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What Ted's Thinking

The Short Squeeze

This week's short squeeze triggers all kind of thoughts. I sent out this tweet storm that scratches the surface. It led me to want to share investment ideas with our Premium Community as they arise. I'll share investment concepts, ideas, and actions as they arise at the top of the weekly, although probably not every week.

* Thinking about shorting. I can only imagine what is on Gabe Plotkin's mind. No rebates for a long time, path dependency of outcomes, and now targeting by a public far more impactful than anyone realized. After a banner year for long-short funds, I'll be watching the performance numbers to see how allocators react.

* "Risk means we don't know what will happen." My favorite Peter Bernstein aphorism comes up time and time again in investing and life. What Peter meant is that we really don't know and if we think we do, we run into problems. Think probabilistically.

* Opportunities in turmoil. It's fun to think about what may come out of this. Hedge fund losses create hedge fund deleveraging, which means selling common positions held by leveraged funds. Event driven managers and platform funds often find these challenging times, and quants may well exacerbate the pain. I own a portfolio of SPACs and am watching to see if they sell-off close to the cash levels held in trust (often \$10).