

MONTHLY MARKET INTELLIGENCE

# STATE OF THE BANDS

*Tokenization · Space IPO · AI Data Centers*

ISSUE · June 2026

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## MAY SNAPSHOT

### MARKETS

#### Tipping Point?

*Can markets sustain their historic rally?*

### CRYPTO

#### Clarity Act

*Can Clarity bring new life the cryptocurrencies?*

### IPOs

#### SpaceX Goes Public

*Can retail take this IPO to the moon?*

A NOTE BEFORE THE NUMBERS

# WHY WE TRADE

*Markets are how time gets converted into freedom.*



**THE WORK**

## Patterns, not predictions.

Every issue of State of the Bands shows you what the tape is actually doing: where price has been, where it tends to go from here, and what conditions usually look like just before a move.

**THE TOOLS**

## Built by traders.

Proprietary bands and signals — the Arbitrage Band, Atlas Band, Apocalypse Band — distill decades of market behavior into levels you can act on, not narratives you have to interpret.

**THE POINT**

## Time, eventually back.

Trading isn't the goal. The goal is what comes next: the trip, the house, the morning that doesn't start with a commute. Markets are the bridge — and we're here to help you cross it.

# MARKETS OVERVIEW

*A look at broader markets and their moves.*



# S&P 500

\$SPY



From March lows, the S&P 500 is up 18% over eight trading weeks. On average, after 8 straight-up weeks, the S&P returns 17% over the next 52 weeks, giving us a historical precedent for further upside. While in the long run history often rhymes, short-term price action is driven much more by liquidity and probabilities, helping us create a probabilistic map of the future.

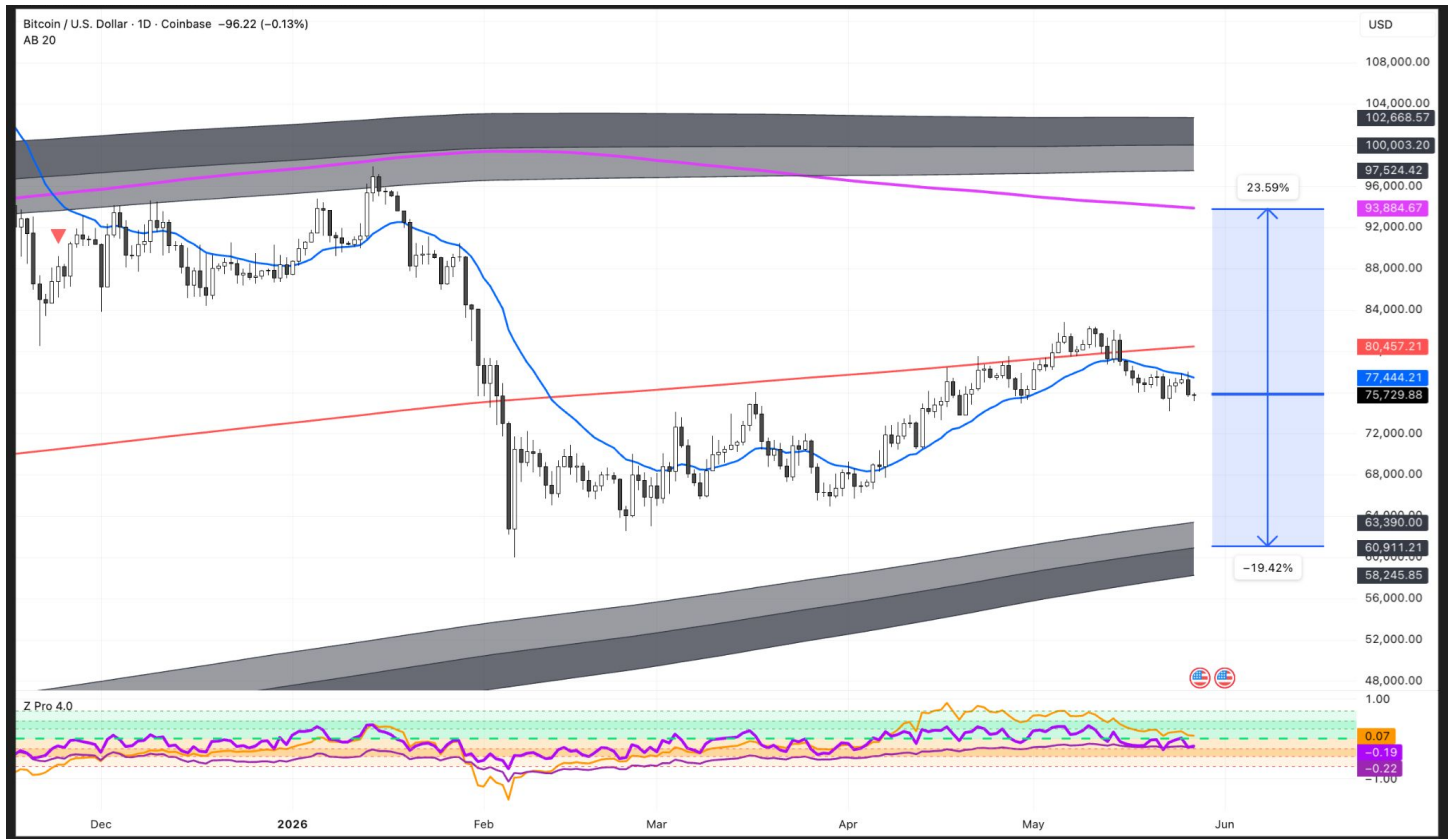
The S&P 500 has been on a hot streak since the 2025 Liberation Day lows, and that hot streak may start to catch up with the market. On the 4-hour, daily, and weekly timeframes, the Apocalypse RSI is sitting within the Apocalypse Upper Danger Zone, a condition that often precedes market pullbacks.

On the weekly Apocalypse Band, price still has room for a 6.8% upside move to the 3rd standard deviation resistance level, and 17.9% of downside potential to the 2nd standard deviation support level.

KEY LEVELS	
Resistance (3rd Std Dev)	<b>\$801</b>
Support (2nd Std Dev)	<b>\$615</b>
Signal	<b>RSI in UDZ</b>
Bias	<b>Downside Asymmetry</b>

# Bitcoin

\$BTCUSD



Bitcoin, the darling of bull markets, has not been seen since its all-time highs in October of 2025. Since then, we've had a war, a credit bubble starting to pop, rising inflation, and Jane Street manipulating Bitcoin with a 10 AM sell-off every day. Despite all of these issues, BTC bottomed in February and has just recently started to break out of its trading range.

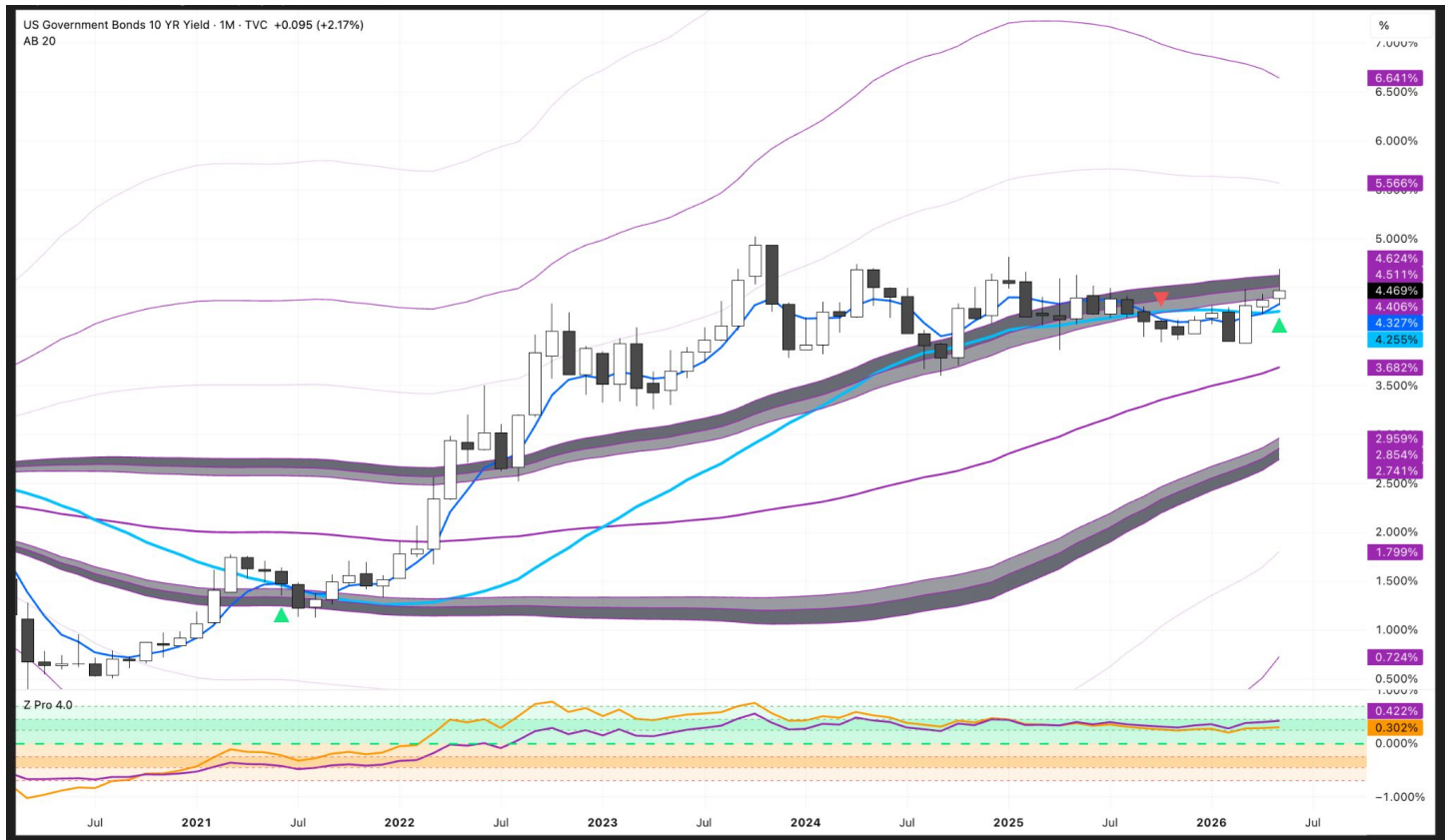
You can view our many [posts](#) and [videos](#) about where Bitcoin could go. Current probabilities on the daily Apocalypse Band are evenly split. From the current price, Bitcoin has a 23.5% upside move to the declining Apocalypse RSI, and a 19.4% downside move to the middle of the Lower Danger Zone, an area we have reported on as historical support for Bitcoin.

## KEY LEVELS

Resistance (RSI)	<b>\$93,880</b>
Support (LDZ)	<b>\$60,900</b>
Signal	<b>Mean Line Break Failure</b>
Bias	<b>Neutral</b>

# US 10 Year Bond Yields

\$US10Y



On May 13th, Kevin Warsh was confirmed as the 17th Chair of the Federal Reserve of the United States. Normally, a Fed Chair confirmation is not something the public takes note of, but with the politicization of monetary policy, it became one of the hottest trades on Polymarket.

Warsh takes a unique stance amid rising inflation, calling for rate cuts while simultaneously reducing the Fed's balance sheet by selling Mortgage-Backed Securities (MBS). The implications of this policy mix are why US 10-Year Treasury yields jumped to some of their highest levels since the 2023 inflation scare. This is the market telling the Government that we see what you're going to do, and you're going to have to pay us a lot more to own this asset.

We have discussed the potential breakout in US Bond yields on our weekly Substack for some time and most recently flagged it on April 13th as it was setting up. The weekly Intermediate Band gave us our first confirmation of a potential move higher on April 27th, the first entry signal on US10Y since June 2021, when yields were at 1.5%.

## KEY LEVELS

Resistance (2nd Std Div)	<b>5.56%</b>
Support (Mean Line)	<b>3.68%</b>
Signal	<b>Intermediate Entry</b>
Bias	<b>Rate Increase</b>

# MARKET MOVING STORIES

*Stories that are shaping the markets*



# Clarity Act & Tokenization

On May 14th, crypto officially took its first step toward becoming an institutional asset class. The Senate Banking Committee passed the Digital Asset Market Clarity Act, which now heads to the full Senate for final approval. The White House hopes to get the bill to President Trump's desk by July 4th. Passage of the Clarity Act would give traditional financial institutions the legal framework they need to plug cryptocurrency platforms and technologies into existing financial infrastructure and products.



That opens the door for companies like the Depository Trust & Clearing Corporation (DTCC), the world's largest financial custodian with \$114 trillion in assets under custody, to roll out tokenized versions of stocks, ETFs, bonds, and notes. Tokenizing assets like this enables 24/7 trading, programmable compliance, and on-chain collateralization. DTCC settles roughly \$4 quadrillion a year. The transition won't happen overnight, but it would mark a monumental milestone for the adoption of blockchain technology.

The one piece that did not make it into the final draft of the Clarity Act was allowing stablecoins to pay yields to clients. Stablecoin yields were the most heavily lobbied-against provision in both the GENIUS and Clarity Acts, with traditional banks pushing back hard given the significantly higher yields stablecoins provide compared to a traditional yield-bearing account, such as a savings account or money market. The carve-out keeps traditional banks firmly in the consumer finance mix.

This is extremely positive for settlement-layer tokens like Ripple's XRP. Companies like JPMorgan and Mastercard have already been testing Ripple's software internally, settling in fiat or RLUSD. The Clarity Act would give companies such as JPMorgan and DTCC the green light to convert these transactions into XRP settlements. If DTCC, which will use multiple providers, were to route [1% of its \\$4 quadrillion](#) in annual settlements through XRP, that would translate to \$40 trillion a year flowing across the XRP Ledger.

# Circle Internet Group

\$CRCL



The Clarity Act did come with one shortfall: stablecoin issuers can't pay passive yield on stablecoins held. This was largely driven by lobbying from major banks that can't offer the same yield on cash deposits. But stablecoin issuers like Circle (\$CRCL) can still benefit from the Clarity Act in plenty of other ways. The new wave of tokenized assets and commodities needs a dollar settlement layer, and that's something Circle already provides.

Circle IPO'd in June of 2025 and popped initially, but has since traded down. The stock has found new strength on the back of the Clarity Act, rumors, and news, with recent price target upgrades from several Wall Street analysts.

On the Intermediate Band on the 4-hour timeframe, Circle entered a buy trend on March 2nd and has found support multiple times on the Intermediate RSI line. The edge of probability currently sits at \$189.26, but investors should be careful with the Intermediate RSI trajectory pushing into the Band's Upper Danger Zone.

## KEY LEVELS

Resistance (3rd Std Div)	<b>\$152.93</b>
Support (LDZ)	<b>\$72.34</b>
Signal	<b>RSI/UDZ Price Support</b>
Bias	<b>Upside</b>

# IPOs to The Moon



SpaceX, the highest-valued private company in the world, has filed its S-1 with the SEC to IPO and go public. But just like anything tied to Elon Musk's name, this is no ordinary IPO. SpaceX is expected to raise \$75 billion in capital, targeting a valuation of \$1.75 trillion. Yes, trillion with a T. That's 1.75 followed by 12 zeros. The largest IPO prior to this was Saudi Aramco's 2019 listing, which raised \$25.6 billion at a \$1.7 trillion valuation. Is space the new oil?

Given the name SpaceX, and soon-to-be ticker \$SPCX, you'd think the company just builds and launches rockets. Well, it does much more than that. SpaceX has effectively become an Elon Musk holding company, something similar to what Warren Buffett built with Berkshire Hathaway. Starlink, xAI, X (previously Twitter), and a \$603 million Bitcoin position all sit under the SpaceX entity. Even with multiple companies inside the wrapper, the estimated IPO would have SpaceX trade at roughly 95x sales. Can SpaceX grow into this valuation?

Not to fear, retail will make sure SpaceX goes to the moon (pun very much intended). Normally, up to 10% of IPO shares are allocated to retail participants. SpaceX will allocate 30% of its shares to retail investors. CFO James McNeil has explained that this level of retail demand could boost post-IPO demand and help maintain a high share price. But with great valuation comes great competition from rivals who also want to own "space."

# Iridium Communications

\$IRDM



In April of this year, Amazon announced it would acquire Globalstar for \$11.6 billion, or roughly 88x EBITDA. What is Amazon, the operator of the everything store and Whole Foods, doing by buying a satellite company? They're buying consumer-band spectrum. Globalstar owns the 1610-1617 MHz spectrum that powers Apple's direct-to-device satellite features on the iPhone.

There is only so much spectrum available globally that works for direct-to-device connectivity, and Big Tech is now in a rush to secure it. Iridium has become a hot stock among retail traders and is now catching the eye of institutions. Iridium operates 66 LEO satellites that cover 100% of the Earth and owns roughly 9 MHz of spectrum that sits directly adjacent to Globalstar's.

Iridium recently entered a buy trend on the weekly timeframe Intermediate Band, but may face overhead resistance in the Upper Danger Zone, where it currently sits. Our 3th standard deviation is \$76.09, indicating that Iridium still has more upside potential. Could the SpaceX IPO propel this stock to new heights?

## KEY LEVELS

Resistance (3rd Std Div)	<b>\$176</b>
Support (LDZ)	<b>\$26</b>
Signal	<b>Intermediate Entry</b>
Bias	<b>Neutral</b>



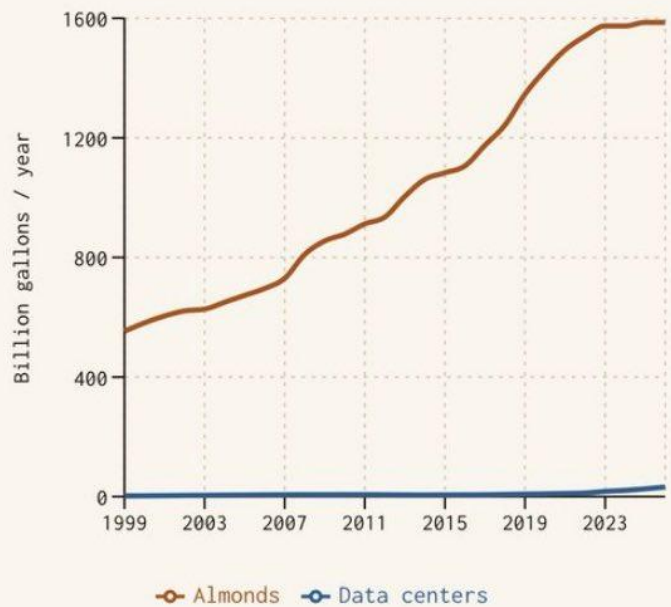
# AI Data Center Push Back

AI is the only thing anyone talks about these days, especially after the rise of Claude Code and OpenClaw. ChatGPT was originally released in November 2022, and it's now largely seen as a neat party trick compared to what the most recent frontier models are capable of. This increase in capability requires a huge increase in computing power to train, maintain, and serve these models to the public. The rise in data center build outs has hit the US economy like a tidal wave, but not without its pushback.

US data center construction starts were estimated at \$77.7B in 2025, and the sector is expected to reach \$112B by 2030. States like Texas and Virginia have been the biggest beneficiaries of the buildout, with both states having over 100 projects under construction. But with any great change comes great resistance. States like Maine and Vermont have introduced bills to put a moratorium on data center build outs, citing rising electricity prices, noise, and water use.

## CONUS almond vs. data center water consumption, 1999–2026

Billion gallons / year, shared axis. The data center line is the thin one hugging the x-axis.

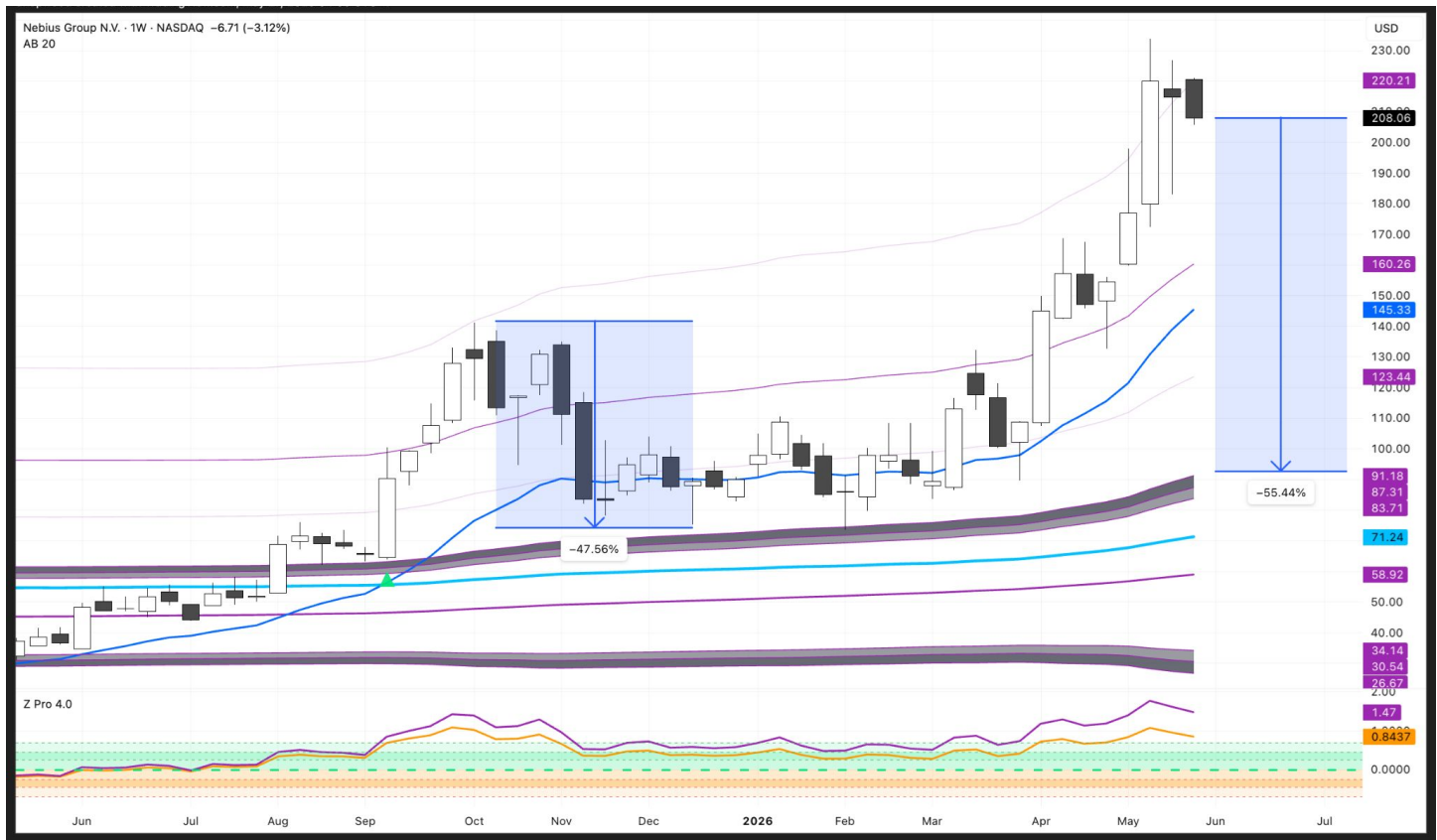


While data centers do use some water for cooling, the comparison to almond farming or golf courses falls flat. California almond farms use roughly 4,200 million gallons of water per day, while US data centers use 46 million gallons per day. That's 91x as much water in a single day. Some people point out that Americans eat almonds, but they can't eat data, which is a fair point, until you realize that roughly 70% of American almonds are exported to other countries.

So if we can't build more compute, where will it go?

# Nebius Group

\$NBIS



GPUs were once synonymous with crypto mining due to their high computational throughput. As crypto mining declined, the infrastructure companies built around it, now called Neoclouds, needed to find a new home for their GPU capabilities. Then came the AI wave. Traditional hyperscalers like AWS and Azure didn't want to give up their GPU compute to 3rd-party LLMs and take away from training their own models, so Neoclouds stepped in to fill the void of GPU demand.

Companies like Nebius, a full-stack AI cloud company, have been huge beneficiaries of this shift and are now becoming a backstop for the hyperscalers themselves. Nebius recently signed a \$27B contract with Meta and a \$19.4B contract with Microsoft, posted 841% YoY revenue growth in Q1, and has now become a major player in the space.

Nebius has been in a buy trend since September 2025 and has seen over 200% gains since then. While Nebius has a tremendous structural tailwind for growth, it will not be without its short-term stumbles. Nebius is currently sitting at the 4th standard deviation of its weekly Intermediate Band, a place it has found resistance and then experienced a 45% correction before.

## KEY LEVELS

Resistance (4th Std Div) **\$220**

Support (UDZ) **\$87**

Signal **Out of Probability**

Bias **Asymmetric Downside**

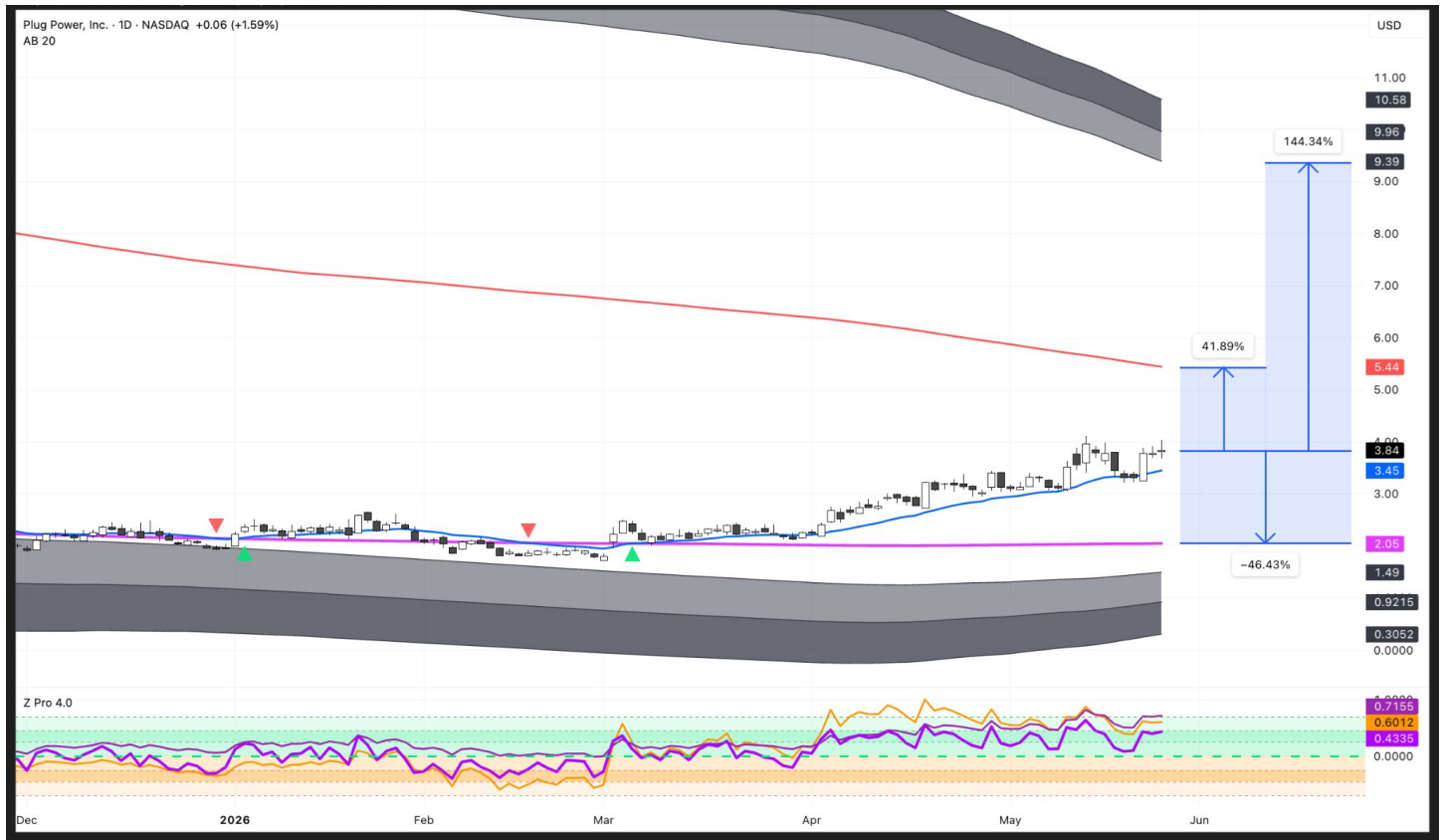
# HOT STOCKS

*Stocks that are hot and on the move*



# Plug Power

\$PLUG



Plug Power (\$PLUG), an alternative energy company focused on developing hydrogen and fuel cell power systems, has recently seen its stock price surge, driven by projected power constraints from the data center buildout. Last year, Bloom Energy (BE), a manufacturer of solid-oxide fuel cell power generation systems, posted gains of over 1,000%.

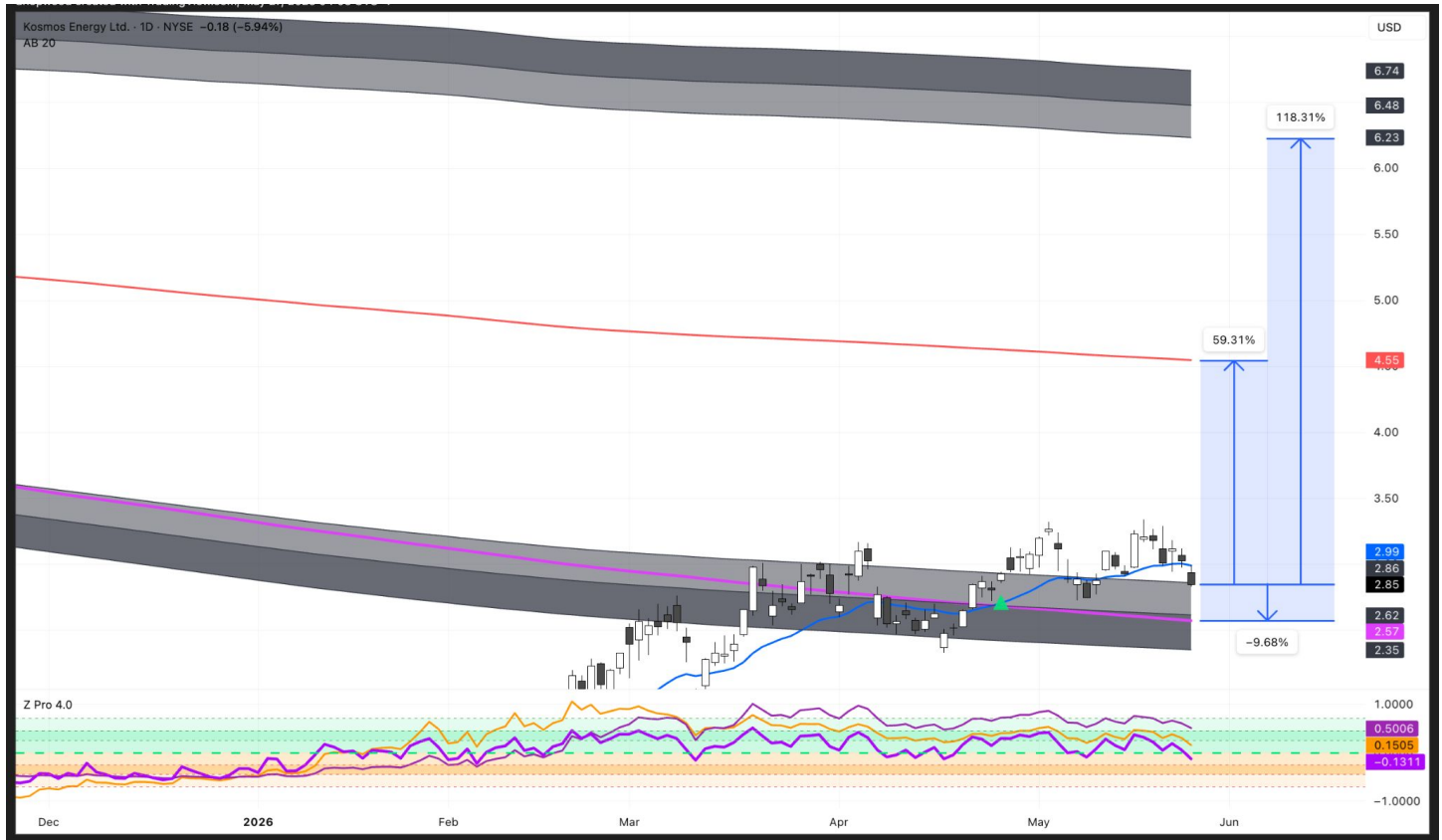
We initially flagged \$PLUG as an interesting setup on April 7th in our weekly Substack, and since then, the stock is up 49%. In the short term, \$PLUG shows no asymmetry, with support and resistance at nearly the same distance from the current price. Over the longer term, \$PLUG still has a high probability of a generous upside move.

## KEY LEVELS

Resistance (UDZ)	<b>\$9.96</b>
Support (RSI)	<b>\$2.05</b>
Signal	<b>Positive Z Pro</b>
Bias	<b>Asymmetric Upside</b>

# Kosmos Energy

\$KOS



Kosmos Energy (\$KOS) is an oil and gas exploration and development company with assets worldwide. It has found new life in the stock due to the global supply shock of oil from the war in Iran. Many oil and gas-related companies are up multiples since fears of a war in Iran started, and \$KOS looks like it may just be getting started.

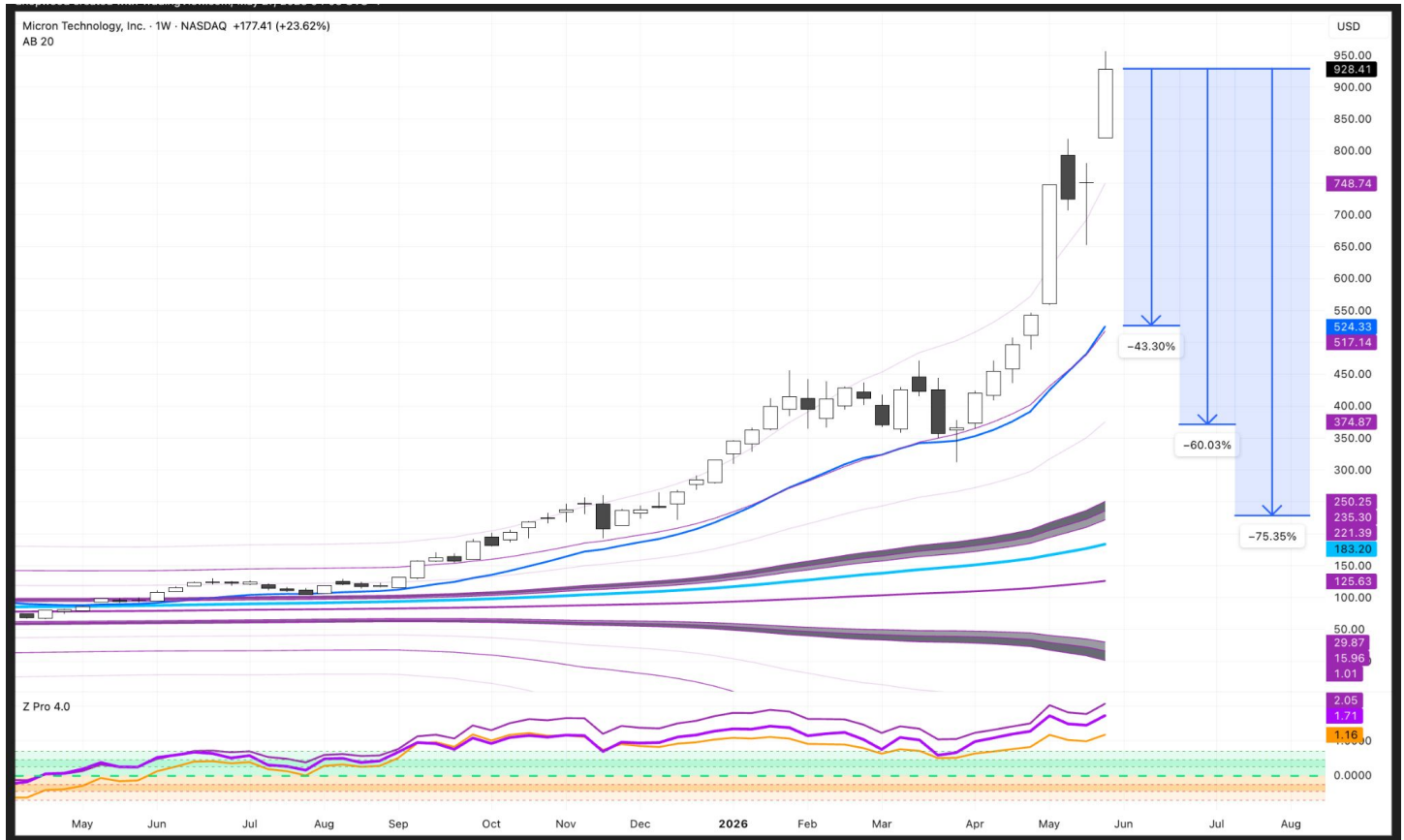
\$KOS was originally flagged on April 7th in our weekly Substack and has since formed a strong rising wedge and entered a new buy trend on the daily Apocalypse Band. \$KOS has asymmetric upside probability but should be watched carefully due to the geopolitical sensitivity the stock could have to any news around the Iran War.

## KEY LEVELS

Resistance (UDZ)	<b>\$6.48</b>
Support (RSI)	<b>\$2.57</b>
Signal	<b>Apocalypse Entry</b>
Bias	<b>Asymmetric Upside</b>

# Micron Technology

\$MU



Micron Technology (MU) has become the latest darling of the AI and data center buildout trade. Micron provides the high-bandwidth memory AI computers need to run, and has seen a dramatic rise due to the global supply constraints in providing storage infrastructure fast enough. Many people have cited that when forward P/E's of high-CAPEX companies like semiconductor, memory, or mining stocks are low, it is often a sign of a top.

MU has been in a long-term uptrend on the weekly Intermediate Band but, for the 4th week in a row, ended the week well out of probability. The longer the price remains out of probability, the harder it must come back into probability. Over an Intermediate time frame, MU has asymmetric downside probability.

## KEY LEVELS

1st Support Level	<b>\$517</b>
2nd Support Level	<b>\$374</b>
3rd Support Level	<b>\$235</b>

Signal

**Outside of Probability**

Bias

**Asymmetric Downside**

# DISCLOSURES

## PURPOSE

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