Financial Markets Strategy

Trade: SHORT BTC $1M

Field	Value
Market	BTC hits $1M before GTA VI
Price	48.5%
Fair Value	~0%
Edge	**48.5%**
Action	**SHORT** (sell YES / buy NO)

Black-Scholes Pricing

Digital call option: P(S > K) = N(d2)

Parameter	Value
Spot	$95,000
Strike	$1,000,000
Required Move	10.5x (+953%)
Volatility	55% (annualized)
Risk-free Rate	4%

Fair Value by Expiry

Expiry	BS Fair Value	Market	Edge
6 months	0.00%	48.5%	48.5%
12 months	0.00%	48.5%	48.5%
24 months	0.00%	48.5%	48.5%
36 months	0.00%	48.5%	48.5%
60 months	0.01%	48.5%	48.5%

GTA VI expected Fall 2025 - Fall 2026. Expiry doesn't matter.

Options Market Comparison

Strike	Move	BS Prob (1yr)	Notes

Strike	Move	BS Prob (1yr)	Notes
$100k	+5%	42%	Deribit ~30% (30d)
$110k	+16%	28%	
$120k	+26%	18%	
$150k	+58%	6%	
$200k	+111%	1.2%	
$500k	+426%	0.001%	
$1M	+953%	0.00%	Polymarket: 48.5%

Options market is internally consistent. Polymarket's $1M market is not.

Why 48.5%?

Market is pricing:

- Hope/speculation, not probability
- Hyperbitcoinization beliefs
- Meme value

Position Sizing

Per $100 max loss tolerance:

- SHORT at 48.5%
- Max loss if BTC hits $1M: $100
- Profit if doesn't: $94.17
- Expected value: +$48.50

Risk

Risk	Mitigation
BTC actually 10x	Size based on max tolerable loss
GTA VI delayed indefinitely	Capital locked, opportunity cost
Settlement dispute	Monitor resolution criteria
Black swan / regime change	Position limit

Summary

Under lognormal assumptions at any reasonable volatility:

- A 10x move from $95k to $1M has ~0% probability
- Market prices this at 48.5%

- Edge is essentially the full market price