

From: Bruce O Knuteson knuteson@mit.edu
Subject: Re: S&P 500 returns at market open (1993-present)
Date: May 9, 2021 at 1:51 PM



To: [redacted]@sec.gov
Cc: [redacted]@sec.gov, [redacted]@sec.gov, [redacted]@sec.gov,
[redacted]@sec.gov, [redacted]@iroc.ca, [redacted]@amf-france.org,
[redacted]@bafin.de, [redacted]@fsa.go.jp, [redacted]@fca.org.uk, [redacted]@osc.gov.on.ca, [redacted]@finanstilsynet.no,
[redacted]@afm.nl, [redacted]@asic.gov.au

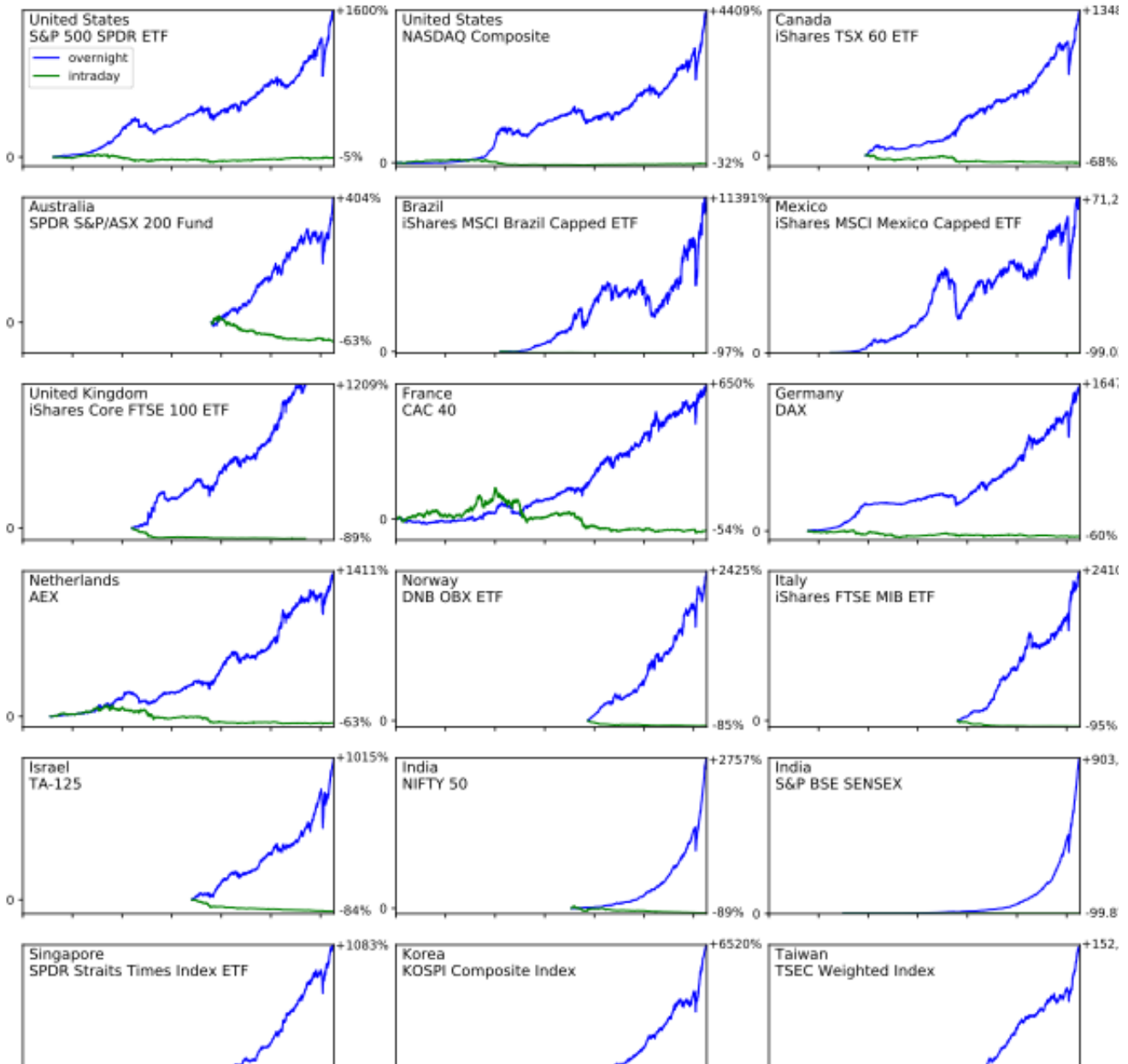
Dear [redacted]

Whose overnight trading caused more than all of the positive returns to the United States equity markets over the past thirty years?

I reattach easily reproducible, glaringly obviously problematic return patterns in the world's major stock market indices and in the stocks of five of America's six largest publicly traded companies, updated with data through the end of April.

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

Overnight and Intraday Returns to Major Stock Market Indices



From: Bruce Knuteson <knuteson@mit.edu>
Subject: Re: S&P 500 returns at market open (1993-present)
Date: Januar 17 2019 at 5:16:10 PM EST
To: [REDACTED] <[\[REDACTED\]@sec.ov](mailto:[REDACTED]@sec.ov)>
Cc: [REDACTED] <[\[REDACTED\]@sec.gov](mailto:[REDACTED]@sec.gov)>, [REDACTED] <[\[REDACTED\]@sec.gov](mailto:[REDACTED]@sec.gov)>, [REDACTED] <[\[REDACTED\]@sec.ov](mailto:[REDACTED]@sec.ov)>, [REDACTED] <[\[REDACTED\]@sec.gov](mailto:[REDACTED]@sec.gov)>, [REDACTED] <[\[REDACTED\]@sec.gov](mailto:[REDACTED]@sec.gov)>, [REDACTED] <[\[REDACTED\]@sec.gov](mailto:[REDACTED]@sec.gov)>, [REDACTED] <[\[REDACTED\]@acvm-csa.ca](mailto:[REDACTED]@acvm-csa.ca)>, [REDACTED] <[\[REDACTED\]@amf-france.org](mailto:[REDACTED]@amf-france.org)>, [REDACTED] <[\[REDACTED\]@bafin.de](mailto:[REDACTED]@bafin.de)>, [REDACTED] <[\[REDACTED\]@fsa.go.jp](mailto:[REDACTED]@fsa.go.jp)>

Dear [REDACTED]

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

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

If not, you may wish to ask your non-furloughed regulatory counterparts in other affected countries for their help.

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 3:13:36 PM EDT
To: [REDACTED] <[\[REDACTED\]@sec.ov](mailto:[REDACTED]@sec.ov)>
Cc: [REDACTED] <[\[REDACTED\]@sec.gov](mailto:[REDACTED]@sec.gov)>, [REDACTED] <[\[REDACTED\]@sec.gov](mailto:[REDACTED]@sec.gov)>, [REDACTED] <[\[REDACTED\]@sec.gov](mailto:[REDACTED]@sec.gov)>, [REDACTED] <[\[REDACTED\]@sec.gov](mailto:[REDACTED]@sec.gov)>, [REDACTED] <[\[REDACTED\]@sec.gov](mailto:[REDACTED]@sec.gov)>, [REDACTED] <[\[REDACTED\]@sec.gov](mailto:[REDACTED]@sec.gov)>, [REDACTED] <[\[REDACTED\]@american.edu](mailto:[REDACTED]@american.edu)>, [REDACTED] <[\[REDACTED\]@cornell.edu](mailto:[REDACTED]@cornell.edu)>, [REDACTED] <[\[REDACTED\]@cmu.edu](mailto:[REDACTED]@cmu.edu)>

Dear [REDACTED]

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

Over the past quarter century (1993-01-29 to 2018-10-31), the cumulative overnight (intraday) return to the S&P 500 index is +1,171% (-21%). Over the same period, the cumulative overnight (intraday) return to the NASDAQ Composite index is +2,998% (-66%). 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](#).

As a general matter, highly suspicious return patterns in financial markets typically indicate the presence of market manipulation and/or fraud.

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: Ma 1 2018 at 3:20:19 PM EDT
To: [REDACTED] <[\[REDACTED\]@sec.ov](mailto:[REDACTED]@sec.ov)>
Cc: [REDACTED] <[\[REDACTED\]@sec.ov](mailto:[REDACTED]@sec.ov)>, [REDACTED] <[\[REDACTED\]@sec.ov](mailto:[REDACTED]@sec.ov)>, [REDACTED] <[\[REDACTED\]@sec.ov](mailto:[REDACTED]@sec.ov)>, [REDACTED] <[\[REDACTED\]@sec.ov](mailto:[REDACTED]@sec.ov)>, [REDACTED] <[\[REDACTED\]@sec.gov](mailto:[REDACTED]@sec.gov)>, [REDACTED] <[\[REDACTED\]@sec.gov](mailto:[REDACTED]@sec.gov)>, [REDACTED] <[\[REDACTED\]@american.edu](mailto:[REDACTED]@american.edu)>, [REDACTED] <[\[REDACTED\]@cornell.edu](mailto:[REDACTED]@cornell.edu)>, [REDACTED] <[\[REDACTED\]@cmu.edu](mailto:[REDACTED]@cmu.edu)>

Dear [REDACTED]

During a panel discussion on the SEC's enforcement priorities [REDACTED] said:

"Markets are supposed to make sense. When you see anomalies in the market, it is probably a place where we should look further."

Whose 9:30am trading caused all of the positive returns to the United States stock market over the past 25 years?

whose 9:30am trading caused all of the positive returns to the United States stock market over the past 25 years?

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

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: March 1, 2018 at 3:19:08 PM EST
To: [REDACTED] <[\[REDACTED\]@sec.ov](mailto:[REDACTED]@sec.ov)>
Cc: [REDACTED] <[\[REDACTED\]@sec.gov](mailto:[REDACTED]@sec.gov)>, [REDACTED] <[\[REDACTED\]@sec.ov](mailto:[REDACTED]@sec.ov)>, [REDACTED] <[\[REDACTED\]@sec.ov](mailto:[REDACTED]@sec.ov)>, [REDACTED] <[\[REDACTED\]@sec.gov](mailto:[REDACTED]@sec.gov)>, [REDACTED] <[\[REDACTED\]@sec.gov](mailto:[REDACTED]@sec.gov)>, [REDACTED] <[\[REDACTED\]@sec.gov](mailto:[REDACTED]@sec.gov)>, [REDACTED] <[\[REDACTED\]@sec.gov](mailto:[REDACTED]@sec.gov)>, [REDACTED] <[\[REDACTED\]@american.edu](mailto:[REDACTED]@american.edu)>

Dear [REDACTED]

Over the past 25 years, the cumulative overnight (intraday) return on the S&P 500 index is +1,045% (-13%). The cumulative overnight (intraday) return on the NASDAQ Composite index is +2,706% (-63%). Plots are attached; [details are available.](#)

The New York Times recently ran an article noting that all of the positive returns to U.S. equities over the past quarter century occurred at exactly 9:30am US/Eastern:

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

You may wish to understand whose trading caused this glaringly obviously problematic return pattern.

This thread is now 315 days old and counting.

Thanks and regards,
Bruce

Bruce Knuteson
<http://bruceknuteson.com>

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<nasdaq_day_and_night.png>

On Jan 4, 2018, at 5:29 PM, [REDACTED] <[\[REDACTED\]@SEC.GOV](mailto:[REDACTED]@SEC.GOV)> wrote:

Mr. Knuteson,

We have entered your observations into the TCR database. The submission number is

[REDACTED]

[REDACTED]

From: Bruce O Knuteson [<mailto:knuteson@mit.edu>]
Sent: Thursday, January 04, 2018 1:17 PM
To: [REDACTED]
Cc: [REDACTED]
Subject: Re: S&P 500 returns at market open (1993-present)

~~Subject: Re: S&P 500 returns at market open (1993 present)~~

Dear 

Have you figured out whose trading caused all of the positive returns in the S&P 500 index over the past 25 years to occur at market open? (Plot attached; [details available.](#))

One of the important lessons from the Madoff fiasco is that suspicious return patterns should be understood.

Thanks and regards,
Bruce

Bruce Knuteson
<http://bruceknuteson.com>

<image001.png>

On Aug 27, 2017, at 4:41 PM, Bruce O Knuteson <knuteson@mit.edu> wrote:

Dear 

Thank you for your response.

This is a highly suspicious return pattern in an index held by millions of American households. The scale of this graph is staggering. The horizontal axis spans 25 years. On the vertical axis, the difference between the blue curve and green curve now corresponds to a difference in market cap of nearly nineteen trillion dollars.

The SEC's mission includes protecting investors and maintaining fair, orderly, and efficient markets.

You may wish to review the TCRs I have previously submitted on this matter.

Thanks and regards,
Bruce

Bruce Knuteson
<http://bruceknuteson.com>

<spy_day_and_night.png>

On Aug 23, 2017, at 2:49 PM,  <XXXXXXXXXX@SEC.GOV> wrote:

Mr. Knuteson,

I'm sorry for not getting back to you sooner on this issue.

We have entered the issue you raised into the SEC's Tips, Complaints, and Referrals ("TCR") database. The submission number for your issue is [REDACTED]. Issues entered in the TCR database are routed to the appropriate office for review and potential follow-up. We thank you for bringing this matter to our attention.

If you see any similar issue in the future and would like to let the SEC know about the activity, you can do so by going to this link:<http://www.sec.gov/complaint/select.shtml>, and clicking on the hyperlink to "Report a possible securities fraud." This will provide you with a further link to the Commission's Tips, Complaints and Referrals Portal. The TCR Portal asks questions helpful to the staff in researching possible securities frauds, and allows folks to upload any pertinent documents.

Please note that it is the general policy of the SEC to conduct its investigations on a confidential basis to preserve the integrity of its investigative process as well as to protect persons against whom unfounded charges may have been made or where the SEC determines that enforcement action is not necessary or appropriate. Similarly, the staff is generally unable to comment on any action(s) the staff may take with respect to a tip, complaint or referral.

[REDACTED]

From: Bruce O Knuteson [<mailto:knuteson@mit.edu>]
Sent: Thursday, July 06, 2017 3:08 PM
To: [REDACTED]
Cc: [REDACTED]
Subject: Re: S&P 500 returns at market open (1993-2017)

Dear [REDACTED]

Have you figured out what caused this remarkable plot?

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

Thanks and regards,
Bruce

Bruce Knuteson
<http://bruceknuteson.com>

<spy_day_and_night.png>

On Apr 20, 2017, at 2:28 PM, Bruce O Knuteson <knuteson@mit.edu> wrote:

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>