

Direction Is Priced. The Dated Number Is Not.

Seven catalysts that resolve inside eighteen months, where consensus has absorbed the story but mismodeled the level.

Frame

This note states the thesis, defines the observable clause, names the binding constraint, and lists the evidence that would break the call.

Area

any area, wide open across all industries

Horizon

next 3 to 18 months (through 2027)

Issued

2026-06-26

Method

Primary-source review, dated clause, falsifier.

Board summary

The cross-cutting read

The loudest shared shift across this board is that the binding constraint has moved off the demand narrative and onto a specific inelastic supply input or a fixed-date administrative step, while the market has repriced the direction and left the magnitude and duration alone. Five of the seven are supply-side: a Gulf byproduct lock (6N helium tied to Ras Laffan LNG trains), a Gulf sulfur and acid throttle on Indonesian HPAL behind battery nickel, a DRC sovereign export cap on cobalt, an EU F-gas quota halving on R-32, and the collapse of the peptide fill-finish moat under two oral GLP-1 entrants. Two invert the pattern into credit: a 2026-27 refinance wall on collateral whose value has already fallen, once in apartments (the 2021-22 floating-rate bridge vintage and expiring rate caps driving the Trepp multifamily delinquency print) and once in AI compute (GPU-backed SPV debt still stamped money-good). In every case the refute has the same shape. The qualitative story is now consensus, no liquid instrument prices the specific dated threshold, and a catalyst already on the calendar forces the level to print inside the scoring window: the Jan-1-2027 Medicare reference reset and F-gas quota step, the rate-cap-expiry and maturity walls, the multi-year Ras Laffan rebuild. Each resolves on a continuous public observable by 2027 (a listed cash price, an LME touch, a monthly Trepp print, a rating notch), so the board is scoreable within the year and cannot be talked up after the fact.

At a glance

#	Claim	Binding constraint	Case	Call	Resolves
P1	The crowd is pricing the spike as a 2026 transient that fades when shipping reopens and new liquefiers ramp. It is a...	6N ultra-pure helium, produced only as a byproduct of Ras Laffan LNG Trains 4/6, with no fab substitute, no...	83%	71%	2027-06-30
P2	Equity apartment REITs and agency (Freddie/Fannie) multifamily books are priced for a soft landing and 2026 rate cuts...	The inelastic input is the interest-rate cap itself. 2021-22 vintage floating-rate bridge loans bundled into...	78%	60%	2027-09-30
P3	The per-script cash floor for a FULL maintenance dose is collapsing far faster than the franchise valuations assume...	The historical inelastic input - solid-phase peptide fill-finish capacity that let injectables ration supply...	80%	58%	2027-12-31
P4	On March 31, 2026 Moody's and DBRS stamped CoreWeave's \$8.5B DDTL 4.0 as A3 / A(low), the first investment-grade...	The inelastic input is the residual value of the pledged H100/H200 fleet and the single anchor-tenant...	80%	58%	2027-12-31
P5	Refrigerant wholesale cost is invisible to HVAC equity models yet gates the EU air-conditioning and heat-pump service...	The EU F-gas Regulation (2024/573) HFC quota pool for 2027-2029 roughly halving to ~21.7 Mt CO2eq on Jan 1...	80%	52%	2027-12-31
P6	Nearly half of seaborne sulfur transits Hormuz, which closed to dry bulk on 28-Feb-2026; CFR sulfur to Indonesia ran...	Elemental sulfur / sulfuric-acid feedstock to Indonesian HPAL (75-80% Gulf-sourced via Hormuz) as the...	66%	40%	2027-12-31
P7	A sustained \$75k+ monthly print would break the published consensus, which models cobalt averaging near \$16/lb...	Not the quota itself (fully covered) but the depletion of the ex-DRC and Chinese refined-cobalt stockpile...	64%	34%	2027-12-31

Case is the strength of the structural thesis. Call is the probability on the exact dated clause.

P1

Ultra-pure (6N) helium holds at or above 2x its February-2026 pre-strike price through 30 June 2027, because Ras Laffan helium is byproduct-locked to LNG Trains 4/6 that QatarEnergy's own...

Domain: semiconductors / industrial gases

2027-06-30

Structural case	Our call, dated	Resolves
83%	71%	2027-06-30

Qatar is ~30% of world helium and produces it only as an LNG byproduct at Ras Laffan. LNG and helium output has been zero since 6 March 2026; force majeure is declared and a 21 June 2026 restart attempt caused a fatal explosion (13 dead). QatarEnergy's CEO estimates 3-5 years to repair. Helium cannot be stored at scale (liquid degrades ~45 days, leaks any seal) and the US BLM buffer is sold off, so there is no inventory to bridge the gap and Russia/Amur is structurally cut off from Western markets. The constraint relaxes only when Trains 4/6 are physically rebuilt, a multi-quarter-to-year event, not a shipping-reopen event.

The boom

The crowd is pricing the spike as a 2026 transient that fades when shipping reopens and new liquefiers ramp. It is a physical rebuild, not a ceasefire event. The squeeze lands on the one buyer set with no substitute and thin inventory: leading-edge memory and logic fabs (SK Hynix, Samsung, TSMC) that need 6N grade for cooling, leak-detection and purge, plus helium-cooled fiber-optic draw towers feeding the AI interconnect build. Hard allocation clauses and helium-recovery capex get rewritten across the fab base; hospitals and research labs get cut first. The capture is not a clean trade, because there is no liquid 6N market to short into, only physical positioning and equity exposure.

Why it is not priced yet

First-order (helium up, level) is priced. Duration is contested: a normalization camp still calls gradual easing in H2-2026 as Helium 5 and other liquefiers ramp, while the physical record (CEO 3-5 years, no storage, no reserve, ~15% demand shortfall into 2027) favors persistence. The edge is that adjacent markets price the Hormuz shipping reopen (Manifold ~59%), which is the wrong catalyst; the binding event is the byproduct-plant rebuild.

Where the price sits today

No liquid market for 6N helium (ground pack: UNPRICED-UNSEEN; no Manifold/Metaculus contract). The only adjacent traded signal is the Hormuz "free flow returns to normal in 2026" market near 59%, which prices shipping reopening rather than the train rebuild. Spot/contract helium has doubled (level visible via distributor allocations and disk-drive price hikes), but persistence to mid-2027 is not tradeable, so the duration view cannot be cleanly arbitrated away.

The binding constraint

6N ultra-pure helium, produced only as a byproduct of Ras Laffan LNG Trains 4/6, with no fab substitute, no scalable storage (liquid degrades in ~45 days), and no US strategic reserve after the BLM sale.

What we are watching

Named public bulk-liquid/6N helium contract benchmark (gasworld / Kornbluth commentary, disclosed Asian distributor contract levels, already roughly doubled since March 2026); confirmed Ras Laffan helium-train restart and run-rate; SK Hynix/Samsung helium-recovery capex disclosures; distributor force-majeure/allocation notices to hospitals and labs.

What would prove us wrong

Ras Laffan helium output is restored to a sustained run-rate near its pre-strike level, OR a named public 6N/liquid-helium contract benchmark (e.g., gasworld/Kornbluth bulk liquid index, or a disclosed Asian distributor contract price) falls back to within 25% of its February-2026 level on a sustained 3-month basis, before 2027-06-30.

How we tried to break it

Three attacks. (1) Already priced: the level is priced (prices doubled, Seagate/WD allocated, distributors on force majeure) and the duration view is now becoming consensus too, since the QatarEnergy CEO publicly said 3-5 years and S&P, WestAir and Kornbluth all say years-not-weeks. So the directional edge is partly eroded. But the EXACT clause (2x sustained through mid-2027) is not settled or tradeable: a real normalization camp still forecasts gradual easing in H2-2026 as Helium 5 and other liquefiers ramp, and there is no liquid 6N market to lock it in, so residual duration edge remains. (2) Resolves too late or recovers fast: the North site could restart within a month, but Trains 4/6 took the direct hits, soonest restart was end of summer 2026, full ops are months out, and the 21 June restart explosion set it back further; add Kornbluth's +2 months logistics. A fall from 2x to within 25% of baseline by June 2027 needs near-full physical recovery, which contradicts the 3-5 year repair. (3) Demand collapse: an AI/memory capex air-pocket could soften demand and normalize price inside 12 months. Survives: the binding event is the byproduct-plant rebuild, not the Hormuz shipping reopen that adjacent markets (Manifold Hormuz ~59%) are pricing, so the priced signal is on the wrong catalyst. Main residual weakness is resolution-source ambiguity, because 6N contract pricing is private; the clause needs a named public benchmark to be cleanly Brier-scorable.

Why we are making the call

Resolves in window (~12 months, physical imbalance already open and clearing only on a multi-year rebuild). Genuinely partly unpriced: the price level is in the news but no liquid instrument prices 2x-persistence-through-mid-2027, the ground pack returned UNPRICED-UNSEEN, and the one adjacent traded signal (Hormuz reopening odds) prices the wrong event. Survives refute on substance: byproduct lock to Trains 4/6, CEO-stated 3-5 year repair, no storage, no reserve, and a failed/fatal restart all point YES; the live updates strengthen the structural case versus the candidate's stale H2-2026 normalization framing. Down-weighted clause_p from vision_p for demand-side softening risk and, mainly, resolution-source ambiguity on a private 6N price. Fix before logging: pin a single named public benchmark for settlement.

If the call is right

Who is exposed

The specialty-gas sourcing desk inside leading-edge fabs (SK Hynix, Samsung, TSMC) and the helium-HDD procurement teams at hyperscaler storage buyers. These are the buyers with no 6N substitute and roughly 45-day liquid shelf life, so they cannot inventory their way across a multi-year rebuild.

Decision it changes

Converts a deferred efficiency project (on-site helium recycling) into a board-level capex line, and rewrites supply contracts from single-source Ras Laffan exposure to diversified non-Qatar molecules with hard allocation clauses. It also reprioritizes which customers get cut: fabs over hospitals, MRI, and research labs.

Value lands at the diversified gas majors that hold non-Qatar molecules and allocation power: Air Products (LaBarge, Wyoming; equity in new fields), Linde and Air Liquide (Algeria Arzew/Skikda offtake, plus recovery-equipment sales). It lands at cryogenic recovery-equipment makers (Chart Industries, Linde Engineering) selling the \$300k-\$1M skids, and at non-Qatar primary projects pulled forward (Tanzania Helium One, US juniors). Fabs in Japan/Taiwan that already run closed-loop recovery (over 70% penetration) keep margin; Singapore fabs under 50% penetration pay spot and ration.

Who gains

Air Products (APD): Largest diversified, non-Qatar helium position (LaBarge Wyoming plus field equity); allocation power lets it reprice long-term contracts upward and act as the toll-taker of the squeeze.

Chart Industries (GTLS) and Linde Engineering: Sell the closed-loop recovery and cryogenic liquefaction skids fabs now must buy; order book swells as every fab without recovery retrofits at \$300k-\$1M each.

Non-Qatar primary helium projects (Helium One, US/Algeria capacity): The only molecules outside Ras Laffan and a structurally cut-off Amur; their offtake and equity reprice up as the 30% Qatari share stays offline.

What reprices

No instrument prices 6N helium cleanly, so the duration view cannot be arbitrated directly; say that plainly. The nearest tradeable proxies move up: Air Products (APD), Linde (LIN), Air Liquide (AI.PA) and Chart Industries (GTLS) equities on allocation pricing power and recovery-equipment demand, and HDD

Action now

Sign multi-year take-or-pay offtake with a non-Qatar-weighted supplier (Air Products LaBarge/Wyoming molecules, Linde/Air Liquide Algeria contracts) and approve closed-loop recovery retrofit capex now, before equipment lead times blow out. A recovery skid runs \$300k to \$1M and captures 90-95% of recoverable helium; that capex pays back in months at 2x spot and locks a hedge no paper market offers.

ROI / risk logic

The asymmetry is that recovery capex is small and fixed while the spot exposure is large and open-ended through a 3-5 year rebuild with no reserve to bridge it. Waiting means buying at 2x with no allocation guarantee while competitors who pre-ordered recovery units and offtake keep their EUV and draw-tower lines running. The cost of waiting is a production stop, not a price markup.

Who loses

QatarEnergy / RasGas helium offtakers: Contracted buyers locked to Trains 4/6 supply get nothing during the rebuild and must re-source at spot, losing both volume and price.

Hospital MRI operators and academic/research cryogenics labs: First in line to be cut under fab-priority allocation clauses; lose access and pay surge pricing with no recovery infrastructure of their own.

Helium-sealed HDD makers (Seagate, Western Digital) and their data-center buyers: Input cost spikes on sealed drives already under allocation; margin compresses or surcharges pass to hyperscaler storage budgets.

ASPs (STX, WDC) via helium surcharges. The adjacent Hormuz "free flow normal in 2026" market (~59%) prices the wrong catalyst and should be faded as a helium-duration signal.

The next constraint it creates

Once the molecule binds, the constraint moves one layer down to recovery and recycling throughput: cryogenic recovery-skid manufacturing capacity, cold-box/compressor lead times, and the scarce engineering crews to install them. Behind that sits non-Qatar primary-supply ramp speed (LaBarge depletion, Algeria contract limits, Tanzania commissioning), which becomes the new binding input for any fab that cannot retrofit fast enough.

Earliest sign it has begun

Earliest markers: Air Products/Linde force-majeure extensions and allocation letters cutting hospitals and labs first; Seagate/WD helium-drive surcharge announcements; a gasworld/Kornbluth bulk-liquid index print holding at or above 2x into H2-2026; Chart Industries/Linde recovery-skid order-backlog disclosures; and any QatarEnergy statement slipping the Helium 5 / Trains 4/6 restart run-rate past end-2026.

The 2021-22 floating-rate multifamily bridge vintage breaks the apartment soft-landing story: the Trepp multifamily CMBS delinquency rate prints above 9.0% in at least one month by...

Domain: commercial real estate / structured credit

2027-09-30

Structural case	Our call, dated	Resolves
78%	60%	2027-09-30

Refinance wall plus a hidden covenant: 2021-22 vintage floating-rate bridge loans in CRE CLOs were underwritten with cheap, short-dated rate caps bought near zero SOFR. Caps expire 2025-26 ahead of loan maturity; replacing one now costs many multiples more, which alone pushes DSCR below 1.0x and turns performing loans into forced defaults or capital calls.

The boom	Equity apartment REITs and agency (Freddie/Fannie) multifamily books are priced for a soft landing and 2026 rate cuts, and the live 2026 narrative is actually turning optimistic (CRED iQ reports CRE spreads tightening and the refi window widening; First American sees cap rates slipping favorably). Meanwhile the distressed floating-rate bridge cohort is deteriorating faster than that narrative: the Trepp multifamily print rose 30bps in March then 56bps in April to 7.71%. A 9-handle, a level historically tied only to deep recessions, forces a repricing of multifamily credit spreads, regional-bank CRE marks, and the assumption that apartments are the safe corner of CRE.
Why it is not priced yet	No liquid prediction market on the 9.0% threshold (data layer returns UNPRICED-UNSEEN and is otherwise blind to CRE). The mechanism is known to CMBS credit desks, but the live 2026 narrative is softening (CRED iQ: spreads tightening, refi window widening; First American: cap rates slipping), so a deep-recession-level 9-handle without a recession is a contrarian, not consensus, outcome.
Where the price sits today	No tradable market on the clause. Real-world channels to watch: CMBS BBB-/CRE-CLO spreads and apartment REIT equity multiples. Both currently reflect the soft-landing/improving view, against which the accelerating Trepp print is the divergence to monitor.
The binding constraint	The inelastic input is the interest-rate cap itself. 2021-22 vintage floating-rate bridge loans bundled into CRE CLOs were underwritten with cheap, short-dated caps bought when SOFR was near zero. Those caps expire in 2025-26 before the loans mature. A borrower already at negative leverage cannot economically buy a replacement cap at many multiples the original cost, so DSCR trips below 1.0x with no change in base rates and the loan rolls into special servicing. The dated catalyst is the cap-expiry wave layered on a \$539B+ 2026 multifamily maturity wall.

What we are watching

Trepp multifamily CMBS delinquency rate: 6.94% Jan 2026, 7.15% Mar 2026 (+30bps), 7.71% Apr 2026 (+56bps, +114bps YoY); prior peak 7.12% Oct 2025; 5.44% Mar 2025; 1.84% Mar 2024. Watch alongside multifamily special-servicing rate, CRE-CLO modification/extension counts, and the spread between cap-renewal cost and in-place loan coupon.

What would prove us wrong

The Trepp multifamily CMBS delinquency rate stays at or below 9.0% every month through 2027-09-30. Live kill paths: sharp Fed cuts cheapen cap renewals; agency or rescue capital takes out the maturing bridge vintage before default; or extend-and-pretend modifications keep loans classified current. The April 7.71% print and accelerating pace argue against this, but the kill mechanism is real and already partly in motion (tightening spreads, widening refi window).

How we tried to break it

Tried two ways. (1) Won't resolve in window: rejected. The metric is a monthly Trepp print, so the clause resolves by construction by 2027-09-30; from 7.71% in April 2026 the +129bps to 9.0% is reached at roughly 6-13 months of continuation, and single-month lumpiness (Mar-Apr 2026 distress was ~80% concentrated in NY/NJ/Houston) makes a one-month spike above 9.0% easier than a sustained level. (2) Already priced: partly true and the main risk. The rate-cap / maturity-wall mechanism is heavily covered in CRE credit trade press, so it is not obscure to CMBS desks, and the pre_consensus claim leans on the weaker equity-vs-CMBS instrument gap. But no liquid market prices the 9.0% threshold, and the LIVE consensus is moving the opposite way (spreads tightening, cap rates slipping, refi window widening) while the actual print accelerates, so the contrarian deterioration call is not settled expectation. Survives on resolution certainty plus a falsifiable level that runs against the softening narrative.

Why we are making the call

Resolves cleanly in a monthly, third-party-published metric well inside the 3-18 month horizon; no liquid market prices the specific 9.0% threshold; and the call is contrarian to a live consensus that is softening even as the April 2026 print accelerates to 7.71%. The kill path (Fed cuts, agency takeouts, extend-and-pretend) is genuine, which is why clause_p sits at 0.60 not higher, but the dated falsifiability and the gap between accelerating reality and optimistic narrative make it a clean PROMOTE.

If the call is right

Who is exposed

A credit hedge fund or insurance-company CRE credit desk holding CRE-CLO BBB-/BB tranches and apartment-REIT equity, plus the bank-loan review desk at regional lenders (e.g. Western Alliance, Valley National, NYCB-successor Flagstar) carrying warehouse lines to bridge lenders. They are marked to the soft-landing narrative while the underlying 2021-22 bridge cohort is rolling to special servicing.

Action now

Sell or short the BBB-/BB CRE-CLO tranches and the equity of the two pure-play bridge originators most exposed to the 2021-22 floating-rate vintage (Arbor Realty Trust, Ready Capital), and buy protection or trim apartment-REIT equity (MAA, Camden, IRT) before the Trepp print crosses 9.0 and forces a sector-wide mark. Pair against agency-guaranteed Freddie K paper, which is insulated. Demand loan-level rate-cap-expiry schedules from any CRE-CLO manager before rolling exposure.

Decision it changes

Whether to extend warehouse and repo financing to bridge lenders into 2027, whether to keep marking apartment-REIT books at soft-landing cap rates, and whether to add CRE-CLO mezz at current tight spreads. It also changes the agency MBS allocation decision: rotate from non-guaranteed bridge/CLO credit into agency multifamily, which carries the government wrap.

ROI / risk logic

The asymmetry is that spreads and REIT equity are currently priced to an improving narrative (CRED iQ tightening, First American cap rates slipping) while the actual delinquency print is accelerating 56bps a month. A 9-handle is a level only ever seen in deep recessions, so the repricing is discontinuous, not gradual. Acting before the print crosses means selling into tight spreads and recovering equity value; waiting means selling after the gap-down when special-servicing headlines hit. The cost of waiting is the full BBB-spread widening plus the REIT multiple compression that follows the first forced-default cluster.

Value migrates from the originator-equity and mezz-CLO holders to three places: (1) the senior CRE-CLO AAA holders and Freddie Mac/Fannie Mae agency books that get repaid or are guaranteed; (2) distressed-debt buyers (Fortress, Blackstone, Ellington, Beach Point) who buy the special-serviced 2021-22 bridge loans and the forced-sale apartment assets in the over-supplied Sunbelt at recovery prices; (3) the rate-cap counterparties (SMBC, Chatham-brokered desks) who already collected the cheap 2021 premium and now sell replacement caps at many multiples. The losers fund all three.

Who gains

Fortress, Blackstone, Ellington and Beach Point distressed-credit funds: They buy special-serviced 2021-22 bridge loans and forced-sale Sunbelt apartment assets at recovery prices once DSCR breaches push loans out of CLOs

Freddie Mac and Fannie Mae multifamily (agency K-series) holders: The government guarantee and conservative DSCR underwriting insulate agency books, so capital rotates into them and their relative spread tightens versus non-guaranteed CLO paper

Who loses

Arbor Realty Trust (ABR) and Ready Capital (RC): Pure-play multifamily bridge originators whose CRE-CLO equity and retained risk-retention pieces absorb first-loss as the 2021-22 cohort rolls to special servicing; dividend and book value reprice down

Apartment equity REITs marked to soft-landing cap rates (MAA, Camden, Independence Realty Trust): A 9-handle without a recession breaks the apartments-are-the-safe-corner thesis and compresses NAV multiples even where their own assets perform

Rate-cap sellers and brokers (SMBC, Chatham Financial-intermediated desks): Borrowers forced to replace expiring caps pay many multiples of the near-zero-SOFR 2021 premium, a pure repricing gain on the inelastic input

Regional banks warehousing bridge lenders (Western Alliance, Valley National, Flagstar): Warehouse and repo lines to the originators take mark-to-market and counterparty hits as collateral values and DSCR deteriorate, forcing CRE reserve builds

What reprices

CRE-CLO BBB-/BB tranche spreads widen and the CMBSX BBB- index gaps; bridge-originator equity (ABR, RC) and their preferreds reprice down on book-value and dividend risk. No liquid market prices the 9.0 threshold directly, so the cleanest tradable proxies are the CLO mezz spread, ABR/RC equity and credit-default protection, and the apartment-REIT NAV discount. The agency-vs-CLO spread widens in agency's favor.

The next constraint it creates

Once delinquency binds, the constraint moves from cap-cost to special-servicer and workout capacity plus warehouse-line availability: the bottleneck becomes who will refinance or take out maturing bridge loans at all. With caps uneconomic and originators capital-impaired, the binding input becomes the supply of fresh bridge/rescue equity and the willingness of warehouse lenders to keep lines open, which gates the speed of forced sales and sets recovery values.

Earliest sign it has begun

The monthly Trepp multifamily delinquency print: a May or June 2026 reading above ~8.3-8.5 (continuing the +50bps/month pace) is the earliest confirmation. Alongside it, watch the multifamily special-servicing rate ticking up and any single-month NY/NJ/Houston-concentrated spike, plus Arbor/Ready Capital quarterly disclosures of CRE-CLO loan modifications and extensions, and the first warehouse-line haircut or margin call reported in regional-bank CRE filings.

P3

By 2027-12-31, at least one branded GLP-1 from Lilly or Novo is publicly listed at a FULL maintenance therapeutic dose for \$199/month or less cash self-pay (ex-insurance, ex-Medicare). The...

Domain: healthcare / pharma2027-12-31

Structural case	Our call, dated	Resolves
80%	58%	2027-12-31

Three dated catalysts land inside the window. (1) Oral entrant with no peptide bottleneck: orforglipron/Foundayo, FDA-approved April 1 2026, full maintenance dose \$299 self-pay, scales on chemical synthesis not SPPS. (2) Oral semaglutide (Wegovy pill) already at \$249 maintenance via the March-2026 subscription - the maintenance floor is visibly moving toward \$199. (3) Semaglutide Medicare maximum fair price ~\$274 effective Jan 1 2027 (Wegovy package \$385.63, Ozempic syringe \$276.67), resetting the reference anchor and dragging cash tiers. Plus Lilly's fill-finish/API ramp removing the rationing that propped injectable price. Competition between two oral molecules with elastic demand is the price-collapse engine.

The boom	The per-script cash floor for a FULL maintenance dose is collapsing far faster than the franchise valuations assume. List was \$1,349 (Wegovy) / ~\$1,000 (Ozempic) barely a year ago. Today the lowest full-maintenance cash dose is already ~\$249/month (oral Wegovy subscription), with Foundayo and oral-semaglutide maintenance at \$299 and Zepbound vials at \$449 - the \$149-199 numbers are intro/low-dose teasers, deliberately tiered below maintenance. One more competitive cut cycle on the maintenance tier crosses \$199. That signals GLP-1 has flipped from a pricing-power franchise to a price-elastic volume commodity, which sell-side per-script net-revenue models do not yet carry.
Why it is not priced yet	The market prices the falling-cash-price trend as known but reads sub-\$200 as loss-leader intro pricing, not the maintenance-dose floor; it still capitalizes GLP-1 as a durable high-margin franchise. The unpriced piece is the maintenance tier specifically crossing \$199 under two-oral-molecule competition plus a 2027 Medicare reference reset.
Where the price sits today	No liquid prediction market (UNPRICED-UNSEEN). Channel is the listed self-pay maintenance price itself: trajectory \$1,349 list to \$499 to \$449 to \$349 to \$299 to \$249-maintenance within ~12 months; intro doses already \$149-199. Watch whether the maintenance tier, not the teaser tier, breaks \$200.

The binding constraint

The historical inelastic input - solid-phase peptide fill-finish capacity that let injectables ration supply and hold price - is being dissolved by two oral small-molecule entrants (Lilly orforglipron/Foundayo, oral semaglutide) that scale on cheap chemical synthesis. The binding variable is now no longer capacity but the maker's VOLUNTARY maintenance-dose price tier, which head-to-head oral competition plus a Jan-2027 Medicare reference reset is forcing down.

What we are watching

Lowest publicly listed FULL-maintenance-dose cash price across LillyDirect (Zepbound vials, Foundayo 5.5mg+), NovoCare (Wegovy oral/injection maintenance); the intro-vs-maintenance dose price gap; gross-to-net and obesity volume commentary on Lilly/Novo quarterly calls.

What would prove us wrong

Through 2027 the lowest publicly listed FULL-maintenance-dose cash price from BOTH Lilly and Novo stays above \$200 (makers defend the maintenance tier and keep sub-\$200 confined to intro/low doses), OR supply is re-rationed so full doses are not freely cash-available, OR full-dose orforglipron and oral semaglutide stay priced well above their starter doses (current \$149 starter vs \$299 maintenance gap persists or widens).

How we tried to break it

Two refutes carry weight. (1) Already-consensus direction: everyone (AARP, GoodRx, IQVIA, Novo's own 70% cut) knows GLP-1 cash prices are falling, so the EDGE is not "prices drop" but the specific full-maintenance-dose \$199 threshold by a fixed date - a narrower, calibrated bet, not a revelation. (2) The makers deliberately tier intro low and maintenance high precisely to protect franchise economics: \$149 starter vs \$249-299 maintenance is the current defense, and the kill criterion's exact failure mode is live today. That dose-tiering is the real risk and is why this is a coin-flip-plus, not a lock. It SURVIVES because: the threshold is only ~\$50/month away on a full maintenance dose; two oral entrants now compete head-to-head with no capacity moat; demand is price-elastic so volume offsets margin (Novo's own framing - revenue can rise into the cut); the Jan-1-2027 Medicare MFP of ~\$274 resets the reference anchor mid-window; and the clause needs only ONE drug from ONE maker, not both. No liquid prediction market exists, and the consumer cash threshold is not a number sell-side per-script models track, so it is genuinely unpriced in any tradeable instrument.

Why we are making the call

Resolves cleanly in window (18 months, a continuous observable cash price with dated catalysts already shipped). Genuinely unpriced as a tradeable instrument: market anchor returned UNPRICED-UNSEEN, no Manifold/Metaculus market, and the full-maintenance cash threshold is not carried in equity per-script models even though the falling direction is consensus. Survives refute on the merits, with the makers' deliberate maintenance-tier defense as the honest reason clause_p sits near 0.58 rather than high. Boom must be corrected: current full-maintenance floor is ~\$249-299, not \$499, which makes the move smaller and resolution more likely, but also means the bar is the maintenance tier specifically, not the already-sub-\$199 intro doses.

If the call is right

Who is exposed

Healthcare-sector equity PM running a pharma book long Novo Nordisk (NVO) and holding peptide-CDMO names (PolyPeptide PPGN.SW, Bachem BANB.SW), plus the specialty-pharma/obesity credit desk that still underwrites GLP-1 as a durable high-margin franchise.

Decision it changes

A pharma equity book swaps its GLP-1 model from "durable pricing-power franchise" to commodity-volume, reweights Novo to Lilly, and exits SPPS-capacity CDMO capex names. In parallel, self-insured employers and PBMs flip formulary strategy from rationing GLP-1 with prior-auth gates to steering members into the cheap cash channel, which rewrites the rebate negotiation.

Rent migrates off peptide manufacturing scarcity (Novo's semaglutide franchise, Bachem and PolyPeptide SPPS capacity, sterile injectable fill-finish) onto cheap small-molecule chemical synthesis plus the cash distribution channel. Lilly's orforglipron/Foundayo captures the molecule rent; cash-pay distributors (LillyDirect, NovoCare direct, TrumpRx, Hims & Hers, Ro, Costco) capture the volume-acquisition rent as scripts move off insurance.

Who gains

Eli Lilly (orforglipron/Foundayo): Oral small molecule on cheap chemical synthesis with no SPPS bottleneck wins the price war it starts, offsetting margin with volume and stranding peptide-only rivals.

Cash-pay distribution channels (Hims & Hers HIMS, Ro, TrumpRx, Costco): Monetize elastic volume as maintenance scripts move off insurance into direct cash purchase.

Self-insured employers and Medicare: Avoided cost as the maintenance floor drops; the Jan-2027 MFP (~\$274) plus sub-\$200 cash cuts obesity-drug spend exposure.

What reprices

Novo Nordisk ADR (NVO) down via P/E compression as the GLP-1 franchise re-rates from pricing-power to commodity-volume; PolyPeptide (PPGN.SW) and Bachem (BANB.SW) down on stranded SPPS

Action now

Reposition Novo-vs-Lilly: trim or hedge NVO against LLY, because Lilly owns the cheap oral weapon (orforglipron/Foundayo on chemical synthesis) that starts the price war, while Novo's franchise is peptide-bound. Re-underwrite per-script net-revenue models to a price-elastic volume basis, not durable margin, and cut peptide-CDMO growth names whose thesis is injectable SPPS fill-finish capacity.

ROI / risk logic

The full maintenance dose is only about \$50/month from \$199 and two oral molecules now compete with no capacity moat, so one cut cycle clears it. Sell-side still carries durable margin, so the re-rate is unpriced; waiting for a quarterly call to confirm gross-to-net compression means the multiple has already moved. SPPS capacity capex is multi-year and illiquid, so the asymmetry favors exiting the peptide-scarcity trade before volume-not-capacity gets reported.

Who loses

Novo Nordisk (NVO): Semaglutide is a peptide franchise most exposed to a re-rate from pricing-power to commodity, with no equivalent cheap oral molecule at scale (oral semaglutide is still peptide).

Peptide CDMOs (PolyPeptide PPGN.SW, Bachem BANB.SW) and sterile injectable fill-finish capacity: They are the inelastic input being dissolved; SPPS capex strands as demand shifts to chemical synthesis.

PBMs (CVS Caremark, Cigna Express Scripts, UnitedHealth OptumRx): Rebate-based GLP-1 margin is disintermediated as low cash prices pull scripts into direct-to-consumer channels.

capacity. No liquid prediction market prices the \$199 threshold itself, so the clean tradeable instrument is the NVO-short / LLY-long relative pair, not a binary contract.

The next constraint it creates

Once price and peptide capacity stop binding, rent moves to demand-acquisition and adherence: who owns the cheap cash channel and patient refill-retention, plus the next molecular differentiator (cardiometabolic outcome labels, muscle-preservation combos, higher efficacy). Manufacturing turns elastic; the new chokepoint is customer-acquisition cost and persistence.

Earliest sign it has begun

Earliest marker: a LillyDirect or NovoCare listing showing a FULL maintenance dose (Wegovy 2.4mg, Zepbound 10/15mg, or top-tier Foundayo) at sub-\$250, then sub-\$200. Concretely watch Foundayo maintenance-tier and oral-Wegovy subscription cuts in 2H-2026, the Jan 1 2027 semaglutide Medicare MFP (~\$274) going live, TrumpRx price posts, and Q3/Q4-2026 Lilly/Novo gross-to-net plus obesity-volume commentary.

P4

The "GPU collateral is money-good" framing cracks: by 2027-12-31, at least one GPU-backed or AI-datacenter debt facility is downgraded a notch, OR a neocloud carrying over \$500M of debt...

Domain: AI compute / structured credit2027-12-31

Structural case 80%	Our call, dated 58%	Resolves 2027-12-31
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Refinance wall on a depreciating asset. 2024-vintage GPU-backed term loans were largely 3-year and come due 2026-27, refinanced against collateral whose secondary value has already fallen (used H100 SXM5 roughly halved from launch), with 10-20% annual depreciation ahead as Blackwell and Rubin land. The facilities are non-recourse SPVs tied to a single anchor contract, so one customer deferral or one rental-rate rollover below the modeled curve trips the structure, and a single crack reprices the whole 2024-25 vintage at once.

The boom

On March 31, 2026 Moody's and DBRS stamped CoreWeave's \$8.5B DDTL 4.0 as A3 / A(low), the first investment-grade GPU-backed financing, non-recourse and anchored to a single \$14.2B Meta contract; the \$3.1B follow-on drew heavy oversubscription. Equity and credit markets now treat depreciating Nvidia silicon, pledged inside single-customer SPVs, as a durable asset class. The first downgrade or first sizeable neocloud restructuring detonates that framing and reprices the 2024-25 vintage GPU-collateralized debt stack across every merchant AI cloud at once.

Why it is not priced yet

The fresh IG stamp and the oversubscribed follow-on anchor the headline market to a clean-collateral, no-credit-risk view, so the downgrade/default path is not in the price even though sophisticated credit desks (widening AI-bond spreads, Oracle negative outlook, neocloud-risk analyst notes) are starting to name it. The data substrate tracks compute capability and supply but is blind to the leverage and covenant structure financing it, which is exactly the side no one is pricing.

Where the price sits today

No liquid prediction market (Manifold/Metaculus blank, UNPRICED-UNSEEN). Live credit channel shows partial awareness: AI-bond spreads widened in Q1 2026 and Oracle is on negative outlook, but those are hyperscalers, not the GPU-backed SPV facilities. The specific facility-downgrade / neocloud-default path is not reflected in the standing A3/A(low) rating or the oversubscribed orderbook, so the headline price remains money-good.

The binding constraint

The inelastic input is the residual value of the pledged H100/H200 fleet and the single anchor-tenant contract under each SPV. With over \$20B of GPU-backed debt outstanding, used-H100 resale roughly halved and rental rates down 60-75% from peak (only ~\$2.35/hr by Mar 2026), any anchor-tenant deferral or rental-rate rollover below the modeled curve trips a non-recourse structure. Tier-2 single-tenant names (Crusoe ~\$425M, Lambda's \$500M ABS, Fluidstack, Nebius-class) carrying short-term debt at 12%+ are the likely first crack, not CoreWeave itself.

What we are watching

Secondary-market used-H100/H200 resale prices and the 1-year H100 rental contract index (the swing below the underwriting curve is the tell, not the ~\$2.35/hr level); the standing A3 / A(low) rating on DDTL 4.0 as the live anchor to watch for a notch move; CoreWeave interest expense and FCF trajectory; and any neocloud covenant amendment, distressed exchange, or maturity-extension disclosure from a >\$500M-debt issuer.

What would prove us wrong

All GPU-backed and AI-datacenter facilities hold or are upgraded, and no neocloud with over \$500M of debt restructures or files Chapter 11 through 2027-12-31. The live path to kill: sustained inference-driven rental tightness keeps utilization and residual values above the underwriting curve (rentals already recovered to ~\$2.35/hr), and 2026-27 refinancings clear at flat-or-tighter spreads. A pure covenant amendment or routine maturity extension that lenders do not treat as distressed does NOT count as a restructuring.

How we tried to break it

Two attacks. (1) Already priced: credit desks are visibly awake to this. AI-bond spreads widened in Q1 2026, Oracle is on negative outlook, and Apr 2026 CNBC plus multiple analyst notes explicitly flag neocloud default risk and the \$20B GPU-debt wall. So the path is not invisible. But the headline price has not moved: the IG rating stands, the follow-on was oversubscribed, and equity remains bullish on a clean-collateral view. Marginal credit awareness is not the same as a downgrade or default being in the price; the edge is the gap between commentary and an unmoved IG framing. (2) Will not resolve: the kill scenario is live, with rentals recovering to ~\$2.35/hr on inference demand, so a clean all-hold through 2027 is plausible. The thesis survives because the trigger clause is broadly disjunctive (any one facility downgraded a single notch OR any one >\$500M neocloud distressed event) over an 18-month window that squarely covers the 2026-27 refinance wall, applied across \$20B+ of FCF-negative, depreciating-collateral structures. Holding every node clean for 18 months is the hard side of that bet.

Why we are making the call

It resolves in window: the catalyst is not a date but a clearing imbalance, the 2024-vintage 3-year loans maturing 2026-27 that must refinance against collateral whose secondary value has already fallen. Eighteen months covers it. It is genuinely unpriced at the level that matters: there is no prediction market, the data layer is blind to the leverage/covenant layer (89% spine coverage but capability gap and zero relevant credit signals), and the live IG stamp plus oversubscription show the headline still treats GPU collateral as money-good even as credit commentary builds. It survives refute because the trigger is broadly disjunctive over a large, fragile, FCF-negative debt stack. I mark clause_p at 0.58, below vision_p 0.80, because the kill is a real live scenario (inference demand has propped rentals back to ~\$2.35/hr) and because "restructures" carries resolution ambiguity that a benign extension could muddy. Tightened the clause to exclude routine extensions from counting.

If the call is right

Who is exposed

Private-credit and structured-finance desks holding 2024-25 vintage GPU-backed term loans and ABS (BlackRock, Blackstone, PIMCO, Carlyle, Macquarie, JPMorgan), plus the high-yield/IG crossover credit PMs who bought CoreWeave DDTL paper and Lambda's \$500M GPU ABS. Secondly, neocloud treasurers facing 2026-27 refinance walls and the equity desks long the CoreWeave/Nebius/CRWV complex on a clean-collateral thesis.

Decision it changes

Whether to roll into 2026-27 GPU-loan refinancings at origination spreads, or to demand wider spreads, shorter tenors, recourse, and haircut residual assumptions. It changes the allocation decision on new neocloud private-credit commitments and the hedge decision on existing exposure, plus equity sizing on the single-tenant neocloud names whose covenants are most fragile.

If the needle binds, value flows to whoever sits senior or holds protection and away from the mezz/equity tranches of the SPVs. Distressed-debt buyers (Oaktree, Apollo, Ares-style funds) capture the repriced 2024-vintage paper at a discount and may end up owning the physical H100/H200 fleets through enforcement. Nvidia indirectly absorbs reputational and demand drag as the circular-financing loop (Nvidia funds neoclouds that buy Nvidia GPUs) gets scrutinized. Hyperscalers with balance-sheet capacity (Microsoft, Google, Amazon, Meta as the anchor tenant) capture cheap distressed capacity by buying or backstopping stranded fleets.

Who gains

Distressed-credit funds (Oaktree, Apollo, Ares): Buy repriced 2024-25 GPU-loan vintage and SPV mezz at a discount, and can enforce on the physical fleet at trough secondary prices

Hyperscalers with cash (Microsoft, Google, Amazon): Pick up distressed neocloud capacity and stranded H100/H200 fleets below replacement cost, converting a rival's leverage into their own cheap compute

Credit desks that bought downside protection / shorted the vintage (Chanos-style): The first notch validates the

Action now

Re-mark the residual-value curve in every GPU-SPV facility to the live secondary H100/H200 print and the 1-year rental index, not the origination deck. Stress each non-recourse SPV for a single anchor-tenant deferral and a rental rollover 20-30% below the modeled curve, and identify which Tier-2 single-tenant names (Crusoe ~\$425M, Lambda ABS \$500M, Fluidstack, Nebius-class) hit a covenant trip first. Buy protection or trim the vintage before a first downgrade forces a forced-seller cascade.

ROI / risk logic

The asymmetry is that the IG framing is binary and reflexive: the paper trades money-good until the first notch or first distressed exchange, then the whole 2024-25 vintage reprices at once because every facility shares the same collateral (depreciating Nvidia silicon) and the same structural flaw (single anchor tenant, non-recourse). Protection is cheap while the orderbook is still oversubscribed; it is unbuyable the day after the first crack. Waiting means being the marginal forced seller into a market with no secondary bid for used H100s.

Who loses

Mezz/equity holders of single-tenant GPU SPVs (Crusoe ~\$425M, Lambda \$500M ABS, Fluidstack, Nebius-class): Non-recourse structures trip on one anchor-tenant deferral or rental rollover below curve; first to restructure or breach covenant

CoreWeave equity and DDTL 4.0 holders: Interest expense already tripled YoY to ~\$311M Q3 2025, 4.8x debt/equity, \$34B off-balance-sheet leases; a vintage-wide reprice drags the A3/A(low) anchor and the bullish equity

loss-making-asset-as-collateral short and pays out as the whole vintage reprices at once

Originating lenders carrying the paper at par (BlackRock, Blackstone, PIMCO, Carlyle, Macquarie): Marked the residual curve at origination; a downgrade forces writedowns and turns them into reluctant owners of depreciating silicon

What reprices

The DDTL 4.0 A3/A(low) rating and CoreWeave senior notes/credit spread move first and widest on any notch, and the Lambda \$500M GPU ABS tranches reprice down. No liquid prediction market prices this cleanly (Manifold/Metaculus blank), so the cleanest tradable instrument is CoreWeave's traded debt and equity (CRWV) plus credit protection on the neocloud complex; the SPV facilities themselves are private and reprice via mark and orderbook, not a public quote.

The next constraint it creates

Once collateral value is the binding constraint, it moves one layer deeper to anchor-tenant contract enforceability and willingness to pay: the question shifts from "what is a used H100 worth" to "will Meta/Microsoft/OpenAI honor or renegotiate the single take-or-pay contract that the whole SPV depends on." After that, the constraint moves to power and interconnect, because the only way to keep utilization above the underwriting curve is cheap energy and grid access that the stranded fleets may not have.

Earliest sign it has begun

First observable marker: any rating action on DDTL 4.0 or a CoreWeave-complex facility (a single Moody's/DBRS/S&P notch or outlook-to-negative), or a >\$500M-debt neocloud disclosing a distressed exchange or covenant breach that lenders treat as distressed. Earlier leading tell: the 1-year H100 rental index breaking back below ~\$2.00/hr after the ~\$2.35 recovery, and used-H100 SXM5 secondary prints dropping another leg, both visible before any agency moves. Watch Q2-Q3 2026 refinancing disclosures as the 3-year 2024-vintage loans hit their maturity wall.

P5

EU virgin R-32 wholesale price exceeds €50/kg by end-2027 (from €25-40/kg mid-2026) as the Jan 1, 2027 F-gas quota step and GWP-150 equipment bans cut legal HFC supply against inelastic...

Domain: HVAC / refrigerants / industrial chemicals

2027-12-31

Structural case	Our call, dated	Resolves
80%	52%	2027-12-31

Short-run HFC demand is locked by the large installed R-410A/R-32 base that still needs servicing, while legal supply is set administratively by the shrinking CO2eq quota, not feedstock cost. A step cut against inelastic service demand mechanically clears at a higher price, as the 2018 quota step already did (R-134a +400%, multi-fold spikes across high-GWP gases).

The boom	Refrigerant wholesale cost is invisible to HVAC equity models yet gates the EU air-conditioning and heat-pump service base. A spike accelerates the forced switch to R-290 (propane) and R-454B and reprices low-GWP-positioned OEMs against HFC-dependent incumbents and the service channel still running R-410A/R-32 fleets. The repricing is real even though no instrument quotes the gas.
Why it is not priced yet	The HVAC trade openly expects "higher prices from 2027," so the direction is consensus within the channel. What is not priced: the specific dated €50 R-32 level, and the equity repricing of low-GWP-positioned OEMs against HFC-dependent incumbents and the service channel. No forward market or sell-side model carries refrigerant wholesale cost.
Where the price sits today	No liquid prediction market or futures (ground: UNPRICED-UNSEEN). Live anchor is distributor spot quotes: R-32 €25-40/kg, R-454B €40-60/kg mid-2026. Direction anticipated in trade press; magnitude and equity channel unpriced.
The binding constraint	The EU F-gas Regulation (2024/573) HFC quota pool for 2027-2029 roughly halving to ~21.7 Mt CO2eq on Jan 1, 2027 (a step to ~10-24% of the 2015 baseline), layered with the 2027 GWP-150 ban on monobloc heat pumps and small AC under 12kW. Administrative quota scarcity, not feedstock cost, is the binding inelastic input.
What we are watching	EU distributor virgin R-32 wholesale quotes (€25-40/kg mid-2026) and R-410A; reclaimed/recovered HFC availability and its discount to virgin; R-290 monobloc heat-pump model share; the Commission's published annual quota allocations.
What would prove us wrong	Reclaimed/recovered HFC volumes (quota-exempt and actively promoted by the regulation) plus quota-exempt imports keep virgin R-32 wholesale below ~€48/kg through end-2027, OR the 2027 quota step is softened or delayed. Either caps the clause.

How we tried to break it

The strongest refute is gas-specific, not directional. R-32 is the LOW-GWP transition gas (GWP 675 vs R-410A's 2088), so each kg consumes about a third of the CO₂eq quota of the gases it replaces. In a CO₂eq-denominated system, distributors steer scarce quota toward exactly this gas, so R-32 historically rose LESS than high-GWP gases in the 2018 step. The €50 threshold is more aggressive for R-32 than it would be for R-410A. Second, reclaimed HFC sits outside the quota and supply grows precisely when prices spike, a self-correcting valve the regulation deliberately promotes. The thesis survives because the 2027 step is steeper than 2018 (a halving of the pool), the 2018 step produced 300-400% spikes even on lower-GWP gases, R-32 demand is structurally rising on a growing installed base while quota shrinks, and the GWP-150 ban adds demand stress. But these refutes are why the clause_p is near coin-flip, not high: the direction is near-certain, the specific €50 R-32 level is genuinely contestable.

Why we are making the call

Resolves in window: the catalyst is a fixed date in adopted EU law (Jan 1, 2027, ~6 months out), and the price response builds through 2027, resolving cleanly by Dec 31, 2027 (~18 months, at the window edge but inside it). Unpriced now: there is no prediction market, no refrigerant futures curve, and HVAC OEM equities do not model wholesale gas cost; the trade press anticipates the DIRECTION ("price spikes from 2027") but no channel prices the specific €50 R-32 level or the low-GWP-vs-HFC-dependent equity split. The data layer is blind to refrigerants (its signals are PV/solar noise), and the market anchor is empty (UNPRICED-UNSEEN, not a green light, judged on physical channels). Survives refute as a moderate-conviction call: mechanism is sound and precedented, but R-32's low-GWP protection and the reclaim relief valve keep the exact dated level near a coin-flip.

If the call is right

Who is exposed

European HVAC distributor procurement desks and the commercial-real-estate / data-center facilities managers who run installed R-410A and R-32 chiller and split fleets, plus the equity analysts covering low-GWP-positioned OEMs (Vaillant/Bosch parent, Daikin) versus HFC-exposed service businesses. The party that feels it first is anyone holding a multi-year service contract priced on today's €25-40/kg gas.

Decision it changes

Lock refrigerant inventory and reclaim-supply contracts in 2026 versus buying spot in 2027; specify 2026-2027 equipment replacements as R-290/R-454B now; and tilt OEM equity exposure toward low-GWP pure-plays before the 2027 margin split.

Action now

Forward-buy and store virgin R-32/R-410A at 2026 wholesale within permit limits, contract a reclaimed-HFC supplier before spike, and convert fixed-price service contracts to indexed pass-through ahead of the Jan 1 2027 quota step.

ROI / risk logic

A fixed-date legal catalyst against an installed base that cannot switch gas overnight means gas bought at €30 clearing toward €50 is a ~65% inventory gain and an indexed contract avoids eating it; storage is cheap versus the spread, and waiting means buying the molecule after the step already cleared it higher.

Value lands with quota-exempt reclaimers (A-Gas, Climalife/Dehon, Daikin's reclaim loop) whose fixed-cost recovered gas reprices up with virgin, with R-290 monobloc OEMs already at scale in Europe (Vaillant, Bosch, Daikin, Viessmann), and as higher per-kg margin for producers (Daikin, Chemours Opteon, Honeywell Solstice, Koura) selling fewer kg at a higher clearing price.

Who gains

A-Gas, Climalife/Dehon and other EU HFC reclaimers: Recovered HFC is quota-exempt; their fixed-cost inventory reprices up with virgin, and the regulation actively channels demand to them when virgin spikes.

Vaillant (R-290 monobloc leader) and Bosch, Daikin, Viessmann R-290 lines: GWP-150 ban plus rising R-32 service cost pushes new residential heat-pump share to propane units they already ship at scale; near-zero gas cost insulates them.

Refrigerant producers' margin (Daikin, Chemours Opteon, Honeywell Solstice, Koura): Within a shrinking CO₂eq quota they sell fewer kg at a higher clearing price; the inelastic service base means the price step, not volume, carries the revenue.

Who loses

Service-heavy HVAC contractors locked into fixed-price maintenance on R-410A/R-32 fleets: They eat the wholesale gas spike on contracts written at €25-40/kg; margin compresses on every top-up they cannot pass through.

Owners of large installed R-410A chiller and split fleets (commercial real estate, data centers, retail): Servicing cost on a fleet that cannot switch gas rises with the quota step; deferred retrofits get more expensive exactly as gas peaks.

HFC-dependent OEMs slow to ship R-290/sub-150 product: Their R-32 split installed base becomes a rising-cost liability for customers while pure-play low-GWP rivals take new-install share.

What reprices

No instrument quotes the gas cleanly: there is no refrigerant futures curve and no prediction market (UNPRICED-UNSEEN). The honest answer is that the only live price is EU distributor virgin R-32 spot quotes (€25-40/kg mid-2026), which would move up toward and past €50/kg. The indirect equity read is the relative multiple of R-290-pure-play OEMs (Vaillant via parent, Daikin's heat-pump segment) versus service-margin-exposed HVAC distributors, but no sell-side model carries refrigerant wholesale

cost as a line, so the repricing happens through 2027 service-margin surprises rather than a clean quoted instrument.

The next constraint it creates

Once virgin quota scarcity binds the price, the constraint moves one layer deeper to reclaim and recovery capacity: physical collection, certified processing throughput, and the trained technician base to recover gas from decommissioned fleets. Reclaim is the regulation's deliberate relief valve, so the next binding input is how fast EU reclaim capacity and recovery logistics can scale, and after that the supply of A3-rated (flammable propane) install/service labor certified to handle R-290, which gates how quickly demand can actually exit HFCs.

Earliest sign it has begun

The Commission's published 2027-2029 quota allocation notice (issued late 2026) confirming the ~21.7 Mt CO₂eq pool with no softening or delay; then the first EU distributor virgin R-32 spot quotes printing above ~€40/kg in Q4 2026 to Q1 2027 as buyers pre-stock ahead of the Jan 1, 2027 step. A widening reclaimed-to-virgin discount narrowing (reclaim selling at a premium to its historic discount) is the earliest sign the relief valve is saturating and the price is running.

P6

LME 3-month nickel prints above \$20,000/t at least once before end-2027 as a Gulf sulfur / sulfuric-acid squeeze throttles Indonesian HPAL and flips the battery-nickel segment into deficit...

Domain: battery metals / mining

2027-12-31

Structural case 66%	Our call, dated 40%	Resolves 2027-12-31
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The surplus model rests on abundant Indonesian ore and NPI. Battery-grade Class-1 nickel runs through HPAL, and HPAL runs on sulfuric acid made from elemental sulfur, a refining byproduct concentrated in the Gulf. When acid is cut and priced out, HPAL output falls regardless of ore tonnage, decoupling the battery-nickel balance from the headline ore surplus. The consensus does not draw that link. Caveat the gate flags: that decoupling shows up first in the nickel-sulfate premium over LME Class-1, and only transmits to the LME 3M contract if sulfate tightness overwhelms a Class-1/Class-2 glut. The clause is written on the loosest-coupled instrument.

The boom

Nearly half of seaborne sulfur transits Hormuz, which closed to dry bulk on 28-Feb-2026; CFR sulfur to Indonesia ran from ~\$101/t (Jul-24) to ~\$554/t (Jan-26) to ~\$910/t now, and acid is now 65-70% of MHP cash cost. Indonesian HPAL, which makes battery-grade Class-1 sulfate/MHP, imports 75-80% of its sulfur from the Gulf; Huayou has cut one Indonesian plant ~50% and Macquarie pegs the added cost at ~\$4,000/t, lifting the HPAL cost curve to \$14,500-18,000/t. Yet Macquarie still calls surplus through 2027 and ING says nickel is capped by surplus, with point forecasts near \$17,500 for end-2027. The un-propagated second order: the binding constraint on battery nickel is no longer ore, it is sulfuric acid, and an acid-throttled HPAL segment can pull battery nickel into deficit while ore stays in glut.

Why it is not priced yet

First-order sulfur tightness is now broadly written up (Kpler, WEF, Atlantic Council, Macquarie), so the obscurity is gone. What stays unpriced is the nickel price: sell-side point forecasts cluster near \$17,500 for end-2027 and call surplus through 2027, and no liquid prediction market trades a \$20,000 touch. The live edge is the surplus-caps-nickel thesis being wrong because acid, not ore, gates the battery segment, plus a 18-month touch-once clause sitting only ~2% above a price already seen in May.

Where the price sits today

LME 3M ~\$16,880 (25-Jun-2026), down from ~\$18,689 (5-Jun); May-2026 high ~\$19,600. Sell-side point forecasts ~\$17,500 end-2027 (Macquarie surplus-to-2027, ING capped-by-surplus). No prediction market on the \$20k touch. Unpriced on magnitude; the touch-once trigger sits within reach of the recent high.

The binding constraint

Elemental sulfur / sulfuric-acid feedstock to Indonesian HPAL (75-80% Gulf-sourced via Hormuz) as the inelastic input behind battery-grade Class-1 nickel sulfate / MHP, not laterite ore.

What we are watching

CFR sulfur price to Indonesia (~\$554/t Jan-2026 vs ~\$910/t Gulf benchmark now); Indonesian HPAL/MHP run-cut announcements (Huayou and peers); nickel-sulfate premium over LME Class-1; LME 3M nickel vs the ~\$16,900 late-June-2026 level and the ~\$19,600 May high; Hormuz transit volumes and insurance multiple as the driver gauge.

What would prove us wrong

Hormuz/sulfur normalizes (sulfur back below ~\$550/t CFR Indonesia) and HPAL restarts to full, OR LME 3M nickel stays below \$18,000/t for all of 2027 as the ore surplus dominates. Note: the first branch is partially triggering now (US-Iran deal 17-Jun, record 16M bbl transit 21-Jun), though the channel is still mined and traffic is contested.

How we tried to break it

Tried two kills. (1) Already priced: the sulfur squeeze is now consensus, but the \$20k nickel magnitude is not in point forecasts (~\$17.5k) and trades nowhere, so the contrarian leg survives. (2) Will not resolve / wrong instrument: the single driver (Gulf acid via Hormuz) is actively unwinding (deal 17-Jun, record transit 21-Jun), and an MHP/sulfate deficit transmits to the sulfate premium, not necessarily to LME 3M Class-1, which a broad ore glut can cap. Both are real and are exactly why `clause_p` sits below `vision_p` and below 0.5. It survives because the clause is a touch-once over 18 months from a \$19,600 May high, structural fragility keeps re-flare odds live (mines uncleared, 8x insurance, China/Turkey acid export bans), and the LME print resolves cleanly.

Why we are making the call

PROMOTE. It resolves cleanly in window (unambiguous LME touch-once by 2027-12-31), is genuinely contrarian versus sell-side surplus models and unpriced on magnitude, and the mechanism (Gulf sulfur to HPAL acid as the inelastic input behind battery-grade nickel) is well corroborated by live data. Tightened `clause_p` to 0.40 from 0.45: the driving squeeze is reversing right now as Hormuz reopens, and the chosen instrument (LME 3M Class-1) is the loosest-coupled to a sulfate-specific deficit. Watch the CFR sulfur print and the sulfate-over-Class-1 premium as the leading tells; the call lives or dies on whether acid stays choked through 2027.

If the call is right

Who is exposed

The raw-material procurement desks at battery-cathode makers tied to Indonesian MHP feed (pCAM/CAM buyers at CATL, LG Energy Solution, POSCO Future M, and the nickel-sulfate offtake desks behind Ford/Tesla/Hyundai), plus base-metals trading desks running short or flat LME nickel against a sell-side surplus view.

Decision it changes

Whether to hedge the 2027 nickel-sulfate book now versus stay unhedged on the surplus thesis; whether cathode buyers diversify away from acid-import HPAL toward sulfide/recycled sulfate; and whether HPAL operators greenlight captive acid capex (pyrite/phosphogypsum roasters) rather than ride spot Gulf sulfur.

Rent migrates from laterite ore (still in glut) to the sulfur molecule and the acid plant. Gulf sulfur byproduct sellers (Saudi Aramco, ADNOC, QatarEnergy) capture the \$900/t CFR price; HPAL operators that build captive acid (Huayou's pyrite/phosphogypsum units targeted end-2026) gain a relative cost moat while acid-import peers like Lygend and Tsingshan's QMB get squeezed; and non-HPAL Class-1/sulfide and recycled-sulfate suppliers plus LME longs capture the deficit premium.

Who gains

Gulf sulfur byproduct sellers (Saudi Aramco, ADNOC, QatarEnergy): sell a refining byproduct that ran from ~\$101 to ~\$910/t CFR Indonesia into an inelastic HPAL bid

Huayou Cobalt (Huafei) once its pyrite/phosphogypsum acid plant commissions end-2026: captive acid removes the Gulf-sulfur cost spike that forced its ~50% Indonesian run-cut, turning a margin crush into a relative cost advantage

Non-HPAL Class-1 and recycled nickel-sulfate suppliers (Nornickel matte, black-mass recyclers like Redwood/Li-Cycle): sell battery-grade sulfate into a tightening segment without any acid exposure, capturing the widening premium

What reprices

LME 3M nickel reprices up toward and through \$20,000 on a touch-once basis; the leading mover is the nickel-sulfate premium over LME Class-1, which widens or flips positive first. No liquid prediction market

Action now

Lock formula or fixed-price nickel-sulfate/MHP offtake and put on LME 3M longs or call spreads now, while the curve still prices the ore-surplus view near \$16,900 and below the \$18,689 early-June level. In parallel, qualify a second sulfate source that does not run through Gulf-acid HPAL (sulfide-route Class-1, matte-to-sulfate, or recycled black-mass) before the deficit shows up in the premium.

ROI / risk logic

A touch of \$20,000 is ~18% above the \$16,900 spot, and the sulfate premium moves before the LME does, so a buyer who hedges while the curve still prices surplus pays the cheap side of an asymmetry the sell-side has mispriced. Cost of waiting is buying restock into a deficit print plus eating HPAL run-cut allocation shortfalls. The driver is binary and live: if Hormuz acid stays choked the hedge pays multiples of its premium; if it normalizes the loss is the option cost.

Who loses

Acid-import HPAL operators (Lygend Resources, Tsingshan's QMB, pre-captive Huafei): sulfur at 30-40% of cash cost and 75-80% Gulf-sourced forces run-cuts and margin destruction regardless of cheap ore

MHP-locked cathode and EV buyers (CATL pCAM, LG Energy Solution, POSCO Future M): battery-nickel input cost and allocation tighten while they sit on contracts written against the surplus thesis

Indonesian saprolite/laterite ore and RKEF-NPI sellers (Class-2): the rent migrates to acid and sulfate, so glut-priced ore captures none of the battery-nickel deficit it cannot serve

trades the \$20k touch, so the magnitude has no clean priced instrument today; the sulfate-over-Class-1 spread is the cleanest read.

The next constraint it creates

Once acid binds the battery segment, the constraint moves one layer deeper to sulfuric-acid production capacity itself: pyrite/phosphogypsum roaster build-out and the global sulfur byproduct molecule, whose supply is set by refinery throughput, not by nickel demand. After that it moves to Class-1/Class-2 convertibility, the matte-to-sulfate conversion capacity that decides whether cheap NPI can ever relieve a sulfate deficit.

Earliest sign it has begun

CFR sulfur to Indonesia holding above ~\$550/t (now ~\$910) into H2-2026 rather than falling back as Hormuz traffic recovers; the next HPAL run-cut announcement after Huafei's May-2026 ~50% cut (watch Lygend/QMB); the nickel-sulfate premium over LME Class-1 turning positive and widening; and LME 3M reclaiming the \$18,689 early-June level then the ~\$19,600 May-2026 high.

P7

Standard-grade cobalt metal prints a monthly average at or above \$75,000/t (about \$34/lb) for at least one calendar month between 2026-09-01 and 2027-12-31, as the DRC's hard 96,600 t/yr...

Domain: Critical materials / battery and superalloy metals

2027-12-31

Structural case	Our call, dated	Resolves
64%	34%	2027-12-31

DRC supplies ~75% of mined cobalt. After the Feb-Oct 2025 export ban, Kinshasa set a hard cap (~87,000 t producer / 96,600 t total) for 2026 and 2027 against ~220,000 t capacity. Metal jumped ~167% to ~\$56k on the news but has been flat through H1-2026 because the ex-DRC and Chinese refined stockpile cushions the squeeze. With a ~10,700 t 2026 deficit and the buffer drawing down, the marginal ton in H2-2026/2027 should clear above the muted forward curve. Sovereign discretion over the cap and the >50% unshipped backlog are the two-way risks.

The boom	A sustained \$75k+ monthly print would break the published consensus, which models cobalt averaging near \$16/lb (~\$35k/t) through 2027 on the assumption that DRC quota leakage and the unshipped backlog cap the market. It would confirm a sovereign cap on a ~75%-of-supply chokepoint can hold volume below capacity tightly enough to repump battery-grade sulfate, superalloy and defense cobalt, while accelerating low-cobalt cathode adoption and ex-DRC project economics.
Why it is not priced yet	Sell-side (S&P Global Commodity Insights ~\$16/lb 2026-2027, Fastmarkets "tight but supported") prices the DIRECTION (deficit, quota-driven tightness) fully but models the LEVEL near or below today's ~\$56k. No published forecast targets \$75k/t. The edge is on magnitude, not direction: the consensus treats a \$75k monthly print as a tail; the stockpile-depletion mechanism makes it a live ~one-in-three outcome.
Where the price sits today	No liquid prediction market (Manifold/Metaculus) on the clause; data-layer market anchor is UNPRICED-UNSEEN. The real price channel is the LME cobalt contract and physical spot, currently ~\$56k/t and range-bound, plus sell-side curves clustered near \$16/lb. That curve is the consensus to beat, and it sits ~33% below the target.
The binding constraint	Not the quota itself (fully covered) but the depletion of the ex-DRC and Chinese refined-cobalt stockpile buffer that has kept metal flat at ~\$56k through H1-2026 despite the cap and a ~10,700 t 2026 deficit. The bet is that once that buffer empties in H2-2026, the next marginal ton clears well above the muted forward level.

What we are watching

LME/standard-grade cobalt metal monthly average (\$56.3k/t on 2026-06-24, flat since Jan); DRC monthly export volume vs the 87,000 t producer cap and current sub-50% fill; Chinese refined-cobalt inventory drawdown; cobalt loading per cathode (LFP and high-nickel/low-cobalt share).

What would prove us wrong

DRC sharply raises or relaxes the cap, or lets the >50%-unshipped backlog flood the market, OR LFP plus low-cobalt high-nickel substitution cuts demand enough that metal never holds a monthly average at/above \$75,000/t through 2027-12-31. Resolves NO if H2-2026/2027 spot stays in the \$50-65k band it has held all H1-2026.

How we tried to break it

Tried to kill it two ways. (1) Already priced: the deficit/quota tightness IS priced, but every published level forecast sits at or below ~\$56k and none reaches \$75k, so the magnitude is genuinely above consensus, not in the curve. Survives. (2) Won't move/resolve: the harder hit. Price has been FLAT at ~\$56k all H1-2026 despite the cap being in force and a forecast deficit, direct evidence the buffer is still cushioning and the squeeze has not begun. A +33% move to a SUSTAINED monthly average is a real move, the DRC can raise/leak the cap (revenue incentive, sub-50% fill, large backlog), and high prices accelerate low-cobalt substitution. These do not refute the mechanism but cap its probability well under the catalyst's narrative strength. Net: resolves in window, magnitude unpriced, survives, but clause_p stays sub-coinflip.

Why we are making the call

Promote on the magnitude gap. It resolves in window (cap locked through 2027, buffer-depletion clears in 3-18 months), and the specific \$75k/t clause sits above every published sell-side forecast while the consensus prices only the direction, so there is genuine pre-consensus edge on level. But the H1-2026 flatness, sovereign quota discretion, the unshipped backlog, and substitution are live enough that the calibrated odds of the exact dated clause are ~0.34, well below the ~0.64 strength of the catalyst story. Keep it as a tracked call with the buffer-depletion needle and the \$50-65k-band kill, not as a high-conviction print.

If the call is right

Who is exposed

Two desks, in order of pain. First, superalloy and cobalt-metal procurement at aerospace engine makers (GE Aerospace, RTX/Pratt & Whitney, Rolls-Royce, Safran) and the specialty-alloy mills that feed them (Carpenter Technology, Haynes International, VSMPO), because their cobalt demand is inelastic and has no near-term substitute. Second, cobalt-sulfate buyers at high-cobalt cathode makers (LG Chem, Samsung SDI, Panasonic) and their conversion partners, who can substitute but only on a multi-year cathode-requalification clock.

Decision it changes

Whether to forward-cover or stockpile cobalt metal at ~\$56k versus waiting and buying the marginal ton at \$75k+. It also changes the capex case for restarting and qualifying ex-DRC supply (Jervois's Idaho mine, Indonesian MHP-to-cobalt streams) and the timing of the cathode de-cobalting roadmap at cell makers.

Value lands with whoever holds physical ex-DRC and quota-allocated inventory into the squeeze: CMOC, which holds the largest 2026 DRC quota (~31,200 t) plus the unshipped backlog it can meter into a rising market, and Glencore, whose Kamoto allocation (~16,100 t of a 22,800 t book) and trading desk let it sell scarce tons high. Uncapped Indonesian byproduct producers (Huayou Cobalt, Vale Indonesia/PT Vale, Sumitomo's Pomalaa MHP) capture the substitution-driven volume. The DRC treasury and ARECOMS/Gécamines capture sovereign royalty and stockpile rent. Western restart candidates like Jervois Idaho gain a viable price floor.

Who gains

CMOC (China Molybdenum): Holds the largest single 2026 DRC quota plus the >50% unshipped backlog, so it sells scarce, quota-rationed tons into a market it helped tighten

Glencore (Kamoto Copper): ~22,800 t allocation plus a trading and recycling desk that monetizes the spread between its quota cost and a \$75k physical print

Indonesian HPAL byproduct producers (Huayou, PT Vale, Sumitomo Pomalaa): Cobalt as a nickel byproduct sits

Action now

Lock physical cobalt-metal cover and build strategic inventory now, while the monthly average is still pinned in the \$50-65k band by the drawing-down buffer. For aerospace mills, that means forward-buying standard-grade metal or term contracts before H2-2026; for cell makers, accelerating LFP and low-cobalt high-nickel qualification so the cathode roadmap is not hostage to a \$75k print.

ROI / risk logic

The asymmetry is the buffer. Price has held flat all H1-2026 not because the squeeze failed but because the ex-DRC and Chinese stockpile is still cushioning it, so cover is cheap precisely until it isn't. A 33% move to a sustained \$75k monthly average is a step-change, not a drift; once the buffer empties the move is fast and the marginal ton clears above the forward curve. Buying cover at \$56k while consensus models \$35k is paying near spot for protection the curve says you will not need, with the cost of waiting being the full \$19k/t gap on every inelastic ton.

Who loses

Aerospace engine and superalloy buyers (GE Aerospace, RTX/Pratt & Whitney, Rolls-Royce, Carpenter Technology, Haynes): Cobalt-bearing superalloys have no substitute on the engine certification timescale, so a \$75k metal print flows straight into input cost with no chemistry escape

High-cobalt NMC cathode and cell makers (LG Chem, Samsung SDI, Panasonic): Locked into cobalt-heavy chemistries that reprice up just as LFP undercuts them, squeezing cathode margin from both sides

outside the DRC cap, so they fill the gap and capture price they did not have to engineer

EV OEMs without an LFP roadmap: Pay the sulfate premium on every NMC pack while LFP rivals do not, eroding the high-nickel cost advantage

What reprices

The Fastmarkets/LME standard-grade cobalt metal monthly average moves up from ~\$56k toward and through \$75k/t, with the cobalt-metal-over-sulfate premium widening as aerospace demand outbids battery demand. Equity-side, ex-DRC and restart names (Jervois, ERG-linked, Indonesian nickel-cobalt operators) reprice up; high-cobalt cathode-dependent names get pressured. There is no liquid prediction market on the clause, so the only clean price channel is the physical metal contract and the sell-side curve clustered near \$16/lb, which is the consensus this call says is ~33% too low.

The next constraint it creates

Once mined supply is the binding cap and metal clears \$75k, the constraint moves one layer deeper into refining and conversion capacity, specifically China-dominated cobalt-sulfate and superalloy-grade metal conversion, and into substitution speed. The hardest residual node becomes aerospace and defense superalloy demand: it cannot de-cobalt, so the inelastic premium concentrates there even as batteries flee to LFP, making cobalt a bifurcated market where the defense/aerospace tail sets the marginal price.

Earliest sign it has begun

The earliest marker is the monthly DRC export fill rate climbing off its sub-50% level toward the 87,000 t producer cap, paired with Chinese cobalt-sulfate inventory drawdown in the SMM/Fastmarkets data. The first concrete confirmation is a monthly standard-grade average breaking above ~\$65k (the top of the H1-2026 band), most likely in Q3-Q4 2026; sustained prints above that are the cascade starting.