

From: **Bruce O Knuteson** knuteson@mit.edu
Subject: Re: S&P 500 returns at market open (1993-present)
Date: June 2, 2021 at 3:02 PM
To: [REDACTED]@ofr.treasury.gov, [REDACTED]@ofr.treasury.gov
Cc: [REDACTED]@fsb.org, [REDACTED]@iosco.org



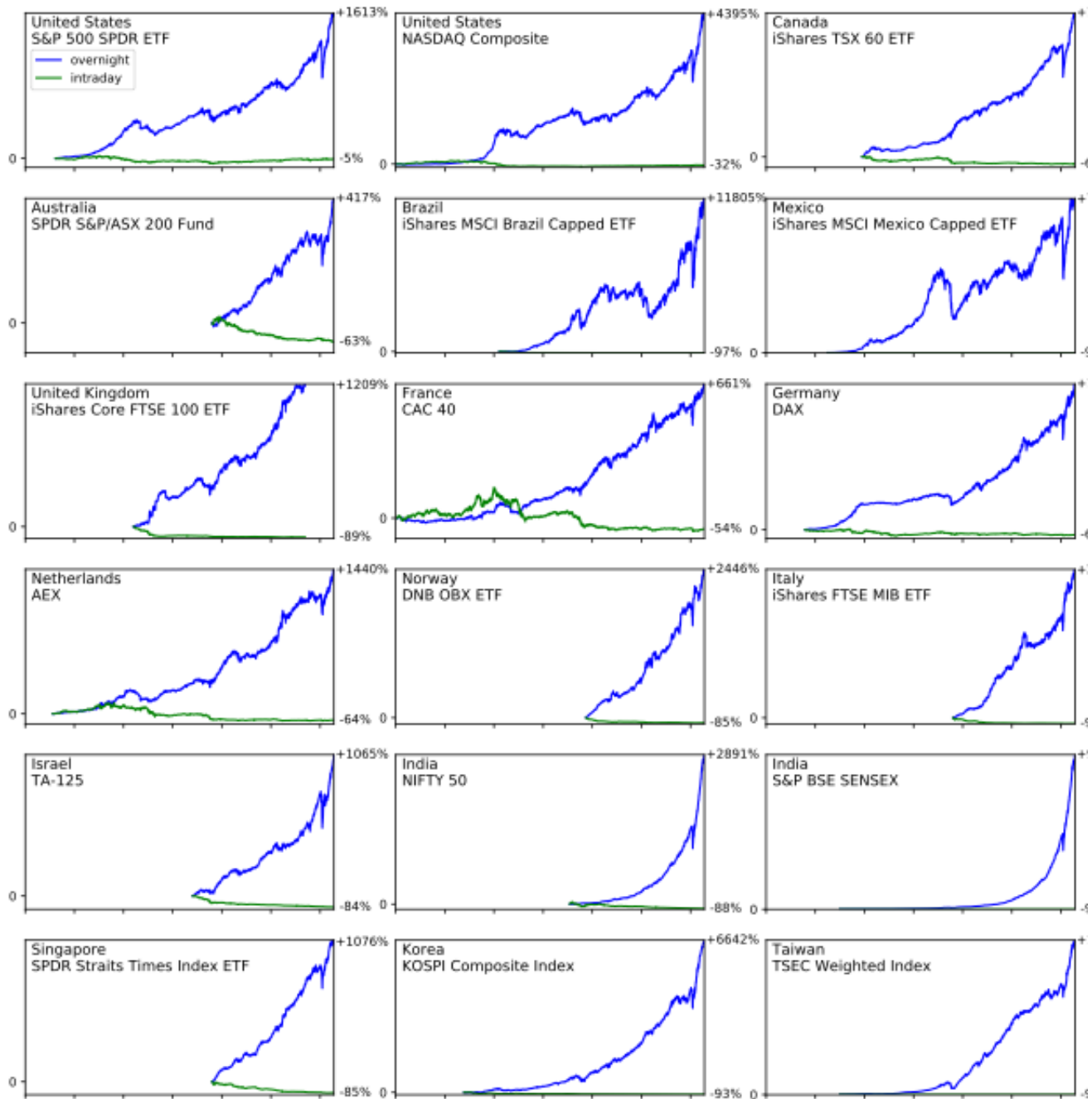
Dear [REDACTED]

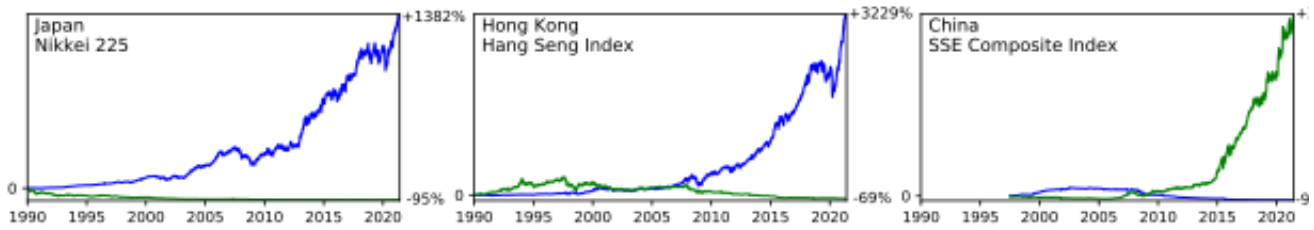
I reattach easily reproducible, glaringly obviously problematic return patterns in the world's major stock market indices and in the stocks of many of America's largest public companies, updated with data through the end of May.

The public expects you to tell them about suspicious return patterns in their investments.

Regards,
Bruce Knuteson
<http://bruceknuteson.com>

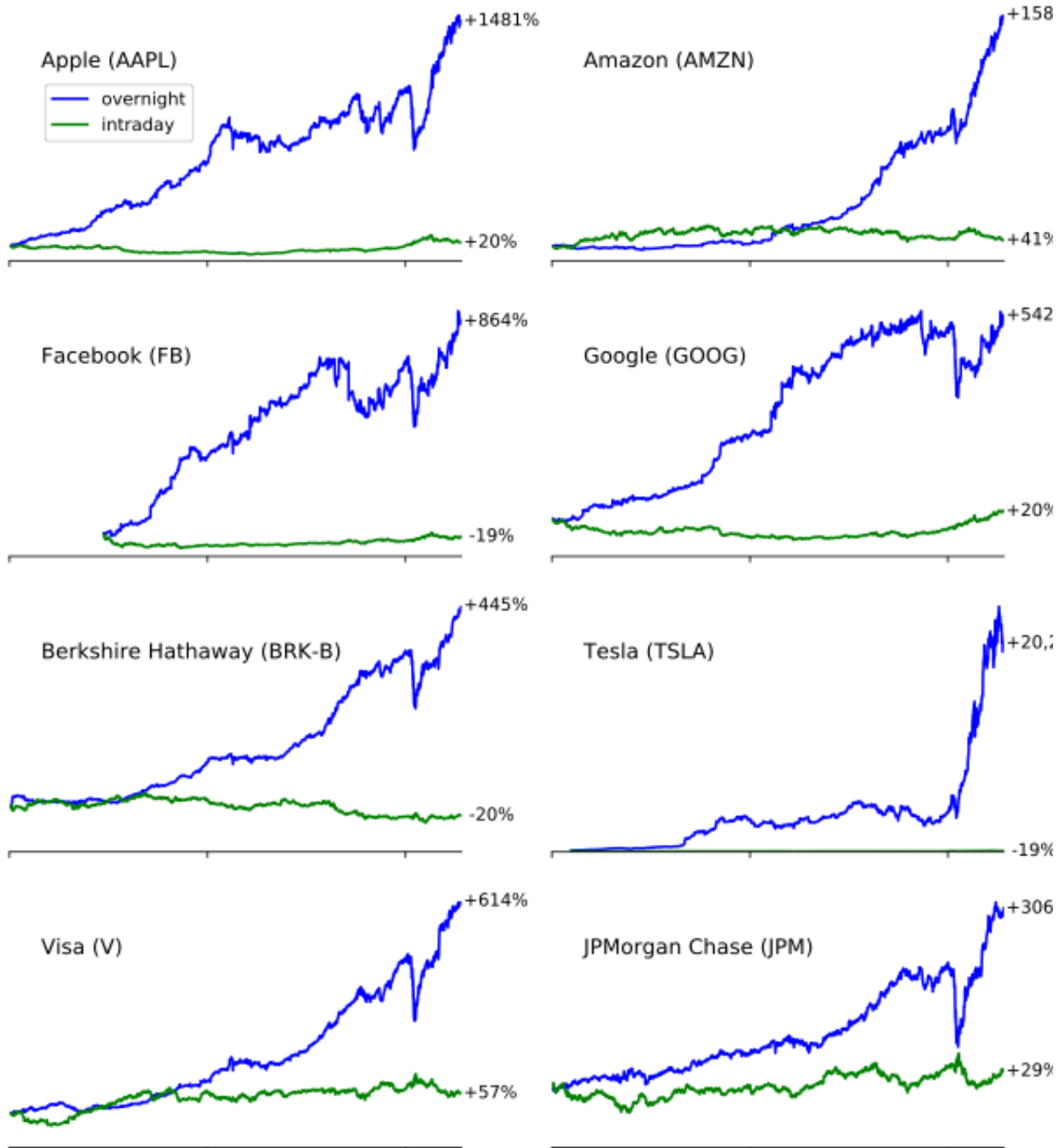
Overnight and Intraday Returns to Major Stock Market Indices

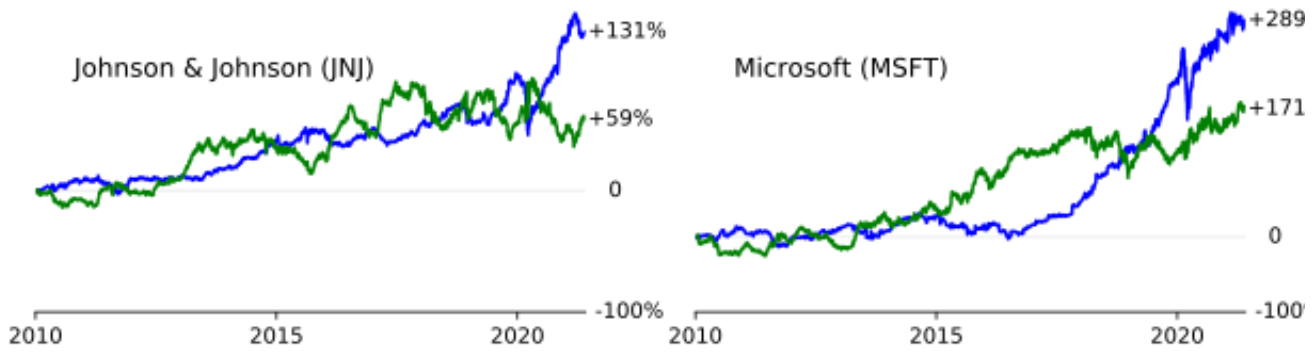




Overnight and Intraday Returns to the Ten Largest S&P 500 Stocks

by market cap on 2021-05-31





From: Bruce Knuteson <knuteson@mit.edu>
Subject: Re: S&P 500 returns at market open (1993-present)
Date: January 5, 2021 at 8:58:02 AM EST
To: [REDACTED] <[\[REDACTED\]@ofr.treasury.gov](mailto:[REDACTED]@ofr.treasury.gov)>
Cc: [REDACTED] <[\[REDACTED\]@ofr.treasury.gov](mailto:[REDACTED]@ofr.treasury.gov)>, [REDACTED] <[\[REDACTED\]@ofr.treasury.gov](mailto:[REDACTED]@ofr.treasury.gov)>, [REDACTED] <[\[REDACTED\]@ofr.treasury.gov](mailto:[REDACTED]@ofr.treasury.gov)>, [REDACTED] <[\[REDACTED\]@fsb.org](mailto:[REDACTED]@fsb.org)>, [REDACTED] <[\[REDACTED\]@iosco.org](mailto:[REDACTED]@iosco.org)>

Dear [REDACTED]

I attach updated plots from [Strikingly Suspicious Overnight and Intraday Returns](#).

Do you think the public deserves to know about suspicious return patterns in their investments?

If so, you should tell them.

Thanks and regards,
 Bruce

Bruce Knuteson
<http://bruceknuteson.com>

<suspicious_index_returns_19900101-20201231.pdf>
 <suspicious_returns_us_individual_stocks_20100101-20201231.pdf>

From: Bruce Knuteson <knuteson@mit.edu>
Subject: Re: S&P 500 returns at market open (1993-present)
Date: November 19, 2020 at 10:16:32 AM EST
To: [REDACTED] <[\[REDACTED\]@ofr.treasury.gov](mailto:[REDACTED]@ofr.treasury.gov)>
Cc: [REDACTED] <[\[REDACTED\]@ofr.treasury.gov](mailto:[REDACTED]@ofr.treasury.gov)>, [REDACTED] <[\[REDACTED\]@ofr.treasury.gov](mailto:[REDACTED]@ofr.treasury.gov)>, [REDACTED] <[\[REDACTED\]@ofr.treasury.gov](mailto:[REDACTED]@ofr.treasury.gov)>, [REDACTED] <[\[REDACTED\]@ofr.treasury.gov](mailto:[REDACTED]@ofr.treasury.gov)>, [REDACTED] <[\[REDACTED\]@fsb.org](mailto:[REDACTED]@fsb.org)>, [REDACTED] <[\[REDACTED\]@iosco.org](mailto:[REDACTED]@iosco.org)>

Dear [REDACTED]

Whose trading caused more than all of the positive returns to the US stock market over the past 30 years to occur overnight?

I attach updated plots from [Strikingly Suspicious Overnight and Intraday Returns](#).

Suspicious return patterns in financial markets usually indicate a problem.

Thanks and regards,
 Bruce

Bruce Knuteson
<http://bruceknuteson.com>

<suspicious_index_returns.pdf>

From: Bruce O Knuteson <knuteson@mit.edu>
Subject: Re: S&P 500 returns at market open (1993-present)
Date: Jul 18, 2020 at 6:43:30 PM EDT
To: [REDACTED] <[\[REDACTED\]@ofr.treasury.gov](mailto:[REDACTED]@ofr.treasury.gov)>
Cc: [REDACTED] <[\[REDACTED\]@ofr.treasury.gov](mailto:[REDACTED]@ofr.treasury.gov)>, [REDACTED] <[\[REDACTED\]@fsb.org](mailto:[REDACTED]@fsb.org)>, [REDACTED] <[\[REDACTED\]@iosco.org](mailto:[REDACTED]@iosco.org)>, [REDACTED] <[\[REDACTED\]@iifoc.ca](mailto:[REDACTED]@iifoc.ca)>, [REDACTED] <[\[REDACTED\]@mf.france.org](mailto:[REDACTED]@mf.france.org)>, [REDACTED] <[\[REDACTED\]@hfin.de](mailto:[REDACTED]@hfin.de)>, [REDACTED] <[\[REDACTED\]@fca.gov.uk](mailto:[REDACTED]@fca.gov.uk)>

If you have not yet figured this out, you could seek help from other technically competent government agencies whose purview includes but is not limited to the financial sector. Perhaps regulatory capture is hindering your ability to distinguish +3,002% as problematically different from -65%.

Thanks and regards,
Bruce

Bruce Knuteson
<http://bruceknuteson.com>

<suspicious_index_returns.png>

From: Bruce O Knuteson <knuteson@mit.edu>
Subject: Re: S&P 500 returns at market open (1993-present)
Date: February 1, 2019 at 3:01:51 PM EST
To: [redacted] <@ofr.treasury.gov>, [redacted] <@ofr.treasur.gov>
Cc: [redacted] <@ofr.treasury.gov>, [redacted] <@treasury.gov>, [redacted] <@fsb.or> <@ofr.treasury.gov>, [redacted] <@ofr.treasury.gov>, [redacted] <@ofr.treasury.gov>, [redacted] <@ofr.treasury.gov>, [redacted] <@ofr.treasury.gov>, [redacted] <@ofr.treasury.gov>, [redacted] <@frb.gov>, [redacted] <@brookins.edu>, [redacted] <@mail.utexas.edu>, [redacted] <@nytimes.com>, [redacted] <@nytimes.com>, [redacted] <@wsj.com>

Dear [redacted]

[redacted] 2018 Annual Report to Congress notes that "Market risks remain high. Stock prices are historically high."

Have you figured out whose trading at market open caused more than all of the positive returns to the world's stock markets over the past 25 years?

I attach Figure 1 of [How to Increase Global Wealth Inequality for Fun and Profit](#).

Call me cynical, but when I see highly suspicious return patterns in financial markets, my first thought is not "Gee, that's probably fir

Thanks and regards,
Bruce

Bruce Knuteson
<http://bruceknuteson.com>

<suspicious_index_returns.png>

From: Bruce Knuteson <knuteson@mit.edu>
Subject: Re: S&P 500 returns at market open (1993-present)
Date: November 2, 2018 at 2:07:01 PM EDT
To: [redacted] <@ofr.treasury.gov>, [redacted] <@ofr.treasur.gov>
Cc: [redacted] <@ofr.treasur.gov>, [redacted] <@treasury.gov>, [redacted] <@fsb.or> <@ofr.treasury.gov>, [redacted] <@ofr.treasury.gov>, [redacted] <@ofr.treasury.gov>, [redacted] <@ofr.treasury.gov>, [redacted] <@ofr.treasury.gov>, [redacted] <@ofr.treasury.gov>, [redacted] <@ofr.treasury.gov>, [redacted] <@ofr.treasury.gov>, [redacted] <@barrons.com>, [redacted] <@nytimes.com>, [redacted] <@columbia.edu>, [redacted] <@washpost.com>, [redacted] <@wsj.com>

Dear [redacted]

Whose 9:30am trading has caused more than all of the positive returns to the U.S. stock market over the past 25 years?

I did not intend for this to be a difficult question. This is not a subtle effect.

Over the past quarter century (1993-01-29 to 2018-10-31), the cumulative overnight (intraday) return to the S&P 500 index is +1,17 (-21%). Over the same period, the cumulative overnight (intraday) return to the NASDAQ Composite index is +2,998% (-66%). Plc are attached; [details are available](#); and the cause of this highly suspicious return pattern is noted as an unsolved mystery in a [February 2018 New York Times article](#).

Do you understand that +2,998% is problematically different from -66% [redacted]?

Highly suspicious return patterns in financial markets typically indicate the presence of market manipulation and/or fraud.

This thread is now 481 days old and counting.

Thanks and regards,
Bruce

Bruce Knuteson
<http://bruceknuteson.com>

<spy_day_and_night.png>
<nasdaq_day_and_night.png>

From: Bruce Knuteson <knuteson@mit.edu>
Subject: Re: S&P 500 returns at market open (1993-present)
Date: September 1, 2018 at 2:42:12 PM EDT
To: [REDACTED] <[\[REDACTED\]@ofr.treasury.gov](mailto:[REDACTED]@ofr.treasury.gov)>, [REDACTED] <[\[REDACTED\]@ofr.treasury.gov](mailto:[REDACTED]@ofr.treasury.gov)>
Cc: [REDACTED] <[\[REDACTED\]@ofr.treasury.gov](mailto:[REDACTED]@ofr.treasury.gov)>, [REDACTED] <[\[REDACTED\]@ofr.treasury.gov](mailto:[REDACTED]@ofr.treasury.gov)>, [REDACTED] <[\[REDACTED\]@treasury.gov](mailto:[REDACTED]@treasury.gov)>, [REDACTED] <[\[REDACTED\]@fsb.org](mailto:[REDACTED]@fsb.org)>, [REDACTED] <[\[REDACTED\]@ofr.treasury.gov](mailto:[REDACTED]@ofr.treasury.gov)>, [REDACTED] <[\[REDACTED\]@ofr.treasury.gov](mailto:[REDACTED]@ofr.treasury.gov)>, [REDACTED] <[\[REDACTED\]@ofr.treasury.gov](mailto:[REDACTED]@ofr.treasury.gov)>, [REDACTED] <[\[REDACTED\]@ofr.treasury.gov](mailto:[REDACTED]@ofr.treasury.gov)>, [REDACTED] <[\[REDACTED\]@barrons.com](mailto:[REDACTED]@barrons.com)>, [REDACTED] <[\[REDACTED\]@nytimes.com](mailto:[REDACTED]@nytimes.com)>

Dear [REDACTED]

More than all of the positive returns to U.S. equities over the past 25 years have occurred at market open. Over the past quarter century (1993-01-29 to 2018-08-31), the cumulative overnight (intraday) return to the S&P 500 index is +1,135% (-14%). Over the same period, the cumulative overnight (intraday) return to the NASDAQ Composite index is +2,938% (-62%). Plots are attached; [details are available](#); and the cause of this highly suspicious return pattern is noted as an unsolved mystery in a [February 2018 New York Times article](#).

Highly suspicious return patterns in financial markets typically indicate the presence of market manipulation and/or fraud.

Whose 9:30am trading caused more than all of the positive returns to the U.S. stock market over the past 25 years?

You need not answer to me, of course, but at some point I will not be the only person asking.

Thanks and regards,
Bruce

Bruce Knuteson
<http://bruceknuteson.com>

<spy_day_and_night.png>
<nasdaq_day_and_night.png>

From: Bruce O Knuteson <knuteson@mit.edu>
Subject: Re: S&P 500 returns at market open (1993-present)
Date: June 2, 2018 at 2:03:16 PM EDT
To: [REDACTED] <[\[REDACTED\]@ofr.treasury.gov](mailto:[REDACTED]@ofr.treasury.gov)>, [REDACTED] <[\[REDACTED\]@ofr.treasury.gov](mailto:[REDACTED]@ofr.treasury.gov)>
Cc: [REDACTED] <[\[REDACTED\]@ofr.treasury.gov](mailto:[REDACTED]@ofr.treasury.gov)>, [REDACTED] <[\[REDACTED\]@ofr.treasury.gov](mailto:[REDACTED]@ofr.treasury.gov)>, [REDACTED] <[\[REDACTED\]@ofr.treasury.gov](mailto:[REDACTED]@ofr.treasury.gov)>, [REDACTED] <[\[REDACTED\]@ofr.treasury.gov](mailto:[REDACTED]@ofr.treasury.gov)>, [REDACTED] <[\[REDACTED\]@treasury.gov](mailto:[REDACTED]@treasury.gov)>, [REDACTED] <[\[REDACTED\]@fsb.org](mailto:[REDACTED]@fsb.org)>, [REDACTED] <[\[REDACTED\]@ofr.treasury.gov](mailto:[REDACTED]@ofr.treasury.gov)>, [REDACTED] <[\[REDACTED\]@ofr.treasury.gov](mailto:[REDACTED]@ofr.treasury.gov)>, [REDACTED] <[\[REDACTED\]@ofr.treasury.gov](mailto:[REDACTED]@ofr.treasury.gov)>, [REDACTED] <[\[REDACTED\]@ofr.treasury.gov](mailto:[REDACTED]@ofr.treasury.gov)>

Dear [REDACTED]

The OFR's Financial System Vulnerabilities Monitor currently rates market risk as "high."

As you know, all of the positive returns to U.S. equities over the past 25 years have occurred at market open. Specifically, over the past quarter century (1993-01-29 to 2018-05-31), the cumulative overnight (intraday) return to the S&P 500 index is +1,107% (-18%). Over the same period, the cumulative overnight (intraday) return to the NASDAQ Composite index is +2,875% (-64%). Plots are attached; [details are available](#); and the cause of this highly suspicious return pattern is noted as an unsolved mystery in a [February 2018 New York Times article](#).

To understand how market risk came to be "high," you need to understand whose 9:30am trading caused more than all of the positive returns to the United States stock market over the past 25 years.

The OFR was specifically designed to be able to address this sort of question.

This thread is now 328 days old and counting.

Thanks and regards,
Bruce

Bruce Knuteson
<http://bruceknuteson.com>

<http://bruceknoteson.com>

<spy_day_and_night.png>
<nasdaq_day_and_night.png>

From: Bruce O Knuteson <knuteson@mit.edu>
Subject: Re: S&P 500 returns at market open (1993-present)
Date: April 3 2018 at 12:51:51 PM EDT
To: [REDACTED] <[\[REDACTED\]@ofr.treasury.gov](mailto:[REDACTED]@ofr.treasury.gov)>, [REDACTED] <[\[REDACTED\]@ofr.treasury.gov](mailto:[REDACTED]@ofr.treasury.gov)>
Cc: [REDACTED] <[\[REDACTED\]@ofr.treasury.gov](mailto:[REDACTED]@ofr.treasury.gov)>, [REDACTED] <[\[REDACTED\]@ofr.treasury.gov](mailto:[REDACTED]@ofr.treasury.gov)>, [REDACTED] <[\[REDACTED\]@ofr.treasury.gov](mailto:[REDACTED]@ofr.treasury.gov)>, [REDACTED] <[\[REDACTED\]@ofr.treasury.gov](mailto:[REDACTED]@ofr.treasury.gov)>, [REDACTED] <[\[REDACTED\]@treasury.gov](mailto:[REDACTED]@treasury.gov)>, [REDACTED] <[\[REDACTED\]@fsb.org](mailto:[REDACTED]@fsb.org)>

Dear [REDACTED]

The following New York Times article notes that all of the positive returns to U.S. equities over the past 25 years occurred at exactly 9:30am US/Eastern:

<https://www.nytimes.com/2018/02/02/your-money/stock-market-after-hours-trading.html>

Whose 9:30am trading caused all of the positive returns to the U.S. stock market over the past quarter century?

Plots are attached. [Details are available.](#)

Thanks and regards,
Bruce

Bruce Knuteson
<http://bruceknoteson.com>

<spy_day_and_night.png>
<nasdaq_day_and_night.png>

From: Bruce O Knuteson <knuteson@mit.edu>
Subject: Re: S&P 500 returns at market open (1993-present)
Date: Februar 4, 2018 at 10:35:25 PM EST
To: [REDACTED] <[\[REDACTED\]@ofr.treasury.gov](mailto:[REDACTED]@ofr.treasury.gov)>, [REDACTED] <[\[REDACTED\]@ofr.treasury.gov](mailto:[REDACTED]@ofr.treasury.gov)>
Cc: [REDACTED] <[\[REDACTED\]@ofr.treasury.gov](mailto:[REDACTED]@ofr.treasury.gov)>, [REDACTED] <[\[REDACTED\]@ofr.treasury.gov](mailto:[REDACTED]@ofr.treasury.gov)>, [REDACTED] <[\[REDACTED\]@ofr.treasury.gov](mailto:[REDACTED]@ofr.treasury.gov)>, [REDACTED] <[\[REDACTED\]@ofr.treasury.gov](mailto:[REDACTED]@ofr.treasury.gov)>, [REDACTED] <[\[REDACTED\]@treasury.gov](mailto:[REDACTED]@treasury.gov)>, [REDACTED] <[\[REDACTED\]@fsb.org](mailto:[REDACTED]@fsb.org)>

Dear [REDACTED]

Whose trading caused all of the positive returns to the S&P 500 index over the past 25 years to occur at market open?

Over the past quarter century, the cumulative overnight return on the SPY is +1,052%. The cumulative intraday return is -11%.

Over the same time period, the cumulative overnight return on the NASDAQ Composite index is +2,733%. The cumulative intraday return is -62%.

Plots are attached. [Details are available.](#)

Thanks and regards,
Bruce

Bruce Knuteson
<http://bruceknoteson.com>

<spy_day_and_night.png>
<nasdaq_day_and_night.png>

From: Bruce O Knuteson <knuteson@mit.edu>
Subject: Re: S&P 500 returns at market open (1993-2017)
Date: December 2 2017 at 5:51:05 PM EST
To: [REDACTED] <[\[REDACTED\]@ofr.treasury.gov](mailto:[REDACTED]@ofr.treasury.gov)>
Cc: [REDACTED] <[\[REDACTED\]@ofr.treasury.gov](mailto:[REDACTED]@ofr.treasury.gov)>, [REDACTED] <[\[REDACTED\]@ofr.treasury.gov](mailto:[REDACTED]@ofr.treasury.gov)>, [REDACTED] <[\[REDACTED\]@ofr.treasury.gov](mailto:[REDACTED]@ofr.treasury.gov)>, [REDACTED] <[\[REDACTED\]@sec.gov](mailto:[REDACTED]@sec.gov)>

Dear [REDACTED]

As you know, this return pattern is even more remarkable in the NASDAQ Composite index (plot attached; [code available](#)).

Over the past 25 years, the overnight return to the NASDAQ Composite index is +2,500%, while the intraday return is -50%.

How much longer do you think it will take you to figure out whose trading caused this glaringly obviously problematic return pattern?

Thanks and regards,
Bruce

Bruce Knuteson
<http://bruceknuteson.com>

<nasdaq_day_and_night.png>

From: Bruce O Knuteson <knuteson@mit.edu>
Subject: Re: S&P 500 returns at market open (1993-2017)
Date: September 13, 2017 at 3:09:22 PM EDT
To: [REDACTED] <[\[REDACTED\]@ofr.treasury.gov](mailto:[REDACTED]@ofr.treasury.gov)>
Cc: [REDACTED] <[\[REDACTED\]@sec.gov](mailto:[REDACTED]@sec.gov)>, [REDACTED] <[\[REDACTED\]@ofr.treasury.gov](mailto:[REDACTED]@ofr.treasury.gov)>, [REDACTED] <[\[REDACTED\]@ofr.treasury.gov](mailto:[REDACTED]@ofr.treasury.gov)>, [REDACTED] <[\[REDACTED\]@ofr.treasury.gov](mailto:[REDACTED]@ofr.treasury.gov)>

Dear [REDACTED]

This plot shows a highly suspicious return pattern in an index held by millions of American households.

What caused it?

Thanks and regards,
Bruce

Bruce Knuteson
<http://bruceknuteson.com>

<spy_day_and_night.png>

From: Bruce Knuteson <knuteson@mit.edu>
Subject: Re: S&P 500 returns at market open (1993-2017)
Date: August 10, 2017 at 1:14:18 PM EDT
To: [REDACTED] <[\[REDACTED\]@ofr.treasury.gov](mailto:[REDACTED]@ofr.treasury.gov)>
Cc: [REDACTED] <[\[REDACTED\]@sec.gov](mailto:[REDACTED]@sec.gov)>, [REDACTED] <[\[REDACTED\]@ofr.treasury.gov](mailto:[REDACTED]@ofr.treasury.gov)>, [REDACTED] <[\[REDACTED\]@ofr.treasury.gov](mailto:[REDACTED]@ofr.treasury.gov)>, [REDACTED] <[\[REDACTED\]@ofr.treasury.gov](mailto:[REDACTED]@ofr.treasury.gov)>

Dear [REDACTED]

Have you figured out what caused this remarkable return pattern?

The difference between the blue curve and green curve corresponds to a difference in market cap of over eighteen trillion dollars.

Thanks and regards,
Bruce

Bruce Knuteson
<http://bruceknuteson.com>

<spy_day_and_night.png>

From: Bruce O Knuteson <knuteson@mit.edu>
Subject: S&P 500 returns at market open (1993-2017)
Date: July 9, 2017 at 6:16:09 PM EDT
To: [REDACTED] <[\[REDACTED\]@ofr.treasury.gov](mailto:[REDACTED]@ofr.treasury.gov)>
Cc: [REDACTED] <[\[REDACTED\]@sec.gov](mailto:[REDACTED]@sec.gov)>, [REDACTED] <[\[REDACTED\]@ofr.treasury.gov](mailto:[REDACTED]@ofr.treasury.gov)>, [REDACTED] <[\[REDACTED\]@ofr.treasury.gov](mailto:[REDACTED]@ofr.treasury.gov)>

Dear [REDACTED]

As you know, all of the positive returns to the S&P 500 index over the past twenty-five years have occurred at market open. I attach an updated version of Figure 1 from <https://ssrn.com/abstract=1004081>.

What caused this extraordinary return pattern?

Thanks and regards,
Bruce

Bruce Knuteson
<http://bruceknuteson.com>

<spy_day_and_night.png>