



From: Bruce O Knuteson knuteson@mit.edu 

Subject: Re: overnight and intraday returns

Date: March 28, 2023 at 7:54 AM

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-
20230...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>

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>

<[idx_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

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>

<[lu_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?

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>

<[id_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

ings.

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 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.

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: berkowitzda@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](#),
emphasizing the striking consistency of these decades-long return streams, which cannot be explained by their own logic.

- 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, directiondelacomunication@amf-france.org, poststelle@bafin.de, equestion@fsa.go.jp, consumer.queries@fca.org.uk, inquiries@osc.gov.on.ca, post@finansstilsynet.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>.]