asymmetricalbets · 2026-08-31T11:24:44.703Z

$55M Portfolio + Positions Update: +18.4% In August

Our strategies returned 18.4% this month after momentum bounced back from July. Here’s what delivered and how were thinking about the market.

Hey everyone,

One goal of ours for the rest of the year is to bring you guys more visibility and transparency into our funds/performance to help you get maximal value out of our subscription and stay convicted in core trades as we face increased volatility.

As many of you know, one of the most interesting parts about our publication is that we have over $55M AUM on Autopilot, an app where thousands of retail investors follow our thematic portfolios trade by trade, without needing to self-manage strategies.

For paid subs we share all these updates and daily performance in the VIP discord, as those who do not live in the United States or don't have a compatible broker can not follow our funds on the Autopilot app.

Michael also publishes his high-risk, high-trade-volume trading portfolio on the VIP discord server for paid subscribers (like his bullish SONY options position), alongside a group chat where all of our members and analysts chat. If you ever had trouble connecting, we have fixed those issues so you can now connect to it using an email passcode if your discord account wasn't syncing.

Before we begin, this Substack is for informational and entertainment purposes only and does not constitute financial advice. Past performance is not indicative of future results. Never invest more than you can afford to lose. Our writers may hold positions in the securities discussed and may buy or sell them at any time without notice.

Current Overall Market Thoughts

The stock and bond markets are pricing two different realities right now. The S&P 500 is trading near 7,711, up about 21% over the past year, as AI spending enthusiasm keeps pushing prices higher. At the same time, the 10-year Treasury yield sits above 4.70% and the 30-year is over 5.20%. When you can earn a guaranteed 4.7% risk-free from government bonds, you need a much bigger potential payout to justify taking risk in stocks. With the S&P 500 priced at roughly 23 times earnings, stocks are historically expensive and leave almost zero margin of safety if corporate profits don’t grow at record speeds.

Bond yields aren’t coming down anytime soon because of basic supply and demand. The federal government is running a nearly $2 trillion annual deficit, flooding the market with new debt that investors demand higher yields to absorb. At the same time, mega-cap tech companies have issued around $200 billion in corporate bonds this year alone, competing directly with the government for investor dollars. While Treasury Secretary Scott Bessent stepped in with a $4 billion bond buyback program to calm the market, it’s essentially a temporary band-aid swapping long-term debt for short-term bills without fixing the root problem. To make matters worse, Fed Chair Kevin Warsh made it clear at Jackson Hole that current financial conditions aren’t even restrictive and that inflation is still running too hot, effectively killing off hopes for immediate rate cuts.

Despite stubborn inflation, ongoing geopolitical tensions, and interest rates staying higher for longer, stock market volatility is asleep, with the VIX sitting near 14. This means many traders are pricing in an ideal world where nothing goes wrong, leaving them vulnerable to sudden pullbacks.

Three critical catalysts are set to dictate whether this market disconnect can hold: the **September 4 Non-Farm Payrolls** report (testing whether recent labor market cracks are widening), the **September 11 CPI print** (revealing whether energy disruptions and sticky core components are re-accelerating inflation), and the **September 16 FOMC decision** (where the Fed will formally address whether its hawkish tone translates into actual policy tightening).

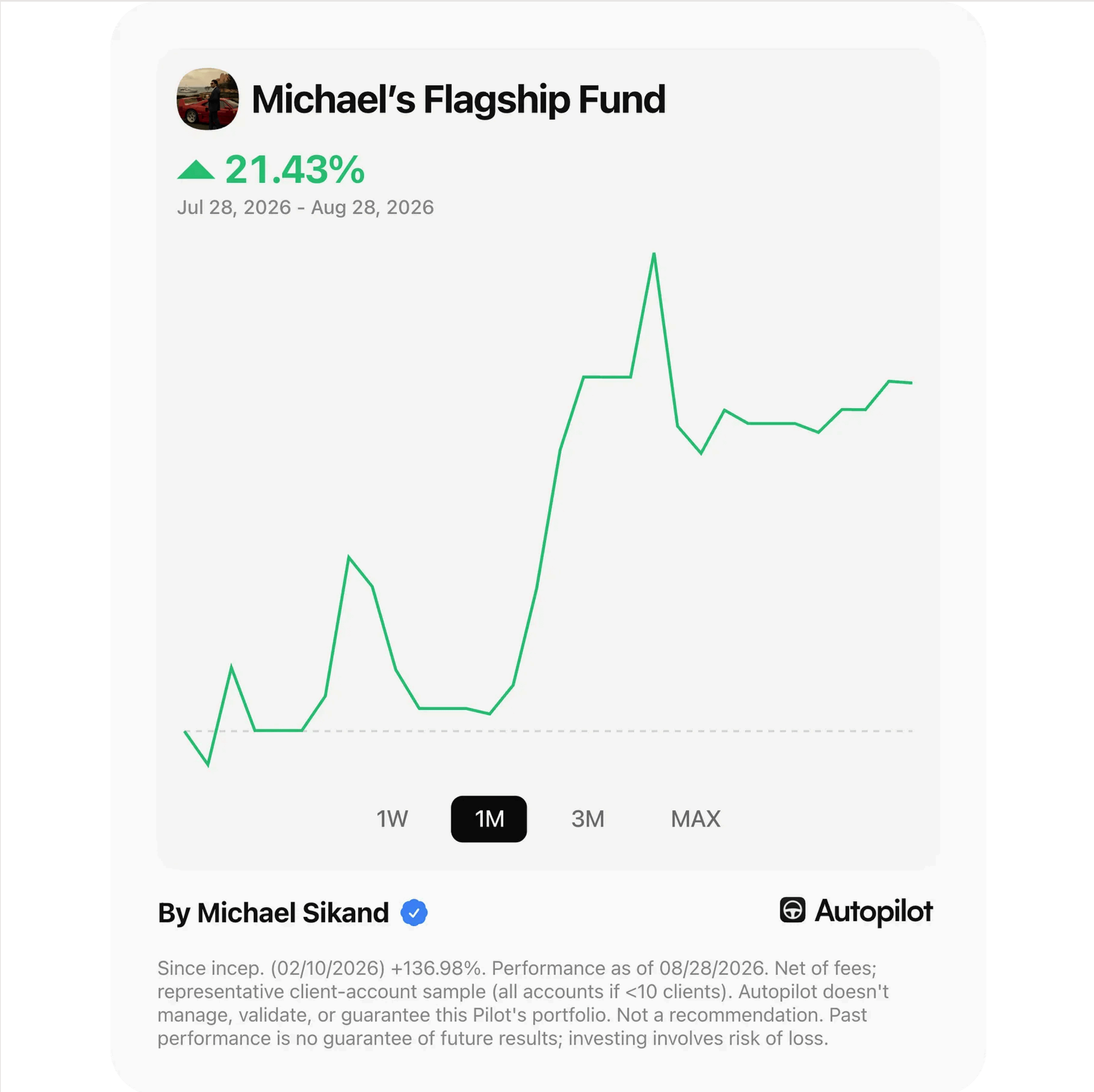
In a market pricing in perfection with zero room for error, staying disciplined and thinking long term here is the only real edge. Here is where our strategies sit today and how we are positioned heading into this month's macro catalysts.

Autopilot Portfolios

AUM is live Autopilot total COA as of Sunday 8/30. Performance chips as of Sunday 8/30 (last session Friday 8/28). Holdings as of Friday close. All trade updates since August 1.

*A note on the math: the **+18.4%** blended return weights each fund's one-month performance by its AUM, so the three biggest sleeves (Photonics $19.7M, Asymmetric Bets $18.2M, Flagship $15.1M) drive most of that number. The +**11.9% equal weight** average counts all six portfolios the same regardless of size.

1\. Michael’s Flagship Fund (Formerly Memory Supercycle)



Performance since inception (2/10/2026): +136.98% | 1 Month: +21.43% | AUM: $15.1M

Positions: MSFT 8.35% META 8.27% AMZN 8.10% NVDA 7.92% GOOG 7.90% NOW 5.44% BE 5.27% SONY 5.09% LITE 5.06% CRDO 5.03% BRK.B 4.99% AEP 4.93% LMT 4.88% UBER 4.88% DRAM 4.74% NBIS 4.60% LLY 4.55%

This fund started as an ultra high-risk bet: all in on memory stocks in February. After that call delivered more than a double in 6 months, we diversified the winnings into something we could think more long term with: a balanced flagship combining the biggest winners of the AI buildout with high-quality compounders across other sectors like gaming, autonomy, healthcare, power grids, and defense.

Roughly half sits in mega-cap tech platforms, Meta, Alphabet, Amazon, Microsoft, Nvidia. Several trade at their cheapest multiples in years despite dominant positions and the cash flows funding the entire AI buildout.

Around that core are steadier winners in other pockets of the economy: Berkshire, Lilly, Lockheed, AEP, Sony for ballast, but clear growth stories from trends like missile restocking ($LMT), GTA VI ($SONY), and GLP-1 ($LLY).

But there's also a high torque, asymmetric sleeve in AI exposure in names like Lumentum, Credo, and Nebius, where optical interconnect, AI power demand, and neocloud capacity carry enormous upside.

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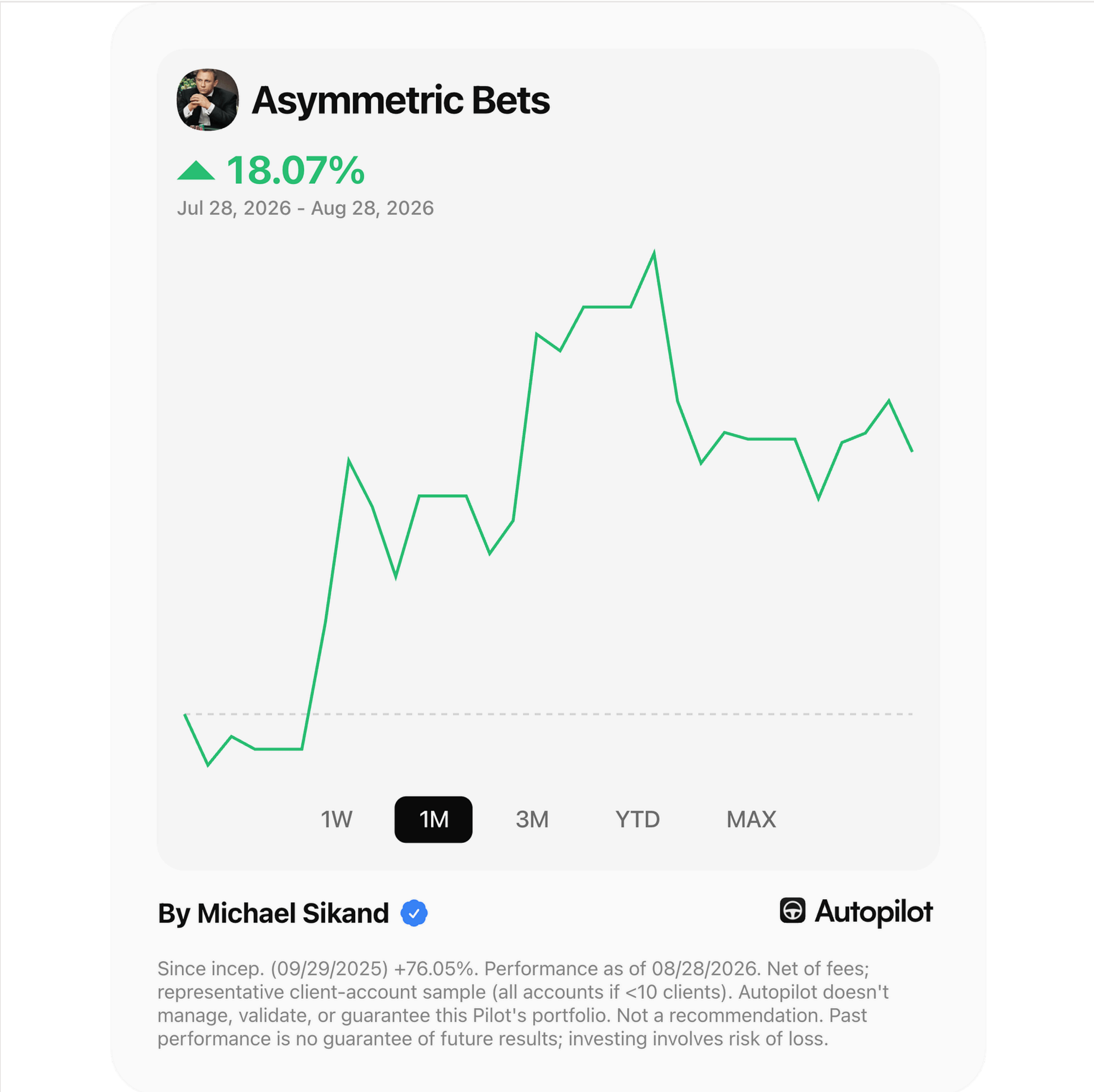
2\. Asymmetric Bets



Performance YTD: +87.66% | 1 Month: +18.07% | AUM: $18.2M

Positions: SGOV 25.64% LITE 21.10% CRDO 18.37% DRAM 17.48% NBIS 17.41%

YTD is +88% and the last month is +18%.

This is our ultra high risk, high reward portfolio focused on the most asymmetrical AI infrastructure names. As of 4/30, we've already had one stock quadruple with $AAOI and triple with $BE in the past 6 months. Extremely high risk tolerance required and willingness to hold through massive volatility.

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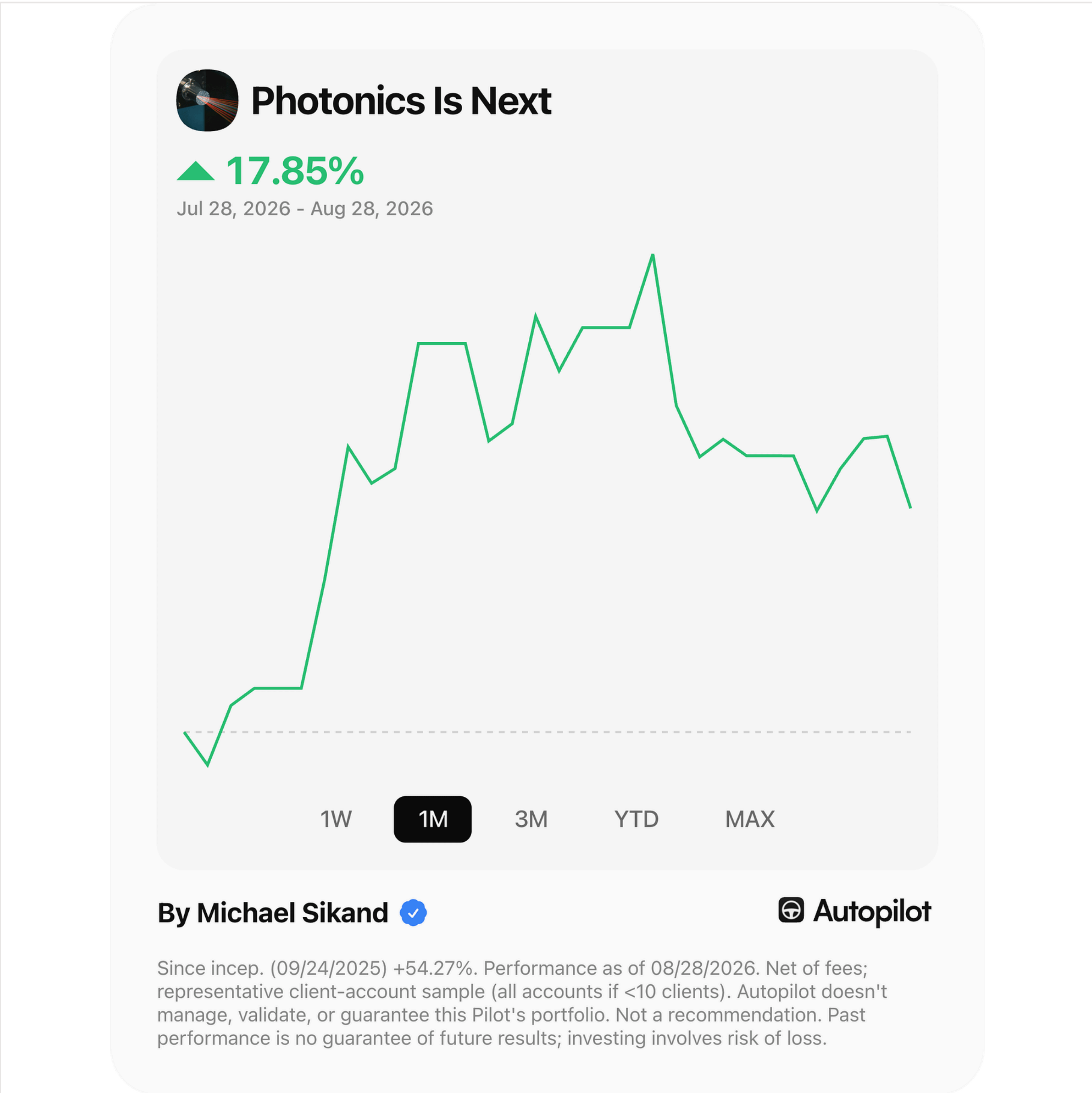
3\. Photonics Is Next

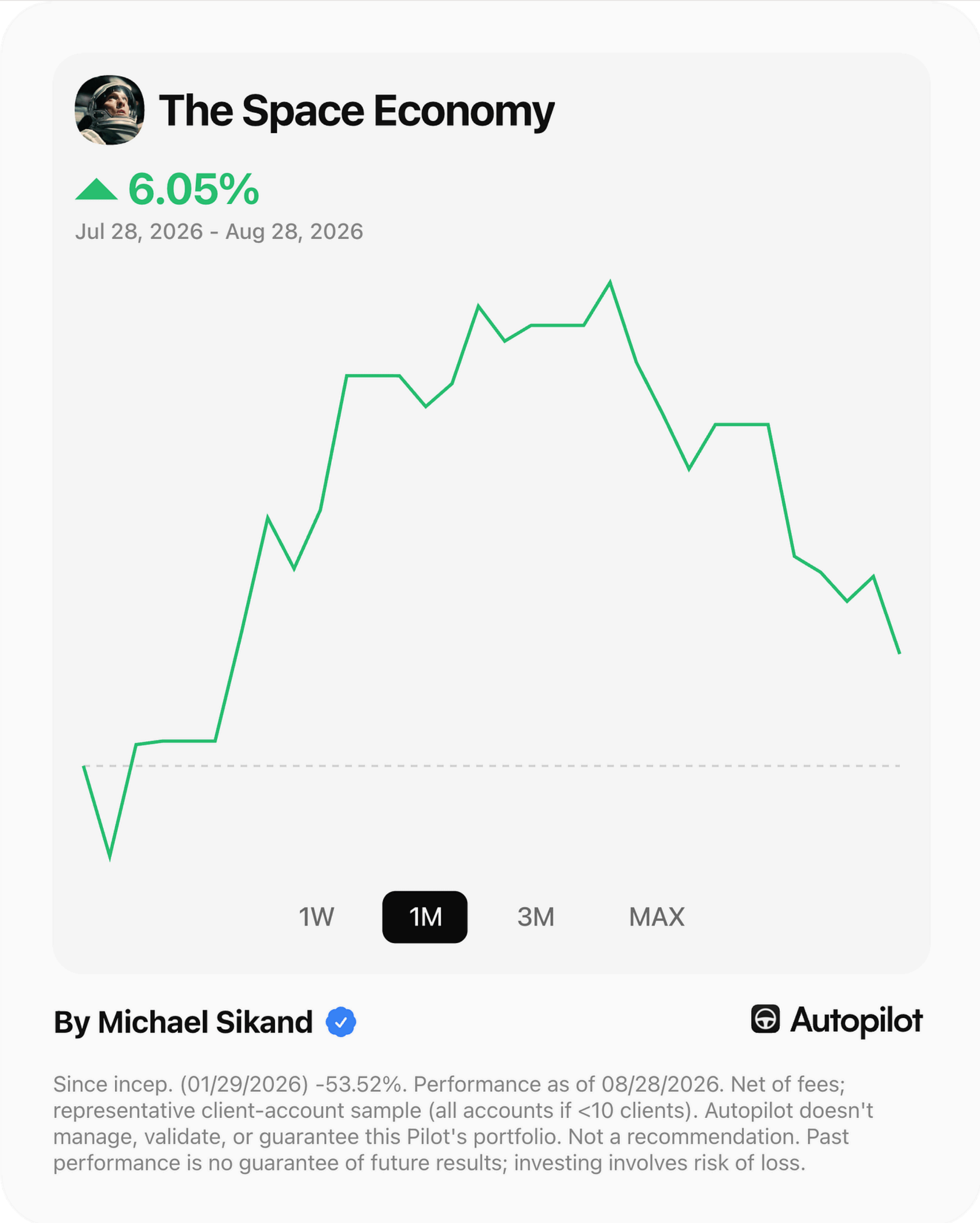


Performance YTD: +52.93% | 1 Month: +17.85% | AUM: $19.7M

Positions: SGOV 27.50% LITE 16.46% COHR 12.67% CIEN 8.11% GLW 7.06% VIAV 6.70% TSEM 6.54% MRVL 4.40% AAOI 4.18% AEHR 3.43% AXTI 2.95%

Photonics is the next major infrastructure buildout. As AI workloads push electrical interconnects to their physical limits, photonics is emerging as the critical bottleneck-breaker, enabling faster, cooler, and more energy-efficient data transmission at scale. This portfolio targets companies positioned across the photonics value chain: from optical transceiver manufacturers and laser chip designers to the picks-and-shovels suppliers enabling the transition from electrons to photons. The thesis is simple: just as GPUs became essential infrastructure for AI compute, photonic components are becoming essential infrastructure for AI connectivity. Early innings and massive TAM. Extremely high risk tolerance required and willingness to hold through massive volatility.

4\. The Space Economy



Performance since inception (1/29/2026): −53.52% | 1 Month: +6.05% | AUM: $968.7K

Positions: RKLB 18.38% ASTS 18.03% SPCX 16.89% FLY 12.38% MDA 9.98% LUNR 8.99% BKSY 7.98% PL 7.37%

The Space Economy is a high conviction portfolio targeting the next wave of orbital infrastructure. With the global space economy projected to grow from roughly 600 billion dollars today toward 2 trillion dollars over the next decade, the strategy focuses on bottleneck assets like launch capacity, spectrum, lunar landers, satellites, orbital missile defense and data positioned for asymmetric upside.

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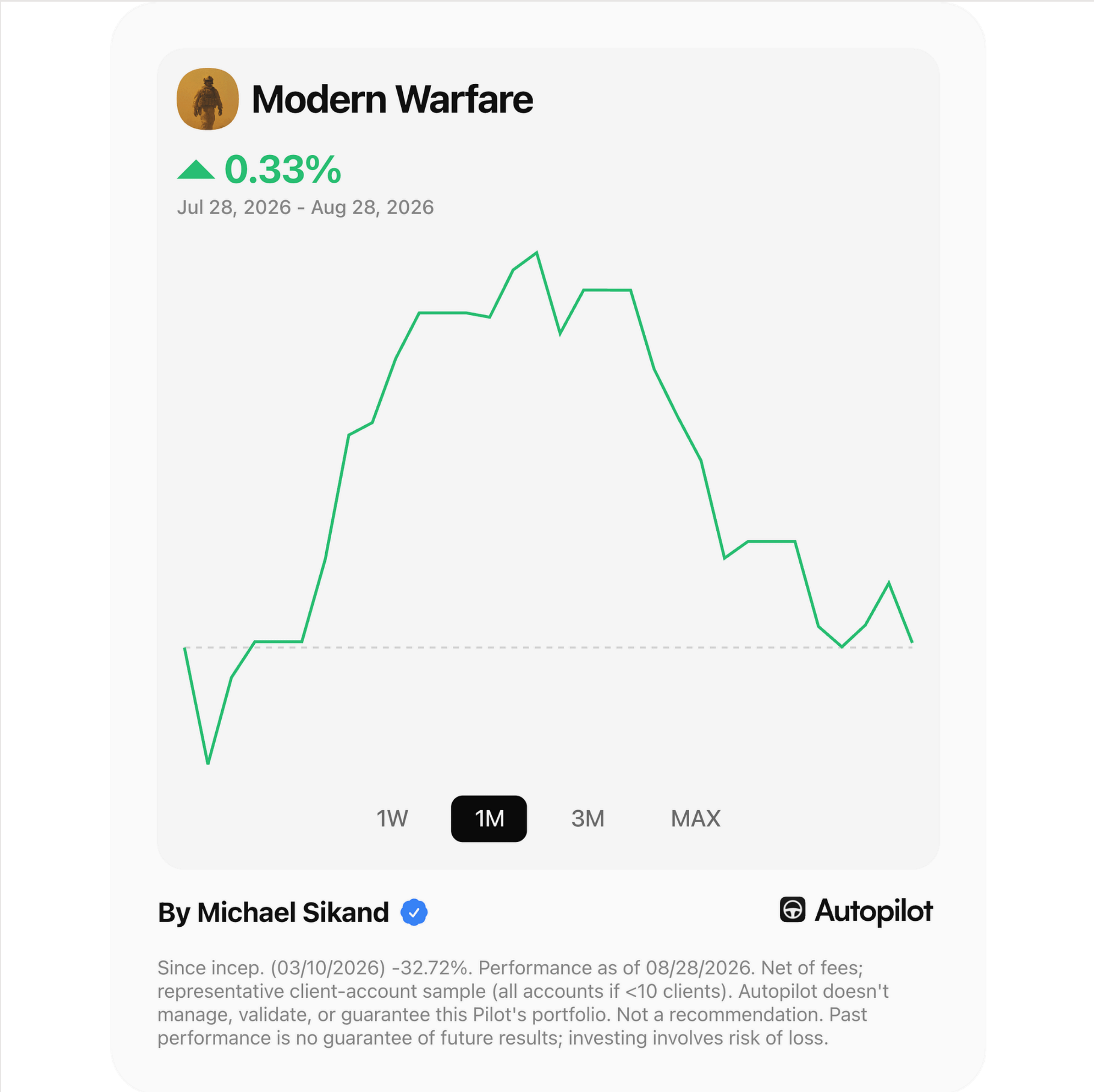
5\. Modern Warfare



Performance since inception (3/10/2026): −32.72% | 1 Month: +0.33% | AUM: $428.9K

Positions: AVAV 35.88% KTOS 25.06% AVEX 9.93% ONDS 7.16% LASR 7.07% CRWD 5.03% ALM 5.01% UMAC 4.86%

Since March 10 this sleeve is −33%, and last month was basically flat at +0.3%.

History is written by the victor. This is a focused drone strategy that combines macro trends like the Iran War with stock-specific analysis. As global defense spending increases, the goal is to identify the companies and technologies receiving the most funding and where growth is not yet fully priced in.

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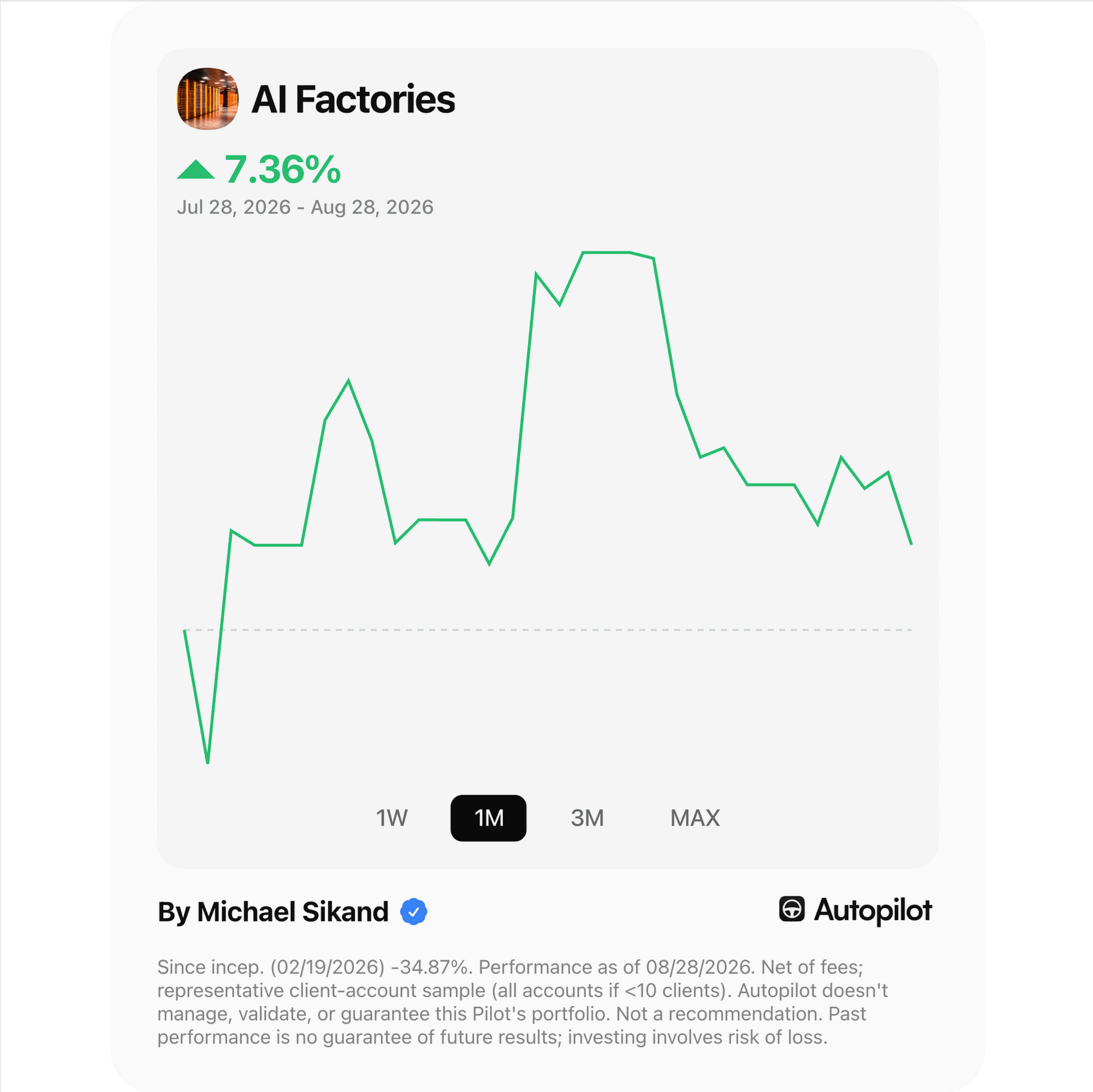
6\. AI Factories



Performance since inception (2/19/2026): −34.87% | 1 Month: +7.36% | AUM: $605.3K

Positions: NBIS 38.04% CRWV 30.04% HUT 13.10% IREN 6.56% GLXY 3.87% APLD 2.86% WULF 2.86% CIFR 2.67%

Hyperscalers are spending $392B in 2026 to build AI infrastructure. This portfolio owns the companies supplying the GPU compute, power, and data center capacity that make it possible. The anchor positions are NBIS and CRWV. Combined they hold over $140B in contracted HPC revenue against a market cap that implies a fraction of that value. The remainder of the portfolio is sized by AI revenue conversion progress, contracted megawatts, and power cost efficiency. The thesis is simple: contracted hyperscaler revenue converts to operating run-rate, the market re-rates these names from speculative to infrastructure, and the multiple expansion does the work.