

BEARING PARTNERS

# RADAR MARKETS

Daily Markets Brief

Monday 20 April 2026

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Positions

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High Conviction

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Thesis Families

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Tier 1 Signals

## Portfolio Synthesis

**The brief primarily bets on cascading supply chain disruptions across critical infrastructure systems triggering simultaneous production halts and financial system stress.**

**Thesis concentration.** No positions share thesis families, with P1 targeting semiconductor supply constraints, P2 positioning for dollar system stress, and P3 focused on Gulf financial breakdown.

### Thesis-weighted view

The portfolio deploys three distinct thesis families with equal medium conviction weighting. Semiconductor supply constraint exposure through P1 captures immediate production halt risk from helium/bromine disruption and energy supply interruption. Dollar system stress positioning via P2 anticipates flight-to-quality flows despite systematic currency bypass mechanisms. Gulf financial breakdown targeting through P3 addresses systemic funding gaps from deposit flight during energy revenue elimination. Each thesis operates through different transmission mechanisms but converges on supply chain and financial system fragility.

### Sizing guidance

The portfolio construction reflects three uncorrelated medium-conviction positions across different asset classes and geographies. A disciplined allocator would recognize the thesis diversity as reducing correlation risk while maintaining exposure to systemic disruption themes. The equal conviction weighting suggests balanced position sizing within risk tolerance, though the concentrated three-position structure implies higher individual position weights than typical diversified portfolios. The short-heavy bias across two of three positions creates directional concentration that requires careful correlation monitoring during market stress periods.

## Positions

P1

## SMH — VanEck Vectors Semiconductor ETF

semiconductor\_supply\_constraint · ARCX · SMH · spot\_etf

SHORT

MEDIUM

**Thesis.** Helium and bromine supply disruption creates immediate chip fab production halt risk since these materials cannot be substituted, while TSMC consuming 9% of Taiwan's electricity faces direct production capacity constraints from energy supply interruption.

### BREAK CONDITION

Alternative helium sourcing secured for major fabs OR Middle East materials supply chains restore normal flow OR energy supply to Taiwan fabs stabilizes

### HORIZON

2-6 weeks — tied to fab inventory exhaustion timeline for critical materials

### KEY RISK

Scarcity pricing power allows semiconductor companies to maintain margins despite production constraints, offsetting volume declines.

### SIGNAL IDS

**20260420-CAT6-001** — Establishes helium/bromine supply disruption creating immediate production halt risk  
**20260420-CAT6-002** — Quantifies TSMC's 9% Taiwan electricity consumption creating energy vulnerability  
**20260420-CAT6-007** — Confirms dual vulnerability from energy shortage and helium shortage

**Sizing.** Institutional risk budget for high-conviction sector short exposure: 1.5-2.0% of portfolio notional

**Correlation.** No correlation penalty — independent thesis not shared with other positions

**Volatility.** SMH typical weekly range in supply chain stress regime: 10-15% — elevated sector volatility

**Symmetric hedge (inverse exposure, not a recommendation).** SMH call options or long SMH position — Production constraints drive scarcity pricing that can offset volume declines in the short term through margin expansion

P2

## UUP — Invesco DB USD Index Bullish Fund

dollar\_system\_stress · ARCX · UUP · spot\_etf

LONG

MEDIUM

**Thesis.** Over 80% of Iran's oil exports now priced in yuan while Iran implements cryptocurrency transit fees creates systematic dollar bypass, but crisis conditions force flight-to-quality flows into USD as the only liquid safe haven at required scale.

### BREAK CONDITION

Yuan-denominated energy trade exceeds 30% of global crude transactions OR dollar system stress indicators normalize OR alternative reserve currencies gain meaningful central bank adoption

### HORIZON

3-8 weeks — tied to crisis duration and safe haven demand persistence

### KEY RISK

Yuan-denominated energy settlements reaching critical mass could accelerate dollar system pressure beyond flight-to-quality offset.

### SIGNAL IDS

**20260420-CAT4-002** — Quantifies 80% of Iranian oil exports now priced in yuan creating systematic bypass  
**20260420-CAT4-003** — Establishes cryptocurrency transit fee forcing currency conversion away from dollars

**Sizing.** Institutional risk budget for medium-conviction currency directional exposure: 1.0-2.0% of portfolio notional

**Correlation.** No correlation penalty — independent thesis not shared with other positions

**Volatility.** DXY typical weekly range in crisis-driven safe haven regime: 2-4% — moderate currency volatility

**Symmetric hedge (inverse exposure, not a recommendation).** FXV — CurrencyShares Japanese Yen Trust, or yuan exposure — Yuan gains structural reserve status if dollar bypass mechanisms reach critical mass in energy trade

P3

## XLF — Financial Select Sector SPDR Fund

gulf\_financial\_breakdown · ARCX · XLF · spot\_etf

SHORT

MEDIUM

**Thesis.** Gulf banks facing \$307 billion deposit flight representing 30-40% of regional banking liquidity creates systemic funding gap that forces deleveraging across correspondent banking relationships and global credit markets during peak energy revenue loss.

### BREAK CONDITION

Gulf banking liquidity stabilizes through central bank intervention OR deposit flight reverses below 10% of regional liquidity OR energy revenues restore normal Gulf fiscal positions

### KEY RISK

Correspondent banking withdrawal creates contagion effects that exceed the regional Gulf banking impact implied by the thesis.

### HORIZON

6-12 weeks — tied to Gulf fiscal position deterioration and global banking relationship unwinding

### SIGNAL IDS

**20260420-CAT4-001** — Quantifies \$307 billion deposit flight risk representing 30-40% of Gulf banking liquidity

**20260420-CAT2-006** — Establishes energy revenue elimination amplifying banking sector deleveraging pressure

**Sizing.** Institutional risk budget for medium-conviction sector short exposure: 1.0-1.5% of portfolio notional

**Correlation.** No correlation penalty — independent thesis not shared with other positions

**Volatility.** XLF typical weekly range in banking stress regime: 8-12% — elevated financial sector volatility

**Symmetric hedge (inverse exposure, not a recommendation).** *XLF call options or US domestic banking focused ETF — Gulf banking stress can drive deposits toward US domestic banks as safer alternatives to regional Gulf institutions*

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