

The
Pre-Market

THE PRE-MARKET

A Sunday Read

A Weekly Sentiment & Event-Driven Brief
Sunday, October 11, 2026 · For the week of October 12 — 16



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 buyers held. The chip suppliers broke.
This week tests the order book, the inflation bill, and the shipping lane.”*

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The Week Ahead

What we're watching · October 12 – 16, 2026

The buyers of computing and the sellers of it parted company last week. Microsoft finished +3.39%, Amazon +4.34% and Alphabet +2.38%; the semiconductor fund SMH –4.32%, Lam Research –8.24% and Applied Materials –6.11%. The S&P 500 rose +1.16% and the equal-weight index +1.58%, the first week in six that the average stock beat the index, and the 10-year eased four basis points to 5.24%. Thursday's one sharp session came on a report of a lower OpenAI revenue run-rate: Nvidia –2.9%, AMD –3.9%, Micron –4.8%.

Two stories broke outside the chip trade. SpaceX agreed Thursday night to buy up to 14 MHz of paired 800 MHz spectrum from Grain Management for a reported \$8 billion in cash; on Friday Verizon fell 8.75%, its worst day since 2002, T-Mobile 13.27% and AT&T 9.81%, while the tower landlords Crown Castle, American Tower and SBA rose. Schneider Electric agreed to buy PTC for \$22.6 billion, \$205 a share, a 42.3% premium. The Confidence Score moves to 4.8, Cautious, from 4.6: breadth improved, the long end stopped rising, and the week's risk is scheduled.

"The buyers held. The chip suppliers broke. This week tests the order book at ASML and TSMC, the inflation bill on Wednesday, and a shipping lane nobody can schedule."

Wednesday's September CPI is forecast at +0.6% on the month and 3.6% on the year, core +0.2% and 2.5%; the headline is energy, the core is the argument. Thursday stacks PPI (+0.5% expected), retail sales (+0.3% after +1.2%), claims (195,000) and the Philadelphia Fed at 8:30, then Fed Chair Warsh speaks that night, the last word before the October 17 quiet period. Earnings begin Tuesday with JPMorgan, Goldman, UnitedHealth and J&J; ASML reports Wednesday, TSMC Thursday. Saxo's screen of fourteen semiconductor names found no implied-volatility rank above 50.

The score sits at Cautious rather than Neutral because the two largest variables are unresolved. Iran's security chief called the U.S. response to its seven Hormuz conditions "insufficient"; Brent closed at \$104.72, up from \$102.25, and Hurricane Isaias had shut in 62.9% of Gulf of Mexico oil output as of Thursday. The posture is unchanged in kind and smaller in size: long what has evidence behind it, nothing added in semiconductors until both reports are on the tape, and the telecom repricing left alone until a second session confirms it.

SCORE COMPONENTS

CALENDAR		4.0/ 10	CPI Wed, PPI and retail sales Thu; 8 reports
SENTIMENT		6.0/ 10	RSP beat SPY; SMH –4.32%; VIX 14.84
MACRO / FED		3.0/ 10	10-yr 5.24%; Brent \$104.72; Hormuz shut
EVENT CATALYST		7.0/ 10	ASML Wed and TSMC Thu replace narrative

WHAT MOVES THE SCORE

Neutral (5.0+) on a core CPI print of 0.2% or less, ASML orders and TSMC guidance that hold, and SMH back above its October 7 close of 625.03. Bearish (<3.5) on core at 0.4% or more with the 10-year through 5.40%, chip guidance that cuts next year, or a Hormuz escalation that takes 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

The inflation sequence · CPI Wednesday, everything else Thursday

The bond market is closed Monday for Columbus Day while equities trade, so the week compresses into two mornings. Wednesday's CPI is the first inflation print since the Fed's September hike and the only one before the October 27–28 meeting. Thursday delivers producer prices, retail sales, claims and the Philadelphia Fed at 8:30, and Fed Chair Warsh speaks that night before the quiet period starts Saturday. All times Eastern; consensus and prior per the October 9 calendar.

DAY	RELEASE	IMPORTANCE	THE READ
Mon Oct 12	Columbus Day — bond market closed	Low	Equities open, Treasuries shut; thin tape.
Wed Oct 14	CPI, September, 8:30	HIGH	Headline +0.6% m/m, 3.6% y/y; core +0.2%, 2.5%.
Wed Oct 14	Real Earnings, September, 8:30	Low	Wages against a 3.6% headline; the consumer's math.
Thu Oct 15	PPI, September, 8:30	HIGH	Headline +0.5%, core +0.3%; pipeline for October CPI.
Thu Oct 15	Retail Sales, September, 8:30	HIGH	+0.3% after +1.2%; ex-autos +0.5% after +1.4%.
Thu Oct 15	Jobless Claims, 8:30	Moderate	195K expected after 197K; still no layoff wave.
Thu Oct 15	Philadelphia Fed, October, 8:30	Moderate	26.5 expected after 37.8; prices-paid is the line.
Thu Oct 15	Fed Chair Warsh speaks, 11:30 p.m.	HIGH	Last Fed voice before the Oct 17 quiet period.
Fri Oct 16	Import / Export Prices, 8:30	Low	Imported inflation after a \$104 Brent month.

WHAT THE CPI FORECAST ACTUALLY SAYS

HEADLINE CPI, M/M	HEADLINE CPI, Y/Y	CORE CPI, M/M	CORE CPI, Y/Y
+0.6% consensus · prior +0.4%	3.6% consensus · prior 3.4%	+0.2% consensus · prior +0.3%	2.5% consensus · prior 2.4%

A 0.6% headline with a 0.2% core is a gasoline print, and the market already knows the gasoline. The number that changes the October meeting is core: a second 0.3% would put the three-month annualized pace back above 3% with the funds rate at 3.75–4.00%, and the 23% odds of another hike would not survive it. A 0.2% or less, against a 3.6% headline, is the combination that lets the long end keep falling while the Fed talks tough.

MACRO RISK WATCH · THREE STRESS POINTS

- **Rates — the long end blinked first.**
The 10-year closed at 5.24%, down from 5.28%, and the 30-year at 5.60% from 5.63%, after both set 24-year highs the week before. The move came with no Fed speaker and no auction surprise; it came from a chip selloff that bid duration. That is a growth-scare bid, not an inflation all-clear, and Wednesday decides which it was. TLT rose 0.65%; the utilities fund XLU led every sector at +3.97%.
- **Energy — two supply problems with different clocks.**
Brent settled 4% higher Thursday and closed the week at \$104.72, up from \$102.25, while WTI slipped to \$91.85. Iran's security chief said Sunday the U.S. response to its seven conditions was insufficient and that Tehran is "no longer in the process of responding." Separately, Hurricane Isaias had shut in 1.3 million barrels a day, 62.9% of Gulf of Mexico output, as of Thursday. Diplomacy can improve while storm restoration lags, or the reverse.
- **Demand — the consumer is the one thing not yet in question.**
August retail sales rose 1.2% and ex-autos 1.4%; September is forecast at +0.3% and +0.5%. Claims sit at 197,000. Walmart rose 6.80% last week and the staples fund 3.60%. If Thursday's sales hold while core CPI cools, the soft-landing read survives a 5.24% ten-year; if sales roll while prices do not, the Cautious score has the wrong sign.

Geopolitics

Three transmission channels into the trading week · Hormuz, the Gulf, Beijing

HORMUZ · DIPLOMACY IS NOT PHYSICAL SUPPLY

The war that began at the end of February enters its eighth month with the strait that carried one-fifth of the world's seaborne oil and LNG still closed. Iran's proposal at the UN General Assembly offered to restore passage within seven days if seven conditions were met; the U.S. replied through Qatar. On Sunday Mohsen Rezaei, secretary of Iran's Supreme National Security Council, said the response was "insufficient," that Washington had "accepted some of our conditions, while others remain unclear," and that Iran is "no longer in the process of responding to the Americans." The White House had not commented. President Trump said Friday there would be no attack before the November 3 midterms and that discussions were "productive."

The market's confirmation sequence is physical, not verbal: a signed text, tankers transiting, war-risk insurance repricing, freight falling. Brent can move \$5 on a headline before any of those happen, as it did Thursday. Until a ship moves, the oil premium is a tax on airlines, cruise lines, chemicals and anything with a fuel line, and an input to Wednesday's CPI headline.

U.S. GULF · THE OTHER SUPPLY SHOCK

Hurricane Isaias had shut in about 1.3 million barrels a day as of Thursday, 62.9% of current Gulf of Mexico oil production by the Marine Minerals Administration's count. That is why Brent rose 4% on a day the Hormuz news was neutral. Storm shut-ins reverse in days to weeks; a strait does not. A trader who sees oil fall this week has to know which problem improved before treating the move as a geopolitical signal, and the refiners, Marathon +7.74% last week, are the tell for which it was.

EU-CHINA · THE AGREEMENT AND THE ASK ARE DIFFERENT THINGS

After two days of talks in Beijing, Trade Commissioner Maroš Šefčovič announced Friday a preliminary deal that could cut Chinese EV and plug-in-hybrid imports to the EU by up to 50%, lowers Chinese tariffs on nearly €4 billion of EU exports, and includes understandings on export licensing for rare earths and permanent magnets. Approval by the 27 EU leaders is still required; he briefs them this week. China pressed in the same talks for relief on advanced chipmaking equipment. AP's account does not say that request was granted, and a rare-earth headline is not a lithography license.

THE TRANSMISSION TABLE · WHAT EACH STORY ACTUALLY TOUCHES

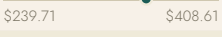
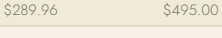
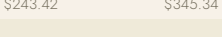
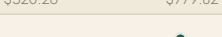
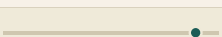
CHANNEL	FIRST-ORDER EXPOSURE	LAST WEEK	WHAT CONFIRMS A CHANGE
Hormuz	Brent, airlines, cruise, chemicals	Brent \$102.25 › \$104.72	A signed text and a tanker transit
Gulf shut-ins	WTI, refiners, Gulf Coast crude	MPC +7.74% · XLE +3.60%	Shut-in share falling below 30%
EU-China EVs	German autos, EU parts makers	€4B of EU exports in scope	Leaders' approval in Brussels
Chip-tool licenses	ASML, Lam, Applied, KLA	LRCX -8.24% · AMAT -6.11%	A license list, not a communiqué
Spectrum	VZ, TMUS, T vs CCI, AMT, SBAC	VZ -9.30% · CCI +19.87%	FCC approval; a tower lease signed

Trade the channel, not the adjective. Oil feeds the inflation bill; the strait feeds delivery; export licenses decide which orders become revenue; spectrum decides who pays rent to whom. Each needs its own confirmation, and none of them arrived last week.

Mega-Cap Tech

Eight names, one week · the platforms rose, the silicon fell, and Apple cut an order

The three largest cloud buyers finished higher and the three largest chip sellers lower; Broadcom was the exception on both counts. The table is the Friday-to-Friday tape, the notes beneath it what each company did or had reported about it. Five of the eight report in the last week of October; Nvidia in late November.

COMPANY	OCT 9	WEEK	52-WEEK RANGE	WHAT MOVED IT
Amazon AMZN	\$262.43	+4.34%		\$8B chip-financing vehicle reported; Trainium deals
Microsoft MSFT	\$535.07	+3.39%		Copilot on Windows event Oct 7; PERM suspension Oct 8
Alphabet GOOGL	\$351.66	+2.38%		890 MW Constellation uprate deal, Oct 6
Broadcom AVGO	\$361.54	+1.80%		Reported ~\$30B OpenAI chip-debt talks; OCP this week
Apple AAPL	\$336.64	+0.88%		Nikkei: iPhone 18 Pro orders cut 15–20%; –3% Friday
Meta Platforms META	\$718.67	–1.29%		Faded with the Nasdaq Thursday; no company news
Nvidia NVDA	\$229.28	–2.00%		–2.9% Thursday on the OpenAI run-rate report
AMD AMD	\$608.10	–4.07%		Su in Taipei: supply-constrained into 2027; –3.9% Thu

WHAT CHANGED, COMPANY BY COMPANY · AND WHAT IT MEANS FOR THE REPORT

- **Apple — the first demand data point of the iPhone 18 cycle is a cut.**

Nikkei reported Friday that Apple told suppliers to reduce iPhone 18 Pro and Pro Max component orders, with October orders down 15–20%; Apple did not confirm and Reuters could not verify. The stock fell 3% on the day and still finished the week +0.88%, 2.5% below its high. Options priced a 1.3% earnings move against a 2.5% average, the cheapest in two years. If the cut is real, the October 29 report is the first quarter where the guide, not the beat, is the number.

- **AMD — Lisa Su said the constraint is supply, which is a different problem from demand.**

In Taipei on Tuesday Su said demand exceeds supply, that AMD will “substantially increase” output in 2027, and that the limits are HBM memory and advanced packaging, not wafers. Unconditional purchase commitments stood at \$30.3 billion at the end of June; the Helios rack ships this quarter. The stock lost 4.07% anyway on Thursday’s OpenAI report. The November 4 report has to show the commitments converting to revenue faster than the packaging queue allows.

- **Broadcom — the vendor is becoming the lender.**

Fortune reported Friday that Broadcom is in talks to arrange roughly \$30 billion of debt to help OpenAI buy the chips the two co-developed, after a \$35 billion arrangement with Anthropic. Broadcom rose 1.80% in a week its peers fell and presents its AI networking roadmap at the OCP summit in San Jose Tuesday through Thursday. Vendor financing books revenue; it also books the customer’s credit. The December report is where the receivable line starts to matter.

- **Microsoft and Amazon — the buyers’ week.**

Microsoft put local models into Windows Copilot on Wednesday; on Thursday the Labor Department suspended it, along with Adobe, Cognizant and Infosys, from the PERM green-card program, which affects new filings, not existing visas. Amazon was reported exploring an \$8 billion vehicle to hold Nvidia Grace Blackwell systems and lease them back, and OpenAI’s roughly 2 GW of Trainium from 2027 sits beside Anthropic’s up to 5 GW. Both report October 28–29; both guides are capex guides first.

The platforms rose on what they bought and the suppliers fell on who would pay for it; Broadcom, lending to its own customer, rose with the buyers. Apple’s reported order cut is the week’s only demand datum, and it points the wrong way.

The Divergence

The average stock beat the index, and the semiconductors fell out of both

Last week inverted the September pattern. The equal-weight S&P fund RSP rose +1.58% against +1.16% for cap-weighted SPY; nine of eleven sectors finished higher, led by utilities at +3.97%. QQQ managed +0.23% only because Amazon, Microsoft and Alphabet carried it: the semiconductor fund SMH -4.32% and the broader SOXX -5.01%, with the equipment makers worst, Lam -8.24%, Applied -6.11%, KLA -5.47%.

The sorting variable changed. Four weeks ago it was the cost of money and anything financed sold. Last week it was who pays for the AI build: the companies that buy compute rose, the companies that sell it fell, and the sharpest move came Thursday when a report put OpenAI's annualized revenue near \$50 billion against an earlier \$70 billion figure. Bloomberg's follow-up, that OpenAI expects \$70 billion by year-end, bought back half of Friday. Two snapshots on different dates are not a miss, but the market treated the first as one.

WATCH LIST

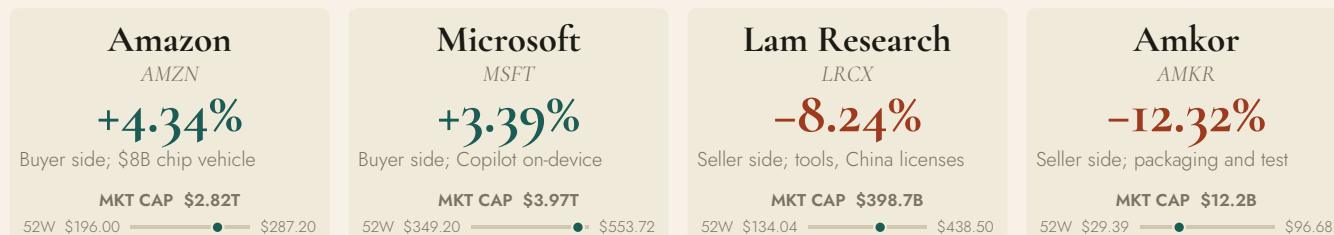
Supporting the breadth

- RSP +1.58% vs SPY +1.16%; nine of eleven sectors up
- 10-year 5.24%, 30-year 5.60%, both off 24-year highs
- Walmart +6.80%; staples +3.60%; retail sales +1.2%
- PTC taken out at a 42.3% premium; strategic bids back
- VIX 14.84, -3.1% on the week

Threats to the breadth

- SMH -4.32%; equipment down 5-8%; Intel -12.26%
- Thu: NVDA -2.9%, AMD -3.9%, MU -4.8% on one report
- Apple reportedly cut iPhone 18 Pro orders 15-20%
- Brent \$104.72; Gulf shut-ins 62.9%; Hormuz unresolved
- Bitcoin ETFs -\$678.9M on the week; miners down 14-18%

THE FRICTION TRADE · four names carrying the divergence



Weekly returns measured October 2 close to October 9 close. An equal-weight pair, long Amazon and Microsoft against short Lam and Amkor, would have returned 14.1% in cash across the five sessions. That is the size of the gap between the buyers and the sellers of AI compute; it is a measurement, not a trade to chase after the fact.

THE OPTIONS MATH · modeled weekly contracts, October 2 to October 9

CONTRACT	OCT 2	OCT 9	RETURN
AMZN \$255 call, weekly	\$3.02	\$7.43	+146%
MSFT \$520 call, weekly	\$6.46	\$15.07	+133%
LRCX \$340 put, weekly	\$7.02	\$21.16	+202%
AMKR \$55 put, weekly	\$1.36	\$5.88	+334%
VZ \$45 put, weekly	\$0.24	\$3.35	+1,286%

Contract values are modeled, not observed fills: Black-Scholes on the Friday-to-Friday underlying closes at 32% implied volatility for Amazon, 26% for Microsoft, 55% for Lam, 60% for Amkor and 24% for Verizon, seven calendar days to expiry, valued at intrinsic on October 9. The Verizon put was worthless until Friday's open and the Lam put spent Monday under water. The cash returns in the cards are what happened.

Last Week's Movers

Nine of eleven sectors rose · the winners were bought, the losers were repriced

Utilities, energy and staples led; technology and industrials were the two sectors that fell. The four gainers below share one feature: each had a buyer with a price, a bidder, a spectrum deal, an index committee or a government program. Weekly returns run Fri Oct 2 close to Fri Oct 9 close; the rail spans the 52-week range and the dot marks Friday's close.

THE WEEK'S BIGGEST WINNERS

PTC

PTC MKT CAP \$22.5B

▲ **35.01%**

\$144.03 > \$194.45

CATALYST · SCHNEIDER ELECTRIC BIDS \$205 A SHARE, ALL CASH

52W \$108.50 ————— ● ————— \$206.82

Schneider Electric agreed Monday to buy the industrial-software maker for \$22.6 billion, \$205 a share in cash, 42.3% above the October 2 close, financed by a \$5.6–6.8 billion share sale and debt from Morgan Stanley and Société Générale. The stock closed \$10.55 under the offer, a 5.4% spread for a deal not expected to close before the third quarter of 2027.

Crown Castle

CCI MKT CAP \$34.8B

▲ **19.87%**

\$66.44 > \$79.64

CATALYST · SPACEX BUYS SPECTRUM; THE TOWERS GET A POSSIBLE TENANT

52W \$65.32 ————— ● ————— \$100.50

SpaceX agreed Thursday night to buy up to 14 MHz of paired 800 MHz spectrum from Grain Management, about \$8 billion in cash per the Journal, closing "one of the key remaining technical gaps" for Starlink Mobile. Crown Castle rose 15.6% Friday, American Tower 12.36% and SBA 15.14% on the week. Bernstein's caveat: spectrum does not commit SpaceX to leasing a tower.

Moderna

MRNA MKT CAP \$89.3B

▲ **18.41%**

\$190.01 > \$225.00

CATALYST · NASDAQ-100 ENTRY, THEN A NATIONAL CANCER-VACCINE PLAN

52W \$22.28 ————— ● ————— \$225.00

Added to the Nasdaq-100 effective Friday, the same day the New York Times reported an NIH-led public-private program to accelerate cancer vaccines, expected to launch in December. The stock rose 14.21% Friday to \$225.00, a new 52-week high; Novavax rose 15%. Moderna's Merck-partnered melanoma vaccine is the asset being priced; the program's terms are not public.

Zscaler

ZS MKT CAP \$37.8B

▲ **18.89%**

\$196.60 > \$233.73

CATALYST · FY27 GUIDANCE REAFFIRMED AT ANALYST DAY; FIVE GREEN SESSIONS

52W \$114.62 ————— ● ————— \$336.99

Reaffirmed fiscal-2027 revenue guidance at Tuesday's analyst day and announced a security partnership with IBM; the stock rose every session for +18.89%, still 30.6% below its high. Software took the money that left semiconductors: Snowflake +8.17%, MongoDB +7.81%, Autodesk +11.01%, Palantir +10.75% to a record on a Goldman upgrade and a Barclays initiation.

ALSO GREEN LAST WEEK

Vaxcyte	PCVX	\$56.48 > \$71.38	+26.38%
Talen Energy	TLN	\$320.77 > \$378.57	+18.02%
Constellation Energy	CEG	\$257.49 > \$298.07	+15.76%
Vistra	VST	\$140.02 > \$161.48	+15.33%
Ciena	CIEN	\$391.34 > \$449.77	+14.93%
American Tower	AMT	\$162.20 > \$182.24	+12.36%

cont. · Last Week's Movers

THE WEEK'S BIGGEST LOSERS

T-Mobile US

TMUS MKT CAP \$159.4B

▼ 9.20%

\$163.64 > \$148.58

CATALYST · WORST DAY SINCE 2013 ON A SPECTRUM HEADLINE

52W \$147.90  \$230.65

Fell 13.27% Friday after SpaceX's 800 MHz purchase; Verizon lost 8.75%, its worst day since July 2002, and AT&T 9.81%. FCC Chair Carr said over \$100 billion of spectrum will come to market in two years and "it's not for us to pick winners." JPMorgan sees "limited near-term risk" to incumbents given the capital a terrestrial network needs. The market priced the long run in a day.

Arm Holdings

ARM MKT CAP \$284.4B

▼ 13.40%

\$307.49 > \$266.28

CATALYST · A ROYALTY TRIAL AND A CHIP TAPE, SAME WEEK

52W \$100.02  \$452.70

Down 6.48% Thursday alone to \$275.29 and 13.40% on the week, the worst of the large semiconductors. The Delaware royalty trial with Qualcomm kept the licensing model in the headlines while the OpenAI report hit every AI-adjacent multiple; at 41% below its high Arm has given back more than any chip name on this page without a single estimate changing.

Intel

INTC MKT CAP \$528.1B

▼ 12.26%

\$119.33 > \$104.70

CATALYST · A WEEKEND POST, THEN A SECTOR SELLOFF

52W \$32.89  \$142.35

Fell 3% Monday after Elon Musk replied "just discussions, but something may come of it" to a report that TSMC could operate the planned Terafab plant; then 5.34% Thursday with the group. Down 12.26% on a week it entered up 213% for the year, Intel remains the most crowded expression of the U.S.-foundry thesis, which is why it fell most when the thesis wobbled.

ALSO RED LAST WEEK

Amkor Technology	AMKR	\$56.02 > \$49.12	-12.32%
Teradyne	TER	\$449.04 > \$402.68	-10.32%
Onto Innovation	ONTO	\$327.77 > \$294.53	-10.14%
Deere	DE	\$687.00 > \$620.93	-9.62%
Verizon	VZ	\$45.92 > \$41.65	-9.30%
Lam Research	LRCX	\$347.49 > \$318.84	-8.24%

Teradyne fell 11.7% Monday with Amkor and Entegris after the chief executives of Anthropic, OpenAI and SpaceX publicly backed a slowdown in frontier-model development; Citigroup moved to neutral on equity risk the same day. Sector returns are the SPDR sector funds, Friday to Friday.

THE WEEK IN SECTORS · S&P 500, OCT 5 – 9

SECTOR	WEEK	WHAT DROVE IT
Utilities	+3.97%	Talen +18.02%, Constellation +15.76%, Vistra +15.33%: the power trade
Energy	+3.60%	Brent \$104.72; Marathon +7.74%, Valero +6.76%
Consumer staples	+3.60%	Walmart +6.80%; the defensive bid with a sales record
Communication services	+0.05%	Towers up, carriers down; Netflix +4.83% offset Verizon -9.30%
Industrials	-0.41%	Deere -9.62%; C.H. Robinson -9.77%
Technology	-0.52%	Platforms up, silicon down: MSFT +3.39%, SMH -4.32%

Nine sectors green, two red, and the red ones are the two that build things: industrials and technology hardware. That is a rotation out of the capital-spending beneficiaries and into their customers and the defensives. The score rises to 4.8 because breadth did; it stays Cautious because the sector that led for two years just stopped.

Retail Watch

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

Retail attention ran in three lanes: AST SpaceMobile, where a 12.80% weekly loss and the SpaceX spectrum deal made the direct-to-cell satellite name the most-mentioned ticker on the boards, with the question of whether \$8 billion of 800 MHz helps or kills it; memory, where Micron's 4.27% drop and SanDisk's 8.03% kept the Burry thread alive for a second week; and the index funds, where SPY, VOO and QQQ together drew more mentions than any single stock, which is what a crowd does when it has stopped picking.

THE LEADERBOARD · most-mentioned tickers on Reddit and WSB, 24 hours to Sunday Oct 11

#	TICKER · COMPANY	MENTIONS	24H	WHY IT WAS TALKED ABOUT
1	ASTS <i>AST SpaceMobile</i>	68	−71%	−12.80% on the week; SpaceX's \$8B spectrum buy is the rival headline
2	MU <i>Micron Technology</i>	37	−83%	−4.27%; the Burry June-2027 \$500 puts thread, week two
3	SPY <i>SPDR S&P 500</i>	35	−79%	Index at \$778.57, 0.4% off its high; the CPI positioning thread
4	NVDA <i>Nvidia</i>	28	−61%	−2.9% Thursday on the OpenAI report; \$40.1M March put noted
5	VOO <i>Vanguard S&P 500</i>	24	+71%	The second index fund in the top five; set-and-forget talk
6	DTE <i>DTE Energy</i>	21	−70%	Utilities led the market; a Michigan data-center power thread
7	AMD <i>AMD</i>	19	−34%	Su's supply-constrained comments against a −4.07% week
8	RR <i>Richtech Robotics</i>	17	+467%	Micro-cap robotics momentum; no dated company catalyst
9	SPCX <i>SpaceX</i>	16	−77%	Spectrum deal; first lockup opened Friday; +2.27% on the week
10	TSLA <i>Tesla</i>	11	−68%	+3.27%; October 22 report; 5.3% implied move vs 7.8% average

THREE SPECULATION THEMES · what retail is trading around

SPACEX VERSUS THE BOARDS' OTHER SATELLITE

ASTS · SPCX · VZ · TMUS

AST SpaceMobile has been the boards' direct-to-cell trade for a year; SpaceX just bought the low-band spectrum that makes Starlink Mobile a terrestrial carrier in waiting, and AST's partners are the carriers that fell 9–13% on Friday. The threads split between "validation" and "obsolescence." The stock answered −12.80% for the week and sits 62% below its high; SpaceX's own first lockup opened the same Friday and the stock rose 2.27%.

MEMORY, ROUND THREE

MU · SNDK · SOXL · NBIS

Micron fell 4.27% and SanDisk 8.03% in the week the OpenAI run-rate report hit; Micron's implied-volatility rank is 6.3, the lowest of fourteen semiconductors Saxo tracks, which means the options market is pricing a \$1,029 stock that moved 5% in a day as if nothing is scheduled. SOXL, the triple-levered chip fund, drew ten mentions. Retail is still long the shortage and is now paying almost nothing for the right to be wrong.

THE 24/7 WALL ST. RADAR: FRIDAY WAS BEARISH ON MICROSOFT

MSFT · GOOGL · ADBE · AMD

The dated Reddit snapshots told a different story from the price tape. Monday's highlighted name was Alpha Tau Medical with 267 comments; Wednesday AMD with 301, bullish; Thursday Adobe with 579, bearish; Friday Microsoft with 1,367 comments and a bearish label beside Alphabet's 904, bullish. Microsoft finished the week +3.39% and Alphabet +2.38%. Comment counts measure attention; they measured the wrong direction on the largest name of the week.

The boards spent the week arguing about satellites and memory while the money went to utilities and towers. Mention counts are a 24-hour snapshot of Reddit, directional and unaudited; the 24/7 Wall St. figures are that site's own daily tallies. Neither is a position; both are a map of where the crowd is looking, which last week was not where the market was going.

Options Radar

Chip doubts landed in the tail, not the index · Saxo's October 9 scan

Saxo's Friday brief found a technology tape full of structures it could not classify, rolls, deep-in-the-money crosses, mid-market prints, and exactly one trade with a provable side. The S&P's option-implied move to Friday's close is 99 points, 1.275%, which has to cover CPI, PPI, retail sales, eight reports and a Fed chair. The four names below are where that pricing meets the calendar; the figures are the October 8 close and are a dated scan, not a live chain.

NVDA

Nvidia

MARCH 2027 PUT, \$40.1M AT THE ASK · VOLUME >6x OPEN INTEREST

\$229.28 CLOSE · 5.8% OFF 52W HIGH · IV RANK 11.6, CHEAPEST OF THE SEVEN LARGE TECHS

The one print Saxo could prove was buyer-initiated: a five-month put bought on the offer the day the OpenAI report took the stock down 2.9%. A put at the ask is a hedge or a bet; the brief cannot say which. Either way, someone paid for Nvidia downside at an implied-volatility rank of 11.6.

MKT CAP \$5.55T

52W \$164.27 ————— ● ————— \$243.37

BAC

Bank of America

EARNINGS WEDNESDAY · 3.5% IMPLIED MOVE VS 2.2% AVERAGE OF LAST EIGHT

\$54.32 CLOSE · REPORTS WED OCT 14, 8:30 · +1.06% ON THE WEEK

The straddle prices a move 60% larger than the average reaction over the last eight reports, so long premium is a bet that this quarter is different, and the window it is measured against includes a 55-basis-point curve move. Implied above realized is the normal state of bank options into a print.

MKT CAP \$385.5B

52W \$46.12 ————— ● ————— \$65.23

TSM

TSMC

EARNINGS THURSDAY · PRICED IN LINE WITH HISTORY · IV RANK 12

\$453.31 CLOSE · 7.0% OFF 52W HIGH · -4.12% ON THE WEEK

The week's most consequential report is priced as an ordinary one: an implied-volatility rank of 12 after a 4% weekly decline. Thursday has to answer for CoWoS capacity, the GlobalFoundries interposer deal and 2027 capex at once. If anything here is mispriced, it is a sector-defining event at sector-average volatility.

MKT CAP \$2.35T

52W \$266.82 ————— ● ————— \$487.47

AAPL

Apple

1.3% IMPLIED EARNINGS MOVE VS 2.5% AVERAGE · IV RANK 60

\$336.64 CLOSE · 2.5% OFF 52W HIGH · -3% FRIDAY ON THE NIKKEI ORDER REPORT

The inverse of the Bank of America setup: the market pays for half Apple's average earnings move while its overall volatility rank sits at 60. Friday's iPhone 18 Pro order-cut report arrived after the scan; cheap earnings premium on a stock whose demand datum just changed is the gap a scan exists to find.

MKT CAP \$4.94T

52W \$243.42 ————— ● ————— \$345.34

ALSO ON THE RADAR

- **The semiconductor surface is asleep into its own earnings.**
Fourteen chip names, none with an implied-volatility rank above 50, median 30.5: Nvidia 11.6, TSMC 12.7, Broadcom 16.5, Micron 6.3. Energy's median is 54.7, large tech's 59.3. The group that fell 4–8% is the one the options market is least worried about.
- **The index moved less than a sixth of what it was allowed to.**
The Nasdaq 100 fund used 16% of its implied weekly band and the S&P 48%; energy used 142% and the bitcoin fund 95%, to the downside. The front VIX future settled at 17.50 against a 14.84 spot, a 2.66-point premium that is the cost of CPI week.

One provable put, two straddles pointed opposite ways, and a chip complex that has stopped pricing its own event. Flow is positioning, not prophecy; this week the pain sits with whoever is short semiconductor volatility into Thursday.

Upcoming Earnings

Eight reports in three sessions · the banks, then the two that decide the chip trade

UnitedHealth UNH

THIS WEEK

Tue Oct 13 · before open, call 8:00

CURRENT PRICE

\$379.30

Oct 9 close

ANALYST TARGET (avg)

\$464.53

n = 19 analysts

IMPLIED UPSIDE

▲ 22.5%

84.2% bullish rated

TARGET RANGE

\$373.0 – \$529.0

low · high

MKT CAP \$344.5B

52W \$255.97 ————— ● ————— \$461.62

LATEST ACTION · Oct 9 · TD Cowen maintains Hold, cuts target to \$402**THE READ** · Medical-cost trend and 2027 pricing over headline EPS; the stock is +1.99% into it.

JPMorgan Chase JPM

THIS WEEK

Tue Oct 13 · before open, call 8:30

CURRENT PRICE

\$332.99

Oct 9 close

ANALYST TARGET (avg)

\$365.87

n = 15 analysts

IMPLIED UPSIDE

▲ 9.9%

53.3% bullish rated

TARGET RANGE

\$305.0 – \$420.0

low · high

MKT CAP \$892.3B

52W \$279.10 ————— ● ————— \$366.50

LATEST ACTION · Oct 5 · UBS maintains Buy, target \$395**THE READ** · NII guide against a curve that fell last week; credit costs after a 29k payroll month.

Johnson & Johnson JNJ

THIS WEEK

Tue Oct 13 · before open, call 8:30

CURRENT PRICE

\$261.44

Oct 9 close

ANALYST TARGET (avg)

\$270.39

n = 18 analysts

IMPLIED UPSIDE

▲ 3.4%

61.1% bullish rated

TARGET RANGE

\$208.0 – \$320.0

low · high

MKT CAP \$630.0B

52W \$184.66 ————— ● ————— \$281.07

LATEST ACTION · Oct 7 · Guggenheim maintains Buy, target \$287**THE READ** · Pharma versus medtech mix; whether the full-year guide survives the talc overhang.

Goldman Sachs GS

THIS WEEK

Tue Oct 13 · before open, call 9:30

CURRENT PRICE

\$895.32

Oct 9 close

ANALYST TARGET (avg)

\$1,068.57

n = 14 analysts

IMPLIED UPSIDE

▲ 19.4%

35.7% bullish rated

TARGET RANGE

\$940.0 – \$1,300.0

low · high

MKT CAP \$264.1B

52W \$740.01 ————— ● ————— \$1,153.99

LATEST ACTION · Oct 6 · BMO maintains Market Perform, target \$970**THE READ** · Advisory backlog after a \$22.6B PTC deal week; financing and trading normalization.

ASML Holding ASML				THIS WEEK
Wed Oct 14 · results before U.S. open				
CURRENT PRICE	ANALYST TARGET (avg)	IMPLIED UPSIDE	TARGET RANGE	
\$1,780.34 Oct 9 close	\$2,009.71 n = 7 analysts	▲ 12.9% 85.7% bullish rated	\$950.0 – \$2,623.0 low · high	
MKT CAP \$686.2B			52W \$946.11	\$1,999.96
LATEST ACTION	· July targets predate this report; use as context only			
THE READ	· Orders, China license visibility and 2027 shipment guidance; the stock is –4.66% into it.			

Bank of America BAC				THIS WEEK
Wed Oct 14 · before open, call 8:30				
CURRENT PRICE	ANALYST TARGET (avg)	IMPLIED UPSIDE	TARGET RANGE	
\$54.32 Oct 9 close	\$64.18 n = 17 analysts	▲ 18.2% 88.2% bullish rated	\$57.0 – \$72.0 low · high	
MKT CAP \$385.5B			52W \$46.12	\$65.23
LATEST ACTION	· Oct 5 · UBS maintains Buy, target \$67			
THE READ	· Deposit pricing and securities repricing; options imply a 3.5% move against a 2.2% average.			

Morgan Stanley MS				THIS WEEK
Wed Oct 14 · before open, call 9:30				
CURRENT PRICE	ANALYST TARGET (avg)	IMPLIED UPSIDE	TARGET RANGE	
\$190.02 Oct 9 close	\$224.71 n = 14 analysts	▲ 18.3% 57.1% bullish rated	\$186.0 – \$262.0 low · high	
MKT CAP \$299.7B			52W \$151.88	\$232.25
LATEST ACTION	· Oct 6 · BMO maintains Outperform, target \$215			
THE READ	· Wealth flows against market marks; investment-banking fee conversion.			

TSMC TSM				THIS WEEK
Thu Oct 15 · third-quarter earnings conference				
CURRENT PRICE	ANALYST TARGET (avg)	IMPLIED UPSIDE	TARGET RANGE	
\$453.31 Oct 9 close	\$554.14 n = 7 analysts	▲ 22.2% 85.7% bullish rated	\$440.0 – \$665.0 low · high	
MKT CAP \$2.35T			52W \$266.82	\$487.47
LATEST ACTION	· Oct 6 · Barclays maintains Overweight, target \$665			
THE READ	· CoWoS capacity, the GlobalFoundries interposer deal, margin mix and 2027 capex; –4.12% into it.			

Times are conference calls unless labeled results; releases can precede them. Consensus targets aggregate sell-side coverage with mixed update dates and a twelve-month horizon. ASML’s date is company-confirmed; TSMC’s is exchange-confirmed. Prices are October 9 closes.

Deep Dive · The Missing Layer

A \$2 billion contract for a part most investors have never priced · the interposer

WHAT HAPPENED

On Wednesday, October 8, GlobalFoundries announced a multi-year, \$2 billion manufacturing agreement with TSMC. The product is not a chip that competes with anything TSMC makes. It is the silicon interposer, the slab of patterned silicon that sits between an AI processor and its high-bandwidth memory inside TSMC’s CoWoS package, plus the deep-trench capacitors embedded in it. GlobalFoundries will add capacity at its Malta, New York fab under an initial five-year term; volume production is expected to begin ramping in the first half of 2028. The stock finished –3.85% in a week the chip complex fell harder; the market treated the first U.S. interposer supply agreement as a non-event.

It is not a non-event. Two days earlier AMD’s Lisa Su told an audience in Taipei that the company’s constraint into 2027 is not wafers but HBM and advanced packaging. The same week Nvidia, AMD and Micron fell 2.9–4.8% in a day on a question about who pays for AI compute. Both stories run through the same object: the package. The chip is scarce because the thing that joins it to its memory is scarcer, and that thing is made by companies the index does not price as AI names.

WHAT AN INTERPOSER DOES, BRIEFLY

A GPU on its own is useless; it needs memory within a few millimeters and a path to the board. In a 2.5D package the compute die and four to eight HBM stacks are mounted side by side on an interposer, a piece of silicon larger than the chips themselves carrying thousands of fine wires between them. The interposer is then mounted on an organic substrate, which carries the whole assembly to the board. CoWoS is TSMC’s name for that stack. Every Nvidia data-center GPU and every AMD Instinct accelerator ships inside one, and the interposer is cut from a 300 mm wafer on a mature process: 65 nm class, not 3 nm. That is why a trailing-edge foundry can make it and why it has been the bottleneck for two years.

LOGIC

Compute die

3 nm · TSMC

MEMORY

HBM stacks

SK hynix, Micron, Samsung

INTERPOSER

The missing layer

65 nm class · TSMC, now GF

PACKAGE

CoWoS assembly

TSMC, Amkor, test by TER, FORM, COHU

THE PACKAGING LEDGER · OCT 2 – OCT 9

COMPANY	WEEK	ROLE IN THE PACKAGE	THE READ
GlobalFoundries GFS	–3.85%	Interposer supply, Malta NY, from 1H28	Named counterparty; \$2B over five years
Amkor AMKR	–12.32%	Outsourced assembly and test; Arizona fab	Fell with the tape; no new award asserted
Teradyne TER	–10.32%	Final test of packaged AI devices	–11.7% Monday on the AI-slowdown essay
FormFactor FORM	–6.36%	Probe cards; known-good-die test	Yield at the package is its revenue line
Onto Innovation ONTO	–10.14%	Inspection and metrology, 2.5D/3D	Panel-level packaging tool exposure
Cohu COHU	–7.20%	Handlers, thermal and contactors in test	Smallest cap; most operating leverage
Entegris ENTG	–0.41%	Slurries, filters and materials for the fab	Flat: materials did not sell with tools
TSMC TSM	–4.12%	CoWoS owner; reports Thursday	Capacity, not demand, is the question

Weekly moves are October 2 to October 9 closes. GlobalFoundries is the only disclosed counterparty to the TSMC agreement; the other names are the adjacent packaging, test and materials suppliers an investor would research to express the mechanism, and none is identified as a recipient of this contract.

cont. · Deep Dive · The Missing Layer — what it is worth

THE BULL CASE · the bottleneck moves to the suppliers who own it

- **The constraint is now disclosed by the customer, not inferred by the analyst.**

Su said in Taipei that AMD is supply-constrained through 2027 on HBM and packaging, with \$30.3 billion of unconditional purchase commitments on the books in June. When the buyer tells you where the shortage is, the companies at that step gain pricing power and visibility. GlobalFoundries' five-year term is the first long-dated interposer contract on public record.

- **Mature nodes, high margins, no EUV.**

An interposer is made on a 65 nm-class process on fully depreciated tools. The capital cost of adding capacity is a fraction of a leading-edge fab, and the customer, TSMC, is paying for a second source. For a foundry whose stock sits 48% below its high on a mature-node glut, a CoWoS supply contract is the highest-value wafer it has ever sold.

- **The test and inspection names are the derivative with leverage.**

A \$40,000 package that fails at final test destroys four HBM stacks and a GPU. Known-good-die probing, package inspection and thermal test scale with package value, not unit count. FormFactor, Onto and Cohu are a combined \$29 billion of market value against the trillion-dollar names they qualify.

THE BEAR CASE · the capacity arrives after the shortage

- **First half of 2028 is a long way from Thursday.**

The Malta ramp begins roughly eighteen months out. TSMC is adding its own CoWoS capacity through 2027, Amkor's Arizona plant comes on in the same window, and panel-level packaging could change the form factor before the interposer line is full. A second source signed at the peak of a shortage is how gluts start.

- **The customer's customer just got questioned.**

Thursday's selloff was about who pays for AI compute. Vendor financing at Broadcom, an \$8 billion lease vehicle at Amazon, a \$30 billion debt package for OpenAI: the buyers are stretching to buy. If the financing tightens, the packaging queue shortens from the back, and the last supplier signed is the first one with idle capacity.

- **The stocks already know.**

Teradyne -10.32% last week, Onto -10.14%, Amkor -12.32%, Cohu -7.20%. The test and packaging names trade as high-beta semiconductors, and in a chip selloff they fall with the GPU regardless of where the bottleneck sits. The mechanism is right; the beta is not optional.

- **TSMC can simply say no.**

Thursday's conference is the first chance for TSMC to size its own CoWoS additions. If it guides capacity above demand, the scarcity premium across the packaging chain evaporates in one afternoon, and the GlobalFoundries contract becomes a hedge TSMC bought cheaply.

THE CLOCK · what dates the thesis

TUE–THU OCT 13–15

OCP Summit

Broadcom, Nvidia, AMD roadmaps

THU OCT 15

TSMC conference

CoWoS capacity for 2027

WED OCT 28

Teradyne reports

first test name to mark the quarter

1H 2028

Malta ramp

GF interposer volume production

Amkor reports in late October and GlobalFoundries in early November; neither is inside the window. The one scheduled datum this week is TSMC's own capacity commentary on Thursday, which is why the deep dive and the Tactical Read point at the same hour.

The expensive chip is only useful after the whole package works, and the package is made by companies worth a fiftieth of the chip. GlobalFoundries just signed five years of the layer nobody priced; AMD just said that layer is the constraint. The trade is the suppliers of the constraint, sized for the fact that they fall with the GPU on every bad Thursday and that the capacity arrives in 2028. Thursday's TSMC conference is the first chance to find out whether the shortage outlasts the contract.

Crypto Corner

Five days of ETF outflows, a Friday trickle back, and the miners sold with the chips

WHERE PRICES STAND

Bitcoin closed the week at \$82,545, -2.32%, and ether at \$2,485, -6.85%; both broke on Wednesday and Thursday with the chip stocks and did not recover with them on Friday. The flows explain the asymmetry: spot bitcoin ETFs lost \$678.9 million net for the week per Farside’s tables, \$484.9 million of it on Wednesday, and ether funds lost \$542.2 million across five straight negative sessions; Friday’s \$21.1 million bitcoin inflow was the only positive print. The miners did worse than the coin: CleanSpark -17.58%, IREN -15.73%, Riot -14.39%, Marathon -14.07%.

ASSET	FRIDAY	FROM 52W HIGH	WHAT IT SAYS
Bitcoin	\$82,545	-35%	-2.32%; sold Wed–Thu with semis, no Friday recovery
Ethereum	\$2,485	-50%	-6.85%; ETF outflows every session, \$542.2M total
IBIT	\$46.55	-29%	-2.47%; the bitcoin fund used 95% of its implied weekly band down
MSTR	\$154.34	-51%	-3.54%; fell less than the coin for once; MSCI rule still pending
COIN	\$179.39	-52%	-1.97%; the exchange held up as volume returned on the break
RIOT	\$16.89	-44%	-14.39%; miners traded as AI-capex suppliers, and those fell

All prices are Friday, October 9 closes; bitcoin and ether at 4:00 p.m. ET from the tracked daily series. Drawdowns are measured against each asset’s trailing 52-week high.

WHAT MATTERS THIS WEEK

- **Bitcoin traded as a semiconductor last week.**
It fell 2.7% Wednesday and 1.9% Thursday, the two sessions the chip complex broke, and sat out Friday’s bounce. An asset that sells with AI hardware and does not recover with it is being held by the same hands, and those hands were raising cash.
- **The miners are the high-beta end of the AI-capex trade, and that trade just got questioned.**
CleanSpark -17.58%, IREN -15.73%, Riot -14.39%, TeraWulf -11.10%. Every one is now pitched as a data-center landlord; every one fell more than the GPU maker it hopes to host; contracted megawatts were bid two weeks ago and sold last week.
- **The flow has to turn before the price can.**
\$678.9 million out of bitcoin funds and \$542.2 million out of ether funds in one week, with Friday’s \$21.1 million the only inflow. Until the five-day sum is positive, a Friday green candle is a short-covering print, not a change in ownership.
- **CPI is a crypto event this week.**
A ten-year that fell on a growth scare is a different backdrop from one that falls on an inflation surprise. Bitcoin has not responded to rates in either direction for a quarter; Wednesday tests whether that indifference survives a core print that matters.

SIZE OF THE MARKET

BITCOIN MKT CAP
\$1.67T
Oct 9

ETHER MKT CAP
\$306B
Oct 9

IBIT ASSETS
\$77.6B
Oct 9

BTC 52W LOW
\$57,718
Trailing year

Bitcoin is a third below its high, the funds are bleeding, and the miners have become a leveraged bet on the one trade the market just started to doubt. One Friday inflow after \$1.2 billion of weekly exits is stabilization, not a turn. Not a position; a wait, with Wednesday’s CPI the first date that could end it.

Small-Cap Watchlist

Six names under \$3 billion · four banks, an equipment maker and a staffing firm

Four of the six are banks with different loan books: a zero-provision California deposit franchise, a Kansas commercial lender, an Oklahoma energy and hospitality lender and a West Coast property book. Each reports Wednesday or Thursday, the same mornings the market gets retail sales and producer prices against a 5.24% ten-year. Sono-Tek and Manpower cover what the banks cannot: equipment orders and temporary hiring.

Sono-Tek \$7.08 SOTK Wed Oct 14 · premarket ULTRASONIC COATING SYSTEMS · MICRO-CAP WHAT IT DOES Ultrasonic thin-film coating equipment for semiconductor, battery, medical-device and fuel-cell production lines; a \$111 million company. WHY IT IS HERE Fiscal first-quarter revenue was \$5.66 million and net income \$741,000, \$0.05 a share. Reports Wednesday before the open with a 10:30 call: the smallest listed read on whether electronics and energy customers are still ordering production systems. KEY RISK At \$7.08 the stock sits 5% below a 52-week high after doubling off its low; a \$5.7 million quarter can swing on one system shipment. MKT CAP \$111M 52W \$3.40 — ● — \$7.48	ManpowerGroup \$52.78 MAN Thu Oct 15 · call STAFFING · THE LABOR CANARY WHAT IT DOES The world's third-largest staffing company: temporary and permanent placement across 70 countries, with Europe about two-thirds of revenue. WHY IT IS HERE Second-quarter revenue was \$4.86 billion and EPS \$1.13 after a \$0.05 first quarter. Reports Thursday, the same morning as claims and retail sales; temporary help is the first line employers cut and the first they rehire. KEY RISK A \$2.45 billion company 17% below its high; European demand and currency can swamp any U.S. signal, and the dividend has become the valuation. MKT CAP \$2.5B 52W \$25.15 — ● — \$63.88	Westamerica \$58.66 WABC Thu Oct 15 · call DEPOSIT FRANCHISE · ZERO PROVISION WHAT IT DOES Northern and Central California community bank with \$4.8 billion of deposits, \$658 million of loans and a securities-heavy balance sheet. WHY IT IS HERE Second-quarter net interest income was \$52.5 million, EPS \$1.17, and the credit provision was zero. Loans fell 4% in a quarter while deposits held: the cleanest test of whether a 5.24% ten-year is finally repricing the securities book. KEY RISK A \$1.38 billion bank 8% below its high whose earnings depend on reinvesting a maturing bond portfolio; a falling long end cuts both ways. MKT CAP \$1.4B 52W \$44.93 — ● — \$63.61
Bank7 \$54.79 BSVN Thu Oct 15 · call ENERGY AND HOSPITALITY LENDING WHAT IT DOES Oklahoma City bank with \$1.6 billion of deposits and \$1.58 billion of loans concentrated in energy, hospitality and commercial real estate. WHY IT IS HERE Second-quarter EPS fell to \$0.87 from \$1.25 as net interest income dropped to \$21.9 million from \$24.2 million. With Brent at \$104.72 and travel margins under a fuel bill, this is a direct read on whether borrowers in both sectors are keeping up. KEY RISK A \$522 million bank 5% below its high with the most concentrated loan book on the page; one credit can move a quarter. MKT CAP \$522M 52W \$38.29 — ● — \$57.68	Equity Bancshares \$46.70 EQBK Thu Oct 15 · call MIDWEST CREDIT · ACQUISITIONS WHAT IT DOES Wichita-based bank with \$6.3 billion of deposits and \$5.3 billion of loans across Kansas, Missouri, Oklahoma and Arkansas, built by serial acquisition. WHY IT IS HERE Second-quarter EPS rose to \$1.27 from \$0.80 as the credit provision fell to \$1.3 million from \$6.0 million. Thursday shows whether that provision reversal was a cycle or a quarter, and what agricultural credit looks like with Deere down 9.62%. KEY RISK A \$963 million bank 11% below its high; merger accounting blurs organic trends, and farm credit is the sector's slowest-moving risk. MKT CAP \$960M 52W \$38.60 — ● — \$52.27	WaFd \$29.43 WAFD Thu Oct 15 · after close COMMERCIAL REAL ESTATE · WEST COAST WHAT IT DOES Seattle-based bank with \$20.9 billion of deposits and \$20.0 billion of loans, heavy in multifamily and commercial property across nine Western states. WHY IT IS HERE Fiscal third-quarter EPS was \$0.84 with an \$11 million provision, up from \$4 million. Results land Thursday after the close with a Friday 10:00 call; the fourth-quarter number is the first West Coast CRE mark since the long end hit 5.6%. KEY RISK A \$2.18 billion bank 25% below its high and 12% above its low: the most property exposure and the weakest chart on the page. MKT CAP \$2.2B 52W \$26.31 — ● — \$39.49

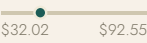
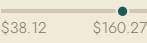
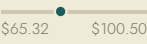
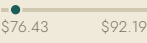
Position sizing note: small single-name reports with real gap risk; satellite exposure, not core. Prices, market caps and 52-week ranges are the October 9 close; fundamentals are each company's most recent reported quarter. Confirmed timing: Sono-Tek Oct 14 premarket with a 10:30 call; WaFd Oct 15 after close with a 10:00 call Oct 16. Other labels are scheduled conference calls, not release times.

Four loan books, one equipment maker and one staffing firm, all marking the same quarter the long end set a 24-year high. The large banks on Tuesday tell you about the curve; these six tell you who on the other side of it is still paying.

Launch Control

Six names positioned for this week · the packaging layer, the tower trade, and two hedges

The deep dive argues the AI bottleneck sits in the package, not the processor, and that the market prices the suppliers of that layer as ordinary chip stocks. These are the names that own the mechanism without owning Nvidia or AMD into Thursday's TSMC conference, plus the one Friday repricing worth a second look and the two hedges that pay if the growth scare, rather than the inflation scare, wins Wednesday. Prices reflect the October 9 close.

COMPANY	LAST	LAST WK	52WK RANGE	THE SETUP
GlobalFoundries GFS MKT CAP \$26.5B	\$48.24	-3.85%		The disclosed counterparty: \$2 billion over five years to make CoWoS interposers at Malta from 2028, the first U.S. source. The stock fell with the tape to 48% below its high; the contract is the first long-dated AI revenue it has ever signed, and nobody re-rated it.
FormFactor FORM MKT CAP \$10.9B	\$139.67	-6.36%		Probe cards that find known-good die before a \$40,000 package is assembled around a bad one. Test intensity rises with package value; FormFactor is a \$10.9 billion company 13% off its high after a -6.36% week, and it reports October 28.
Onto Innovation ONTO MKT CAP \$14.7B	\$294.53	-10.14%		Inspection and metrology for 2.5D and panel-level packaging, the step that decides yield at the interposer. Down 10.14% last week to 24% below its high, the largest drawdown of the test names; the mechanism is intact, the beta is the entry.
Crown Castle CCI MKT CAP \$34.8B	\$79.64	+19.87%		The tower landlord with nearly 90% of site rent from the three carriers that fell 9–13% Friday. Up 19.87% on the week to 14x AFFO on the chance SpaceX becomes a fourth tenant; Bernstein says that build is not in anyone's estimates. On the list to watch, not chase.
Utilities Select XLU MKT CAP \$21.4B	\$41.41	+3.97%		Led all eleven sectors at +3.97% as Talen, Constellation and Vistra ran on the power trade and the long end fell. Rate-sensitive and recession-resistant at once; the hedge that pays if Wednesday's core print lets the 10-year keep falling.
20+ Year Treasury TLT MKT CAP \$39.4B	\$77.98	+0.65%		Up 0.65% on a chip selloff that bid duration, a point and a half above its 52-week low with the 10-year at 5.24%. If the growth scare is real, duration is the hedge; if CPI reopens the inflation scare, it loses again. Sized small for that reason.

Prices, market caps and 52-week ranges reflect the October 9, 2026 close; LAST WK is the October 2 to October 9 move. The range dot marks the close. The four equities carry market capitalizations between \$10.9 billion and \$34.8 billion: liquid, and lightly covered next to the mega-caps whose packages they make.

These are positioning notes, not recommendations. Every name on this list can move double digits on Thursday's TSMC commentary, an FCC headline, or one line of Wednesday's CPI. Only GlobalFoundries is a named party to the agreement discussed; the others express the mechanism.

Three of these six are the same trade, the layer between the chip and its memory, held at three points on the beta curve from the foundry with the contract to the inspection company with the drawdown. Crown Castle is the Friday repricing that may have a tenant behind it. Utilities and duration are on the page because they are where this macro turns against the chip book, 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 packaging layer, not the processor: GlobalFoundries, FormFactor and Onto, entered after TSMC's Thursday call, against a short in SMH. Flat the index; long the constraint.

WHY IT FITS A 4.8 TAPE

A 4.8 is a sizing instruction. Breadth improved, so the book can own something; the leader just broke, so it owns the step the customer calls scarce, not the one the headline calls rich.

SIZE

Half the risk carried at a 6.0 score, and nothing before Thursday. Build in thirds: after TSMC, after the first close above SMH 625.03, and after Teradyne reports October 28.

INVALIDATION

TSMC guiding CoWoS capacity above demand breaks the long. SMH below 603.33 after entry breaks the hedge. Core CPI at 0.4% with the 10-year through 5.40% breaks the setup.

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 9 CLOSE	LAST WEEK	UPSIDE FAIL LINE	DOWNSIDE BREAK LINE
S&P 500	SPY \$778.57	+1.2%	\$782 is a new record	\$762 is a 2% drawdown
SEMIS	SMH \$603.33	-4.3%	625.03 reclaims the Oct 7 close	590 says the chip bear is on
VIX	14.84	-3.1%	18 prices the CPI week	13 is complacency into TSMC
10-YEAR	5.24%	-4 bp	5.40% breaks the equity multiple	5.10% says the growth scare won
30-YEAR	5.60%	-3 bp	5.75% is a failed long end	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 with improving breadth is not an instruction to sell; it is an instruction to own only what has evidence behind it: a contract, a deposit franchise, a sector that led on a falling long end.
- No new semiconductor risk before Thursday's TSMC conference, and no new telecom risk until a second session confirms Friday's repricing. CPI Wednesday and the Thursday 8:30 stack decide whether 5.24% is a ceiling or a way station.
- On rates: the long end fell on a growth scare, not an inflation surprise, and the sectors that borrow rose for the first time in six weeks. That is fragile. The position is in names that do not break if the 10-year rises 15 basis points.
- Book: half risk. Long Utilities Select and a small TLT position as the growth-scare hedge; Crown Castle on the watch list, not in the book; the packaging trio and SMH short held for Thursday afternoon; no Apple until the order-cut report resolves. Cash is the rest.

THE DISSENT · the case against the 4.8

The packaging trade is a 2028 ramp sold on a 2026 shortage; its three names fell 4–10% last week as chip stocks first. Breadth turned, the long end fell, a strategic bidder paid a 42% premium, and the Nasdaq sits 1.5% from a record. If core CPI prints 0.2% and TSMC guides capacity up, SMH rips, the short leg bleeds, and a 4.8 reads as a letter that saw a rotation and called it a warning.

THE PRE-MARKET

Sunday, October 11, 2026 · Week of October 12–16

Analyst consensus aggregated across sell-side coverage. Options observations from a published October 9 dealer brief on the October 8 close; contract values in The Divergence are modeled, not executed fills. Retail mention counts are directional estimates. Deal terms, spectrum details and order reports are as reported by the cited outlets.

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