

May, 2026

# Investment Seminar

Financial Friday Series



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# Housekeeping Courtesies

You are currently muted, please send any questions through chat.

Questions? There will be a Q&A portion at the end of the session!

Surveys will be at the end of each session. We appreciate your feedback.

Thank you for joining us today!



# Sentiment Risk

When everybody agrees,  
price can still be wrong.

THE QUESTION

**What part  
of price  
is story?**

Markets, herds, FOMO and public liquidity

# The route: orthodoxy, heresy, application.

- 01 The orthodox story
- 02 The herds in the market
- 03 FOMO, GameStop + my research
- 04 How a fiduciary reads the room
- 05 Discussion and questions

# Your mandate is boring on purpose.

That is not a criticism. That is the achievement.

**01 SAFETY** Protect principal and confidence

**02 LIQUIDITY** Meet operating cash needs

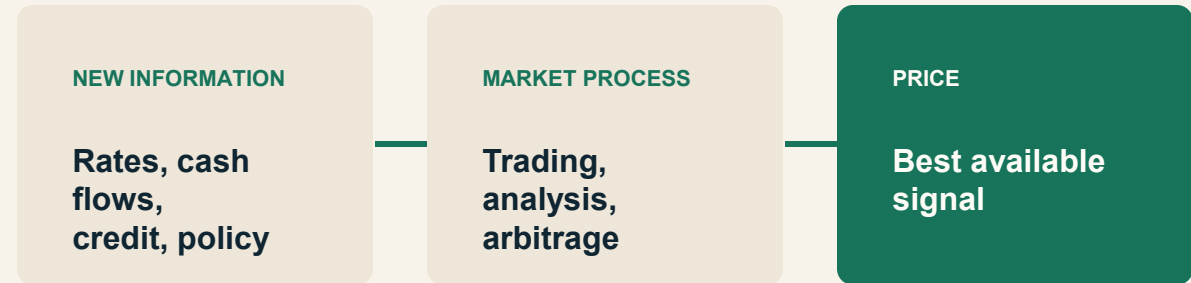
**03 RETURN** Earn within the first two constraints

**A calm mandate  
still operates in  
emotional markets.**

# Start here: price is useful.

## Efficient Market Hypothesis

# Markets process information.



Now ask: what else got into the price?

# Useful model.



Increasingly demanding claim about what price already knows

# There is no "the investor." There are herds.

INVESTOR GROUP	RATIONALE THAT MAKES SENSE	BLIND SPOT UNDER STRESS
<b>Fiduciary institutions</b>	Defensibility and liquidity	Crowded safety
<b>Research / sell-side</b>	Coherent, marketable views	Shared model inputs
<b>Regime-shaped households</b>	Protect accumulated wealth	Extrapolate old regimes
<b>Aspirational retail</b>	Seek asymmetric upside	<b>FOMO and concentration</b>
<b>Meme/social cohorts</b>	Community + moonshots	<b>Narrative outruns value</b>

**Every group can be rational locally and still herd collectively.**

# A story can run ahead of evidence.

Price path



SHARED MYTHOS

**Same content.  
Same fear.  
Same  
conclusion.  
Same trade.**

# FOMO is a flow.

01 ATTENTION

**A story spreads**

Shared content turns an asset into a conversation.

02 FOMO

**Capital follows**

Missing upside feels riskier than entering late.

03 CONFIRMATION

**Price validates story**

Rising prices recruit the next wave of belief.

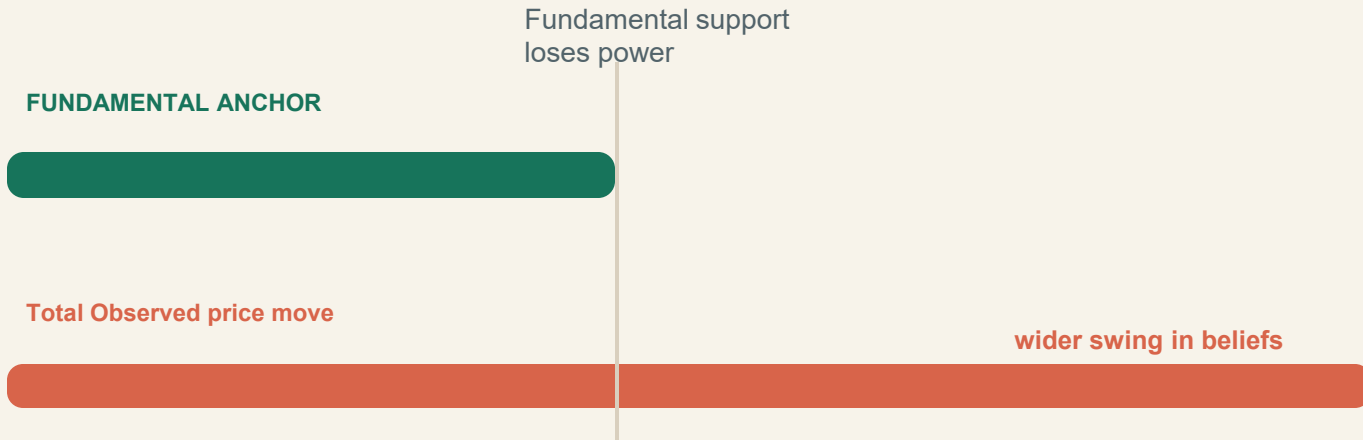
04 REVERSAL

**Confidence flips**

The same coordination can accelerate exits.

# Narratives stretch the path.

Range of movement | conceptual



## THE INTUITION

**Prices can be more volatile than later fundamentals seem to require.**

# GameStop was not just a valuation debate.

## SEC STAFF REPORT | REPORTED OBSERVATIONS

**~2,700%**

intraday increase  
Jan. 8 low to Jan. 28 high

**>86%**

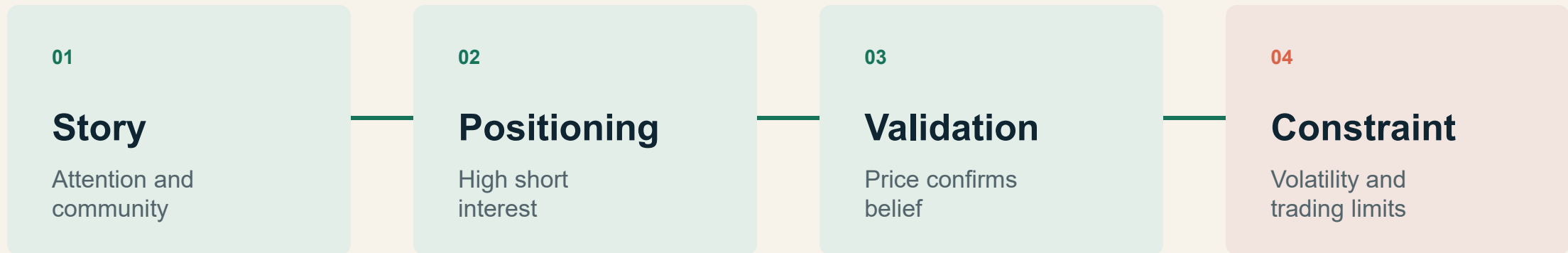
decline from Jan. 28 high  
to end of first week of Feb.

**122.97%**

short interest as a percent  
of float in January 2021

**The lesson is not 'ignore fundamentals.' It is that beliefs, positioning and liquidity mechanics can become price-relevant together.**

# Then price became proof.



**A price rise can become evidence inside the herd that created it.**

# I went looking for hot hands.

UPLOADED STUDY

## Gambling with Momentum

Daniel C. Mosman | 2017

45

country markets examined

**Observed stronger momentum evidence in countries identified with more gambling-related factors.**

# Even pennies tell on us.

## PRICE CLUSTERING DIFFERENCE | ADRs versus matched common stocks

less clustering reported for ADRs



In the manuscript, the difference is concentrated among higher-price-delay securities.

# A model cannot price embarrassment.

## FACTS

**What changed?**

Rates, credit,  
cash flows, policy

## EXPECTATIONS

**Who believes it?**

Incentive,  
mythos, fear

## FLows

**Who follows?**

Redemptions,  
FOMO, positioning

## CONSTRAINTS

**What can bind?**

Liquidity,  
spreads, capacity

# Did we agree, or attend the same call?

SCENARIO

After the same market briefing, peers repeat the same four conclusions.

De-bias the room:

What evidence is truly new?

What conclusion was merely repeated?

Which contrary signal was excluded?

What would break the consensus trade?

# Consensus is not diversification.

SAFETY

“Everyone owns it.”

Safe by fundamentals, or safe by reputation?

LIQUIDITY

“It Trades easily.”

What if everyone exits together?

RETURN

“Peers earn more.”

What risk is that yield paying for?

# Six questions before we believe the room.

1 What new fact is verifiable?

2 Which group's story is embedded in price?

3 What herd or forced flow is visible?

4 What liquidity constraint could bind?

5 Does the move affect safety or access to cash?

6 What evidence would change our view?

A disciplined question set is an antidote to both complacency and overreaction.

# Study the herd. Do not join it blindly.

01 Prices are signals.

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02 Prices are not always only fundamentals.

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03 **For public liquidity, process beats prediction.**

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Questions and discussion

# The ideas came with sources.

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For Your Attention



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