on the leverage curve, from OneSpaWorld with no ship to Norwegian with the most debt. Utilities and duration are on the page because they are where this macro turns against the position, and knowing where that happens is the point of the list.

The Tactical Read

One trade, one invalidation, one dissent

THIS WEEK'S TRADE

one setup · one invalidation

THE SETUP

Long the booked consumer, short the financed one: equal-weight Viking, Royal Caribbean and Carnival against the retail fund XRT. Flat the index; long the booking curve.

WHY IT FITS A 4.6 TAPE

A 4.6 is a sizing instruction: take the trade the evidence supports and nothing the index requires. Long demand paid for before yields spiked, short demand still on a card.

SIZE

Half the risk carried at a 6.0 score. The long leg ran 15% last week, so build in thirds: Monday, after the minutes, and after Delta reports Friday.

INVALIDATION

A Delta Q4 margin guide under 11% breaks the long. XRT above its 50-day or Michigan above 55 breaks the short. Brent under \$90 on a reopening: right view, wrong pair.

Not a recommendation — a worked example of the letter's own logic. Your book, your call.

LEVELS · the numbers behind the setup

NAME	FRI OCT 2 CLOSE	LAST WEEK	UPSIDE FAIL LINE	DOWNSIDE BREAK LINE
S&P 500	SPY \$769.64	▼ 0.2%	\$779 is a new record	\$750 is a 2.5% drawdown
RUSSELL 2000	IWM \$281.52	▼ 0.2%	\$290 says small-caps joined	\$272 says the rate scare spread
VIX	15.31	▲ 3.0%	18 prices the minutes	14 is complacency at a record
10-YEAR	5.28%	+10 bp	5.40% breaks the equity multiple	5.10% says the growth scare won
30-YEAR	5.63%	+13 bp	5.75% is a failed auction	5.45% is duration bought

Levels are markers, not signals. A break through does not itself make a trade — it changes which trade is on.

THE POSTURE · the book heading into the week

- Half risk, and the half is chosen. A Cautious score is not an instruction to sell the index; it is an instruction to own only what has evidence behind it — a deposit, a backlog, or a guide already lowered. Nothing is bought on the record alone.
- No new risk between Wednesday at two o'clock and Friday at ten. The minutes and the Michigan print bracket Delta's report, and the three together decide whether 5.28% is a ceiling or a floor.
- On rates: the long end has done more tightening in five weeks than the Fed did in September, and the sectors that borrow have already paid for it. The index has not. Either way the minutes read, the position is in the names that do not need to borrow.
- Book: half risk. Long Viking, Royal Caribbean and Carnival in thirds against short XRT; long Utilities Select and a small TLT position as the growth-scare hedge; no SpaceX in either direction into the unlock; no view on Micron beyond the flow. Cash is the rest.

THE DISSENT · the case against the 4.6

The cruise trade is the most crowded idea on the page after a 15% week, Carnival burns unhedged fuel at \$103 Brent, and the long leg reports nothing until October 27. Meanwhile October is the best month of a midterm year, hike odds just fell from 64% to 23%, and the Nasdaq is at a record. If the minutes read dovish and Hormuz reopens, XRT squeezes and a 4.6 will read as a letter that mistook a rate spike for a cycle.

THE PRE-MARKET

Sunday, October 4, 2026 · Week of October 5–9

Analyst consensus aggregated across sell-side coverage. Options flow from public unusual-activity scanners; contract values in The Divergence are modeled from closing prices, not executed fills. Retail mention counts are directional estimates. Sector returns are the SPDR sector funds. Seasonality per the Stock Trader's Almanac and Citadel Securities.

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