

BAD NEWS IS FAILING TO BREAK BTC, AI FINANCING CONCERNS EASE, AND I THINK THE ODDS FAVOR A MOVE HIGHER



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- The two things I was watching most closely yesterday were the financing concerns building across the AI CapEx receiver complex, particularly as they relate to the miners in our portfolio, and whether BTC could continue to hold up through an increasingly messy risk backdrop. We got encouraging developments on both

fronts today. I think the odds of a move higher from here have improved significantly.

- The first encouraging development came from CoreWeave, which has effectively been the canary in the coal mine for AI financing stress. Its long-term unsecured debt has been yielding north of 15%, raising concerns around the cost and availability of capital for the broader AI infrastructure build-out. Jensen Huang addressed those concerns directly today, saying CoreWeave's strength is improving, that he remains optimistic on the business, and, importantly, that its cost of capital is actually declining. He also pushed back on the idea that CoreWeave requires a financial backstop. That does not eliminate the financing question entirely, but given where sentiment had moved, I think it meaningfully reduced one of the market's most acute concerns.
- Today's Anthropic news post-market close was also more constructive than the headline might suggest. Reports suggest investors may be considering an IPO valuation closer to \$1.5T versus the roughly \$2T level previously contemplated. Surface level, that sounds bearish. But I think the more relevant takeaway for the infrastructure complex is that investors are actively working toward a price at which a transaction can occur. If fresh capital comes in the door, even at a lower valuation, that should help alleviate some of the downstream financing concerns that have weighed on the AI CapEx complex.
- Importantly, none of this changes the underlying compute-demand story. I want to correct a typo in yesterday's written note. GPU rental prices are rising, not falling. The tension in the AI complex is that demand for compute continues to increase while token prices continue to fall as models become more efficient and increasingly capable open-weight models compete aggressively on price. For the miners transitioning into AI/HPC infrastructure, the fundamental demand case remains sound. The bigger question has been whether sufficient financing remains available to complete the build-outs. Today moved that question in a more constructive direction.
- For that reason, I think selling the miners after the recent weakness would be the wrong move here. The combination of resilient compute demand and some easing in the immediate financing concerns makes the near-term risk/reward more attractive than it looked 24 hours ago.

- MSCI removed a source of uncertainty for the crypto market today. MSCI formally adopted its new methodology for screening non-operating companies and published the list of current constituents expected to be impacted, with Strategy among the names identified for deletion. That confirms the outcome we have been preparing for over the past several weeks. The more interesting wrinkle for us is that Cypherpunk Technologies (CYPH) was also flagged, although its case is somewhat different because it is both a Zcash DAT and an operating Zcash miner, meaning it does have a cash-generative operating business. We will need to see how that ultimately shakes out, but either way, I do not think CYPH's potential exclusion should have much of an impact on near-term price action.
- As for Strategy, I still think the market can absorb the associated flows. The estimated selling across MSCI-linked products is around \$2B. That sounds meaningful in isolation, but the market has had months to prepare for this outcome, Strategy itself issued more than \$2B of common stock in August into a considerably weaker crypto tape, and the company's balance sheet is in a better position today. MSTR initially sold off after hours but had already begun recovering a good portion of that move. To me, that is consistent with a largely priced event rather than the beginning of a reflexive problem for the broader Strategy complex.
- The bigger signal, however, continues to be BTC itself. Over the past couple of weeks, Bitcoin has absorbed a meaningful rise in bond volatility, hot inflation data, widening credit stress, weakness in the AI complex, substantial long liquidations, and a sharp reset farther out on the crypto risk curve. Through all of that, BTC has continued to hold above \$80K. Yesterday I said that resilience was encouraging but that I wanted to see more. Today, crypto broadly participated and BTC continued to hold up. At some point, the market's refusal to go down on bad news becomes information in and of itself.
- Bottom Line: I am more constructive tactically after today. AI financing concerns eased at the margin, MSCI clarified a known overhang, and BTC continues to absorb bad news without breaking lower. Barring any major surprises from Fed Chair Warsh this evening (speaking at 11:30pm ET), I think the odds increasingly favor a move higher from here.

Portfolios

Crypto Equities Portfolio - October 15, 2026

Ticker	Date of Latest Rebalance	Weight at Latest Rebalance	Subsector/Theme	Subsector/Theme	Current Price	30-Day Return	90-Day Return	YTD Return
MSTR	9/22/26	2.0%	DAT	BTC	151.29	17%	60%	-0%
PURR	9/22/26	6.0%	DAT	HYPE	9.80	-13%	47%	175%
CYPH	9/22/26	2.0%	DAT	ZEC	3.02	36%	36%	85%
COIN	9/22/26	1.0%	Financial Services	Super App	183.81	7%	17%	-19%
HOOD	9/22/26	2.5%	Financial Services	Super App	103.99	-6%	4%	-8%
BTGO	9/22/26	1.0%	Financial Services	Infrastructure	6.49	-10%	37%	-55%
GLXY	9/22/26	3.5%	Financial Services	AI Compute	18.25	-18%	-16%	-18%
FIGR	9/22/26	2.0%	Crypto-Enabled Services	Tokenization	27.67	-17%	-17%	-9%
CLSK	9/22/26	1.5%	BTC Mining	AI Compute	9.35	-26%	-28%	-8%
WULF	9/22/26	1.5%	BTC Mining	AI Compute	12.62	-13%	-31%	10%
IREN	9/22/26	1.5%	BTC Mining	AI Compute	30.39	-27%	-10%	-20%
BTDR	9/22/26	1.5%	BTC Mining	AI Compute	8.40	-23%	-22%	-25%
HUT	9/22/26	1.5%	BTC Mining	AI Compute	76.09	-13%	-17%	66%
HIVE	9/22/26	1.5%	BTC Mining	AI Compute	2.22	-23%	-22%	-14%
KEEL	9/22/26	1.5%	BTC Mining	AI Compute	2.57	-22%	-35%	9%
CORZ	9/22/26	1.5%	BTC Mining	AI Compute	14.46	-10%	-31%	-1%
CIFR	9/22/26	1.5%	BTC Mining	AI Compute	10.04	-33%	-43%	-32%
RIOT	9/22/26	1.5%	BTC Mining	AI Compute	15.50	-21%	-15%	22%
MARA	9/22/26	1.5%	BTC Mining	AI Compute	8.33	-26%	-22%	-7%
GSOL	9/22/26	5.5%	Spot Token	SOL	8.01	8%	41%	-12%
ETHA	9/22/26	9.0%	Spot Token	ETH	18.47	1%	33%	-18%
BITB	9/22/26	19.0%	Spot Token	BTC	44.66	8%	28%	-6%
Cash	9/22/26	30.0%	Cash	Cash	1.00	0%	0%	0%
Returns								
							ITD	YTD
BTC							174%	-6%
ETH							30%	-18%
S&P 500							77%	13%
Crypto Equities Portfolio							261%	8%

Source: Bloomberg, Artemis, Fundstrat

Core Strategy Portfolio - October 15, 2026

Ticker	Latest Rebalance	Last Rebalance Weight	Token Class	Sector	Current Price	30-Day Return	90-Day Return	YTD Return
BTC	9/22/26	44.0%	BTC	Currency	82,164	9%	29%	-6%
ETH	9/22/26	10.0%	Alt. Major	SCP	2,444	2%	33%	-18%
SOL	9/22/26	7.0%	Alt. Major	SCP	105	9%	41%	-15%
HYPE	9/22/26	7.0%	Altcoin	DeFi	82	6%	37%	222%
ZEC	9/22/26	2.0%	Altcoin	Currency	1,224.90	10%	124%	219%
USDC	9/22/26	30.0%	Stablecoin	Cash	1.00	0%	0%	0%

Returns

	ITD	YTD
BTC	294%	-6%
ETH	58%	-18%
S&P 500	94%	13%
Core Strategy Portfolio	241%	10%

Source: Bloomberg, Artemis, Fundstrat

Tickers in this video: #BTC \$CRWV \$MSTR \$CYPH

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