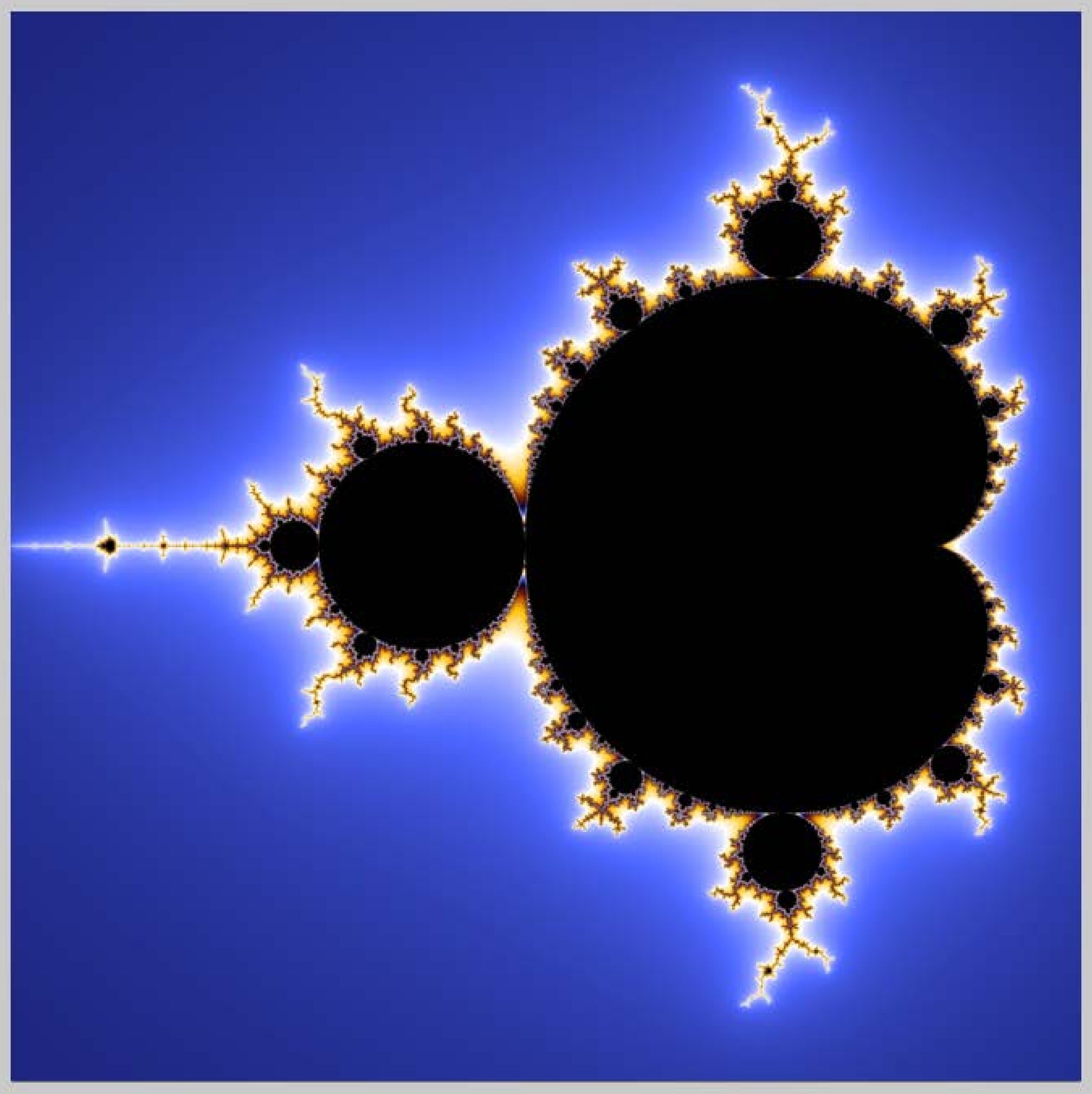
CHAOS THEORY

3 The Final Connection

by u/sharkbaitlol



CHAOS THEORY - The FINAL Connection

by u/sharkbaitlol

DD

The final picture is starting to come together. The ties of the former CFTC (who now works for citadel) & SEC chairmen to the industry appear to be pointing to fraudulent activity in efforts to prolong the necessity of **SOFR** being implemented. **SOFR** the last time it was attempted to transitioned into (in 2019) almost IMPLODED the market due to many realizing that banks and others could not handle a higher interest rate (based off the [DAILY TRESURY YIELD RATE]) versus the fabricated one that banks provide.

With that being said, let's get into it.

[/u/sharkbaitlol] here again for another post in the **"Chaos Theory"** series that delves deeper into the underworking of the financial realm. Just for a reintroduction of myself from other posts, my career has revolved around the data realm having worked on data collection, interpretation and machine learning for the last decade or so. I am also a lifelong gamer and have always been addicted to identifying patterns in real-life and games. **I do not claim to be a financial advisor; THIS POST IS NOT FINACIAL ADVICE. Apes should always challenge information and supplement with your own.**

It is in my hopes that these posts result in an increase of people seeking out MORE information that could continually lead us in the right direction; I want our children to grow up in a system where it is not rigged against them. *I would like to thank the hundreds of fellow apes that have messaged me or commented with links and thoughts as we sweep the world for information. Apes together strong.*

I don't know how else to say this, but it is with great concern that I write this post.

There are elements here that go deeper into describing what danger the economy finds itself in (as if it wasn't evident already through all the countless DD already provided by this community).

I will attempt to provide you as many pieces of factual evidence possible and will make it known when my opinion on the matter is being presented. I will be creating links to some of my previous DD and others throughout the post. This is my attempt at connecting the dots in what I believe is one of **the final connections** of the story.

NOW GRAB THE COOLER OF BEERS AND GET BACK ON THE ROCKET BECAUSE WE'RE ABOUT TO GO DEEPER INTO SPACE

Right from the top I will simplify the presentation of my findings for ease of understanding with the table of contents you see below.

1. CFTC & SEC --- You Can't Make Old Friends
2. Credit Suisse --- A Leaky Boat
3. Gary Gensler --- GG GLHF
4. LIBOR vs SOFR --- Global Financial Evolution
5. **THE GREAT TRAP**

Section 1 --- CFTC & SEC --- You Can't Make Old Friends

As identified in "Chaos Theory - Conflicts of Interest", we were able to find out that the former chairman of the CFTC & SEC appear to be in one hell of a conflict of interest. *If you've read my last post, you can probably skim over this and head into Section 2.*

Former SEC Chairman Jay Clayton just took a job at **Apollo Global Management** in a newly created role of lead independent director on its board last month. We start digging here and find out that **Tiger Global Management** holds a 14.8% stake in; making them the largest shareholder of Apollo other than a private holdings company from Apollo themselves (BRH) (https://fintel.io/so/us/apo).

In relation to this, don't forget that Bill Hwang is an alumni of the **Tigers** and the mess he's been involved in with **Archegos.** This as we know has resulted in a massive hit to **Credit Suisse's** books in the tune of billions (we still don't know the full extent of this).

We also found out that **Apollo** and **Tiger** so happen to be in the same building in New York (the Solow Building) and are doing shady dealings + tax evasions down in the Cayman Islands and Bermuda; namely the Ugland House (which was labelled by former president Obama as "the biggest tax scam in the world"). Even new SEC chairmain **Gary Gensler** has some thoughts on the matter: https://www.youtube.com/watch?v=b_GcpsIyQFc&t=1259s (*We also know that the U.S. is losing $1 trillion annually to tax cheats: courtesy of /u/vadoge*). REMEMBER CITADEL IS DOING THINGS DOWN HERE TOO DIRECTLY THROUGH VARIOUS ENTITES LIKE PALAFOX.

NOW we encounter our first conflict on interest here as we delve into **Jay Clayton's** new employer, **Apollo Global Management.** As it turns out the former CEO of **Apollo** stepped down **JUST LAST MONTH** because of his ties with **Jeffery Epstein**. Here's the story from a couple weeks ago ago.

Leon Black unexpectedly quits Apollo investment firm after Epstein inquiry

Review showed that former Apollo chief paid Epstein $148m for his financial advising services and donated $10m to his charity

▲ Leon Black in Beverly Hills, California, on 1 May 2018. Black severed ties with Jeffrey Epstein in 2018 following a financial dispute. Photograph: Lucy Nicholson/Reuters

Billionaire Leon Black, co-founder of one of Wall Street's most prominent investment firms, unexpectedly stepped down early from his position as chief executive of Apollo Global Management on Monday, the latest in a series of moves following an inquiry into his ties to the disgraced financier Jeffrey Epstein.

https://www.theguardian.com/us-news/2021/mar/22/leon-black-quits-apollo-jeffrey-epstein-ties-inquiry

Wait so you're telling me that the former SEC chairman is working for a company that was connected with one of the most infamous criminals of all time? **YUP.** Well at least the old CEO isn't there anymore right?

Leon Black attended Apollo Global meeting days after resignation

Billionaire left investment group to quell investor dissent over his ties to Jeffrey Epstein

Black resigned on March 21 from all his roles at the asset manager he co-founded © Bloomberg

Mark Vandevelde, **Sujeet Indap** and **Andrew Edgecliffe-Johnson** in New York APRIL 13 2021

Yikes, almost like this shouldn't be allowed right?

Now lets take a step back about two weeks ago or so; recall Mr. Heath Tarbert? Who was the former chairmen of the CFTC (Commodity Futures Trading Commission). Last we heard he just got hired by our boy **Ken Griffin** as his **Chief Legal Officer.**

Turns out that Jay Clayton and Heath Tarbert (brought in during the Trump administration) **know each other pretty well. In-fact Heath had this to say about his *friend* Jay Clayton.**

> *"It has been an honor to serve alongside Jay Clayton. He is one of the smartest and most capable transactional attorneys in the country and an* ***even better colleague and friend*****. As leaders of the SEC and CFTC, we have** ***worked together closely*** *to harmonize our rules where appropriate and hold wrongdoers accountable."*

Directly from the CFTC site: https://cftc.gov/PressRoom/PressReleases/8310-20. So now we have two former chairman of the organizations meant to control **Wall Street** who are working for the very thing they were regulating. The same **Wall Street** they were "harmonizing rules" for --- oh and one of them is working at a Hedge Fund associated with a criminal. Great, totally not a problem.

MY OPINION: There's nothing from these two from continually working together even now; only a few months have passed since these two were last collaborating. This begins to lead us into an ordeal that starts to paint a picture of what may have happened in the last few years and how some hedge funds might have further screwed themselves with super cheap interest rates introduced during the pandemic on loans with these two formerly at the helm stoking the flames.

Wonder how **Gary Gensler** as the new SEC chairman will play into all this now? That will be covered soon.

Section 2 --- Credit Suisse --- A Leaky Boat

NOW how does **Credit Suisse (CS)** find themselves in this mess? They just can't seem to keep themselves out of the news. More holes keep getting blown out in their ship that they're desperately trying to patch. We already mentioned the situation with **Archegos**, but something that hasn't been mentioned as much is their losses associated with **Greensill Capital and their filing for insolvency on** [March 8th, 2021]**.**

Credit Suisse: $2.3B at risk in Greensill funds

Published: April 14, 2021 at 3:52 a.m. ET

By Margot Patrick

Credit Suisse Group AG flagged around $2.3 billion in problematic loans in its Greensill Capital funds, giving investors in the funds a more concrete sense of the size of their potential losses from the U.K. firm's demise.

The Swiss bank is liquidating $10 billion in a group of funds it ran with Greensill. In a Tuesday update, Credit Suisse said so far it has gotten $5.4 billion back for investors.

The bank said three borrowers are "driving the valuation uncertainty" in the remainder of the four funds' investments. The three borrowers are metals magnate Sanjeev Gupta's GFG Alliance; West Virginia Gov. Jim Justice's coal company, Bluestone Resources Inc.; and SoftBank Group Corp.-backed construction startup Katerra.

GFG companies owe the funds $1.2 billion, while Bluestone owes $690 million. Katerra owes $440 million.

The bank is working to recover the amounts it identified, but it isn't yet clear how much it will eventually get back.

As a result of their bankruptcy, 50,000 people lost their jobs when it became evident that during courthouse hearing in Sydney, Australia - $4.6 billion was owed and no one was extending out a hand to loan anymore to **Greensill** (THIS IS A BIG PIECE OF THIS STORY, HOLD THIS THOUGHT FOR NOW BECAUSE THIS IS GOING TO GET CRAZY LATER ON).

As a result different parts of **Greensill** had to be liquidated as a means to recoup costs. One of the impacted was **Greensill's** tech partner **Taulia**. **Guess who had plans to acquire them?**

The US private equity firm Apollo has revealed its plans to save Greensill Capital from administration are on the verge of collapse.

what are they doing here???

YES **APOLLO** IS MEDDLING HERE. Now everything was going according to plan for **Apollo**, seems like they'd be able to get a pretty cheap cost of entry on **Taulia** who from their site:

> *" **Taulia** is a financial technology business that provides working capital management, electronic invoicing, supply chain finance, and dynamic discounting services. The company helps **buyers and suppliers accelerate payments***, improve supply chain health, and* ***unlock trapped cash. "***

But **SURPRISE!**

WSJ NEWS EXCLUSIVE | MARKETS

JPMorgan Jumps Into Greensill Fray, Hindering Apollo Talks

Bank teaming up with Taulia, a technology platform that was a main source of customers to Greensill

https://www.reuters.com/article/us-britain-greensill-apollo-idUSKBN2B4233

YOINK. JPMorgan decides to play the uno reverse card and that they want **Taulia** on their side too. Oh and it turns out **UniCredit + UBS Group** want a piece of the action as well.

Don't forget who are the two major institutional owners of **JPMorgan**...

File Date	Form	Security		Prev Shares	Current Shares	Change (Percent)	Ownership (Percent)
2021-02-10	13G/A	VANGUARD GROUP INC			243,407,749		7.99
2021-01-29	13G/A	BlackRock Inc.			192,569,871		6.30

if it isn't our boys BlackRock, and Vanguard. Source: https://fintel.io/so/us/jpm

As a side note did I mention that **UBS** is the direct competitor of **CreditSuisse** in Switzerland and that the two are planning a merger? https://www.fnlondon.com/articles/ubs-chair-axel-weber-says-a-merger-with-credit-suisse-could-take-years-20201207

To add to all this, we now we also know that **BlackRock** is looking to make a move on Credit Suisse in the midst of this storm. This is in addition to their existing relationship with Swiss Re (scroll down for more information in that thread to Section 5.)

MY OPINION: From researching around it seems that for one reason or another, consolidation of banks appears to be a focus headed into the near future. **BlackRock** is looking to somehow join the narrative and become further ingrained in the banking world. This becomes especially interesting considering how **BlackRock** is positioning themselves as **the 'fourth branch of government'**. I believe I explain this relationship a bit better in anticipation of what the future is going to bring (Section 4).

BONUS ROUND --- UK EDITION

Just so our fellow apes in the **UK** don't feel left out of all the drama, none other than former **Prime Minister David Cameron** was heavily involved with **Greensill,** lobbying for the company.

Just some examples of what he's being called out for:

"

- He **texted Chancellor Rishi Sunak**, asking for the company to be included in a Covid-related government loan scheme
- He also contacted Treasury ministers Jesse Norman and John Glen about the company
- He met Health Secretary Matt Hancock - along with Lex Greensill - for a "private drink" in 2019 **to discuss a new payment scheme for NHS staff**

"

What is the Greensill lobbying scandal and who is involved?

From an Australian financier to David Cameron, here are the key elements in the controversy so far

David Cameron, left, and Lex Greensill in Saudi Arabia in January 2020. Photograph: Unknown

IT NEVER ENDS DOES IT.

Now back to our friend **GARY "GG" GENSLER** and how this all potentially plays together.

Section 3 --- Gary Gensler --- GG GLHF

Now I'm not going to go into too much depth here about **Gary** himself; apes have done a TON of [research already](#) in this regard. If you're not familiar with him, please have a read of other apes work and then come back.

For a short synopsis from ape /u/AAces_Wild (I totally agree with their statement here):

> *"Fellow apes, please warmly welcome Professor Gensler to the SEC. If there's anyone I would trust to wield the power as SEC chairman while closing loopholes, protecting investors, and policing the largest financial center in the world, it's Gary Gensler.*
>
> ***Key Takeaways****: Gary has extensive expertise in the prosecution of big banks and has shown support for market transparency. Without hesitation, I believe he's the man for the job. Gary is good.*
>
> *As Gary likes to say: "Markets work best when there's a cop on the beat.""*

I would add to this that he also has a fairly deep background in crypt0-currencies which explain the recent movement of **C0inBase** and the currencies associated with it. **Gary** is very likely to implement new legislation that favors crypt0. He's also fairly knowledgeable about darkpools and their inner workings.

One of the major concerns that I have however is that **Gary** was involved with bringing the big banks to light back in 2008. To have him appear now and for such a short period of time (his contract is until June when it'll be renegotiated) raises a bit of a flag.

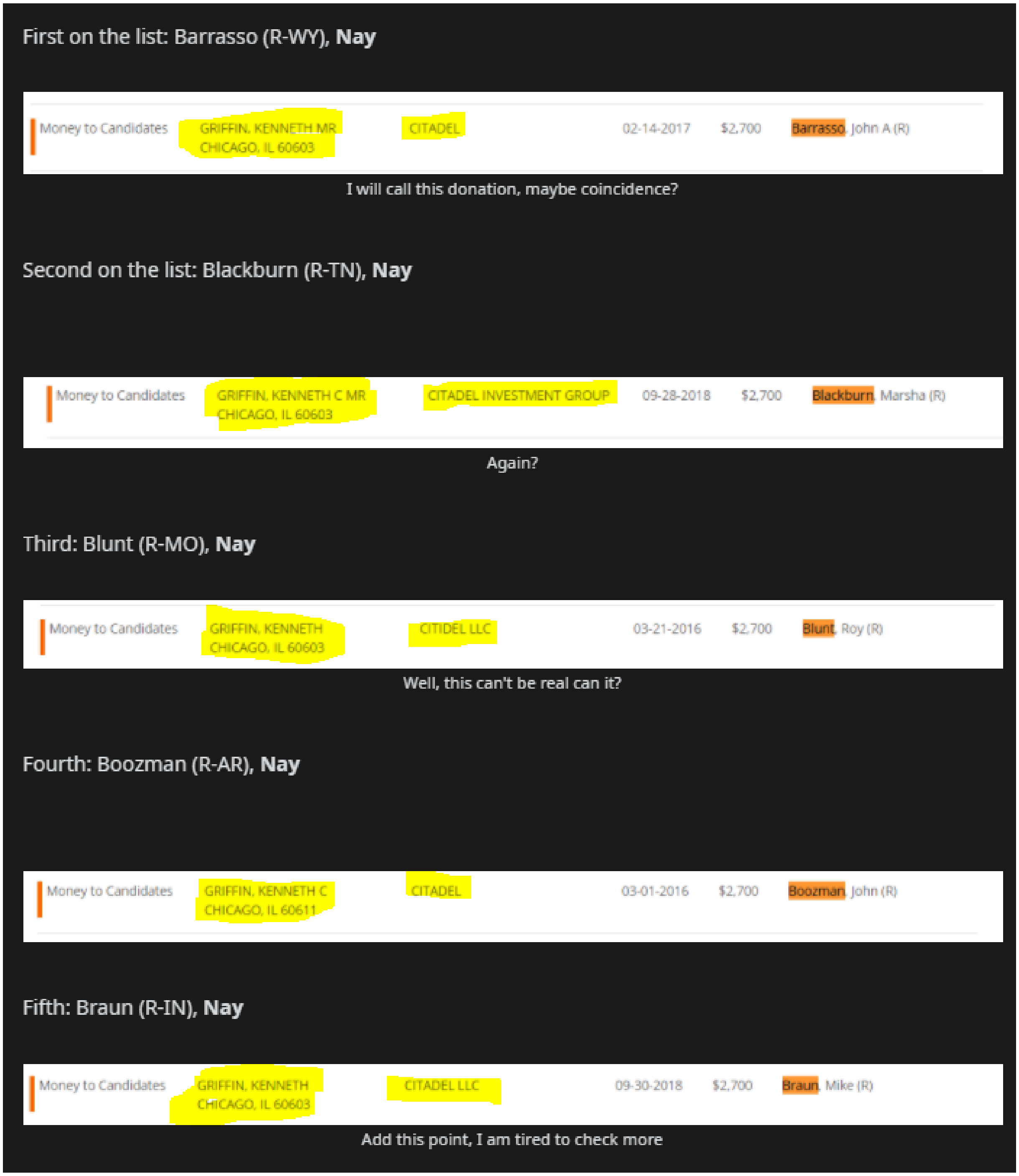
There is another point here that is of concern, but before we get into it...

DISCLAIMER DISCLAIMER DISCLAIMER DISCLAIMER DISCLAIMER

POLITICS ARE ALL SCREWED --- THIS ISN'T AN ARGUMENT OF LEFT VERSUS RIGHT. BOTH SIDES HAVE INVOLVEMENT WITH WALL STREET AND ACCEPTS BRIBES. REMEMBER APES ARE TOGETHER BECAUSE WE ARE FIGHTING A CLASS WAR REGARDLESS OF RELIGION, GEOGRAPHY, BELIEFS. WE WANT A BETTER LIFE FOR EACH OTHER.

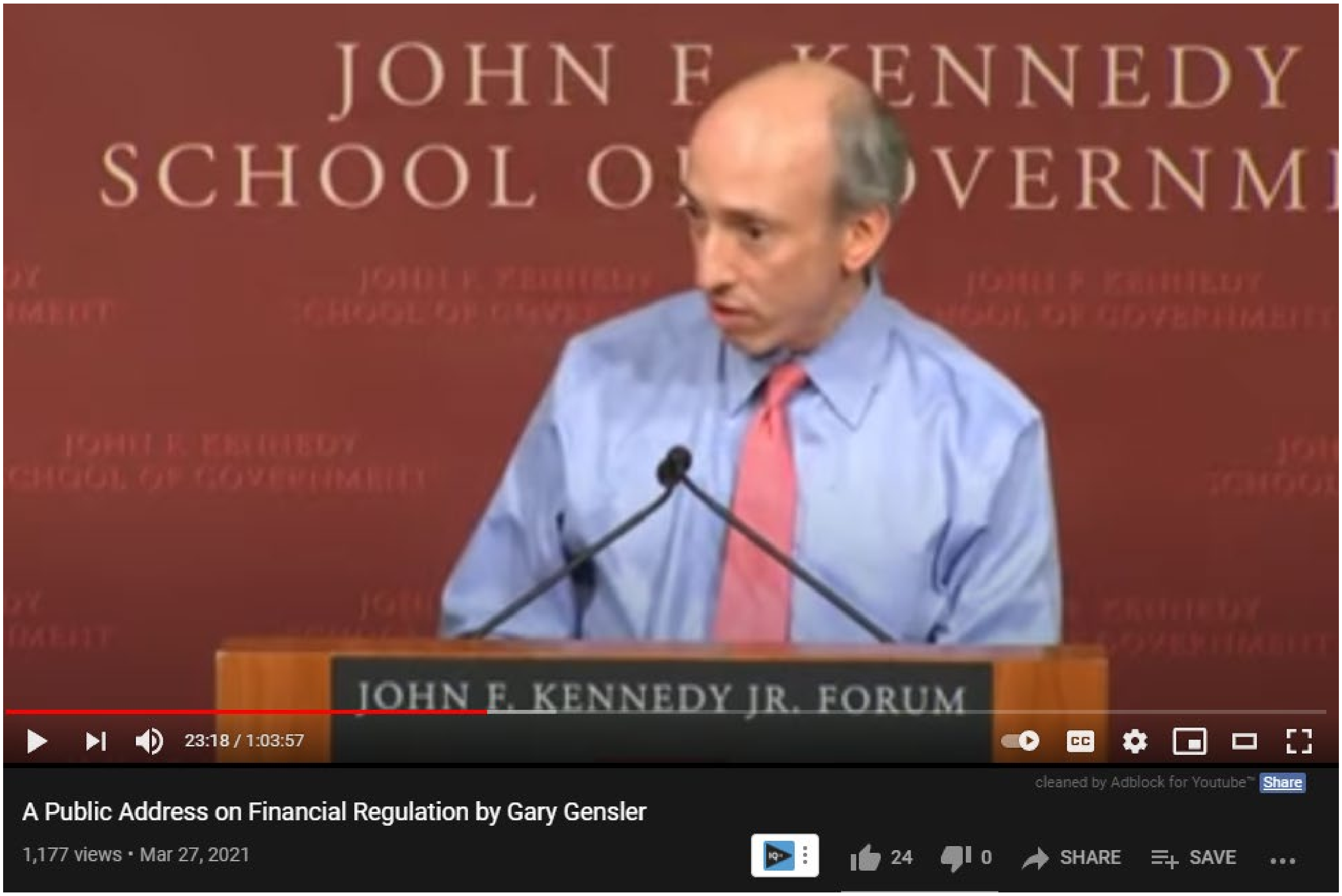
Fellow ape /u/justoneshyboy, dug into all those who voted 'Nay' against the election of **Gary Gensler** as the new chairmain.

Here's what they found:



As it turns out, Kenny boy has donated to majority of the 'nay' sayers. Of course, this was bound to happen considering **Gary** was selected on behalf of the democrats. Where does this lead us to?

Well one of the major topics of focus come from this clip of **GG** himself; give this a quick watch for about 2 minutes:



https://youtu.be/b_GcpslyQFc?t=1425 from 2014

https://youtu.be/b_GcpsIyQFc?t=1425; a quote directly from **Gary** in the video:

> "Today the CFTC announced it's fifth settlement with a bank for **pervasive rigging interest rates** [...] these interest rates called the **London Inter-Bank Offer Rate (LIBOR)** is a **critical reference rate for the U.S. economy.** Student loans are sometimes tied to them, mortgages are tied to them, small business loans, and yes 70%; **seven-zero** of the international derivatives market, futures, swaps are tied to LIBOR"

REMEMBER THESE TWO THINGS MENTIONED IN ASSOCIATION WITH EACH OTHER:

- "PERVASIVE RIGGING INTEREST RATES"
- "**London Inter-Bank Offer Rate (LIBOR)"**

MY OPINION: Look at what's happening with the bond market in the last few days in China and the U.S. (more on this in /u/Captain_Omar 's post) --- With so much of the world's loan market tied up in this "LIBOR", why is it a big deal now? Well we know that the CFTC is the one establishing settlements for any rigging of game that may be taking place within interest rates.

Oh right, and the former chairman of the CFTC now works at Citadel was in charge of policing this for the last 4 years. In addition, what are the chances he's intertwined with the congress members who've received donations from Citadel do you think? Seems like this LIBOR thing might be a problem for certain parties?

Okay so something's up, what is **LIBOR** anyways? This leads us into Section 4.

Section 4 --- LIBOR vs SOFR --- Global Financial Evolution

Take a breather here if you haven't already. This is a lot of information in digest and **LIBOR (London Inter-Bank Offer Rate)** is not a light topic. Thank you /u/RegularJDOE1234 & /u/HCRDR on further research into this.

There is about $350 - 400 trillion (yes that is TRILLIONS with a T, about 4x the size of the global economy) tied up in it.

A short explanation of what **LIBOR** is:

> " Libor is an average interest rate calculated through submissions of interest rates by major banks across the world. "

IN SPEAK, GRAB YOUR 's IT'S TIME GO TO. Interest is something all of us have dealt with in one fashion or another. Credit card payments, mortgages, student loans. The concept is all the same. You borrow money from the bank, and they tell you that you'll be paying a fee monthly (known as the interest rate) on top of the money you've loaned out from them. On top of this you get told what your interest will be ahead of time (forward looking interest rate) so you know what to expect your bill to be.

Now the reason **LIBOR** is a problem is that it can easily be gamed and has been for quite some time. It also doesn't adjust for another crazy shit that might happen until the next payment period. If the economy crashes in that time frame and you're still paying a super low interest rate because of a contractual agreement, the banks lose BIG TIME. Directly from Wikipedia on the "LIBOR Scandal":

> *" The scandal arose when it was discovered that banks were falsely inflating or deflating their rates so as to profit from trades, or to give the impression that they were more creditworthy than they were.[3] Libor underpins approximately $350 trillion in derivatives*
>
> *The banks are supposed to submit the actual interest rates they are paying, or would expect to pay, for borrowing from other banks. The Libor is supposed to be the total assessment of the health of the financial system because if the banks being polled feel confident about the state of things, they report a low number and if the member banks feel a low degree of confidence in the financial system, they report a higher interest rate number."*

REMEMBER THIS, the interest rate drops to low percentages when the market is confident or is looking to inject growth (like how it is now); the inverse happens when the market is fearful (higher rate = higher cost of borrowing money usually). This is like letting your buddy Good Guy Greg borrow 20 bucks versus your half-cousin twice removed, Scumbag Steve.

The banks here would deliberately rig the interest rates between each other in order to get massive loans to profit from (they basically are making themselves appear like Good Guy Greg to everyone around them, when in reality they're stealing your wallet out your back pocket). **THE LIBOR SYSTEM IS WHAT ALLOWS FOR THIS TO HAPPEN**. As it turns out, a lot of people are fed up with this and want see it changed for good reason as seen below...

WORTH NOTING:

LIBOR was a massive playing piece involved in the 2008 financial crises, this quote is directly from the congressional hearing on the matter:

> *" **The LIBOR's self-reporting structure has created opportunities for individuals or institutions to manipulate or falsify data***. In the wake of the 2008 financial crisis, upon discovering a widespread culture of LIBOR manipulation built around industry relationships, U.S. and U.K. regulators settled with various banking institutions, including some of the world's largest banks such as Barclays,* ***JP Morgan Chase****, Citigroup, and* ***UBS** over allegations that these institutions manipulated the* ***LIBOR*** *by* ***pressuring their colleagues to report artificially low or artificially high interest rates in order to manufacture trading opportunities. "***

Talk about the timing of **Gary Gensler** coming back into the picture right? One of the few people in the **SEC** who directly dealt with this type of scenario before.

FEAR NOT, HERE COMES THE EVOLUTION OF THIS SYSTEM

Introducing **SOFR (Secured Overnight Financing Rate**)!!!!! This is a MASSIVE 200 trillion dollar transition that will take place over the next few years.

OH and it almost imploded the entire fucking market the first time it was attempted to be implemented back in 2019 https://www.federalreserve.gov/econres/notes/feds-notes/what-happened-in-money-markets-in-september-2019-20200227.htm

And it looks like they just had a hearing on this evolution just YESTERDAY.

https://www.youtube.com/watch?v=igmJ-SFvyRU two hours worth of content, watch at your own risk

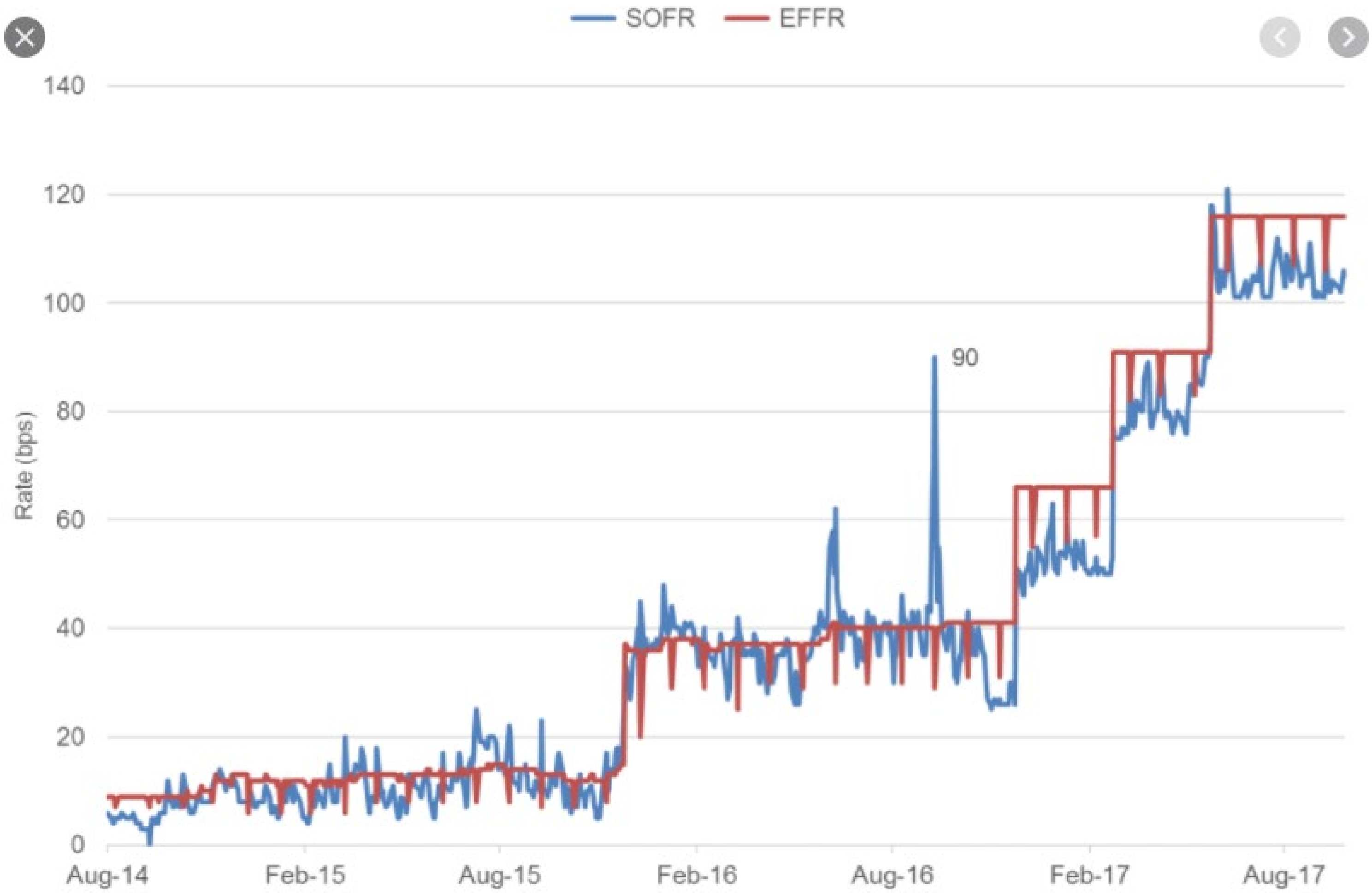
I watched them talking about it live, I would be lying if I told you it was a thrilling piece of entertainment. Watch it if you're really curious and want to get a deeper understanding of what's at stake.

What this means is SOFR will change how interest rates are calculated.

Yet again in a very simple explanation: if **Libor** is "forward-looking" meaning you get an interest rate ahead of time (you know exactly what your payment will be) - **SOFR** is the inverse, meaning it's "backward-looking".

WHAT THIS MEANS IS THAT BANKS AND OTHER PARTICIPANTS WILL NOT KNOW WHAT THEIR MONTHLY PAYMENT FOR THEIR LOAN WILL BE(for example) UNTIL THE DAY OF PAYMENT (From reading I believe it's about 5 days prior, I could be wrong). THIS IMPLIES THAT THE RATE THEY WILL HAVE TO PAY FLUCTUATES ON A DAILY BASIS. THIS DAILY FLUCTUATION WILL BE BASED OFF THE [DAILY TRESURY YIELD RATE]. This transition is expected to be completed by 2023, however no new contracts can be written under Libor as of... [MARCH 31ST, 2021.]

To illustrate this point, the image below shows how much more "variable" (dynamic) the rate (in blue) will be, versus the fixed variant (in red) of it we see today.



Sources: FRBNY, Federal Funds Data; FRBNY, Presentation by Joshua Frost at the Alternative Reference Rates Committee Roundtable, Data (Revised January 30, 2018), November 8, 2017

This solves two things:

1. If the market fluctuates in the time that a loan was given, the banks will not be put into a vulnerable position nor profit from it. Think of this as a "we ride together, we die together" type of scenario. They'll be impacted as much as any of us should the market take a down turn or rise.
2. The rates can no longer be gamed as easily because they're no longer based off self-report data, but rather the rate of the daily treasury yield on the market.

Now here's the thing, we should've already started transitioning to this new system over quite some time. The fed wanted all the new loans being given out in the last year to be already implemented through SOFR, but instead the banks chose to STILL tie them to **Libor**. But wait a minute some of these are 3-year, 5-year loans; but **Libor** will only be around for another 2 years. Sounds like it can be another problem in the making and the banks don't want to face reality yet. **Knowing this it's not surprising they posted such great earnings right? Easy to make the picture look pretty when it's full of shit.**

Watch about 45 seconds of this clip for concerns coming straight from **Grant Thornton UK** on the matter.

https://www.youtube.com/watch?v=HAf6Bk5szIk&t=1245s

HERE'S THE REASON MANY ARE TERRIFIED AT WHAT THIS WILL MEAN FOR THE MARKET:

> *"I think it's fair to say that people like myself are getting a bit of an odd feeling in the gut about what is going on about some of these books - so to drive transparency there, the cyclical quarterly testing on impairments and cogence the data will be out in June, and I think the views we have are that some of the borrowers will fail." --- Grant Thornton UK Advisor [Source: https://www.youtube.com/watch?v=HAf6Bk5szIk&t=1553s]*

LONG STORY SHORT; THEY'RE WORRIED THAT WHEN BANKS AND BUSINESSES ARE FORCED TO PAY THE ACTUAL RATES OF THE MARKET (and not their made up ones) BECAUSE OF THE LIBOR -> SOFR TRANSITION, THAT THEY WILL NOT HAVE THE CASH ON HAND TO MEET THE **SOFR** REQUIREMENTS AND RUN INTO SERIOUS FUCKING TROUBLE. THIS IS SIMILAR TO WHAT HAPPENED ALREADY IN 2019.

NOT ONLY THIS, THE PEOPLE WHO BORROWED MONEY WILL BE STRESS TESTED ON A REGULAR BASIS (think monthly/quarterly) TO SEE IF THEY ACTUALLY CAN SUPPORT A HIGHER INTEREST RATE SHOULD THE MARKET GO TO SHIT. Once again no new contracts can be written under Libor as of... MARCH 31ST, 2021.

YOU WILL NOW SEE THE MARKET STARTING TO DELEVERAGE THEIR LOANS IN ORDER TO HAVE MORE CASH ON HANDS TO MEET THESE SOFR REQUIREMENTS AS QUICKLY AS POSSIBLE. THIS EXPLAINS WHY JPMORGAN AND OTHERS ARE SELLING BONDS AFTER 'STELLAR' EARNINGS **(once again still in a Libor system). This would also explain why BlackRock is the heaviest in cash they've ever been. The reintroduction of Gary Gensler during this timeframe, is a concerning one as he dealt with the 2008 crash once before which involved LIBOR.**

EDIT: Bank of America just posted a 15 billion dollar sale of bonds couple of hours ago; the dominos are starting to fall https://www.bloomberg.com/news/articles/2021-04-16/bofa-to-set-record-for-largest-bank-bond-sale-at-15-billion

Now the question becomes, who's already caught in the web?

FINAL SECTION --- THE GREAT TRAP

My Opinion: I believe that many of the "bad" hedge funds, took on massive risks with expectations that the 7rump administration would get re-elected and prolong the need for transitioning to SOFR and others (involving the former SEC + CFTC chairmen). This would give them ample amount of time to make profits on the companies (and banks?) they bankrupt.

It appears to me that they didn't properly hedge their risk for any other outcome.

Now lets have a look at who might have abused the low interest rates fabricated by banks, and provided collateral with rehypothecated assets?

Well a good place to start looking is to see who's grown the most in the last year.

we have a pretty good starting point as we've seen in /u/yosaso's post about the war to control the DTCC: (I'm just renaming these teams for the sake of vulgarity, and adding some names)

TEAM Good Guys

JP Morgan, BOA, Morgan Stanley, State Street, Vanguard, BlackRock, Goldman Sachs

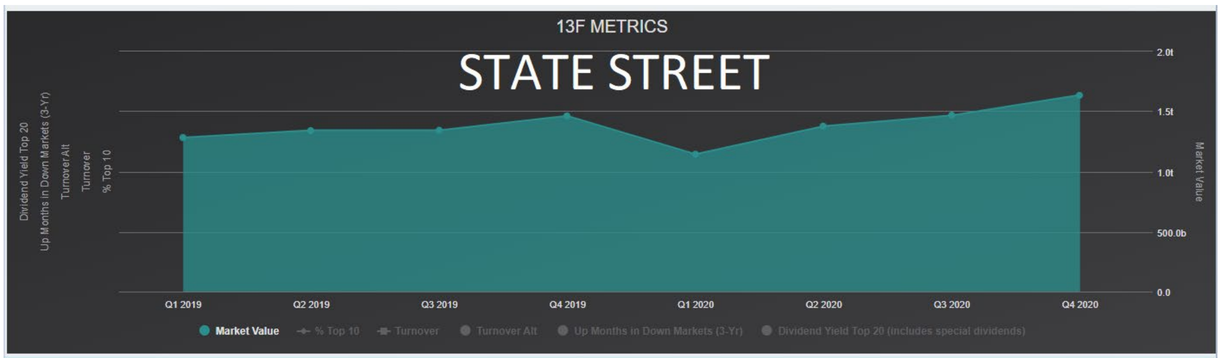
TEAM Bad Guys

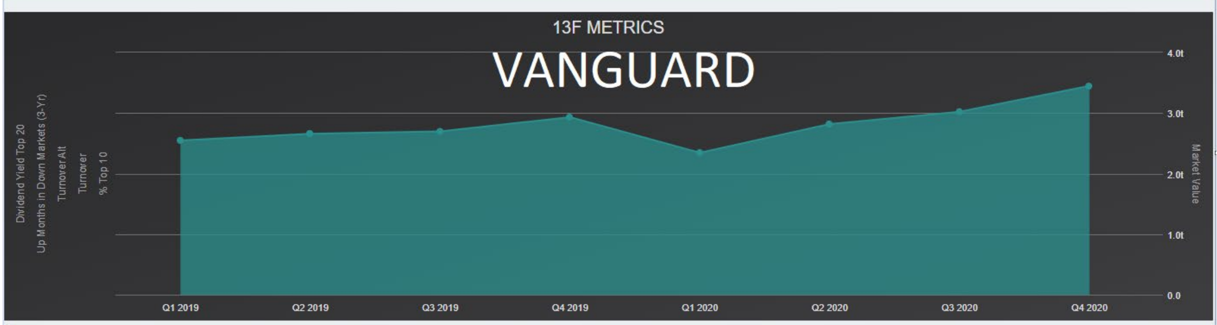
Citadel, Virtu, Citi, Susquehanna, Melvin, Apollo

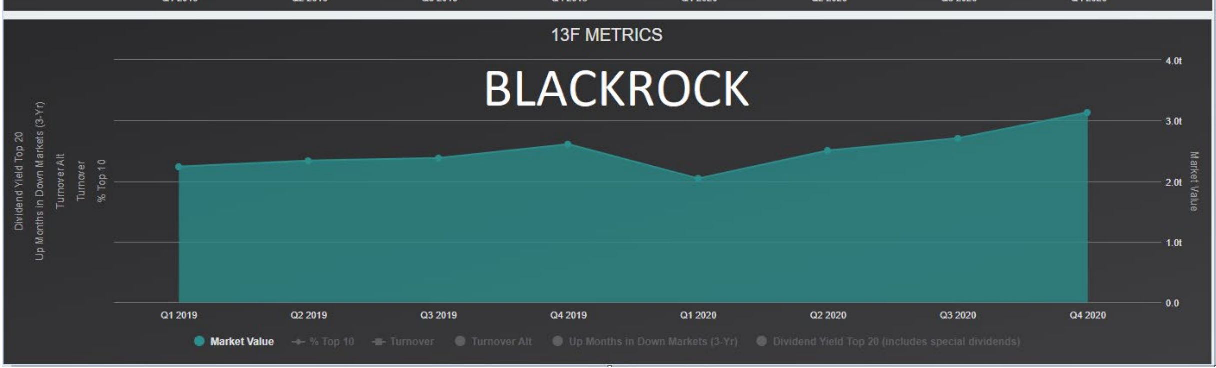
TEAM UNKNOWN

BNY Mellon - 2

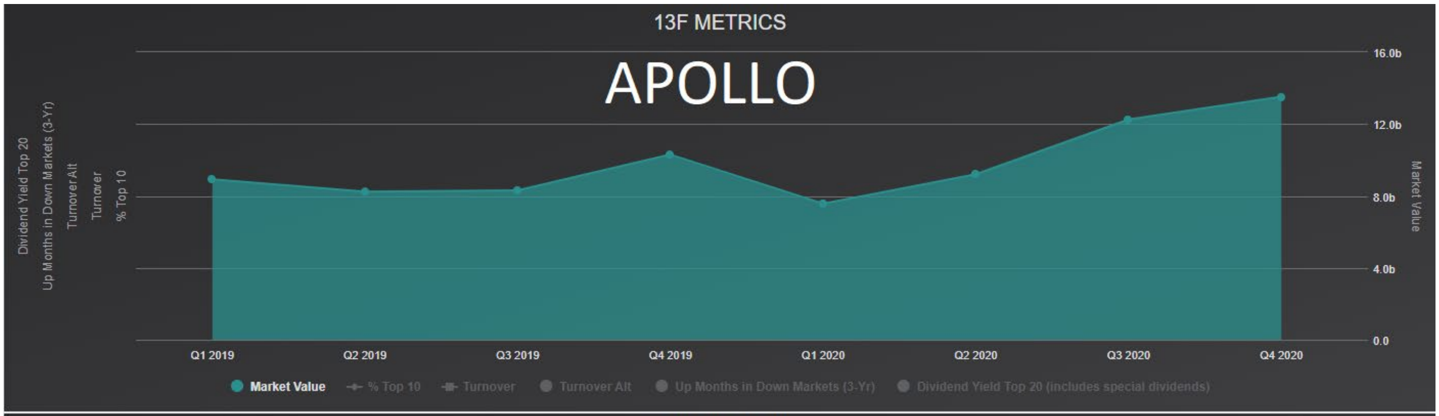
Here are the good guys, seems like pretty stable growth since last year right roughly returning to where they were before

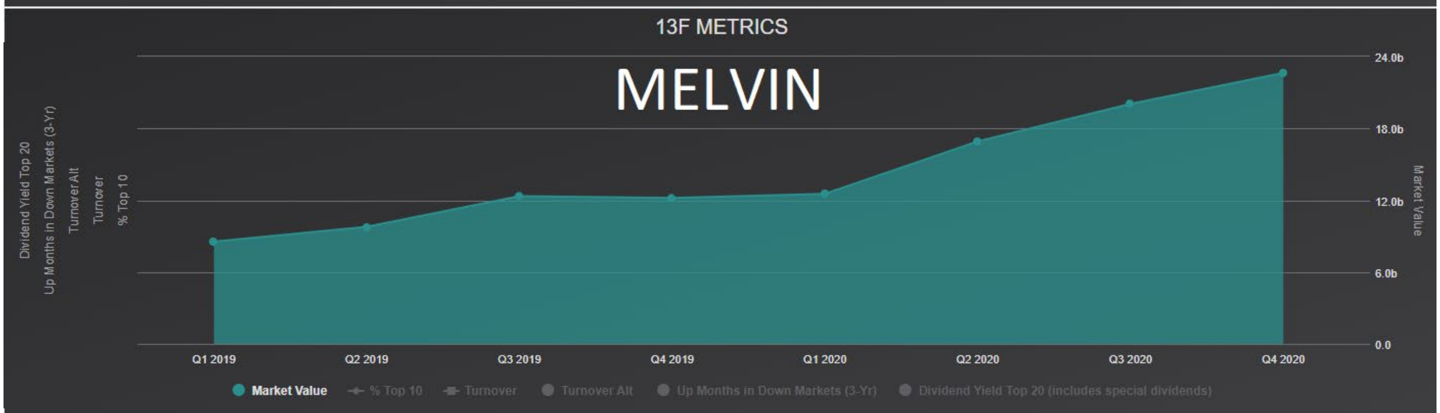


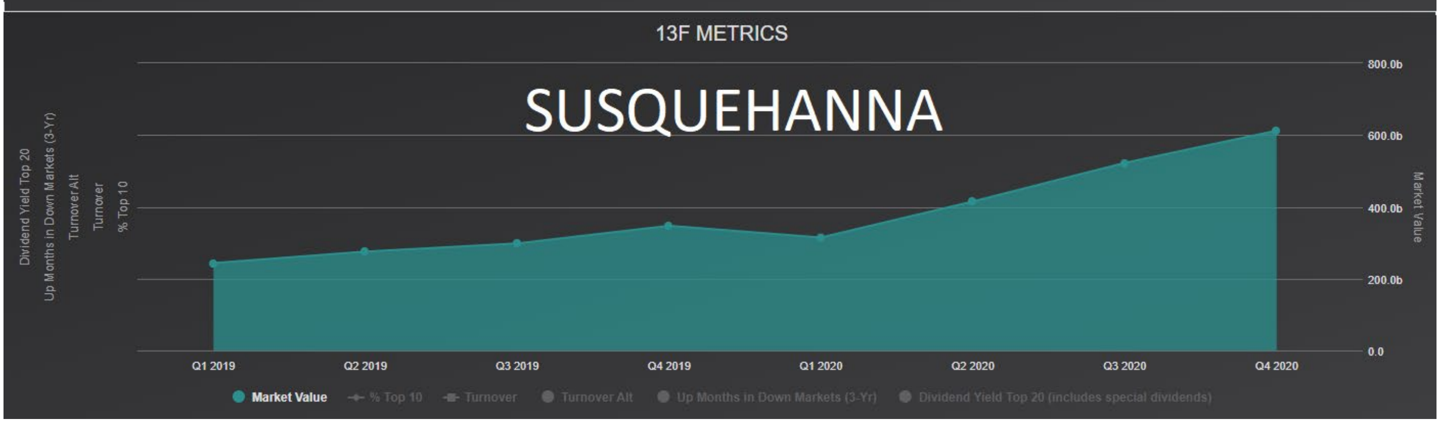




NOW HERE ARE THE BAD GUYS. WHOA THEY JUST RIPPED OVER THE LAST YEAR.







WOW WHAT GROWTH!

Growth over the last 4 quarters:

Good Guys:

Company	Growth Since Q1 2020
State Street	42.8%
Vanguard	46.9%
BlackRock	53.3%

Bad Guys:

Company	Growth Since Q1 2020
Apollo	78.4%
Melvin	80.5%
Susquehanna	94.8%

Now we plug in /u/atobitt 's "Everything Short" thesis here. I believe Hedge Funds have been taking advantage of the low interest rates that are being gamed. They decide they're going to take this to a whole new extreme through rehypothecation and the repo market.

MY OPINION: THIS IS MONEY THEY'RE NEVER GOING TO BE ABLE TO PAY BACK. CITADEL AND FRIENDS ASPIRED TO REACH THE GRAND SIZE THAT THE LIKES OF BLACKROCK AND VANGUARD ARE THROUGH ANY MEANS NECESSARY. I BELIEVE THEY'VE TAKEN ON MASSIVE RISK AND ARE NOW BEING CLOSED IN ON BY THE DTCC + THE SEC WITH THE SOFR ADJUSTMENT.

THEY'VE PUT MULTIPLE BANKS AT HUGE RISK A BLOWING UP ON FAKE BONDS --- IT'S ONLY A MATTER OF TIME BEFORE SOFR DROPS THE BOMB ON THEM. I believe this is the reason why BlackRock and Co have been pushing for "max pain" each week; this is so that it makes it impossible to keep up with SOFR interest rate requirements.

As time progresses I believe we will see more evidence of multiple parties attempting to deleverage their positions before 2023. Coincidentally **GameStop** has just paid off all their debt that was due that exact year.

So this becomes a two pronged problem;

1. Assets are being rehypothecated which are being used as collateral
2. Banks are providing absurd interest rates off the old LIBOR system instead of SOFR; this has resulted in the taking on a position that will be extremely difficult to get out of.

As we can see they're fighting against these changes through politics, but it appears they've brought in **Gary Gensler** to kick some ass.

TLDR: DIAMOND HANDS APES.

NOT FINANCIAL ADVICE