From: **Bruce O Knuteson** knuteson@mit.edu
Subject: Re: overnight and intraday returns
Date: June 29, 2023 at 8:19 AM
To: Chair chair@sec.gov, CommissionerPeirce@sec.gov, CommissionerCrenshaw@sec.gov, CommissionerUyeda@sec.gov, CommissionerLizarraga@sec.gov
Cc: john.ridding@ft.com, roula.khalaf@ft.com, whistle@fca.org.uk

Dear Commissioners,

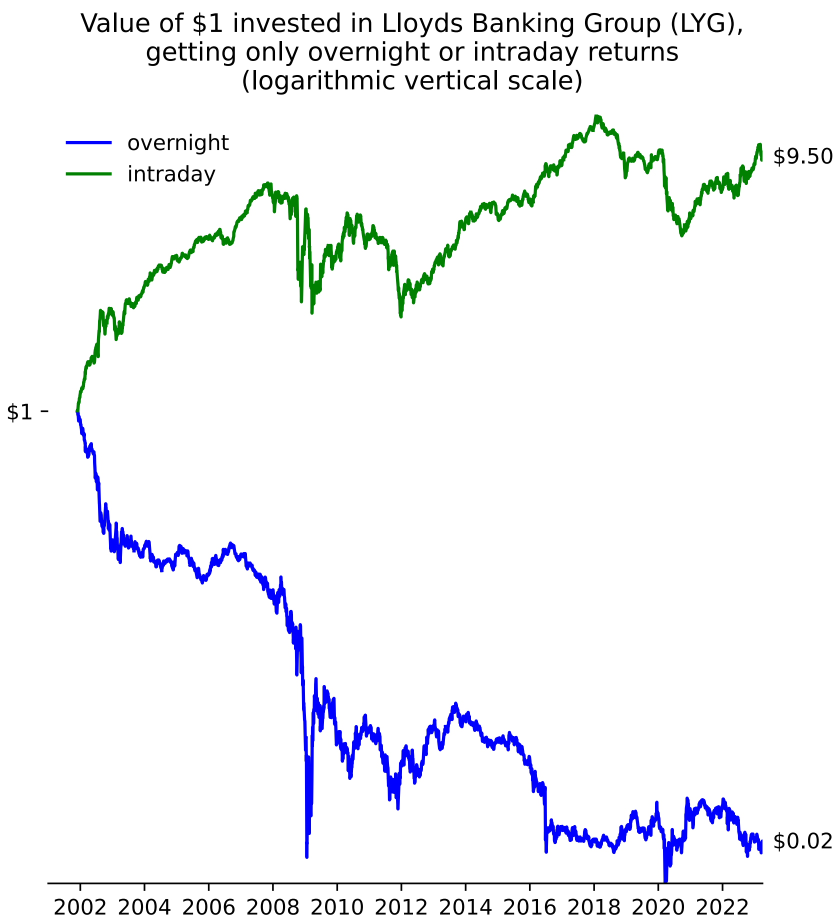
I attach plots like those in [They Still Haven't Told You] showing a dodgy pattern of overnight and intraday returns in the stock of Lloyds Banking Group, traded in the United States [LYG] and in the United Kingdom [LLOY.L]. In New York, the cumulative intraday (overnight) return to LYG over the past two decades is +850% (-98%). In London, the pattern is flipped: the cumulative intraday (overnight) return to LLOY.L is -99.85% (+18,515%).

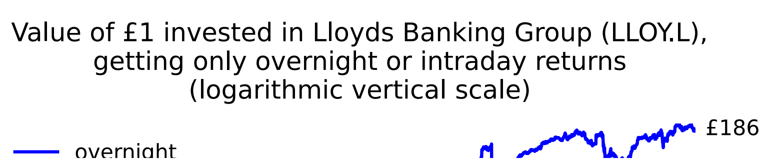
Whose trading caused these dodgy returns in the stock of this large British bank?

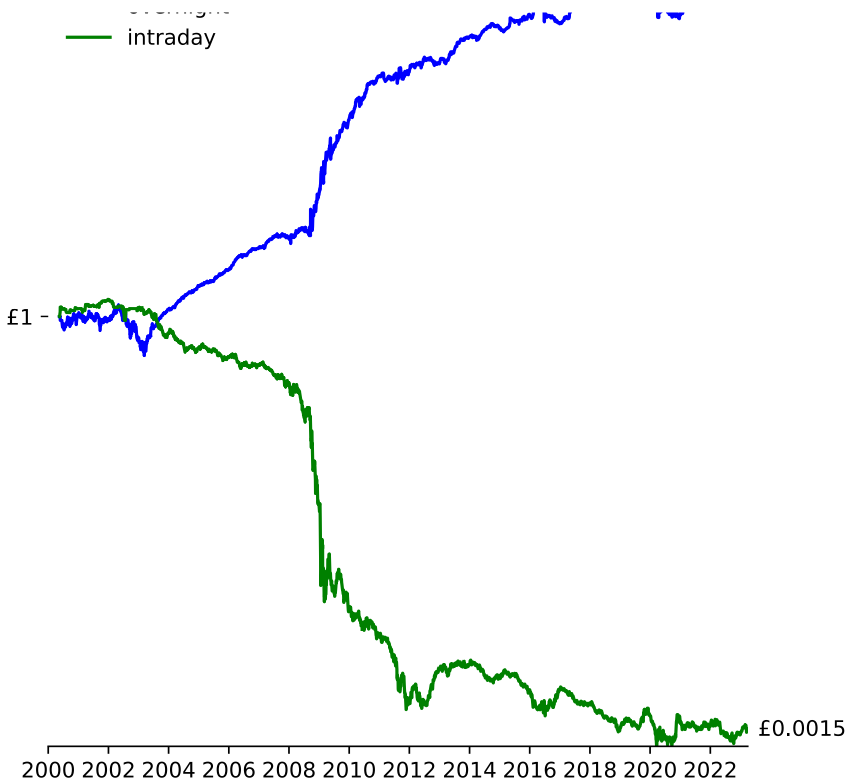
John, Roula, if the *Financial Times* wanted its readers to accurately understand the nature of the suspicious return patterns described in this thread and the problems with attempted innocuous explanations for them, the *FT* would tell them.

The *FT*'s well-documented, years-long, continuing decision to not tell them makes a person wonder why the *FT* apparently does not want its readers to accurately understand the nature of these suspicious return patterns and the problems with attempted innocuous explanations for them.

Regards,
Bruce Knuteson
http://bruceknuteson.com







From: Bruce O Knuteson <knuteson@mit.edu>
Subject: Re: overnight and intraday returns
Date: June 26, 2023 at 8:01:51 AM CDT
To: Chair <chair@sec.gov>, CommissionerPeirce@sec.gov, CommissionerCrenshaw@sec.gov, CommissionerUyeda@sec.gov, CommissionerLizarraga@sec.gov
Cc: katharine.viner@theguardian.com, financial@theguardian.com, money@theguardian.com, whistle@fca.org.uk

Dear Commissioners,

I attach plots like those in They Still Haven't Told You showing a dodgy pattern of overnight and intraday returns in the stock of HSBC, traded in the United States [HSBC] and in the United Kingdom [HSBA.L]. In New York, the cumulative intraday (overnight) return to HSBC over the past two decades is +1,416% (-89%). In London, the pattern is flipped: the cumulative intraday (overnight) return to HSBA.L is -73% (+751%).

Whose trading caused these dodgy returns in the stock of this large British bank?

Katharine, *The Guardian* can be the first to clearly alert the public to the nature of these suspicious return patterns and the problems with attempted innocuous explanations for them.

A 2022 *Financial Times* column (cf. my rejoinder) spews four attempted explanations that you can tear apart for the entertainment and education of your readers:

- earnings announcements (wrong: the effect is not concentrated around earnings announcements),
- the market being closed more hours of the day than open (wrong: prices move more intraday than overnight),
- "derivatives" (not an explanation, and therefore not even wrong), and
- "index funds buying in the closing auction" (wrong direction for stocks like HSBA.L).

The *FT*'s attempted explanations are not close contenders that run a good race but fail on some detail down the stretch. Each falls flat on its face right out of the gate. The *FT*'s attempted explanations are not merely wrong. They are embarrassingly, stupidly, amateurishly wrong.

I am not picking on the *Financial Times* just because their mistakes are so numerous and so easy to make fun of. If there were an innocuous explanation more plausible than the *FT*'s slobbering, obsequious, specious apology for them, I would spend my time addressing it.

There is no need to take my word for anything here. *The Guardian* can easily independently verify these suspicious plots and the problems with attempted innocuous explanations for them. You can directly ask the Financial Conduct Authority whose trading caused them and print their response (or no comment) in your article. There is no need to mention me or the only explanation that fits the facts.

If you think you have found a compelling innocuous explanation that everybody else has missed, then by all means make it the focus of your article. If not, your readers deserve a clear, prompt, and honest portrayal of the global, decades-long, easily reproducible, strikingly suspicious return patterns noted in this thread, and a similarly clear, prompt, and honest account of the problems with attempted innocuous explanations for them.

Regards,
Bruce Knuteson
http://bruceknuteson.com

<hsbc_19990716-20230331_log.pdf>

<hsba_l_19990705-20230331_log.pdf>

From: Bruce O Knuteson <knuteson@mit.edu>
Subject: Re: overnight and intraday returns
Date: June 22, 2023 at 7:20:11 AM CDT
To: Chair <chair@sec.gov>, <CommissionerPeirce@sec.gov>, <CommissionerCrenshaw@sec.gov>, <CommissionerUyeda@sec.gov>, <CommissionerLizarraga@sec.gov>
Cc: <martin@moneysavingexpert.com>, <news@moneysavingexpert.com>, <whistle@fca.org.uk>

Dear Commissioners,

I attach plots like those in They Still Haven't Told You showing a dodgy pattern of overnight and intraday returns in the stock of Barclays, traded in the United States [BCS] and in the United Kingdom [BARC.L]. In New York, the cumulative intraday return to BCS over the time period shown is a brill +92,322%, while the cumulative overnight return is a duff -99.6%. In London, the pattern is flipped: the cumulative intraday return to BARC.L is a grotty -99%, and the cumulative overnight return is a bosting +15,740%.

Whose trading caused these dodgy returns in the stock of this large British bank?

Martin, you can be the first to clearly alert the wider public to the nature of these suspicious return patterns and the apparent absence of any plausible innocuous explanation for them.

A 2022 *Financial Times* column provides a great example of how not to do this. The *Financial Times* misleadingly frames the nature of the problem, glossing over the striking, decades-long consistency of many of these return patterns (such as BCS for the decade and a half leading up to the 2008 financial crisis), the significantly negative return streams (including -99% and -99.6% in the attached plots), and the many individual stocks (like BCS) in which the overnight/intraday return pattern is flipped from the *FT*'s description. The *FT* further misleadingly understates the magnitude of the problem by focusing on one of the least obviously problematic indices and throwing all its dividends into the trash.

The *FT*'s misleadingly simplistic and understated description of the nature of these suspicious return patterns facilitates the *FT*'s misleading claim of no fewer than four innocuous explanations for them. The *FT*'s suggestion that these patterns are caused by after-hours earnings announcements makes a person wonder why the *FT* did not check whether the effect is concentrated around earnings announcements. (It isn't.) The *FT*'s suggestion that these patterns arise because the market is closed more hours of the day than open makes a person wonder whether the *FT* really thinks prices move more overnight than they do during they day. (They don't.) The *FT*'s suggestion that these patterns are due to "derivatives" (as purportedly explained in a long paper the *FT* links to that contains no explanation) makes a person concerned that the *FT* does not understand what it means to explain something. And the *FT*'s suggestion that these patterns are caused by "index funds buying in the closing auction," which is in the direction opposite the author's intent and brings the total number of objective, factual, material errors in the column to eight (one per indented paragraph in my my rejoinder), makes a person concerned the author has suffered a mild stroke without editorial supervision.

I make fun of the *FT*'s errors because it is kinder than directly addressing the insidious underlying problem. The editors, reporters, and columnists at the *FT* are not stupid. They understand all these points perfectly well. After hiding this issue from their readers for five years (as noted in They Chose to Not Tell You) and then writing an error-strewn column claiming there is nothing to see here (despite not being able to identify even a single historical example of a strikingly suspicious return pattern that turned out to clearly be fine), the *FT* has chosen to leave all these misleading errors on the record without correction. This is not the pattern of behavior a person expects from an institution doing its best to honestly inform its readers about financial matters of interest and importance to them. The underlying problem here is incentives, not understanding.

Your audience deserves to have these strikingly suspicious return patterns clearly and honestly described to them, and your audience deserves to have the problems with attempted innocuous explanations clearly and honestly laid out for them.

Regards,
Bruce Knuteson
http://bruceknuteson.com

<bcs_19900101-20230331_log.pdf>

<barc_l_19950324-20230331_log.pdf>

From: Bruce O Knuteson <knuteson@mit.edu>

From: Bruce O Knuteson <knuteson@mit.edu>
Subject: Re: overnight and intraday returns
Date: June 19, 2023 at 7:49:20 AM CDT
To: Chair <chair@sec.gov>, <CommissionerPeirce@sec.gov>, <CommissionerCrenshaw@sec.gov>, <CommissionerUyeda@sec.gov>, <CommissionerLizarraga@sec.gov>
Cc: <wdcohan@yahoo.com>

Dear Commissioners,

I attach a plot like those in They Still Haven't Told You showing the iconic overnight rise (to +3,479%) and intraday fall (to -81%) in General Electric's stock noted on 2022-12-06 earlier in this thread, updated with data through the end of last quarter.

Whose trading caused it?

William, I did not see this iconic pattern of rising and falling mentioned anywhere in *Power Failure: The Rise and Fall of an American Icon*. If I missed its appearance somewhere in your 800 page book, I would very much appreciate your responding on this thread with the specific page(s) on which it appears.

The public still doesn't know about this rise and fall in GE and the stocks of other American icons because of the spectacularly successful failure of those in power to tell them.

As I note at the end of Section III of They Chose to Not Tell You, if these strikingly suspicious return patterns are indeed the problem they so obviously are, the (predominantly white) people whose public silence has maintained this house of cards have made a historic contribution to increasing racial wealth inequality.

Regards,
Bruce Knuteson
http://bruceknuteson.com

<ge_19900101-20230331.pdf>

From: Bruce O Knuteson <knuteson@mit.edu>
Subject: Re: overnight and intraday returns
Date: June 15, 2023 at 7:49:15 AM CDT
To: Chair <chair@sec.gov>, <CommissionerPeirce@sec.gov>, <CommissionerCrenshaw@sec.gov>, <CommissionerUyeda@sec.gov>, <CommissionerLizarraga@sec.gov>
Cc: <jared.bernstein@cea.eop.gov>, <heather.m.boushey@cea.eop.gov>

Dear Commissioners,

I attach a plot like those in They Still Haven't Told You showing a logistically problematic pattern of overnight and intraday returns in J.B. Hunt's stock that the SEC seemingly wants no truck with.

Whose trading caused it?

Jared, Heather, the ridiculous pattern of overnight and intraday returns to JBHT attached is similar in character to the ridiculous pattern in Fannie Mae's stock I sent you on 2022-12-29 earlier in this thread, but flipped. The cumulative overnight return to JBHT over the 33 years shown is an atrocious -99.8%. The cumulative intraday return to JBHT over the same period is an incredible +2,814,864%. You can easily reproduce this plot and verify these ridiculous numbers [data].

The public understands that -99.8% is problematically different from +2,814,864% and that strikingly suspicious return patterns in financial markets should be viewed as a serious problem. Unfortunately, the public (still!) does not know about this problem because nobody has told them. If I somehow missed a clear public alert (sounded by the Council of Economic Advisors or others) since I explicitly brought this matter to your attention on this thread half a year ago, please respond on this thread with a link to your clear public alert.

This publicly maintained thread is now 2,247 days old and counting.

Regards,
Bruce Knuteson
http://bruceknuteson.com

<jbht_19900326-20230331_log.pdf>

From: Bruce O Knuteson <knuteson@mit.edu>
Subject: Re: overnight and intraday returns
Date: June 13, 2023 at 7:48:24 AM CDT
To: chair@sec.gov
Cc: charles.forelle@wsj.com

Dear Chair Gensler,

I attach a plot like those in They Still Haven't Told You showing a pattern of overnight and intraday returns in Kinder Morgan's stock that is kind of like the one in EOG (formerly the Enron Oil & Gas Company) noted on 2023-02-13 earlier in this thread.

Whose trading caused it?

Charles, you and your colleagues can easily reproduce this plot [data] and confirm the apparent absence of any plausible innocuous explanation for it. Your readers understand that -91% is problematically different from +972%, and your readers understand that suspicious return patterns in financial markets that nobody seems able to innocuously explain should be viewed as a serious problem. You can be the first to clearly alert them to it.

The Wall Street Journal's well-documented, years-long decision to hide decades-long, strikingly suspicious return patterns from their readers (as noted in They Chose to Not Tell You) is not what one expects from a storied institution encouraging its readers to "trust their source" and therefore "trust their decisions."

It is what one expects from a billionaire's newspaper.

Everybody understands the difference between positive numbers and negative numbers, and everybody on this thread understands the plots in this thread (all of which are easily reproducible using publicly available data) should not look like they do. The public remains unaware of them because those in a position to tell them have poor incentives, not poor understanding.

Regards,
Bruce Knuteson
http://bruceknuteson.com

<kmi_20110211-20230331.pdf>

From: Bruce O Knuteson <knuteson@mit.edu>
Subject: Re: overnight and intraday returns
Date: June 12, 2023 at 7:45:44 AM CDT
To: chair@sec.gov
Cc: michelle.singletary@washpost.com

Dear Chair Gensler,

I attach a plot like those in They Still Haven't Told You showing a nauseating pattern of overnight and intraday returns in Bunge's stock.

Whose trading caused it?

Michelle, you and your colleagues can easily reproduce this plot [data] and confirm the apparent absence of any plausible innocuous explanation for it. Your readers understand that -53% is problematically different from +1,812%, and your readers understand that suspicious return patterns in financial markets that nobody seems able to innocuously explain should be viewed as a serious problem. You can be the first to clearly alert them to it.

The Washington Post's well-documented, years-long decision to hide decades-long, strikingly suspicious return patterns from their readers (as noted in They Chose to Not Tell You) is not what one expects from a storied institution with the slogan "Democracy Dies in Darkness."

It is what one expects from a billionaire's newspaper.

Everybody understands the difference between positive numbers and negative numbers, and everybody on this thread understands the plots in this thread (all of which are easily reproducible using publicly available data) should not look like they do. The public remains unaware of them because those in a position to tell them have poor incentives, not poor understanding.

Regards,
Bruce Knuteson
http://bruceknuteson.com

<bg_20010808-20230331.pdf>

From: Bruce O Knuteson <knuteson@mit.edu>
Subject: Re: overnight and intraday returns
Date: June 8, 2023 at 8:00:24 AM CDT
To: chair@sec.gov
Cc: jeremy.grantham@gmo.com, scott.hayward@gmo.com

Dear Chair Gensler,

I attach a plot like those in They Still Haven't Told You showing a plainly problematic pattern of overnight and intraday returns in the stock of Green Plains.

Whose trading caused it?

Jeremy, you understand the difference between a cumulative intraday return of -99.97% (green curve, when the market is liquid) and a cumulative overnight return of +191,769%. You understand that this plot should not look like this. Your GMO colleagues can easily verify that this plot does indeed look like this [data].

If you have ever clearly alerted the public (or GMO's investors) to this plainly problematic pattern in GPRE and in other stocks held by GMO, please respond on this thread with a link to your clear alert.

Regards,
Bruce Knuteson
http://bruceknuteson.com

<gpre_20060315-20230331_log.pdf>

From: Bruce O Knuteson <knuteson@mit.edu>
Subject: Re: overnight and intraday returns
Date: June 6, 2023 at 8:09:04 AM CDT
To: <chair@sec.gov>
Cc: <scott.patterson@wsj.com>

Dear Chair Gensler,

I attach a plot like those in They Still Haven't Told You showing a strikingly suspicious pattern of overnight and intraday returns in Hess's stock.

Whose trading caused it?

The public understands that a 33 year cumulative intraday return of -84% is problematically different from +7,874%. Unfortunately, the public still doesn't know about this problem because you still haven't told them.

Scott, you can easily reproduce this plot [data], verify the apparent absence of any plausible innocuous explanation for it, and bring it and the many other similar plots in this thread to your readers' attention. You can also directly ask the SEC whose trading caused them and print their response in your article. There is no need to mention me or the only explanation that fits the facts.

You can be the first to clearly alert the wider public to this problem.

If you choose not to, you should be able to identify at least one historical example of a strikingly suspicious return pattern in a financial market that turned out to clearly be fine. Please provide your historical example on this thread.

The *Financial Times* misleadingly describes cumulative intraday returns of -84% and worse (including Japan and Norway) as "gentle intraday declines." Nobody throws dividends into the trash (as noted in my email on 2023-04-23 earlier in this thread), and nobody experiencing a return of -84% calls it "gentle."

Regards,
Bruce Knuteson
http://bruceknuteson.com

<hes_19900101-20230331_log.pdf>

From: Bruce O Knuteson <knuteson@mit.edu>
Subject: Re: overnight and intraday returns
Date: June 5, 2023 at 1:27:44 PM CDT
To: <chair@sec.gov>
Cc: <lance.lambert@fortune.com>

Dear Chair Gensler,

I attach plots like those in They Still Haven't Told You showing an unreal pattern of overnight and intraday returns in Lennar's stock.

Whose trading caused it?

The cumulative intraday return to Lennar's stock from the start of 1990 to the end of last quarter is a horrific -93%. The cumulative overnight return (when the market is illiquid, from market close to the next day's market open) is a phenomenal +185,959%. The second attached plot shows the same data as the first, but with a logarithmic vertical scale.

Lance, you can easily reproduce this very real pattern yourself [data], easily verify for yourself the apparent absence of any plausible innocuous explanation for it, and easily write an article clearly alerting *Fortune*'s readers to this strikingly suspicious pattern of returns in the stock of one of America's largest home builders.

If you choose not to, you should be able to identify at least one historical example of a strikingly suspicious return pattern in a financial market that turned out to clearly be fine. Please provide your historical example on this thread.

Regards,
Bruce Knuteson
http://bruceknuteson.com

<len_19900101-20230331.pdf>

<len_19900101-20230331_log.pdf>

From: Bruce O Knuteson <knuteson@mit.edu>
Subject: Re: overnight and intraday returns
Date: June 1, 2023 at 7:36:52 AM CDT
To: Chair <chair@sec.gov>
Cc: <mark.zandi@moodys.com>, <robert.fauber@moodys.com>, <michael.west@moodys.com>, <stephen.tulenko@moodys.com>, <ir@moodys.com>

Dear Chair Gensler,

I attach a plot like those in They Still Haven't Told You showing a bipolar pattern of overnight and intraday returns in Moody's stock [data].

Whose trading caused it?

Mark, Rob, Michael, Stephen, if you or Moody's has ever clearly alerted the public to this strikingly suspicious return pattern, please provide a link to your clear alert. The public understands the difference between -60% and +11,763%.

This email puts Moody's clearly and publicly on the record as being aware of the strikingly suspicious return patterns noted in this thread and the apparent absence of any plausible innocuous explanation for them.

Regards,
Bruce Knuteson
http://bruceknuteson.com

<mco_19941031-20230331.pdf>

From: Bruce O Knuteson <knuteson@mit.edu>
Subject: Re: overnight and intraday returns
Date: May 30, 2023 at 7:54:20 AM CDT
To: <chair@sec.gov>
Cc: <willlansing@fico.com>, <steveweber@fico.com>, <markscadina@fico.com>, <investor@fico.com>

Dear Chair Gensler,

I attach a plot like those in They Still Haven't Told You showing a pattern of overnight and intraday returns in Fair Isaac's stock that you should not see in a fair, orderly, and efficient market where roughly one third of each stock's daily price variance realizes overnight.

Whose trading deserves credit for it?

The public can discriminate +12% from +33,571%, and the public can recognize behavior that is not fair. Unfortunately, the public does not know about this problem and its serious implications for discrimination and inequality because the SEC has willfully and repeatedly chosen to hide it from them.

Will, Steve, Mark, you have an obligation to clearly report to your shareholders this suspicious, easily reproducible return pattern in your company's stock [data].

Regards,
Bruce Knuteson
http://bruceknuteson.com

<fico_19911111-20230331.pdf>

From: Bruce O Knuteson <knuteson@mit.edu>
Subject: Re: overnight and intraday returns
Date: May 25, 2023 at 8:03:45 AM CDT
To: <chair@sec.gov>
Cc: <jamie.dimon@jpmchase.com>, <jeremy.barnum@jpmorgan.com>, <michael.e.feroli@jpmorgan.com>, <JPMCinvestorrelations@jpmchase.com>

Dear Chair Gensler,

I attach a plot like those in They Still Haven't Told You showing a scandalous pattern of overnight and intraday returns in JPMorgan's stock [data]. More than all the positive returns to JPM since 1990 have come overnight, when the market is illiquid. The cumulative intraday return to JPM (from market open to market close, when the market is liquid) over the same period is negative. Less than zero.

JPM's positive overnight returns are not concentrated around JPM earnings announcements. In fact, the cumulative overnight return to JPM around the 44 earnings announcement dates publicly available from Zacks through the end of last quarter is negative. Less than zero.

Whose trading caused this easily reproducible, glaringly obviously problematic return pattern in the stock of the largest bank in the United States?

The public understands the difference between -6% and +3,922%, and the public knows to be suspicious of any investment that only goes up when the market is illiquid. Unfortunately, the public does not know about this suspicious return pattern in the stock of America's largest bank because nobody has told them. The people who should have told them -- including regulators and other public officials, economics, journalists, and bankers and other finance industry professionals -- have instead been a fortress of silence on this topic.

Jamie, Jeremy, Michael, if you have ever clearly alerted your shareholders to this suspicious return pattern in your company's stock, please provide a link to your clear alert on this thread.

You have an obligation to clearly alert your shareholders to this suspicious return pattern in your company's stock.

You have an obligation to clearly alert your clients and customers to the global, decades-long, strikingly suspicious return patterns noted in this thread.

This thread is being publicly maintained.

Regards,
Bruce Knuteson
http://bruceknuteson.com

<jpm_19900101-20230331.pdf>

From: Bruce O Knuteson <knuteson@mit.edu>
Subject: Re: overnight and intraday returns
Date: May 9, 2023 at 9:02:46 AM CDT
To: Chair <chair@sec.gov>, CommissionerPeirce@sec.gov, CommissionerCrenshaw@sec.gov, CommissionerUyeda@sec.gov, CommissionerLizarraga@sec.gov
Cc: jeffreyde@sec.gov, reillyk@sec.gov, alberth@sec.gov, sharekr@sec.gov, oig@sec.gov

Dear Commissioners,

I attach a plot like those in They Still Haven't Told You showing a ruinous pattern of overnight and intraday returns in the stock of Las Vegas Sands.

Whose trading caused it?

The public can distinguish -99.83% as problematically different from +122,025%.

Deborah, welcome to the SEC, a regulator that has willfully chosen to hide global, decades-long, strikingly suspicious return patterns in the world's stock markets with no apparent innocuous explanation from the American public for more than 2,210 days and counting.

Regards,
Bruce Knuteson
http://bruceknuteson.com

<lvs_20041215-20230331.pdf>

From: Bruce O Knuteson <knuteson@mit.edu>
Subject: Re: overnight and intraday returns

Subject: Re: overnight and intraday returns
Date: May 2, 2023 at 8:17:05 AM CDT
To: Chair <chair@sec.gov>, <CommissionerPeirce@sec.gov>, <CommissionerCrenshaw@sec.gov>, <CommissionerUyeda@sec.gov>, <CommissionerLizarraga@sec.gov>
Cc: <rbehnam@cftc.gov>, <kjohnson@cftc.gov>, <cgoldsmithromero@cftc.gov>, <smersinger@cftc.gov>, <cpham@cftc.gov>

Dear Commissioners,

I attach plots like those in They Still Haven't Told You showing a suspicious, long-running pattern of overnight and intraday returns in the stock of Marathon Oil [data].

Whose trading caused it?

CFTC Commissioners, this problem is of course nominally the SEC's problem, not yours. On the other hand, any one of you could clearly alert the public to this problem. The public deserves to be told, and the SEC has not told them.

The public understands the difference between -99% and +45,828%, and the public expects their regulators to clearly and promptly tell them about suspicious return patterns in their investments.

Hiding suspicious return patterns from the public is not okay, and all of you understand that perfectly well.

Regards,
Bruce Knuteson
http://bruceknuteson.com

<mro_19900101-20230331.pdf>

<mro_19900101-20230331_log.pdf>

From: Bruce O Knuteson <knuteson@mit.edu>
Subject: Re: overnight and intraday returns
Date: April 27, 2023 at 8:15:00 AM CDT
To: Chair <chair@sec.gov>, CommissionerPeirce@sec.gov, CommissionerCrenshaw@sec.gov, CommissionerUyeda@sec.gov, CommissionerLizarraga@sec.gov
Cc: schockl@sec.gov, help@sec.gov

Dear Commissioners,

I attach a plot like those in They Still Haven't Told You showing an insightful pattern of overnight and intraday returns in Incyte's stock.

Whose trading caused it?

The primary purpose of this thread is to incite the SEC to publicly acknowledge and definitively address this problem, not to incite eventual public anger at the SEC's failure to do so. Nobody wants this to be a problem, and that is precisely why it remains a problem. Unfortunately for everyone, this is the sort of problem that just grows larger with the passing of time. Your continued refusal to even publicly acknowledge the existence of these strikingly suspicious return patterns -- which are simple, straightforward, undisputed, objective, easily verifiable facts -- suggests a continued unwillingness to address the underlying cause. Admitting you have a problem is the first step toward solving it.

Lori, from Section II of They Still Haven't Told You:

> As far as your money is concerned, the burden of proof is on your regulator to convince you [the plots in this thread] are not a problem, not on us to convince you they are. [This thread] shows suspicious return patterns in your investments. That should concern you. When you see something suspicious in one of your investments, you should ask for an explanation. If you do not get an explanation that makes sense, you should take your hard-earned money elsewhere.

At no point in the 2,198 days of this (still!) ongoing, publicly maintained thread has the SEC offered an explanation, let alone an explanation that makes sense.

Even worse, the SEC has repeatedly refused to tell the public about these suspicious return patterns, thereby willfully denying members of the public the opportunity to themselves ask for an explanation that makes sense.

I hope your office has had a successful "investing for everyone"-themed National Financial Capability Month. Everyone understands that -98% is problematically different from +161,335%, but everyone does not know about this problem because no one has told them.

Regards,
Bruce Knuteson
http://bruceknuteson.com

<incy_19931104-20230331.pdf>

From: Bruce O Knuteson <knuteson@mit.edu>
Subject: Re: overnight and intraday returns
Date: April 23, 2023 at 9:57:11 AM CDT
To: chair@sec.gov
Cc: emma.tucker@wsj.com, liz.harris@wsj.com

Dear Chair Gensler,

I attach a plot like those in They Still Haven't Told You showing a sly pattern of overnight and intraday returns in the SPDR S&P 600 Small Cap ETF.

Whose trading caused it?

Emma, Liz, your readers understand the difference between -57% and +951%, and they expect *The Wall Street Journal* to clearly and promptly alert them to strikingly suspicious return patterns in their investments.

When you tell them, for goodness' sake do not throw dividends into the trash the way the *Financial Times* throws dividends into the trash (as noted in my email on 2023-02-06 earlier in this thread), because nobody throws dividends into the trash.

Regards,
Bruce Knuteson
http://bruceknuteson.com

<sly_20051115-20230331.pdf>

From: Bruce O Knuteson <knuteson@mit.edu>
Subject: Re: overnight and intraday returns
Date: April 20, 2023 at 8:35:38 AM CDT
To: Chair <chair@sec.gov>, CommissionerPeirce@sec.gov, CommissionerCrenshaw@sec.gov, CommissionerUyeda@sec.gov, CommissionerLizarraga@sec.gov
Cc: reillyk@sec.gov, alberth@sec.gov, sharekr@sec.gov, oig@sec.gov

Dear Commissioners,

I attach a plot like those in They Still Haven't Told You showing a shocking divergence of overnight and intraday returns in HP's stock after Hewlett-Packard merged with Compaq. You don't need to be an electrical engineer at the birthplace of Silicon Valley to understand the difference between -97% and +91,063%.

Whose trading caused this suspicious divergence?

Katherine, Helen, Rebecca, this is not a subtle effect. It should not take the SEC six years to figure out the cause, and it certainly should not take the SEC six years to tell the public about it.

The public is apt to be understandably disturbed when they finally hear of this problem. The public's reaction will presumably itself be a problem. Of course, there is no way of avoiding the public's eventual recognition of this problem. They will inevitably learn of it sooner or later.

Everything about this problem (including issues arising from the public's reaction to finally hearing of it) grows with the passing of time, so dealing with it sooner is better than dealing with it later. If the SEC had clearly alerted the public to this issue at the start of this thread, major aspects of this problem would no longer be a problem, even if enforcement actions and the apportionment of blame among culpable firms were still works in progress.

Hiding a problem like this from the public is inexcusable in principle and horribly damaging in practice.

This publicly maintained thread is now **six years** old and counting.

Six years.

Six.

Regards,
Bruce Knuteson
http://bruceknuteson.com

<hpq_19900101-20230331_log.pdf>

From: Bruce O Knuteson <knuteson@mit.edu>
Subject: Re: overnight and intraday returns

Date: April 16, 2023 at 9:13:50 AM CDT
To: Chair <chair@sec.gov>, <CommissionerPeirce@sec.gov>, <CommissionerCrenshaw@sec.gov>, <CommissionerUyeda@sec.gov>, <CommissionerLizarraga@sec.gov>
Cc: <bestr@sec.gov>, <examhotline@sec.gov>

Dear Commissioners,

I attach a plot like those in They Still Haven't Told You showing a wholly illogical pattern of overnight and intraday returns in Hologic's stock [data]. The most striking divergence occurs during the last nine months of 1993, when intraday returns are a straight line up and overnight returns are a straight line down.

Whose trading caused this illogical divergence?

I am sympathetic to the difficulty (I would say impossibility) of your regulatory mandate. You have a huge amount of ground to cover, and you do not have the tools or resources to adequately cover that ground.

That said, you have a budget of over a billion dollars a year, and your apparent decision to not prioritize the understanding of decades-long, strikingly suspicious return patterns with no apparent innocuous explanation in the most visible market under your supervision calling into question tens of trillions of dollars of perceived wealth suggests willful blindness or the poorest of judgment.

Your continued decision to not even tell the public about this issue seems more consistent with the former.

The public understands that -99.98% is problematically different from +17,049,462%, and this thread is now 2,187 days old and counting.

Regards,
Bruce Knuteson
http://bruceknuteson.com

<holx_19900326-20230331_log.pdf>

From: Bruce O Knuteson <knuteson@mit.edu>
Subject: Re: overnight and intraday returns
Date: April 13, 2023 at 8:29:55 AM CDT
To: chair@sec.gov
Cc: steven.seitz@treasury.gov, stephanie.schmelz@treasury.gov

Dear Chair Gensler,

I attach a plot like those in They Still Haven't Told You showing a sudden financial-crisis-era crossing in the overnight and intraday returns to The Hartford's stock. Before the 2008 financial crisis, more than all the positive returns to HIG came intraday. Since that crisis (and with a concerning consistency), more than all HIG's positive returns came overnight.

The attached plot looks a lot like the plots for Huntington National Bank and Bank of America shown on 2023-03-20 and 2022-09-29 earlier in this thread.

Whose overnight trading caused more than all the positive returns to The Hartford's stock?

Steven, Stephanie, you understand the difference between -83% and +2,976%; you understand that strikingly suspicious return patterns in financial markets indicate a problem; and you can guess the consequences of tens of trillions of dollars of illusory global equity value for insurers' balance sheets.

Regards,
Bruce Knuteson
http://bruceknuteson.com

<hig_19951215-20230331.pdf>

From: Bruce O Knuteson <knuteson@mit.edu>
Subject: Re: overnight and intraday returns
Date: April 9, 2023 at 2:51:49 PM CDT
To: <chair@sec.gov>
Cc: <jeremy_stein@harvard.edu>

Dear Chair Gensler,

I attach a plot like those in They Still Haven't Told You showing an even sweeter pattern of overnight and intraday returns in the stock of Hershey's.

Whose trading caused it?

Jeremy, the public understands that a return of -51% is problematically different from a return of +12,016%. Unfortunately, the public does not know about this problem because nobody has told them.

You can easily reproduce this plot yourself [data], verify that the literature contains no plausible innocuous explanation for it and the other plots in this thread, and clearly alert the public to this problem.

If you choose not to, you should be able to identify at least one historical example of a strikingly suspicious return pattern in a financial market that turned out to clearly be fine. Please provide your historical example on this thread.

Regards,
Bruce Knuteson
http://bruceknuteson.com

<hsy_19900101-20230331_log.pdf>

From: Bruce O Knuteson <knuteson@mit.edu>
Subject: Re: overnight and intraday returns
Date: April 6, 2023 at 8:31:31 AM CDT
To: <chair@sec.gov>
Cc: <fareed.zakaria.gps@turner.com>

Dear Chair Gensler,

I attach a plot like those in They Still Haven't Told You showing a sweet pattern of overnight and intraday returns in the stock of General Mills.

Whose trading caused it?

The public understands that -67% is problematically different from +9,128%. Unfortunately, the public does not know about this problem and how individuals, organizations, and countries can progress from market manipulation to wealth to power because the SEC has repeatedly chosen to not tell them.

Fareed, this thread is being publicly maintained to document each recipient's willful decision to not clearly alert the public to easily reproducible, glaringly obviously problematic return patterns in their investments. If you choose not to alert your audience, you should be able to identify at least one historical example of a strikingly suspicious return pattern in a financial market that turned out to clearly be fine. Please provide your historical example on this thread.

Regards,
Bruce Knuteson
http://bruceknuteson.com

<gis_19900101-20230331_log.pdf>

From: Bruce O Knuteson <knuteson@mit.edu>
Subject: Re: overnight and intraday returns
Date: April 3, 2023 at 2:21:44 PM CDT
To: Chair <chair@sec.gov>, <investorinquiries@iiroc.ca>, <inquiries@osc.gov.on.ca>, <consumer.queries@fca.org.uk>, <directiondelacommunication@amf-france.org>, <comunicacion@cnmv.es>, <poststelle@bafin.de>, <stordesk@afm.nl>, <press@fsma.be>, <post@finanstilsynet.no>, <dme@pec.consob.it>, <modiin@isa.gov.il>, <sebi@sebi.gov.in>, <markets@asic.gov.au>, <info@sec.or.th>, <fssintl@fss.or.kr>, <press_officer@mas.gov.sg>, <equestion@fsa.go.jp>, <complaint@sfc.hk>

Dear Regulators,

I attach a plot like Figure 2 of They Still Haven't Told You showing strikingly suspicious overnight and intraday returns in major stock market indices under your supervision, updated with data through the end of March.

Whose trading caused them?

This thread documents the world's financial regulators willfully choosing to hide global, decades-long, strikingly suspicious return patterns with no apparent innocuous explanation from the public for 2,174 days and counting.

Regards,
Bruce Knuteson
http://bruceknuteson.com

<world_indices_19900101-20230331.pdf>

From: Bruce O Knuteson <knuteson@mit.edu>
Subject: Re: overnight and intraday returns
Date: March 28, 2023 at 7:54:50 AM CDT
To: Chair <chair@sec.gov>, CommissionerPeirce@sec.gov, CommissionerCrenshaw@sec.gov, CommissionerUyeda@sec.gov, CommissionerLizarraga@sec.gov
Cc: mgruenberg@fdic.gov, trhill@fdic.gov, jmckernan@fdic.gov, ombudsman@fdic.gov

Dear Commissioners,

I attach a plot like those in They Still Haven't Told You showing a divergence in overnight and intraday returns in the stock of First Citizens that is even more dramatic than the one for Silicon Valley Bank shown on 2023-03-11 earlier in this thread.

Whose trading caused it?

Martin, Travis, Jonathan, the public understands that -99.87% is problematically different from +3,491,927%. Unfortunately, America's citizens do not know about this problem because the Commission has abdicated its responsibility to tell them.

You can easily reproduce this plot [data] and verify these ridiculous numbers.

The FDIC's mission is to maintain stability and public confidence in the nation's financial system. Hiding suspicious return patterns in the public's investments and the stocks of their banks is superficially in accordance with this mission in the short term but incredibly damaging when the public finally finds out. You have an obligation to promptly and clearly alert the public to this problem.

This publicly maintained thread is now 2,168 days old and counting.

Regards,
Bruce Knuteson
http://bruceknuteson.com

<fcnca_19911113-20230327_log.pdf>

From: Bruce O Knuteson <knuteson@mit.edu>
Subject: Re: overnight and intraday returns
Date: March 24, 2023 at 4:57:57 PM CDT
To: Chair <chair@sec.gov>, CommissionerPeirce@sec.gov, CommissionerCrenshaw@sec.gov, CommissionerUyeda@sec.gov, CommissionerLizarraga@sec.gov
Cc: christian.sewing@db.com, alex.wynaendts@db.com, james.vonmoltke@db.com, db.ir@db.com, poststelle@bafin.de

Dear Commissioners,

I attach plots like those in They Still Haven't Told You showing a skandalöses pattern of overnight and intraday returns in Deutsche Bank's stock.

These are the same plots I showed on 2022-10-03 earlier in this thread, updated with data through the end of today.

Whose trading caused this scandalous return pattern in the stock of Germany's largest bank?

If you or BaFin clearly alerted Deutsche Bank's shareholders to this problem since I explicitly brought it to your attention on this publicly maintained thread six months ago, I would very much appreciate your providing a link to your clear alert.

Christian, Alex, James, your shareholders understand that -99.57% is problematically different from +11,721%. This easily reproducible, strikingly suspicious return pattern in Deutsche Bank's stock is material information that your shareholders should be made aware of. You have an obligation to promptly and clearly alert your shareholders to this problem.

Regards,
Bruce Knuteson
http://bruceknuteson.com

<dbk_de_19961118-20230324.pdf>

<dbk_de_19961118-20230324_log.pdf>

From: Bruce O Knuteson <knuteson@mit.edu>
Subject: Re: overnight and intraday returns
Date: March 22, 2023 at 8:04:27 AM CDT
To: Chair <chair@sec.gov>
Cc: jesse.eisinger@propublica.org

Dear Chair Gensler,

I attach a plot like those in [They Still Haven't Told You] showing a pattern of overnight and intraday returns in the stock of Idexx Laboratories that may create clarity. Everybody understands that -89% is problematically different from +399,963%.

Whose trading created this clearly problematic pattern?

Jesse, the stocks of many of the world's publicly traded companies display a strikingly suspicious pattern of overnight and intraday returns. The plots in this thread are undisputed and easy to reproduce [IDXX data]. They are a matter of objective and easily verifiable fact.

Nobody seems able to articulate a plausible innocuous explanation for them. Nobody seems able to articulate a good reason they are fine. Nobody seems able to identify even a single historical example of a strikingly suspicious return pattern in a financial market that turned out to clearly be fine. Yet nobody has clearly alerted the public to these suspicious return patterns in their investments.

If you have a plausible innocuous explanation for them, or a good reason for why they are fine, or even one historical example of a strikingly suspicious return pattern in a financial market that turned out to clearly be fine, please provide it on this thread.

If you don't, you should clearly alert your readers to these suspicious return patterns in their investments.

The public may reasonably -- charitably, even -- view those able but unwilling to promptly and clearly alert them to suspicious return patterns in their investments as candidates for inclusion in a chickenshit club.

Regards,
Bruce Knuteson
http://bruceknuteson.com

<idxx_19910624-20221231_log.pdf>

From: Bruce O Knuteson <knuteson@mit.edu>
Subject: Re: overnight and intraday returns
Date: March 20, 2023 at 8:22:07 AM CDT
To: Chair <chair@sec.gov>, <CommissionerPeirce@sec.gov>, <CommissionerCrenshaw@sec.gov>, <CommissionerUyeda@sec.gov>, <CommissionerLizarraga@sec.gov>
Cc: <michael.hsu@occ.treas.gov>, <publicaffairs3@occ.treas.gov>

Dear Commissioners,

I attach a plot like those in [They Still Haven't Told You] showing a steep financial-crisis-era bank in the overnight and intraday returns to Huntington National Bank's stock. Before the 2008 financial crisis, more than all of HBAN's positive returns came intraday. Since that crisis (and with a concerning consistency), more than all of HBAN's positive returns have come overnight.

The attached plot looks a lot like the plot for Bank of America shown on 2022-09-29 earlier in this thread.

Whose trading caused this strikingly suspicious return pattern?

Michael, the public understands the difference between -87% and +5,168%, and the public expects to be clearly and promptly alerted to suspicious return patterns in their investments and in the stocks of their banks.

Regards,
Bruce Knuteson
http://bruceknuteson.com

<hban_19900326-20221231.pdf>

From: Bruce O Knuteson <knuteson@mit.edu>
Subject: Re: overnight and intraday returns
Date: March 18, 2023 at 3:04:27 PM CDT
To: Chair <chair@sec.gov>, CommissionerPeirce@sec.gov, CommissionerCrenshaw@sec.gov, CommissionerUyeda@sec.gov, CommissionerLizarraga@sec.gov
Cc: eugene.hall@gartner.com, craig.safian@gartner.com, investor.relations@gartner.com

Dear Commissioners,

I attach a plot like those in [They Still Haven't Told You] showing an informative pattern of overnight and intraday returns in Gartner's stock.

Whose trading caused it?

Each additional day the SEC remains publicly silent on this topic, knowledge of this problem propagates among the rich, powerful, and well connected and does not reach the public at large.

Eugene, Craig, you can easily reproduce the attached plot yourself. The first of the three decades shown actually looks pretty reasonable, so that's nice.

Your shareholders understand that -87% is problematically different from +85,318%. You understand that a strikingly suspicious return pattern in your company's stock with no apparent innocuous explanation is material information your shareholders should be made aware of. You are obligated to disclose this suspicious return pattern in Gartner's stock to your shareholders.

Your clients will also expect you to promptly alert them to the suspicious return patterns noted in this thread.

This publicly maintained thread is now 2,158 days old and counting.

Regards,
Bruce Knuteson
http://bruceknuteson.com

<it_19931005-20221231_log.pdf>

From: Bruce O Knuteson <knuteson@mit.edu>
Subject: Re: overnight and intraday returns
Date: March 16, 2023 at 9:11:38 AM CDT
To: chair@sec.gov
Cc: info@sec.or.th, fcc@bot.or.th

Dear Chair Gensler,

I attach a plot like those in They Still Haven't Told You showing an unsustainable pattern of overnight and intraday returns in Thai Union Group's stock (traded in Bangkok [data]).

Whose trading caused it?

All the fishy plots in this thread presumably have the same underlying cause. Any one of the world's Securities and Exchange Commissions could be the first to figure it out.

More importantly, any one of the world's Securities and Exchange Commissions could be the first to be upfront and honest with its public about the existence of these suspicious plots. The public understands that -77% is problematically different from +12,928%, but they do not yet know about this problem because none of the world's Securities and Exchange Commissions has yet told them.

I also attach a log plot of the overnight and intraday returns to the SET index [data]. Everybody understands the difference between lines that go up (to +91,197%) and lines that go down (to -99.79%), and everybody on this thread understands that none of the return streams in this thread should be a straight line.

Regards,
Bruce Knuteson
http://bruceknuteson.com

<tu_bk_20000403-20221231.pdf>

<set_bk_19961211-20221231_log.pdf>

From: Bruce O Knuteson <knuteson@mit.edu>
Subject: Re: overnight and intraday returns
Date: March 14, 2023 at 9:32:30 AM CDT
To: Chair <chair@sec.gov>, CommissionerPeirce@sec.gov, CommissionerCrenshaw@sec.gov, CommissionerUyeda@sec.gov, CommissionerLizarraga@sec.gov
Cc: janet.yellen@treasury.gov, adewale.adeyemo@treasury.gov

Dear Commissioners,

I attach a plot like those in They Still Haven't Told You showing a scandalous pattern of overnight and intraday returns in Halliburton's stock.

Whose trading caused it?

Janet, Wally, the public understands the difference between -99.14% and +79,362%. Unfortunately, the public is unaware of this problem because the Commission has willfully and repeatedly chosen to not tell them.

The public deserves and expects to be clearly and promptly alerted to strikingly suspicious return patterns in their investments.

This publicly maintained thread is now 2,154 days old and counting.

Regards,
Bruce Knuteson
http://bruceknuteson.com

<hal_19900101-20221231.pdf>

From: Bruce O Knuteson <knuteson@mit.edu>
Subject: Re: overnight and intraday returns
Date: March 11, 2023 at 10:14:10 AM CST
To: Chair <chair@sec.gov>, CommissionerPeirce@sec.gov, CommissionerCrenshaw@sec.gov, CommissionerUyeda@sec.gov, CommissionerLizarraga@sec.gov
Cc: mgruenberg@fdic.gov, trhill@fdic.gov, jmckernan@fdic.gov

Dear Commissioners,

I attach plots like those in They Still Haven't Told You showing a morally bankrupt pattern of overnight and intraday returns in SVB Financial Group's stock.

Whose trading caused it?

Martin, Travis, Jonathan, the public understands the difference between a return of -98% and a return of +207,464%. Unfortunately, SVB Financial Group's shareholders did not know about this problem before Silicon Valley Bank's collapse because the Commission willfully and repeatedly chose to not tell them about the strikingly suspicious return patterns noted in this thread.

The FDIC can easily reproduce the attached plots. The two plots show the same data with linear and logarithmic vertical scales, respectively.

This publicly maintained thread is now 2,151 days old and counting.

Regards,
Bruce Knuteson
http://bruceknuteson.com

<sivb_19900326-20230310.pdf>

<sivb_19900326-20230310_log.pdf>

From: Bruce O Knuteson <knuteson@mit.edu>
Subject: Re: overnight and intraday returns
Date: March 7, 2023 at 10:20:42 AM CST
To: Chair <chair@sec.gov>, CommissionerPeirce@sec.gov, CommissionerCrenshaw@sec.gov, CommissionerUyeda@sec.gov, CommissionerLizarraga@sec.gov
Cc: birdthistlew@sec.gov, tensiethoffs@sec.gov, IM-Analytics@sec.gov

Dear Commissioners,

I attach a plot like those in They Still Haven't Told You showing a pattern of overnight and intraday returns in Gilead's stock that is even better than the Double Irish.

Whose trading caused it?

William, Sarah, you understand that -99.75% is problematically different from +8,167,280%. Your staff can easily reproduce this plot and verify these ridiculous numbers. Unfortunately, the public doesn't know about this problem because the SEC hasn't told them.

The public deserves and expects to be clearly and promptly alerted to suspicious return patterns in their investments.

You can and should promptly and clearly alert the public to the suspicious return patterns noted in this thread. You can issue such an alert without commenting on the existence of or status of any ongoing investigation. You can issue such an alert without saying whose trading is responsible. You can issue such an alert even if you have not yet figured out whose trading is responsible.

If you have a compelling reason to believe these suspicious return patterns are not the problem they so obviously are, your alert should of course include it. Nobody (including me) wants this to be a problem.

This publicly maintained thread is now 2,147 days old and counting.

Regards,
Bruce Knuteson
http://bruceknuteson.com

<gild_19920122-20221231.pdf>

From: Bruce O Knuteson <knuteson@mit.edu>
Subject: Re: overnight and intraday returns
Date: March 5, 2023 at 12:00:54 PM CST
To: chair@sec.gov
Cc: gillian.tett@ft.com

Dear Chair Gensler,

I attach a plot like those in They Still Haven't Told You showing an expedient pattern of overnight and intraday returns in the stock of Expeditors International.

Whose immoral trading caused it?

The public understands that a return of -69% is problematically different from a return of +55,397%. Unfortunately, the public still doesn't know about this problem because nobody has clearly alerted them to it.

Gillian, if you can think of a historical example of a strikingly suspicious return pattern in a financial market that turned out to clearly be fine, please provide your historical example on this thread. The bar for "strikingly suspicious" is the attached plot.

As you know, a January 2022 *Financial Times* column on this topic contains no fewer than eight (eight!) material, objective, factual errors, one per indented paragraph in my rejoinder.

More revealing than the total numbers of errors (eight!) is the fact that they are all in the same direction: every one of these (eight!) objective, factual, material errors is in the direction of making the problem appear less serious than it is. If you flip a coin eight times, the probability you get tails every single time is less than one half of one percent.

Even more revealingly still, it is now a full year later and the *FT* hasn't corrected any of them.

Regards,
Bruce Knuteson
http://bruceknuteson.com

<expd_19900327-20221231_log.pdf>

From: Bruce O Knuteson <knuteson@mit.edu>
Subject: Re: overnight and intraday returns
Date: March 2, 2023 at 8:34:17 AM CST
To: <chair@sec.gov>
Cc: <natasha_bernal@wired.com>

Dear Chair Gensler,

I attach a plot like those in They Still Haven't Told You showing an inconsistent bearing in the overnight and intraday returns to Garmin's stock.

Whose trading caused it?

Natasha, your readers understand the difference between +10% and +1,816%, but they do not know about this suspicious return pattern because nobody has told them.

If you think your team may lack the specific financial experience to write an informed article on this topic, it is hard to image you could possibly do a worse job than the few articles that have so far been written.

Consider for example the explanations offered up by a January 2022 *Financial Times* column (cf. the last four indented paragraphs of my rejoinder), which suggests these strikingly suspicious return patterns are caused by: earnings announcements (wrong: the effect is not concentrated around earnings announcements), prices moving more overnight than they do during the day (wrong: prices move more during the day than they do overnight), "derivatives" (not even wrong: the single word "derivatives" isn't an explanation, and the long paper the *FT* links to doesn't contain one, either), and "index funds buying in the closing auction." (Wrong direction! Not even in the right direction! The *FT* didn't even get the direction right!)

The *FT*'s attempted explanations are the sorts of vague, confused, incoherent, factually incorrect, half-baked suggestions you expect from a high school student who has given the issue five minutes of thought, not the sorts of mistakes you expect to see committed in print by an institution like the *Financial Times* after five years of correspondence.

Regards,
Bruce Knuteson
http://bruceknuteson.com

<grmn_20001208-20221231.pdf>

From: Bruce O Knuteson <knuteson@mit.edu>
Subject: Re: overnight and intraday returns
Date: February 27, 2023 at 7:59:42 AM CST
To: <chair@sec.gov>
Cc: <dwalmsley@globeandmail.com>, <investorinquiries@iiroc.ca>, OSC General Inquiries <inquiries@osc.gov.on.ca>

Dear Chair Gensler,

I attach a plot like those in They Still Haven't Told You showing a most inconvenient pattern of overnight and intraday returns in TD Bank's stock.

Whose trading caused it?

The attached plot shows TD Bank's stock traded in Toronto, nominally making it Canada's problem, not yours. Unfortunately, the pattern also appears (less dramatically) in TD traded on the NYSE, and the existence of a scandalous return pattern in the stock of one of Canada's largest banks that you still haven't told the North American public about makes this one your problem, too.

David, writing an article clearly alerting your readers to this problem is not hard. Just be upfront and honest in your characterization of these suspicious patterns (emphasizing the striking consistency, the significantly negative return streams, and the diversity of striking patterns in individual stocks noted in this thread), and be upfront and honest in noting the apparent absence of any plausible innocuous explanation for them. A January 2022 *Financial Times* column (cf. my rejoinder) provides a wonderful example of how not to do this. Your readers understand the difference between -42% and +7,548%, your readers understand that strikingly suspicious return patterns with no apparent innocuous explanation should be viewed as a serious problem, and you have an opportunity to be the first to clearly alert them to it.

There is no need to mention me or to take my word for anything I say. You can easily reproduce the attached plot yourself, and you can directly ask your regulators whose trading caused this ridiculous return pattern in the stock of one of Canada's largest banks and print their response in your article. The duration of this publicly maintained thread -- now 2,139 days and counting -- is more than enough time for any competent regulator to have figured it out.

Regards,
Bruce Knuteson
http://bruceknuteson.com

<td_to_19950112-20221231.pdf>

From: Bruce O Knuteson <knuteson@mit.edu>
Subject: Re: overnight and intraday returns
Date: February 23, 2023 at 8:43:58 AM CST
To: Chair <chair@sec.gov>
Cc: edward.felsenthal@time.com

Dear Chair Gensler,

I attach a plot like those in They Still Haven't Told You showing a suspicious pattern in time in the returns to Freeport-McMoRan's stock.

Whose trading caused it?

Edward, your readers deserve to hear about strikingly suspicious return patterns in their investments. They understand that -99% is problematically different from +51,625%, but they do not yet know about this problem because nobody has told them.

If you tell them, you will not want to join those who are publicly on record as suggesting this suspicious pattern is caused by the market being closed longer than it is open.

A basic tenet of economics is that returns (above the risk-free rate) are due to the bearing of risk, not the passing of time. Using publicly available data to make a plot like Figure 4 of They Chose to Not Tell You, anybody can easily check that prices move more during the day -- you know, when the market is open and people are trading -- than they do overnight.

Maybe the people who are publicly on record as suggesting this suspicious pattern is caused by the market being closed more hours of the day than open, many of whom are finance professionals or financial journalists, have never heard the idea that returns are due to the bearing of risk.

Maybe these people, many of whom are finance professionals or financial journalists, never figured out that prices move most during the day -- you know, when the market is open and people are trading.

Maybe these people have left their error in the public record without correction because no reader or colleague -- not a single one -- pointed it out to them.

None of that seems likely, but I suppose it is possible.

But not likely.

Regards,
Bruce Knuteson
http://bruceknuteson.com

<fcx_19950710-20221231.pdf>

From: Bruce O Knuteson <knuteson@mit.edu>
Subject: Re: overnight and intraday returns
Date: February 20, 2023 at 8:04:29 AM CST
To: chair@sec.gov
Cc: gary.smith@pomona.edu

Dear Chair Gensler,

I attach a plot like those in They Still Haven't Told You showing a strikingly suspicious pattern of overnight and intraday returns in Eversource Energy's stock. One dollar invested in ES at the start of 1990, getting only intraday returns, would have been worth $230.09 at the end of 2022, for a 33 year cumulative intraday return of +22,909%. The cumulative overnight return over the same period is -94%.

Whose trading caused this strikingly suspicious pattern?

Gary, if you can think of a historical example of a strikingly suspicious return pattern in a financial market that turned out to clearly be fine, please provide it on this thread. The bar for "strikingly suspicious" is the attached plot.

You can easily reproduce this plot yourself. Data are publicly available from Yahoo! Finance (and there are plenty of other sources for opening and closing prices). My code is available from the article I link to above (and it is easy enough to write your own).

I show this plot with a logarithmic vertical scale because that is the best way to show it and because you will understand it. If most of the people on this publicly maintained thread were scientists and engineers, most of the plots would have a logarithmic vertical scale. Since most are lawyers, journalists, economists (who oddly prefer tables of numbers to plots), and finance professionals (who produce and tolerate the crappiest, most chartjunk-filled plots I have ever seen), most of the plots in this thread have a linear vertical scale.

Whatever the vertical scale, when the public finally hears of this issue, they will understand the point perfectly well: the public understands the difference between +22,909% and -94%, the public understands the difference between lines that go up and lines that go down, the public understands that strikingly suspicious return patterns with no apparent innocuous explanation should be viewed as a serious problem, and the public will understand that they did not hear about this problem earlier because the people in a position to tell them chose not to.

Regards,
Bruce Knuteson
http://bruceknuteson.com

<es_19900101-20221231_log.pdf>

From: Bruce O Knuteson <knuteson@mit.edu>
Subject: Re: overnight and intraday returns
Date: February 16, 2023 at 8:22:40 AM CST
To: chair@sec.gov, CommissionerPeirce@sec.gov, CommissionerCrenshaw@sec.gov, CommissionerUyeda@sec.gov, CommissionerLizarraga@sec.gov
Cc: lkhan@ftc.gov

Dear Commissioners,

I attach a plot like those in They Still Haven't Told You showing a scandalous pattern of overnight and intraday returns in Equifax's stock.

Whose trading deserves credit for it?

One dollar invested in EFX at the start of 1990, getting only intraday returns, would have been worth $833.79 at the end of 2022, for a 33 year cumulative intraday return of +83,279%. The cumulative overnight return to EFX over the same 33 years is -92%.

I cannot imagine my personally identifying information more glaringly obviously problematic.

Lina, as you know, no plot of returns in finance should be a straight line up and to the right. Over 33 years, a (log!) plot of the intraday returns to EFX is a straight line up and to the right.

The only way a 33 year plot of returns that is a straight line up and to the right (green curve) could possibly be more damning is if there were a different return stream that should generally follow it that doesn't (blue curve).

The public understands that -92% is problematically different from +83,279%. Not promptly reporting these data and their implications to the public is an incredible breach of the public's trust.

Regards,
Bruce Knuteson
http://bruceknuteson.com

<efx_19900101-20221231_log.pdf>

From: Bruce O Knuteson <knuteson@mit.edu>
Subject: Re: overnight and intraday returns
Date: February 13, 2023 at 7:55:16 AM CST
To: chair@sec.gov
Cc: bethany.mclean@gmail.com, peter.elkind@propublica.org

Dear Chair Gensler,

I attach a plot like those in They Still Haven't Told You showing an apparently manipulated pattern of overnight and intraday returns in the stock of EOG Resources.

Whose trading caused it?

The cumulative intraday return to EOG over the 33 years from the start of 1990 to the end of 2022 is a horrific -75%, while the cumulative overnight return is a remarkable +23,529%. During the first decade of this period EOG was the Enron Oil & Gas Company.

Bethany, Peter, as you know, regulators in the energy and financial sectors are fully aware of certain telltale signs of market manipulation. Prices that mysteriously move one direction when the market is liquid and the other direction when the market is illiquid is one such telltale sign of market manipulation.

The issue described in this thread is fundamentally a problem of incentives, not a problem of understanding, and it is best viewed and reported as such. Even the dumbest guys in the room understand that -75% is problematically different from +23,529%.

Regards,
Bruce Knuteson
http://bruceknuteson.com

<eog_19900101-20221231.pdf>

From: Bruce O Knuteson <knuteson@mit.edu>
Subject: Re: overnight and intraday returns
Date: February 9, 2023 at 8:24:20 AM CST
To: chair@sec.gov
Cc: ben.levisohn@barrons.com

Dear Chair Gensler,

I attach a plot like those in They Still Haven't Told You showing an unclean pattern of overnight and intraday returns in Ecolab's stock.

Whose trading caused it?

Ben, your readers understand the difference between -19% and +8,009%, and your readers understand that suspicious return patterns in financial markets betray an underlying rot requiring industrial disinfection.

Some people disingenuously profess that positive overnight returns and negative intraday returns are somehow the natural state of things.

You can disprove such disingenuous profession by pointing to the many stocks, including ECL, in which this pattern is flipped.

This thread is being publicly maintained to document your willful decision to not clearly alert your readers to these strikingly suspicious

This thread is being publicly maintained to document your willful decision to not clearly alert your readers to these strikingly suspicious return patterns in their investments.

Regards,
Bruce Knuteson
http://bruceknuteson.com

<ecl_19900101-20221231.pdf>

From: Bruce O Knuteson <knuteson@mit.edu>
Subject: Re: overnight and intraday returns
Date: February 6, 2023 at 8:01:30 AM CST
To: Chair <chair@sec.gov>
Cc: EIC@usatoday.com

Dear Chair Gensler,

I attach a plot like those in They Still Haven't Told You showing a colorful pattern of night and day returns in the USA's S&P 400 Mid-Cap SPDR ETF.

Whose trading caused it?

Nicole, you and your staff can easily reproduce the attached plot and verify for yourselves the apparent absence of any plausible innocuous explanation for it. You understand the difference between -62% and +4,369%, and you understand that your readers expect you to tell them about strikingly suspicious return patterns in their investments.

If you tell them, you will not want to join those (including *The New York Times*) who are publicly on record as throwing dividends into the trash.

There is absolutely no justification for throwing dividends into the trash. None of their readers throw dividends into the trash. None of your readers throw dividends into the trash.

Throwing dividends into the trash misleadingly and materially understates the cumulative overnight return to indices like the S&P 500 index and the S&P 400 Mid-Cap index.

The leading plot in a January 2022 *Financial Times* column that discusses They Chose to Not Tell You (an article in which I explicitly and repeatedly noted the *NYT*'s error in throwing dividends into the trash) throws dividends into the trash.

When I asked the *FT* to correct their plot by not throwing dividends into the trash, the *FT* refused to do so.

A few months later, a different article in the *FT* showed the plot, again throwing dividends into the trash.

Throwing dividends into the trash insults your readers, none of whom throw dividends into the trash.

The only people I know who brazenly, unapologetically, unjustifiably, and consistently throw dividends into the trash are those who write articles on this topic misleadingly implying the existence of plausible innocuous explanations without actually being able to articulate one.

Regards,
Bruce Knuteson
http://bruceknuteson.com

<mdy_19950504-20221231.pdf>

From: Bruce O Knuteson <knuteson@mit.edu>
Subject: Re: overnight and intraday returns
Date: February 2, 2023 at 8:13:32 AM CST
To: chair@sec.gov
Cc: david.goldman@warnermedia.com

Dear Chair Gensler,

I attach a plot like those in They Still Haven't Told You showing diurnal alternating in the returns to Enphase Energy's stock. The cumulative intraday return to ENPH from its 2012 IPO to the end of 2022 is -93%. The cumulative overnight return over the same period is +49,626%.

Whose trading is responsible?

David, you understand that -93% is problematically different from +49,626%, and you understand that your audience expects you to tell them about strikingly suspicious return patterns in their investments.

tell them about strikingly suspicious return patterns in their investments.

When you tell them, you probably do not want to join those who are publicly on record as suggesting this suspicious pattern can be explained by earnings announcements.

If this suspicious pattern were explained by earnings announcements, the suspicious pattern would be concentrated around earnings announcements.

As anyone can easily check using publicly available price data and publicly available earnings dates, this suspicious pattern is not concentrated around earnings announcements.

Suggesting this suspicious pattern is explained by earnings announcements without bothering to check such an obvious and easily checkable prediction is shamefully lazy.

Or worse.

Regards,
Bruce Knuteson
http://bruceknuteson.com

<enph_20120330-20221231.pdf>

From: Bruce O Knuteson <knuteson@mit.edu>
Subject: Re: overnight and intraday returns
Date: January 30, 2023 at 8:23:36 AM CST
To: Chair <chair@sec.gov>, CommissionerPeirce@sec.gov, CommissionerCrenshaw@sec.gov, CommissionerUyeda@sec.gov, CommissionerLizarraga@sec.gov
Cc: martinfirvidac@sec.gov, InvestorAdvocate@sec.gov

Dear Commissioners,

I attach a plot like those in They Still Haven't Told You showing deviating overnight and intraday returns in Delta's stock.

Whose trading caused them?

The public understands the difference between returns that nosedive (to -98%) and returns that keep climbing (to +7,843%). The delta between the blue and green curves is far larger than Delta's entire market cap.

Cristina, this thread clearly documents the SEC's willful, years-long, inexcusable decision to hide from the public the existence of decades-long, strikingly suspicious return patterns in the stocks of many of America's largest companies.

The SEC's willful and repeated decision to hide these suspicious returns from the public cannot be justified by the SEC's policy of not commenting on the existence of or status of ongoing investigations. The SEC can bring these suspicious returns to the public's attention without commenting on the existence of or status of ongoing investigations.

The SEC's deliberate, years-long decision to hide these suspicious returns from the public cannot be justified by an expectation they would turn out to not be a problem. Nobody on this thread has yet been able to provide even a single historical example of a strikingly suspicious return pattern in a financial market that turned out to clearly not be a problem.

The SEC's continual, intentional choice to not disclose suspicious return patterns permeating the most visible market under its supervision cannot be justified by its apparent inability to timeously determine whose trading is responsible. The SEC can clearly alert the public to these strikingly suspicious return patterns without saying whose trading is responsible.

The SEC's volitional, persistent failure to disclose strikingly suspicious return patterns throughout the United States stock market to the public cannot be justified by the hope that the trading responsible has not affected long-term stock prices. Trading that systematically and repeatedly pushes prices in one direction when the market is illiquid and the other direction when the market is liquid will affect long-term stock prices.

Perhaps the SEC has decided it is better if the public does not hear about this problem, noting its potential threat to the stability of the global financial system. Such thinking is catastrophically misguided. The public at large will become aware of this problem sooner or later. This problem grows with the passing of time, so sooner is better than later. It would have been far better if the SEC had clearly alerted the public to this issue at the start of this thread 2,111 days ago.

If the SEC is choosing to hide this issue from investors for some reason I have not addressed, I would love to hear it. A financial regulator that views itself as unable to promptly alert the public to such strikingly suspicious return patterns is almost as ridiculous as the one hundred ridiculous plots of overnight and intraday returns shown so far on this thread.

Cristina, you and your office have an obligation to promptly disclose this problem to investors.

Regards,
Bruce Knuteson

http://bruceknuteson.com

<dal_20070503-20221231.pdf>

From: Bruce O Knuteson <knuteson@mit.edu>
Subject: Re: overnight and intraday returns
Date: January 23, 2023 at 8:02:57 AM CST
To: Chair <chair@sec.gov>, <CommissionerPeirce@sec.gov>, <CommissionerCrenshaw@sec.gov>, <CommissionerUyeda@sec.gov>, <CommissionerLizarraga@sec.gov>
Cc: <the_secretary@doc.gov>

Dear Commissioners,

I attach plots like those in They Still Haven't Told You showing the Cadillac of suspicious return patterns in Ford's stock. The two plots show the same data with linear and logarithmic vertical scales, respectively.

Whose trading is responsible?

Picking up the difference between a cumulative intraday return of -99.998% and a cumulative overnight return of +19,071,864% is not tough.

Gina, the public deserves to be told about these suspicious return patterns and how the trading of the culpable firm(s) has hurt the conditions for economic growth and opportunity for all communities.

This publicly maintained thread is now 2,104 days old and counting.

Regards,
Bruce Knuteson
http://bruceknuteson.com

<f_19900101-20221231.pdf>

<f_19900101-20221231_log.pdf>

From: Bruce O Knuteson <knuteson@mit.edu>
Subject: Re: overnight and intraday returns
Date: January 17, 2023 at 8:44:06 AM CST
To: chair@sec.gov
Cc: vipin.arora@bea.gov, mary.bohman@bea.gov

Dear Chair Gensler,

I attach a plot like those in They Still Haven't Told You showing an electric pattern of overnight and intraday returns in the stock of General Motors since its 2010 IPO.

Whose trading caused it?

The public understands that -86% is problematically different from +798%. Unfortunately, they do not know about this problem and its direct and obvious implications for U.S. economic growth, regional economic development, interindustry relationships, and America's position in the world economy because you have repeatedly chosen to not tell them.

Vipin, Mary, if the Bureau of Economic Analysis has ever publicly mentioned these strikingly suspicious return patterns in the stocks of many of America's largest companies, I would appreciate your providing a link to your public mention.

If not, the public deserves to be clearly alerted to these strikingly suspicious return patterns and their obvious implications.

Regards,
Bruce Knuteson
http://bruceknuteson.com

<gm_20101118-20221231.pdf>

From: Bruce O Knuteson <knuteson@mit.edu>
Subject: Re: overnight and intraday returns
Date: January 12, 2023 at 12:02:10 PM CST
To: Chair <chair@sec.gov>, CommissionerPeirce@sec.gov, CommissionerCrenshaw@sec.gov, CommissionerUyeda@sec.gov, CommissionerLizarraga@sec.gov
Cc: berkovitzda@sec.gov, barberom@sec.gov

Dear Commissioners,

I attach a plot like those in They Still Haven't Told You showing an uncentered pattern of overnight and intraday returns in Equinix's stock.

Whose trading caused it?

If you had invested $1 in EQIX on the day of its IPO and had gotten only intraday returns, by the end of 2022 you would have two hundredths of a penny, suffering a two-decade cumulative return of -99.98%. Getting only overnight returns, you would have $13,294.20, for a cumulative return of +1,329,320%. Your staff can easily verify these ridiculous numbers.

The public understands the difference between -99.98% and +1,329,320%. You understand the difference between -99.98% and +1,329,320%. Unfortunately, the public is unaware of this ridiculous return pattern because you have repeatedly chosen to not tell them.

Dan, Megan, this thread clearly documents the SEC's willful and repeated decision to not tell the public about ridiculous patterns of overnight and intraday returns in the stocks of many of the largest publicly traded companies in the United States.

The SEC's willful and repeated decision to not tell the public about strikingly suspicious return patterns in their investments is an extraordinary breach of the public's trust.

The SEC's failure to disclose this issue is a stunning betrayal of the public's trust even if these patterns somehow miraculously turn out to be fine -- which, as far as I can tell, would make them the first strikingly suspicious return patterns in the history of finance that turned out to clearly be fine.

The SEC's willful and repeated decision to not alert the public to these strikingly suspicious return patterns in their investments cannot be justified by the SEC's policy of not commenting on the existence of or status of ongoing investigations. The SEC can alert the public to these strikingly suspicious return patterns (which anyone can easily reproduce using publicly available data) without commenting on the existence of or status of any ongoing investigation.

The public expects the SEC to tell them about strikingly suspicious return patterns in their investments.

This thread is now 2,093 days old and counting.

Regards,
Bruce Knuteson
http://bruceknuteson.com

<eqix_20000811-20221231_log.pdf>

From: Bruce O Knuteson <knuteson@mit.edu>
Subject: Re: overnight and intraday returns
Date: January 9, 2023 at 7:57:02 AM CST
To: <chair@sec.gov>
Cc: <larry.elliott@guardian.co.uk>

Dear Chair Gensler,

I attach a plot like those in They Still Haven't Told You showing an innovative pattern of overnight and intraday returns in Edison International's stock.

Whose trading caused it?

The public understands that -96% is problematically different from +30,811%.

Larry, you can easily reproduce this plot yourself and review my rejoinder to a January 2022 *Financial Times* column for ways you can improve upon the *FT*'s description of this issue. For example, you could:

- not throw dividends into the trash,
- link to articles that say what you imply they say,
- note that this effect is not explained by earnings announcements because this effect is not concentrated around earnings announcements,
- note that this effect is not explained by "overnight news" because prices move more during the day than they do overnight,
- be upfront and honest about the problems with other innocuous explanations the financial industry may try to feed you, employing logic like that in Section II of Strikingly Suspicious Overnight and Intraday Returns,
- emphasize the striking consistency of these decades-long return streams, which argues strongly against their arising from the uncoordinated actions of millions of individual traders,
- emphasize the large negative returns, which argue strongly against any innocuous story attempting to explain these patterns in terms of returns being due to the bearing of risk,

- note the many stocks, including EIX, in which the overnight/intraday return pattern is opposite the *FT's* description, and
- ask a regulator for comment, rather than a hedge fund.

There is no need to mention me or the only explanation that fits the facts. The most important points your readers deserve to hear are the existence of these strikingly suspicious return patterns and the apparent absence of any plausible innocuous explanation for them. You can easily verify both of these points yourself.

This thread is being publicly maintained.

Regards,
Bruce Knuteson
http://bruceknuteson.com

<eix_19900101-20221231.pdf>

From: Bruce O Knuteson <knuteson@mit.edu>
Subject: Re: overnight and intraday returns
Date: January 5, 2023 at 7:55:03 AM CST
To: chair@sec.gov, CommissionerPeirce@sec.gov, CommissionerCrenshaw@sec.gov, CommissionerUyeda@sec.gov, CommissionerLizarraga@sec.gov
Cc: alberth@sec.gov, oig@sec.gov

Dear Commissioners,

I attach plots like those in They Still Haven't Told You showing a ridiculous pattern of overnight and intraday returns in the stock of Beazer Homes. Like the similar plots for Fannie Mae and Freddie Mac shown last week, the two attached plots show the same data with linear and logarithmic vertical scales.

Whose trading caused this ridiculous return pattern?

The public understands that a return of -99.999% is problematically different from a return of +3,169,023%.

Helen, as clearly documented in this thread, the SEC has repeatedly chosen to not tell the public about decades-long, strikingly suspicious patterns of overnight and intraday returns in the stocks of many of the largest publicly traded companies in the United States.

Reviewing your office's impressively thorough and forthright investigation into the SEC's Madoff humiliation will not begin to prepare you for the conflicts of interest inherent in this issue, but it will put you in the right mood.

This thread is now 2,086 days old and counting.

Regards,
Bruce Knuteson
http://bruceknuteson.com

<bzh_19940223-20221231.pdf>

<bzh_19940223-20221231_log.pdf>

From: Bruce O Knuteson <knuteson@mit.edu>
Subject: Re: overnight and intraday returns
Date: January 3, 2023 at 8:23:56 AM CST
To: chair@sec.gov, investorinquiries@iiroc.ca, directiondelacommunication@amf-france.org, poststelle@bafin.de, equestion@fsa.go.jp, consumer.queries@fca.org.uk, inquiries@osc.gov.on.ca, post@finanstilsynet.no, stordesk@afm.nl, markets@asic.gov.au, complaint@sfc.hk, modiin@isa.gov.il, comunicacion@cnmv.es, consob@consob.it, fssintl@fss.or.kr, sebi@sebi.gov.in, press_officer@mas.gov.sg

Dear Regulators,

I attach plots like those in They Still Haven't Told You showing ridiculous patterns of overnight and intraday returns in major stock market indices under your supervision, updated with data through the end of 2022.

Whose trading caused them?

If any of you have clearly alerted your public to this issue in the three months since I last addressed you on this thread, I would very much appreciate your providing a link to your clear public alert.

Several of you have responded (on separate threads) to the effect that you are prevented by law or policy from alerting your public to these strikingly suspicious return patterns in their investments.

You are not as constrained as you profess. You can alert your public to strikingly suspicious return patterns in their investments without commenting on the existence of or status of any ongoing investigation.

If you do not want to tell your public about these strikingly suspicious returns, that is your choice to make -- but it is *your* choice, and you should have the backbone to own it. Pretending it is somebody else's choice is disingenuous, cowardly, and, for those of you with mission statements like the SEC's "protect investors, maintain fair, orderly, and efficient markets, and facilitate capital formation," makes a mockery of your stated mission.

The world needs you to be better than that, and your public expects you to tell them about strikingly suspicious return patterns in their investments.

Regards,
Bruce Knuteson
http://bruceknuteson.com

<world_indices_19900101-20221231.pdf>

[Earlier contributions to this thread (starting on April 20, 2017) are available at https://bruceknuteson.github.io/spy-day-and-night/correspondence/2/SECandOthers-2022.pdf.]