

THE ~~unfiltered~~ — INVESTOR

Given the ongoing U.S. strikes on Iran, I wanted to ensure you receive this immediately so our perspective reaches you in real time as events unfold. The full newsletter, complete with trades and open positions, will still go out as scheduled, but this opening piece felt important to share early.

JIM'S THREE CENTS (Is on vacation)

And Now the Confusion Starts

Early Saturday morning, the U.S. and Israel launched a massive coordinated military operation against Iran — dubbed "Operation Epic Fury" — targeting senior leadership, nuclear infrastructure, military command centers, and intelligence assets simultaneously. Three separate gatherings of top Iranian officials were struck at once. By midday, President Trump confirmed what Israeli officials had been saying for hours: Ayatollah Ali Khamenei, Iran's Supreme Leader since 1989, is dead.

Here's what makes this unlike anything we've seen before. The target wasn't a head of state. It wasn't a defense minister or a general. It was a man his followers considered the living voice of God on earth — the final word on every matter, spiritual and political, in the Islamic Republic. You can replace a president. You can replace a prime minister. You cannot replace a figure whose authority is rooted in divine interpretation. That's not a leadership transition. That's an existential crisis for an entire religious and political order.

Iran's response was predictably chaotic. Tehran fired over 100 ballistic missiles and nearly 200 drones at U.S. military bases spread across Bahrain, Kuwait, Qatar, the UAE, and Saudi Arabia (and of course, Israel). And here's the twist — those countries are now effectively part of the coalition whether they formally signed up or not. Iran attacked them, not the other way around. Saudi Arabia, which was already accelerating oil exports ahead of the strikes, has condemned the attacks in the strongest possible terms and explicitly reserved the right to respond militarily. When Iran hits Riyadh, you've made your coalition for them.

And for anyone spending energy on the politics of whether Trump should have gone to Congress for a declaration of war — set that aside. The last time Congress formally declared war was in 1942, against Romania, Bulgaria, and Hungary during World War II. Korea didn't have one. Vietnam didn't have one. Neither did Afghanistan or Iraq. This is hardly a new precedent, regardless of which side of the aisle you sit on.

For crude oil, expect a rally when markets open Sunday night — early estimates put the move at \$3 to \$5 a barrel, possibly more. But the ceiling is genuinely unknowable right now. The Strait of Hormuz — the artery for roughly 20% of global crude supply — is reportedly "practically closed" with tankers stacked up on both sides. Iran pumps about 3.3 million barrels a day, but its real leverage has always been geographic, not volumetric. That said, Saudi Arabia's positioning here could actually complicate the bullish case for oil. If Riyadh doubles down on its alignment against Iran, an OPEC+ production increase that was already being floated could get announced alongside assurances that the Gulf states stand ready to offset any Iranian supply disruption. That's the paradox — this could end up being more bearish for prices than the headlines suggest.

Trump made clear the campaign is far from over. "The heavy and pinpoint bombing will continue, uninterrupted throughout the week, or as long as necessary," he posted Saturday. That open-ended timeline is where markets start getting uncomfortable in a broader sense. Short term, aerospace and defense names should see a bid. Beyond that, all bets are off.

I'll be honest — I was fully prepared to write today's piece about Nvidia. The company absolutely crushed earnings, and then did something strange: the stock barely moved post-close and then actually fell from there. That counterintuitive reaction was a story worth telling. Then this happened. Nvidia's earnings are a footnote now.

As for our three trade recommendations this week — they're all double bottom setups, which means the market has to recover before we even think about entering. I genuinely couldn't be more comfortable with that right now. In environments this uncertain, you don't bottom fish. You don't know where the bottom is. You let the market show its hand first, and you trade the move back up. That discipline matters most when everything else is telling you to panic. Stay patient.